



Education Report: Budget 2020 Strategy Session

To:	Hon Chris Hipkins, Minister of Education		
Date:	6 September 2019	Priority:	High
Security Level:	Budget Sensitive	METIS No:	1204754
Drafter:	Richard Joblin	DDI:	s 9(2)(a)
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Messaging seen by Communications team:	N/A	Round Robin:	No

This report provides you with material on Budget 2020 initiatives to support discussion at the Strategy Session scheduled for 11 September 2019.

Summary

1. We are meeting with you on 11 September for a strategic discussion on your Budget 2020 priorities across Votes Education and Tertiary Education. To support that discussion we have developed an A3 that sets out potential Budget 2020 initiatives in both these Votes.
2. The initiatives listed reflect our understanding of current Ministerial and Associate Ministerial priorities. There is, however, potential for change in these priorities as the Budget process progresses. The remaining Coalition Agreement and Speech from the Throne commitments are included and are coloured green.
3. Vote Tertiary Education initiatives are presented together while Vote Education initiatives are divided into the following categories: Pre-commitment and Cost Pressures; Early Childhood Education; Schooling; Property; Cross-Sector; and priorities for each of the Associate Ministers.
4. All numbers are indicative.
5. At the Strategy Session we will seek your feedback and confirmation that the priorities presented in the A3 are those you wish to pursue in Budget 2020 and if there are any priorities not currently included.
6. While you have received advice on several of the initiatives listed in the A3, further work is required to understand the costs. For example, we will need to provide you with advice in particular on the Budget implications associated with s 9(2)(f)(iv) OIA [redacted]. The Property and the Cross Sector initiatives will be developed and considered as packages.
7. Cabinet has agreed to implement wide-ranging Reform of Vocational Education. Insufficient funding has been set aside to implement the reforms agreed by Cabinet, including for the establishment of the New Zealand Institute of Skills & Technology, Workforce Development Councils, Regional Skills Leadership Groups and Centres of Vocational Excellence, and for managing the implementation of the reforms. Following a strategy session with you on Adult and Community Education (ACE), we will be

providing further advice in the next few months on priorities for ACE from 20201. This includes finalising the size and scope of the Budget bid. We also intend to provide further advice on specific cost pressures, including trade academies, tuition subsidies and the Annual Maximum Fee Movement.

Recommended Actions

The Ministry of Education recommends you:

- a. **note** that we scheduled to have a Strategy Session with you on 11 September 2019 to agree your Budget 2020 priorities and next steps

Noted

- b. **note** that we have developed an A3 (attached) setting out our understanding of the Budget 2020 priorities in Votes Education and Tertiary Education

Noted

- c. **note** that all numbers presented on the A3 are indicative only

Noted

- d. **consider** the attached A3 and:

- a. **confirm** that the initiatives listed are your those you wish developed for consideration through Budget 2020

Yes/No

- b. **indicate** if there are any initiatives not included you would like to be developed

- c. **indicate** which initiatives you require further advice on as part of the Budget 2020 process.

Proactive Release Recommendation

- e. **agree** that this Education Report is not proactively released at it is Budget Sensitive.

Agree / Disagree


Damian Edwards

**Associate Deputy Secretary
Education System Policy**

6/9/19

Hon Chris Hipkins

Minister of Education

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Information on this page has been withheld under section 9(2)(f)(iv) of the OIA 1982.

Vote Tertiary

Minister Davis Priorities (listed in order of priority)	Opex (\$0.000m)
Maintain Support for Kōhanga Reo	100.000
Supporting Iwi capacity and capability to engage with MOE and education providers	
Māori Language in Education Initiatives	60.000
Total	\$280.000

Minister Martin Priorities (listed in order of priority)	Opex (\$0.000m)
[REDACTED]	[REDACTED]
Teacher Aides (cost pressure)	[REDACTED]
[REDACTED]	[REDACTED]
Early intervention	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
School High Health Needs Fund (cost pressure)	12.600
[REDACTED]	[REDACTED]
Total	\$150.200

Minister Salesa Priorities	Opex (\$0.000m)
ESOL [REDACTED] cost adjustments	TBC
[REDACTED]	TBC
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
Supporting access to digital technology and devices	TBC
[REDACTED]	[REDACTED]
Total	\$176.500

Cross Sector	Opex (\$0.000m)
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED] Ministers (mainly MSD and MBIE)	
[REDACTED]	
Total	

BUDGET SENSITIVE

* Note the costings in this A3 are approximate or initial estimates and are largely based on Budget 2019 costings

Estimated Totals:	
Early Childhood Education	\$1,005.700
Schooling	\$3,165.768
Tertiary	\$1,290.950
Total	\$5,462.418
Budget 2019	\$2,060.000

Key:

- Education Work Programme
- Confidence and Supply Agreement and Speech from the Throne