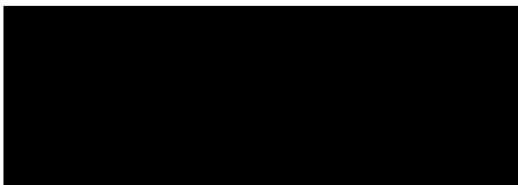




– 8 MAR 2018



Thank you for your email of 21 December 2017 to the Ministry of Education requesting the following information:

- *A copy of all advice you have sent or received between 26 October 2017 and 20 December 2017 regarding a change to the date at which children can start school and the implementation of cohort entry.*
- *I would expect this to include all emails, briefings and aides memoire you or your office have sent to or received from other government departments such as SSC, DPMC and the Treasury.*
- *I would also expect this to include all information on this matter you or your office have sent or received from Ministers and/or their offices including the Prime Minister and Deputy Prime Minister and their offices.*

Your request has been considered under the Official Information Act 1982 (the Act).

This letter also comprises the Ministry's response to your request to the Minister of the same date, which was transferred to the Ministry on 23 January 2018.

On 18 January 2018, in a telephone conversation with Simon Sanders, Manager, Official and Parliamentary Information, you clarified your request as follows:

- that the reference to "you or your office" referred to the wider Ministry and not just the Office of the Secretary for Education; and
- that your request for emails could be limited to those sent at "Senior Manager" level and above.

Consultation on cohort entry started on 8 February 2018. The Ministry has proactively released the Cabinet paper: '*Consultation on options for cohort entry for children aged five and over*'. This is available on our website at the following link:

www.education.govt.nz/ministry-of-education/information-releases/information-release-on-cohort-entry-options-for-children-aged-five-and-over/.

We have identified five documents within scope of your request. Four of these are advice on oral and written parliament questions, these are withheld in full under section 9(2)(g)(i) of the Act, as the withholding of information is necessary to maintain the effective conduct of public affairs through the free and frank expression of opinions.

One document has been released in part and is attached to this response.

Information about the proposed changes to cohort entry is still being considered by Ministers. As such some information is being withheld under section 9(2)(f)(iv) of the Act to maintain the constitutional conventions which protect the confidentiality of advice tendered by Ministers and officials. Comments on changes to the draft are withheld under section 9(2)(g)(i) of the Act.

Finalised written answers to parliament written and oral questions regarding Cohort entry are available on New Zealand Parliament website. We have included below links to questions in scope of the documents which were withheld.

Oral question 9 - 29 November 2017

- www.parliament.nz/en/pb/hansard-debates/rhr/document/HansS_20171129_052_950000/9-question-no-9-education

WQ 13113 - 24 November 2017

- www.parliament.nz/en/pb/order-paper-questions/written-questions/document/WQ_13113_2017/13113-2017-hon-nikki-kaye-to-the-education-minister

WQ 13116 - 24 November 2017

- www.parliament.nz/en/pb/order-paper-questions/written-questions/document/WQ_13116_2017/13116-2017-hon-nikki-kaye-to-the-education-minister

WQ 14228 - 27 November 2017

- https://www.parliament.nz/en/pb/order-paper-questions/written-questions/document/WQ_14228_2017/14228-2017-hon-nikki-kaye-to-the-education-minister

Please note, the Ministry now proactively publishes OIA responses on our website. As such we may publish this response on our website after five working days. Your name and contact details will be removed.

I hope that this information is helpful for you. You have the right to ask an Ombudsman to review this decision. You can do this by writing to info@ombudsman.parliament.nz or Office of the Ombudsman, PO Box 10152, Wellington 6143.

Yours sincerely



Damian Edwards
Associate Deputy Secretary
Education System Policy

AIDE MEMOIRE



To: Hon Chris Hipkins
Minister of Education
From: Ben O'Meara
CC: Sheryl Chase, Rachel Voller
Date: 24/11/2017
Subject: Further cohort entry questions

Purpose

1. You have asked for further advice regarding questions on changes to cohort entry. This paper sets out some high-level options for changes to cohort entry in 2018. Further advice on cohort entry legislative options is to follow.

s 9(2)(f)(iv) OIA, s 9(2)(g)(i) OIA

Key messages

2. Limiting cohort entry to children who are five years old and over requires legislative change.
[REDACTED]
3. Changing cohort entry has implications for government expenditure through both Vote Education and Vote Social Development, and requires changes to systems and regulations at the Ministry of Social Development (MSD).
4. We will work with you on policy options relating to limiting cohort entry to children aged five and older. This could include amending the Education Act 1989 (the Act) to allow for two cohort entry points per term.
5. 46 schools have indicated that they are starting cohort entry in Term 1 2018, and we anticipate further uptake of cohort entry over the course of 2018. We have prepared some key messages in response to yesterday's media announcement.

Limiting cohort entry to children over five years old requires legislative change

6. Limiting cohort entry to children over five years old requires amendments the cohort entry and compulsory attendance provisions in the Education Act 1989.

7. [REDACTED]

s 9(2)(f)(iv) OIA, s 9(2)(g)(i) OIA

AIDE MEMOIRE s 9(2)(f)(iv) OIA, s 9(2)(g)(i) OIA

8.

9.

Limiting cohort entry to children over five years old has fiscal implications for the Crown

10. Cohort entry the term after a child's fifth birthday will impose greater additional ECE costs on families and substantially increase government expenditure across ECE. A child's school start date could be delayed up to 10 weeks for those whose birthdays are in Terms 1, 2 and 3, and up to 15 weeks for those with birthdays in Term 4.
11. Costings from the cohort entry policy work for the Education (Update) Amendment Act 2017 indicated that limiting cohort entry to children five years and older has a greater fiscal impact than the current cohort entry policy settings. These costings are set out in Table 1 below. They take into account government expenditure on ECE subsidies funded through Vote Education, on MSD childcare and OSCAR subsidies, and on schooling. We will be updating costings as part of further advice on cohort entry.

s 9(2)(g)(i) OIA

	100 percent uptake of cohort entry		10 percent uptake of cohort entry	
	Current policy settings	Cohort entry for five years old and over	Current policy settings	Cohort entry for five years old and over
	\$m	\$m	\$m	\$m
First year impact	-0.3	24.1	-0.03	2.41
Second and third year impact	4.7	42.8	0.47	4.28
Fourth and fifth year impact	8.3	50.3	0.83	5.03

Table 1: Fiscal impact of limiting cohort entry to children aged five and older

AIDE MEMOIRE

Changes to the Ministry of Social Development regulations and systems will be required

12. The Social Security (Childcare Assistance) Regulations 2004 outline the eligibility criteria for MSD's childcare assistance payments. This criteria is primarily based on the age of the child, while also accommodating for children that will attend cohort entry schools. These regulations will need to be amended to remove access to the Out-of-School Care and Recreation Subsidy (OSCAR) where a child starts school before their fifth birthday. This is expected to be a straightforward revocation of regulation 20(c)(ia) to ensure the Regulations align with amendments to cohort entry provisions. We will work with MSD to ensure that this change is made as soon as practicable.

13. This change to the cohort entry provisions will also require changes to MSD systems and processes (including changes to MSD's IT payment system) which would need to be completed prior to the new regulations coming into effect, to avoid disruptions to clients' Childcare Assistance payments. Costings for this change will be provided to you with further advice.

13.14. There may also be implications for Childcare Assistance expenditure, as these cohort entry changes will mean that some children will be in ECE for significantly longer than they would be otherwise.

14.15. Given the necessary changes to MSD's regulations and systems, alongside the increased fiscal cost to the Crown, you may wish to consider delaying commencement of these provisions until after Budget 2019. A set commencement date would ensure all necessary changes come into force together.

We will work with you on options to implement an updated cohort entry policy

15.16. There are some policy considerations relating to limiting cohort entry for children aged five and older. If children cannot start school until the beginning of the term after their fifth birthday, their start date could be delayed up to 10 weeks in Terms 1, 2 and 3, and up to 15 weeks in Term 4. This will mean increased ECE costs for parents and would require a number of students to remain in ECE for longer than their peers, regardless of their readiness for school.

16.17. We will work through additional options for this policy change as part of further advice. One option would be to amend the Act to allow for more than one cohort entry point per term. For example, the prescription of a midpoint between the first day of term X and the first day of term Y could be retained, with the midpoint becoming the second cohort entry point of the term.

17.18. Creating two entry points per term following a child's fifth birthday would reduce costs to the Crown. We will provide costings with further advice.

s 9(2)(g)(i) OIA

s 9(2)(g)(i) OIA

s 9(2)(g)(i) OIA

AIDE MEMOIRE

Changes to cohort entry will impact on a number of schools and early learning services

~~18:19~~ 46 schools have notified the Ministry that they will be starting cohort entry in Term 1 2018, having consulted with their communities. In addition to this, Regional Offices have received a number of enquiries and expressions of interest which indicates a greater interest in cohort entry than those who are adopting in Term 1 2018.

~~19:20~~ Following yesterday's media announcement, the Ministry has received a number of queries from schools seeking clarification about how changes to the cohort entry provisions will impact them. We have agreed the following key messages with your office:

- The Minister of Education has said that, in 2018, he will amend the Education (Update) Amendment Act 2017, to limit cohort entry to children over 5 years of age.
- Prior to any amendment, the Minister has also said that schools that have agreed on, or are considering, or are consulting on, the introduction of a cohort entry policy from Term 1 2018, can continue to do so.
- For the avoidance of doubt, schools that have, or agree to, a policy allowing 4 year olds to enter under cohort entry can implement such a change at any time from Term 1 2018, until the Act is amended.

Ben O'Meara

Group Manager, Schooling and System Policy