

The Treasury

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[40]	Not in scope	

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) and section 18 of the Official Information Act.

Template 3: Cost Benefit Analysis Template

Section A Descriptive Information

Vote	Education
Responsible Minister	Minister of Education
Initiative title	Completing the Additional In-Class Support Manifesto Commitment

Funding Sought (\$m)	2016/17	2017/18	2018/19	2019/20	2020/21 & outyears	TOTAL
Operating	-	2.188	4.443	4.443	4.443	15.515
Capital	-	-	-	-	-	-

Problem Definition
A description of the problem or opportunity that this proposal seeks to address, and the counterfactual.

There are many students enrolled in state, state-integrated and partnership schools who have significant, ongoing learning needs. However, these students do not typically meet the criteria for Ministry of Education special education services such as the Ongoing Resourcing Scheme (ORS) which is targeted at the 1% of students with the highest needs.

These students require additional support for them to fully participate in the education system; without it many end up disengaged and do not achieve their full potential. One UK-based study suggests up to 90% of young people with moderate learning difficulties leave school at age 16, the end of compulsory schooling, with no qualifications (Hatton & Glover, 2015). Young adults who leave school early with little or no qualifications are at a much greater risk of poor outcomes in later life such as long term benefit receipt, involvement with corrections and/or poor health outcomes (McLeod et al., 2015).

The students that In-Class Support (ICS) is targeted at are a diverse group, but many come from disadvantaged backgrounds or experience a number of risk factors associated with low educational achievement. For example, of those who received ICS in 2015 approximately 43% have been supported by welfare for more than 50% of their childhood, 45% have been notified to Child, Youth and Family (CYF), 9% had been in the care of CYF, 12% had no early childhood education before starting school, at least quarter required Reading Recovery, and one in five had English as their second language.

The lack of ongoing additional support for these students means their needs escalate requiring more intensive intervention. For example, of the students who received ICS in 2015, approximately one third had been supported by Resource Teachers: Learning and Behaviour (RTLB), one in six had received support through the Interim Respond Fund (a short-term response for those students who have experienced a significant challenging behavioural event), one in eight had been supported by Resource Teachers for Literacy, one in ten had accessed the Severe Behaviour Service, and 11% had been stood-down or suspended.

Many of these students are achieving long term within Level 1 of the New Zealand Curriculum and do not progress beyond this level by the end of their schooling without additional support. Teachers and schools are unable to provide the additional type of support these learners need to participate fully in the education system and achieve educational success. It is estimated there are over 4,000 students who would significantly benefit from this type of additional support for their ongoing learning needs. RTLB data indicates that there are more than the current numbers of students needing this support.

The Minister’s manifesto announcement on 5 September 2014 indicated 4,000 students would receive ICS support. From the beginning of 2015 1,500 students began receiving five hours per week of teacher aide support. Current funding, including that received through Budget 2016, will support 2,750 students from term 3 2017. The additional funding sought in this initiative would support an additional 625 students each year for two years to realise the Minister’s manifesto commitment of providing ICS to 4,000 students each year.

Initiative Description

A description of what the initiative will provide or produce and how this will address the problem or opportunity.

The initiative provides five hours per week of teacher aide in-class support for students in years 1-13, who have ongoing high learning needs and require additional support to achieve at school. Moderation panels within RTLB clusters identify and prioritise students to receive ICS. The panels include representatives from RTLB, Ministry of Education and cluster schools. Students initially receive ICS for one year; a review of their progress is undertaken annually to determine whether support should continue in subsequent years.

ICS is targeted at students who:

- have high learning needs and are not achieving at the level of their peers; for example many are likely to be achieving long term within Level 1 of the New Zealand Curriculum or long term within a level of the Curriculum.
- do not attend special schools as these schools are more intensively resourced
- are not ORS funded
- have dyslexia, attention deficit hyperactivity disorder (ADHD) or and autism spectrum disorder (ASD).

A teacher aide is a valuable, extra resource in the classroom. Their time and role is directed by the classroom/subject teacher who is the expert in learning and teaching. Evidence (Sharples, Webster and Blatchford, 2015; Giangreco, 2013) suggests that the benefits from teacher aide time are maximised when:

- teachers, teacher aides and whānau work effectively together
- parent/whānau and student aspirations are paid attention
- teacher aides' activities are planned and strategic
- teachers take an inclusive approach to managing the needs of students
- the teacher monitors student progress and achievement with the support of the teacher aide
- the teacher determines students' learning progressions.

By monitoring the engagement of all students within the class, teacher aides provide the opportunity for class/subject teachers to provide more focused one-to-one time with students who require additional support. Teacher aides work proactively to enhance student on-task behaviours, support students to consolidate and generalise new learning, "chunk" learning tasks into achievable chunks, and provide struggling learners with hands-on, tactile experiences. Students' independence is maximised, their on-task behaviour is increased and their confidence is built. This ultimately leads to improved learning outcomes.

The Ministry district office pays ICS directly to schools in week 4 of each term. Schools are responsible for overseeing the employment and professional learning and development of teacher aides and for working with parents and whānau to develop programmes of support.

The 2012 ERO report on "Including Students with High Needs: School Questionnaire Responses (2)" describes effective practices for using teacher aides: "Support is used at particular times for specific purposes within the lesson, linked to learning ... It focuses on maximising students' independence through engaging them and building their confidence ... Support is delivered by adults who understand each student's individual needs, targets, learning objectives and expected learning outcomes, and know how to help students to achieve them" (ERO, 2012). The Ministry is refreshing and enhancing existing professional resources for teachers and teacher aides to strengthen workforce capability and how they work together, to maximise the Government's investment in this type of additional support for students.

Alternative Options Considered

Three alternatives have been identified:

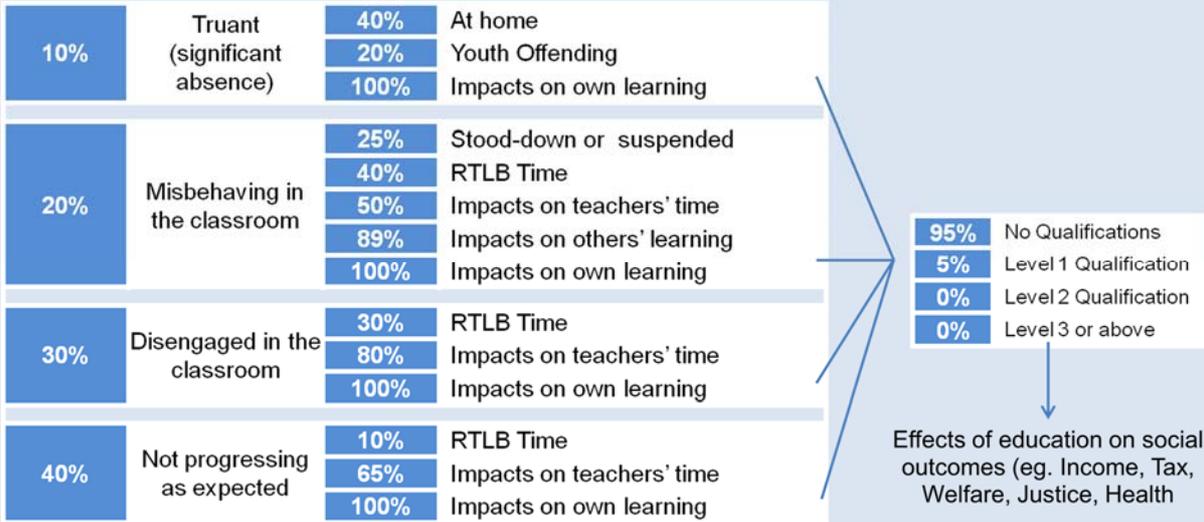
1. Reduce the total number of additional students to receive ICS - fund an immediate increase of 750 students, which will be maintained in outyears.
2. Reduce the total number of additional students to receive ICS, phased over two years – fund 500 additional students in 2017/18, with a further 500 students funded in 2018/19.
3. Fund 625 students. Funding of a similar amount would then need to be sought in Budget 2018 to meet the Government's manifesto commitment to provide ICS to 4,000 students.

Section B Impact Analysis

Impact Analysis

An explanation of who is impacted (winners and losers), what the impacts are (costs and benefits), and when the impacts will be realised and for how long. The impacts should be quantified and monetised if possible.

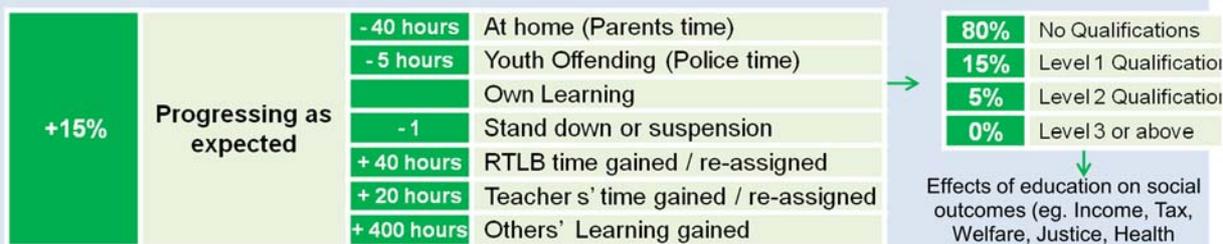
Expected distribution of students behaviour without intervention



The diagram above shows the Ministry's estimated impact of the behaviour of students who would be eligible for ICS without this support. Because ICS is intended to cover such a diverse range of students, these estimates have been prepared by special education experts based mostly on work experience and anecdotal evidence but also informed by looking at those students receiving ICS in 2015 and the literature on outcomes for students with high additional learning needs.

- About 10% of these students are truant from school because they are severely disengaged – about 40% of these students will be at home requiring parent supervision, and about 20% are likely to be involved with low level offending or requiring police involvement. All of these children are likely to incur some costs on the attendance services, and all of the students are experiencing a negative impact on their learning.
- About 20% of these students are present in school but misbehaving in because they are severely disengaged – about a quarter of these students will be behaving badly enough that they will be stood down or suspended. 40% are likely to be referred to RTLB because of their behaviour. For half of these students their behaviour will be significant enough that it will require teacher intervention – a poor use of teacher time. All of these students' learning will be affected and for about 89% of them, their behaviour is likely to be affecting others' learning too.
- About 30% of these students are present in school and disengaged (but not misbehaving) - about a third quarter of these students will be referred to RTLB because of their lack of engagement. All of these students' learning will be negatively affected and for 80% of them the teacher will be spending significant time trying to engage them in class work.
- About 40% of these students are present in school, engaged, but not progressing as expected - about 10% of these students will be referred to RTLB for further support because of these learning needs. For 65% of these students the teacher will be spending significant time trying to get their progress and learning back on track. All of the students are experiencing a negative impact on their learning.
- All students receiving ICS are unlikely to achieve NCEA Level 2 without this support and very few will gain a level 1 qualification. The Health, Justice & Welfare costs, Income & Tax Revenue associated with qualification levels have been calculated as an independent Ministry analysis

Expected shift of impacts with intervention



Evidence on the effectiveness of teacher aide support is mixed due to the variability of use and practice across schools. The Ministry is assuming good practice in delivering this intervention, as outlined and supported by the professional learning and development resources and other tools it has made available for schools, teachers and teacher aides. In particular ICS assumes that teachers and teacher aides work together effectively adopting an evidence informed approach, as outlined in the Ministry's professional resource *Teachers and Teacher Aides Working Together*.

Providing five hours of teacher aide support per week to each student receiving ICS means their learning progressions are more likely to be identified and supported, their engagement in class more closely monitored, and their achievement accelerated. These students' needs are less likely to escalate, thus avoiding the necessity for schools to access more intensive support such as RTLB or the Interim Response Fund.

Teacher aide in-class support benefits all children. Teachers are able to provide more focused one-to-one support to individual students while a teacher aide monitors and supports the rest of the students in the class.

Based on experience and anecdotal evidence Ministry experts have conservatively estimated that ICS, implemented in line with good practice, will achieve a 15% positive shift in outcomes for this group of eligible students.

The key outcomes include:

- Less truancy and increased participation in the classroom. This includes a positive gain in time for parents as the consequences and demands resulting from their child's truancy, youth offending, poor behaviour and education underachievement lessen and they have to spend less time dealing with these. The estimated reduction in youth offending means a saving in police time, and reduced truancy means reduced costs from interventions and supports like the Attendance Service).
- Better allocation of teacher time as less time is spent on managing poor behaviour and more time spent on teaching. This has been quantified in terms of teacher salary.
- More RTLB time available for other teachers and students as the ICS students' learning and behaviour improves requiring less frequent and intensive support. This has been quantified in terms of RTLB salary.
- A more stable and positive learning environment in the classroom for other students. This has been quantified in terms of the cost of education per student and the number of hours of non-disrupted classroom time gained.
- Improved educational achievement of students receiving ICS – and the associated social benefits of improved education. The impact of ICS has been estimated as leading to 15% more students gaining a qualification: 10% more children gaining Level 1 and 5% more gaining L2. The Health, Justice & Welfare costs, Income & Tax Revenue associated with the gain in qualification levels have been calculated as an independent Ministry analysis.

There are also a number of non quantified benefits: In particular parents/whānau identify the allocation of teacher aide time as being pivotal to supporting children's educational achievement. Parents feel more confident and experience less anxiety when their children with ongoing learning needs are supported in the classroom by a teacher aide (Johnston, 2015).

All children have a right to an education including those with special education needs, and all schools are expected to demonstrate inclusive practice for children with special education needs (Government policy - Success for All: Every School, Every Child). Having a teacher aide enables teachers to more easily take an inclusive approach to manage the learning needs of all students in the class including those with high learning needs.

Impact Summary Table

Impacts - Identify and list \$m present value, for monetised impacts		Assumptions and evidence (quantify if possible, and use ranges where appropriate)	Evidence certainty ¹
Estimated impact on key outcomes			
Students Education – No Qualification	-15%		Low
Students Education – Level 1	+10%		Low
Students Education – Level 2	+5%		Low
Cost of the Initiative			
Cost of initiative	(69.9)	Discounted & Including out years	Low
Government Benefits/(Costs)			
Truancy Costs	0.36	reduced by 1 truancy per year per student (Education and social sector cost of truancy): 10% (100%*10%) population; 15% effectiveness	Low
Youth Offending	0.02	5 hours police time per year per student: 2% (10%*20%) population; 15% effectiveness	Low
RTLB time	0.115	Reduce RTLB spending equivalent to 40 hours of per year, per student 21% [(20%*40%)+(30%*30%)+(40%*10%)] population; 15% effectiveness	Low
Stand-downs / Suspension	0.01	reduce 1 stand-down/suspension per year per student, 5% (20%*25%) population; 15% effectiveness	Low
Other's learning	9.39	10 hours of other students time per student per week, 18% population (20%*89%), 100% effectiveness	Low
Teachers Time	1.132	20 hours of teacher time per student per year 60% population [(30%*80%)+(50%*20%)+(40%*65%)]; 15% effectiveness	Low
Benefits of Achievement (Health)	10.41	Time lag of 6 years, length 47 (working life)- based on Attainment shift – previous Ministry analysis	Low
Benefits of Achievement (Justice)	21.77	Time lag of 6 years, length 47 (working life)- based on Attainment shift – previous Ministry analysis	Low
Benefits of Achievement (Welfare)	14.58	Time lag of 6 years, length 47 (working life)- based on Attainment shift – previous Ministry analysis	Low
Benefits of Achievement (Tax)	33.84	Time lag of 6 years, length 47 (working life)- based on Attainment shift – previous Ministry analysis	Low
Wider Societal Benefits/(Costs)			
Parents Time	0.08	40 hours per year 4% population (10%*40%); 15% effectiveness	Low
Benefits of Achievement (Income)	185.20	Time lag of 6 years, length 47 (working life)- based on Attainment shift – previous Ministry analysis	Low
Net Present Value of Total Quantified Societal Impacts	276.92		Low

¹ Rate your level of confidence in the assumptions and evidence as high (green) if based on significant research and evaluations that is applicable, medium (amber) if based on reasonable evidence and data, or low (red) if there is little relevant evidence. Colour the rating box for each impact.

Section C Conclusions

Conclusions

What is being recommended and why?

The recommendation is that funding for ICS be increased so that additional students can benefit from teacher aide support.

- Parents and whānau will be more confident their children's needs are being identified and supported and they will experience less anxiety about their achievement.
- Disparity in student achievement will be addressed.
- This initiative will strengthen inclusive practices in schools.
- This initiative will contribute to increasing the proportion of students achieving qualifications.
- Considering the impacts and the recent implementation of this initiative (January 2015) the analysis suggest that the benefits of the proposal are likely to exceed the costs. Increasing students' participation and raising their level of educational achievement will lead to improved chances that these students will contribute to the economy of the country.

Overall Ratings

Value for Money

1 - Low Returns - Weak Evidence

ICS was introduced in 2015 and no clear evidence is yet available about its effectiveness. Evidence on the effectiveness of teacher aide support is mixed.

Strategic Alignment

3 - Some Alignment

Implemented well in line with evidence informed good practice, additional teacher aide support like that in ICS can support improved presence, participation, engagement and wellbeing for students with high learning needs, and lead to increased educational attainment and to more positive longer term social benefits.

Summary of monetised results [only fill this out if you have monetised costs and benefits]

Use ranges for values where appropriate	Discount Rate	
	6% real (default)	3% real (sensitivity)
Net Present Value (NPV)	\$207m (\$277m – \$70m)	(\$650m - \$114m)
Return on Investment (ROI) – Societal Total	3.96	5.7
Return on Investment (ROI) – Government	1.31	1.8

Supporting Evidence ie, the bibliography

ERO. (2012). *Including Students with High Needs: School Questionnaire Responses (2)*. Wellington, New Zealand: Education Review office. Retrieved from: <http://www.ero.govt.nz/publications/including-students-with-high-needs-school-questionnaire-responses-2/>

Hatton, C. & Glover, G. (2015), "Young people with learning disabilities or autistic spectrum disorder in post-compulsory state supported schools in England", *Tizard Learning Disability Review*, 20(3), 170 – 174.

McLeod, K., Templeton, R., Ball, C., Tumen, S., Crichton, S. & Dixon, S. (2015). *Using Integrated Administrative Data to Identify Youth Who Are at Risk of Poor Outcomes as Adults*, Treasury: Wellington.

Johnston, K. (2015, 6 July). Desperate parents of special needs children are paying for teacher aides, *New Zealand Herald*, Retrieved from: http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11476238

Ex-post Impact Evaluation Plan

How will you evaluate (after the programme has been rolled out) what the effect of the programme was, particularly on the impacts listed in Section B?²

Data collection and impact evaluation methods:

1. RTLB gather outcomes measures for those students receiving ICS who are on the roll of an RTLB. Achievement outcomes are in the areas of participation, learning/achievement, managing self and relating to others.
2. The Ministry will undertake a survey of schools whose students received ICS in 2016.
3. Additionally the Ministry is recording the number of hours of ICS students receive each year against National Student Numbers (NSN). This will allow the Ministry will track ICS students' access to more intensive supports such as RTLB services and the Interim Response Fund, and long term educational outcomes.

Additional funding is not required to undertake the evaluation methods identified above.

² More information on this impact evaluation plan is available in the budget guidance Section 4