

Vote Education

APPROPRIATION MINISTER(S): Minister of Education (M26)

DEPARTMENT ADMINISTERING THE VOTE: Ministry of Education (A19)

RESPONSIBLE MINISTER FOR MINISTRY OF EDUCATION: Minister of Education

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
School Property Portfolio Management (M26) (A19) This appropriation is limited to support and advice for schools on property issues; managing and supporting the purchase and construction of new property; and upgrades to existing property and disposal of surplus property; managing teacher and caretaker housing; and other services provided by the Ministry of Education in its stewardship of the land, buildings and other facilities that comprise the State school sector property portfolio.	2,652,138	460,799	3,112,937
Services to Other Agencies RDA (M26) (A19) This appropriation is limited to the provision of services by the Ministry of Education to government departments and other agencies where those services are not within the scope of another departmental output expense appropriation in Vote Education.	6,182	(682)	5,500
Support and Resources for Parents and the Community (M26) (A19) This appropriation is limited to expenditure on support focused on increasing informed engagement by families and communities in their children's educational outcomes.	16,467	(52)	16,415
Total Departmental Output Expenses	2,674,787	460,065	3,134,852
Departmental Capital Expenditure			
Ministry of Education - Capital Expenditure PLA (M26) (A19) This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Education, as authorised by section 24(1) of the Public Finance Act 1989.	2,004,003	110,832	2,114,835
Total Departmental Capital Expenditure	2,004,003	110,832	2,114,835
Non-Departmental Output Expenses			
Contributions to Other Education-related Organisations (M26) (A19) This appropriation is limited to contributions to the services provided by education-related organisations that benefit the New Zealand education system and fulfil obligations to the United Nations Educational, Scientific and Cultural Organisation (UNESCO).	6,248	3,107	9,355
Early Learning (M26) (A19) This appropriation is limited to subsidising delivery of early learning services for children under six years of age by licensed and certificated services, and the provision of related funds to such services.	2,653,449	(57,077)	2,596,372
School Managed Network Funding (M26) (A19) This appropriation is limited to supporting schools' purchase of a core package of managed network services from the provider of the managed network service.	29,250	-	29,250
School Transport (M26) (A19) This appropriation is limited to transporting eligible students to and from State and state integrated schools and associated facilities.	248,240	6,670	254,910
Schooling Improvement (M26) (A19) This appropriation is limited to school support and schooling improvement projects, including iwi-strengthening education projects, to improve the capability of schools and school clusters and their responsiveness to the needs of their communities.	36,441	1,366	37,807

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Support for Early Learning Providers (M26) (A19) This appropriation is limited to assisting early learning services and other bodies corporate that provide child places for early learning.	12,306	(184)	12,122
Supporting Parenting (M26) (A19) This appropriation is limited to delivery of specific programmes and providing advice and support that enhances the role of parents/caregivers in the development of their children.	8,974	-	8,974
Total Non-Departmental Output Expenses	2,994,908	(46,118)	2,948,790
Benefits or Related Expenses			
Home Schooling Allowances (M26) (A19) This appropriation is limited to allowances for parents/caregivers of children in full-time correspondence programmes for primary and secondary education and parents/caregivers of children receiving their primary and secondary education at home (where a certificate of exemption from enrolment has been approved under section 38 of the Education and Training Act 2020).	9,447	(123)	9,324
Scholarships and Awards for Students (M26) (A19) This appropriation is limited to scholarships and allowances for school students, including subsidies toward fees and travel costs and programmes.	13,626	(168)	13,458
Scholarships and Awards for Teachers and Trainees (M26) (A19) This appropriation is limited to study awards, sabbaticals and fellowships for teachers and scholarships and allowances for students undertaking teacher training education.	36,416	2,726	39,142
Total Benefits or Related Expenses	59,489	2,435	61,924
Non-Departmental Other Expenses			
Fair Value Write Down and Impairment of Loans and Advances (M26) (A19) This appropriation is limited to fair value write downs on concessionary and suspensory loans and advances to educational institutions, as well as any subsequent impairment.	200	-	200
Impairment of Debts and Assets and Debt Write-Offs (M26) (A19) This appropriation is limited to bad debt write-offs for Crown debt and to impairment of Crown debt or other assets arising from objective evidence of one or more loss events that occurred after the initial recognition of the Crown debt or asset, and the loss event (or events) has had a reliably measurable impact on the estimated future cash flows of the debt or other asset.	1,000	3,586	4,586
Integrated Schools Property (M26) (A19) This appropriation is limited to providing funding to proprietors of integrated schools for capital upgrade, including modernisation, of their existing school property and facilities as well as expansion of the network of integrated schools.	102,324	13,170	115,494
School Asset Sale Proceeds to Schools (M26) (A19) This appropriation is limited to providing proceeds to schools from the sale of school houses.	-	1,400	1,400
Total Non-Departmental Other Expenses	103,524	18,156	121,680
Non-Departmental Capital Expenditure			
Schools Furniture and Equipment (M26) (A19) This appropriation is limited to providing funding to schools for new furniture and equipment when capital works have been approved or to fund the replacement of furniture and equipment.	76,939	(2,500)	74,439
Total Non-Departmental Capital Expenditure	76,939	(2,500)	74,439

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Multi-Category Expenses and Capital Expenditure			
Improved Quality Teaching and Learning MCA (M26) (A19)	419,136	14,895	434,031
The single overarching purpose of this appropriation is to improve the quality of teaching and learning for children and young people aged 0-18 years.			
Departmental Output Expenses			
<i>Support and Resources for Teachers</i>	184,991	4,891	189,882
This category is limited to expenditure on policies and services focused on supporting the capability of teachers, kaiako and leaders to improve outcomes for students.			
Non-Departmental Output Expenses			
<i>Curriculum Support</i>	93,853	7,285	101,138
This category is limited to funding educational programmes for teachers, kaiako and leaders, students with their families, and the community that expand learning opportunities.			
<i>Professional Development and Support</i>	140,292	2,719	143,011
This category is limited to building the capability of teachers, kaiako and leaders, through the delivery of learning and development opportunities.			
Outcomes for Target Student Groups MCA (M26) (A19)	1,444,135	54,250	1,498,385
The single overarching purpose of this appropriation is to improve outcomes for targeted student groups.			
Departmental Output Expenses			
<i>Interventions for Target Student Groups</i>	432,290	10,161	442,451
This category is limited to expenditure on policies and services focused on targeted student groups or individuals' participation in education.			
Non-Departmental Output Expenses			
<i>Learning Support and Alternative Education</i>	696,024	44,089	740,113
This category is limited to providing additional resources and programmes to enable students with additional learning needs or those who are disengaged or disengaging from education to participate in education.			
<i>School Lunch Programme</i>	283,989	(1,100)	282,889
This category is limited to providing school lunches to students in schools and kura with high concentrations of disadvantage.			
<i>Students Attendance and Engagement</i>	31,832	-	31,832
This category is limited to providing services to support increased attendance for non-attending students.			
Non-Departmental Other Expenses			
<i>Additional School Lunch Expenses</i>	-	1,100	1,100
This category is limited to meeting agreed and unavoidable expenses related to the school lunch programme where public health, force majeure and/or other unexpected events, impacting school operations or providers, affect delivery of lunches or costs.			

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Oversight and Administration of the Qualifications System MCA (M26) (A19) The single overarching purpose of this appropriation is for the New Zealand Qualifications Authority to provide effective oversight and administration of the qualifications system.	71,789	66	71,855
Non-Departmental Output Expenses			
<i>Secondary School Assessments</i> This category is limited to the New Zealand Qualifications Authority delivering external assessment for national secondary school qualifications, including the National Certificate of Educational Achievement and Scholarship examinations, and moderating of internal school assessments.	44,863	-	44,863
<i>Standards and Qualifications Support</i> This category is limited to the New Zealand Qualifications Authority managing, operating, maintaining and providing advice on the New Zealand qualifications system, and providing quality assurance services on NZQA's areas of responsibility.	26,926	66	26,992
Oversight of the Education System MCA (M26) (A19) The single overarching purpose of this appropriation is to provide policy advice, research, monitoring and related services that enable Ministers to discharge their responsibilities for a well-functioning education system (excluding tertiary education).	65,671	3,433	69,104
Departmental Output Expenses			
<i>Stewardship and Oversight of the Education System</i> This category is limited to providing advice and services to support Ministers to discharge their portfolio responsibilities relating to education (excluding tertiary and international education), and delivery of research and data analysis, monitoring and reporting on the education system, and related administrative and oversight activities.	65,671	3,433	69,104
Primary and Secondary Education MCA (M26) (A19) The overarching purpose of this appropriation is to provide teachers, funding and other resourcing entitlements to schools (and other education providers) to deliver education to school students in Years 0 to 13.	7,493,126	749,537	8,242,663
Departmental Output Expenses			
<i>Support and Resources for Education Providers</i> This category is limited to expenses incurred on operational policies, regulations and services relating to the governance, management and operation of education providers (other than tertiary education providers).	220,177	(7,242)	212,935
Non-Departmental Output Expenses			
<i>Primary Education</i> This category is limited to providing roll-based operations funding to schools, teacher and management salaries, support costs and supplementary funding programmes to enable the delivery of education to all students for Years 0 to 8.	4,160,061	379,303	4,539,364
<i>School Risk Management Scheme</i> This category is limited to the expenses incurred in purchasing reinsurance and settling claims under the school risk management scheme, in accordance with the Education and Training Act 2020.	6,800	-	6,800
<i>Secondary Education</i> This category is limited to providing roll-based operations funding to schools, teacher and management salaries, support costs and supplementary funding programmes to enable the delivery of education, including the delivery of programmes of learning at the secondary-tertiary interface, to all students for Years 9 to 13.	3,106,088	377,476	3,483,564
Total Multi-Category Expenses and Capital Expenditure	9,493,857	822,181	10,316,038
Total Annual Appropriations and Forecast Permanent Appropriations	17,407,507	1,365,051	18,772,558

Capital Injection Authorisations

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Ministry of Education - Capital Injection (M26) (A19)	1,164,137	5,605	1,169,742

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2023/24				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	5,669,695	460,065	(46,118)	413,947	6,083,642
Benefits or Related Expenses	59,489	N/A	2,435	2,435	61,924
Borrowing Expenses	-	-	-	-	-
Other Expenses	103,524	-	18,156	18,156	121,680
Capital Expenditure	2,080,942	110,832	(2,500)	108,332	2,189,274
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	9,493,857	11,243	809,838	821,081	10,314,938
<i>Other Expenses</i>	-	-	1,100	1,100	1,100
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	17,407,507	582,140	782,911	1,365,051	18,772,558
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	6,765	N/A	415	415	7,180
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	6,765	N/A	415	415	7,180

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

School Property Portfolio Management (M26) (A19)

Scope of Appropriation

This appropriation is limited to support and advice for schools on property issues; managing and supporting the purchase and construction of new property; and upgrades to existing property and disposal of surplus property; managing teacher and caretaker housing; and other services provided by the Ministry of Education in its stewardship of the land, buildings and other facilities that comprise the State school sector property portfolio.

Expenses and Revenue

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	2,652,138	460,799	3,112,937
Revenue from the Crown	2,359,758	165,987	2,525,745
Revenue from Others	3,186	17,250	20,436

Reasons for Change in Appropriation

This appropriation increased by \$460.799 million to \$3,112.937 million for 2023/24 due to a combination of:

- increased capital charge (\$143.336 million increase) and depreciation (\$278.160 million increase) related to the annual revaluation of school property portfolio as at 30 June 2023
- writing-off costs associated with the abandonment of the proposed co-location of the Marlborough Boys' College, Marlborough Girls' College and Bohally Intermediate (\$13.397 million increase)
- capital to operating swaps covering:
 - lease arrangements where a building construction solution is not available or is uneconomic (\$7.617 million increase)
 - increased lease costs for temporary accommodation to allow for the relocation of students during a refurbishment or renovation of an existing school building (\$7 million increase)
 - increased costs for implementing the Property Portfolio Management Tool (\$1.469 million increase)
 - changes in the accounting treatment for Software as a Service (\$1.110 million increase)
 - land lease back costs in relation to Treaty settlements (\$903,000 increase)

- transfers from 2022/23 to ensure funding is available:
 - to continue the Public Private Partnership schools expansion programme (\$1.715 million increase)
 - to repair and rebuild schools affected by North Island Weather Events (\$1.372 million increase)
 - to complete further condition assessments across the school property portfolio (\$377,000 increase)
- increased provision for the management of the school property portfolio, offset by gains from the sale of surplus properties (\$2.724 million increase)
- increased cost of managing and maintaining the teacher and principal housing portfolio and sites for future schools offset by higher third party rental income (\$1.682 million increase)
- increased funding to the Secure Access programme, which improves schools' cyber-security partly offset by additional school contributions (\$1.573 million increase)
- drawdown of tagged operating contingency to provide funding for Public Private Partnership schools expansion (\$800,000 increase)
- increased capital charges due to unrealised gains on derivatives (\$586,000 increase) and remeasurement of retiring & long service leave as at 30 June 2023 (\$44,000 increase)
- reprioritisation to support the additional estimated cost of settlement for the Secondary Teachers' Collective Agreement (\$2.366 million decrease), and
- transfer from 2023/24 to 2024/25 and 2025/26 to complete repairs to schools affected by North Island Weather Events (\$700,000 decrease).

Services to Other Agencies RDA (M26) (A19)

Scope of Appropriation

This appropriation is limited to the provision of services by the Ministry of Education to government departments and other agencies where those services are not within the scope of another departmental output expense appropriation in Vote Education.

Expenses and Revenue

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	6,182	(682)	5,500
Revenue from Others	6,182	(682)	5,500

Reasons for Change in Appropriation

This appropriation decreased by \$682,000 to \$5.500 million for 2023/24 due to reduced provision of additional office accommodation and support services to other agencies on a cost recovery basis.

Support and Resources for Parents and the Community (M26) (A19)

Scope of Appropriation

This appropriation is limited to expenditure on support focused on increasing informed engagement by families and communities in their children's educational outcomes.

Expenses and Revenue

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	16,467	(52)	16,415
Revenue from the Crown	16,457	(52)	16,405
Revenue from Others	10	-	10

Reasons for Change in Appropriation

This appropriation decreased by \$52,000 to \$16.415 million for 2023/24 due to a combination of:

- reprioritisation to support the additional estimated cost of settlement for the Secondary Teachers' Collective Agreement (\$151,000 decrease), and
- a capital to operating swap for changes in the accounting treatment for Software as a Service (\$99,000 increase).

2.3 - Departmental Capital Expenditure and Capital Injections

Ministry of Education - Capital Expenditure PLA (M26) (A19)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Education, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	75,000	(36,538)	38,462
Property, Plant and Equipment	1,873,495	147,464	2,020,959
Intangibles	55,508	(94)	55,414
Other	-	-	-
Total Appropriation	2,004,003	110,832	2,114,835

Reasons for Change in Appropriation

This appropriation increased by \$110.832 million to \$2,114.835 million for 2023/24 due to a combination of:

- an increase in school property growth spending due to rising construction costs and an increased demand for delivering teaching spaces (\$154 million increase)
- progression of Public Private Partnership school expansions (\$53.933 million increase)
- fit-out of Ministry office accommodation (\$9.465 million increase)
- delays in delivering the North Island Weather Event Programme, specifically around the major projects (eg, full school rebuilds) which take time to design and deliver (\$44 million decrease)
- decrease on purchase of land in an intentional slow down to prioritise growth spend and reassess which new schools are likely to be invested in (\$36.538 million decrease)
- delays in delivering the Marlborough Schools Projects, where we paused to seek direction from the new government and for which work has now resumed (\$27 million decrease), and
- other minor school property capital expenditure programmes (\$817,000 increase).

Capital Injections and Movements in Departmental Net Assets

Ministry of Education

Details of Net Asset Schedule	2023/24 Main Estimates Projections \$000	2023/24 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2023/24
Opening Balance	27,121,219	30,401,571	Supplementary Estimates opening balance reflects the audited results as at 30 June 2023.
Capital Injections	1,164,137	1,169,742	The \$5.605 million increase in injections is due to: Public Private Partnership Schools Expansion Programme (\$26.068 million increase), delivery of the programme for state schools to accelerate school property upgrade works (\$18 million increase), build and expand schools delivering Māori Medium Education (\$6.910 million increase), decarbonisation programme to replace coal boilers in schools (\$5 million increase), Export Education Levy loan repayment (\$2 million), expansion of the School Property Portfolio for roll growth classrooms and new schools in accordance with the National Education Growth Plan (\$298,000 increase) and Ministry corporate capability funding (\$2,000 increase). The increase was partially offset by: delays in programme to restore school property affected by North Island Weather Events (\$31.669 million decrease), delays in delivery of the Nga Iti Kahurangi (Improving Classrooms in Small or Remote Schools) Programme (\$12 million decrease), cancellation of programme to support the co-location of Marlborough Boys and Girls Colleges and relocation of Bohally Intermediate and transfer remaining funding to 2024/25 to support upgrade of facilities at the schools (\$6 million decrease), and delays in Hāwera School Network Regeneration Project (\$3.004 million decrease).
Capital Withdrawals	(13,433)	(42,520)	The \$29.087 million increase in withdrawals is due to various capital to operating swaps: to lease school buildings (\$14.617 million), for Te Mahau Service Portal (Salesforce) ICT Application (\$8.200 million), for school property rationalisation (\$2.724 million), for Data for Wellbeing Initiative - Te Rito programme (\$1.550 million), and for a Property Portfolio Management Tool (\$1.469 million). Also included is return of funding to implement the Budget 2023 expansion of 20 Hours Early Childhood Education (ECE) to two-year-olds (\$527,000).
Surplus to be Retained (Deficit Incurred)	(289,155)	(568,696)	The \$279.541 million increase in net deficit incurred is due to: higher unfunded depreciation as a result of the 30 June 2023 upward revaluation of school buildings, site improvements, teacher housing; early childhood centres (\$278.160 million deficit), write-off cost for cancelled capital works programme to co-locate Marlborough Boys' and Girls' Colleges and relocate Bohally Intermediate (\$13.397 million), net unrealised loss on interest rate swap and foreign exchange contract derivatives with the New Zealand Debt Management Office (\$2.261 million deficit), retention of third party contributions to the development of particular school building assets (\$11.271 million surplus), retention of realised gain on sale of school property (\$2.724 million surplus), and retention of contribution from Energy Efficiency and Conservation Authority for electric vehicle charging stations (\$282,000 surplus).
Other Movements	-	-	
Closing Balance	27,982,768	30,960,097	

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Contributions to Other Education-related Organisations (M26) (A19)

Scope of Appropriation

This appropriation is limited to contributions to the services provided by education-related organisations that benefit the New Zealand education system and fulfil obligations to the United Nations Educational, Scientific and Cultural Organisation (UNESCO).

Reasons for Change in Appropriation

This appropriation increased by \$3.107 million to \$9.355 million for 2023/24 due to:

- drawing down from the Teacher and Principal Collective Bargaining tagged operating contingency for teacher and principal settlements (\$2.907 million), and
- transfer from non-departmental output expense Secondary Education within Primary and Secondary Education MCA to fund increased levies to UNESCO (\$200,000).

Early Learning (M26) (A19)

Scope of Appropriation

This appropriation is limited to subsidising delivery of early learning services for children under six years of age by licensed and certificated services, and the provision of related funds to such services.

Reasons for Change in Appropriation

This appropriation decreased by \$57.077 million to \$2,596.372 million for 2023/24 due to a combination of:

- revised population projections based on 2023 outturns data and changes in the mix of expenditure between service types, subsidy types and ages of children (\$94.577 million decrease)
- reversing the extension of the 20 hours Early Childhood Education policy to 2-year-olds (\$88.073 million decrease)
- drawdown of the Teacher and Principal Collective Bargaining tagged operating contingency for teacher and principal settlements (\$107.167 million increase)
- drawdown of the Kōhanga Reo - Expanding Pay Parity in Kōhanga Reo contingency (\$9 million increase)
- reprioritisation to support the additional estimated cost of settlement for the Secondary Teachers' Collective Agreement (\$4.467 million increase)
- transfers from non-departmental output expenses Primary Education and Secondary Education under Primary and Secondary Education MCA (\$3.236 million increase) and from 2022/23 underspends (\$1.288 million increase) to fund overseas recruitment of early learning teachers to address teacher supply issues, and
- grant from the Ministry of Social Development to support tamariki following the North Island Weather Events (\$415,000 increase).

School Transport (M26) (A19)

Scope of Appropriation

This appropriation is limited to transporting eligible students to and from State and state integrated schools and associated facilities.

Reasons for Change in Appropriation

This appropriation increased by \$6.670 million to \$254.910 million for 2023/24 due to higher numbers of eligible students and upward movement in the global rating adjustment calculated by the New Zealand Transport Agency.

Schooling Improvement (M26) (A19)

Scope of Appropriation

This appropriation is limited to school support and schooling improvement projects, including iwi-strengthening education projects, to improve the capability of schools and school clusters and their responsiveness to the needs of their communities.

Reasons for Change in Appropriation

This appropriation increased by \$1.366 million to \$37.807 million for 2023/24 due to a combination of:

- transfer from non-departmental output expense Curriculum Support within Improved Quality Teaching and Learning MCA to reallocate an underspend from Te Kawa Matakura to the Whānau Engagement Fund (\$4.300 million increase)
- expense transfer from 2023/24 to 2024/25 for continuing cybersecurity and managed digital services to kura and schools. (\$2.042 million decrease), and
- partial return of funding by disestablishing the Secretariat for Te Pae Roa Ministerial Group (\$892,000 decrease).

Support for Early Learning Providers (M26) (A19)

Scope of Appropriation

This appropriation is limited to assisting early learning services and other bodies corporate that provide child places for early learning.

Reasons for Change in Appropriation

This appropriation decreased by \$184,000 to \$12.122 million for 2023/24 due to a transfer to the Ministry for Social Development for a new category of allowable payments for 20 hours Early Childhood Education for home-based services from 1 March 2024.

3.2 - Non-Departmental Benefits or Related Expenses

Home Schooling Allowances (M26) (A19)

Scope of Appropriation

This appropriation is limited to allowances for parents/caregivers of children in full-time correspondence programmes for primary and secondary education and parents/caregivers of children receiving their primary and secondary education at home (where a certificate of exemption from enrolment has been approved under section 38 of the Education and Training Act 2020).

Reasons for Change in Appropriation

This appropriation decreased by \$123,000 to \$9.324 million for 2023/24 due to a combination of:

- reprioritisation to support the estimated cost of settlement for the Secondary Teachers' Collective Agreement (\$1.200 million decrease), and
- increased uptake in home schooling (\$1.077 million increase).

Scholarships and Awards for Students (M26) (A19)

Scope of Appropriation

This appropriation is limited to scholarships and allowances for school students, including subsidies toward fees and travel costs and programmes.

Reasons for Change in Appropriation

This appropriation decreased by \$168,000 to \$13.458 million for 2023/24 due to reprioritisation of funding for the Prime Minister's Vocational Excellence Award from 2024/25.

Scholarships and Awards for Teachers and Trainees (M26) (A19)

Scope of Appropriation

This appropriation is limited to study awards, sabbaticals and fellowships for teachers and scholarships and allowances for students undertaking teacher training education.

Reasons for Change in Appropriation

This appropriation increased by \$2.726 million to \$39.142 million for 2023/24 due to settlement of teachers' and principals' collective agreements.

3.4 - Non-Departmental Other Expenses

Impairment of Debts and Assets and Debt Write-Offs (M26) (A19)

Scope of Appropriation

This appropriation is limited to bad debt write-offs for Crown debt and to impairment of Crown debt or other assets arising from objective evidence of one or more loss events that occurred after the initial recognition of the Crown debt or asset, and the loss event (or events) has had a reliably measurable impact on the estimated future cash flows of the debt or other asset.

Reasons for Change in Appropriation

This appropriation increased by \$3.586 million to \$4.586 million for 2023/24 due to additional provision being required for:

- uncollectible debts following the closure of Melville High and Melville Intermediate (\$1.926 million), and
- higher levels of uncollectible general debt related to more early childhood centres experiencing cashflow constraints, closing and going into liquidation (\$1.660 million).

Integrated Schools Property (M26) (A19)

Scope of Appropriation

This appropriation is limited to providing funding to proprietors of integrated schools for capital upgrade, including modernisation, of their existing school property and facilities as well as expansion of the network of integrated schools.

Reasons for Change in Appropriation

This appropriation increased by \$13.170 million to \$115.494 million for 2023/24 due to additional funding for the maintenance of integrated school buildings arising from the increased valuation of State school property as at 30 June 2023.

School Asset Sale Proceeds to Schools (M26) (A19)

Scope of Appropriation

This appropriation is limited to providing proceeds to schools from the sale of school houses.

Expenses

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,400	1,400

What is Intended to be Achieved with this Appropriation

This appropriation is intended to enable the Ministry of Education to distribute proceeds from the sale of school houses to schools.

How Performance will be Assessed and End of Year Reporting Requirements

	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
The Ministry of Education meets school house sales obligations agreed with schools and abides by Ministers' decisions regarding payment of school house sale proceeds	100%	100%	100%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister of Education in a report appended to the Ministry of Education's annual report.

Reasons for Change in Appropriation

This new appropriation of \$1.400 million is for the transfer of proceeds to schools from the sale of surplus school houses.

3.5 - Non-Departmental Capital Expenditure

Schools Furniture and Equipment (M26) (A19)

Scope of Appropriation

This appropriation is limited to providing funding to schools for new furniture and equipment when capital works have been approved or to fund the replacement of furniture and equipment.

Reasons for Change in Appropriation

This appropriation decreased by \$2.500 million to \$74.439 million for 2023/24 due to a combination of:

- transfer to 2024/25 for the purchase of furniture and equipment for delayed redevelopment projects (\$5 million decrease), and
- transfer from 2022/23 to upgrade ageing network hardware and install cybersecurity protection in schools (\$2.500 million increase).

Part 4 - Details of Multi-Category Expenses and Capital Expenditure

4 - Multi-Category Expenses and Capital Expenditure

Improved Quality Teaching and Learning (M26) (A19)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to improve the quality of teaching and learning for children and young people aged 0-18 years.

Scope of Appropriation

Departmental Output Expenses

Support and Resources for Teachers

This category is limited to expenditure on policies and services focused on supporting the capability of teachers, kaiako and leaders to improve outcomes for students.

Non-Departmental Output Expenses

Curriculum Support

This category is limited to funding educational programmes for teachers, kaiako and leaders, students with their families, and the community that expand learning opportunities.

Professional Development and Support

This category is limited to building the capability of teachers, kaiako and leaders, through the delivery of learning and development opportunities.

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	419,136	14,895	434,031
Departmental Output Expenses			
Support and Resources for Teachers	184,991	4,891	189,882
Non-Departmental Output Expenses			
Curriculum Support	93,853	7,285	101,138
Professional Development and Support	140,292	2,719	143,011
Funding for Departmental Output Expenses			
Revenue from the Crown	184,981	4,891	189,872
Support and Resources for Teachers	184,981	4,891	189,872
Revenue from Others	10	-	10
Support and Resources for Teachers	10	-	10

Reasons for Change in Appropriation

This appropriation increased by \$14.895 million to \$434.031 million for 2023/24 due to a combination of:

- transfer from non-departmental output expense Primary Education within Primary and Secondary Education MCA to support students to meet literacy and numeracy standards (\$18.473 million increase)
- transfers from 2022/23 to ensure funding is available:
 - to continue National Certificate of Educational Achievement (NCEA) Change Programme (\$4.300 million increase)
 - to continue the Tomorrow's Schools programme (\$3.379 million increase)
 - to provide support to Māori learners (\$2.160 million increase)
 - for digital identity for online learning (\$293,000 increase)
- settlement of teachers' and principals' collective agreements (\$5.120 million increase)
- a capital to operating swap for changes in the accounting treatment for Software as a Service (\$1.071 million increase)
- transfers to:
 - 2026/27 to continue the NCEA Change Programme (\$8.353 million decrease)
 - 2024/25 to ensure funding is available for Evaluation of the Community Liaison Trial (\$1.616 million decrease)
- transfer to non-departmental output expense Schooling Improvement to reallocate an underspend from Te Kawa Matakura to the Whānau Engagement Fund (\$4.300 million decrease)
- return of funding for Te Kawa Matakura (\$4.130 million decrease), and
- reprioritisation to support the additional estimated cost of settlement for the Secondary Teachers' Collective Agreement (\$1.502 million decrease).

Outcomes for Target Student Groups (M26) (A19)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to improve outcomes for targeted student groups.

Scope of Appropriation

Departmental Output Expenses

Interventions for Target Student Groups

This category is limited to expenditure on policies and services focused on targeted student groups or individuals' participation in education.

Non-Departmental Output Expenses*Learning Support and Alternative Education*

This category is limited to providing additional resources and programmes to enable students with additional learning needs or those who are disengaged or disengaging from education to participate in education.

School Lunch Programme

This category is limited to providing school lunches to students in schools and kura with high concentrations of disadvantage.

Students Attendance and Engagement

This category is limited to providing services to support increased attendance for non-attending students.

Non-Departmental Other Expenses*Additional School Lunch Expenses*

This category is limited to meeting agreed and unavoidable expenses related to the school lunch programme where public health, force majeure and/or other unexpected events, impacting school operations or providers, affect delivery of lunches or costs.

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,444,135	54,250	1,498,385
Departmental Output Expenses			
Interventions for Target Student Groups	432,290	10,161	442,451
Non-Departmental Output Expenses			
Learning Support and Alternative Education	696,024	44,089	740,113
School Lunch Programme	283,989	(1,100)	282,889
Students Attendance and Engagement	31,832	-	31,832
Non-Departmental Other Expenses			
Additional School Lunch Expenses	-	1,100	1,100
Funding for Departmental Output Expenses			
Revenue from the Crown	430,142	9,970	440,112
Interventions for Target Student Groups	430,142	9,970	440,112
Revenue from Others	2,148	473	2,621
Interventions for Target Student Groups	2,148	473	2,621

What is Intended to be Achieved with each Category and How Performance will be Assessed

Note for Additional School Lunch Expenses - An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, and Office of Parliament, or a Crown entity under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments meeting agreed and unavoidable expenses related to the school lunch programme where public health, force majeure and/or other unexpected events, impacting school operations or providers, affect delivery of lunches or costs.

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Non-Departmental Output Expenses			
School Lunch Programme			
This category is intended to provide school lunches to students in schools and kura with high concentrations of disadvantage.			
Young people in years 1 through 15 in schools with the highest concentrations of socioeconomic disadvantage are provided with reliable access to daily lunches through managed contracts.	New Measure	New Measure	25%

Reasons for Change in Appropriation

This appropriation increased by \$54.250 million to \$1,498.385 million for 2023/24 due to a combination of:

- settlement of teachers' and principals' collective agreements (\$28.849 million increase)
- drawdown of the tagged operating contingency established for Public Sector Pay Adjustment Remuneration Cost Pressures (\$8.195 million increase)
- impact of higher-than-expected national roll projections on teacher salaries and school operations grants (\$5.614 million increase)
- transfer from departmental output expense Support and Resources for Teachers within Improved Quality Teaching and Learning MCA for supporting child wellbeing by enhancing social and emotional learning (\$4.896 million increase)
- a capital to operating swap for changes in the accounting treatment for Software as a Service (\$3.870 million increase)
- drawdown of contingency funding (\$3 million increase) and transfer to 2024/25 (\$3.144 million decrease) for projects to improve redress for survivors of abuse in care
- funding to settle a pay equity claim for social work in the funded sector and in community and iwi organisations (\$2.106 million increase)
- funding for the Ministry to undertake Holidays Act 2003 remediation (\$2.029 million increase)

- funding to provide critical support for students with high health needs (\$1.800 million increase)
- funding from Energy Efficiency and Conservation Authority to transition to an Electric Vehicle (EV) fleet and installing EV chargers as part of the Carbon Neutral Government Programme (\$191,000 increase)
- funding for the settlement of the librarians and library assistants' and science technicians' pay equity claims (\$61,000 increase), and
- reprioritisation to support the additional estimated cost of settlement for the Secondary Teachers' Collective Agreement (\$3.217 million decrease).

Oversight and Administration of the Qualifications System (M26) (A19)

Overarching Purpose Statement

The single overarching purpose of this appropriation is for the New Zealand Qualifications Authority to provide effective oversight and administration of the qualifications system.

Scope of Appropriation

Non-Departmental Output Expenses

Secondary School Assessments

This category is limited to the New Zealand Qualifications Authority delivering external assessment for national secondary school qualifications, including the National Certificate of Educational Achievement and Scholarship examinations, and moderating of internal school assessments.

Standards and Qualifications Support

This category is limited to the New Zealand Qualifications Authority managing, operating, maintaining and providing advice on the New Zealand qualifications system, and providing quality assurance services on NZQA's areas of responsibility.

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	71,789	66	71,855
Non-Departmental Output Expenses			
Secondary School Assessments	44,863	-	44,863
Standards and Qualifications Support	26,926	66	26,992

What is Intended to be Achieved with each Category and How Performance will be Assessed

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Non-Departmental Output Expenses			
Standards and Qualifications Support			
The percentage of non-university sub-degree tertiary programmes monitored that continue to meet the programme approval and accreditation criteria	New measure	65%	65%

Reasons for Change in Appropriation

This appropriation increased by \$66,000 to \$71.855 million for 2023/24 due to transfer from non-departmental output expense Primary Education within Primary and Secondary Education MCA to provide for additional roles in the Teaching Council to reduce the processing times for overseas teacher assessments.

Oversight of the Education System (M26) (A19)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to provide policy advice, research, monitoring and related services that enable Ministers to discharge their responsibilities for a well-functioning education system (excluding tertiary education).

Scope of Appropriation

Departmental Output Expenses

Stewardship and Oversight of the Education System

This category is limited to providing advice and services to support Ministers to discharge their portfolio responsibilities relating to education (excluding tertiary and international education), and delivery of research and data analysis, monitoring and reporting on the education system, and related administrative and oversight activities.

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	65,671	3,433	69,104
Departmental Output Expenses			
Stewardship and Oversight of the Education System	65,671	3,433	69,104
Funding for Departmental Output Expenses			
Revenue from the Crown	65,661	3,433	69,094
Stewardship and Oversight of the Education System	65,661	3,433	69,094
Revenue from Others	10	-	10
Stewardship and Oversight of the Education System	10	-	10

Reasons for Change in Appropriation

This appropriation increased by \$3.433 million to \$69.104 million for 2023/24 due to a combination of:

- capital to operating swaps for changes in the accounting treatment for Software as a Service (\$2.020 million increase)
- transfer from non-departmental output expense Secondary Education within Primary and Secondary Education MCA for Data for Wellbeing Initiative - Te Rito programme, a programme addressing learners' needs by improving data quality, availability, timeliness and capability (\$2 million increase)
- drawdown of the contingency to appoint a Ministerial Advisory Group (\$1.401 million increase)
- transfer from 2022/23 to ensure funding is available for Integrated Data Infrastructure for early childhood education Equity Index (\$300,000 increase)
- transfers to 2024/25 to ensure funding is available:
 - to progress Data for Wellbeing Initiative - Te Rito programme, a programme addressing learners' needs by improving data quality, availability, timeliness and capability (\$1 million decrease)
 - to appoint a Ministerial Advisory Group to review school staffing settings, in the event a decision is made to proceed (the future direction of the Ministerial Advisory Group is being considered) (\$586,000 decrease), and
- reprioritisation to support the additional estimated cost of settlement for the Secondary Teachers' Collective Agreement (\$702,000 decrease).

Primary and Secondary Education (M26) (A19)

Overarching Purpose Statement

The overarching purpose of this appropriation is to provide teachers, funding and other resourcing entitlements to schools (and other education providers) to deliver education to school students in Years 0 to 13.

Scope of Appropriation

Departmental Output Expenses

Support and Resources for Education Providers

This category is limited to expenses incurred on operational policies, regulations and services relating to the governance, management and operation of education providers (other than tertiary education providers).

Non-Departmental Output Expenses

Primary Education

This category is limited to providing roll-based operations funding to schools, teacher and management salaries, support costs and supplementary funding programmes to enable the delivery of education to all students for Years 0 to 8.

School Risk Management Scheme

This category is limited to the expenses incurred in purchasing reinsurance and settling claims under the school risk management scheme, in accordance with the Education and Training Act 2020.

Secondary Education

This category is limited to providing roll-based operations funding to schools, teacher and management salaries, support costs and supplementary funding programmes to enable the delivery of education, including the delivery of programmes of learning at the secondary-tertiary interface, to all students for Years 9 to 13.

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	7,493,126	749,537	8,242,663
Departmental Output Expenses			
Support and Resources for Education Providers	220,177	(7,242)	212,935
Non-Departmental Output Expenses			
Primary Education	4,160,061	379,303	4,539,364
School Risk Management Scheme	6,800	-	6,800
Secondary Education	3,106,088	377,476	3,483,564
Funding for Departmental Output Expenses			
Revenue from the Crown	219,037	(7,242)	211,795
Support and Resources for Education Providers	219,037	(7,242)	211,795
Revenue from Others	1,140	-	1,140
Support and Resources for Education Providers	1,140	-	1,140

Reasons for Change in Appropriation

This appropriation increased by \$749.537 million to \$8,242.663 million for 2023/24 due to a combination of:

- settlement of teachers' and principals' collective agreements (\$718.015 million increase)
- impact of higher-than-expected national roll projections on teacher salaries and school operations grants. (\$81.915 million increase)
- funding for the Ministry to undertake Holidays Act 2003 remediation (\$30.171 million increase)

- transfers from 2022/23 to ensure funding is available to:
 - recruit overseas teachers to address teacher supply issues (\$9.973 million increase)
 - continue the installation of cyber security protection and managed digital services to provide safe, secure access to digital learning environments in kura and schools (\$4.100 million increase)
 - continue work to identify and analyse options for the future delivery of the schools payroll (\$4 million increase)
 - continue funding for moving qualified and certified teachers in education and care services closer towards pay parity with kindergarten teacher pay (\$4.130 million increase)
 - ensure the schools ageing network hardware is upgrade and cybersecurity protection is installed (\$2 million increase)
 - continue to fund the employee assistance programme (EAP) counselling services for schools, kura and early learning services (\$1.689 million increase)
 - ensure that Data for Wellbeing Initiative - Te Rito programme, a programme addressing learners' needs by improving data quality, availability, timeliness and capability continues (\$179,000 increase)
- funding for the settlement of the librarians and library assistants' and science technicians' pay equity claims (\$11.086 million increase)
- additional support for ākonga to catch up on lost learning following extreme weather events (\$5 million increase)
- capital to operating swaps for:
 - changes in the accounting treatment for Software as a Service (\$1.336 million increase)
 - funding to cover costs of additional vehicles leased for auditors (\$100,000 increase)
- reprioritisation to support the additional estimated cost of settlement for the Secondary Teachers' Collective Agreement (\$60.151 million decrease)
- return of unspent departmental funding allocated to the Ministry of Education to implement the Budget 2023 expansion of 20 hours ECE to two-year olds (\$4.632 million decrease)
- transfers to:
 - 2024/25, 2025/26 and 2026/27 to support the continuity of our overseas teacher pipeline (\$16.500 million decrease)
 - 2024/25 for continuing cybersecurity and managed digital services to Kura and schools (\$12.190 million decrease)
 - 2025/26 to progress the Data for Wellbeing Initiative - Te Rito programme (\$3 million decrease)
 - 2025/26 to support the continuity of the Schools Payroll Remediation Programme (\$3.400 million decrease)

- transfer to non-departmental output expense Curriculum Support within Improved Quality Teaching and Learning MCA to support students to meet Literacy and Numeracy Standards (\$18.473 million decrease)
- transfer to non-departmental output expenses Early Learning and Standards and Qualifications Support under Oversight and Administration of the Qualifications System MCA to fund overseas recruitment of early learning teachers and to provide for additional roles at the Teaching Council to reduce the processing time for overseas teacher assessments (\$3.302 million decrease)
- transfer to departmental output expense Stewardship and Oversight of the Education System within Oversight of the Education System MCA for Data for Wellbeing Initiative - Te Rito programme, a programme addressing learners' needs by improving data quality, availability, timeliness and capability (\$2 million decrease)
- savings from the digital era learning teaching assessment (\$309,000 decrease), and
- transfer to non-departmental output expense Contributions to Other Education-related Organisations to fund increased levies to UNESCO (\$200,000 decrease).