

Information Supporting the Supplementary Estimates

Vote Education

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Education (M26)

ADMINISTERING DEPARTMENT: Ministry of Education

MINISTER RESPONSIBLE FOR MINISTRY OF EDUCATION : Minister of Education

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2012/13				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	2,209,320	93,225	17,777	111,002	2,320,322
Benefits and Other Unrequited Expenses	56,835	N/A	(9,866)	(9,866)	46,969
Borrowing Expenses	-	-	-	-	-
Other Expenses	6,686,743	-	2,987	2,987	6,689,730
Capital Expenditure	652,356	(80,475)	3,829	(76,646)	575,710
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	9,605,254	12,750	14,727	27,477	9,632,731
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	7,885	N/A	-	-	7,885
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	7,885	N/A	-	-	7,885

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Interventions for Target Student Groups (M26)

Scope of Appropriation

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 additional funding for the support of students with special education needs, providing alternative education options, working with individuals and relevant stakeholders to resolve participation issues, and administering scholarships and awards for individuals.

Expenses and Revenue

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	261,189	2,462	263,651
Revenue from Crown	259,489	2,462	261,951
Revenue from Other	1,700	-	1,700

Reasons for Change in Appropriation

This appropriation increased by \$2.462 million to \$263.651 million mainly owing to a combination of:

- increased pay rates agreed for teachers' aides (\$2.203 million increase)
- support for the education sector in Christchurch, Waimakariri and Selwyn to recover from the effects of the 2010 and 2011 earthquakes (\$830,000 increase)
- expansion of the intensive wraparound service following closure of McKenzie School and changes to the rolls of several other residential special schools, resulting in a transfer of funds from non-departmental other expense Special Needs Support (\$706,000 increase)
- provision for an organisation change management programme over 2012/13 and 2013/14 (\$510,000 increase), and
- transfers to 2013/14 mainly for delays in projects related to the Positive Behaviour for Learning initiative and net of several transfers from the previous financial year (\$1.670 million decrease).

Policy Advice (M26)

Scope of Appropriation

This appropriation is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on Education related matters.

Reasons for Change in Appropriation

This appropriation decreased by \$3.773 million to \$11.283 million mainly owing to a transfer of research funding to departmental output expense Strategic Leadership in the Sector (\$3.800 million decrease).

School Property Portfolio Management (M26)

Scope of Appropriation

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.

Expenses and Revenue

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,346,341	69,821	1,416,162
Revenue from Crown	1,343,155	63,271	1,406,426
Revenue from Other	3,186	14,461	17,647

Reasons for Change in Appropriation

This appropriation increased by \$69.821 million to \$1,416.162 million mainly owing to a combination of:

- increased capital charge mainly as a result of the revaluation of the property portfolio at 30 June 2012 (\$41.771 million increase)
- provision for additional losses from disposal or demolition of school property (\$12.540 million increase)
- support for the education sector in Christchurch, Waimakariri and Selwyn to recover from the effects of the 2010 and 2011 earthquakes (\$11.958 million increase)
- provision for additional legal action related to weather-tightness issues (\$4.260 million increase)
- additional funding for the School Network Upgrade Project (\$859,000 increase), and
- a reallocation of funding from Budget 2012 related to network management to departmental output expense Strategic Leadership in the Sector (\$3.050 million decrease).

Strategic Leadership in the Sector (M26)

Scope of Appropriation

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, monitoring the sector and select Crown entities, and supporting the Minister of Education and Associate Minister to meet their obligations to Parliament.

Expenses and Revenue

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	19,734	6,913	26,647
Revenue from Crown	19,724	6,913	26,637
Revenue from Other	10	-	10

Reasons for Change in Appropriation

This appropriation increased by \$6.913 million to \$26.647 million mainly owing to reconsideration of where certain activities should be charged, including a transfer of:

- research funding from departmental output expense Policy Advice (\$3.800 million increase), and
- funding from Budget 2012 related to network management from departmental output expense School Property Portfolio Management (\$3.050 million increase).

Support and Resources for Education Providers (M26)

Scope of Appropriation

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.

Expenses and Revenue

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	76,350	19,941	96,291
Revenue from Crown	75,210	19,941	95,151
Revenue from Other	1,140	-	1,140

Reasons for Change in Appropriation

This appropriation increased by \$19.941 million to \$96.291 million owing to:

- transfers of unallocated funding from non-departmental output expense Curriculum Support and non-departmental other expense Primary Education and unspent funding from the previous financial year for ongoing implementation of Novopay including remediation (\$11.267 million increase)
- provision for implementation of the Early Learning Information System (\$3.791 million increase)
- support for the education sector in Christchurch, Waimakariri and Selwyn to recover from the effects of the 2010 and 2011 earthquakes (\$3.723 million increase)
- other transfers of unspent funding from the previous financial year (\$963,000 increase), and
- provision for an organisation change management programme over 2012/13 and 2013/14 (\$197,000 increase).

Support and Resources for Teachers (M26)

Scope of Appropriation

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 teachers and principals.

Expenses and Revenue

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	72,489	(1,014)	71,475
Revenue from Crown	72,479	(1,014)	71,465
Revenue from Other	10	-	10

Reasons for Change in Appropriation

This appropriation decreased by \$1.014 million to \$71.475 million owing to a combination of:

- a transfer of funding to 2013/14 after delays with development of achievement standards and associated resources to align curriculum in the Māori-medium sector with the New Zealand Curriculum (\$1.580 million decrease)
- a transfer of funding to 2013/14 after development of Te Marautanga o Te Aho Matua was delayed until research into learner, kura practitioner and whānau teaching and learning needs is complete (\$422,000 decrease)
- a transfer of funding from the previous financial year for Youth Guarantee Learning Networks after slower than expected progress on youth-specific literacy and numeracy assessment (\$500,000 increase), and
- additional funding for implementation of Ka Hikitia Managing for Success, including production of awareness raising campaign materials (\$400,000 increase).

Support and Resources for the Community (M26)

Scope of Appropriation

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.

Expenses and Revenue

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	12,949	(1,125)	11,824
Revenue from Crown	12,939	(1,125)	11,814
Revenue from Other	10	-	10

Reasons for Change in Appropriation

This appropriation decreased by \$1.125 million to \$11.824 million mainly owing to a transfer to non-departmental other expense Early Childhood Education to extend several existing programmes to engage and target vulnerable Māori children under the age of three and their whānau in high quality, culturally relevant early childhood education with deliberate linkages to other supporting social services (\$1.255 million decrease).

Part 2.2 - Non-Departmental Output Expenses

Curriculum Support (M26)

Scope of Appropriation

Purchase of supplementary educational programmes for schools and communities to ensure wider access to these opportunities.

Reasons for Change in Appropriation

This appropriation decreased by \$4.742 million to \$60.824 million for 2012/13. This decrease is mainly owing to a combination of:

- a transfer to departmental output expense Support and Resources for Education Providers for the ongoing implementation of Novopay (\$4.400 million decrease)
- a transfer of funding to 2013/14 for satellite broadband support, as schools have not been connected as quickly as expected (\$638,000 decrease), and
- support for the education sector of Christchurch, Waimakariri and Selwyn to recover from the effects of the 2010 and 2011 earthquakes (\$400,000 increase).

Professional Development and Support (M26)

Scope of Appropriation

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.

Reasons for Change in Appropriation

This appropriation decreased by \$431,000 to \$88.168 million for 2012/13. This decrease is owing to a combination of:

- a transfer to non-departmental other expense Special Needs Support to assist in the transformation of the Resource Teacher: Learning and Behaviour service and its amalgamation with the Supplementary Learning Support service (\$400,000 decrease)
- a transfer to non-departmental output expense Provision of Information and Advisory Services for additional costs related to services from the previous financial year (\$180,000 decrease), and
- interim support for taskforce schools for goal setting, pathway planning and monitoring of learners undertaking National Certificate of Educational Achievement Level 2 (\$250,000 increase).

Provision of Information and Advisory Services (M26)

Scope of Appropriation

This appropriation is limited to providing a range of stakeholders with information, capability building and advisory services related to education policies and programmes. This includes careers information, advice and guidance services, information on qualifications, assessment and quality assurance, communication and information services for the sensory sector as well as mobility, orientation and habilitation services, and support to assist with management, governance, licensing and capacity of providers. Services from Careers New Zealand and New Zealand Qualifications Authority for Government Ministers are also included.

Reasons for Change in Appropriation

This appropriation increased by \$1.280 million to \$25.031 million for 2012/13. This increase relates to transfers from non-departmental other expense Schooling Improvement (\$1.100 million increase) and non-departmental output expense Professional Development and Support (\$180,000 increase) for additional costs related to services from the previous financial year.

Qualifications Support Structures (M26)

Scope of Appropriation

This appropriation is limited to the New Zealand Qualifications Authority overseeing the setting of standards and New Zealand qualifications. It also includes standard-setting and qualifications development responsibility, recognition and review of qualifications, records management processes to support the New Zealand Qualifications Framework, and participation in the promotion of the New Zealand qualifications system to key education and immigration partner countries.

Reasons for Change in Appropriation

This appropriation increased by \$27,000 to \$6.076 million for 2012/13 owing to transfer from Foreign Affairs and Trade to support the negotiation of international trade agreements.

School Transport (M26)*Scope of Appropriation*

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.

Reasons for Change in Appropriation

This appropriation decreased by \$2.103 million to \$176.506 million for 2012/13. This decrease is owing to a combination of:

- savings from special needs transport assistance as a result of the 2012 tender round (\$4.147 million decrease)
- volume and price changes for transport services, other than index-based or inflation changes (\$1.049 million increase)
- index-based adjustments to contract prices (\$557,000 increase), and
- changes in rolls (\$366,000 increase).

Secondary-Tertiary Interface (M26)*Scope of Appropriation*

This appropriation is limited to delivery of programmes of learning at the secondary-tertiary interface, including programmes offered in partnership by schools and tertiary education organisations.

Expenses

	2012/13		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Total Appropriation	-	23,046	23,046

Reasons for Change in Appropriation

This appropriation was established from 1 January 2013 through transfers from non-departmental other expense Secondary Education (\$17.821 million increase) and Vote Tertiary Education non-departmental output expense Tertiary Education Grant and Other Funding (\$5.225 million increase) to implement a single cash-based resourcing model for secondary-tertiary programmes that will better enable funding to follow learners.

Output Performance Measures and Standards

Performance Measures	2012/13		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Number of secondary-tertiary programme places purchased.	-	3,700 places in 2013	3,700 places in 2013

Service Academies (M26)

Scope of Appropriation

This appropriation is limited to providing military-focused programmes for disengaged or disengaging senior students in secondary schools.

Reasons for Change in Appropriation

This appropriation increased by \$90,000 to \$3.404 million for 2012/13 as a result of a transfer from Vote Tertiary Education non-departmental output expense Training for Designated Groups for the expansion of service academy provision.

Supporting Parenting (M26)

Scope of Appropriation

This appropriation is limited to purchasing delivery of specific programmes and providing advice and support that enhances the role of parents/caregivers in the development of their children and promotes the value of quality education experiences.

Reasons for Change in Appropriation

This appropriation increased by \$610,000 to \$6.076 million for 2012/13. The increase mainly relates to:

- improving outcomes for diverse learners in the first year at school (\$500,000 increase), and
- foundation literacy and numeracy (\$200,000 increase).

Summary of Service Providers for Non-Departmental Outputs

Provider	2012/13			Reporting Mechanism	Expiry of Resourcing Commitment
	Estimates \$000	Supplementary Estimates \$000	Total \$000		
Crown Entities					
Tertiary Education Commission:	-	6,909	6,909	Provider's annual report	Ongoing
• Secondary-Tertiary Interface					
State Schools	-	16,137	16,137	Individual schools' annual reports plus the New Zealand Schools: Ngā Kura o Aotearoa Report	Ongoing
• Secondary-Tertiary Interface					

The above table summarises funding to be allocated through Vote Education to non-departmental providers, along with an indication of the mechanism to be used for reporting actual performance and (where determined) the length of the funding commitment.

Part 3 - Details for Benefits and Other Unrequited Expenses

Part 3.2 - Non-Departmental Benefits and Other Unrequited Expenses

Boarding Allowances and Bursaries (M26)

Scope of Appropriation

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 schools. Bursaries are awarded according to the School Boarding Bursaries Regulations 1972.

Reasons for Change in Appropriation

This appropriation decreased by \$400,000 to \$7.669 million for 2012/13. The decrease in appropriation is owing to a transfer to benefits and other unrequited expenses Mapihi Pounamu to offset the current oversubscription in that appropriation.

Mapihi Pounamu (M26)

Scope of Appropriation

Assistance to at-risk students enrolled in school level Year 9 and above, who face barriers to learning, to ensure they participate and achieve in education. The scheme is administered by the Ministry of Education.

Reasons for Change in Appropriation

This appropriation increased by \$400,000 to \$3.650 million for 2012/13. The increase in appropriation is owing to a transfer from benefits and other unrequited expenses Boarding Allowances and Bursaries to meet higher than expected demand for scholarships.

National Study Awards (M26)

Scope of Appropriation

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.

Reasons for Change in Appropriation

This appropriation decreased by \$4.494 million to \$22.392 million for 2012/13. The decrease is mainly owing to:

- a transfer to non-departmental other expense Support for Early Childhood Education Providers to fund the Early Learning Taskforce initiative (\$2.517 million decrease), and
- winding back provision for some study awards that have been consistently underspent (\$2.203 million decrease).

Teacher Trainee Scholarships (M26)

Scope of Appropriation

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.

Reasons for Change in Appropriation

This appropriation decreased by \$5.372 million to \$3.505 million for 2012/13. The decrease in funding is mainly owing to:

- an easing in teachers supply, which has reduced the numbers eligible for voluntary bonding, and a decline in the claims for pre-2005 scholarships (\$4.913 million decrease), and
- a transfer to non-departmental other expense Secondary Education for increased relieving costs related to mentors for the Teach First New Zealand Scholarship Programme (\$459,000 decrease).

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

Early Childhood Education (M26)

Scope of Appropriation

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 and certificated centres. Also included are several targeted funds.

Reasons for Change in Appropriation

This appropriation increased by \$36.425 million to \$1,415.292 million for 2012/13. The increase is mainly owing to a combination of:

- additional forecasted funded hours, based on revised assumptions updated for latest information on actual hours used, changes in distribution of these hours across funding categories, as well as for latest population and labour market projections (\$28.002 million increase)
- changes to equity funding, including a one-off change to accounting, and more services requiring a review of their entitlement, possibly owing to increased funding rates from Budget 2012 (\$7.168 million increase)
- a transfer from departmental output expense Support and Resources for the Community to extend several existing programmes to engage and target vulnerable Māori children under the age of three and their whānau in high quality, culturally relevant early childhood education with deliberate linkages to other supporting social services (\$1.255 million increase), and
- changes in average rates paid per funded hour (\$3.411 million decrease).

Integrated Schools Property (M26)

Scope of Appropriation

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.

Reasons for Change in Appropriation

This appropriation increased by \$1.076 million to \$58.251 million for 2012/13 mainly owing to additional funding for the School Network Upgrade Project (\$1.076 million increase).

Interest Subsidy for Schools (M26)

Scope of Appropriation

Provides a subsidy on interest payments for borrowing by private and State integrated schools for approved property-related projects. Administration costs are also included.

Reasons for Change in Appropriation

This appropriation decreased by \$201,000 to \$156,000 for 2012/13 owing to lower than expected interest rates and a reducing number of loans.

Primary Education (M26)

Scope of Appropriation

Delivering the curriculum for Years 0 to 8 (new entrant to Form 2) to pupils of State, integrated, private schools and The Correspondence School. Provides roll-based operations funding to schools, teacher and management salaries, support costs and supplementary funding programmes.

Reasons for Change in Appropriation

This appropriation decreased by \$28.648 million to \$2,785.758 million for 2012/13. The decrease is mainly owing to a combination of:

- lower than expected national school roll projections (\$29.694 million decrease)
- reduced Accident Compensation Corporation rates from 1 July 2012 and savings achieved from the previous year (\$5.538 million decrease)
- lower than expected subsidies for KiwiSaver (\$1.509 million decrease)
- savings against support for students to meet literacy and numeracy standards reallocated to departmental output expense Support and Resources for Education Providers to support implementation of Novopay (\$1.500 million decrease)
- provision for Novopay school support package (\$3.863 million increase)
- higher than expected average teacher salary rates (\$2.452 million increase), and
- additional support for the recovery of the education sector in Christchurch, Waimakariri and Selwyn from the impact of the Christchurch earthquakes (\$2.178 million increase).

School Transport Bus Controllers (M26)

Scope of Appropriation

Payments to teachers who, as bus controllers, assist in the provision of school transport assistance.

Reasons for Change in Appropriation

This appropriation decreased by \$16,000 to \$689,000 for 2012/13 owing to revised estimates of entitlements for bus controllers.

Schooling Improvement (M26)

Scope of Appropriation

School support and schooling improvement projects to improve the capability of schools and school clusters and their responsiveness to the needs of their communities. These include iwi-strengthening education projects.

Reasons for Change in Appropriation

This appropriation decreased by \$1.100 million to \$7.884 million for 2012/13 owing to a transfer to non-departmental output expense Provision of Information and Advisory Services for additional costs related to services from the previous financial year.

Secondary Education (M26)

Scope of Appropriation

Delivering the curriculum for Years 9 to 13 (Forms 3 to 7) to pupils of State, integrated, private schools and The Correspondence School. Provides roll-based operations funding to schools, teacher and management salaries, support costs and supplementary funding programmes.

Reasons for Change in Appropriation

This appropriation decreased by \$9.843 million to \$2,056.493 million for 2012/13. The decrease is mainly owing to a combination of:

- a transfer to a new non-departmental output expense appropriation Secondary-Tertiary Interface to implement a single cash-based resourcing model for secondary-tertiary programmes that will better enable funding to follow learners (\$17.821 million decrease)
- provision for settlement of the 2013-2015 Secondary Teachers' Collective Agreement (\$6.048 million increase)
- provision for Novopay school support package (\$1.965 million increase), and
- additional support for the recovery of the education sector in Christchurch, Waimakariri and Selwyn from the impact of the Christchurch earthquakes (\$1.453 million increase).

Special Needs Support (M26)

Scope of Appropriation

Providing additional resources to enable students with special education needs to participate in education. This includes supplementary resources for special education needs, residential services, English for Speakers of Other Languages and alternative education programmes.

Reasons for Change in Appropriation

This appropriation increased by \$1.544 million to \$339.765 million for 2012/13. The increase is mainly owing to a combination of:

- the additional costs of amalgamating the Supplementary Learning Support teachers and the Resource Teacher: Learning and Behaviour service, including potential redundancy and redeployment costs partially funded by a transfer from non-departmental output expense Professional Development and Support (\$3.735 million increase)
- transfers to 2013/14 mainly for delays in projects related to the Positive Behaviour for Learning initiative (\$1.894 million decrease), and
- the expansion of the intensive wraparound service under departmental output expense Interventions for Target Student Groups following closure of McKenzie School and changes to the rolls of several other residential special schools (\$706,000 decrease).

Support for Early Childhood Education Providers (M26)

Scope of Appropriation

This appropriation is limited to assisting early childhood education services and other bodies corporate in the provision of child places for early childhood education. Priority will be given to providers in communities that have low levels of participation in early childhood education, to increase the number of child places and therefore availability of early childhood education. The criteria and selection process for each type of assistance are published by the Ministry of Education.

Reasons for Change in Appropriation

This appropriation increased by \$3.750 million to \$21.893 million for 2012/13. The increase is owing to:

- a transfer from benefits and other unrequited expenses National Study Awards to support the work of the Early Learning Taskforce in progressing the Better Public Services early childhood education participation target (\$2.517 million increase), and
- a transfer from the previous financial year related to delays in disbursing the Minister's Discretionary Fund (\$1.233 million increase).

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.1 - Departmental Capital Expenditure

Ministry of Education - Capital Expenditure PLA (M26)

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

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	33,000	(23,654)	9,346
Property, Plant and Equipment	587,107	(95,131)	491,976
Intangibles	10,879	-	10,879
Other	-	38,310	38,310
Total Appropriation	630,986	(80,475)	550,511

Reasons for Change in Appropriation

This appropriation decreased by \$80.475 million to \$550.511 million for 2012/13 owing to a combination of:

- delays in expenditure on repairs to defective buildings and Christchurch earthquake remediation, as finalising these plans has taken longer than expected
- delays in the acquisition of new sites for school construction
- delays in the design and construction of new schools, including kura and wharekura
- delays across a range of other programmes, and
- additional investment, particularly in relation to the School Network Upgrade Project.

Part 6.2 - Non-Departmental Capital Expenditure

Property Disposal Incentives Scheme (M26)

Scope of Appropriation

Payments to schools of a share of the proceeds from the sale of their surplus school property assets.

Reasons for Change in Appropriation

This appropriation decreased by \$1.011 million to \$1.500 million for 2012/13 owing to changes in the expected timing of property sales.

Schools Furniture and Equipment (M26)

Scope of Appropriation

Provides funds to schools for new furniture and equipment when capital works (including remodelling/upgrading of existing property and new school property) are approved.

Reasons for Change in Appropriation

This appropriation decreased by \$660,000 to \$16.319 million for 2012/13. The decrease is owing to:

- School Network Upgrade Project (\$834,000 decrease), and
- a transfer from the previous financial year for the School Network Upgrade Project (\$174,000 increase).

The Network for Learning Limited (M26)

Scope of Appropriation

This appropriation is limited to the establishment of and provision of ongoing investment funding for a Crown-owned company which will provide a managed network of access to ultra-fast broadband and enhanced managed services to schools.

Capital Expenditure

	2012/13		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	5,500	5,500

Reasons for Change in Appropriation

This new appropriation of \$5.500 million was established during the 2012/13 year to provide working capital for a new Crown company - The Network for Learning Limited.

Reporting Mechanisms

Appropriation	Reporting Mechanism
The Network for Learning Limited	Annual report of The Network for Learning Limited

The above table indicates the mechanisms to be used for reporting actual results for each non-departmental capital expenditure appropriation.