



## Education Report: Re-establishment of Alert Level 2 support for casual staff in the State and State-integrated schooling sector workforce due to COVID-19 resurgence

<b>To:</b>	Hon Grant Robertson, Minister of Finance Hon Chris Hipkins, Minister of Education		
<b>Date:</b>	5 March 2021	<b>Priority:</b>	High
<b>Security Level:</b>	In confidence	<b>METIS No:</b>	1252746
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<b>Messaging seen by Communications team:</b>	Yes	<b>Round Robin:</b>	No

### Purpose of Report

1. This paper seeks your approval to re-establish support, on application, to the Ministry for day relief and casual staff, who are paid by timesheet and work in State and State-integrated schools and kura, who have been directly affected by the current COVID-19 resurgence.

### Summary

2. At 6:00 am on 28 February 2021 the Auckland region moved to COVID-19 Alert Level 3 and the rest of the country moved to Alert Level 2. The Government indicated that the current restrictions would remain in place for a seven-day period. This change to alert level settings followed a shorter period of the same restrictions, from 15 to 17 February.
3. On 5 March, the Government announced that the Auckland region will move to COVID-19 Alert Level 2 at 6am on Sunday 7 March and the rest of the country will move to COVID – 19 Alert Level 1.
4. The government will review this decision at the end of next week with the view to move the Auckland region to COVID – 19 Alert Level 1 at the start of the weekend if we are in a position to do so.

### Support provided in 2020

5. In 2020, emergency additional wage payments (“the emergency payment scheme”) were paid by the Ministry of Education to current casual workers at State and State-integrated schools and kura during the Alert Level 4 and Alert Level 3 restrictions when school sites were closed to all or the majority of students. Casual workers include day relief teachers and support staff in schools who are paid via timesheet, such as some teacher aides, cleaners, caretakers and other staff engaged as needed. The initial emergency payment arrangements supported approximately 13,000 workers. When emergency payments were re-established in August

2020, in response to the Alert Level 3 restrictions for the Auckland region, around 3,500 employees received payment over two pay periods, at a cost of about \$4.7 million.

6. During Alert Level 2, the scheme was extended to provide support on application for casual employees who were ill with COVID-19, required to self-isolate, or were unable to work as they (or their household) were very vulnerable to COVID-19. A very small number of employees required support at Alert Level 2 with 13 applications received and one person eligible for support.

*Support for casual schooling sector workers during the current resurgence*

7. We have advised schools that day relief and casual workers who had been booked for work during Alert Level 3 restrictions should be paid for this booking. This reflects that schools largely plan and book day relief and casual workers a week in advance.
8. Schools are funded to meet the costs of engaging day relivers and are eligible to seek additional funding where they need to employ relievers for longer than eight days. We expect that most schools will not have incurred significant additional costs to pay casual staff for work already booked. However, we will support schools if they are financially challenged and may provide additional emergency funding where a state or state-integrated school or kura has incurred a larger than usual cost for relief staff due to Alert Level 3 (or higher) restrictions.
9. We anticipate that a portion of the casual schooling workforce may continue to be unable to work, or face a reduced ability to work, under Alert Level 2 due to a re-emergence of COVID-19, particularly if they are required to self-isolate or fall ill with COVID-19.
10. Due to the ad-hoc nature of their employment, these staff may start to rely on other forms of Government support if further support is not made available by the Ministry of Education. We propose that to reduce this, and in keeping with the Government's objectives support is made available, on application, for these workers.
11. We expect costs for Alert Level 2 support on application to be less than \$0.25 million per fortnight (up to \$0.75 million should Alert Level 2 restrictions be in place for three fortnights). These costs will be met through re-prioritisation of funding within Vote: Education.
12. We will provide further advice regarding support for casual schooling workers should Alert Level 3 or higher restrictions be re-instated for a period longer than seven days.

## Recommended Actions

The Ministry of Education recommends you:

- A. **agree** that the Ministry of Education re-establish support for State or State-integrated schooling employees who were paid using time-sheet and hired on an “as needed” basis who are unable to work due to Public Health Guidelines when:
- i. they are sick with COVID-19, or are caring for a dependant who is sick with COVID-19, or
  - ii. they are self-isolating, or are caring for a dependent who is self-isolating due to coming into close contact with someone who has COVID-19, or
  - iii. they, or a member of their household are deemed higher-risk to COVID-19, in accordance with public health guidelines

**Agree / Disagree**

**Agree / Disagree**

- B. **note** that the payments referred to in recommendation A will be made retrospectively on application to the Ministry of Education

**Noted**

**Noted**

- C. **note** that given the uncertainty around COVID-19, it is difficult to predict how long some form of support may be required, and that, if Alert Level 3 or higher restrictions are re-instated for a period of longer than seven days, we will provide further advice regarding the support that could be provided to casual workers and how this may be funded

**Noted**

**Noted**

- D. **note** that the estimated cost to provide support on application under Alert Level 2 is expected to cost less than \$0.25 million per fortnight (up to \$0.75 million should restrictions be in place for three fortnights)

**Noted**

**Noted**

- E. **note** that the costs outlined in recommendation D will be funded from Vote: Education

**Noted**

**Noted**

- F. **note** that emergency funding may be provided where a State or State-integrated school or kura has incurred significant and unusual costs for relief staff due to the Alert Level 3 (or higher) restrictions, in order to ensure that day relievers and other casual staff booked for work during the restrictions receive payment with no interruption

**Noted**

Noted

- G. **agree** that this Report be released as part of the Government's proactive release of information relating to the COVID-19 response.

**Agree** / Disagree



Hon Grant Robertson  
**Minister of Finance**

15/03/2021



Ellen MacGregor-Reid  
Deputy Secretary  
**Early Learning and Student Achievement**

05/03/2021

**Agree** / Disagree



Hon Chris Hipkins  
**Minister of Education**

5/3/21

## Background

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1. The Government has made clear its intention to support continued employment in the State sector throughout the COVID-19 pandemic. Over the initial period of the pandemic response, the Ministry of Education put in place measures to ensure income continuity for workers in the State and State-integrated schooling sector, including the establishment of an emergency payment scheme for casual schooling workers (those paid using time-sheet and hired on an “as needed” basis such as day relief teachers and a range of non-teaching staff).
2. These workers are employed only as needed by schools to meet their operational requirements, for example to provide short-term cover of a permanent teacher’s sick leave or professional development. Many casual workers have advised the Ministry that they rely wholly or in part on this casual work.
3. During Alert Level 2, the scheme was extended to provide support on application to casual employees who were ill with COVID-19, required to self-isolate, or were unable to work as they (or their household) were very vulnerable to COVID-19. A very small number of employees required support at Alert Level 2.
4. At 6:00 am on 28 February 2021, the Auckland region moved to Alert Level 3 of the COVID-19 alert level system; the rest of the country moved to Alert Level 2. The Government indicated that the current restrictions would remain in place for a seven day period. This change to alert level settings followed a shorter period of the same restrictions from 15 to 17 February. On 5 March 2021, the Government advised that the Auckland region would move to Alert Level 2 from 6am Sunday 7 March, with the rest of the country returning to Alert Level 1.
5. At Alert Level 2 casual workers may not be able to make themselves available for work during a period of self-isolation where they, or members of their household, are sick with COVID-19, have had close contact with someone infected by COVID-19, or are particularly vulnerable to COVID-19.
6. A partial or complete loss of income during can be a significant disincentive to comply with the Ministry of Health’s public health guidance for some workers. Offsetting this risk was a key policy rationale underpinning the original emergency payment provided, and similar Government initiatives such as the COVID-19 Wage Subsidy and the COVID-19 Leave Support Scheme. Employees of State and State-integrated schools and kura are not entitled to support from these, or previous wage subsidy schemes.

## Emergency payment scheme under Alert Level 2

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7. The Government has signalled its intention that people who are sick with, or required to self-isolate, to control the transmission of COVID-19 should not be required to work and risk transmission of the virus. Similarly, people who are at particularly high-risk of becoming seriously unwell due to COVID-19 should not be required to work where their health may be at serious risk.
8. At Alert Level 2, it is proposed that support will be available to casual schooling workers to be accessed on direct application to the Ministry of Education, where an individual declares that they meet certain criteria including:
  - 8.1. They are a current education sector worker, which is defined as those who have worked on at least one occasion during the 90 day period preceding the alert level change announcement, for a State or State-integrated school or kura; and

- 8.2. They have been negatively affected by COVID-19 as follows:
- 8.2.1. They are sick with COVID-19, or are caring for a dependant who is sick with COVID-19; or
  - 8.2.2. they are self-isolating, or are caring for a dependent who is self-isolating due to coming into close contact with someone who has COVID-19; or
  - 8.2.3. they, or a member of their household, are at high-risk to COVID-19 and they are therefore unable to safely enter the workplace, as defined by public health advice.
9. At Alert Level 2, workers who meet the criteria will need to declare at the point of application that they are not concurrently receiving other Government support to mitigate the effects of COVID-19, e.g. other wage subsidy schemes.
10. The amount of support provided will be based on the variable day relief or casual hours worked during a specified period of up to 90 days during school terms preceding the alert level change announcement.
11. We propose that the scheme is open from the announcement of the current measures in place to control the transmission of COVID-19 (i.e. 28 February 2021), and will close when the whole of the nation has moved to Alert Level 1.

#### Emergency payments at Alert Level 3 or higher

12. The current public health advice regarding schooling operations in Alert Level 3 (or higher) prohibits the movement of personnel across multiple school sites. Alert Level 3 on a regional basis also prohibits inter-regional travel to and from the affected region/s. These restrictions significantly limit the ability of relief teachers and casual non-teaching staff to gain employment as often they would normally work across different schools and kura.
13. Similarly, where the Alert Level allows for it, and schools are able to accommodate low numbers of returning students from within their permanent or fixed-term staffing, the demand for casual staff is likely to be low.
14. Where Alert Level 3 (or 4) restrictions are for less than a calendar week, we have advised State and State-integrated schools and kura to honour bookings which have been made for these employees as if the school or kura was open, as these costs relate to normal school operations in the same manner as salary commitments for ongoing staff.
15. We expect that the large majority of schools in this scenario would not incur significant additional costs to pay pre-booked casual staff. In many cases, the school or kura will have been able to task casual staff with duties that support students learning from home. However, in some cases schools and kura may incur costs for staff who were booked for school activities which need to be deferred to a later date. This is regrettable but a consequence of the need to urgently move to restrict the transmission of COVID-19, which typically occurs without a period of notice which schools could have used to adjust their arrangements for activities such as PLD or significant school events.

16. Schools can claim for additional relief teacher funding if relief cover is required for a teacher who is in isolation for a specified period because they:
- 16.1. have been diagnosed with COVID-19;
  - 16.2. are required to be in self-isolation;
  - 16.3. are required to care for dependents who are either sick or in self-isolation;
  - 16.4. are over the age of 70; or
  - 16.5. are high-risk due to a compromised immune system or an underlying health condition.
17. Emergency funding may also be provided where a school has incurred significant additional costs for relief staff due to Alert Level 3 (or higher) restrictions in order to ensure that staff booked for work during the restrictions receive payment with no interruption.
18. Where Alert Level 3 or higher restrictions continue for a period of a calendar week or less, workers who are required to self-isolate for a period that exceeds this will be eligible to apply for emergency support in line with the support provided at Alert Level 2. For example, if a casual worker is required to self-isolate for a 14 day period, but Alert Level 3 restrictions end on day 7 of their self-isolation, they are eligible to apply for emergency support for the duration of their 14 day self-isolation.
19. We will provide further advice, including on the re-establishment of the emergency payment scheme, should Alert Level 3 or higher restrictions be reinstated and continue for a period longer than seven days.

#### Minimising the risk of overfunding and overpayments

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20. The proposed support for casual workers will not reduce the cost to schools of engaging casual staff. As support payments will be made directly by the Ministry of Education to eligible casual workers, operational funding for schools will not be affected. Schools will not have visibility of the amount of these payments or be able to ask staff to work in exchange for these payments. Schools that have an operational need for casual staffing will be required to engage and pay staff as usual.
21. Under Alert Level 2, casual staff who are eligible will need to apply for support. When doing so they will be asked to make a declaration that they meet the applicable eligibility criteria, including that they are not able to make themselves available to work due to COVID-19 risk. If many applications are made this will be audited retrospectively and the Ministry of Education will establish a temporary function to undertake random checks of eligibility. The Ministry will look to recover any overpayment which has occurred where the declaration made by the casual worker proves to be inaccurate.

#### Financial Implications

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22. During 2020, the Ministry of Education received a small number of applications for support under Alert Level 2. It is possible that levels of support may be higher where there is greater need for casual staff to self-isolate. Accordingly, we have estimated the cost to provide this support under Alert Level 2 to be less than \$0.25 million each fortnight.

23. We estimate costs for the current period of restrictions, to cover up to three fortnightly payments, to be up to \$0.75 million.
24. These costs will be met through re-prioritisation of funding within Vote: Education. We will provide further advice regarding the emergency payment scheme should re-prioritisation of funds not meet the expected demand.

### Consultation

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25. The Treasury and the Public Service Commission have been consulted in the development of this Report.

### Risks

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26. While the Alert Level 2 scheme will provide a means for those directly affected by COVID-19 to apply for support from the Ministry, they will not fully mitigate the impact of COVID-19 for these employees and the amount of support provided will vary for each individual. This could create a perception of inequity between those who receive different support depending on their circumstances, or people who receive other COVID-19 assistance payments from Government.

### Next Steps

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27. Communications of the Alert Level 2 support proposed in this paper and how this can be accessed by eligible schooling workers will be made available via online channels and the school bulletin. These communications will indicate that this support is made available in relation to the current resurgence only.

### Proactive Release

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28. We recommend that this paper is proactively released in line with the Government's commitment to the release of such information and advice.