

Governing Council

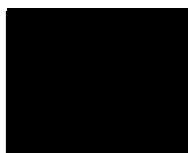
10 February 2021



10 Huitanguru 2021 - Zoom

9am-3pm

Topic: Governing Council Hui - Fees, Costs, Levies
Time: Feb 10, 2022 09:00 AM Auckland, Wellington





Outcome: Agreed

5. All Registered teachers and holders of a LAT will be sent a copy of the full consultation document.

Rationale - This ensures full information is available to all teachers and holders of a LAT so that they can provide informed feedback. This aligns to the **transparency** principle in the Treasury guidelines.

Outcome: Agreed *noting the need for an appropriate short form version of the full consultation document to support engagement in the consultation process.*

6. All stakeholders will be sent a copy of the full consultation document.

Rationale - This ensures full information is available to all stakeholders, so that they can provide informed feedback. This aligns to the **transparency** principle in the Treasury guidelines.

Outcome: Agreed

7. The Teaching Council will disclose the outcome of the request made to the Minister of Education to provide up to \$3.0 million per annum in operating funding as a partial contribution to Council's mandatory functions to allow any increases in fees and levies for teachers to be introduced more moderately in 2022.

Rationale - This ensures full information is available to all teachers, so that they can provide informed feedback. This aligns to the **transparency, and accountability** principles in the Treasury guidelines.

Outcome: Amend *draft wording required before a decision is made*

8. Consultation on fees and levies will include detailed information about actual and reasonable costs and the level of fees and levies required to undertake all the Council's mandated functions. This will include break-down of costs according to functions and modelling of options where appropriate.

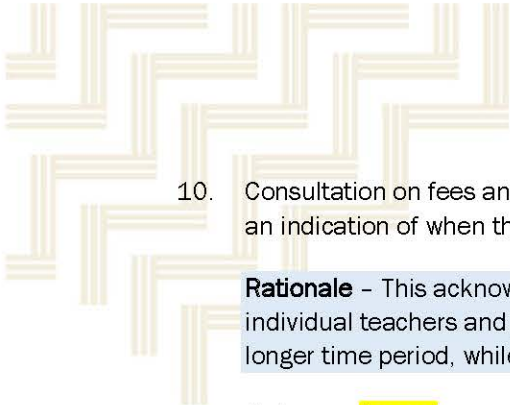
Rationale - This ensures full information is available to all teachers and stakeholders, so that they can provide informed feedback. This aligns to the **transparency** principle in the Treasury guidelines.

Outcome: Agreed

9. Subject to Deloitte providing confirmation that a cost recovery period of 3 years is reasonable, the estimate of the actual cost of resources required for the Teaching Council to deliver its mandatory functions in the period FY2022/23 through FY2025/26 should include an estimate of the impact of inflation.

Rationale - This ensures full information is available to all teachers, so that they can provide informed feedback. This aligns to the **transparency, and consultation** principles in the Treasury guidelines.

Outcome: Agreed

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10. Consultation on fees and levies will include an option for paying by instalment along with an indication of when this might be available in the future.

Rationale - This acknowledges the financial impact an increase in fees and levies has on individual teachers and provides a solution to enable the amount to be spread over a longer time period, while having less impact on Council budgets and systems.

Outcome: Agreed

11. Consultation on fees and levies will include an option for a lower level of registration/certification service for teachers and relevant information in relation to quality and cost of the options available.

Rationale - Because this part of fees, costs and levies is an individual fee for each teacher, this provides an option for teachers to indicate their preference for the level of service to be provided, while having minimal impact on Council operations and finances. It aligns to the **simplicity, effectiveness, and equity** principles within the Treasury guidelines.

Outcome: Disagreed *It was noted that the significant level of investment in technology and automation over the last four years had resulted in service level that were now appropriate for a digital services organisation and that while stakeholder feedback was mixed, there was a strong challenge not to relinquish registration service improvements that were valued by the profession. It was also noted that the estimated potential savings from a lower registration service level standard for teachers were small given the underlying application cycle within each calendar year and the need to maintain sufficient skills and experience to ensure service performance can be maintained during peak months.*

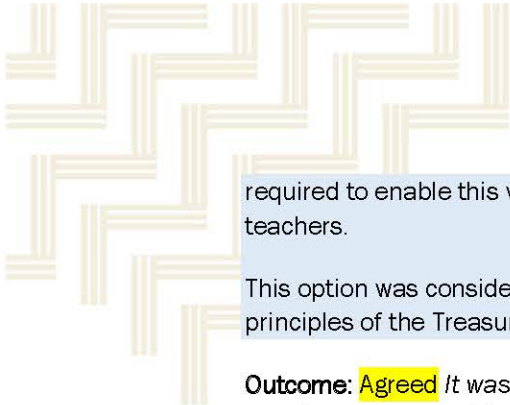
12. Consultation on fees and levies will include an option for a lower level of service for applications for a LAT and relevant information in relation to quality and cost of the options available.

Rationale - Because this part of fees, costs and levies is an individual fee for each applicant, this provides an option for applicants to indicate their preference for the level of service to be provided, while having minimal impact on Council operations and finances. It aligns to the **simplicity, effectiveness, and equity** principles within the Treasury guidelines.

Outcome: Disagreed *It was noted that the significant level of investment in technology and automation over the last four years had resulted in service level that were now appropriate for a digital services organisation and that while stakeholder feedback was mixed, there was a strong challenge not to relinquish registration service improvements that were valued by the profession. It was also noted that the estimated potential savings from a lower registration service level standard for teachers were small given the underlying application cycle within each calendar year and the need to maintain sufficient skills and experience to ensure service performance can be maintained during peak months.*

13. Consultation on fees and levies will **NOT** seek feedback on whether the Council should retain the current level of fees and levies charged to teachers and holders of LATs.

Rationale - Financial modelling has determined the actual and reasonable costs for undertaking all the Council's mandated functions, which indicates that an increase is



required to enable this work to continue and to maintain the current quality of service to teachers.

This option was considered under the **effectiveness, efficiency consultation** and **equity** principles of the Treasury guidelines.

Outcome: Agreed *It was further noted that the Council had developed a proposal for ongoing government funding and sought feedback from the Minister of Education who had advised that no further ongoing funding for the Council's mandatory functions would be provided.*

14. Consultation on fees and levies will **NOT** seek feedback on the desirability of a tiered approach to fees and levies based on teacher income.

Rationale - Whilst this option may address concerns about the ability to pay for some teachers, technical [REDACTED] The ability for Council's online application system to support the implementation of a tiered approach to fees and levies is currently unknown, [REDACTED] [REDACTED] Should substantial system changes be required to support such an approach, it will likely take 6-12 months to implement such changes.

Rationale - Financial impacts would be likely to be considerable, with a significant deficit building over a short time period. This would impact on the Council's ability to undertake its functions and consequently to provide necessary services to teachers. A delay in implementing new fees and levies while any system changes were made would require the Council to use reserves to continue to fund the current operating deficit at an estimated rate of \$0.75 million per month. \$4.5 million to \$9.0 million.

This option was considered under **equity** and **transparency** principles of the Treasury guidelines.

Outcome: Amend [REDACTED]

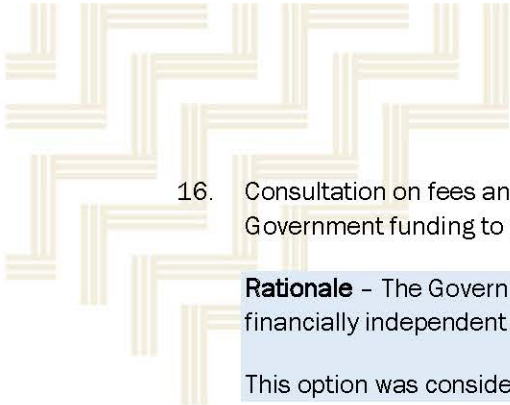
15. Consultation on fees and levies will **NOT** seek feedback on requiring a full user pays model for costs associated with disciplinary functions.

Rationale - A full user pays model does not recognise the interest all teachers have in there being a robust system for ensuring a high standard of teacher conduct. Instead, it places costs onto individual teachers who may also face employment consequences because of DT decisions.

Rationale - Where decisions are in favour of the teacher, costs would fall to the complainant or would need to be met by the Council, leaving an unknown additional financial impact on the Council's budgets.

This option was considered under the **equity** principle within the Treasury guidelines.

Outcome: Agreed

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16. Consultation on fees and levies will **NOT** seek feedback on proposals to seek further Government funding to meet the costs associated with the disciplinary function.

Rationale - The Government has clearly stated that its expectation is the Council is financially independent (other than leadership functions requiring government funding).

This option was considered under the **authority** principle within the Treasury guidelines.

Outcome: **Agreed** *It was further noted that the Council had developed a proposal for ongoing government funding and sought feedback from the Minister of Education who had advised that no further ongoing funding for the Council's mandatory functions would be provided.*

17. Consultation on fees and levies will **NOT** seek feedback on requiring a full user pays model for costs associated with the ITE function.

Rationale - The Act allows the Council to include in a levy on teachers some or all of the costs of approving ITE programmes. However, all teachers have a vested interest in the quality of the provision of Initial Teacher Education programmes. Shifting full costs to ITE providers means that ultimately student teachers (and therefore the future cohort of registered teachers) would bear these costs.

This option was considered under the **equity** principle within the Treasury guidelines.

Outcome: **Agreed**

18. Consultation on fees and levies will **NOT** seek feedback on adopting different timeframes for different practising certificate types.

Rationale - This option would result in limited cost savings per application, other than a small amount of administration costs, because costs for registration/certification are the actual amount to undertake this service.

Rationale - The option would be costly at a system level - it would require significant re-building of Hapori Matatū.

This option was considered under the **simplicity**, and **effectiveness** principles within the Treasury guidelines.

Outcome: **Agreed**

19. Consultation on fees and levies will seek feedback on increasing the Late Fee from \$50 to \$100 including GST.

Rationale - This option would result in limited cost savings per application, other than a small amount of administration costs, because costs for registration/certification are the actual amount to undertake this service.

Rationale - The option would be costly at a system level - it would require significant re-building of Hapori Matatū.



This option was considered under the **simplicity**, and **effectiveness** principles within the Treasury guidelines.

Outcome: Amend *Further supporting information required to determine whether increasing the Late Fee would likely achieve the objective of incentivising more teachers to meet their legal requirements under the Education and Training Act 2020.*

20. Consultation on fees and levies will seek feedback on a retired teacher practising certificate that would enable ongoing contribution to the profession at a lower cost.

Rationale – This option acknowledges the financial impact an increase in fees and levies has on teachers nearing or in retirement and seeks a solution to allow their ongoing contribution to the teaching profession.

Outcome: Amend *Further information was requested on how this could be implemented within the current requirements of the Act and Registration Policy before a decision can be made.*