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Education shapes our future

1. Education is key to achieving individual wellbeing and inclusive economic growth. Education develops the skills, knowledge and competencies needed by children and young people right throughout their lives. In turn, the education system plays a significant role in developing the skills and knowledge that will contribute to greater economic participation and growth.

2. The education system is currently configured in three stages: 1. early learning (early childhood education and Ngā Kōhanga Reo), 2. compulsory years (primary, secondary, kura and wharekura), and 3. tertiary education. The number of providers and children and young people is large:

<table>
<thead>
<tr>
<th>Early learning</th>
<th>Primary and secondary schooling</th>
<th>Tertiary</th>
</tr>
</thead>
<tbody>
<tr>
<td>About 200,000 children</td>
<td>About 788,000 children</td>
<td>About 420,000 students in formal tertiary education</td>
</tr>
<tr>
<td>About 5,300 early years services</td>
<td>About 2,500 schools, kura</td>
<td>Over 550 tertiary providers</td>
</tr>
</tbody>
</table>

3. In 2016/17, around $14.3 billion will be invested in education:
   - $11.3 billion for Vote Education (this includes early learning and schooling).
   - $4.3 billion for Vote Tertiary Education and student financial support.

The Ministry's role

4. The Ministry has a focus on the long term health and performance of the education system as a whole from early learning to tertiary study. We are the primary advisor on education system policy and performance.

5. We aim to create the conditions so that the right people, resources, information and systems are in place to achieve excellent equitable outcomes for all learners. As well as knowing who to target to improve outcomes, we are also working to understand what works for whom and when best to intervene. More specifically, we:
   - support schools and early learning services to raise achievement through advisory support and system changes, and respond in instances of identified low performance
   - deliver policies, resources and services focused on children and young people at risk of not achieving, including targeted interventions and specialist support services
   - provide programmes for students and their families and whānau focused on improving the community's knowledge of, and participation in, the education system
   - deliver infrastructure services to schools – property, transport, payroll and information technology
   - regulate the early learning services, schooling and tertiary sectors
   - administer funding for early learning services, Ngā Kohanga Reo and schooling, and hold responsibility for tertiary education funding, which is administered by the Tertiary Education Commission (TEC)
   - gather, analyse and provide information to improve decision-making across the system
   - provide advice to Government across the education system
   - monitor education and tertiary crown entities on the Government's behalf.

6. We work with, and alongside, a wide range of education and other government agencies, iwi, families and whānau, students and employers to ensure that the system can and does deliver what is needed. Annex 1 sets out more detail on the government expenditure that we administer. Annex 2 sets out more detail on who we are and what we do and Annex 3 sets out details about the Ministry workforce.

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1 In 2015, 84% of formal study was undertaken at the 29 public tertiary institutions (universities, polytechnics and wānanga).
Your responsibilities

How the Ministry supports you

7. We support you as Associate Minister of Education and provide you with advice on the portfolio areas that you have been delegated from the Minister of Education.

8. Ministers decide both the direction and the priorities for the Ministry and are responsible for determining and promoting policy, defending policy decisions, and answering in the House on both policy and operational matters.

9. The Ministry is responsible for supporting Ministers in carrying out their ministerial functions, serving the aims and objectives of Ministers by developing and implementing policy and strategy, and implementing decisions of the government of the day. We provide you with both written and verbal advice and meet with you as regularly as you require. We can also support you by attending meetings. We provide you with private secretary support to liaise with the Ministry and commission work on your behalf.

10. We operate under a "no-surprises" principle. This means we will inform you of matters of significance within your portfolio responsibilities. We will also provide you with advice on any impacts of other government policy changes on these portfolio areas. On this basis, we may also provide a copy of our advice on your portfolio areas to the overarching education portfolio Minister.

11. We look forward to continuing our work with you.

Structure of this briefing

12. The main purpose of this document is to provide a brief commentary on the areas of your portfolio responsibilities. Each section covers background information on the portfolio responsibility, any key issues that are outstanding and key decisions between now and 30 April 2017 (the length of your delegations).

13. It also provides a summary of other information available on the topic. You may wish to receive more in-depth information on these responsibilities to inform your decisions on priorities, sequencing and pace across your work programme.

14. Your portfolio delegations comprise responsibilities that contribute to a future-focused, data-informed education system with children and young people at its centre. Your responsibilities include the integration and strengthening of the Education Infrastructure Service and other responsibilities that directly support the aims of the education work programme.

15. The briefing covers the following portfolio responsibilities:

1. Education Infrastructure
2. Auckland Education Growth
3. Schools Payroll
4. State Sector Education Workforce Supply
5. s 9(2)(f)(iv) OIA
6. Digitally Fluent Citizenship / Nation (curriculum)
7. s 9(2)(f)(iv) OIA
8. Employment Relations (Collective Agreements and pay equity)
9. Bundled Services
10. Partnership Schools / Kura Hourua.
1. Education Infrastructure

Background

16. As you know, the Education Infrastructure Service (EIS) oversees the school property portfolio which has a $23.9 billion replacement value. In 2016/17, we have a forecasted capital spend of $780m of which we have spent $381m in the first six months.

17. In early 2016, we established dedicated Capital Works teams (Northern and Central/Southern) to strengthen our focus on Ministry of Education-led capital projects. The teams are responsible for all Ministry of Education-led capital works projects for schools, including major redevelopments, the Building Improvement Programme (weather tightness), new schools and kura, roll growth classrooms, minor capital works and a number of other capital programmes. Individual projects are informed by strategic analysis and advice about growth pressures in the broader schooling network as well as technical assessments.

18. EIS is responsible for transporting over 124,000 students to school each day through approximately 1,200 daily bus routes, at a cost of over $180 million each year. We also work with Education Payroll Limited to deliver payroll services for 90,000 teaching and non-teaching staff.

Key issues / priorities

Managing a substantial capital works programme

19. Managing the delivery of a large volume of projects on time and to budget is a significant challenge. There are approximately 330 active projects across the Northern and Southern regions, with 45 currently in construction. In addition, a further 50 projects are planned to begin construction before June 2017.

20. The focus in the immediate future for Capital Works is to complete the transition to the new delivery structure and to standardise processes. By the end of June 2017, all Ministry-led capital works projects will be managed by Capital Works.

Northern

21. The Northern team is delivering a substantial capital programme to address growth and condition issues, particularly in Auckland. This will be informed by the Auckland Education Growth (AEG) Plan. There are over 200 active projects across the Auckland and Tai Tokerau educational regions, with 26 projects in construction valued at $222 million.

22. In December 2016, Cabinet agreed to allocate an additional $20.7 million of baseline funding to complete redevelopment and remediation of weather-tightness issues at Macleans College in Auckland.

Christchurch Schools Rebuild (CSR) programme

23. In November 2013, the Government committed $1.137 billion over ten years to rejuvenate the education network in greater Christchurch. This area involves over 85,000 learners in more than 300 early childhood centres and 200 schools. The CSR Programme includes a total of 115 schools with 13 being built on new sites, 10 being built on existing sites, 34 schools being fully redeveloped and 58 moderately redeveloped.

24. As at January 2017, eight schools have been completed, 22 are in construction, 30 in design and 20 in planning. This means there are currently 72 schools in the programme and 35 yet to enter.

25. We are currently in Year four of the programme, with all Wave 3 schools entering the programme this year.2

2 The CSR programme is comprised of annual waves of school projects, timed to begin to meet the Ministry’s
26. The programme has reached a good level of maturity and has been assessed as performing well by Treasury. It is in the process of exiting Treasury's major monitored programme reporting.

Other Capital Works in Central/Southern region

27. Outside of CSR, there are approximately 70 projects ongoing in the Central/Southern area, including major redevelopments, roll growth and remediation of weather tightness issues.

forecast for school demand and to keep pace with the rebuild in Christchurch.
Technology in Schools

Wireless School Network Upgrade Project (WSNUP)

36. In December 2016, Minister Parata announced that $1 million of surplus Policy 2 funding would be provided to add 34 state-integrated schools to WSNUP. The utilisation of the surplus funds for this purpose is within the scope of the appropriation. Once the upgrades at these schools are completed (mid 2017), all state-integrated schools will have received a subsidised wireless network upgrade.

Network for Learning (N4L)

37. On 5 December 2016, Minister Parata announced the rollout of N4L's Managed Network was complete, with 2,431 schools now connected, including schools with more than one site (e.g. those with satellite units).

39. A number of eligible schools cannot currently be connected as they have declined a connection (e.g. because they already have a contract in place with an alternative Internet service provider (ISP), or they cannot be connected as they do not have the fibre infrastructure in place to be connected). N4L has committed to connecting the remaining eligible schools as and when they can.

School Transport

44. We have just finished a national tender process for Special Education School Transport Assistance (SESTA) services. All tenderers have been advised of the outcomes and the contracts, inclusive of extensions, are for a period of up to nine years.

45. All new service contracts will be operational by Term Two 2017.
46. We have gone from 25 to 14 providers and there has been a significant shift in the provider market share. Around 1,400 of the 5,000 SESTA recipients will have a new transport provider.

47. We will be advising caregivers and schools of the changes to services in 2017 and working closely with the new providers to ensure smooth transitions with minimal disruption to students, caregivers and schools.

48. The immediate next step is to finalise contracts with the providers, and then actively supervise their transition plans, to minimise disruptions to students, caregivers and schools.

Key decisions up to 1 May 2017

Additional Information / References

- Cabinet paper (and appendices), "Delivering additional high quality schooling capacity across New Zealand with a particular focus on Auckland". (See Auckland Growth Plan issues paper attachment).

- We will continue to provide regular advice on potential ministerial announcements about school property projects. For your information, recent announcements included:

<table>
<thead>
<tr>
<th>Date</th>
<th>Announcement</th>
</tr>
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<tbody>
<tr>
<td>10 November 2016</td>
<td>Location announced for new Kumeu school</td>
</tr>
<tr>
<td>1 November 2016</td>
<td>Extra classrooms for Paparoa School, Northland</td>
</tr>
<tr>
<td>26 October 2016</td>
<td>10 new classrooms for three Auckland schools</td>
</tr>
<tr>
<td>21 October 2016</td>
<td>$10.4m classroom blocks open at Ellerslie School</td>
</tr>
<tr>
<td>13 October 2016</td>
<td>$9 million for the redevelopment of Edgecumbe College</td>
</tr>
<tr>
<td>16 October 2016</td>
<td>$8 million for the redevelopment of Ngaruawahia College</td>
</tr>
<tr>
<td>16 October 2016</td>
<td>$9 million for the redevelopment of Cambridge High School</td>
</tr>
<tr>
<td>6 November 2016</td>
<td>$6 million for seismic strengthening at state-integrated schools in Christchurch</td>
</tr>
<tr>
<td>15 December 2016</td>
<td>$17.5 million for the redevelopment of three Wellington primary schools (Brooklyn School, Churton Park School and Northland School)</td>
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</tbody>
</table>
Further information on the Christchurch Schools Rebuild programme can be found at the following link: http://www.education.govt.nz/ministry-of-education/specific-initiatives/christchurch-schools-rebuild-programme-2013-2022/

Key Contacts

- Kim Shannon, Deputy Secretary Education Infrastructure Service (04 463 8384 or )
2. Auckland Education Growth

Background

Alongside infrastructure planning, the Ministry is planning for Auckland education workforce needs, working with regional sector groups. Discussions span both immediate teacher supply concerns and longer term solutions, including:

- telephone conversations with Auckland primary and secondary school principals in December to gather insights into teacher supply issues in the region
- additional assistance to support principals to find the teachers they need in a tightening labour market
- input into the design of a $9m package of initiatives to ease supply pressures announced by Minister Parata in August (includes expansion of the Auckland-based Teach First NZ programme, subsidising specialist education recruitment support, overseas marketing and recruitment where New Zealand candidates cannot be found, increasing the number of Science, Technology, Engineering and Math (STEM) scholarships, and a project to support provisionally certified primary teachers in Auckland
- 

Additional Information / References

- Cabinet paper, "Delivering additional high quality schooling capacity across New Zealand with a particular focus on Auckland" (and appendices).

Key Contacts

- Karl Le Quesne, Deputy Secretary Early Learning and Student Achievement (04 463 8090 or )
- Kim Shannon, Deputy Secretary Education Infrastructure Service (04 463 8384 or )
3. Schools Payroll

Background

58. The Secretary for Education is charged with providing a schools payroll under the Education Act 1989. This may be delivered by the Ministry or on its behalf. All state and state-integrated school boards of trustees must use the payroll service to pay teachers. They may opt out of the schools payroll to pay non-teaching staff, with the agreement of the Secretary for Education.

59. Education Payroll Limited (EPL) is contracted by the Ministry to provide the schools payroll service. It was established as the successor to Talent2 in October 2014.

60. Ownership is held equally between two Shareholding Ministers, the Minister Responsible for Novopay and the Minister of Finance. The Minister of Education remains the ownership Minister for EPL. The Treasury is responsible for ownership advice to shareholding Ministers. The Ministry of Education works with EPL to deliver payroll services to teaching and non-teaching staff. The education payroll distributes $4.6 billion annually to around 90,000 school employees on a fortnightly basis.

61. Since Novopay ‘go live’, by necessity, the Ministry has focussed on stabilising the payroll system and improving service delivery. While EPL has made progress in improving payroll performance, there are still big challenges facing EPL and schools to achieve sustainable payroll delivery in coming years.

In addition, the Ministry is working on its 10 year education payroll strategy to help ensure the future sustainability of the schools payroll service. Further details on these actions are set out in the sections below.

Key issues / priorities

62. Three key pieces of work are currently underway. We outline these briefly below, including the next steps.

Refreshing the education payroll strategy 2016–2026

63. The Ministry has been refreshing its 10 year education payroll strategy with the aim of ensuring that the schools payroll service is well positioned for the future.
Schools payroll compliance with the Holidays Act

71. A review of compliance with the Holidays Act is underway given issues currently being experienced by a range of employers in both public and private sectors in administering the legislation.
Key Contacts

- Kim Shannon, Deputy Secretary Education Infrastructure Service (04 463 8384 or...
4. State Sector Education Workforce Supply

Background

78. The Ministry is planning for and responding to workforce supply fluctuations as part of our work to help the sector build a workforce that meets the future needs of students and schools. This includes working closely with education agencies (especially the Education Council) and sector groups.

79. While there is a sufficient number of teachers in our compulsory system overall, they are not necessarily the right teachers to meet school needs in terms of quality, location or subject. The challenges in teacher supply include:

- pressures in Auckland, reported by principals and sector groups to include Science, Technology, Engineering and Maths (STEM) subjects, middle management and relief teachers
- difficulties attracting teachers to rural and provincial schools
- shortages of teachers in STEM subjects
- system-wide shortages of Māori medium, bilingual and te reo Māori teachers
- a high attrition among beginning teachers.

Key issues / priorities

80. The Ministry is implementing a $9 million package, announced by Minister Parata in August 2016, which will help mitigate workforce supply pressure from 2017, especially in the STM area. The initiatives include:

- 100 scholarships in 2017 to support graduates in STEM subjects to become secondary teachers
- 10 additional places for STM specialists in the Teach First NZ programme – an employment-based teacher qualification
- a campaign to attract STEM graduates into a teaching career (see http://www.acceleratestem.co.nz/)
- an international recruitment campaign focussed on bringing New Zealand teachers back to fill vacancies
- expanding the number of recruitment agents able to assist schools
- a joint project with the Auckland Primary Principals Association (APPA) to support employment and induction of beginning teachers in Auckland.

Key decisions up to 1 May 2017

-  

Additional Information / References

- Education Report: Actions for the Schooling Workforce [METIS 1013167]

Key Contacts

- Karl Le Quesne, Acting Deputy Secretary Early Learning and Student Achievement (04 463 8090 or [redacted])
90. Different parts of the education system vary in their data management capabilities. The school sector was deemed to be the highest priority for information access and reduction of administrative burden. A set of tranches was designed so that each project addresses the areas of greatest need and delivers the highest benefit first.

Key decisions up to 1 May 2017
Key Contacts

- Craig Jones, Deputy Secretary Evidence, Data and Knowledge (04 439 5406 or...
6. Digitally Fluent Citizenship / Nation (curriculum)

Background

91. In July 2014 Ministers Parata and Joyce launched the Science and Society Strategic Plan “A Nation of Curious Minds: Te Whenua Hihiri i te Mahara” (Curious Minds). Curious Minds sets the strategic direction for science and technology for the next ten years.

92. One of the key initiatives for the education sector was to “review the positioning and content of digital technology within the New Zealand Curriculum and Te Marautanga o Aotearoa” (the Review). There are challenges facing schools on the application of digital technologies in primary and secondary schools and kura. For example, both the New Zealand Curriculum and Te Marautanga o Aotearoa expresses technology in generic statements that do not make contexts such as digital technologies explicit, and some schools and kura find it difficult to know how to differentiate the learning such as computational thinking and computer programming at each level of the curriculum.

93. This Review was undertaken in partnership with a number of key education and industry stakeholders from both English and Māori medium to capture the best possible range of advice.

94. On 5 July 2016, following the completion of the Review, the Minister for Education announced the strengthening of digital technologies and hangarau matihiko within the Technology Learning Area of The New Zealand Curriculum, and within the Hangarau Wāhanga Ako of Te Marautanga o Aotearoa, from 2018. The development of the new digital technologies and hangarau matihiko curriculum content is an important part of the Ministry’s overarching Digital Strategy work programme.

Key issues / priorities

95. The content and positioning of digital technologies in our national curricula has been reviewed to provide more clarity and emphasis on digital technologies. Since the Minister’s announcement in July 2016, the key milestones have been:

- Forming curriculum design groups and starting design and development of the new digital technologies | hangarau matihiko curriculum content.
- Setting up an external reference group of 31 education and business representatives from both English and Māori medium. This group meets quarterly, with meetings for 2017 scheduled for March, June, September and November. The most recent reference group meeting on 28 November sought feedback on:
  - the draft curriculum design approaches for both English and Māori medium content
  - the proposed approach to implementation.
- We have been running a successful tender process for $1m of contestable funding for innovative approaches to support the introduction of the new digital technologies | hangarau matihiko curriculum content. 74 responses were received and 9 successful tenders contracted. The projects run until 30 June 2017, when they will be evaluated for scale and decisions made on the next steps.
- TeachNZ Scholarships and the Prime Minister’s Education Excellence Awards in 2017 both have a focus on digital technologies.

Key decisions up to 1 May 2017

96. Implementation will involve input from a wide range of English and Māori medium stakeholders across the education and business sector. The next deliverables are to:

- establish an on-line space for the Reference Group and Sector Working Group to work collaboratively with the programme (March 2017)
• establish Sector Working Groups to consult on the detailed communications, implementation, curriculum content lifting the capability of teachers (in place by April 2017)
• test new content with schools, who have indicated initial interest and with CoL and kura (May-July 2017).

**Information / References**

- A3s from Briefing Note to support Minister’s attendance at the Digital Technologies | Hangarau Mathihko Curriculum Implementation Reference Group meeting 28 November 2016 (Appendix E and F, Metis 1033811, 22 November 2016)

**Key Contacts**

- Karl Le Quesne, Acting Deputy Secretary Early Learning and Student Achievement (04 463 8090 or [email protected])
Key decisions up to 1 May 2017

- Next steps for the Te Kura pilot for at-risk students

Additional Information / References

- Relevant Cabinet papers:
  "Further Policy Proposals for Updating the Education Act 1989" CAB-16-MIN-0310,

Key Contacts

- Dr Andrea Schöllmann, Deputy Secretary Education System Policy (04 463 8097 or...
8. Employment Relations (collective agreements and pay equity)

Background

The State Services Commissioner has delegated authority to the Secretary for Education, under the State Sector Act 1998, to negotiate collective agreements and give concurrence to individual employment agreements for employees in the education service (excluding tertiary education institutions). This delegation applies to the State and State-integrated schooling sector. While it extends to kindergarten teachers and to early childhood employees employed at Te Kura, most ECE employers and employees are outside the State sector.

Collective bargaining is a significant cost driver and a major channel (through the unions and employer representative groups) for our relationships with much of the sector. Some substantial policy initiatives (such as Investing in Educational Success) are largely given effect through negotiated outcomes in bargaining.

Key issues / priorities

Current state – collective bargaining

The teacher and principal collective agreements have been settled until 2018 for the primary sector and 2019 for secondary and area schools. Summary information (expiry dates, employee numbers) is attached as Annex 4.

Bargaining for four of the collective agreements covering school support staff has begun:

- Support Staff in Schools’ Collective Agreement
- Kairarahi i te Reo, Assistants to Teachers of Students with Severe Disabilities, Therapists’ and Special Education Assistants’ Collective Agreement
- School Caretakers’ and Cleaners’ [including canteen workers] Collective Agreement
- Secondary and Area School Groundstaff Collective Agreement.

Bargaining for the main support staff in schools’ agreement began in December and will continue in 2017 (first dates were 24 and 25 January). Traditionally support staff bargaining has taken up to six months to settle.

Bargaining for kindergarten teachers began in November and is continuing.

Settlements need to be fair to both employees and the taxpayer, and contribute to the overall aim of improving learning outcomes. Balancing these goals can be difficult, and there is a risk that union and employee expectations (for example for pay increases in line with perceived sector norms) become intractable, leading to delays in reaching settlements.
**Current state – pay equity**

115. The Government has accepted the recommendations of the Joint Working Group considering pay equity principles (with a complementary decision over comparators). Engagement with the CTU is underway over next steps. The NZEI has a claim in the court process over Ministry-employed special education support workers, and mediation over that claim is likely in March 2017. The Ministry-employed support workers (about 400 mainly part-time employees) are covered by a collective agreement.

116. The NZEI has also written to the Secretary for Education about pay equity for support staff employed by boards of trustees (particularly teacher aides). This is a larger group – school support staff comprise over 27,000 employees, many part time. Bargaining for both groups (Ministry-and board-employed) commenced in December and will continue this year.

117. The Government is seeking a co-ordinated response to pay equity claims in the State sector, and the SSC is tasked with co-ordinating that response. The Ministry is researching the education sector claims and working with the SSC to ensure claims in education are addressed appropriately.

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**Key decisions up to 1 May 2017**

- [Redacted]

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**Key Contacts**

- Karl Le Quesne, Deputy Secretary Early Learning and Student Achievement (04 463 8090 or [Redacted])
9. Bundled Services

Background

119. Communities of Learning | Kāhui Ako (CoL) are the operating model for the education system for children and young people aged 0 – 18 years. A CoL is a local group of education and training providers (early learning, schools, kura, and post-secondary) deliberately collaborating to improve learning for the children and young people in their community. CoL set formal joint achievement challenges and share their best teaching and leadership expertise in order to meet these goals. CoL form voluntarily and are not formal legal entities. The Ministry supports CoL to form and focus on their achievement challenges and makes the additional resources available to support teachers and principals to collaborate and direct expertise to where it is most needed.

120. There are now 180 CoL across New Zealand, made up of 1,503 schools with over 500,000 children and young people (60% of all schools). We expect to see over 90 percent of eligible schools in a CoL by the end of 2017. There are 95 early learning services in CoL and three tertiary providers.

121. In April 2016, the Minister of Education agreed to the development of bundled services to support CoL to optimise the new operational framework and its impact on raising achievement. Bundled services bring together support across a CoL in areas such as Business Support Services, Financial Services, Information Communications Technology (ICT) and Human Resources Services.

122. The extent of administrative activities associated with operating schools, kura and early childhood education services can be time consuming and detract from educational priorities. Bundled services will enable CoL to free up leadership time and resources to increase focus on their achievement challenges.

123. $5 million was allocated over three years for bundled services.

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>2017/18</th>
<th>2018/19</th>
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<tr>
<td>$2M</td>
<td>$2M</td>
<td>$1M</td>
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Key issues / priorities

124. Bundled services is made up of four work-streams as set out below.

s 9(2)(f)(iv) OIA
Key decisions up to 1 May 2017

- Additional deliverables for bundled services will be identified through January 2017.

Additional Information / References

- 1 April 2016 Aide Memoire: Investing In Educational Success: Implementation and Operating Contingency Update

Key Contacts

- Katrina Casey, Deputy Secretary Sector Enablement and Support (04 463 8890 or [Redacted])
10. Partnership schools / Kura Hourua

Background
125. There are 10 schools in operation, including two schools which opened in February 2017 as part of application Round 3.
126. The Parliamentary Under-Secretary to the Minister of Education, David Seymour, has primary responsibility for the partnership schools policy, although responsibility remains with the Minister for funding, contractual arrangements and Cabinet papers. Mr Seymour expects pace on the application and evaluation process for Rounds 4 and 5. Round 5 will have a focus on science, technology, engineering and mathematics (STEM) based schools.

Key issues / priorities

127
128

129. Application round 4 (with a focus on priority learners) is currently underway and is at shortlist/due diligence stage.
130. Application round 5 (with a focus on STEM) is due to open on 13 February through a call for Expressions of Interest.
131. We are about to commence a review of the partnership school contract terms.

Key decisions up to 1 May 2017

- Select the successful applicants for application Round 4 (recommendation due by the end of March)
- Review the current contract provisions

Key Contacts

- Karl Le Quesne, Deputy Secretary Early Learning and Student Achievement (04 463 8090 or

PAGE
Annex 1: Government expenditure administered by the Ministry

Government expenditure administered by the Ministry of Education

The education portfolios account for $14.3 billion in OBU 16 budgeted expenditure (GST excluded). The Ministry of Education administers this expenditure under two Votes:

- $11.3 billion in Vote Education which includes all the early childhood education and schooling budgets
- $3 billion in Vote Tertiary Education, the majority of which is managed by the Tertiary Education Commission and paid to tertiary providers to fund research, tuition subsidies and vocational training.

The Ministry's own departmental operating expenditure is budgeted at $2.2 billion for 2016/17 (with all but $12.4 million of this in Vote Education). The Ministry's departmental capital budget, primarily for building new schools and / or improving existing classrooms, is $0.940 billion in 2016/17.

77% of the Ministry's operating expenditure ($1.72 billion) is committed to managing and developing the Government's school property portfolio, which is owned by the Ministry.

The next largest part of the Ministry's operating budget ($258 million in 2016/17) is spent on interventions for targeted student groups – largely to support students with learning support needs.

The other large appropriations within the Ministry's operating budget include Support & Resources for Education Providers, Support & Resources for Teachers, Stewardship of the Education Sector, Policy Advice for the Education Sector plus a number of smaller appropriations totalling less than $15m.

The majority of money in the non-Departmental Vote: Education and non-Departmental Vote: Tertiary Education is administered by the Ministry on behalf of the Crown, and paid to third parties. This includes:

- payments made directly to fund education providers – including ECE subsidies, tertiary tuition subsidies and research funding, school teacher salaries, schools' operations grants
- funding for services to support education providers, including professional development and study awards for teachers, and curriculum support
- funding to support individual students and families, including learning support needs, school transport, and boarding allowances
- non-departmental capital expenditure – the bulk of which in 2016/17 is $15 million for the redevelopment of the University of Canterbury and $41m for school furniture.

A further $1.2 billion funds student allowances and net student loans scheme expenses for tertiary students (after annual repayments are made against student loans). Student allowances and student loan payments are part of Vote: Social Development, and administered by MSD. Student loan debt and repayments are administered by Inland Revenue.
**Vote Education Operating Budget 2016/17 (OBU 16)**

Other Ministry Expenditure $1,157m, 2%
- Ministry Interventions for Target Student Groups $256m, 2%
- Curriculum & PDL Support $161m, 1%
- Special Needs Support $400m, 4%
  - School Property and Technology $1,708m, 18%
  - School Transport $190m, 2%
  - School Operations $1,485m, 15%

Other $247m, 2%
- Early Childhood Education $1,828m, 18%
- Schooling workforce $3,701m, 36%

**Tertiary Education Expenditure Budget 2016/17 (OBU 16)**

Student Allowances $481m, 11%
- Student Loans Expense $734m, 17%

Ministry of Education ($12m)
- TEC ($47m) and Education NZ ($22m)
  - Capital, $16m, 2%
  - Other $75m, 2% Centre of Research Excellence, $50m, 1%
  - Performance Based Research Fund, $302m, 7%
  - Community Education $74m, 2%

Tuition Subsidies $2,100m, 50%

Industry Training

Source: NZ Treas

Annex 2: Who we are and what we do

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Responsibilities</th>
<th>Mobile/DDI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iona Holsted</td>
<td>Secretary for Education</td>
<td>The Secretary provides stewardship and leadership across the education system to drive a lift in student achievement at all levels.</td>
<td>04 463 8003</td>
</tr>
<tr>
<td></td>
<td>Chief Executive of the Ministry of Education</td>
<td>The Chief Executive is responsible for executing the functions and duties of the Ministry, advice to Ministers, and efficient, effective, and economical management of the Ministry.</td>
<td>s 9(2)(a) OIA</td>
</tr>
<tr>
<td>Katrina Casey</td>
<td>Deputy Secretary</td>
<td>Sector Enablement and Support (SE&amp;S) - is the key early learning / schooling sector group, with a regional presence to support learners, providers and sector pathways. In tertiary education, this group leads frontline implementation of Youth Guarantee initiatives across both Vote Education and Vote Tertiary Education.</td>
<td>04 463 8890</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>s 9(2)(a) OIA</td>
</tr>
<tr>
<td>Kim Shannon</td>
<td>Deputy Secretary</td>
<td>Education Infrastructure Service (EIS) - is supporting the system through the design, implementation and management of education infrastructure products and services.</td>
<td>04 463 8384</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>s 9(2)(a) OIA</td>
</tr>
<tr>
<td>Karl Le Quesne</td>
<td>Acting Deputy Secretary</td>
<td>Early Learning and Student Achievement (ELSA) - is responsible for programme design, primarily for early learning and schools. In tertiary education, this group is the lead for development of curriculum resources which support Youth Guarantee (in particular Vocational Pathways and related tools).</td>
<td>04 463 8090</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>s 9(2)(a) OIA</td>
</tr>
<tr>
<td>Craig Jones</td>
<td>Deputy Secretary</td>
<td>Evidence Data and Knowledge (EDK) - is the knowledge and information function for schooling and early learning. EDK undertakes the research and analysis to monitor at the system level and inform advice and decision making right through the system.</td>
<td>04 439 5406</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>s 9(2)(a) OIA</td>
</tr>
<tr>
<td>Andrea Schöllmann</td>
<td>Deputy Secretary</td>
<td>Education System Policy (ESP) - is responsible for strategic system-wide policy, Mitior and Pasifika policy, the policy functions for early learning and schooling. ESP also runs the Vote Education Budget.</td>
<td>04 463 8097</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>s 9(2)(a) OIA</td>
</tr>
<tr>
<td>Apryl Parata</td>
<td>Deputy Secretary</td>
<td>Parent information and community Intelligence - is a new group and is responsible for information and communications programme design for parents, whānau, communities and employers that seek to raise the demand for education excellence. It also designs and delivers time-bound equity programmes targeted to support the raising of achievement of individual priority learners/students.</td>
<td>04 463 8845</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>s 9(2)(a) OIA</td>
</tr>
<tr>
<td>Name</td>
<td>Position</td>
<td>Responsibilities</td>
<td>Mobile/DDI</td>
</tr>
<tr>
<td>-----------------</td>
<td>-----------------------</td>
<td>----------------------------------------------------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Claire Douglas</td>
<td>Deputy Secretary</td>
<td>Graduate Achievement, Vocations and Careers (GAVC) - GAVC is responsible for tertiary education strategy, policy and sector performance analysis. This includes secondary-tertiary transitions, student and provider financial support and the Vote Tertiary Education Budget.</td>
<td>04 439 5320 s 9(2)(a) OIA</td>
</tr>
<tr>
<td>Ellen MacGregor-Reid</td>
<td>Deputy Secretary</td>
<td>Strategy, Planning and Governance (SPG) - is responsible for business strategy, education system stewardship including Crown entity monitoring, planning and governance, risk and assurance, legal services, communications and ministerial services.</td>
<td>04 463 8006 s 9(2)(a) OIA</td>
</tr>
<tr>
<td>Zoe Griffiths</td>
<td>Deputy Secretary</td>
<td>People, Capability and Resources (PCaR) - provides corporate services for the Ministry and the wider education sector. PCaR is responsible for finance, procurement, IT, people capability and business services.</td>
<td>04 463 7726 s 9(2)(a) OIA</td>
</tr>
<tr>
<td>Zoe Griffiths</td>
<td>Deputy Secretary</td>
<td>People, Capability and Resources (PCaR) - provides corporate services for the Ministry and the wider education sector. PCaR is responsible for finance, procurement, IT, people capability and business services.</td>
<td>04 463 7726 s 9(2)(a) OIA</td>
</tr>
</tbody>
</table>

We work with a wide range of agencies

As the Government's strategic advisor on the education system, we work closely with other government agencies to improve education outcomes and contribute to the broader social and economic sectors.

Each agency has a distinct role in the system. The key education agencies and bodies that work together to support the education system are:

- Ministry of Education
- Tertiary Education Commission (TEC)
- Careers New Zealand (proposed transition to TEC)
- Education New Zealand
- Education Review Office
- Education Council (the independent professional body for the teaching profession)
- New Zealand Qualifications Authority
- NHL (Network for Learning).

We work closely with social sector agencies including contribution to:

- The Social Sector Board
- Vulnerable Children Act
- Family Violence and Sexual Violence
- Whānau Ora
- The New Zealand Health Strategy
- Investing in Children
- Social sector coordination activities such as the Children's Teams, Place-Based Initiatives and Integrated Safety Response.

We work with economic agencies such as MBIE, MSD and Inland Revenue to ensure that our graduates continue to develop the skills and knowledge needed by employers in New Zealand and overseas in a globally competitive labour market. We also work with MFAT on our international obligations and commitments on education policy and cooperation.
Annex 3: Our people

FTEs and the cap
The Ministry currently has 2,653 FTEs. We operate within an FTE cap of 2,740. The Ministry headcount and FTE by group is shown in the table below (as at 25 November 2016).

<table>
<thead>
<tr>
<th>Business Group</th>
<th>Headcount</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early Learning and Student Achievement</td>
<td>94</td>
<td>92.7</td>
</tr>
<tr>
<td>Education Infrastructure Service</td>
<td>164</td>
<td>162.6</td>
</tr>
<tr>
<td>Education System Policy</td>
<td>82</td>
<td>78.6</td>
</tr>
<tr>
<td>Evidence Data and Knowledge</td>
<td>97</td>
<td>91.4</td>
</tr>
<tr>
<td>Graduate Achievement, Vocations and Careers</td>
<td>53</td>
<td>51.0</td>
</tr>
<tr>
<td>Parents, Whanau and Communities</td>
<td>54</td>
<td>54.0</td>
</tr>
<tr>
<td>People, Capability and Resources</td>
<td>277</td>
<td>274.2</td>
</tr>
<tr>
<td>Sector Enablement and Support</td>
<td>2,127</td>
<td>1,753.3</td>
</tr>
<tr>
<td>Strategy, Planning and Governance</td>
<td>97</td>
<td>94.7</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>3,046</strong></td>
<td><strong>2,653.4</strong></td>
</tr>
</tbody>
</table>

Permanent and Fixed Term employees are included in the counting. Strategy, Planning and Governance includes Te Ao Maori in the counting.

Using the State Services Commission definition of 'frontline', 39% of our staff are considered frontline. More than two thirds of our staff (70%) directly support either children and young people, or educators and education services.

- 60.5% work directly with children and young people to support their learning
- 5.5% provide front-line support to education providers, iwi, communities and others
- 5.5% deliver services directly to the education sector or purchase services on their behalf – resourcing, ICT, school transport and property, professional development
- 11.7% work on data and knowledge, and provide advice to Government on how to get the most out of the education system
- 16.5% support the rest of our staff to do their jobs.

Contractors
The total spend on contractors and consultants in recent years is shown in the table below.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Cost ($m)</th>
<th>Number Engaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/16</td>
<td>$33.2</td>
<td>425</td>
</tr>
<tr>
<td>2014/15</td>
<td>$39.5</td>
<td>318</td>
</tr>
<tr>
<td>2013/14</td>
<td>$40.6</td>
<td>633</td>
</tr>
<tr>
<td>2012/13</td>
<td>$25.1</td>
<td>364</td>
</tr>
<tr>
<td>2011/12</td>
<td>$23.5</td>
<td>418</td>
</tr>
<tr>
<td>2010/11</td>
<td>$10.8</td>
<td>167</td>
</tr>
<tr>
<td>2009/10</td>
<td>$14.1</td>
<td>239</td>
</tr>
</tbody>
</table>
The Ministry aims to continue reducing its contractor spend. We have initiated a plan to limit the engagement of new contractors and reduce total spend through the following actions:

- PCaR working closely with each Deputy Secretary to promote the need to reduce contractor spend, including providing information and support about different resourcing options
- PCaR working with business units to see where contractor conversion to FTE may be appropriate
- PCaR providing detailed regular reporting to Deputy Secretaries covering contractor numbers and spending to assist management decisions, and
- continuing to work on capturing all Ministry resourcing information in one source within People Capability, to better support visibility of all resourcing requirements and opportunities.

Compared to other areas of the Ministry, EIS has grown in the past three years in response to Christchurch, rapid population growth, and through expanding services to deliver the Government’s eight point plan for school property. This has meant EIS has had to increase its reliance on contract staff who mostly complete one-off projects that require specialist expertise and skills for fixed periods of time. EIS recognises that it is uneconomical to have these people on permanent staff.

Overall, the Ministry will be reviewing a range of strategic opportunities to reduce contractor numbers such as:

- contracting out – making a decision on whether to ‘make or buy’
- exploring alternative commercial arrangements to manage our contractor and temporary workforce spend
- examining secondment opportunities. This will provide skills growth for internal staff and retain knowledge in the Ministry
- ensuring contractors are engaged for specific skills, and contracts are time bound and outcome based.
Our location
We operate out of 45 locations around New Zealand, as well as out of Wellington accommodation.

We have a four year accommodation strategy. Accommodation is being updated progressively to the common design standard within the Ministry’s capital building replacement programme. Changes are being made over the next twelve months in the following locations:

- Tauranga (December 2016)
- Christchurch (March/April 2017)
- New Plymouth (mid 2017).
### Annex 4: Education Sector Collective Agreements: Summary information

#### Teachers

<table>
<thead>
<tr>
<th>COLLECTIVE AGREEMENTS</th>
<th>UNION(S)</th>
<th>SIZE (FTTE)</th>
<th>START DATE AND EXPIRY DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Teachers</td>
<td>New Zealand Educational Institute Te Riu Roa (NZEI Te Riu Roa)</td>
<td>27,961</td>
<td>9 June 2016 to 8 June 2018</td>
</tr>
<tr>
<td>Secondary Teachers</td>
<td>Post Primary Teachers’ Association (PPTA)</td>
<td>20,742</td>
<td>26 October 2015 to 27 October 2018</td>
</tr>
<tr>
<td>Kindergarten Teachers, Head Teachers and Senior Teachers</td>
<td>NZEI Te Riu Roa</td>
<td>2,426</td>
<td>12 December 2013 to 11 December 2016</td>
</tr>
<tr>
<td>Area School Teachers</td>
<td>PPTA and NZEI Te Riu Roa</td>
<td>2,383</td>
<td>8 April 2016 to 7 April 2019</td>
</tr>
<tr>
<td>Primary Principals</td>
<td>NZEI Te Riu Ria</td>
<td>1,990</td>
<td>17 May 2016 to 16 May 2018</td>
</tr>
<tr>
<td>Secondary Principals</td>
<td>PPTA and Secondary Principals’ Association of New Zealand (SPANZ)</td>
<td>314</td>
<td>12 May 2016 to 11 May 2019</td>
</tr>
<tr>
<td>Area School Principals</td>
<td>PPTA and NZEI Te Riu Roa</td>
<td>107</td>
<td>30 June 2016 to 29 June 2019</td>
</tr>
<tr>
<td>Te Aho o Te Kura Pounamu Early Childhood</td>
<td>NZEI Te Riu Roa</td>
<td>15</td>
<td>20 June 2016 to 19 June 2018</td>
</tr>
<tr>
<td>Other staff in schools</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### COLLECTIVE AGREEMENTS

<table>
<thead>
<tr>
<th>COLLECTIVE AGREEMENTS</th>
<th>UNION(S)</th>
<th>SIZE (FTTE)</th>
<th>START DATE AND EXPIRY DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Residential Schools</td>
<td>Public Service Association (PSA)</td>
<td>176</td>
<td>30 September 2015 to 29 September 2018</td>
</tr>
<tr>
<td>Caretakers and Cleaners (including Canteen Workers)</td>
<td>E tū</td>
<td>2,561</td>
<td>1 April 2015 to 1 December 2016</td>
</tr>
<tr>
<td>Secondary and Area School Groundstaff</td>
<td>Amalgamated Workers Union (AMUNZ)</td>
<td>261</td>
<td>1 May 2015 to 31 December 2016</td>
</tr>
<tr>
<td>Adult and Community Education (ACE) Staff in Schools</td>
<td>PPTA</td>
<td>587</td>
<td>22 June 2016 to 21 June 2019</td>
</tr>
<tr>
<td>Support Staff in Schools</td>
<td>NZEI Te Riu Roa and E tū</td>
<td>12,080</td>
<td>6 June 2014 to 5 December 2016</td>
</tr>
<tr>
<td>Kaiarahi i te Reo, Therapists, Assistants to Teachers with Students with Severe Disabilities and Special Education Assistants</td>
<td>NZEI Te Riu Roa</td>
<td>113</td>
<td>6 June 2014 to 5 December 2016</td>
</tr>
<tr>
<td>Te Aho o Te Kura Pounamu Specialist and Support Staff</td>
<td>NZEI Te Riu Roa</td>
<td>145</td>
<td>24 September 2014 to 24 December 2016</td>
</tr>
</tbody>
</table>
Lifting aspiration and raising educational achievement for every New Zealander