



Education report: Revised Cabinet Paper – Covid-19: Ensuring continuity and adequacy of student support

To:	Hon Chris Hipkins, Minister of Education		
Date:	8 April 2020	Priority:	High
Security Level:	In Confidence	METIS No:	1225473
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Messaging seen by Communications team:	N/A	Round Robin	No

Purpose

Attached is the revised Cabinet paper *Covid-19: Ensuring continuity and adequacy of student support (annex 1)*. This paper is due to be lodged by 10 am on Thursday, 9 April, to be considered by Cabinet on Tuesday, 14 April.

We recommend you also seek agreement to clarify exemption provisions for Fees Free entitlements where study is impacted by Covid 19. The Cabinet paper now also clarifies assistance available to domestic students overseas and seeks funding for the 7/10 EFTS proposal through the Covid-19 Response and Recovery fund.

Recommended actions

The Ministry of Education recommends you:

- note** the attached revised Cabinet paper *Covid-19: Ensuring continuity and adequacy of student support*, due to be lodged by 10am on Thursday, 9 April
 - note** that we will provide an aide memoire to your office on Thursday, 9 April, to support your presentation of this item at Cabinet on Tuesday, 14 April
 - agree** to seek Cabinet agreement to have specific exemptions related to the impact of Covid-19 included within the Fees Free policy settings that are in the delegation to fund Fees Free tertiary education and training
- Agree / Disagree**
- note** this will provide more clarity for students and trainees on the impact of study affected by Covid-19 on their Fees Free entitlements
 - note** that, given your agreement to recommendation (c) above, officials will provide you with an updated letter of delegation to the Chair of the Tertiary Education Commission, subject to Cabinet's agreement to this proposal

- f. **proactively release** this education report within 30 days of Cabinet decisions being made, with any redactions in line with the provisions of the Official Information Act 1982

Release / Not Release



Katrina Sutich
Group Manager
Tertiary Education
08/04/2020

Hon Chris Hipkins
Minister of Education



Proactively Released

Background

1. The attached Cabinet paper is due to be lodged by 10am on Thursday, 9 April. This will allow it to be considered by Cabinet on Tuesday, 14 April.
2. The Cabinet paper now seeks approval to:
 - a. enable the Ministry of Social Development (MSD) to continue student loan payments over an extended study break for students who remain enrolled, consistent with continued student allowance payments;
 - b. temporarily increase the current maximum student loan course-related cost entitlement for students currently enrolled in full-time study, or starting full-time study, in 2020, from \$1,000 to \$2,000;
 - c. disregard equivalent full-time student (EFTS) from student loan life time limits for students receiving partial tuition fee refunds due to discontinuation of study in 2020 as a result of Covid-19 (as is already the case for full refunds) and
 - d. put in place a clear process for disregarding courses of study, that students are unable to complete due to Covid-19, from their Fees Free entitlement.
3. The Tertiary Education Commission (TEC) advises that providers are beginning to see increasing student withdrawals. There will be a delay until this shows up in StudyLink data because of the process to withdraw from a course. This reinforces that decisions are needed urgently to provide certainty to students. We will include this information in the talking points to support your discussion of your Cabinet paper.

We have updated the Cabinet paper

We recommend you also seek agreement to clarify exemption provisions for Fees Free entitlements where study is impacted by Covid-19

4. TEC already has a discretion in exceptional circumstances to disregard study undertaken from individuals' Fees Free entitlements. We recommend you seek Cabinet agreement to specify this further by adding conditions related to the impact of Covid-19 within the delegation to fund Fees Free tertiary education and training (see paragraphs 35 to 39, 44, 56 to 58, and recommendations 21 to 23 in the attached Cabinet paper).
5. This would provide clarity for students and trainees and ensure they can continue study in the future without losing their Fees Free entitlement as a result of their study being interrupted due to Covid-19.
6. If you seek Cabinet agreement to this change, and this is approved by Cabinet, officials will provide you with an updated letter of delegation to the Chair of the TEC, and agencies will communicate the changes to students and the sector.

The paper also clarifies assistance available to domestic students overseas

7. It explains that current students benefit from the proposals in the Cabinet paper and former students (who are ineligible for student support) will need to follow the recently agreed approach for providing assistance to New Zealanders temporarily overseas due to Covid-19 [CAB-20-MIN-0130] (see paragraphs 17 to 22 in the attached Cabinet paper).

The paper now seeks funding for the 7/10 EFTS proposal through the Covid-19 Response and Recovery fund

8. We recommend you seek Cabinet agreement for the policy change and changes to appropriations associated with the proposal to disregard EFTS for partial refunds due to Covid-19 (see paragraph 2c) through the Covid-19 Response and Recovery Fund (see recommendations 15 to 20 in the attached Cabinet paper).
9. Students and providers have sought clarification from officials on this issue. The urgency of needing seeking Cabinet's decision on the policy change and funding now is driven by the need to be able to give students some certainty as soon as possible, as they make decisions about their study.

Annexes

- Annex 1: Revised Cabinet paper – Covid-19: Ensuring continuity and adequacy of student support

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