



Briefing report

Education Review Office (ERO): 2022 March Baseline Update and Statement of Contingent Liabilities and Contingent Assets submissions

Date	4 February 2022
Security Level	N/A
ERO Priority	Medium
ERO Reference	M22-1
Date requested	ERO initiated
Date due	ERO initiated
Proactive release	Recommended

Addressee	Action sought	Deadline
Minister of Education	It is recommended that you:	
	a) Sign the attached MBU submission.	
	b) Agree to forward the signed submission (with Tables 1 and 2) to the Minister of Finance's office before the deadline.	1pm, 21 February 2022
	c) Note that ERO has a contingent liability relating to Holidays Act remediation liability and no contingent assets as at 31 January 2022.	
	d) Agree to sign and date the attached Certification of the Statement of Contingent Liabilities and Contingent Assets for the Education Review Office as at 31 January 2022, and return it to ERO by Friday 18 February 2022.	18 February 2022
	e) Note ERO is required to forward the attachment to Treasury by Thursday 24 February 2022.	
	f) Agree this briefing is recommended for proactive release.	



Attachments:

**Education Review Office (ERO):
Briefing letter: 2022 March Baseline Update
Submission for Vote Education Review Office
MBU 2022 Submission: 2022 March Baseline
Update Submission for Vote Education
Review Office**

Minister's Office to complete	
Noted	<input type="checkbox"/>
Seen	<input type="checkbox"/>
Approved	<input type="checkbox"/>
Referred to:	
Date signed by Minister:	



Comments:



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Our Ref: M22-1

4 February 2022

Hon Chris Hipkins
Minister of Education

Vote Education Review Office submissions

1. This paper seeks your approval for two routine submissions for the Education Review Office (ERO):
 - a. The proposed 2022 March Baseline Update (MBU) submission for Vote Education Review Office (ERO). The documents are required to be submitted to the Minister of Finance no later than Monday 21 February.
 - b. The proposed January 2022 Certification of Statement of Contingent Liabilities and Contingent Assets. This is required to be submitted to Treasury by the ERO by Thursday 24 February.

2022 March Baseline Update Submission for Vote Education Review Office

2. The proposed changes for the *Evaluations of the Quality of Education* appropriation are:
 - a. An in-principle expense transfer of \$0.500 million from 2021/22 to 2022/23 for delays to the Education Review Office's work programme due to COVID-19.
 - b. A fiscally neutral adjustment of \$0.800 million in 2021/22 to reflect the increased forecast levels of revenue from services provided to other public sector agencies. A further \$0.500 million is sought from 2022/23 onwards to increase revenue to \$1.000 million per year to reflect the level of services the ERO typically provides each year.
3. The Treasury has reviewed the attached submission and raised no further comments with it.
4. A copy of the attached submission (with Tables 1 and 2) is required to be forwarded to the Minister of Finance's office by 1pm, Monday 21 February.

Statement of Contingent Liabilities and Contingent Assets

5. As part of the 2022 Budget Economic Fiscal Update, the ERO is required to submit a "Statement of Contingent Liabilities and Contingent Assets" for 31 January 2022, which is required to be certified by the responsible Minister.
6. As at 31 January 2022 one contingent liability and no contingent assets were identified by the ERO.

7. The ERO is undertaking a review of its compliance with the ERO's Holidays Act 2003. 80% of the work has been completed, with the expected work to be completed in March 2022. The ERO has recognised a provision of \$0.400 million but too much uncertainty remains if costs will exceed this value. The maximum expected is \$0.600 million, therefore a contingent liability of \$0.200 million has been recognised.
8. A copy of the attached submission is required to be returned to the ERO by Friday 18 February for submission to Treasury by Thursday 24 February.

Recommendation

9. It is recommended that you:
 - a) **Agree** to sign the attached MBU submission. **Agree/Disagree**
 - b) **Agree** to forward the signed submission (with Tables 1 and 2) to the Minister of Finance's office before the deadline. **Agree/Disagree**
 - c) **Note** that ERO has a contingent liability relating to Holidays Act remediation liability and no contingent assets as at 31 January 2022. **Noted**
 - d) **Agree** to sign and date the attached Certification of the Statement of Contingent Liabilities and Contingent Assets for the Education Review Office as at 31 January 2022, and return it to ERO by Friday 18 February 2022. **Agree/Disagree**
 - e) **Note** ERO is required to forward the attachment to Treasury by Thursday 24 February 2022. **Noted**
 - f) **Agree** this briefing is recommended for proactive release. **Agree/Disagree**



Nicholas Pole
Chief Executive

NOTED / APPROVED



Hon Chris Hipkins
Minister of Education

17/2/2022

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