

The Yin and Yang of Principalship – Balancing management & leadership



This week's topic relates to Heat, Light, Water (HLW) funding, and ensuring you are being funded accordingly from the MOE.

HLW funding (which will show in your Operational grant notices) is provided to help schools pay the costs related to power, gas, heating, water, septic etc. For rural schools these costs can be particularly large, where you often have to meet the costs of your own water supplies and septic system.

The amount of HLW funding is based on the average of your school's energy costs over a 3 year period. Historical data indicates that **70% of schools spend more than their HLW funding**, so it is important you account accurately, and draw MOE attention to it.



Important Tip:

Make sure you code everything related to Heat, Light, Water to just one single Budget Code (I suggest simply calling it **Heat, Light, Water**)

If you currently have different budget codes for different things (e.g. electricity, water testing, bore water, septic, plumbers, water filters etc etc) then it is very difficult to see what your true HLW costs are) Merge these all into one code, so that the MOE can see your true costs, rather than dispersing them across multiple codes.

If this isn't already in place, then it is well worth looking at historical accounts and seeing what the *true totals* would have been from combining the various different budget codes you used. If these are well above your annual MOE HLW funding, then write a submission to MOE seeking an increase (and also ideally backpay). You may need to do this repeatedly for a few years to keep getting the MOE annual allocation boosted. Then ideally your annual entitlement becomes higher than your actual expenses, creating some additional funding.

In addition to the tip above (designed to increase your annual HLW funding), you can also request **one-off funding** for significant expenses. I recommend you do this for larger maintenance/repair costs of over \$1,000 e.g. repairing water pump, cleaning septic system, consents etc.

Good luck and hopefully you secure some additional funds to help your students! ☺

Further information and links to reviews:

Heat, light and water one-off costs for self-supply schools

Any schools I kura that are not on town water supply or not on a district sewage disposal scheme may be eligible to have certain one-off heat, light and water costs reimbursed. Applications for reimbursements must be received within 12 months of the date on the invoice. For example, costs dated 17 March 2024 must be received by 17 March 2025.

To apply, go to:

[One-off funding reimbursement – Ministry of Education](#)

Heat, light and water operational funding

Any new schools or schools that may have had a building added or energy generation change in 2024 resulting in an increase in heat, light and water expenditure by more than 10% of its annual allocation, can apply for a review. Applications must be received within 12 months of the last invoice. For example, for a review of costs dated from January to December 2024 the application should be sent to us by December 2025 at the latest.

To apply, go to:

[Heat, light and water funding allocation review – Ministry of Education](#)