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 BY: JS



## Education Report: Timing of education Crown Entity Letters of Expectations for 2019/20

|   |  |                     |           |
|---|--|---------------------|-----------|
| <b>To:</b>                                    | Hon Chris Hipkins, Minister of Education |                     |           |
| <b>Date:</b>                                  | 11 February 2019                         | <b>Priority:</b>    | Medium    |
| <b>Security Level:</b>                        | In Confidence                            | <b>METIS No:</b>    | 1174700   |
| <b>Drafter:</b>                               | s 9(2)(a)                                | <b>DDI:</b>         | s 9(2)(a) |
| <b>Key Contact:</b>                           | Fiona O'Leary                            | <b>DDI:</b>         |           |
| <b>Messaging seen by Communications team:</b> | No                                       | <b>Round Robin:</b> | No        |

### Purpose of Report

The purpose of this paper is to confirm the timeframe for producing Letters of Expectations (LOEs) for education Crown entities for 2019/20, with decisions being taken on the Education Portfolio Work Programme (EPWP) by Government over the same period.

### Recommended Actions

The Ministry of Education recommends you:

- a. **note** that Ministers usually set expectations for Crown entities before the beginning of a new Financial Year, but there is no requirement to do so

**Noted**

- b. **note** that 2019 is a pivotal year for making decisions on the EPWP, some of which may impact on Crown entities

**Noted**

- c. **confirm** your preferred approach to producing LOEs for education Crown entities

- i. provide 2019/20 LOEs to entities by June 2019

| 2018/19                       |                            | 2019/20     |           |
|-------------------------------|----------------------------|-------------|-----------|
| Jan – March                   | April – June               | July – Sept | Oct – Dec |
| Commence work on 2019/20 LOEs | Provide entities with LOEs |             |           |

High activity period for EPWP reviews

**Agree / Disagree**

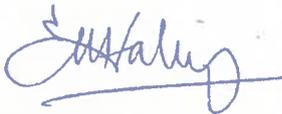
- ii. provide 2019/20 LOEs to entities after the high activity period for the Education Portfolio Work Programme (EPWP) has passed, around September 2019

| 2018/19                               |                               | 2019/20                    |           |
|---------------------------------------|-------------------------------|----------------------------|-----------|
| Jan – March                           | April – June                  | July – Sept                | Oct – Dec |
|                                       | Commence work on 2019/20 LOEs | Provide entities with LOEs |           |
| High activity period for EPWP reviews |                               |                            |           |

(Recommended) Agree / Disagree

- d. **proactively release** this Education Report as part of the next publication

Release / Not release



Emily Fabling  
Deputy Secretary  
Strategy, Planning and Governance

11/02/2019



Hon Chris Hipkins  
Minister of Education

20/2/19

## Background

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- 1 It is customary for responsible Ministers to provide Crown entities with letters that set out their expectations for the coming financial year. However, there is no statutory requirement for the provision or timing of LOEs. The current LOE remains in force until another is provided. Responsible Ministers can amend current LOEs at any time by directing the entity in writing.
- 2 The current 2018/19 LOEs for Education New Zealand (ENZ), the New Zealand Qualifications Authority (NZQA), and the Tertiary Education Commission (TEC), were issued on 10 September 2018 [METIS 1153128 refers].
- 3 Current 2018/19 LOEs are provided in the Annexes. The 2018/19 LOEs reflect the priorities of the EPWP. The development of the LOEs involved a high level of engagement with stakeholders and entities.
- 4 2019 is a high activity period for the EPWP, as key reviews (such as the Tomorrow's Schools Review and the the NCEA Review) achieve significant milestones and the subsequent impacts for entities are understood.

## Timing options

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- 5 The impacts of the EPWP review 2019 milestones will have implications for education Crown entities and how they operate.
- 6 Depending on the complexity and level of change in the wider operating environment, LOEs may take up to three months to produce to ensure that sufficient engagement with key stakeholders and entities can occur. To provide entities with new LOEs by the start of the next financial year, work on LOEs would begin immediately.
- 7 It is the Ministry's view that:
  - a. current LOEs are sufficiently robust to remain in place beyond 2018/19 and into 2019/20, while key components of the EPWP are being explored and decisions are being formed
  - b. any LOE in place would benefit from being reviewed after decisions have been made by Government.
- 8 For these reasons we recommend that you provide new 2019/20 LOEs to education Crown entities around September 2019. Work would commence around or before July 2019, depending on the timing of the key components within the EPWP.

## Next steps

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- 9 We will work with your office to progress your preferred approach to producing LOEs.

## Proactive Release

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- 10 It is intended that this Education Report is proactively released as per your expectation that information be released as soon as possible. Any information which may need to be withheld will be done so in line with the provisions of the Official Information Act 1982.