

The Treasury

Budget 2018 Information Release

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In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) and section 18 of the Official Information Act.

From: Katren Rogers [TSY]
Sent: Thursday, 15 March 2018 5:27 PM
To: 'Georgina English'
Cc: Jill Caughey [TSY]; Kieran Forde; Trang Ly; Paul Scholey; Mark Thorburn
Subject: RE: basis for learning support scaling options

Hi Georgie,

Find explanations for the scaling options discussed in the bilateral below. I think that IWS figure must include the capex because I've got \$4.792 million over four years? Let me know if you need anything else.

Please note that the draft Budget package for discussion at Budget Ministers on Monday may not include everything discussed at the bilateral, as this was to agree the priorities for the portfolio and no decision have yet been made.

Regards,
Katren

For EIS:
Support part of unmet demand – component to halve waiting list (takes waiting list back to around 2013 levels) and fund future growth (1.25% annual demand increase based on historic growth in EI numbers, 280 unregistered waitlist places based on anecdotal evidence around unmet demand). Don't support component to return service intensity level to previous level (not a cost pressure and inadequate evidence around relative benefits). Scale component for study awards by half to broadly reflect scaling of rest of bid. Other aspects of bid should be considered following Learning Support review.

EI numbers	18/19	19/20	20/21	21/22	Total
Min services - Option d	3.49	3.455	3.398	3.405	13.748
Specialist provider places	1.448	1.641	1.93	1.93	6.949
Workforce	0.12	0.24	0.24	0.24	0.84
Total	5.058	5.336	5.568	5.575	21.537
Capex	0.068	0.068	0.068	0.068	0.272

For IWS:
Treasury recommended option supports one tranche of 30 additional students with subsequent increases considered following Learning Support review and subject to robust analysis around case for investment including cost benefit analysis. Doesn't fund price aspects of bid – not consistent with fixed nominal baselines.

Revised full figures (30 additional students each year)

	2017/18	2018/19	2019/20	2020/21	2021/22 & outyears
Operating	0.000	1.198	1.198	1.198	1.198
Capital	0.000	0.015	0.015	0.015	0.015

For Teacher Aide funding rates

The scaled option supported by the vote team was that provided for the \$17/\$18/\$19/\$20 option:

Funding Sought (\$m)	2017/18	2018/19	2019/20	2020/21	2021/22 and outyears	TOTAL
Original bid		[33]	[33]	[33]	[33]	[33]
Phased increase from \$17p/h to		5.713	11.792	17.870	23.948	59.323

\$20p/h over four years – no annual 1.5% increase						
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ORS
 Costings that align with the phased teacher aide funding rates option were broken down from this costing:

ORS funding components	2018/19	2019/20	2020/21	2021/22	Totals
Total Specialist Time	3,459,763	4,547,224	5,530,474	6,405,027	19,942,489
Total Teacher Aide Support	7,968,900	11,090,210	14,237,933	17,357,546	50,654,589
Total Consumables	350,023	459,762	558,985	647,238	2,016,008
Total Additional Specialist Teacher Time	10,603,888	13,928,410	16,934,343	19,607,974	61,074,615
Total	22,382,575	30,025,606	37,261,735	44,017,784	133,687,700

Operating Recommended (\$ Millions)						Capital Recommended (\$ Millions)					
2017/18	2018/19	2019/20	20120/21	2021/22	Total	2017/18	2018/19	2019/20	20120/21	2021/22	Total
0	22.345	29.976	37.202	43.948	133.471	0	0.038	0.050	0.060	0.070	0.218

OR if no support for teacher aide funding rates we used this costing provided:
Option 1 – keep teacher aide hourly funding rate at current levels

ORS funding components	2018/19	2019/20	2020/21	2021/22	Totals
Total Specialist Time	3,459,763	4,547,224	5,530,474	6,405,027	19,942,489
Total Teacher Aide Support	7,527,717	10,221,755	12,033,224	13,936,098	43,718,794
Total Consumables	350,023	459,762	558,985	647,238	2,016,008
Total Additional Specialist Teacher Time	10,603,888	13,928,410	16,934,343	19,607,974	61,074,615
Total	21,941,392	29,157,151	35,057,025	40,596,337	126,751,906

Operating Recommended (\$ Millions)						Capital Recommended (\$ Millions)					
2017/18	2018/19	2019/20	20120/21	2021/22	Total	2017/18	2018/19	2019/20	20120/21	2021/22	Total
0	21.903	29.107	34.997	40.526	126.533	0	0.038	0.050	0.060	0.070	0.218

For Sensory schools
 Jill shared this breakdown with the team.

	Recommendation	2018/19	2019/20	2020/21	2021/22 & outyears	4yr Total
Time limited funding	Support all time-ltd					
Sensory services for learners						
Assessment and Involvement of a Specialist Teacher -ASSIST	Support	0.600	0.600	0.600	0.600	2.400
NZSL services						
First sign	Support	1.002	1.002	1.002	1.002	4.008

NZSL at school	Support	2.002	2.002	2.002	2.002	8.008
Workforce enablers						
Interpreters for Deaf staff	Support	0.200	0.200	0.200	0.200	0.800
Volume growth	-					
Sensory services for learners	Support genuine volume growth					
Resource Teachers Vision (RTV) [Volume - population growth 1998-2022]	Support 18/19 tranche of funding. 19/20 tranches onwards considered in B'19 subject to clear robust forecasting assumptions.	0.950	0.950	0.950	0.950	3.800
Resource Teachers Deaf (RTD) [Volume - population growth 2014-2022]	As above	0.850	0.850	0.850	0.850	3.400
Assessment and Involvement of a Specialist Teacher -ASSIST [Volume - population growth 2014-2022]	As above	0.550	0.550	0.550	0.550	2.200
Advisors on Deaf Children (AoDC) [Volume - population growth 2012-2022]	Decline - doesn't appear to be volume based on info provided					0.000
Development Orientation and Mobility Training [Volume - population growth 2014-2022]	Decline - doesn't appear to be volume based on info provided					0.000
NZSL services						
First sign [Volume population growth 2014-2022]	Support 18/19 tranche of funding. 19/20 tranches onwards considered in B'19 subject to clear robust forecasting assumptions.	0.200	0.200	0.200	0.200	0.800
NZSL at school [Volume population growth 2014-2022]	As above	0.248	0.248	0.248	0.248	0.992
Workforce enablers						
Study awards [Direct cost of new positions [Volume - population growth]	Scale by half and only fund 18/19 tranche. 19/20 tranches onwards considered in B'19 subject to clear robust forecasting assumptions.	0.107	0.107	0.107	0.107	0.426
Increasing Government contribution to costs	-					
Workforce enablers	Support					

Interpreters for Deaf staff [Raise Ministry of Education contribution to existing use 2014-2017]	Support	0.600	0.600	0.600	0.600	2.400
RTV Travel & Admin [Unfunded overhead of existing service]	Support	0.071	0.071	0.071	0.071	0.284
RTD Travel & Admin [Unfunded overhead of existing service]	Support	0.170	0.170	0.170	0.170	0.680
Service improvements	-					
NZSL services	Don't support - policy change					
National Weekend Courses [Service improvement]	Don't support - policy change					
Immersion settings [Service improvement]	Don't support - policy change					
TOTAL		7.550	7.550	7.550	7.550	30.198

Katren Rogers | Analyst | The Treasury
[39]

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From: Georgina English [39]
Sent: Thursday, 15 March 2018 2:10 p.m.
To: Katren Rogers [TSY] [39]
Cc: Jill Caughey [TSY] [39] Kieran Forde [39] Trang Ly [39] Paul Scholey [39] Mark Thorburn [39]
Subject: basis for learning support scaling options

Hi Katren,

We are looking to finalise our appropriation breakdowns at the moment, based on the current scaled costings that were discussed in the bilateral on Monday. Are you able to give us more information on the basis for the learning support scaling options (IWS, ORS, Teacher Aide Funding Rates, EI and Sensory Schools), as not all of them match the scaled options we put forward (eg for IWS we had a scaled figure of [33] over 4 years, rather than the 5.032m over 4 years that was settled on). If you could send this through by end of day tomorrow that would be much appreciated, as teams are looking to finalise their appropriation breakdowns as soon as possible.

Thanks,
Georgie.

Georgina English | Budget Strategy and Coordination
[39]

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We are respectful, we listen, we learn He rōpū manaaki, he rōpū whakarongo, he rōpū ako mātou
We back ourselves and others to win Ka manawanui ki a mātou, me ētahi ake kia wikitoria
We work together for maximum impact Ka mahi ngātahi mō te tūkinga nui tonu

Great results are our bottom line Ko ngā huanga tino pai ā mātou whāinga mutunga

