



Education Report: Policy Approvals for an Education (School Donations) Amendment Bill

To:	Hon Chris Hipkins, Minister of Education		
Date:	11 April 2019	Priority:	High
Security Level:	Budget Sensitive	METIS No:	1185499
Drafter:	Georgie Handley	DDI:	s 9(2)(a)
Key contact and number:	Ben O'Meara s 9(2)(a)	Round robin:	No
Messaging seen by Communications team:	No		

Purpose of report

This paper seeks your agreement to the attached cabinet paper relating to a new Bill for the proposed school donations scheme.

Key Messages

- We have drafted a Cabinet paper to seek approval of the policy of recovering funding from schools that do not comply with the conditions of the proposed donations scheme, as well as seeking approval to issue drafting instructions.
- The draft Cabinet paper assumes that funding of \$265.573 million over four years has been confirmed through Budget 2019.
- The timeframes we have outlined enable a new Bill to be introduced on 30 May and passed by the end of the year, thereby ensuring the school donations scheme and its compliance arrangements are in place by 1 January 2020.
- If you agree, we will circulate the draft Cabinet paper to government agencies for departmental consultation immediately.
- If you agree, the attached draft Cabinet paper can be used by your office next week for consultation with your colleagues, to enable the paper to be lodged in the week of 22 April for consideration at Social Wellbeing Committee on 1 May.

Recommended Actions

The Ministry of Education recommends you:

- agree** to the attached Cabinet paper seeking approval to issue drafting instructions for a legislative amendment to support the proposed school donation scheme, which will be progressed in a stand-alone Bill

Agree / Disagree

b. **agree** to distribute the Cabinet paper to your Ministerial colleagues for consultation as soon as possible, with feedback sought by 18 April

Agree / Disagree

c. **agree** that the Ministry can undertake Departmental consultation immediately, from 12 to 17 April

Agree / Disagree

d. **note** that we are aiming for the Social Wellbeing Committee meeting on 1 May and the Cabinet Legislation Committee meeting on 21 May

Noted

Proactive Release Recommendation

e. **agree** that this Education Report will be proactively released once the Bill is introduced.

Agree / Disagree



Dr Andrea Schöllmann
Deputy Secretary
Education System Policy

11/04/2019



Hon Chris Hipkins
Minister of Education

10/4/19

Background

1. At the Agency meeting on 8 April 2019 you requested that regulatory changes be made to support the school donations scheme, and that these be progressed in a stand-alone Bill, to be introduced on Budget Day (30 May 2019).
2. Introducing this proposal in a stand-alone Bill will enable the change to be in place by 1 January 2020, when the first payments are planned to be made to those schools that opt in to the scheme.
3. This paper seeks your agreement to the attached draft Cabinet paper for the Bill.

The proposal

4. The attached Cabinet paper proposes a legislative amendment to support the school donations scheme. Under the proposed scheme, grants of \$150 per student will be made to decile 1-7 schools whose boards choose to opt in to the scheme. Boards that opt in to the scheme must agree to stop seeking general or specific donations from parents as a condition of the scheme.
5. The Education Act 1989 (the Act) already provides the authority to make grants and to impose conditions (that funding be used for the purposes set out in the grant). It is proposed to amend the Act to enable money provided to schools under the scheme to be recovered if conditions of the grant (including the requirement to not request donations from parents of students) are breached.

Consultation, RIS and next steps

6. If you agree to the attached Cabinet paper, the next step is to circulate it to your colleagues for Ministerial consultation. In order for the Bill to be introduced on Budget Day, feedback would be appreciated by 18 April 2019.
7. We will consult government departments simultaneously with Ministerial consultation.
8. Treasury have confirmed that a regulatory impact analysis is not required.
9. We will provide your office with a finalised Cabinet paper as soon as possible after 18 April. The paper will need to be lodged with Cabinet Office in the week beginning 22 April, to be considered by the Social Wellbeing Committee on 1 May.
10. As soon as Cabinet agrees to the proposals, we will work with Parliamentary Counsel to finalise the Bill. We are aiming for the Cabinet Legislation Committee meeting on 21 May, with introduction on 30 May.

Annexes

- Annex 1: Draft Cabinet paper: Policy Approvals for an Education (School Donations) Amendment Bill