

The Treasury

Budget 2025 Information Release

September 2025

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- [33] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [35] 9(2)(g)(ii) - to maintain the effective conduct of public affairs through protecting ministers, members of government organisations, officers and employees from improper pressure or harassment
- [36] 9(2)(h) - to maintain legal professional privilege
- [37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [40] Information out of scope – the material is not related to Budget 2025

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Treasury Report: Budget 2025 Bilateral on Vote Education

Date:	27 February 2025	Report No:	T2025/319
		File Number:	SH-4-0-M115031

Action sought

	Action sought	Deadline
Hon Nicola Willis Minister of Finance	Discuss this report with the Minister of Education and Associate Minister of Education at the Education Bilateral Meeting.	Review ahead of meeting at 8:30pm on Monday 3 March

Contact for telephone discussion (if required)

Name	Position	Telephone	1st Contact
Joshua Mackay	Analyst, Communities Learning and Work	[39] (wk)	N/A (mob) ✓
Katie Keir	Acting Team Leader, Communities, Learning and Work	[33]	N/A (mob)

Minister's Office actions (if required)

<p>Return the signed report to Treasury.</p> <p>Forward the relevant annotated agenda to each of the Minister of Education and Associate Minister of Education's offices.</p>

Note any feedback on the quality of the report

Enclosure: Yes – Annex 3

Treasury Report: Budget 2025 Bilateral on Vote Education

Purpose

1. You are meeting with the Minister of Education, Hon Erica Stanford, at 8:30pm on Monday 3 March to discuss her Budget 2025 package for Vote Education. We understand the Associate Minister of Education, Hon David Seymour, will also attend for the final 15 minutes of the meeting (i.e. 9.15 – 9.30) to discuss agenda items 5 and 6 pertaining to the Associate Minister of Education's envelope.
2. The following information is covered in the annexes:
 - a. **Annex 1** provides you with a proposed **agenda and talking points** for the meeting and supporting Treasury advice. **This version will not be provided to portfolio Ministers ahead of the meeting.**
 - b. **Annex 2** is a version of the agenda that has – with your office's approval – also been sent to the office of the portfolio Ministers and their agency. Each Minister has only had their relevant agenda items shared (Items 1-5 for Hon Erica Stanford, and 5-6 for Hon David Seymour). For each agenda item, it only provides a description of the key issue. It is provided for your visibility only. **You don't need to review it – there is no material in Annex 2 that is not already in Annex 1.**
 - c. **Annex 3** provides you with an annex of Treasury's assessment of each initiative for both the Minister of Education and Associate Minister of Education's envelopes. **This will not be provided to portfolio Ministers ahead of the meeting.**
3. Major decisions taken at this meeting will be reflected in the next draft Budget Ministers material we are providing you on Thursday 6 March.

Recommended Action

We recommend that you:

- a. **Discuss** the contents of this report with Hon Erica Stanford and Hon David Seymour at your meeting on Monday 3 March;

Setting a final education envelope

- b. **Agree** for the Minister of Education to submit a revised net envelope of the following quantum over forecast period:
 - i. [33] and [38] **(Treasury recommended)**
Agreed / Not agreed
 - ii. [33] and [38] (Education high envelope)
Agreed / Not agreed
 - iii. _____ (Other amount)
Agreed / Not agreed
- c. **Note** the areas where Treasury has recommended a different approach, and if you support those changes to approach, advise the Minister of Education of your expectations for her revised package.

Noted

School Property Maintenance and Growth

- d. **Discuss** with the Minister of Education the importance of continuing to invest in school property, in particular depreciation/school maintenance funding in line with the Budget invite letter, and:
 - i. **Agree** to prioritise fully funding the 2023/24 depreciation uplift in 2025/26 and 2028/29.
Agreed / Not agreed
 - ii. **Agree** to expand the scope of initiative 16528 to include learning support property modifications.
Agreed / Not agreed
 - iii. **Agree** to [37]
Agreed / Not agreed
 - iv. **Agree** with the Minister of Education that the school property entity will not be funded in Budget 2025.
Agreed / Not agreed

Learning support investment in Budget 2025

- e. **Agree** with the Minister of Education that the learning support package for Budget 2025 should focus on waitlists for existing services ahead of significant new expansions of services.
Agreed / Not agreed
- f. **Ask** the Minister of Education how she and the Ministry intend to:
 - i. Significantly scale up the learning support workforce to not only address existing waitlists but also to enable the significant proposed expansions across the Early Intervention Service and Learning Support Coordinators; and

- ii. Engage with other Government agencies and sectors (most importantly Health and Oranga Tamariki) who will also be looking to attract the same types of expertise into their workforces.
- g. **Request** the Ministry of Education to provide a more detailed plan to implement the Learning Support Coordinators roll-out, if this is a priority for the Minister for Budget 2025.

Reprioritisation of Kāhui Ako

- h. **Ask** the Minister of Education how she intends to enable cross-school collaboration to lift school effectiveness and teacher quality if funding for Kāhui Ako is reprioritised.
- i. **Ask** the Minister of Education to provide further advice on sector implications, implementation plan and how system disruption risks from ending Kāhui Ako will be managed if progressed.

Schools' Operational Grant funding ^[33]

- j. ^[33]

Agreed / Not agreed

Regional Response Fund ^[33]

reprioritisation

- k. **Agree** that the Regional Response Fund is either:
 - i. Reprioritised towards the Associate Minister of Education's envelope (**Treasury recommended**); OR

Agreed / Not agreed

- ii. Reprioritised towards the Minister of Education's envelope.

Agreed / Not agreed

- l. ^[33]

- i. ^[33]

- ii.

- iii.

Funding for the Private Schools Subsidy and Early Childhood Education (ECE) Funding Review

- m. **Agree** for the Associate Minister of Education to submit a revised net envelope of the following quantum over forecast period:

- i. ^[33] **(Treasury recommended)**

Agreed / Not agreed

- ii. ^[33] (Associate Education high envelope)

Agreed / Not agreed

iii. _____ (Other amount)

Agreed / Not agreed

- n. **Agree** with the Associate Minister of Education that funding for private schools is not a priority for this Budget.

Agreed / Not agreed

- o. **Agree** the Associate Minister of Education can put forward a submission to reprioritise funding from the Charter Schools agency, subject to assurance that this will not lead to further funding needs in future.

Agreed / Not agreed

Katie Keir
**Acting Team Leader, Communities,
Learning and Work**

Hon Nicola Willis
Minister of Finance

(Not for sharing with portfolio Ministers) Context on approach to Treasury’s advice on the Education Budget package

<p>Treasury advice</p>	<p>We support education being a Budget priority, and agree the Minister of Education has taken a considered approach to developing her three education packages.</p> <p>We understand from your office that at the end of this bilateral, it is likely you wish to give the Minister of Education a final funding envelope to build an education package within. As such, this briefing focusses on two areas:</p> <p>Setting a revised net envelope for the Minister of Education</p> <p>Treasury has recommended an education package totalling [33] over the forecast period. This sits between the Minister of Education’s medium [33] and high [33] envelopes.</p> <p>We consider this package strikes a balance between the need to invest in education to drive economic growth and the broader constrained fiscal environment and deliverability risks.</p> <p>Our first best advice is to use this revised figure for the Minister of Education’s envelope. You could also provide more funding (e.g. the Minister’s high envelope), but this would require finding offsets in other parts of your Budget package.</p> <p>Areas where the Minister of Education’s proposed package has value for money risks (particularly on deliverability)</p> <p>Given the criticality of the education system to your broader economic growth priorities, and the significant levels of funding proposed in this package, we recommend discussing the agenda items below (covering roughly 10 of the Minister of Education’s 60 initiatives) with the Minister of Education.</p> <p>Making any views you have on these key areas known to the Minister will ensure the education package that is prepared post-bilateral reflects your views.</p> <p>If you seek a revised package from the Minister of Education, we recommend you ask her to write to you with a proposed package to inform final Budget decisions.</p>
<p>Recommended approach</p>	<ul style="list-style-type: none"> • Agree for the Minister of Education to submit a revised net envelope of the following quantum over forecast period: <ul style="list-style-type: none"> ○ [33] and [38] (Treasury recommended) ○ [33] and [38] (Education high envelope) ○ _____ (Other amount) • Note the areas where Treasury has recommended a different approach, and if you support those changes to approach, advise the Minister of Education of your expectations for her revised package.

Agenda Item 1 (Minister Stanford) – School Property Maintenance and Growth

<p>Description of key issue</p>	<ul style="list-style-type: none"> • Funding for depreciation/school maintenance was included in the Minister of Education’s Budget 2025 invitation letter as a priority for inclusion in the high package, and all packages were calculated with an assumption of significant depreciation funding. • Despite the above, the Minister of Education’s low and medium packages contained no depreciation funding and the high package only contained funding for 2025/26 and no ongoing funding. • Outside of maintenance funding, significant ongoing investment is required to address compliance issues and student roll growth. • The Minister of Education’s high package provides some investment to address these issues but only minimal investment in the medium and low packages. 			
<p>Treasury recommended talking points</p>	<ul style="list-style-type: none"> • Discuss with the Minister of Education the importance of continuing to invest in school property, in particular depreciation/school maintenance funding in line with the Budget invite letter, and: <ul style="list-style-type: none"> ○ Agree to prioritise fully funding the 2023/24 depreciation uplift in 2025/26 and 2028/29. ○ Agree to expand the scope of initiative 16528 to include learning support property modifications. ○ Agree to [37] ○ Agree with the Minister of Education that the school property entity will not be funded in Budget 2025. 			
<p>Treasury advice</p>	<p>Minister of Education high package: [33] in operating and [33] in capital for school property growth and maintenance.</p> <p>Treasury recommended: [33] in operating and \$595 million in capital for school property growth and maintenance.</p> <p>The Minister of Education has deprioritised property funding in her proposed envelopes, with funding for depreciation/school maintenance, learning support expansions and new schools only included in the high envelope.</p> <p>If sufficient funding is not provided for property (as in the medium envelope) or for depreciation (as in the medium and high), this risks disrupting existing pipelines and increasing future costs, leaving students in overcrowded or poor-condition classrooms.</p> <p>As a result, we recommend the below alternative approaches:</p> <ol style="list-style-type: none"> 1. Depreciation and maintenance (ID: 16560): Funding above the amount recommended in the high envelope. This covers the first and final years of the forecast period in order to prioritise immediate needs while ensuring funding is sustainable in outyears. <table border="1" data-bbox="560 2002 1366 2054"> <tr> <td data-bbox="560 2002 842 2054">(\$ million)</td> <td data-bbox="842 2002 1123 2054">Education (High)</td> <td data-bbox="1123 2002 1366 2054">Treasury</td> </tr> </table>	(\$ million)	Education (High)	Treasury
(\$ million)	Education (High)	Treasury		

	<table border="1"> <tr> <td>Operating</td> <td>[33]</td> <td></td> </tr> </table> <p>2. Learning support network (ID: 16528): Reducing funding to a lower level compared to the high envelope, and splitting funding to focus on learning support modifications to existing schools alongside funding for specialist schools.</p> <table border="1"> <thead> <tr> <th>(\$ million)</th> <th>Education (High)</th> <th>Treasury</th> </tr> </thead> <tbody> <tr> <td>Operating</td> <td>[33]</td> <td>10</td> </tr> <tr> <td>Capital</td> <td>[33]</td> <td>45</td> </tr> </tbody> </table> <p>3. New schools and expansions (ID: 16516): Focussing investment on the minimum viable option to maintain the existing pipeline, with an additional [37] in capital funding for land to maximise value for money.</p> <table border="1"> <thead> <tr> <th>(\$ million)</th> <th>Education (High)</th> <th>Treasury</th> </tr> </thead> <tbody> <tr> <td>Operating</td> <td>[33]</td> <td>31</td> </tr> <tr> <td>Capital</td> <td>[33]</td> <td>145</td> </tr> </tbody> </table> <p>4. School property entity (ID: 16656): We do not recommend progressing funding for a school property entity through Budget 2025, due to the lack of a clear implementation plan and lower value for money compared to other initiatives. If the Minister of Education requires funding before Budget 2026 to progress this work, a small proportion could be set aside in contingency. The Ministry of Education and the Treasury are providing further advice on this work to the Ministers of Education and Infrastructure ahead of a joint report back to Cabinet in May 2025.</p> <table border="1"> <thead> <tr> <th>(\$ million)</th> <th>Education (High)</th> <th>Treasury</th> </tr> </thead> <tbody> <tr> <td>Operating</td> <td>[33]</td> <td>0</td> </tr> <tr> <td>Capital</td> <td>[33]</td> <td>0</td> </tr> </tbody> </table> <p>Additionally, we recommend holding capital funding for school property initiatives in tagged contingencies [33]</p>	Operating	[33]		(\$ million)	Education (High)	Treasury	Operating	[33]	10	Capital	[33]	45	(\$ million)	Education (High)	Treasury	Operating	[33]	31	Capital	[33]	145	(\$ million)	Education (High)	Treasury	Operating	[33]	0	Capital	[33]	0
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Agenda Item 2 (Minister Stanford) – Learning support investment in Budget 2025

Description of key issue	<ul style="list-style-type: none"> The Minister of Education has submitted a significant learning support package for Budget 2025, with an expected cost of [33] in operating and [33] in capital funding over the forecast period. The Minister’s high package includes a combination of learning support reprioritisation, cost pressure funding to address waitlists for core services, and two significant new spend investments expanding the Early Intervention Service (ID: 16635) and rolling
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	<p>out Learning Support Coordinators (LSCs) to all schools (ID: 16626).</p> <ul style="list-style-type: none"> • Learning support workforces are currently highly constrained (e.g. education psychologists, speech and language therapists) and the Ministry of Education has highlighted this as a key risk across the learning support package. The Minister’s high package would seek to fund at least 1,500 FTE across the departmental and non-departmental workforces. The number of FTE sought increases towards the latter half of the forecast period to address some of the workforce risks.
<p>Treasury recommended talking points</p>	<ul style="list-style-type: none"> • Agree with the Minister of Education that the learning support package for Budget 2025 should focus on waitlists for existing services ahead of significant new expansions of services. • Ask the Minister of Education how she and the Ministry intend to: <ul style="list-style-type: none"> ○ Significantly scale up the learning support workforce to not only address existing waitlists but also to enable the significant proposed expansions across the Early Intervention Service and Learning Support Coordinators; and ○ Engage with other Government agencies and sectors (most importantly Health and Oranga Tamariki) who will also be looking to attract the same types of expertise into their workforces. • Request the Ministry of Education to provide a more detailed plan to implement the Learning Support Coordinators roll-out, if this is a priority for the Minister for Budget 2025.
<p>Treasury advice</p>	<p>Minister of Education high package: ^[33] in operating and ^[33] in capital.</p> <p>Treasury recommended: \$301 million in operating and \$53 million in capital.</p> <p>We support the Minister of Education’s focus on learning support for new spend in Budget 2025. However, the Minister’s learning support programme, if progressed in its entirety this Budget, carries significant fiscal costs and delivery risks to effective implementation. We are not aware of a clear and compelling plan for how the Ministry will create the workforce and structures needed to give effect to the proposals. While the Budget 2025 package does include initiatives to increase the learning support workforce supply (e.g. to maintain current intern psychologist placements (ID: 16599)), we expect the impact of these initiatives would not be of the magnitude needed to fill these roles.</p> <p>In particular we have concerns with the delivery-readiness of the Learning Support Coordinator initiative (ID: 16626).</p> <p>Costings for this initiative do not include property, training or support costs, which we expect to be significant. Additionally, this initiative seeks to hire a large number of staff in a constrained workforce ^[33]</p> <p>that previous evaluations have shown one third of existing learning support coordinators are unclear on their roles, we see scope for</p>

	<p>setting out a stronger rationale for this initiative, or considering alternative options for investment.¹</p> <p>To manage both the fiscal and implementation challenges, we recommend a learning support package which takes a phased approach to investment.</p> <p>This could start this Budget with funding critical learning support cost pressures to move a significant number of children off waitlists and provide immediate support to those learners. This would include (but is not limited to):</p> <ul style="list-style-type: none"> • Funding to meet expected volumes for the Ongoing Resourcing Scheme (ID: 16589) and Behaviour and Communications Services (ID: 16621); • Partial funding to expand the Early Intervention Service (ID: 16635) to meet existing waitlists, but without expanding the service to Year 1 at this stage; and • Funding to maintain current intern psychologist placements (ID: 16599). <p>This suite of investments would provide a strong platform for the Ministry to build on in future Budgets while still providing the largest uplift in learning support funding since Budget 2020.</p>
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Agenda Item 3 (Minister Stanford) – Reprioritisation of Kāhui Ako

Description of key issue	<ul style="list-style-type: none"> • A reprioritisation initiative seeking to end Kāhui Ako Communities of Learning was included in the Minister of Education’s medium and high packages to create space for new spending initiatives (ID: 16595). • Disestablishing Kāhui Ako would remove New Zealand’s only national, system-level intervention to support schools working together to improve student achievement and teacher quality by sharing expertise across schools. There is not currently any initiative in the Budget 2025 package that would provide an equivalent type of intervention or support for schools.
Treasury recommended talking points	<ul style="list-style-type: none"> • Ask the Minister of Education how she intends to enable cross-school collaboration to lift school effectiveness and teacher quality if funding for Kāhui Ako is reprioritised. • Ask the Minister of Education to provide further advice on sector implications, implementation plan and how system disruption risks from ending Kāhui Ako will be managed if progressed.
Treasury advice	<p>There is strong international evidence that networks where educators can collaborate across schools have better quality and consistency of</p>

¹ See page 16 from Learning Support Coordinators Evaluation: Phase 2, [Learning Support Coordinator Evaluation: Phase 2 Formative and Process Evaluation](#)

	<p>teaching.² The 2024 OECD Economic Survey of New Zealand also emphasised the importance of cross-school collaboration in a devolved system like New Zealand's³.</p> <p>We lack detailed quantitative evidence of the impact on student outcomes of Kāhui Ako (mainly because such research has not been commissioned). Evaluations to date have generally been qualitative/survey-based and provide a mixed but generally positive if inconclusive picture of impacts. We understand the Ministry of Education has advised on options to strengthen the programme to better align with the Government's priorities if retained.</p> <p>Disestablishing Kāhui Ako, while creating a significant saving (\$322 million operating over forecast), risks system disruption at a time when effective implementation of key initiatives would benefit from a concerted focus across the sector. In the absence of Government replacing the initiative with something that provides this type of collaborative network function, disestablishment risks impacting teacher quality and educational outcomes, with corresponding impacts on long-term economic growth.</p> <p>The information provided to us through the Budget assessment process did not give us the confidence that the risks of disestablishing Kāhui Ako outweigh the benefits of maintaining a support network that would be challenging and expensive to re-build.</p>
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Agenda Item 4 (Minister Stanford) – Schools' Operational Grant funding ^[33]

<p>Description of key issue</p>	<ul style="list-style-type: none"> Schools' operational grants are the core frontline funding for schools. Schools have discretion in how they spend them. The Minister of Education has included a 1.5% uplift (ID: 16347) in her high envelope, alongside a suite of reprioritisation initiatives targeting lower-value components of grants. [33]
<p>Treasury recommended talking points</p>	<ul style="list-style-type: none"> [33]

² For example: Barber et al "How the world's most improved school systems keep getting better" (2010) – "In other words, collaborative practice becomes the main mechanism both for improving teaching practice and making teachers accountable to each other." Separately, The OECD's Teaching and Learning International Survey (TALIS) identifies collaboration as one of the five pillars of teacher professionalism.

³ See page 90 from OECD Economic Surveys: New Zealand 2024, [Full Report | OECD](#).

Treasury advice

Minister of Education high package: [33]

School operational grant uplift:

We support an operational grant uplift of 2% in line with forecast CPI (and above the Minister's high package amount) to partially mitigate the risks of [33]

operational grant savings the Minister has included in her high package. There are options to reduce this uplift to below CPI and target additional investment into the equity index component instead, which you may want to discuss with the Minister as part of this agenda item.

Agenda Item 5 (Ministers Seymour and Stanford) – Regional Response Fund and

[33]

<p>Description of key issue</p>	<ul style="list-style-type: none"> • Costings for the Associate Minister’s attendance initiative (ID: 16673) assume that funding from the Regional Response Fund (ID: 16625) [33] • The Regional Response Fund is a contestable fund to support disengaged students. Both the Minister of Education and the Associate Minister of Education have sought to reprioritise this funding for their respective envelopes for Budget 2025. • [33] • A decision needs to be made on how to treat these initiatives for Budget 2025 to avoid double counting between the Ministers’ respective packages. We understand Ministers’ offices have been discussing options but no decisions had been made at the time of preparing this briefing.
<p>Treasury recommended talking points</p>	<ul style="list-style-type: none"> • Agree that the Regional Response Fund is either: <ul style="list-style-type: none"> ○ Reprioritised towards the Associate Minister of Education’s envelope (Treasury recommended); OR ○ Reprioritised towards the Minister of Education’s envelope. • [33] <ul style="list-style-type: none"> ○ [33] ○ [33] ○ [33]
<p>Treasury advice</p>	<p>Regional Response Fund: \$45 million in operating savings.</p> <p>[33]</p> <p>Supporting attendance was set out as a priority for the Regional Response Fund when it was established, and while there were also other priorities, the fund has increasingly focussed on attendance over time.</p> <p>[33]</p> <p>Given the priority and associated target to improve attendance, we recommend reprioritising funding from the Regional Response Fund</p>

	<p>towards the Associate Minister of Education’s initiative to improve attendance.</p> <p>[33]</p> <p>If you do not agree [33] we expect the Associate Minister of Education will seek to have his Budget package increased by the commensurate amount/s, as was indicated in his Budget submission letter.</p>
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Agenda Item 6 (Minister Seymour) – Funding for the Private Schools Subsidy and Early Childhood Education (ECE) Funding Review

Description of key issue	<ul style="list-style-type: none"> The Associate Minister of Education was invited to submit an envelope with initiatives relating to ECE, school choice, and attendance. Funding was submitted as part of this envelope for increases to subsidy rates for private schools (ID: 16527), and staff to support the ECE funding review (ID: 16530).
Treasury recommended talking points	<ul style="list-style-type: none"> Agree for the Associate Minister of Education to submit a revised net envelope of the following quantum over forecast period: <ul style="list-style-type: none"> [33] (Treasury recommended) [33] (Associate Education high envelope) _____ (Other amount) Agree with the Associate Minister of Education that funding for private schools is not a priority for this Budget. Agree the Associate Minister of Education can put forward a submission to reprioritise funding from the Charter Schools Agency, subject to assurance that this will not lead to further funding needs in future.
Treasury advice	<p>Associate Minister of Education envelopes:</p> <ul style="list-style-type: none"> High: [33] Medium: [33] Low: [33] <p>Treasury recommended: [33] operating and a small amount of capital funding.</p> <p>This sits between the Associate Minister’s medium and low envelopes and funds the attendance initiative in full, and a scaled increase for ECE cost adjustments of 0.5% (ID: 16540). There is a clear case for funding both initiatives at this Budget, and the approach we have recommended aligns with the discussion you had with the Associate Minister of Education at the early bilateral meeting in December.</p> <p>We have not supported increasing funding for the private school subsidy this Budget. While the subsidy has not increased since 2010, Treasury’s view is that there is no evidence to suggest that increasing funding for private schools will improve their outcomes or make private education accessible and affordable to a wider range of students.</p>

	<p>We also have not supported funding for staffing of the ECE funding review. While we support a funding review in principle, our view is that FTE to support this review should be redirected from lower priority or less urgent activities. We understand that the Associate Minister may seek to reprioritise underspends from the Charter Schools Agency (CSA) to provide the required resources for the review. We have not yet seen a detailed outline of this proposal, but would support this in principle if it is clear that: (i) reprioritising from the CSA will not risk destabilising the delivery of the Charter Schools Programme; and (ii) the Associate Minister will not seek funding at Budget 2026 to recoup any funding reprioritised now.</p>
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Annex 2 – Annotated Agenda that has been referred to the portfolio Ministers

Agenda

The proposed agenda for this meeting is set out below. Further details on each agenda item are set out in the tables below. Agenda items 1-4 relate to the Minister of Education’s package, item 5 to both Ministers, and item 6 to the Associate Minister of Education’s package.

1. **Agenda Item 1: School Property Maintenance and Growth**
2. **Agenda Item 2: Learning support investment in Budget 2025**
3. **Agenda Item 3: Reprioritisation of Kāhui Ako**
4. **Agenda Item 4: Schools’ Operational Grant funding** ^[33]
5. **Agenda Item 5: Regional Response Fund** ^[33]
6. **Agenda Item 6: Funding for the Private Schools Subsidy and Early Childhood Education (ECE) Funding Review**

Agenda Item 1 (Minister Stanford) – School Property Maintenance and Growth

Description of key issue	<ul style="list-style-type: none"> • Funding for depreciation/school maintenance was included in the Minister of Education’s Budget 2025 invitation letter as a priority for inclusion in the high package, and all packages were calculated with an assumption of significant depreciation funding. • Despite the above, the Minister of Education’s low and medium packages contained no depreciation funding and the high package only contained funding for 2025/26 and no ongoing funding. • Outside of maintenance funding, significant ongoing investment is required to address compliance issues and student roll growth. • The Minister of Education’s high package provides some investment to address these issues but only minimal investment in the medium and low packages.
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Agenda Item 2 (Minister Stanford) – Learning support investment in Budget 2025

Description of key issue	<ul style="list-style-type: none"> • The Minister of Education has submitted a significant learning support package for Budget 2025, with an expected cost of ^[33] in operating and ^[33] in capital funding over the forecast period. • The Minister’s high package includes a combination of learning support reprioritisation, cost pressure funding to address waitlists for core services, and two significant new spend investments expanding the Early Intervention Service (ID: 16635) and rolling out Learning Support Coordinators (LSCs) to all schools (ID: 16626). • Learning support workforces are currently highly constrained (e.g. education psychologists, speech and language therapists) and the Ministry of Education has highlighted this as a key risk across the learning support package. The Minister’s high package would seek to fund at least 1,500 FTE across the departmental and non-
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	departmental workforces. The number of FTE sought increases towards the latter half of the forecast period to address some of the workforce risks.
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Agenda Item 3 (Minister Stanford) – Reprioritisation of Kāhui Ako

Description of key issue	<ul style="list-style-type: none"> • A reprioritisation initiative seeking to end Kāhui Ako Communities of Learning was included in the Minister of Education’s medium and high packages to create space for new spending initiatives (ID: 16595). • Disestablishing Kāhui Ako would remove New Zealand’s only national, system-level intervention to support schools working together to improve student achievement and teacher quality by sharing expertise across schools. There is not currently any initiative in the Budget 2025 package that would provide an equivalent type of intervention or support for schools.
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Agenda Item 4 (Minister Stanford) – Schools’ Operational Grant funding ^[33]

Description of key issue	<ul style="list-style-type: none"> • Schools’ operational grants are the core frontline funding for schools. Schools have discretion in how they spend them. The Minister of Education has included a 1.5% uplift (ID: 16347) in her high envelope, alongside a suite of reprioritisation initiatives targeting lower-value components of grants. • [33]
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Agenda Item 5 (Ministers Seymour and Stanford) – Regional Response Fund and

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Description of key issue	<ul style="list-style-type: none"> • Costings for the Associate Minister’s attendance initiative (ID: 16673) assume that funding from the Regional Response Fund (ID: 16625) ^[33] can be reprioritised. • The Regional Response Fund is a contestable fund to support disengaged students. Both the Minister of Education and the Associate Minister of Education have sought to reprioritise this funding for their respective envelopes for Budget 2025. • [33]
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	<p>[33]</p> <ul style="list-style-type: none"> • A decision needs to be made [33] for Budget 2025 to avoid double counting between the Ministers' respective packages. We understand Ministers' offices have been discussing options but no decisions had been made at the time of preparing this briefing.
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Agenda Item 6 (Minister Seymour) – Funding for the Private Schools Subsidy and Early Childhood Education (ECE) Funding Review

<p>Description of key issue</p>	<ul style="list-style-type: none"> • The Associate Minister of Education was invited to submit an envelope with initiatives relating to ECE, school choice, and attendance. Funding was submitted as part of this envelope for increases to subsidy rates for private schools (ID: 16527), and staff to support the ECE funding review (ID: 16530).
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Annex 3 – Treasury recommendations on Vote Education submissions

See Attached

Annex 3 - Current Budget 2025 Education Package

Note

Treasury's VAD framework quantifies the value (weighted through benefits and costs), alignment to Government Budget 2025 priorities, and delivery feasibility of an initiative, rated from 1 (low) to 4 (high).

Envelope	Budget Track	ID	Title	Description	Treasury Recommendation and Commentary	Dept Submitted			Treasury Recommended Package			VFM Values			
						Total Opex	Opex P.A.	Total Capex	Total Opex	Opex P.A.	Total Capex	V	A	D	
Education - Hon Stanford	Cost Pressures	16347	Schools' Operational Grant Funding - Cost Pressure	The initiative provides a 1.5% cost adjustment to schools' operational grant funding, including base funding for Te Aho o Te Kura Pounamu. This funding will enable schools to meet rising running costs, including staffing (teachers employed above their staffing entitlement and non-teaching staff), curriculum delivery, and other general day-to-day operations, such as heat, light, and water, or repair and maintenance costs. The cost adjustment will take effect from 1 January 2026.	We recommend supporting this initiative to increase school operational grant funding by 2%. CPI and wages have outpaced funding increases for operational grants in recent years, and funding is critical and urgent in Budget 2025 to enable schools to meet rising running costs. Schools have limited options to increase revenue elsewhere and will likely scale back curriculum and learning support services without funding or under a scaled scenario. Funding at 2% will help offset the impacts of reprioritisation initiatives targeting lower-value components of operational grants which will reduce school funding. We have confidence in schools' ability to administer this funding as they are well-placed to determine the best use of additional funding to support educational outcomes.	121.68	30.42	-	162.24	40.56	-	4	4	3	
		16515	[33] and [38]	[33] and [38]	[33] and [38]	[33] and [38]							3	3	4
		16516	School Property Growth – New Schools and Expansions	This initiative provides funding to plan and deliver new schools and staged expansions across the network to address capacity constraints within existing assets. Where growth is anticipated to be continuous, sustained, and sufficient to sustain another school, and there is a deficit in the ability of the existing schooling network to accommodate the projected growth, then a new school is required. In year one, this initiative is expected to progress 5 projects into master planning, 9 projects into design and a further four into construction. The second year of this initiative is forecast to fund the design of 6 projects, and a further 8 into construction. The Ministry will return in Budget 26 to seek funding for additional projects and advance projects that are not complete.	We recommend supporting the Ministry's minimum viable option [37]. Funding is critical this Budget to address overcrowding in schools, maintain a viable pipeline of projects and ensure land purchases maximise value for money. Our scaled recommendation focuses on priority projects and mitigates the risk of underutilisation due to delivery bottlenecks. Scaled funding risks future capacity shortfalls, but this can be mitigated by later investment following reforms to the school infrastructure delivery system. We have confidence that the Ministry can manage the proposed investment effectively whilst reforms progress. All funding should be placed in a tagged contingency [33]	[33]			31.21	7.80	144.63	4	3	3	
		16521	School Property – Roll Growth Classrooms	This initiative provides targeted funding to add roll growth classrooms at existing schools experiencing capacity pressures. This funding will enable the Ministry to respond to both immediate growth pressures, as well as projected roll growth at the most overcrowded and highest priority schools in the network. A portion of this funding will be used to support growth at state-integrated school. Additional teaching spaces will be delivered using repeatable and standardised designs and modular buildings to maximise value for money.	We recommend supporting this initiative to fund a pipeline of new classrooms, which has been scaled by MoE to fit within their high envelope. Funding is critical this Budget to address overcrowding in schools and maintain a viable project pipeline. Our recommendation focuses on FY25/26 priority projects and therefore risks future capacity shortfalls. This can be mitigated by later investment following reforms to the school infrastructure delivery. A tagged contingency should be used subject [33]. The Ministry's proposal also funds state-integrated schools. We consider Crown-owned property should take precedence and recommend this is reprioritised to Crown-owned property. State-integrated schools have private financing options for property investments.	[33]		294.54	[33]		294.54	4	3	3	
		16528	School Property Growth – Expanding the Learning Support Network	This initiative provides funding to deliver new specialist learning support provision to support the increasing demand for specialist education across the motu. This funding will deliver a portion of the Ministry's high-priority learning support roll growth pipeline by adding [33] teaching spaces to areas of high demand from a longer list demand of projects driven by demand and spatial gaps in provision. This initiative seeks to ensure that the families of students with high needs can access specialist learning environments should they decide that is the best education setting for their child.	We recommend scaling the overall quantum of this initiative whilst also expanding the scope to include property modification. Taking this approach keeps the overall cost of the initiative the same while mitigating the risks arising from not providing any additional funding for learning support property modifications. Overall, this funding is urgent this Budget to meet service demand requirements. Our scaled recommendation focuses on priority projects but risks future provision shortfalls. This can be mitigated by later investment following greater clarity on the overall strategy for learning support. We have confidence that the Ministry can manage the proposed investment effectively. Funding should be placed in a tagged contingency [33]	[33]			9.94	2.48	45.0	4	3	3	

Envelope	Budget Track	ID	Title	Description	Treasury Recommendation and Commentary	Total Opex	Opex P.A.	Total Capex	Total Opex	Opex P.A.	Total Capex	V	A	D
Education - Hon Stanford	Cost Pressures	16549	School Property Growth – Expanding the Maori Medium and Kaupapa Maori Network	This initiative provides funding to deliver new kura and roll growth classrooms as part of the Maori Medium and Kaupapa Maori Growth programme. This funding will add approximately 50 new teaching spaces to meet the increasing demand for learning in te reo across the network. This investment is required to support the Government's commitment to equitable access to education by providing quality learning environments for tamariki and rangatahi that reflect their language and culture.	We recommend not supporting this initiative. This initiative is lower value-for-money than others, and was moderated from the package due to fiscal constraints. Any risk to delivering the pipeline of projects can be managed by using funding appropriated through previous Budgets.	[33]		50.0	-	-	-	3	3	3
		16560	School Property – Maintaining and Upgrading the Portfolio	This initiative provides one year of funding to address a portion of the current depreciation shortfall to maintain and upgrade the school property portfolio. The school property portfolio has recently undergone revaluation, which has contributed to an increase in the value of the Ministry of Education's portfolio. In Budget 24, the Ministry received an uplift to its depreciation expense funding, however this funding was not sufficient to cover the entire shortfall. Together, these factors have resulted in a cumulative depreciation deficit and the Ministry's existing depreciation envelope is insufficient to undertake the necessary repair and upkeep works.	We recommend supporting this initiative above the level submitted by the Minister of Education. Funding to increase baseline depreciation (\$1.140b) is required to meet the increased cost of maintaining school property. Deferring these maintenance projects will likely lead to increased costs in future (e.g. deferring maintenance to ensure watertightness now can lead to higher costs to fix water damage later). To manage within fiscal constraints, we recommend funding for the first and final years thereby addressing urgent projects while ensuring funding is sustainable in outyears. The timing of revaluation and its treatment in fiscal forecasts mean any funding provided will have a positive impact on the operating balance supporting the Government's objective to return to surplus in 2028/29.	[33]		-	[33]	-	3	3	3	
		16589	Learning Support: Ongoing Resourcing Scheme funding for the increasing number of eligible students	This initiative provides funding for the increasing number of learners who are eligible for the Ongoing Resourcing Scheme (ORS), as part of the process to move ORS funding onto a forecast demand basis. Demand for ORS has been increasing due to population growth, migration levels, better identification of need, and the changing prevalence of different needs. ORS entitlement is based on meeting specified criteria, and because funding is not capped the Ministry has been obliged to reprioritise other Learning Support funding every year to meet demand.	We recommend scaling this initiative. Funding is critical and urgent to meet growing needs for learning support. We consider that the Ongoing Resourcing Scheme (ORS) provides good value for money as it is targeted at the children who have the highest needs, and the existing programme is well-established. The proportion of students who meet the criteria for ORS has grown from 0.89% in 2009 to 1.42% in 2024, which, alongside population growth, has led to increasing support needs. If funding is not provided, students will receive less hours of support through ORS. Our recommended option funds increasing growth only until the end of the 2027 school year given the constrained fiscal environment. We do not support the proposal to move to demand-based funding.	122.47	30.62	-	114.58	28.65	-	3	4	3
		16596	NZQA National Certificates of Educational Achievement and NZ Scholarship Service Delivery	This initiative addresses a historic funding gap between the cost of delivering assessment for the National Certificates of Educational Achievement (NCEA) and New Zealand Scholarship, and the Crown funding received by NZQA to deliver these services. Expectations of NZQA have increased, for example, an increased number of subjects requiring assessment, special assessment conditions, the range and nature of assessor support and quality assurance activity. Funding required to deliver against these expectations has not increased or kept up with inflation. This funding covers some of the shortfall, but not all. NZQA will continue to operate in a deficit, and will need to reprioritise other NZQA core services to fit within existing budget.	We recommend supporting this initiative in full. Funding is critical and urgent this Budget, as without it, there is a heightened risk of reduced quality of and confidence in the assessment results that NZQA produces. This cost pressure cannot be managed through reprioritisation or cash reserves. This funding covers costs of critical service delivery (i.e. salaries, IT licensing, and distribution costs) while scaling indirect costs by 20%. This may delay initiatives such as auto-marking of the NCEA co-requisite. Treasury recommends NZQA report back to Ministers by November 2025 on progress against its Financial Stabilisation Plan and how Budget 2025 funding is being spent to support critical service delivery.	[33]		-	[33]	-	3	4	3	
		16599	Learning Support: Intern Psychologist salaries - cost pressure	This funding enables the Ministry to fund wage cost pressures for the 25 Education Psychologists it employs as interns each year. Until a 2023 Employment Relations Authority determination, they were given scholarships while they gained practical experience under Ministry supervision. Now, they are deemed to be fixed term employees which increases the cost of the roles. The previous funding is insufficient to pay for the 25 interns needed to meet the Ministry's workforce requirements. In recent years, more than 85% of the interns have been offered ongoing employment within the Ministry once qualified. This initiative supports the development of the psychologist workforce, which has been consistently difficult to recruit, and delivery of learning support services	We recommend funding this initiative in full. Funding is critical and urgent in this Budget to maintain the current 25 intern education psychologist placements. Without this funding, the number of placements will be reduced to 12 due to a 2023 Employment Relations Authority decision that placements must be funded as fixed term roles (rather than scholarships). In recent years, 85% of the interns have been employed by the Ministry once qualified, ensuring the Ministry can meet its workforce requirements to deliver effective learning support services and support the Government's education outcomes. Data from previous years indicates that the additional educational psychologists funded through this initiative will provide future support to 1,474 students.	4.15	1.04	-	4.15	1.04	-	4	3	4

Envelope	Budget Track	ID	Title	Description	Treasury Recommendation and Commentary	Total Opex	Opex P.A.	Total Capex	Total Opex	Opex P.A.	Total Capex	V	A	D
Education - Hon Stanford	Cost Pressures	[33]		[33]	[33]	[33]		-	-	-	-	3	4	1
		16611	NZQA Specialist Workforce - Wages and Associated Human Resources Costs	This initiative will maintain payrates for the circa 10,000 contracted Specialist Workforce employed by NZQA to administer the National Certificates of Educational Achievement (NCEAs), including the co-requisite assessments, and New Zealand Scholarship. This initiative also includes funding for 8 FTE to manage and administer the human capital system (HCM) for the specialist workforce, which is necessary to recruit, onboard and pay this workforce.	We recommend supporting this initiative. Funding is critical and urgent at Budget 2025 due to the time-limited funding allocated for specialist workforce wages ending in 2024/25. This pressure cannot be managed through reprioritisation without significantly reducing assessment services, nor can cash reserves cover it. This initiative funds specialist workforce wages and 8 new permanent FTE to manage the recruitment, onboarding, and pay of the ~10,000 casual employees that make up the specialist workforce. Evidence of workforce impact comes from ongoing successful delivery of annual assessment. Treasury recommends NZQA report back to Ministers in November 2025 on progress against its Financial Stabilisation Plan and how specialist workforce requirements are being considered in this work.	28.0	7.0	-	28.0	7.0	-	3	4	4
		16621	Learning Support: Behaviour and Communications service – cost pressure	This initiative funds additional frontline staff to meet the forecast increase in demand of 2479 learners who will need specialist support from Behaviour Service and the Communication Service over the next four years. The funding is for an additional 6.2 FTE Educational Psychologists, 78.5 FTE Speech Language Therapists, and additional Teacher Aide time. It also funds an additional 5.6 FTE Service Managers to manage the new specialists. This initiative contributes to the Minister of Education's priority for stronger learning support by providing increased capacity to address demand, so that students with additional learning needs can receive the support they need, when they need it.	We recommend scaling this initiative. Funding is critical and urgent to provide support for over 1,500 additional students over the next four years. The service plays a key role in supporting students who are otherwise not able to participate in schooling and the additional staff funded through the initiative will help to address large waitlists for additional support. Successful implementation will depend on hiring enough new Educational Psychologists and Speech Language Therapists despite constrained workforce supply, and we recommend you seek further advice from the Ministry on how these risks to recruitment will be mitigated. Our recommended option funds increasing growth only until the end of the 2027 school year given the constrained fiscal environment.	41.49	10.37	1.41	34.03	8.51	1.13	3	4	2
	New Spending	16519	Aspiring Principal Programme and Expanding the Leadership Advisory Service	This initiative will support the delivery of a high-quality and effective leadership system across the principal pathway. By providing funding for an Aspiring Principal Programme to support 200 aspirants to effectively prepare for a principal role [33] This initiative also expands the successful Leadership Advisor Service to 34 FTEs (from 17 FTEs), to provide more effective and comprehensive support to approximately 2500 principals.	We recommend deferring this initiative. We recognise the need for effective school leadership and a wider system that supports good succession planning and enables current leaders to maximise their effectiveness. However, the case for urgency is less than for other new spend priorities, and the current leadership advisory service has supported 59% of schools already. Participant satisfaction with that service is high, but there is no collected evidence of a link to improved school achievement. Deferring funding would not negatively impact existing service provision. If ministers wish to prioritise some additional funding now, there are viable scaling options (for example, funding elements of the aspiring principal programme).	[33]			-	-	-	2	3	2
		16525	Standardised Assessment & Aromatawai Tool for Years 3-10 in Reading, Writing, Maths, Panui, Tuhituhi and Pangarau	This initiative funds a new dual language standardised tool for twice yearly assessment and aromatawai which aligns with the New Zealand Curriculum and Te Marautanga o Aotearoa. It will utilise Software as a Service technology, provide useful reporting and analysis of results that enable appropriate interventions at student and education system level. This will benefit 540,000 students (Years 3-10). This is a key enabler for achieving the Government's Target 7: 80% of Year 8 students at or above the expected curriculum level for their age in reading, writing and maths by December 2030.	We recommend supporting this initiative with a tagged contingency to allow further work on key programme elements. Treasury supports the concept of a standardised assessment tool, as it can provide useful school- and system-level data on student achievement. However, we have significant concerns about key delivery and implementation plans. These include developing a clearer change management plan, so schools are well supported to use the tool as intended, and a longer timeline of procurement and delivery for the off-the-shelf assessment tool, as there is significant risk that the accompanying material bank will not be ready in time. We recommend the use of a tagged contingency with conditions to require further work on key programme elements before funding is appropriated.	[33]		9.79	-	-	-	3	4	2
		16556	School Property Seismic Remediation Programme	This initiative provides funding to deliver seismic remediation works [33] that are at or below 34% of the New Building standard. This initiative will deliver seismically compliant, resilient school infrastructure and reduce health and safety risks for students, staff and communities who attend schools in high seismic hazard zones	We recommend scaled funding focussed on remediating buildings with greatest seismic risk and mitigating the risk of negative educational impacts should school boards choose to not use at-risk buildings. Our recommendation balances addressing seismic risk within tight fiscal constraints, while also preserving opportunity to adapt the programme pending the Government's Earthquake-prone building and seismic risk management review scheduled for completion in 2026. This initiative optimises value for money relative to other options by leveraging construction efficiencies and minimising disruption to the schools. The initiative is supported by robust management and reporting arrangements as reflected in its amber/green Gateway review rating and has a Cabinet-approved Programme Business Case.	[33]						3	3	3

Envelope	Budget Track	ID	Title	Description	Treasury Recommendation and Commentary	Total Opex	Opex P.A.	Total Capex	Total Opex	Opex P.A.	Total Capex	V	A	D
Education - Hon Stanford	New Spending	16563	Early Oral Language Development – strengthening the development of oral language in early learning and at home	This initiative provides funding [33] for actions to promote children’s oral language development and emerging literacy in early learning settings. It aligns with recent Education Review Office recommendations, and includes funding of: [33] to lift the quality of teacher–child language interactions through providing the ENRICH programme to up to [33] CE services; [33] to develop and implement oral language resources for ECE teachers and to evaluate Kowhiti Whakapae; [33] to provide resources for educators in home-based ECE services; [33] to develop resources for parents and whanau to promote children’s oral language development at home; and [33] to develop and pilot a tool to assess children’s oral language development.	We recommend deferring this initiative. We recognise the importance of oral language for education outcomes, and there is a case for additional support for providers and parents to strengthen children’s development. However, the case for urgency is less than for other new spend priorities. There is no current evidence of the impact of ENRICH, and other proposed interventions are in early development, with a detailed implementation plan yet to be created, and costings only at a high-level. Deferring will enable more planning and preparation time, and allow the findings of the ENRICH evaluation to be taken into account.	[33]	-	-	-	-	-	2	3	2
		16570	Homework centres and tutoring for Pacific learners to meet the literacy and numeracy co-requisites (new initiative)	This initiative provides funding for 50 new homework centres for up to 1000 Pacific learners in years 9-10 to help students to meet the reading, writing and mathematics co-requisite requirements. It also funds Pacific Tutoring for individual and small group tutoring for up to 1000 Pacific learners in years 9-10 to help students meet those co-requisite requirements for NCEA. Services will be delivered by providers working with the 46 secondary schools that have 50% or more Pacific learners enrolled, mainly in Auckland.	We recommend scaling this initiative. Funding is urgent this Budget due to the ending of several programmes supporting Pacific education, and the lack of direct support for Pacific students in years 9-10 completing the NCEA co-requisite. The NCEA co-requisite 2024 results show Pacific learners achieving the reading, writing, and numeracy co-requisites at rates lower than the overall achievement rate. Our scaled option allows for 1 FTE to coordinate a two-year pilot programme of 31 homework centres over 20 weeks, and a contracted evaluation of 10 case studies. Piloting this programme risks uncertain future support for eligible students. This is mitigated by the potential for future Budget funding to be sought following a review in 2027 to assess the effectiveness of the programme.	6.63	1.66	0.03	1.87	0.47	0.02	2	4	2
		16597	NZQA Strategic Technology Enhancement Project - Establishment Phase	This initiative will allow NZQA to employ 21 FTEs and vendor resources [33] for the Strategic Technology Enhancement project (STEP) and deliver quick wins to begin addressing the risks posed by NZQA’s legacy system (eQA). This responds to The Treasury Gateway review key recommendation that “every effort be made to seek funding for the establishment phase for the Strategic Technology Enhancement Project (STEP)”. This funding will ensure NZQA is positioned to start the full project and deliver on project outcomes. This initiative is for one year – which will fund the establishment phase. Additional funding will be required from 2025/26 until 2023/31 for the full project, which will be requested in Budget 26.	We recommend supporting this initiative in full. Funding is required this Budget for preparatory work to reduce risk and shorten the overall delivery timeframe to replace NZQA’s core quality assurance and assessment IT system (eQA). There is a clear plan for implementation, with governance and monitoring mechanisms to support successful delivery. Providing this funding supports NZQA’s capability and capacity but does not guarantee improvements, and we recommend mitigating this risk by holding part of this funding in contingency [33] in late 2025. Scaling is possible through reducing the number of preparatory workstreams, but this will have a direct impact on timeframes meaning service risk will remain higher for longer.	5.30	1.33	-	5.30	1.33	-	3	3	2
		16598	Maths, Statistics & Pangarau Tutoring for Student in Years 7-8	This initiative provides funding for a tutoring-based intervention comprising of school staffing, and an adaptive digital tutoring solution, to accelerate learning in maths and pangarau for year 7-8 students who are not at curriculum level. These students are at high risk of failing the Co-Requisite and not achieving NCEA qualification. The intervention will focus in on the skills set out in the Mathematics and Statistics or Pangarau curriculum progress outcomes, and will service approximately 11,000 students in years 7-8. The Ministry is piloting a 12-week Maths Tutoring Intervention in Term 1 2025, which is being funded from their baseline and is not included in this bid.	We recommend deferring this initiative. We recognise the importance of supporting students to achieve at expected levels, in particular in literacy and maths. There is also a case for urgency. However, this initiative is based on scaling up a new programme that is being piloted from term 1 2025, and procuring an online platform that has not been trialled. There is no New Zealand-specific evidence of the impact of these interventions, and very limited evidence of positive impacts from the previous large-scale New Zealand post-COVID catch-up tuition programme. Deferring allows the findings of the pilot to be taken into account, alongside clearer scoping of what online support is needed.	[33]	-	-	-	-	-	2	3	2
		16610	Learning Support [33] Teacher Aide – new funding	This initiative [33], which supports teachers to provide quality teaching for individuals and groups of learners with additional learning support needs. The funding increase is phased in over four years, from January 2026. [33] optimise the value from the investment, relative to the [33] This initiative contributes to the Minister’s priority for stronger learning support by providing more support in the classroom to support quality learning, address disruptive behaviour, and improve outcomes.	We recommend not supporting this initiative. The information presented does not demonstrate that funding is critical at this Budget. Funding of \$89 million across the forecast period is already baselined [33] and this initiative would provide an additional \$39.968 million across the forecast period from 2025/26 for more teacher aide hours. A recent evaluation noted increasing evidence that the traditional one-to-one model of teacher aide support is not the most effective way to support learners (ERO 2022). The Ministry does not collect outcome data specifically related to teacher aides. We recognise the valuable support teacher aides can provide, but based on available evidence, we consider that other learning support initiatives could deliver greater value for money.	39.97	9.99	-	-	-	-	2	4	2

Envelope	Budget Track	ID	Title	Description	Treasury Recommendation and Commentary	Total Opex	Opex P.A.	Total Capex	Total Opex	Opex P.A.	Total Capex	V	A	D
Education - Hon Stanford	New Spending	16617	Learning Support – expansion of Te Kahu Toi, the Intensive Wraparound Service	This initiative expands access to Te Kahu Toi Intensive Wraparound Service for additional 30 students in 2026 and a further 15 additional students from 2027 onwards. It includes funding for an additional 2 psychologist FTEs and 3 contracted facilitator FTEs for 2026, increasing to 3 psychologist FTEs and 5 facilitator FTEs from 2027 onwards. Te Kahu Toi supports students in Years 0 to 10 with highly complex and challenging behaviour, social and learning needs at school, at home and in the community. It supports improvements in students' self-control, social skills, attitudes and beliefs, relationships with others, and access to safe environments and achievement.	We recommend deferring this initiative. This initiative is lower value-for-money than others, and was moderated from the package due to fiscal constraints. While Te Kahu Toi is aligned to the Government's priorities, and has a good evidence base with student feedback showing positive impacts on learners, the programme has a significantly higher cost than other learning support initiatives. Given the constrained fiscal environment, we have prioritised meeting existing waitlists for other lower-cost initiatives over expanding Te Kahu Toi.	7.29	1.82	0.05	-	-	-	3	4	3
		16626	Learning Support Coordinators – rollout to schools with Year 1-8 students	This initiative rolls out Learning Support Coordinators (LSCs) to all schools with Year 1-8 students that do not currently have access to an LSC and provides a salary allowance to elevate the role to a senior leadership position. It includes funding for new LSC FTTEs phased in over three years and salary allowances for existing and new LSC roles. All schools with Year 1-8 students would get access to an LSC, either through existing arrangements or a new FTTE allocation. Secondary schools that currently employ LSCs would retain these roles. Costings are indicative only and do not include property, training, or other support costs. Further analysis and advice will be required to consider the most effective and efficient distribution of LSC resource within the available budget.	We recommend deferring this initiative. We understand the Learning Support Coordinator (LSC) scheme has broad sectoral support and is aligned with the Minister's learning support priorities. However, the scale of the proposed expansion, the complexity to be worked through (for example, costings are indicative and incomplete), and delivery risks mean we are not confident in supporting the proposal without more comprehensive advice from the Ministry. We recommend you seek clarity from the Minister of Education on how employment relations risks and the issues arising from having two different LSC models can be mitigated before making final decisions.	[33]		-	-	-	-	2	3	1
		16633	WAI 3310 Waitangi Tribunal Education Services and Outcomes Kaupapa Inquiry – Resourcing	This initiative provides funding for Education Services and Outcomes Kaupapa Inquiry – WAI 3310 (WAI 3310), which was initiated by the Waitangi Tribunal in November 2024. Funding will cover claimant costs.	We support scaling this initiative. Funding is critical and urgent this Budget to ensure the Crown meets its obligations in Waitangi Tribunal Kaupapa Inquiry processes. As the lead agency for the Inquiry, the Ministry of Education has no choice but to lead the cross-government response. This initiative funds we consider balances fiscal costs without undermining the Ministry's ability to deliver an effective response to the Kaupapa Inquiry. As the Kaupapa Inquiry progresses and closes, the funding profile will change, and so we recommend delegating decision-making to Joint Ministers to reflect updated costs.	[33]						4	3	4
		16634	Teacher Supply Attraction and Growth	This bid strengthens teacher supply and raises the status of the profession. It expands the School Onsite Training Programme to address critical teacher shortages by providing places for an additional 530 teachers to train in an onsite model over four years and provides cost adjustments for the 1331 places allocated through Budget 24. Increased reach and engagement investment establishes a sustained and deliberate domestic approach to encourage people to enter the teaching profession and provides for increased and more comparable marketing activity to other jurisdictions for attracting overseas teachers in the tight global market.	We recommend scaled funding for this initiative. The Ministry's teacher supply projections, which depend on a wide range of factors influencing supply and demand, show a need for more primary (1,254) and secondary (1,568) teachers from 2026. Enrolments to Initial Teacher Education fell by 3% in 2023, and there is a competitive market for teachers. The School Onsite Training Programme (SOTP) was oversubscribed in 2024, but as it is new there is no evidence yet of wider impacts. Our scaled option balances the need for new teachers with the uncertainty around the number of teachers required from 2026. It reflects the Ministry's Minimum Viable Option and scales new SOTP places, with less activity to attract overseas teachers. If further scaling is needed, we recommend prioritising the SOTP.	[33]			26.25	6.56	-	3	4	3
		16635	Learning Support in the Early Years – Strengthen and enhance support for learners up to school Year 1	This initiative expands the Early Intervention Service (EIS) into schools Year 1 with new specialist staff in 2026. This expansion provides a smoother and more effective transition to school for young learners. To meet increased demand in early learning, the funding provides additional specialist staff for the EIS, phased in over four years. It also funds more training to grow the specialist workforce; and it increases the price paid for contracts for Early Intervention Specialist Service Providers, who not had an increase since 2019.	We recommend scaling this initiative. Preventative support in the first 2,000 days is a strong predictor of good education and labour market outcomes. The initiative aligns with evidence by scaling up early intervention services (EIS). There are implementation risks for the Ministry in growing the highly constrained learning support workforce. We have scaled to mitigate this risk, and recommend funding be held in contingency subject to the Ministry providing a workforce implementation plan. Our scaled option focusses on expanding EIS to provide support to existing waitlists of 3,399 students. It fully funds more training to grow the specialist workforce and meet the increased cost of providing services. We consider the expansion to Year 1 should be deferred to prioritise existing waitlists	[33]			138.40	34.60	7.28	3	4	2
		16637	Early Numeracy and Pangarau Checks Y 1 & 2	This initiative provides funding to design, develop, test and deploy a universal and standardised numeracy and pangarau screening and assessment tool for learners at the end of year one, and again in year two. Checking a student's progress at the end of the first year at school means that students will have had the opportunity to learn enough maths and pangarau to allow for an assessment of whether a student is on a steady and expected trajectory of maths and pangarau learning. By the end of year two a further check will identify what progress has been made and what further support is required. Students who master foundational skills in maths and pangarau are better prepared to grapple with the more complex ideas presented in the later school years.	We recommend deferring this initiative until a detailed design and implementation plan can be developed. There is some evidence that early identification of learning challenges may support student achievement. However, this initiative is unsuitable for investment in Budget 2025 due to a lack of confidence in intervention efficacy, costings and delivery plan and a relatively lower level of urgency compared to other Education new spend priorities. Deferring this initiative enables the Ministry to focus on embedding other curriculum and assessment reforms, the learnings of which can inform the development of this proposal – in particular, the introduction of phonics checks from January 2025.	3.28	0.82	0.85	-	-	-	2	3	2

Envelope	Budget Track	ID	Title	Description	Treasury Recommendation and Commentary	Total Opex	Opex P.A.	Total Capex	Total Opex	Opex P.A.	Total Capex	V	A	D
Education - Hon Stanford	New Spending	16639	PLD for Re-investment in Literacy, Maths and Assessment	This funding reinvests savings in teacher professional learning and development made through Budget 2025 back into priority curriculum PLD which supports and implements the Government's education priorities. It supports the significant transformation across the curriculum and assessment work programme to deliver a knowledge rich curriculum and nationally consistent education which supports all students to succeed. Reinvesting this funding into the curriculum PLD work programme helps to mitigate a steadily declining budget envelope in PLD and enables stabilised ongoing investment to support embedding and sustaining quality practice in schools against key learning areas and wahanga ako.	We recommend supporting this initiative. We consider there is a demonstrated need for investment to support professional learning and development (PLD) and improve educational attainment. PLD to upskill teachers in new maths and literacy curricula and teaching methods is central to Government priorities and targets in education. We therefore support broadening PLD funding by reprioritising targeted initiatives not clearly aligned with Government priorities (initiatives 16551, 16554, 16557, 16561 and 16588). The Ministry advises that significant improvements have been made to the monitoring and evaluation mechanisms in place, which enable it to better measure PLD outcomes and impacts on student achievement.	4.90	1.22	-	4.90	1.22	-	4	3	3
		16640	Kohanga Reo Data Administration Needs	This initiative provides scaled funding to Te Kohanga Reo National Trust for administrative and HR support staff, and to support maintenance and improvement of related ICT systems. The Trust has had a fixed-term centralised administrative team in place, but Government funding for these roles was time-limited and ended in November 2024. Having these staff in place significantly improves the accuracy and timeliness of data submitted to the Ministry of Education for funding and reporting purposes. This will also help minimise errors in the funding distributed by the Ministry, improve expenditure forecasting, as well as help provide better data on attendance and understanding of Kaupapa Maori education pathways.	We recommend supporting this initiative, which reflects the Ministry's Minimum Viable Option. Funding is critical and urgent this Budget to ensure accurate payments of early childhood subsidies to the Kohanga Reo National Trust and maintain service delivery in Kohanga Reo. Our recommendation meets ICT cost pressures and maintains a centralised administrative function to support attendance data reporting of kohanga reo services. We do not consider funding can be reprioritised within Ministry baselines without risking either service delivery or mis-payment to the Trust.	[33]		-	[33]		-	3	3	1
		16641	Science and Putaiao Kits for Schools and Kura with Y0-8 Learners	This initiative funds the design, creation, distribution and maintenance of a library of science and putaiao kits to be used by all schools and kura teaching Years 0-8. The kits will contain the physical equipment, materials, and instructions required to deliver practical, "hands-on" science and putaiao activities that will help student experience all strands of the science and putaiao curricula. This funding will deliver two science kits annually to each of [33]. The funding will also pay for ongoing teacher and kaiako training on the use of the kits [33]	We do not recommend supporting this initiative. While this initiative is aligned to Government priorities to improve educational attainment, funding is not critical or urgent for Budget 2025 and the information provided does not provide a clear and compelling case for why the proposed intervention of science and putaiao kits is the greatest value for money and readily implementable. The costings appear inflated and delivery plans, particularly market engagement, are extremely limited. In a fiscally constrained environment, we consider the costs and implementation risks of this initiative outweigh potential benefits. However, a pilot of this initiative may provide higher value for money if this is a priority investment area.	[33]		-	-	-	-	2	3	1
		16654	Maori Education Suite - Te Reo Maori PLD, Literacy Resources and Specialist Maori Workforce	This initiative includes three components: •Training and Support for Teachers in English medium settings to develop Te Reo Maori language Proficiency. •Supporting the Provision of the specialist Maori education teacher workforce to address the critical teacher shortage in key areas of learning in Kaupapa Maori and Maori medium kura. •Literacy resources to address the gaps in the Nga Kete Korero series, providing Level 1 and 2 te reo Maori education pathways with a sound and comprehensive graded reader system that aligns with a structured approach to literacy.	We recommend supporting this initiative in full. Funding will help to reduce gaps in the delivery of literacy, science, technology, and mathematics in Maori medium education, and to support Te Reo Maori proficiency in English medium settings. Further design and implementation planning is required for elements of the initiative to mitigate delivery risk, but we consider it important to make decisions on this funding alongside proposed offsetting reprioritisation from Maori education initiatives (initiative 16650) to provide certainty to the sector. It will be important to ensure robust monitoring and reporting as part of implementation to mitigate potential recruitment risks.	36.14	9.03	-	36.14	9.03	-	3	4	2
		16656	School Property Portfolio – Entity Establishment	This initiative provides a contingency to support Cabinet decisions to be made in May 2025 on the form of a new entity or model for operational school property delivery. This covers [33]	We do not support this initiative as funding is not critical or urgent for Budget 2025. This new spending initiative is only partially related to a Government priority to improve education outcomes and primarily responds to the recommendations of the Ministerial Inquiry into School Property. As previously outlined in advice to the Minister for Infrastructure, we do not consider establishing a new entity represents high value for money and recommend non-structural changes and process improvements are made first, as these are likely to be quicker and less costly but will still result in improved performance. This initiative also fails to outline an achievable plan for implementation despite the Minister of Education indicating a 1 July 2025 establishment date for the new entity.	[33]		-	-	-	-	2	2	1
	Savings	16551	Charter Schools PLD Funding - Reprioritisation	Reprioritisation of the provisional allocation of PLD funding for converting charter schools.	We recommend supporting this initiative. Savings come from underspends in the current 2024/25 financial year. The underspend is due to there being no converting charter schools in the 2024/25 financial year. As a general rule, underspends in the current financial year are to be returned to the centre rather than used as reprioritisation. However, we are comfortable with this being used for reprioritisation due to the small quantum and ability for it to be reprioritised for other Professional Learning and Development initiatives.	(0.08)	(0.02)	-	(0.08)	(0.02)	-	4	4	4
		16554	Early Learning Professional Learning and Development – Reprioritisation	This initiative reprioritises funding that was allocated for targeted professional learning and resources to support the expanded early learning curriculum legal framework for Te Whariki a Te Kohanga Reo and Te Whariki that has not been utilised.	We recommend supporting this initiative. The funding being reprioritised comes from funding allocated for targeted professional learning and resources to support the expanded early learning curriculum legal framework to Te Whariki a Te Kohanga Reo and Te Whariki. This work is now complete, and this funding can be re-purposed towards other Professional Learning and Development priorities.	(0.20)	(0.05)	-	(0.20)	(0.05)	-	4	4	4

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Education - Hon Stanford	Savings	16557	Redesign of PLD - Reprioritisation	Reprioritisation of \$1.649m from the Redesign of PLD programme which designs and develops the Structured Literacy commitments in the Literacy Guarantee.	We recommend supporting this initiative. The funding being reprioritised comes from an underspend in 2024/25 which arises from the lower than expected cost of preparatory work for the redesign of Professional Learning and Development (PLD). That work is now expected to cost \$1.6 million, rather than the projected \$3.2 million. These lower costs arise because several key structured literacy supports have been implemented more quickly than originally planned, so associated planning work is no longer required. The initiative proposes to reprioritise funding to supporting in-school PLD on structured literacy. Based on the limited information presented, this appears an appropriate shift of funding to a higher value activity to directly support school staff on a key ministerial priority.	(1.65)	(0.41)	-	(1.65)	(0.41)	-	4	4	3	
		16558	Teachers' Tertiary Study in Literacy and Maths – Reprioritisation	The Ministry of Education established this initiative (also known as the Tertiary Fees Funding Support scheme) in 2008 as an entitlement subsidy (up to 50%) to support teachers to study a mathematics or literacy-based paper at graduate or post-graduate level. The scheme supports schools' efforts to raise the achievement of all their students through increasing the expertise and knowledge of their teachers.	We recommend supporting this initiative. It ends subsidies for teachers to undertake university level mathematics and literacy courses and reprioritises savings to Professional Learning and Development better aligned with the Government's structured literacy and mathematics priorities. The subsidy scheme has been undersubscribed with only around 1/8th of the available places filled and the Ministry has identified little evidence of positive impacts. The initiative returns all uncommitted funding to the end of FY 2025/26, when the programme will expire.	(0.17)	(0.04)	-	(0.17)	(0.04)	-	4	4	4	
		16561	Network Hub Service - reprioritisation	This initiative would stop the Network Hub service, which provides central coordination, support and guidance for Networks of Expertise (NEX). NEX are subject associations and other peer-to-peer networks which deliver specialist subject support for teachers and kaiako. Options to bring functions of the Network Hub Service in-house to the Ministry of Education will be explored when the contracts end.	We recommend you support this initiative. This proposal was identified in the Minister's line by line review process as a lower value contracted service. Savings are realised by bringing some elements of the Networks of Expertise (NEX) Hub function in-house at the Ministry and moving some functions to the NEX themselves. Any ongoing cost would need to be absorbed within the Ministry's existing resource, which we understand the Ministry is committed to doing. This proposal will likely reduce the level of service provided to NEX compared with the current arrangements. On balance, we consider this risk is outweighed by the benefits of re-investing the savings into more direct PLD supports which have a higher impact on educational outcomes.	(2.80)	(0.70)	-	(2.80)	(0.70)	-	3	3	3	
		16564	Teaching Council PLD - Reprioritisation	This initiative reprioritises \$0.322m of the overall \$0.500m funding that is paid annually to the Teaching Council for its legislated optional functions as per the Education and Training Amendment Act 2021. These are to provide leadership to the education profession, enhance the status of education leaders, and identify and disseminate best practice in education leadership. As these functions are optional, the funding can be reprioritised to better meet education priorities. The remaining \$0.178m will continue to be paid annually to the Teaching Council to carry out their professional leadership functions.	We recommend supporting this initiative. The funding being reprioritised comes from discretionary Teaching Council activities. Based on the limited information presented, these activities do not appear to be essential (an online platform to share effective practice, and funding the Council to review implementation of its leadership strategy). This funding could be better used for higher priorities in education. This option continues to provide some funding to the Council to support ongoing discretionary work. The proposal has not been discussed with the Council, and there is a risk it may not be possible to deliver all proposed reprioritisation. However, the initiative projects savings from 2026/27, which gives time to wind down current commitments and prepare for transition.	(0.97)	(0.24)	-	(0.97)	(0.24)	-	4	4	3	
		16571	Reading Together – reprioritised funding	This initiative reprioritises funding for programmes which have stopped: Reading Together Te Panui Ngatahi and Early Reading Together. The programmes were for parents and caregivers to learn how to support their children's reading and literacy development, and to make reading fun for the whanau. Funding also provided training material and books for whanau who participate in the programme.	We recommend supporting this initiative. Savings come from unutilised funding allocated towards programs which have now ceased. The Reading Together Te Panui Ngatahi and Early Reading Together programmes were ceased following Budget 2024 decisions and introduction of the Minister of Education's new structured literacy approach. This means funding is no longer required and can be reprioritised towards higher value Education programmes.	(13.26)	(3.31)	-	(13.26)	(3.31)	-	4	4	4	
		[33]		[33]	[33]	[33]	[33]		-	[33]		-	3	4	4
		16577	Learning Support: Positive Behaviour for Learning School-wide – reprioritising the participation grants	This initiative removes the participation grant for schools that adopt Positive Behaviour for Learning (PB4L) School Wide(PB4L-SW) PB4L-SW is a systematic approach to building a positive school culture to support children and staff in schools.	We recommend supporting this initiative. While participation grants are a potential incentive to encourage new schools to join the Positive Behaviour for Learning (PB4L) programme, there are existing benefits to attendance and behaviour that incentivise schools to join the programme. Enrolled schools will still be supported by the Ministry's PB4L facilitators to continue running the programme. There is a risk that reprioritising funding would reduce the number of new schools enrolling in the programme. However, on balance we consider that the risks associated are low and the funding could provide greater value for money if used for more urgent priorities.	(12.11)	(3.03)	-	(12.11)	(3.03)	-	4	3	4	
		16580	Education Gazette to be published online-only, with fewer issues	This initiative will stop the printing of the Education Gazette and move it to an online-only format. It will also reduce the number of issues from 16 to 12 annually, from 2025. The Gazette is the Ministry's magazine to the education sector, an important channel for informing and engaging education professionals. It has a readership exceeding 100,000 and a print run of 15,000 copies.	We recommend supporting this initiative. It reprioritises funding by scaling a service that supports the communication and understanding of the Government's education priorities to 100,000 readers, but does not have a direct impact on outcomes as it will still be delivered in an online-only format. The Gazette also serves as an established channel to communicate education-sector job vacancies, Professional Learning and Development opportunities, and statutory notices. The initiative offers improved value for money and reduced overhead costs while retaining a similar (if slightly reduced) level of service.	(2.06)	(0.52)	-	(2.06)	(0.52)	-	4	4	4	

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Education - Hon Stanford	Savings	16581	Teaching and Learning Research Initiative – Reprioritisation	This initiative reprioritises funding for the Teaching and Learning Research Initiative. The Ministry of Education contracts the Council (NZCER) to coordinate and manage the Teaching and Learning Research Initiative (TLRI), which funds collaborative research about teaching and learning in early childhood, school, and tertiary sectors. The Ministry signed three-year contracts with NZCER for these initiatives in 2024, so reprioritised funding is not available until 2027/28.	We recommend not supporting this initiative. Ending this fund would further reduce the level of education research in New Zealand and with that our ability to analyse and understand system performance. This follows a reduction in the Ministry's research funding in recent years, alongside changes to other funds where education research is no longer in scope (such as the Marsden Fund). Education has also typically been a lower funded area of research from general funds. Better data and evidence is one of the Minister's key priorities for education and there is a clear need for high quality research, though the initiative does not identify what impacts this fund has shown to date. If the fund is retained, Ministers may wish to set clear expectations on its use and outputs from it.	(3.11)	(0.78)	-	-	-	-	2	1	3	
		16582	Kaupapa Maori and Maori Medium Underspends	This initiative reprioritises underspent funding provided to Kaupapa Maori and Maori medium education settings for the student-teacher ratio reduction in the 2023 Teachers and Principals Collective Bargaining settlement. Some of the underspend has been committed by Cabinet for structured literacy [CAB-Min-24-0451 refers]. The remainder, which was more than required for equivalency to the English medium ratio reduction, is available as savings.	We recommend supporting this initiative as the funding is no longer required. The original investment allocated funding to reduce the teacher to student ratio by one for Kaupapa Maori and Maori medium education. This has been achieved, with remaining funding available for reallocation. Some of the remaining funding has already been committed by Cabinet to deliver structured literacy [CAB-24-MIN-0451]. The rest is available for reprioritisation.	(36.14)	(9.03)	-	(36.14)	(9.03)	-	4	4	4	
		16583	Greater Christchurch Education Renewal Programme – reprioritised funding	This initiative reprioritises \$4.33 million in funding that was provided to support Christchurch schools with earthquake recovery. The funding had been earmarked for strengthening leadership, enhancing well-being, and fostering collaboration with mana whenua, they addressed challenges from the earthquakes.	We recommend supporting this initiative. The funding being considered for reprioritisation comes from a programme that is no longer well aligned with the Government's priorities and is no longer essential. The funding was originally allocated to support teachers following the Christchurch earthquakes in 2010 and 2011. This initiative proposes not renewing teacher support contracts that expire at the end of 2025. Ongoing support for teachers is provided elsewhere across the education system. As such, any negative impact on schools in Greater Christchurch is expected to be low and outweighed by the fiscal benefit to the Crown.	(4.33)	(1.08)	-	(4.33)	(1.08)	-	4	4	4	
		[33]		[33]	[33]	[33]	[33]		-	[33]			3	2	3
		16585	Study Support Centres – reprioritisation	This initiative reprioritises funding for Study Support Centres (SSC). SSCs provide additional educational support for ~4500 students in Years 1-8 who may be at risk of educational underachievement. They are run by schools, iwi and community groups.	We recommend supporting this initiative. This programme is lower value-for-money than others, and was moderated into the package as savings due to fiscal constraints. The funding being reprioritised comes from a programme that is not critical. There is a lack of quantitative evidence of the programme's impacts on educational outcomes. The risk associated with this reprioritisation proposal is a decrease in education outcomes such as achievement and attendance. However, on balance we consider risks associated with this initiative are mitigated by Budget 24 investment into learning support and are outweighed by the fiscal benefit to the Crown.	(6.44)	(1.61)	-	(6.44)	(1.61)	-		3	3	3
		[33]		[33]	[33]	[33]	[33]	([33])		-	-	-	-	1	2
[33]		[33]	[33]	[33]	[33]	[33]		-	[33]			3	3	4	

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Education - Hon Stanford	Savings	16595	Kahui Ako - Reprioritisation	Kahui Ako are groups of education institutions formed to collaborate to share best practice, with a focus on specific achievement challenges. There are 220 Kahui Ako comprised of 3,500 schools, ECEs and TEOs with specific funded roles of Leader, Across and Within School Teacher roles. Stopping the initiative would involve teachers and principals in these roles no longer receiving allowances or release time to fulfil their Kahui Ako duties. Schools will also no longer receive grants to cover expenses, such as induction, travel, and networking allowances. There are significant costs associated with disestablishing each of these roles, and full savings would not be realised for several years.	We recommend not supporting this initiative. It effectively winds down an initiative covering 79% of schools and the information available does not show a compelling case for the benefits of removing funding. Kahui Ako (KA) is the key vehicle to support cross-school collaboration to improve outcomes and the 2024 OECD economic survey noted the importance of collaboration in a devolved system like ours. Impact evaluations have not focused on outcomes, but report broadly positive qualitative feedback. If this is pursued, we recommend you seek further advice on the sector implications, implementation plan and how risks will be mitigated.	(322.33)	(80.58)	-	-	-	-	2	2	2	
		[33]		[33]	[33]	[33]							2	2	3
		16624	Operational grant savings package	This savings initiative reduces the amount of funding provided to schools by removing or changing specific operational grant components including new classroom set-up grant, [33] and vandalism funding (reduction of [33])	We recommend supporting this initiative. The impact for most schools is under \$10,000 per annum and mitigated for two areas of reprioritisation as funding is reduced, not withdrawn (vandalism funding), or covered by other similar streams (new classroom funding). The impact of the initiative would also be offset in part by increases to operational funding from initiative 16347. [33] . This could be mitigated by scaling the initiative or directing funding to related activities if those schools still require that support. You may wish to clarify any ongoing need with the Minister of Education.	[33]		-	[33]				3	3	3
		16628	Resource Teachers Learning and Behaviour – reprioritising funding for services to students in Years 11 to 13	This initiative reprioritises funding for the Resource Teachers Learning and Behaviour service (RTLb) for students in Years 11 to 13. The funding is usually distributed to schools and kura based on their Year 11- 13 rolls, with some weighting for Maori and Pacific rolls, and the equity and isolation indices. Schools do not report on the use of the funding and no data is collected on the use of the fund or its impacts.	We recommend deferring this initiative. While we do not currently have information on the outcomes of this funding, funding is targeted to a key cohort for achieving qualifications, and to schools where students face higher barriers to achievement. Reprioritising funding would create a gap in support for this cohort, and so we recommend deferring this initiative until MoE is able to provide further information on how this cohort will be supported in the absence of this funding. If this gap could be mitigated through other initiatives, we would support reprioritising this funding towards initiatives with a stronger evidence base.	(13.83)	(3.46)	-	-	-	-	2	2	3	
		16631	Part Time Student Grant Funding – Reprioritisation	This initiative reprioritises the additional funding given to schools with more than 20% of students registered as part time. The funding started in 2008, recognising that some operational costs relate to headcount, as well as FTE. It is paid as part of the school's annual operational grant and provided as funding resource to allow schools to use it flexibly. Currently only Te Puna Wai o Waipapa - Hagley College receives the funding, and its part-time students are mostly adults.	We recommend supporting this initiative. The funding being reprioritised comes from ending the part-time student operational grant, which Hagley College is the only school eligible to receive. The risk associated with this proposal is a future cost pressure to support Hagley College in their provision of part-time programmes, including NCEA classes for adults. However, this risk can be mitigated by our recommended phased approach where there is a 50% reduction in funding for 2026, and a 75% reduction in 2027 to allow the College time to adjust to the reduced income. Adult learners can access alternative NCEA programmes through Adult and Community Education. We consider risks associated with this initiative are outweighed by the fiscal benefit of reprioritised funding for critical services.	(3.44)	(0.86)	-	(2.95)	(0.74)	-		2	2	3
		16636	Resource Teacher Literacy – Reprioritisation	This initiative reprioritises funding from the Resource Teacher: Literacy (RTLit) service. RT Lit teachers work mainly with English medium schools, (Years 0-8). The service provides a mix of direct support to students and indirect support via coaching to teachers.	We recommend supporting this initiative. This programme is lower value-for-money than others, and was moderated into the package as savings due to fiscal constraints. Structural curriculum changes such as the Budget 24 investment into structured literacy provide similar literacy support to students with additional learning support needs. The risk associated with this reprioritisation proposal is some schools and students may go without additional literacy support. However, on balance we consider risks associated with this initiative are mitigated by other Government services and are outweighed by the fiscal benefit to the Crown.	(39.17)	(9.79)	-	(39.17)	(9.79)	-		2	2	3
		[33]		[33]	[33]	[33]	[33]							2	2

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Education - Hon Stanford	Savings	[33]		[33]	[33]	[33]		-	-	-	-	2	3	2
		16648	Pacific Education programmes - reprioritisation	This savings initiative returns \$6.766 million operating funding by stopping the Tu'u Malohi, Pacific Reading Together and Developing Mathematical Inquiry Communities programmes for Pacific learners and removing remaining funding for the refresh of the Action Plan for Pacific Education.	We recommend supporting this initiative. Savings mainly come from programmes (Pacific Reading Together, Tu'u Malohi, Developing Mathematical Communities of Inquiry, or DMIC, and Support to meet English Language Requirements) that have ended or that are set to end soon. A risk associated with this proposal is that removing services targeted at Pacific learners may reduce Pacific educational achievement. This is mitigated by initiative 16648, a proposed reprioritisation of funds for contracted services that support Pacific students in years 9-10. On balance, we consider risks associated with this initiative are low and are outweighed by the fiscal benefit to the Crown.	(6.77)	(1.69)	-	(6.77)	(1.69)	-	3	3	3
		16650	Savings to fund New Maori Education Suite	This initiative reprioritises \$36.136m over four years by: -Disestablishing the Wharekura Expert Teachers programme, -Disestablishing the 53 FTE Resource Teacher Maori roles from the staffing order, -Re-allocating underspent funding from the Maori language funding to Support Provision and Growth initiative. This funding will be reprioritised into higher value for money Maori education priorities.	We recommend supporting this initiative. It aligns with Government priorities as savings will fund improvements in the delivery of literacy, science, technology, and maths in Maori medium education, and support Te Reo Maori proficiency in English medium settings. Disestablishing the Resource Teacher Maori roles will likely be resisted by the sector and reduce support for staff in Maori immersion settings, though evidence of the roles' effectiveness is limited. The Ministry's proposed approach of repurposing funding to support Maori education priorities will be important to mitigate Te Tiriti risks. An early Cabinet decision is needed to realise the Resource Teacher Maori savings, and we recommend you seek clarification on the Minister's rationale for removing these roles via that process.	(36.14)	(9.03)	-	(36.14)	(9.03)	-	3	4	2
Education - Hon Seymour	Cost Pressures	16540	Early Childhood Education Cost Adjustment	This initiative provides a cost adjustment of 1% to funding rates for the ECE Subsidy for under 2s, ECE Subsidy for 2s and over, 20 Hours ECE, Equity Funding (all components) from 1 January 2026 and to Targeted Funding for Disadvantage from 1 March 2026. This will assist ECE services to manage increasing costs of provision in order to maintain quality and affordable early learning for children, parents, and whanau.	We recommend scaled funding for this initiative. We recognise the importance of affordable, accessible, and high-quality ECE. There is limited evidence of the link between increased subsidies, fee levels, quality and viability. Providers also received significant funding through Budget 2024 (\$564 million from cost adjustments and the retention of earlier subsidy increases), alongside \$677 million for Family Boost. The Ministry's Minimum Viable Option of a 0.5% increase gives an uplift, recognises recent increases, and does not commit further funding before the proposed funding review is underway. The ECE regulatory review is also expected to provide further (as yet unquantified) financial benefit to providers. Further scaling is possible, but likely to require targeted funding increases.	103.07	25.77	-	51.08	12.77	-	3	3	3
	New Spending	[33]		[33]	[33]	[33]		-	-	-	-	1	1	1
		16527	Private Schools Subsidy Increase	This initiative increases the Government subsidy to private schools to address price and volume pressures rates over time. Addressing these pressures may have positive flow on effects to school choice and economic efficiency. [33] This provides a stronger rationale for per-student rates and would redistribute funding more equitably across year level groups.	We recommend not supporting this initiative. We recognise that this subsidy has been frozen since 2010, that its real value has decreased, and that the cost to the Crown of a private school place is lower than the state equivalent. The Ministry has undertaken detailed modelling and analysis, and presented clear options for the level of a potential increase. However, that analysis does not suggest a material impact of the subsidy on supply or demand, as the number of private schools remained stable, and the number of students grew by around 20%, from 2013-23. Funding is not urgent this Budget. We see greater priority in other areas of the Associate Minister of Education's envelope, in particular attendance, given the urgent need for improvement and its status as a key Government target.	[33]		-	-	-	-	2	2	2
		16530	ECE Funding Review	This initiative provides funding for the establishment and ongoing costs of a Ministerial Advisory Group to conduct an Early Childhood Education (ECE) funding review, and time-limited departmental FTE funding to allow for the Ministry of Education to deliver two large concurrent policy reviews on ECE funding and regulation. The need for this funding is contingent on Cabinet agreement to commencement of the review. The Ministerial Advisory Group will operate for up to a year and provide the Government with recommendations to improve the ECE funding system. The level of demand on the Ministry of Education from these two reviews, and the Government's priorities in ECE, exceeds current levels of resourcing, particularly for policy, data and modelling, and operational policy functions.	We recommend not supporting this initiative. We support the concept of an ECE Funding Review, which is an important means of better understanding the value for money/outcomes from significant Crown expenditure on ECE subsidies and related supports. We also recognise that parts of the Ministry, including its policy function, are under significant resourcing pressure. However, we do not support funding the 9 new policy/support FTE that forms most of the cost. We recommend that the Ministry meets these time-limited needs by refocusing staff from lower priority areas, given the skills are in general policy advice/support, but recognise this would require stopping existing work. If Ministers wish to fund this work, scaling is feasible (such as only providing secretariat support to the review).	3.86	0.96	0.15	-	-	-	2	2	2

Envelope	Budget Track	ID	Title	Description	Treasury Recommendation and Commentary	Total Opex	Opex P.A.	Total Capex	Total Opex	Opex P.A.	Total Capex	V	A	D
Education - Hon Seymour	New Spending	16673	Attendance package to improve attendance in schools	<p>Responding to school absence is primarily the responsibility of schools, therefore schools need to have resource and structural support. This initiative relies on reimagining the existing Attendance investment (c. \$47m pa) plus additional Budget 2025 investment and providing it to schools for in school or contracted services, with support, contracting, oversight and monitoring by the Ministry.</p> <p>?ERO's latest report illustrated that over half of students who are chronically absent from school do not go on to achieve NCEA Level 2. They have higher rates of offending, are more likely to be victims of crime, and are more likely to live in social and emergency housing as adults. By age of 20, they cost the Government three times as much as students who go to school.</p>	We recommend supporting this initiative in full. Improving school attendance is an urgent priority and key government target. There is a clear case for additional funding now, and we see this as the highest priority for the Associate Minister of Education's envelope. The proposed actions are appropriately focused to support a better understanding of who is not attending school, enabling interventions to be better targeted, and setting clear expectations/intervention frameworks for non-attendance. The final mix of interventions is subject to input from a sector Advisory Group, but there is sufficient information to agree funding now for the proposed approach. Monitoring of the attendance target gives a clear framework for understanding the effectiveness and value for money of new funding.	[33]			124.85	31.21	0.15	3	4	3
	Savings	16625	Regional Response Fund – reprioritised funding	This initiative reprioritises funding from the Regional Response Fund (RRF) which was established to support akonga who were disengaged or at risk of disengaging from education post COVID-19.	We recommend supporting this initiative. The funding being reprioritised comes from a contestable fund for which there is limited evidence of a direct impact on its target outcomes (improved school attendance). Improving attendance is a high priority for the Government, and we recommend that reprioritisation should go into the Seymour envelope for actions to improve attendance, as part of implementing a more coherent set of attendance supports linked to the related Budget initiative (16673). Maintaining a focus on attendance for this funding would mitigate the risks from reprioritisation, and those risks would be outweighed by the potential benefits of better targeting the funding. Based on the information available, reprioritisation of all uncommitted funding is feasible from 2024/25.	(45.0)	(11.25)	-	(45.0)	(11.25)	-	4	3	4