

Vote Education

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Education (M26), Minister for Tertiary Education (M68)

ADMINISTERING DEPARTMENT: Ministry of Education

MINISTER RESPONSIBLE FOR MINISTRY OF EDUCATION : Minister of Education

Overview of the Vote

The Minister of Education is responsible for appropriations in Vote Education for the 2008/09 financial year covering the following:

- a total of nearly \$1,552 million for services from the Ministry of Education (depreciation and capital charge on school accommodation and special education services being the most significant costs)
- a total of nearly \$399 million for educational services from central education Crown entities (New Zealand Qualifications Authority and Career Services) and other non-departmental providers. The most significant costs are for professional development in the schools and early childhood education sector and school transport services
- a total of just over \$51 million for allowances, bursaries, scholarships including national study awards for teachers and grants
- a total of just over \$5,429 million for educational services from schools (including teacher salaries), early childhood education providers, and other education providers
- a total of just over \$24 million for capital for Crown entities and schools
- a total of just over \$483 million for capital expenditure by the Ministry of Education, mainly related to school sector property.

The Minister for Tertiary Education is responsible for appropriations in Vote Education for the 2008/09 financial year covering the following:

- a total of just over \$16 million for services from the Ministry of Education
- a total of just over \$1,939 million for student achievement component funding provided to tertiary education institutions, educational services from the Tertiary Education Commission and other non-departmental providers
- a total of just over \$34 million for tertiary scholarships, international education and other grants
- a total of just over \$762 million for educational services from tertiary education institutions (including capability and research funding), the adult and community education sector and other education providers, as well as other expenses
- a total of nearly \$85 million for capital for tertiary education institutions.

Details of these appropriations are set out in Parts 2-6 for Vote Education in the Information Supporting the Estimates of Appropriations.

Details of Appropriations

Details of Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Interventions for Target Student Groups (M26) Expenditure on policies and services focused on targeted student groups' or individuals' participation in education. This includes providing services to individuals with special education and developmental needs, providing alternative education options, working with individuals and relevant stakeholders to resolve participation issues, and administering scholarships and awards for individuals.	213,873	213,873	223,538
School Property Portfolio Management (M26) Expenditure on goods and services focused on providing the land, buildings and other facilities that make up the property portfolio of the State school sector. This includes purchasing and constructing new property, upgrading existing property to maintain the quality of the portfolio, disposing of surplus property, and managing teacher and caretaker housing.	1,116,188	1,116,188	1,141,943
Strategic Leadership in the Sector (M26) Expenditure on policies and services focused on the Ministry's leadership role in the education sector. This includes enhancing the Ministry's coordination with other sector and Government agencies and forums, undertaking research and analysis, developing strategic policy, monitoring the sector and select crown entities, and supporting the Minister of Education and Associate Minister to meet their obligations to Parliament.	34,580	34,580	33,080
Strategic Leadership in the Tertiary System (M68) Expenditure on policies and services focused on the Ministry's leadership role in the tertiary system. This includes enhancing coordination with sector and Government agencies and forums, undertaking research and analysis, developing strategic policy, monitoring the system, providing information on tertiary and international education services, representing the education sector internationally, supporting international students, and supporting Ministers to meet their obligations to Parliament.	17,089	17,089	16,186
Support and Resources for Education Providers (M26) Expenditure on policies, regulations and services focused on the governance, management and operation of education providers. This includes managing regulations, administering the distribution of resources, delivering services that support school management - including industrial relations and education payroll, and working with providers to resolve underperformance.	66,578	66,578	69,726
Support and Resources for Teachers (M26) Expenditure on policies and services focused on supporting the work and enhancing the capability of teachers. This includes providing curriculum and achievement standards, teaching resources, professional development, and administering scholarships and awards for existing teachers and principals.	60,942	60,942	64,833
Support and Resources for the Community (M26) Expenditure on policies and programmes focused on the community's knowledge of and participation in the education system. This includes engaging with, providing information and support to, and delivering education courses to the community.	21,592	21,592	18,726
Total Departmental Output Expenses	1,530,842	1,530,842	1,568,032

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Output Expenses			
Centres of Research Excellence (M68) Purchase of cooperative and collaborative tertiary research through the contestable Centres of Research Excellence Fund.	24,539	24,539	35,295
Curriculum Support (M26) Purchase of supplementary educational programmes for schools and communities to ensure wider access to these opportunities.	69,068	69,068	71,310
Education Research Initiatives (M26) Purchase of research about teaching and learning in our educational institutions and independent research on education issues, policies and practices.	3,230	3,230	3,230
Managing the Government's Investment in the Tertiary Education Sector (M68) This appropriation is limited to developing, implementing and managing an investment system that aligns planning, funding, monitoring and quality assurance of tertiary education in accordance with the provisions of the Education Act 1989 and other relevant legislation.	-	-	58,772
Ownership Monitoring of Tertiary Education Institutions (M68) This appropriation is limited to monitoring and advisory services - including interventions - on the government's ownership interest in tertiary education institutions.	-	-	4,975
Professional Development and Support (M26) Delivery of professional development and advisory support to staff, managers and parents in early childhood education services and in schools, to support effective teaching and enhance self-management.	110,953	110,953	114,000
Provision of Information and Advisory Services (M26) Providing information on government education policy and programmes, general information, advisory programmes, and services to the public, community groups, industry and the education community.	26,373	26,373	25,082
Qualifications Support Structures (M26) Provision for the New Zealand Qualifications Authority to oversee the setting of standards and standards based qualifications. This includes recognition and review of qualifications, records management processes to support the Register of Quality Assured Qualifications and National Qualifications Framework, and participation in the promotion of the New Zealand National Qualifications system to key education and immigration partner countries.	6,239	6,239	6,949
Quality Assurance (M26) Provision for the New Zealand Qualifications Authority to provide quality assurance services to support the New Zealand qualifications system.	10,335	10,335	10,624
School Transport (M26) Purchase of services to transport eligible students to and from State and integrated schools. Also included are payments to schools that manage their own transport services and payments to parents/caregivers to compensate for the costs of taking children to school where other transport services are unsuitable or unavailable.	131,248	131,248	138,176
Secondary School Examinations (M26) Provision for the New Zealand Qualifications Authority to oversee assessment for national secondary school qualifications and conduct examinations.	23,760	23,760	23,760
Supporting Parenting (M26) This appropriation is limited to purchasing delivery of specific programmes, and providing advice and support which enhance the role of parents/caregivers in the development of their children and promote the value of quality education experiences.	18,849	18,849	5,522

	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Tertiary and International Advisory Services (M68) Providing information and advisory services in respect to tertiary education and international education policies and programmes to the public, community groups, industry, the education community, Crown entities and other government departments.	12,750	12,750	4,319
Tertiary Education and Training Policy Advice (M68) This appropriation is limited to providing advice and support to Ministers on the tertiary sector and tertiary education and training issues.	-	-	8,021
Tertiary Education: Student Achievement Component (M68) This appropriation is limited to teaching and learning services for enrolled students in approved courses at tertiary education organisations to achieve recognised tertiary qualifications.	748,549	743,598	1,532,862
Training for Designated Groups (M68) Purchasing training linked to the National Qualifications Framework and the purchase of both on-job and off-job training places including delivery of fully or partially funded training places.	286,851	270,118	295,168
Developing Strategic Coherence Across the Tertiary Sector (M68) Development, evaluation and implementation by the Tertiary Education Commission (TEC) of a range of steering and support mechanisms including the provision of ownership and purchase advice to Government, for the tertiary education sector. This is to give effect to the Tertiary Education Strategy (TES) and Statement of Tertiary Education Priorities (STEP) and improve the focus, connectivity and capacity of the sector.	28,869	28,869	-
Management of Grants and Contracts (M68) Contract negotiation and management services on behalf of the Crown for the delivery of tertiary education and training programmes, including allocation and disbursement of funds and monitoring the performance of providers against contracts and agreements.	14,049	14,049	-
Total Non-Departmental Output Expenses	1,515,662	1,493,978	2,338,065
Benefits and Other Unrequited Expenses			
Boarding Allowances and Bursaries (M26) Provides an annual allowance to subsidise boarding fees and some travel costs of primary and secondary students who must live away from home to receive their education, either because of the distance of the nearest school or bus service from their home, or because certain approved subjects are not available at their local school. Bursaries are awarded according to the School Boarding Bursaries Regulations 1972.	7,043	7,043	8,069
Home Schooling Allowances (M26) Provides an allowance payable to parents/caregivers of children in full-time correspondence programmes for primary and secondary education and to parents/caregivers of children receiving their primary and secondary education at home (where a certificate of exemption from enrolment has been approved under section 21 of the Education Act 1989).	5,334	5,334	5,334
International Student Scholarship Scheme (M68) Scholarships available to international students wishing to study in New Zealand. Details of the criteria and selection process for the scheme are available from Education New Zealand.	3,845	3,845	4,400
Maori and Pacific Island Scholarships and Bursaries (M68) Programmes to provide scholarships and bursaries to Maori and Pasifika students, according to established criteria. The programmes include Maori Education Trust and Polynesian and Pacific Island Education Foundation Scholarships, Ngarimu VC and 28th (Maori) Battalion Memorial Scholarship Fund and Maori and Polynesian Scholarships.	1,066	1,066	1,080
Mapihi Pounamu (M26) Assistance to at-risk secondary school-aged students aged 14 and above, who face barriers to learning to ensure that they participate and achieve in education. The scheme is administered by the Ministry of Education.	3,047	3,047	3,250

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Benefits and Other Unrequited Expenses - cont'd			
National Study Awards (M26) Provision for the costs of study awards, sabbaticals and fellowships for teachers, including replacement of the teacher while on study leave. Awards include those linked to teachers' collective agreements and approved prestigious awards. Priorities, criteria and selection processes are published by the Ministry of Education.	21,826	21,826	24,075
Queen Elizabeth II Study Awards (M68) Awards for training assistance in a Commonwealth country provided to technicians under The Queen Elizabeth II Technicians' Study Award Act 1970.	100	100	100
Study Abroad Awards (M68) Awards granted to provide assistance to top scholars, researchers and teachers to undertake placements abroad and to participate in reciprocal education exchange arrangements with partner countries in selected areas of priority study, teaching and research. The criteria and selection process are available from Education New Zealand and AFS Intercultural Programmes New Zealand.	2,290	2,290	2,290
Targeted Education and Training Grants (M68) Initiatives to provide living support for students at risk who need to move away from home to pursue alternative education options. The criteria and process for these grants are available from the Tertiary Education Commission.	80	10	80
Teacher Trainee Scholarships (M26) Scholarships and allowances for students undertaking teacher training education, and loan support payments to teachers. The criteria and process for awarding scholarships are published by the Ministry of Education.	10,272	10,272	10,427
Tertiary Scholarships (M68) Scholarships payable to tertiary students, including Enterprise, Top Achiever Doctoral, Learning for Living and Mathematics and Science scholarships; Trainee Medical Intern grants and School Achievers awards. The criteria and process for these awards are available from the Tertiary Education Commission.	26,137	22,170	26,037
Tertiary Teaching Awards (M68) Awards to recognise outstanding tertiary education teachers as selected by a committee appointed by the Minister of Education and according to approved criteria and guidelines as published by the Tertiary Education Commission.	200	200	200
United World Scholarships (M26) Scholarships for attendance at United World Colleges.	50	50	50
Fee Reimbursement Payments (M68) Ex-gratia payments to specific domestic students for the loss of prepaid tuition fees as a result of the failure of Private Training Establishments. Applications for fee reimbursement are considered on a case-by-case basis according to the policy criteria and decision-making process set out on the New Zealand Qualifications Authority website.	34	34	-
Total Benefits and Other Unrequited Expenses	81,324	77,287	85,392
Non-Departmental Other Expenses			
Adult and Community Education (M68) This appropriation is limited to providing funding for delivery of community and adult education courses including literacy and English for speakers of other languages training through tertiary education institutions, schools and other agencies.	40,311	40,311	76,573

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Early Childhood Education (M26) Subsidising early childhood education services for children under six years of age from licensed and chartered early childhood education services (including centres and chartered home-based care networks) and from licence-exempt centres. Also included are several targeted funds.	807,230	807,230	897,509
Early Childhood Grants (M26) Assistance is provided to early childhood education groups for developing accommodation including the establishment of new centres, or to increase the capacity or improve the standard of accommodation in existing centres. The criteria and selection process are published by the Ministry of Education.	14,459	14,459	14,459
Integrated Schools Property (M26) Provision for modernisation of existing property at integrated schools as part of a funding regime negotiated with the proprietors of integrated schools. Funding to assist in the expansion of the network is also included.	39,174	39,174	51,563
Interest Subsidy for Schools (M26) Provides a subsidy on interest payments for borrowing by private schools for approved property-related projects. Administration costs are also included.	740	740	740
New Zealand Teachers Council (M26) Operating grant to assist the Teachers Council to carry out its leadership function.	178	178	178
Primary Education (M26) Delivering the curriculum for Years 0 to 8 (new entrant to Form 2) to pupils of State, integrated and private schools, and The Correspondence School. Provides roll-based operations funding to schools, teacher and management salaries, support costs and supplementary funding programmes.	2,223,500	2,223,500	2,342,195
Remission of Fees (M26) Payment to the New Zealand Qualifications Authority for student examination fees remitted in cases of hardship.	1,288	1,288	1,288
School Transport (M26) Payments to teachers who, as Bus Controllers, assist in the provision of school transport assistance.	952	952	953
Schooling Improvement (M26) School support and schooling improvement projects to improve the capability of schools and clusters and their responsiveness to the needs of their communities. These include iwi-strengthening education projects. Most projects are developed in the context of a business case.	12,385	12,385	12,985
Secondary Education (M26) Delivering the curriculum for Years 9 to 13 (Forms 3 to 7) to pupils of State, integrated and private schools, and The Correspondence School. Provides roll-based operations funding to schools, teacher and management salaries, support costs and supplementary funding programmes.	1,719,734	1,719,734	1,811,432
Special Needs Support (M26) Providing additional resources to enable students with special education needs to participate in education including supplementary resources for special education needs, residential services, English for Speakers of Other Languages and alternative education programmes.	280,308	280,308	293,862
Tertiary Education Grants and Other Funding (M68) This appropriation is limited to contributions for capability development initiatives for tertiary education organisations (where this is outside the formal Investment Plan process); support for international education providers through the Export Education Innovations Fund; and other miscellaneous tertiary education grants and programmes. Also included is funding for depreciation on Crown-owned tertiary assets.	-	-	68,101

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Other Expenses - cont'd			
Tertiary Education Organisation Component - Capability Fund (M68) This appropriation is limited to financial contributions to the cost of tertiary education organisations maintaining and enhancing their capability to deliver quality and relevance, and to develop their specific and distinctive roles in the network of tertiary education provision.	190,494	189,509	377,641
Tertiary Education Organisation Component - Performance Based Research Fund (M68) This appropriation is limited to financial contributions for the cost of research and research-based teaching and learning in tertiary education organisations, to raise the quality and focus of research, and provide incentives for improved investment in basic research in the tertiary sector.	117,271	117,271	236,114
UNESCO (M26) Annual membership contribution to United Nations Educational, Scientific and Cultural Organisation's international administration and a programme of activities of the National Commission including participation in regional and international activities.	2,083	2,083	2,083
University of Auckland Starpath Project (M68) Funding under the Partnerships for Excellence facility to support the Starpath initiatives at the University of Auckland.	2,416	-	3,900
Capability Development Funds (M68) Assistance to Tertiary Education Organisations and others to develop their capability to contribute to the goals of the Tertiary Education Strategy and adapt to the changing environment - enhancing innovation, excellence, quality and organisational capability across the tertiary education system, and promoting linkages with the wider community of stakeholders. The Export Education Innovations Fund is also included.	13,535	13,535	-
Impairment of Loans to the Western Institute of Technology at Taranaki (M68) This appropriation is limited to the impairment expenses associated with Crown decisions about the repayment of Crown loans previously made to the Western Institute of Technology at Taranaki.	1,362	1,362	-
Performance Based Research Fund (M68) Funding for research in the tertiary education sector to raise the quality and focus of research as well as provide incentives for improved investment in basic research.	102,960	101,637	-
Residual Management Unit Payments (M26) Payments for outstanding commitments of the former Department of Education and Education Boards. This includes the costs of maintaining buildings owned by the former Department or Boards, accommodation leases and legal costs.	120	120	-
Tertiary Education and Training (M68) Providing funding for teaching and learning by subsidising EFTS places in approved courses and programmes. Also included is funding for base grants to State tertiary institutions, strategic development initiatives, community education programmes and for depreciation on Crown-owned tertiary assets.	980,627	979,438	-
Total Non-Departmental Other Expenses	6,551,127	6,545,214	6,191,576
Departmental Capital Expenditure			
Ministry of Education - Capital Expenditure PLA (M26) 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	518,700	518,700	483,428
Total Departmental Capital Expenditure	518,700	518,700	483,428

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Capital Expenditure			
College of Education Mergers (M68) Provision of support for transition and related costs of the mergers of Dunedin College of Education and University of Otago and Christchurch College of Education and University of Canterbury.	1,123	1,123	5,000
Institutes of Technology and Polytechnics Distinctive Contributions (M68) Capital funding to support strategic change in the Institutes of Technology and Polytechnics sector. This includes capital funding for plant and equipment, information systems, and shared infrastructure amongst Institutes of Technology and Polytechnics to enhance the capability and distinctive contributions of the sector in line with the Tertiary Education Strategy.	15,000	6,000	40,000
Investment in Te Wananga o Aotearoa (M68) To provide a suspensory loan to Te Wananga o Aotearoa, to further invest in institutional capability, provide short term liquidity or funding support, meet Treaty of Waitangi settlement obligations or purchase essential assets to facilitate educational delivery.	14,000	14,000	5,000
National Assessment Tool for Adult Literacy, Numeracy and Language (M68) This appropriation is limited to development of an online national assessment tool for adult literacy, numeracy and language.	-	-	1,600
National Centre of Excellence in Wood Processing (M68) Capital funding to complete the National Centre of Excellence in Wood Processing where a number of new programmes central to the Wood Processing Strategy will be delivered.	1,000	1,000	1,000
National Institute of Innovation in ICT (M68) A suspensory loan for a National Institute of Innovation in Information and Communications Technology at the University of Canterbury under the Partnerships for Excellence facility.	5,000	5,000	3,700
NZQA Technology (M26) Investment in improved information systems for the New Zealand Qualifications Authority.	-	-	2,340
Quality Reinvestment Programme (M68) Support for Institutes of Technology and Polytechnics and Wananga through the Quality Reinvestment Programme to develop and maintain a high quality network of tertiary education provision aligned with the core roles of the sector as expressed in the Tertiary Education Strategy.	17,500	9,500	17,500
Redevelopment of Whitireia Community Polytechnic Porirua Campus (M68) This appropriation is limited to redevelopment of the trades training facilities and the construction of a new Health Education and Social Services block at the Porirua campus of Whitireia Community Polytechnic.	-	-	1,080
School Support Project (M26) Capital costs of implementing approved school support and schooling improvement projects (other than costs related to school property assets).	1,880	1,380	1,880
Schools Furniture and Equipment (M26) Provides funds to schools for new furniture and equipment when capital works (including remodelling/upgrading of existing property and new school property) are approved.	16,494	16,494	19,989
University of Auckland Institute for Innovation in Biotechnology (M68) Suspensory loan under the Partnerships for Excellence facility for the establishment of a biotechnology and innovation centre for graduate training and research at the University of Auckland.	9,000	-	1,000
WelTec Financial Assistance (M68) Restructuring of Crown assistance to WelTec through the conversion of loans to equity to help secure its sustainability.	-	-	4,500

Titles and Scopes of Appropriations by Appropriation Type	2007/08		2008/09
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Capital Expenditure - cont'd			
Western Institute of Technology at Taranaki (M68) Financial assistance to the Western Institute of Technology at Taranaki to manage cash flow issues.	4,350	4,350	4,400
Centres of Research Excellence - Capital (M68) To assist Centres of Research Excellence to purchase strategic assets required in their research activity.	20,000	20,000	-
Institute of Technology TradeFIT (M68) A suspensory loan for TradeFIT - a trades learning and innovation centre at the Christchurch Polytechnic Institute of Technology under the Partnerships for Excellence facility.	3,814	3,814	-
Otago Polytechnic Property Rationalisation (M68) This appropriation is limited to redevelopment of facilities for the School of Hospitality and Catering and construction of a new Annex for the Art School at the Forth Street campus of the Otago Polytechnic.	5,985	5,985	-
Otago University Leading Thinkers (M68) Suspensory loan to fund the University of Otago Leading Thinkers programme under the Partnerships for Excellence facility.	1,600	1,600	-
Property Disposal Incentives Scheme (M26) Payments to schools of a share of the proceeds from the sale of their surplus school property assets.	4,400	4,400	-
Rangahaua (M68) To facilitate the transfer of the Rangahaua programme from the former Wanganui Polytechnic to Te Wananga o Raukawa.	413	413	-
Strengthening the Auckland University of Technology (M68) Crown investment in the Auckland University of Technology transformation business case.	50,000	50,000	-
Support for Tairāwhiti Polytechnic (M68) This appropriation is limited to the provision of financial assistance to the Tairāwhiti Polytechnic to manage cash flow issues.	1,300	1,300	-
Te Wananga o Aotearoa (M68) Provision of a Crown loan to Te Wananga o Aotearoa to meet cash flow requirements and unforeseen contingencies.	4,000	-	-
Tertiary Education Commission Restructuring (M68) Capital Contribution towards the costs of restructuring the Tertiary Education Commission.	4,750	4,750	-
UCOL Whanganui Campus Redevelopment (M68) Crown support for the development of the Universal College of Learning Whanganui Campus.	10,000	10,000	-
Total Non-Departmental Capital Expenditure	191,609	161,109	108,989
Total Annual and Permanent Appropriations	10,389,264	10,327,130	10,775,482

Details of Projected Movements in Departmental Net Assets

Ministry of Education

Details of Net Asset Schedule	Estimated Actual 2007/08 \$000	Projected 2008/09 \$000	Explanation of Projected Movements in 2008/09
Opening Balance	9,836,462	9,973,638	
Capital Injections	107,379	117,633	Capital injections for 2008/09 include provision for the school property business case (\$71.000 million) and school staffing improvements (\$19.051 million) as well as systems developments related to teacher payroll.
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	29,797	-	
Closing Balance	9,973,638	10,091,271	