



# INTRODUCTORY BRIEFING TO THE INCOMING MINISTER

School Infrastructure

FEBRUARY 2023



## WELCOME TO YOUR ROLE

This Ministry of Education briefing is intended to support you to undertake your infrastructure role as the Education Minister. This briefing includes information on both school transport and school property, and an update on the Ministry's Digital budget bids. Further information on the digital infrastructure responsibilities will be provided at a later point.

### EXTENT OF SCHOOL PROPERTY RESPONSIBILITY

The Ministry of Education oversees and supports school property management at more than **2,100 schools**.

School property management is delivered through a semi-devolved model, which we operate in partnership with schools. As school property management has become more complex, we have increased the support and information we provide to schools. However, as independent Crown Entities School Boards have responsibilities for the managing school property, which is outlined in the Property Occupancy Document. The Ministry provides funding to Boards to support maintenance and capital upgrades at schools.

The school property portfolio comprises the second largest social property portfolio in Aotearoa New Zealand with **over 16,000 school buildings**, around **8,000 hectares** of land, and **36,500 teaching spaces**.

Financially, the school property portfolio has a **book value of \$26.3 billion**, a **replacement value of more than \$43.6 billion** (as at 30 June 2022) and an **annual capital expenditure of \$1.5 billion** (2021/22)

### SCHOOL TRANSPORT

The Ministry of Education offers school transport assistance to students where distance or a lack of suitable public transport present a barrier to education. We provide assistance to **more than 100,000 students** to and from school each day – coordinating around **7,000 daily vehicle movements** with about **40 million passenger journeys** each year.

We oversee the spending of more than **\$240 million each year on school transport** services. This makes the Ministry of Education the second largest purchaser of passenger services in Aotearoa NZ.

Within the Ministry, Infrastructure responsibilities are managed by approximately 775 ministry staff through Te Pou Hanganga Matihiko nationwide.

In assessing the condition for the school property portfolio, the percentage of state school buildings with a maintenance index of "3" or better as an indicator of relative maintenance requirements was **87%**, indicating a high proportion of well-maintained buildings.

# KEY AREAS FOR SCHOOL INFRASTRUCTURE IN 2023

## DELIVERING GROWTH THROUGH THE NATIONAL EDUCATION GROWTH PLAN

- In 2019, the Government committed to build new schools and classrooms for up to 100,000 children by 2030. The Ministry's National Education Growth Plan (NEGP) is the programme delivering these additional student places.
- As of 30 September 2022, over 30,000 additional student places have been delivered, and almost \$1.3 billion spent. You will receive an updated NEGP delivery dashboard later this month showing how we are progressing against the Government's commitment.
- To date 60,000 additional student places have been funded through the Budget process.

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## EXPANDING EXISTING PUBLIC PRIVATE PARTNERSHIP SCHOOLS TO MEET DEMAND

- **In 2022, Cabinet approved a programme to manage the expansion of eight existing PPP schools. No new PPP schools will be constructed.**
- Approval of projects within the PPP programme was delegated to the Minister of Education and the Minister of Finance as joint Ministers.

- 9(2)(f)(iv)



- The expansion of Wakatipu High School is already underway and in the delivery stage. 9(2)(i)

9(2)(f)(iv)



## DELIVERING A TARGETED MĀORI MEDIUM EDUCATION PROPERTY PROGRAMME

- **Since 2019 the Ministry has ringfenced new capital from the Budget process to fund a Māori Medium Education (MME) programme**, which delivers additional capacity for MME classrooms and schools, as well as addressing property provision and condition issues at MME schools.

- Since Budget 2019 the Government has provided the Ministry with \$222 million specifically for MME schools. To date the Ministry has started 63 projects that will deliver 222 new classrooms at MME schools, it also has funding to redevelop three kura and funding to purchase land for new kura.
- 9(2)(f)(iv) [REDACTED]
- One of the reasons that the Ministry has a separate programme for MME property is because MME property projects require more in-depth engagement with local Iwi and Hapu, particularly throughout the planning and design phase. It is important that delivery is kaupapa-centric.
- **Our priority is to ensure that we uphold Te Tiriti principles and support Māori achieving success as Māori throughout this process**, while also delivering projects efficiently and effectively. Key milestones are generally set in partnership, rather than by the Ministry independently.
- Network and property are also critical components of the broader Ministry Māori Medium/Kaupapa Māori education work programme to achieve the goal of 30% of ākonga Māori in MME/KME by 2040 and will have significant funding implications. Wherever the Government lands on this programme, we will continue to build partnerships with Māori education peak bodies and iwi to ensure that property delivers for Māori.

## ADDRESSING CONDITION ISSUES AT EXISTING SCHOOLS

- In 2020, the Government announced the National School Redevelopment Programme (NSRP) which will address complex condition issues at poor condition schools by 2030.
- There are 330 redevelopment projects in the programme, with a current budget of \$1.6 billion. As at 30 September 2022, 70 projects have been delivered, and 51 projects are in construction. A further 209 projects are in planning and design or in the full pipeline. You will receive an updated NSRP delivery dashboard later this month.
- The NSRP is mainly funded from Ministry baseline funding, however due to the scale and volume of projects, to achieve the Government's 2030 property commitment the programme will require further funding. In Budget 21, the Ministry received \$150 million new capital for the programme.
- 9(2)(f)(iv) [REDACTED]
- The Ministry seeks delegated approval from yourself as the Minister of Education for projects over \$25 million, and Cabinet for projects over \$35 million. Legacy projects over \$35 million can be approved by joint Ministers of Education and Finance. 9(2)(f)(iv) [REDACTED]

9(2)(g)(i) [REDACTED]

- 9(2)(g)(i)

- 9(2)(f)(iv)

## RESPONDING TO FLOOD DAMAGE AT SCHOOLS IN AUCKLAND

- With a strong regional presence and capability, we have been able to mobilise quickly to support schools.
- We have been in touch with all schools in Auckland to assess the impact of flood damage on schools opening, and on delivering teaching and learning.
- **We are in the process of assessing the work needed and cost as a result of flood damage to affected schools and will update you as appropriate.**

## REDUCING EMISSIONS IN THE SCHOOL SECTOR

- We are undertaking significant emissions reductions in schools, including through:
  - o Coal Boiler Replacement Programme, which **will replace all 151 coal boilers by April 2025**
  - o The installation of ceiling insulation and LED lighting, through **Ngā Iti Kahurangi**, is reducing energy use and emissions. **LEDs installed at schools so far has reduced lighting emissions by 60% (392t CO2e)** while also improving the quality of learning environments. 9(2)(f)(iv)
- We are enabling and embedding Carbon Neutral Government Programme reporting on behalf of the state schooling sector
  - o We will develop a reduction plan on behalf of schools in late 2023 in line with CNGP requirements and reduction targets
- We are leading and enabling significant change in the construction and design sector to reduce emissions and improve environmental outcomes.

## LEARNING SUPPORT

- The Ministry is committed to supported students with learning support needs.

- In Budgets 19 and 21 the Ministry received \$50 million to add special school satellite units to the network.
- There are currently 63 projects underway to deliver satellite units across the country.
- We also have a number of projects underway to redevelop, rebuild and expand special schools including Central Auckland Special School, Sommerville School and Sir Keith Park.
- The Ministry also has a learning support modifications programme that allocates about \$55 million every year to schools to make modifications to their property to ensure it is accessible for all students that enrol there.
- 9(2)(f)(iv)

## REDUCING THE PROPERTY BURDEN ON SCHOOLS

- As part of the review of the Tomorrow's Schools System in 2019, the Government committed to reduce the burden of managing school property on boards of trustees, by removing some responsibility from schools in order to improve school property asset outcomes.
- As part of our shift from solely funders of school property to asset managers (through the implementation of programmes such as Ngā Iti Kahurangi), we have already undertaken significant work to reduce this burden. However, we recognise that more can be done, with particular focus on maintenance activities and asset protection functions. This work must be balanced against the independent nature of Boards. We are working with the sector and undertaking pilots to understand which responsibilities are worthwhile to reduce while still respecting the independent role of School Boards.
- **We expect to provide you with an update on this workstream in April.**

## CYBERSECURITY AND INVESTING IN DIGITAL INFRASTRUCTURE

- As independent Crown Entities Boards are largely responsible for managing their own digital environments. However, in a world that is experiencing an increase in cyber-attacks, we are conscious of the need to ensure our schools are cyber-resilient and secure.
- We have been increasing the support we offer to schools to secure and maintain their ICT networks. The announced expansion of the Te Mana Tūhono programme in 2020, will allow the Ministry to offer all state and state-integrated schools the opportunity to upgrade their ICT network equipment and access cybersecurity support by 2024. 9(2)(f)(iv)
- The Ministry is developing a long-term digital investment strategy to support the Cybersecurity and Managed Networks programme, as well as deliver other critical digital infrastructure projects.
- 9(2)(f)(iv)

## RESPONDING TO CONSTRUCTION MARKET PRESSURES

- Unprecedented inflation and unforeseeable market conditions have placed significant pressures on the Ministry's in-flight and planned building projects.
- We are taking steps to mitigate market pressures, including:
  - **Procurement initiatives** – including centralised procurement, bundling projects and procuring suppliers by geographical catchment (rather than project-by-project)
  - **Reference, repeatable design and modular delivery** – which reduces upfront design costs, accelerates delivery timeframes and allows the Ministry to bulk procure delivery