

# Consultation Document

## Proposed fees and levy

18 February 2022



**Teaching  
Council of  
Aotearoa  
New Zealand**

Matatū. Tū Mataora.  
Stand tall. Shape the future.

## Mihi | Acknowledgements

E ngā mana nui o te rau hihī

E ngā reo motoi kura o te rau hāhā

Ko ngā Huia Kaimanawa o tō takiwā

Kei ngā kaiako katoa

Kei ngā tumuaki me kaiarahi katoa

Kei ngā ropū whakahaere katoa

**Nāu mai,**

Kuhu mai ki tō whare

Ki tō whare ako

To whare āhuru

Tō whare hautūtanga

Ko te Whare o te Matatū tōna ingoa

Ko Matatū Aotearoa tōna tangata tiaki

Rarau mai koa.

To the esteemed ones

To the prized voices of the many

To the treasures of the many regions

To all teachers

To all principals and centre leaders

To all key stakeholders,

**Welcome,**

Enter into your house

Your house of learning

Your house of comfort

Your house of leadership

Te Whare o Te Matatū

Aotearoa | The House of the Teaching Profession is its name

The New Zealand Teaching Council is its guardian

Please take your rightful place.

Tēnā koutou, tēnā katoa mai



**Nicola Ngarewa, Council Chair**

Teaching Council of Aotearoa New Zealand

# Our shared responsibilities to care for the teaching profession - Te Whare o te Matatū

Kaiako kua ūtoka i te ngaiotanga, tūnga ki te whare ako, tau ana.

Teachers who belong to a profession will stand confidently in their house of learning.

Te Whare o te Matatū Aotearoa - the House of the Teaching Profession is a place for every teacher and a space where manuhiri | guests are welcomed and cared for.

This consultation process is your opportunity to contribute to decisions about how best to support the work of upholding the whare - your profession. Thank you for taking the time to share your views and ideas for how best to strengthen and secure this space for the benefit of kaiako | teachers and ākonga | learners.

The Teaching Council of Aotearoa New Zealand | Matatū Aotearoa as the kaitiaki | guardian for the teaching profession, welcomes you to Te Whare o te Matatū and encourages and guides you through it. Once you are inside your whare, it is our responsibility to support you to learn, teach, and lead wherever you work.

This whare is unique. It is your whare, and you stand inside because you are a qualified and registered teacher or holder of a Limited Authority to Teach. Many of you have already accepted our invitation and taken your place inside, often drawn in by initiatives such as *Rauhuia* | *The Leadership Space*, the Professional Growth Cycle, and *Unteach Racism*, which in 2021 saw more teachers engage with their professional body than ever before.

Our challenge is to continue building on the collaborative work that takes place within Te Whare o te Matatū, and to welcome you all along the way. The work we undertake together within the whare is supported by the contributions every teacher makes to the profession and to ākonga | learners.

This whare has room for every teacher. Our aim is for your whare to house thousands of teachers as our profession continues to grow each year.



## Each element of the whare is needed for strength and stability

Each element of the whare is necessary to ensure its strength and stability (see the picture below). At the highest level, the whare reflects a partnership under Te Tiriti o Waitangi as represented in the maihi | barge board for each partner – tangata whenua and tangata tiriti.

The tekoteko | carved figure at the top of the ridgeline depicts ako – the reciprocal relationship between teachers and learners – teachers are also learners and learners are also teachers. Placing ako at the top of the whare is significant because it is the reason the whare exists.

Within your whare, the tukutuku panels represent all the different groups that make up the teaching profession – reflecting that there is a place for everyone within the profession.

The whare is held up by ngā pou o te whare | the pillars of the house, which represent the work needed for a strong and effective profession. The four central pou represent the values of the teaching profession and the Council:

- **Whakamana** – empowering all learners to reach their highest potential by providing high-quality teaching and leadership
- **Manaakitanga** – creating a welcoming, caring, and creative learning environment that treats everyone with respect and dignity
- **Pono** – showing integrity by acting in ways that are fair, honest, ethical, and just
- **Whanaungatanga** – engaging in positive and collaborative relationships with our learners, their families and whānau, our colleagues, and the wider community.

These pou remind everyone who enters the whare of our collective primary purpose – to do all that we can together so ākonga | learners have the right support to achieve their aspirations and those of their whānau and communities.



As with any structure, each part, big or small, has a role to play in ensuring stability and endurance.

In this consultation, we emphasise the six other pou in the whare that represent our work to support you, the teaching profession, to be self-managing, taking collective responsibility for what is needed for high-quality teaching, learning and leadership. They also represent the functions we are legislatively mandated to undertake on the profession's behalf. These six pou are:

- **Pou Aro Whakamua** – steering the future direction of teaching
- **Pou Whai Rēhitanga** – becoming registered and certificated as a teacher
- **Pou Tikanga Matatika, Ngā Paerewa** – establishing and maintaining the *Code of Professional Responsibility | Ngā Tikanga Matatika mō te Haepapa Ngaioatanga* and *Standards for the Teaching Profession | Ngā Paerewa mō te Umanga Whakaakoranga*
- **Pou Here Tōmua** – establishing and maintaining standards for initial teacher education and undertaking Initial Teacher Education programme approvals
- **Pou Matatika** – ensuring high standards of ethical behaviour
- **Pou Mataara** – ensuring high-quality teacher practice.

These six pou are in the whare because they are the responsibility of the teaching profession. The Code | Ngā Tikanga Matatika and Standards | Ngā Paerewa, initial teacher education, competence and conduct processes and of course registration and certification. Who better to determine what is best for the profession, than the members of the profession itself?

## Upholding the profession by strengthening and protecting the whare

As the kaitiaki | guardians for the teaching profession, the Council has a responsibility to Te Whare o te Matatū. We are responsible for the day-to-day running of the whare and decision-making about priorities for its care, including ensuring that the public's trust in the profession, and the mandate that trust confers is protected and strengthened.

To fulfil these responsibilities, we rely on the contributions you make, as a member of the teaching profession, to breathe life into the whare through your collaboration, involvement, engagement, and sharing of knowledge. In return, we must enhance the status of teachers, provide direction for teachers, look for ways to support the development of the profession using research and evidence about changes in society and technology, and protect the reputation of the whare.

Teachers and professional leaders also contribute to the whare by representing their colleagues on our Governing Council (our governing board); joining advisory groups such as the Pacific Education Steerage Group, Inclusive Education Advisory Group, Māori Medium Advisory Group, and the Early Childhood Education Advisory Group; serving on panels, participating in the co-design and implementation of projects such as *Unteach Racism*; and sharing their thinking through consultation and other engagement opportunities.

All the work the Council does on your behalf, other than government-funded projects, is achieved using the fees and levies you pay.

These fees and levies and the other contributions you make allow us to do the necessary work so Te Whare o te Matatū, the teaching profession, remains strong, effective, and trusted for the good of our mokopuna, tamariki, and rangatahi.

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# Glossary

Term	Definition
Complaints Assessment Committee	The committee responsible for making decisions about teacher conduct and competence complaints.
Disciplinary Tribunal	An independent quasi-judicial body that considers teacher misconduct.
Education and Training Act 2020	The statute that sets out the Teaching Council's purpose, functions, and responsibilities
Education and Training Amendment Bill (No 2)	A Bill that amends the Education and Training Act 2020 to give effect to new policy decisions and make other minor and technical changes across a variety of matters. This Bill is at Select Committee stage and expected to be passed in mid-2022
Education and Training (Teaching Council Fees, Levies, and Costs) Amendment Act 2021	This Act amended the Education and Training Act 2020 so the Teaching Council can fix fees to recover costs for all its mandatory functions and powers. It came into effect on 20 November 2021.
Financial year (FY)	The year from 1 July to 31 June for the Council.
Initial Teacher Education (ITE)	An approved teaching qualification that leads to registration as a teacher
Limited Authority to Teach (LAT)	An authority that enables people without a teaching qualification to teach in positions where specialist skills or skills in short supply are needed but a registered teacher is not available to fill the position.
Minister of Education	The government minister with responsibility for the education system.
Ministry of Education	The government ministry responsible for the overall education system.
Teaching Council of Aotearoa New Zealand   Matatū Aotearoa	The independent statutory body for teachers in early childhood education and primary and secondary schooling.



# Executive summary

This document sets out the proposed increases to fees and the levy<sup>1</sup> payable by teachers and holders of a Limited Authority to Teach (LAT) and seeks your feedback on these and on how the increases are implemented (see Table 1). It details the costs associated with performing the Council's mandatory functions effectively and explains why an increase is proposed overall for fees and the new levy.

The Council is also responsible for work associated with leadership of the profession. Costs associated with this work are not included in the cost model that informed the proposals, because these costs are not recoverable from teachers or holders of LATs. A change in legislation clarified that the Council must seek approval from the Minister of Education on priorities relating to its leadership responsibilities, with the Government providing separate funding to enable that work to be undertaken (for example, work associated with Rauhuia | The Leadership Space).

No change is proposed to the duration of practising certificates being issued or renewed – they will remain at three years. LATs will continue to be issued for one, two, or three years.

## About fees and levies

### Difference between a fee and a levy

In general, a **fee** is a defined payment from a specified party to another in return for the provision of a good or service. For teachers, an example of a fee is the payment teachers make to be registered or have a practising certificate issued or renewed.

A **levy** can be charged to a particular person or group for a specified purpose, but it is not necessarily for a specific good or service. For teachers, an example of a levy is the payment teachers make that is associated with the costs of the profession's conduct and competence functions. An individual teacher does not have a choice about receiving the service, so costs are shared across the profession. This also recognises it is in the profession's interests to retain responsibility for managing conduct and competence processes for its members.

### Why a levy is proposed as well as a fee

This is the first time the Council is proposing to set a levy. Amendments to the Education and Training Act 2020 in 2021 clarified that a levy is a more appropriate mechanism than a fee for recovering the costs of some Council services and activities.

The levy proposed reflects a change in the cost recovery mechanism. The Council is not charging for services or activities that were not previously charged for, other than new mandatory functions that it has become responsible for since fees were last set.

### Process for fixing fees and imposing a levy

The Council fixes fees and imposes levies by notice. Before issuing a notice, the Council must consult registered teachers and holders of a LAT on proposed fees or levies.

<sup>1</sup> The levy is the combined total of costs allocated to the work associated with each mandatory function the Council is empowered to impose levies for.

The Council must receive the views presented to it with an open mind and give those views due consideration when deciding on the fees or levy. To this end, the Council is seeking your views on the proposals in this document before making decisions on the level of fees and the levy to be charged to teachers and holders of LATs.

Fees fixed and the levy imposed by the Council must recover only the actual and reasonable costs incurred in performing its functions and powers.

### **About the Teaching Council**

The Council is your professional and regulatory body. It is the independent statutory body whose purpose is to ensure safe and high-quality leadership, teaching and learning for children and young people in early childhood, primary, and secondary schooling in English-medium and Māori-medium settings, through raising the status of the profession.

The Council's statutory functions and powers are set out in section 479 of the Education and Training Act 2020. Functions the Council must perform include:

- providing direction and enhancing the status of teachers
- identifying and disseminating best practice and fostering the teaching profession's continued development
- carrying out functions relating to teacher registration, including establishing, maintaining, and reviewing criteria and setting standards for qualifications leading to teacher registration
- conducting approvals of initial teacher education programmes
- establishing and maintaining a code and standards for ongoing practice and criteria for issuing practising certificates
- setting and enforcing requirements for mandatory reporting and performing functions relating to teacher misconduct, reports of convictions, and discipline
- setting criteria for reporting serious misconduct and competence issues
- performing functions relating to teacher competence
- co-ordinating systems for police vetting

With written approval from the Minister of Education, the Council may also:

- provide leadership to the education profession
- enhance the status of education leaders
- identify and disseminate best practice in education leadership.

The Act empowers the Council to fix fees payable for:

- Registration as a teacher
- Issuing and renewing a practising certificate
- Granting a limited authority to teach
- Any other matter associated with the above, such as supplying a copy of an entry on the register

For the purpose of funding the Council's mandatory functions, the Education and Training Act 2020 also empowers the Council to fix fees and impose levies payable:

- by registered teachers
- by holders of a LAT
- for applications for registration as a teacher or for a LAT

## Why we are consulting on proposed fees and a levy

The current fee of \$220.80 was set in 2010 and does not reflect current costs to deliver on the Council's mandated functions. Since 2015, costs have increased significantly due to:

- an expanded remit and new mandatory functions
- the impact of inflation
- a decreased threshold for referral of conduct matters to the Disciplinary Tribunal
- other cost drivers including changes to the governance model (a larger governing board) improvements in internal support capabilities, and the need to maintain acceptable levels of service to teachers and the public.

In June 2021, the High Court, following a judicial review of the Council's earlier 2020 consultation on proposed fees, found the Council's power to charge fees for its services to the teaching profession had not been updated to reflect all its functions.

The Court also quashed the Council's decision on new fees following the 2020 consultation. This means the Council must consult again to establish the level for the fees and levy.

Following the Court's decision, the Education and Training Act 2020 was amended to enable the Council to set fees and impose levies for all its mandatory functions.<sup>2</sup> That amendment took effect from 20 November 2021.

### Impacts of inflation

A portion of the overall amount proposed for the fees and levy includes an adjustment to take account of inflation from 2010 to 2021. The current fee of \$220.80 including GST was set in 2010 and has not been adjusted in the last 12 years.

From the first quarter of 2010 to the second quarter of 2021, the Reserve Bank's inflation calculator showed general inflation (measured by the consumers price index) increased by 20.9 percent.<sup>3</sup> Over the same period, wages (as measured by the wages index) increased by 40.4 percent.<sup>4</sup> Taking a weighted average of the two in line with the proportion of Council's salaries and wages to other costs (60 percent: 40 percent) gives a weighted average inflation rate of 33 percent.

On this basis, if the 2010 fee were increased solely to reflect the increased cost to deliver Council goods and services, it would be about \$292.78. While this would have resulted in an increase in available operational funding for the Council, it would still fall short of meeting Council's actual and reasonable costs (given the expanded remit, for example).

### Period proposed for setting fees and the levy

The proposed fees and levy would apply to all registered teachers and holders of a LAT, but would be payable only at the time a person applies for registration, a practising certificate or a LAT. This approach minimises collection costs.

Within the three-year cycle of changes in registration/certification applications, peak years have around 15 percent more applications by volume than non-peak years. This has important implications for output costs when measured on an annual basis. To ensure that fees and the levy are set in a fair and equitable manner, we propose adopting a three-year period for cost recovery, to smooth the annual fluctuation in output costs and to ensure that every teacher pays the same amount regardless of where they fall within the three-year cycle.

The Council tested this assessment with an independent external reviewer who agreed that three years was an appropriate period.

<sup>2</sup> The Ministry of Education's Departmental Report on the Education and Training (Teaching Council Fees and Levies) Amendment Bill to the Education and Workforce Select Committee details changes to the mandatory functions of the Teaching Council compared with its predecessors (see Appendix A of that report).

<sup>3</sup> Reserve Bank of New Zealand. No date. Inflation calculator (webpage). [www.rbnz.govt.nz/monetary-policy/inflation-calculator](http://www.rbnz.govt.nz/monetary-policy/inflation-calculator)

<sup>4</sup> This figure is net of recoveries from cost awards and ongoing annual government grants of \$1.157m.

## Assessment of costs as actual and reasonable

The Council sought an independent assessment of its analysis that the costs associated with the fees and levy were actual and reasonable.

The external assessment, completed by Deloitte, supported this analysis.

## Proposed fees and levy

The proposed fees and levy are set out in Table 1.

Depending on the category, proposed fees (Proposals 1-6 on page 32) range from \$42.99 to \$228.96 and the levy from \$114.42 to \$343.25 (see Table 1). These fees and the levy are estimated to cover the actual annual cost (about \$17 million) to the Council of performing its mandatory functions effectively and without reliance on government funding for them.

The proposed fees and levy are broken down by function in Appendix 3.

Your feedback is sought on the proposed fees and levy. For information about how and when to provide feedback, see p 13.

Table 1: Proposed fees and levy for teachers and holders of a Limited Authority to Teach (LAT)

For	Proposed fee payable	Proposed levy payable	Total proposed
Renewal of a practising certificate valid for 3 years <sup>[1]</sup>	\$128.96	\$343.25	\$472.21
Registration and Provisional practising certificate for graduates from an approved New Zealand Initial Teacher Education programme <sup>[2]</sup>	\$128.96	\$343.25	\$472.21
Registration and Provisional practising certificate for overseas-trained teachers <sup>[3]</sup>	\$228.96	\$343.25	\$572.21
A LAT valid for 3 years	\$128.96	\$343.25	\$472.21
A LAT valid for 2 years	\$85.97	\$228.83	\$314.80
A LAT valid for 1 year	\$42.99	\$114.42	\$157.41
A teacher holding a Provisional or Full (Category Two) practising certificate applying for a Full (Category One) practising certificate valid for 3 years <sup>[4]</sup>	\$228.96	\$343.25	\$572.21
Registration (only) for graduates from an approved New Zealand ITE programme <sup>[5]</sup>	\$128.96	-	\$128.96
Returning to Teaching in Aotearoa New Zealand Practising Certificate valid for 3 years <sup>[6]</sup>	\$128.96	\$343.25	\$472.21
Late Application Fee <sup>[7]</sup>	\$100.00	-	\$100.00

### Notes

- [1] Applicable to any teacher renewing a current practising certificate, including Tiwhikete Whakaakoranga Tōmua | Provisional Practising Certificate, Tiwhikete Whakaakoranga Tūturu | Full (Category One) Practising Certificate, and Tiwhikete Whakaakoranga Pūmau | Full (Category Two) Practising Certificate.
- [2] Applicable to graduates from an approved New Zealand ITE programme who apply for Kaiako Whai Rēhitanga | Teacher Registration and a Tiwhikete Whakaakoranga Tōmua | Provisional Practising Certificate valid for three years.
- [3] Applicable to overseas-trained teachers who apply for Kaiako Whai Rēhitanga | Teacher Registration and a Tiwhikete Whakaakoranga Tōmua | Provisional Practising Certificate valid for three years. This includes applications made under the Trans-Tasman Mutual Recognition Agreement.
- [4] Applicable to teachers who are provisionally or fully certificated teachers who hold a Tiwhikete Whakaakoranga Pūmau | Full (Category Two) Practising Certificate and who now apply for a Tiwhikete Whakaakoranga Tūturu | Full (Category One) Practising Certificate valid for three years.
- [5] Applicable to graduates from an approved New Zealand ITE programme who apply for Kaiako Whai Rēhitanga | Teacher Registration only.

- [6] Applicable to registered teachers who are fully certificated but whose practising certificate has expired, who cannot meet satisfactory recent teaching requirements, and who are not able to renew using extension to teach provisions.
- [7] Applicable to any applicant who lodges their renewal application after the expiry date of their current practising certificate. (This applies to any teacher who is currently employed in a teaching position where they do not hold a current certificate of the kind required to legally undertake that role and applies for registration or certification.)

## How we've approached this consultation

The Council carefully considered feedback from teachers and stakeholders about our approach to the previous consultation on fees. As a result, we ran a co-design phase with stakeholders before we started this consultation. During that phase, we sought stakeholders' input on how consultation should be undertaken and options for setting new fees and the levy that we would explore. This approach proved very useful, allowing us to investigate the viability of a range of options put forward by stakeholders and to assess them using best practice criteria. A summary of this earlier feedback and a list of organisations that participated in the co-design phase is on our [website](#).

Stakeholders urged the Council to reflect its partnership relationship under Te Tiriti o Waitangi and the diversity of the teaching profession in the consultation document and throughout its engagement with the profession. In response, we have used the whare model that will be familiar to teachers who have engaged with the Council on Rauhuia | The Leadership Space and other initiatives. The whare is a metaphor that allows us to reflect the strength and diversity of the profession, and the variety of work the Council does to support and develop the profession. For more information about Te Whare o te Matatū | the House of the Teaching Profession, see page 3.

The Council has also taken a different approach to modelling the costs that need to be covered by the proposed fees and the levy, including using an external reviewer to help us test whether these costs are actual and reasonable.

## How to provide feedback

You can provide feedback on the proposed fees and the levy:

- through the online survey at <https://survey.publicvoice.co.nz/s3/2022feesconsultation> (preferred)
- by email in an attached Microsoft Word document or searchable PDF to [feesconsultation@publicvoice.co.nz](mailto:feesconsultation@publicvoice.co.nz)

Feedback is due by **5pm on Friday 01 April 2022**. Feedback received after the deadline may not be considered unless a time extension has been previously agreed. Please email [feesconsultation@publicvoice.co.nz](mailto:feesconsultation@publicvoice.co.nz) to request a time extension.

## How your feedback and information may be used

The Council will receive and analyse your feedback with an open mind and give it due consideration before decisions are made on fees and the levy.

## Next steps after consultation and analysis - decision making and notification

Once all feedback has been analysed, the Council's Governing Council (its governing board) will discuss options and make final decisions on the level of fees and the levy, and any other proposals provided through the consultation. Decisions will be communicated to the teaching profession and the new rates for fees and the levy will be gazetted.

If a further period of consultation is required to seek feedback on new proposals that arise out of this process, the Council will advise teachers of the timing for this and provide the necessary information.

## **Consent to share non-personal information assumed**

Once decisions are made, the Council will upload a summary of the themes from the feedback to its website.

The Council will consider you to have consented to its sharing anonymised information from your submission on its website unless you advise us otherwise.

Your feedback is considered official information, so may be the subject of a request under the Official Information Act 1982.

## **Private information - constraints on use**

The Privacy Act 2020 establishes principles for the collection, use and disclosure of information about individuals by various agencies, including the Council. Any personal information you supply in providing feedback will be used only for the purpose of:

- making decisions in relation to the fees and levy proposals in this document
- to inform our approach to any future consultations on fees and levies

## **Structure of this document**

This document is set out in three main sections.

Section One (from page 16) describes the:

- purpose and context for this consultation
- Council's role, including how it works on behalf of the teaching profession and how it meets legislative and public good requirements through its mandatory functions

Section Two (from page 21) describes:

- why the Council is consulting on the proposed fees and levy
- cost estimates for undertaking the work associated with the Council's mandatory functions
- an analysis of actual and reasonable costs, including outcomes of an external review of these costs
- how the Council assessed its efficiency, including the findings from a comparison with other professional regulatory bodies

Section Three (from page 31) describes:

- the process and analysis undertaken to inform the proposals
- the proposed fees and the levy, including a breakdown of costs for different areas of work, using the whare metaphor
- how to provide feedback and the questions we would like you to consider.

Appendices (from page 45) conclude the document.



# Section One:

## Context

# Introduction to Section One

## Section One discusses the:

- context for this consultation – current fees teachers pay provide annual revenue to the Teaching Council of Aotearoa New Zealand | Matatū Aotearoa of about \$8 million, which is about \$9 million short of the estimated annual cost to the Council of undertaking its mandatory functions effectively
- role of your professional and regulatory body – to ensure safe and high-quality leadership, teaching and learning by supporting teachers to be competent, fit to practice and accountable for the way they teach.

## Context for this consultation

Teachers as practitioners and professionals are best placed to advise and agree on professional issues such as what is required to become an effective and high-quality teacher, and the standards of behaviour and practice that all teachers should meet. Having an independent professional body that works with the profession to determine matters such as current and future priorities, parameters for practice and processes for professional scrutiny is a crucial part of maintaining professional autonomy.

The Council is the independent statutory body that acts on behalf of the teaching profession and has responsibility for the professional regulation of registered early childhood, primary and secondary school teachers, and holders of a Limited Authority to Teach (LAT). The Council is also responsible for setting and maintaining standards for initial teacher education, teacher conduct and teacher competence, and supporting educational leadership.

Since 2015 the Council has been funded through a combination of fees paid by teachers, and some government transitional funding. Government funding from 2015 to 2020 was provided on the basis that the Council was expected to become fully self-funded through contributions by teachers to their professional body.

The Government indicated that except for the Council's leadership function, it would not provide further operating funding to support the work done on behalf of teachers and the profession.

The Council estimates the current annual cost to undertake this work is \$17 million.<sup>5</sup>

Fees paid by teachers, were last set at \$220.80 in 2010. They provide annual revenue of approximately \$8 million per year, leaving the Council with a potential deficit of \$9 million per annum. Running a deficit of this scale would mean the profession's ability to continue to be self-managing and self-determining would be significantly undermined. For the Council, it would mean its ability to provide legally required services to teachers and the work undertaken on behalf of the profession would be seriously compromised.

## Purpose of this consultation document

This document sets out proposed fees and the levy payable by teachers and holders of a Limited Authority to Teach and seeks your feedback on them.

The document explains:

- the Council's role, its remit on behalf of teachers and the profession, and its current funding
- the Council's need for additional funding and its actual costs
- the findings of an independent, external review of the Council's costs
- options considered for recovering the Council's operating costs through the proposed fees and levy
- the proposed fees and levy on which feedback is sought.

<sup>5</sup> The annual cost is net of recoveries from cost awards and ongoing government grants of \$1.157million per year.



## Timeline for the consultation

The expected timeline for this consultation and review is set out in Figure 1:

Figure 1 - Consultation and review timeline



## Guidance considered

In preparing this proposal, the Council referred to external guidance on setting fees, levies, and charges, including The Treasury's *Guidelines for Setting Charges in the Public Sector*<sup>6</sup> and the Auditor General's *Setting and administering fees and levies for cost recovery: good practice guide*.<sup>7</sup>

The Council also considered feedback from key stakeholders provided during a pre-consultation co-design period.

A summary of this feedback and a list of organisations that participated in the co-design phase are on our [website](#).

## Being part of a profession

Teachers are one of the most trusted professions in Aotearoa New Zealand. That trust comes from society's belief that teachers are knowledgeable, capable, and good people who behave ethically, protect the vulnerable, and are honest, and that systems and processes are in place to assure whānau | families and our communities of this. It also recognises the critical role teachers play in looking after our children and young people, supporting their wellbeing, and helping them gain the skills and knowledge they need to succeed.

Being part of a profession confers individual rights and responsibilities as well as a collective interest in being assured that the profession's overall integrity is being cared for to maximise the success of every ākonga | learner.

As members of the profession, individual teachers commit to uphold the Code of Professional Responsibility | Ngā Tikanga Matatika and Standards for the Teaching Profession | Ngā Paerewa mō te Haepapa Ngaiotanga and meet all other professional requirements.

Individual teachers have an interest in the collective responsibilities of the teaching profession. These responsibilities include the quality of initial teacher education, the quality of leadership for the profession, and transparent and fair processes for addressing individual teachers' behaviour that puts children, young people, or the profession at risk.

6 [www.treasury.govt.nz/sites/default/files/2017-04/settingcharges-apr17.pdf](http://www.treasury.govt.nz/sites/default/files/2017-04/settingcharges-apr17.pdf)

7 <https://oag.parliament.nz/2021/fees-and-levies/docs/fees-and-levies.pdf>

## **Council is the professional and regulatory body that works for you**

The Council is your professional and regulatory body. We work with and for more than 140,000 registered and certificated teachers and holders of LATs, in early childhood, primary and secondary schooling and in English medium and Māori medium settings. For more about our approach to our regulatory responsibilities, see Appendix 1.

As a professional and regulatory body, the Council's purpose is to ensure safe and high-quality leadership, teaching and learning for children and young people across the education system. We do this by supporting teachers to be competent, fit to practise and accountable for the way they teach. In undertaking our responsibilities, we also aim to meet the expectations diverse communities have for a high-quality teaching profession. This public good responsibility recognises that a high-quality teaching profession is in the best interests of society.

Teachers are involved in everything we do. We bring teachers together for work such as designing the *Code | Ngā Tikanga Matatika and the Standards | Ngā Paerewa*, and the requirements for initial teacher education. Teachers sit on our conduct and competence panels, making professional judgements about their peers. They give advice on professional growth and other initiatives represent their colleagues on advisory and reference groups, and shape our strategic plan. There is no other body that is empowered to enable teachers to manage their own profession and shape the future of teaching.

The Council is one part of the education system, and we work closely with teachers, leaders, teacher educators, education academics, the Ministry of Education, unions, associations, and other education organisations. A list of organisations the Council engages with is in Appendix 2.

## **Council's functions are legislatively mandated**

The Council's unique role in our education system is to ensure systems and processes are in place to maintain trust in teachers and the teaching profession, and to protect children and young people.

The Education and Training Act 2020 sets out functions the Council must perform. These include:

- provide direction for teachers
- enhance the status of teachers
- identify and disseminate best practice in teaching and foster the profession's continued development in light of research and evidence of changes in society and technology
- carry out functions related to teacher registration
- establish, maintain, and review criteria for teacher registration
- set standards for qualifications that lead to registration
- approve teacher education programmes
- establish and maintain standards for ongoing practice and criteria for the issue of practising certificates
- establish and maintain a code of conduct for teachers
- monitor and enforce requirements relating to mandatory reporting
- perform disciplinary functions relating to teacher misconduct and reports of convictions
- set criteria for reporting serious misconduct and competence issues
- perform functions relating to teacher competence
- co-ordinate police vetting of all teachers
- perform any other functions conferred on the Council by the Act or any other enactment.

With written approval from the Minister of Education, the Council may also:

- provide leadership to the education profession
- enhance the status of education leaders
- identify and disseminate best practice in education leadership.

Our work to deliver on these functions contributes to strengthening the teaching profession and assures our communities that ākonga | learners are supported by competent and effective teachers.

The Education and Training Act 2020 also empowers the Council to fix fees payable for:

- registration as a teacher
- issuing and renewing a practising certificate
- granting a LAT
- any other matter associated with the above such as supplying a copy of an entry on the register.

For the purpose of funding the Council's mandatory functions, the Act also empowers the Council to impose levies payable:

- by registered teachers
- by holders of a LAT
- for applications for registration as a teacher or a LAT.

### **Individual contribution for the collective good**

The Council is the only professional body responsible for setting expectations and direction for all teachers in all settings across the education sector. The Council's mandated functions capture the individual and collective responsibilities of being in a profession and reflect the expectations that whānau | families and communities have of the profession.

As members of the teaching profession, individual teachers contribute to maintaining and developing their profession through the fees and levy they pay the Council. The fees and levy are used to fund the work associated with an individual teacher being registered and certificated and being a member of a profession.



# **Section Two:** Reasons for the proposals

# Introduction to Section Two

## Section Two discusses:

- the reasons for the proposed increase in fees and the levy – an expanded remit, impact of inflation, and other cost drivers
- cost estimates, including cost recovery options, outputs and costs, and changes since fees were last set in 2010
- how Council efficiency was assessed – an external review and a fees comparison with other bodies.

## Reasons for proposed increase in fees and the levy

The individual contribution teachers make to the profession through the payment of fees allows the Council, working alongside the profession, to do the work necessary to strengthen and support it.

The Council's fees were last set in 2010, with no further changes in this amount to respond to any cost increases, including for annual inflation (see Table 2).

Since then, the Council's costs have continued to increase significantly due to:

- a. an expanded remit and new mandatory regulatory functions
- b. the impact of inflation
- c. a decreased threshold for referral of conduct matters to the Disciplinary Tribunal
- d. other cost drivers including changes to the governance model (a larger governing board), improvements in internal support capabilities, and the need to maintain acceptable levels of service to teachers and the public.

The Council estimates that the current actual cost to undertake the work associated with its mandatory functions is **\$17.078 million** per annum.<sup>8</sup> Deloitte confirmed this figure to be reasonable.

Fees paid by teachers provide annual revenue of about **\$8 million**, leaving the Council with a potential annual deficit of **\$9 million**. Currently the shortfall is being covered by transitional government funding, however once this funding is used, the Council would need to use reserves, which would be insufficient over time.

### Council's expanded remit

Since fees were set in 2010, the Council's functions (other than its leadership functions) have expanded (for example, the additional requirement to provide direction for teachers and lift the status of the profession).

In June 2021, the High Court, following a judicial review of the Council's earlier 2020 consultation on proposed fees, found the Council's power to charge fees for its services to the teaching profession had not been updated to reflect all its functions.

Following the High Court's decision, the Education and Training Act 2020 was amended to enable the Council to set fees and impose levies for all its mandatory functions.<sup>9</sup> The amendment took effect from 20 November 2021.

Note that costs associated with the leadership function (with agreement by the Minister of Education) are not included in the cost modelling or proposals, as they are not charged to teachers or LAT holders but may be funded separately by the Government.

<sup>8</sup> This figure is net of recoveries from cost awards and ongoing annual government grants of \$1.157m.

<sup>9</sup> The Ministry of Education's Departmental Report on the Education and Training (Teaching Council fees and levies) Amendment Bill to the Education and Workforce Select Committee details changes to the mandatory functions of the Teaching Council compared with its predecessors (see Appendix A of that report).

## Impacts of inflation

The Council's costs have also increased significantly due to the impact of inflation. Fees have not had an annual inflation adjustment.

A portion of the overall amount proposed for the fees and levy includes an adjustment to take account of inflation for the period 2010 to 2021. The current fee of \$220.80 including GST was last set in 2010 and has not been adjusted for inflation in the last 12 years.

Over the period from the first quarter of 2010 to the second quarter of 2021, the Reserve Bank's inflation calculator shows general inflation (consumers price index) increased by 20.9 percent.<sup>10</sup> Over the same period the Wages Index increased by 40.4 percent. Taking a weighted average of the two in line with the proportion of Council's salaries and wages to other costs (60 percent:40 percent) gives a weighted average inflation rate of 33 percent.

On this basis, if the 2010 fee were increased solely to reflect the increased cost to deliver Council goods and services, it would be about \$292.78. While this would have resulted in an increase in available operational funding for the Council, it would still fall short of meeting Council's actual and reasonable costs (given the expanded remit for example).

## Cost estimate

The overall estimate of annual costs to deliver the Council's mandatory functions is set out in Table 2. This is the amount proposed to be recovered through fees and the levy.

Table 2: Annual cost estimates to deliver mandatory functions:

<b>Mandatory functions<sup>[1]</sup></b>	<b>Estimated net annual cost to deliver this function FY2022/23 to FY2024/25 (m)</b>	<b>% of total</b>
The future direction of teaching (Pou Aro Whakamua)	\$0.771	4.5%
Registration and certification (Pou Whai Rēhitanga)	\$5.049	29.6%
The Code and Standards (Pou Tikanga Matatika, Ngā Paerewa)	\$0.791	4.6%
Establishing and maintaining standards for initial teacher education and undertaking ITE programme approvals (Pou Here Tōmua)	\$1.628	9.5%
Conduct (Pou Matatika)	\$7.389	43.2%
Competence (Pou Mataara)	\$1.459	8.5%
<b>Total</b>	<b>\$17.078</b>	<b>100%</b>

### Note

[1] Each pou captures the work required to deliver the related mandatory functions. For more information about costs by pou, see "Detailed breakdown of costs for proposed fees and levy" from page 35 and the detailed cost table in Appendix 3.

10 [www.rbnz.govt.nz/monetary-policy/inflation-calculator](http://www.rbnz.govt.nz/monetary-policy/inflation-calculator)

## About cost recovery, fees, and levies

The Treasury says, “cost recovery occurs when an agency seeks to recover some or all of the costs of service provision from the users of that service, over a reasonable period”<sup>11</sup>. Cost recovery applies to services that the government has a statutory authority to deliver. According to The Treasury, the two main mechanisms for recovering costs are fees and levies.

- **Cost recovery fees** are charges imposed on a specific individual or organisation for a good, service or regulation directly provided to (or directly benefiting) that individual or organisation.
- **Cost recovery levies** are charges imposed on a group of individuals or organisations (for example, a profession) as a proxy for the individuals or individual organisations who directly receive or benefit from the good, service or regulation.

In general, a **fee** is a defined payment from a specified party to another in return for the provision of a good or service. For teachers, an example of a fee is the charge payable that is directly associated with registration and issuing or renewing a practising certificate.

A **levy** can also be charged to a particular party or group, for a specified purpose, but not necessarily for a specific good or service. For teachers, an example of a levy is the charge payable that is associated with the costs of conduct and competence responsibilities. The individual teacher does not have a choice about receiving the service, so costs are shared across the profession. This recognises that it is in the profession’s interests to retain responsibility for managing conduct and competence processes.

In practice, fees and levies might not fit into discrete categories so are better thought of as being on a spectrum. Fees fixed and levies imposed by the Council must recover only the actual and reasonable costs incurred in performing its functions and powers.

Although the Council is now proposing to collect a levy, it is not charging for services or activities that were not charged for in the past (except for services introduced after 2010 because of the expansion of the Council’s remit). It is simply that the Education and Training Act 2020 now makes clear that a levy is a more appropriate mechanism for recovering costs associated with some services and activities.

## Period for cost recovery

The proposed fees and levy would apply to all registered teachers and holders of LATs, but would be payable only when a person applies for a practising certificate or LAT. This approach minimises collection costs.

Within the three-year cycle of changes in registration/certification applications, peak years have around 15 percent more applications by volume than non-peak years. This has important implications for output costs when measured on an annual basis. To ensure that fees and the levy are set in a fair and equitable manner we propose adopting a three-year period for cost recovery, to smooth the annual fluctuation in output costs and to ensure that every teacher pays the same amount regardless of where they fall within the three-year cycle.

Other mandatory functions do not have an underlying cycle, but in line with the principle of simplicity, collection of levies is necessarily tied to collection of fees to ensure payment and collection costs are minimised. Nothing about the way that input costs are incurred in other mandatory functions would advantage or disadvantage teachers if a three-year period for cost recovery is decided on.

The Council tested this assessment with its independent external reviewer (Deloitte) which agreed three years was appropriate.

<sup>11</sup> The Treasury. 2017. Guidelines for Setting Charges in the Public Sector. Wellington: The Treasury, p 9. [www.treasury.govt.nz/publications/guide/guidelines-setting-charges-public-sector-2017.html](http://www.treasury.govt.nz/publications/guide/guidelines-setting-charges-public-sector-2017.html)

## Outputs and costs

This section sets out Council's estimate of the volume of each service (within the mandatory functions) that will be produced, and the cost of resources and inputs required to produce these.

### Estimated volume of services produced

The main activities that give rise to the Council's annual operating costs include:

- processing about **40,000** registration and certification applications
- responding to **110,000** phone calls or emails from teachers or professional leaders
- receiving about **600** complaints or Mandatory Reports
- undertaking about **300** conduct investigations
- undertaking about **30** competence investigations
- reviewing or approving about **25** ITE programmes during the three-year period (about 8-9 per year)
- responding to about **100** Official Information requests per year
- undertaking **4-5** consultations relating to rules or other key processes

The Council has developed a financial model to derive the net<sup>12</sup> costs of undertaking the work associated with its major mandatory functions.

A detailed breakdown of the estimated costs for undertaking this work by function is in Appendix 3.

### Allocation of overheads

The financial model allocates overheads and indirect costs in the following ways:

- All direct expenditure is directly attributed to Council's mandatory functions
- Direct expenditure covers the Professional Responsibility, Registration, Communications and Advice (Contact Centre), Teacher Capability and Collaboration, and Policy and Implementation teams
- Where appropriate expenditure on support functions (for example, software licences, depreciation, and amortisation) is directly attributed to the mandatory functions
- Remaining expenditure (indirect expenditure) is pro-rated to the work areas associated with the Council's mandatory functions, in the same proportion as the direct expenditure
- Costs recovered to offset total expenditure are directly attributed to the work areas associated with the mandatory functions
- The net costs of delivering the work associated with the mandatory functions equals total costs less costs recovered.

A detailed breakdown of the Council's direct and indirect costs is in Appendix 4.

### Other factors considered when determining costs

As part of the analysis of stakeholder proposals, the Council also looked at:

- changes to the reporting of serious misconduct that increased the workload of the Complaints Assessment Committee and Disciplinary Tribunal
- the impact that changes in current service levels might have on costs and teacher expectations for service.

<sup>12</sup> After recoveries and ongoing government grants



## Impacts of a decreased threshold for referral to the Disciplinary Tribunal

In 2015 legislative changes were made for mandatory reporting that lowered the threshold for cases requiring Disciplinary Tribunal hearings to all those that “may possibly constitute serious misconduct”<sup>13</sup>

These changes have driven increases in both the volume of mandatory reports (up by 50 percent), and the complexity and cost of investigating and resolving these cases. All cases the Complaints Assessment Committee hears that ‘may possibly constitute serious misconduct’<sup>14</sup> must now be referred to the Disciplinary Tribunal.

The Council is seeking legislative reform to address this issue, with changes forming part of the Education and Training Amendment Bill (No.2). If the proposed changes to legislation come into effect, savings will be recognised in future years.

## Maintaining acceptable service standards

The Council used modelling and analysis to understand its ability to deliver its mandatory functions such as registration and certification at an acceptable service performance standard without an increase to the current fee.

This modelling and analysis assumed the Council would continue to do the work associated with its mandatory functions at around 50 percent of current expenditure, with the relative proportion of expenditure on each function maintained.

In this respect the modelling is simplistic as some of the costs attributed to registration are either not scalable to the same extent as personnel costs (for example, software licences) or fixed (for example, premises related costs). This means the model tends to underestimate the service performance impacts of reduced funding for the functions.

The analysis also assumes that the Registration team can maintain the efficiency gains created by the Council’s digital services platform for teachers, Hapori Matatū, based on previous investment of nearly \$8 million.<sup>15</sup> This platform has significantly streamlined the application process for teachers and improved the processing efficiency of the Council.

The Council’s current service performance standard is to finalise 65 percent of all renewal applications within five working days.<sup>16</sup> Before the technology investment, the service standard was 20 working days.

In the case of work associated with the Council’s registration responsibilities, with a 50 percent reduction in funding the Registration team would be able to process only 50- 65 percent of incoming applications from teachers each month.

By the end of the first year of such reduced operation, the backlog of applications waiting to be processed would have grown to about 20,000 and average processing time would exceed 12 months.

Scenario modelling shows that using the same technology and approach, while reducing the cost of delivering this work by more than 20 percent would result in an average processing time of around three months at the end of the first year, and this would continue to grow each year after.

The Council’s Professional Responsibility team handles a volume of complaints and mandatory reports annually that is two orders of magnitude less than applications for registration and certification. However, the analysis still strongly suggests that significantly reduced funding for work associated with conduct responsibilities would result in investigation times that quickly grew from two to eight months to years.

Such delays would mean the process would fail to comply with the principles of natural justice and would have significant impacts on those kaiako | teachers involved, together with their employers and whānau | families.

13 Education Amendment Act 2015 s401(4) [www.legislation.govt.nz/act/public/2015/0001/latest/DLM5989118.html#DLM5989227](http://www.legislation.govt.nz/act/public/2015/0001/latest/DLM5989118.html#DLM5989227)

14 Education and training Act 2020 s497(5) [www.legislation.govt.nz/act/public/2020/0038/latest/LMS172236.html](http://www.legislation.govt.nz/act/public/2020/0038/latest/LMS172236.html)

15 Funded by the Government together with ongoing costs to support the system

16 From the time the teacher submits a completed application and the police vetting and endorsement are completed.

## Changes since fees were last set

Since the new structure of the Council was established in 2015 through to 30 June 2020, the Government provided the Council with an operating grant to support its transition to being fully self-funded (see Table 3).

In financial year 2019/20 funding from teacher fees amounted to \$7.623 million or just over 42 percent of the Council's total actual expenditure.

In February 2021 the Government provided the Council with \$11 million and in December 2021 a further \$5.5 million, to be used to transition to the collection of an annual practising certificate fee or to set new three yearly practising certificate fees if the transition to annual certification did not occur.

The Minister of Education has publicly indicated it remains government policy that the Council be fully self-funded.<sup>17</sup>

The Minister has also publicly indicated that costs for delivering the Council's leadership functions should be borne by the Government and not funded from teacher fees. The Education and Training Act 2020 provides that these other functions can be undertaken only with written approval of the Minister. Therefore, no costs, fees or levies related to Council's leadership functions are included in this consultation document. Funding levels and arrangements for leadership functions are determined with the Ministry of Education following the Minister's approval of the proposed work programme and priorities.

Table 3 - Teaching Council income, expenditure, and funding sources by financial year

Mandatory functions <sup>[1]</sup>	Total income (m)	Total expenditure (m)	Operating surplus (deficit) before government transition funding (m)	Government transition funding <sup>18</sup> (m)	Operating surplus (deficit) after government transition funding (m)
2015/16 Actual	\$16.680 <sup>[2]</sup>	\$10.520	\$6.160	-	\$6.160
2016/17 Actual	\$9.432	\$14.180 <sup>[3]</sup>	(\$4.748) \$18.456	\$4.934	\$0.186
2017/18 Actual	\$10.156	\$17.754 <sup>[4]</sup>	(\$7.598)	\$6.484	(\$1.114)
2018/19 Actual	\$13.894	\$19.547	(\$5.653)	\$9.137	\$3.484
2019/20 Actual	\$9.793	\$18.172	(\$8.379)	\$9.644	(\$1.265)
2020/21 Actual	\$9.505	\$17.689	(\$8.184)	\$11.000	\$2.816
2021/22 Actual	\$9.687	\$18.708	(\$9.021)	\$5.500	(\$3.521)
2022/23 Forecast (without an increase to current fees)	\$9.633	\$18.456	(\$8.823)	-	(\$8.823)

### Notes

[1] Initial Cabinet funding package of \$21.34m less \$0.785m transferred to New Zealand Police to fund a priority vetting service plus extension for 2019/20 of \$9.60m.

[2] The increase in revenue in 2015/16 reflects the one-off revenue recognition policy adjustment (see note 18 in the 2015/16 Education Council annual report) and the grant funding from the Government to assist with the establishment of the Council.

[3] The increase in expenditure between 2015/16 and 2017/18 largely reflects the growth in the Education Council required to deliver its expanded statutory functions.

[4] The increase in expenditure between 2017/18 and 2019/20 is related to one-off costs associated with an online services project.

<sup>17</sup> [www.parliament.nz/en/pb/hansard-debates/rhr/combined/HansDeb\\_20210812\\_20210812\\_20](http://www.parliament.nz/en/pb/hansard-debates/rhr/combined/HansDeb_20210812_20210812_20)

<sup>18</sup> Initial Cabinet funding package of \$21.34m less \$0.785m transferred to NZ Police to fund a priority vetting service plus extension for 2019/20 of \$9.60m

## Exploring the potential for ongoing government funding for the Council's mandatory functions:

In December 2021 the Council again met with the Minister of Education to explore the possibility of further funding to support delivery of its mandatory functions.

At this meeting the Minister reconfirmed that no further government transition funding will be provided to support the work associated with the Council's mandatory functions.

## How we assessed Council efficiency

The Council tested the reasonableness of its current and estimated future costs by engaging an expert advisor to undertake an independent assessment and by looking to other professional bodies for benchmarking.

### External assessment of reasonableness of costs

In November 2021, the Council engaged audit and assurance specialists Deloitte to independently assess whether the Council's estimated costs to deliver its mandatory functions were actual and reasonable.

#### Deloitte's approach

Deloitte used the Council's actual financial results for financial year (FY) 2020/21 as its starting point for its assessment. This information is being audited by Audit New Zealand, which is about to complete its audit. There have been no substantive issues raised by Audit New Zealand which has indicated that it will be issuing an unmodified audit opinion.

Deloitte expects Council stakeholders can be confident that the Council's costs are 'actual' costs.

To determine whether the Council's costs were 'reasonable', Deloitte sought and assessed quantitative and qualitative information. Its broad approach was to look for indications or evidence that the costs were **not** reasonable - and in the absence of such to accept that they **were** reasonable.

Deloitte assessed three areas: benchmarking, management, and costings.

#### 1. **Benchmarking:** How do the Council's costs compare with costs of other similar organisations?

Deloitte **benchmarked the Council's organisational costs** with publicly available information for a small number of other relevant professional bodies and organisations. This included comparisons with various Australian state teaching professional bodies. The cost comparisons included total costs per member, total costs per full-time equivalent employee, average personnel costs (salary), external legal fees, and corporate services costs per full-time equivalent employee. Deloitte noted the various organisations had different sets of responsibilities and functions, which is important context for benchmarking.

The purpose of this line of enquiry was to highlight consistencies or significant discrepancies between the Council's costs and those of other organisations.

#### 2. **Management:** Does the Council have good management practices?

Deloitte believes organisations with good management practices are less likely to incur unreasonable or excessive costs, than organisations with weak management practices. Deloitte questioned **Council management's approach to making resourcing decisions** and sought to understand processes around budgeting and cost control, as well as how salaries were set.

The purpose of this line of enquiry was to gain confidence that the Council's management disciplines make it unlikely it was incurring unreasonable costs.

3. **Costings:** Have the future costs on which the Council is basing its proposed fees and levy been forecast appropriately?

Deloitte **developed a ‘shadow’ forecast of future costs per main function**, based on the Council’s actual FY2021/22 costs, planned budget for FY2022/23 and additional assumptions about cost pressures for the three out-years FY2023/24 to FY2025/26. This involved identifying and adjusting for any one-off and unusual items, known, or expected changes in business activity, and inflationary pressures, then reconciling these calculations back to the Council’s budget and forecasts.

The purpose of this line of enquiry was to challenge and test the Council’s assumptions and calculations – for setting both the current year budget (FY2022/23) and the budget for the three out-years on which the proposed fees and levy are based.

### Findings from the Deloitte review – Council costs estimates are reasonable

Deloitte did **not** find any overall problems with the reasonableness of the estimated costs. It stated it was satisfied that the Council’s proposed costs for delivering its functions on which the proposed fees and levy are based **are reasonable** based on the assessment above.

We incorporated Deloitte’s findings into the analysis underpinning the proposed fees and levy set out in this document. The Deloitte report is available on the Council’s [website](#).

### Comparison of fees with other allied professional regulatory bodies

The Council periodically benchmarks its fees against other professional regulatory bodies in allied fields within Aotearoa New Zealand (Table 4) and against teacher registration bodies in Australia (Table 5).

While the scope of functions and scale of membership varies from organisation to organisation, the data is useful for broad comparisons. As Table 4 shows, equivalent annual Council fees (\$74) are the lowest of the fees of the nine bodies considered and almost a third smaller than the fees of the next highest body (\$110).

Table 4 - Comparison of Teaching Council fees with fees of other professional regulatory bodies

Professional body	Equivalent annual cost to renew a practising certificate
Teaching Council <sup>[1]</sup>	\$74
Nursing Council	\$110
Occupational Therapy Board	\$415
Social Workers Registration Board	\$468
New Zealand Psychologists Board	\$490
Physiotherapy Board	\$556
Midwifery Council	\$700
Pharmacy Council	\$892
Psychotherapists Board	\$1,050

**Note**  
 [1] Annual equivalent only for comparison purposes (based on current fee). New Zealand teachers are required to renew their practising certificates every three years at a current cost of \$220.80.

Table 5: Comparison of current Teaching Council annual fee with fees of Australian teacher registration bodies

<b>Australasian teacher registration bodies</b>	<b>Victoria</b>	<b>NSW</b>	<b>QLD</b>	<b>WA</b>	<b>SA</b>	<b>TAS</b>	<b>NZ</b>
<b># authorised teachers</b>	136,470	150,000	111,175	55,710	36,335	11,718	108,992
<b>Annual renewal fee<sup>[1]</sup></b>	A\$108	A\$100	A\$95	A\$90.50	A\$110	A\$102	NZ\$73.60 <sup>[2]</sup>
<b>Responsible organisation</b>	VIT	NESA	QCT	TRBWA	TRBSA	TRBTAS	Teaching Council
<b>Total expenditure</b>	A\$14.9m	A\$153.7m	A\$12.1m	A\$6.0m	A\$4.6m	A\$1.6m	NZ\$16.7m
<b>Revenue derived from registration &amp; application fees</b>	A\$15.5m	A\$14.6m	A\$11.1m	A\$6.7m	A\$4.1m	A\$1.3m	NZ\$7.6m

Note

[1] Excludes a range other charges and fees including police checks and a five-yearly renewal fee. Some of these fees are exempt from GST.

[2] This is the annualised amount of the three-year fee.



# **Section Three:** Proposal details

# Introduction to Section Three

Section Three discusses:

- our approach to this consultation and proposal development
- the proposals relating to fees and the levy, and the breakdown of costs for different areas of work, using the whare metaphor
- the questions we would like you to answer when providing feedback

## Approach to this consultation

The Council worked with stakeholders to explore a range of options for establishing and presenting the fees and levy proposals. It also considered the criteria for setting charges provided by the Treasury and the Auditor General when developing the proposals (summarised below in Table 6).

Table 6: The Treasury and Auditor-General criteria when setting charges

Criteria	Description
Equity	Administering and managing fees and levies fairly and equitably
Efficiency	Provide services to the desired level of quality, given the quantity of resources
Justifiability	Recovery of costs reasonably relate to the service being charged for
Transparency	Clear processes for setting and managing fees or levies

Source: The Treasury. 2017. Guidelines for Setting Charges in the Public Sector. Wellington: The Treasury. [www.treasury.govt.nz/publications/guide/guidelines-setting-charges-public-sector-2017-html](http://www.treasury.govt.nz/publications/guide/guidelines-setting-charges-public-sector-2017-html) and Office of the Auditor-General. 2021. Setting and Administering Fees and Levies for Cost Recovery: Good practice guide. Wellington: Office of the Auditor General. <https://oag.parliament.nz/good-practice/good-practice-guides>

The Council developed the funding options using the United Kingdom's Professional Standards Authority's Principles of Good Regulation (see Table 7).

Table 7: Principles of good regulation

Principle	Explanation
Proportionate	Regulators should intervene only when necessary. Remedies should be appropriate to the risk posed, and costs identified and minimised.
Consistent	Rules and standards must be joined up and implemented fairly.
Targeted	Regulation should focus on the problem and minimise side effects.
Transparent	Regulators should be open and keep regulations simple and user friendly.
Accountable	Regulators must be able to justify decisions and be subject to public scrutiny.
Agile	Regulation must look forward and be able to adapt to anticipate change.

Source: Professional Standards Authority. 2016. Right-Touch Regulation: Revised. London: Professional Standards Authority for Health and Social Care. [www.professionalstandards.org.uk/publications/detail/right-touch-regulation-2015](http://www.professionalstandards.org.uk/publications/detail/right-touch-regulation-2015)

# Proposed fees and levy

The proposed fees and levy are set out in Tables 1 and 8.

Depending on the category, proposed fees (Proposals 1-6) range from \$42.99 to \$228.96 and the levy from \$114.42 to \$343.25 (see Table 8). These fees and the levy are estimated to cover the actual annual cost (about \$17 million) to the Council of performing its mandatory functions effectively and without reliance on government funding for them.

The proposed fees and levy for teachers and holders of LATs are set out in Table 8 below.

The proposed fees and levy are broken down by function in Appendix 3.

Proposal 1: Set fees and the levy for teachers and holders of LATs (as set out in Tables 1 and 8), to cover the Council's actual and reasonable operating costs

Proposal 2: Charge the same levy for for teachers and for holders of LATs

Proposal 3: Charge a higher fee for overseas teachers for registration and their first Tōmua | Provisional practising certificate to reflect the additional costs involved in evaluating their applications

Proposal 4: Charge a higher fee for Tōmua | Provisional or Pūmau | Full (Category Two) certificated teachers applying for a Tūturu | Full (Category One) practising certificate, to reflect the additional costs involved in evaluating those applications

Proposal 5: Continue to fund the cost of providing conduct and discipline functions collectively from all teachers and holders of LATs

Proposal 6: Continue to fund the cost of establishing standards for initial teacher education qualifications and approving ITE programmes collectively from all teachers and holders of LATs with ITE providers contributing towards approval, review and monitoring of their programmes.

The proposal includes a levy for holders of LATs because although holders of LATs are not registered teachers, they are part of the wider profession, with a responsibility to maintain professional standards of conduct and behaviour. They also have a collective responsibility to lift and maintain the status of the profession through the work they do in schools and kura.



Table 8: Proposed fees and levy for teachers and holders of a Limited Authority to Teach (LAT)

For	Proposed fee payable	Proposed levy payable	Total proposed payable
Renewal of a practising certificate valid for 3 years <sup>[1]</sup>	\$128.96	\$343.25	\$472.21
Registration and Provisional practising certificate for graduates from an approved New Zealand Initial Teacher Education programme <sup>[2]</sup>	\$128.96	\$343.25	\$472.21
Registration and Provisional practising certificate for overseas-trained teachers <sup>[3]</sup>	\$228.96	\$343.25	\$572.21
A LAT valid for 3 years	\$128.96	\$343.25	\$472.21
A LAT valid for 2 years	\$85.97	\$228.83	\$314.80
A LAT valid for 1 year	\$42.99	\$114.42	\$157.41
A teacher holding a Provisional or Full (Category Two) practising certificate applying for a Full (Category One) practising certificate valid for 3 years <sup>[4]</sup>	\$228.96	\$343.25	\$572.21
Registration (only) for graduates from an approved New Zealand ITE programme <sup>[5]</sup>	\$128.96	-	\$128.96
Returning to Teaching in Aotearoa New Zealand Practising Certificate valid for 3 years <sup>[6]</sup>	\$128.96	\$343.25	\$472.21
Late Application Fee <sup>[7]</sup>	\$100.00	-	\$100.00

#### Notes

- [1] Applicable to any teacher renewing a current practising certificate, including Tiwhikete Whakaakoranga Tōmua | Provisional Practising Certificate, Tiwhikete Whakaakoranga Tūturu | Full (Category One) Practising Certificate, and Tiwhikete Whakaakoranga Pūmau | Full (Category Two) Practising Certificate.
- [2] Applicable to graduates from an approved New Zealand ITE programme who apply for Kaiako Whai Rēhitanga | Teacher Registration and a Tiwhikete Whakaakoranga Tōmua | Provisional Practising Certificate valid for three years.
- [3] Applicable to overseas-trained teachers who apply for Kaiako Whai Rēhitanga | Teacher Registration and a Tiwhikete Whakaakoranga Tōmua | Provisional Practising Certificate valid for three years. This includes applications made under the Trans-Tasman Mutual Recognition Agreement.
- [4] Applicable to teachers who are provisionally or fully certificated teachers who hold a Tiwhikete Whakaakoranga Pūmau | Full (Category Two) Practising Certificate and who now apply for a Tiwhikete Whakaakoranga Tūturu | Full (Category One) Practising Certificate valid for three years.
- [5] Applicable to graduates from an approved New Zealand ITE programme who apply for Kaiako Whai Rēhitanga | Teacher Registration only.
- [6] Applicable to registered teachers who are fully certificated but whose practising certificate has expired, who cannot meet satisfactory recent teaching requirements, and who are not able to renew using extension to teach provisions.
- [7] Applicable to any applicant who lodges their renewal application after the expiry date of their current practising certificate. (This applies to any teacher who is currently employed in a teaching position where they do not hold a current certificate of the kind required to legally undertake that role and applies for registration or certification.)

## Payment options for fees and the levy

### Proposal 7: Explore the viability of a 'buy now pay later' instalment option for payment of fees and the levy

As a solution for teachers who may want a payment by instalment option, we propose issuing a Request for Information to financial services providers as soon as possible to see what third party finance options (such as Afterpay) could be made available to teachers to address affordability (Proposal 7). The proposed option is that the financial relationship would be between the teacher and the third-party provider, with payment facilitated through the application system, Hapori Matatū.

## Proposal 8: Explore the viability of options to pay fees and the levy by instalment, in regular, small amounts

The Council engaged external experts to undertake a comprehensive feasibility study including a survey of teachers on offering payment by instalments.

Overall, the study found that offering payments by instalment is legally and technically feasible. The key challenge would be the impact on the Council's cashflow from teacher fees and the levy during the transition from three-yearly lump-sum payments, including:

- a negative impact on Council's cashflow of an estimated \$24 million in the first three years
- the need to fund the cashflow shortfall in a sustainable way
- an increase in costs if borrowing was needed to cover the shortfall.

The Council would like to get further information on whether teachers would be interested in being able to pay by regular, small instalments (for example, the proposed fees and levy would be approximately \$6 if the instalment were by fortnight for most teachers), even if there was an additional cost for this service (Proposal 8).

If there is sufficient interest in such an option, the Council will investigate its feasibility further.

### **Proposed period for setting fees and the levy**

#### Proposal 9: Fix fees and the levy for a three-year period, with an allowance for expected inflation over the period.

We analysed the services and activities associated with each of the Council's mandatory functions to determine the actual and reasonable costs for delivering them (see Appendix 3).

The proposal is to set fees and the levy for three-year periods (Proposal 9). This approach differs from that in the previous consultations in 2017 and 2020 where we proposed increasing (or decreasing) fees annually to reflect the impact of inflation and changes in Council activities.

We propose a three-year period as the appropriate timeframe for cost recovery because within the three-year cycle of changes in registration/certification applications, peak years have around 15 percent more applications by volume than non-peak years. This has important implications for output costs when measured on an annual basis. It will mean that fees and the levy are set in a fair and equitable manner, and that every teacher will pay the same amount regardless of where they fall in the three-year cycle.

Before the start of subsequent three-year periods, we would consider the impacts of inflation and changes in the operating model over the previous three years and forecast for the next three years. This information would be used to determine whether an increase or decrease in the fees and the levy would be fair and reasonable for the next three-year period.

### **Level of late fee payment**

#### Proposal 10: Increase the late fee from \$50 to \$100]

Holding a current practising certificate is a legal requirement and professional responsibility. An increase of the current fee of \$50 to \$100 is proposed for teachers who lodge their renewal applications after the expiry date of their current practising certificate (Proposal 9).

The increase proposed is intended to serve as a further deterrent to those teachers who may not otherwise meet this obligation, as well as reflecting the costs associated with processing late applications.

## Other options not currently being consulted on

Two options to address affordability for teachers (raised by stakeholders during co-design) are not included as proposals in this consultation document because the Council considers it is not practical or economically feasible to progress them at this time. You may still provide feedback on these options (described below). As with all feedback received, the Council will receive feedback on these options with an open mind and give it due consideration before making final decisions on fees and the levy.

### 1. Tiered or variable fees and levies based on income - not included as a proposal

The Council considers it does not have power under the Education and Training Act 2020 to set fees and levies that differentiate between teachers and holders of LATs based on income. Therefore, no proposal to this effect is included in this document.

The Council has power to set fees and levies only within the limits set out in the Act. The Council does not consider the Act enables it to set variable fees and levies based on income as there is no express power or mechanism in the Act to do that (for example, the Council would need to have power to prescribe a percentage of income and would need to have a legal basis for collecting information about salaries from teachers).

### 2. Tiered or variable fees or levies based on practising certificate type or registration status - not included as a proposal

The Education and Training Act 2020 does allow the Council to set tiered or varied fees based on the circumstances in which a person's registration is made or the type of practising certificate held.

The Council's analysis indicates it could not currently do so cost-effectively, and it would require some teachers to pay more to offset the loss in income. Additionally, the Council could not identify a sound rationale for any one practising certificate type to have a different share of the fees than any other.

## Detailed breakdown of costs for proposed fees and levy

Six pou describe the Council's services and activities that support kaiako | teachers, ākonga | learners and the profession. How this work connects to the mandatory functions is summarised in Table 9.

These six pou are:

- **Pou Aro Whakamua** - steering the future direction of teaching
- **Pou Whai Rēhitanga** - becoming registered and certificated as a teacher
- **Pou Tikanga Matatika, Ngā Paerewa** - establishing and maintaining the Code of *Professional Responsibility* | *Ngā Tikanga Matatika mō te Haepapa Ngaiotanga* and *Standards for the Teaching Profession* | *Ngā Paerewa mō te Umanga Whakaakoranga*
- **Pou Here Tōmua** - establishing and maintaining standards for initial teacher education and undertaking Initial Teacher Education programme approvals
- **Pou Matatika** - ensuring high standards of ethical behaviour
- **Pou Mataara** - ensuring high-quality teacher practice.

The portion of the fee or levy attributable to each pou is discussed next (for details see Appendices 3 and 4).

Table 9: Aligning pou to mandatory functions

Pou	Mandatory functions
<b>Pou Aro Whakamua</b> – steering the future direction of teaching	<ul style="list-style-type: none"> <li>• Provide direction for teachers</li> <li>• Enhance the status of teachers</li> <li>• Identify and disseminate best practice in teaching and foster the teaching profession’s continued development in light of research and evidence of changes in society and technology</li> </ul>
<b>Pou Whai Rēhitanga</b> – becoming registered and certificated as a teacher	<ul style="list-style-type: none"> <li>• Carry out functions relating to registration (including establishing, maintaining, and reviewing criteria for registration and police vetting)</li> </ul>
<b>Pou Tikanga Matatika, Ngā Paerewa</b> – establishing and maintaining the Code and Standards	<ul style="list-style-type: none"> <li>• Establish and maintain standards for ongoing practice</li> <li>• Establish and maintain a code of conduct for teachers under section 485 of the Education and Training Act 2020</li> </ul>
<b>Pou Here Tōmua</b> – establishing and maintaining standards for initial teacher education and undertaking Initial Teacher Education programme approvals	<ul style="list-style-type: none"> <li>• Establish and maintain standards for qualifications that lead to teacher registration</li> <li>• Conduct, in conjunction with quality assurance agencies, approvals of teacher education programmes</li> </ul>
<b>Pou Matatika</b> – ensuring high standards of ethical behaviour	<ul style="list-style-type: none"> <li>• Carry out the functions relating to conduct</li> </ul>
<b>Pou Mataara</b> – ensuring high-quality teacher practice	<ul style="list-style-type: none"> <li>• Carry out the functions relating to competence</li> </ul>

**Note**

Another function is leadership of the profession. This function is not included in the table because it is funded separately, following approval from the Minister of Education, so is not affected by the proposals being consulted on.

### **Pou Aro Whakamua – steering the future direction of teaching**

An important benefit of having a profession (in this case, the teaching profession) is that those who are part of it can shape its direction. Pou Aro Whakamua includes work that keeps the teaching profession ready and able to support ākonga | learners to be successful and reach their potential in a changing environment.

This pou encompasses the activities of three mandatory functions providing direction to teachers, enhancing the status of teachers, and identifying and disseminating best practice in teaching. It also includes activities to support the profession’s continued development, in light of advances in knowledge and understanding through research and because of changes in society and technology.

Work associated with this pou includes the following:

- Council engaged with the profession, parents, and the disability sector to lobby for law change in relation to physical restraint, in response to teachers telling the Council the law was unworkable. Recommendations made to the Minister of Education resulted in the legislation being amended. The Council continues to work with the Ministry of Education on developing new guidelines for using physical restraint.
- The Unteach Racism app and web resources were developed to provide teachers with access to both research and practice to address one of the most challenging issues that our communities face. This work was developed with teachers and experts to recognise the unique role teachers play in changing attitudes and modelling inclusive practices.

Areas the profession has signalled are important for the future will be consulted on as part of the development of Council's strategic plan for the next five years. Areas include strengthening teachers' capability to lead inclusive teaching practices; enabling teacher registration for Pacific language teachers to support bilingual and immersion settings; and extending the Unteach Racism resources to include confronting and dismantling racism.

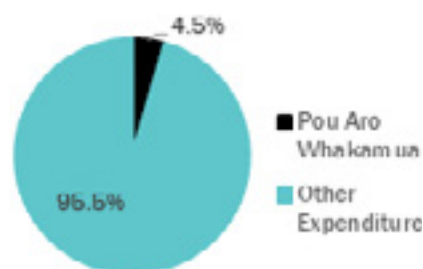
## How Pou Aro Whakamua contributes to a strong and effective teaching profession

Teaching and learning are areas of knowledge that continually evolve, as our understanding of educational issues also evolves in a rapidly changing world. This pou recognises the value of critically examining the role of teaching and the importance of being able to reflect the diversity of ākonga | learners and the communities from which they come in everyday teaching and leadership practice.

## Portion of the proposed levy attributable to Pou Aro Whakamua

The Council estimates the average costs to undertake the work needed for Pou Aro Whakamua are \$0.771 million per year over the next three years. This is approximately 4.5 percent of the estimated total annual cost to deliver all the functions. A breakdown of these costs is in Appendix 3.

Figure 2: Portion of proposed levy attributable to Pou Aro Whakamua



## Pou Whai Rēhitanga - becoming registered and certificated as a teacher

Pou Whai Rēhitanga encompasses functions that focus on responsibilities related to teacher registration, including establishing, maintaining, and reviewing criteria for registration. The pou also includes work to ensure a robust system is in place for police vetting of teacher applications.

Work associated with this pou includes:

- all administrative tasks for applications for registration, practising certificates and LATs,
- managing teacher refresh processes,
- policy work to establish, maintain and review registration and certification criteria (such as work associated with the Professional Growth Cycle)
- developing and maintaining the online application system.

## How Pou Whai Rēhitanga contributes to a strong and effective teaching profession

Registration shows that teachers are qualified, competent, and fit to teach, providing assurance to communities about a teacher's readiness to teach. A current practising certificate shows that a teacher has satisfactory recent teaching experience, has undertaken professional development and meets all the other requirements for continued practice.

The requirements for registration and certification are set out in legislation, reflecting the expectations agreed by the teaching profession about what is required for high-quality and effective teaching practice.

The criteria for registration and certification, set out in the Council's registration and certification policy were developed with the teaching profession, and focus on what is required to ensure individual teachers are supported and prepared to provide high-quality teaching in all settings. An important part of this is the endorsement process professional leaders undertake when teachers are applying for a practising certificate, to confirm whether they meet the Standards | Ngā Paerewa.

Working with the profession and stakeholders, the Council has replaced appraisal processes with the Professional Growth Cycle, so every teacher is supported to reflect on and grow their practice. The Council's work to support understanding of the Professional Growth Cycle forms part of this pou.

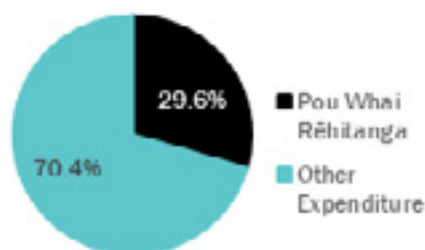
### Fees proposed for the work associated with Pou Whai Rēhitanga

- A fee of \$128.96 for applicants who are registered and who apply to renew a practising certificate valid for three years (This applies to any teacher renewing a current practising certificate including Tiwhikete Whakaakoranga Tōmua | Provisional practising certificate, Tiwhikete Whakaakoranga Tūturu | Full (Category One) practising certificate and Tiwhikete Whakaakoranga Pūmau | Full (Category Two) practising certificate).
- A fee of \$128.96 for applicants who are graduates from an approved New Zealand ITE programme and who apply for Kaiako Whai Rēhitanga | Teacher Registration and a Tiwhikete Whakaakoranga Tōmua | Provisional practising certificate valid for three years.
- A fee of \$228.96 for applicants who are overseas trained teachers and who apply for Kaiako Whai Rēhitanga | Teacher Registration and a Tiwhikete Whakaakoranga Tōmua | Provisional practising certificate valid for three years. This includes applications made under the Trans-Tasman Mutual Recognition Agreement.
- A fee of \$228.96 for applicants who hold a Tiwhikete Whakaakoranga Tōmua | Provisional practising certificate or fully certificated teachers who hold a Tiwhikete Whakaakoranga Pūmau | Full (Category Two) practising certificate and who now apply for a Tiwhikete Whakaakoranga Tūturu | Full (Category One) practising certificate valid for three years.
- A fee of \$128.96 for applicants who apply for a Tūranga Whakaako Whai-herenga | Limited Authority to Teach valid for three years.
- A fee of \$85.97 for applicants who apply for a Tūranga Whakaako Whai-herenga | Limited Authority to Teach valid for two years.
- A fee of \$42.99 for applicants who apply for a Tūranga Whakaako Whai-herenga | Limited Authority to Teach valid for one year.
- A fee of \$128.96 for applicants who are registered teachers who were fully certificated but whose practising certificate has expired, who cannot meet satisfactory recent teaching requirements, and who are not able to renew using the extension to teach provision who are issued with a Returning to Teaching in Aotearoa New Zealand Practising Certificate valid for three years.
- A fee of \$128.96 for applicants who are graduates from an approved New Zealand ITE programme and who apply for Kaiako Whai Rēhitanga | Teacher Registration only.
- A fee of \$100.00 for applicants who lodge their renewal applications after the expiry date of their current practising certificate (This applies to any teacher who is currently employed in a teaching position where they do not hold a current certificate of the kind required to legally undertake that role and applies for registration or certification).

## Portion of the proposed levy attributable to Pou Whai Rēhitanga

The Council estimates the average cost to undertake the work needed for Pou Whai Rēhitanga is \$5.049 million per year over the next three years. This is approximately 29.6 percent of the estimated total annual cost to deliver all the functions (see Figure 3). A breakdown of these costs is in Appendix 3.

Figure 3: Portion of levy attributable to Pou Whai Rēhitanga



## Pou Tikanga Matatika, Ngā Paerewa - establishing and maintaining the Code and Standards

Pou Tikanga Matatika, Ngā Paerewa focusses on the work associated with establishing and maintaining standards for ongoing practice, criteria for issuing practising certificates, and establishing and maintaining a code of conduct for teachers.

The teaching profession developed the Code | Ngā Tikanga Matatika and Standards | Ngā Paerewa as the framework for capturing what is expected from teachers in terms of ethical behaviour and standards for teaching practice.

Work associated with this pou includes:

- developing, implementing, and reviewing the Code | Ngā Tikanga Matatika and Standards | Ngā Paerewa in conjunction with the teaching profession
- developing, implementing, and reviewing the registration and certification policy (which is based on commitment to the Code | Ngā Tikanga Matatika and using and meeting the Standards | Ngā Paerewa).
- providing advice to groups of teachers and leaders about understanding and using the Code | Ngā Tikanga Matatika and Standards | Ngā Paerewa and creating resources to support this.

Areas the profession has signalled are important for the future will be consulted on as part of the development of the Council's strategic plan for the next five years. They include refreshing the Code | Ngā Tikanga Matatika and Standards | Ngā Paerewa as they have been in place for five years. This will provide an opportunity to take a closer look at changing expectations for teacher wellbeing, combatting racism and discrimination, and inclusion.

## How Pou Tikanga Matatika, Ngā Paerewa contributes to a strong and effective teaching profession

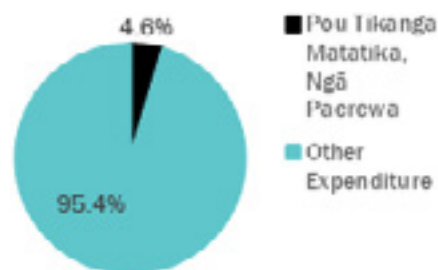
The Code | Ngā Tikanga Matatika and Standards | Ngā Paerewa form the foundation of what it means to be a teacher in Aotearoa New Zealand. They are the high standards for ethical behaviour expected of every teacher. At registration and for every application for a practising certificate, teachers must commit to upholding the Code | Ngā Tikanga Matatika.

The Standards | Ngā Paerewa describe the expectations of effective teaching practice. They provide assurance that every teacher is working to an agreed set of expectations, while providing flexibility for individual teachers and settings to respond to the diversity of ākonga | learner needs.

## Portion of the proposed levy attributable to Pou Tikanga Matatika, Ngā Paerewa

The Council estimates the average costs to undertake the work needed for Pou Tikanga Matatika, Ngā Paerewa is \$0.791 million per year over the next three years. This cost is approximately 4.6 percent of the estimated total annual cost to deliver all the functions (see Figure 4). A breakdown of these costs is in Appendix 3.

Figure 4: Portion of levy attributable to Pou Tikanga Matatika, Ngā Paerewa



## Pou Here Tōmua - establishing and maintaining standards for initial teacher education and undertaking ITE programme approvals

Pou Here Tōmua includes work undertaken to establish, maintain and review standards for initial teacher education and undertake ITE programme approvals.

Activities associated with this pou include engagement with the sector to develop and review the ITE requirements, and policy work to establish, maintain and review these requirements. This pou also includes approving and reviewing ITE programmes in conjunction with quality assurance agencies.

### How Pou Here Tōmua contributes to a strong and effective teaching profession

The work to establish and maintain standards for qualifications leading to teacher registration is critical for a strong and effective teaching profession. It requires the Council and the profession to identify and agree expectations for the structure and design of ITE programmes that will mean all ITE graduates across all educational settings can use and meet the Standards | Ngā Paerewa (with support), are ready to teach, and are well equipped to continue their development journey towards full certification as a teacher.

A high-performing and responsive initial teacher education system prepares graduates embarking on their teaching career for the complexities of teaching and supporting the learning of diverse groups of ākonga | learners.

Maintaining robust quality assurance processes to approve and review ITE programmes assures the quality and effectiveness of these programmes, including that they reflect the needs of diverse communities and ākonga | learners.

The Council requires all ITE programmes to be designed to meet the requirements, (as published in July 2019). The Council supports ITE providers to work more closely with practitioners so their new programmes will be developed to meet expectations of authentic and enduring partnerships, the way students are assessed is carefully woven through the whole programme and results in clear and consistent judgements about using and meeting the Standards | Ngā Paerewa and the ITE programme is flexible enough to encourage diverse groups of students to join the profession.

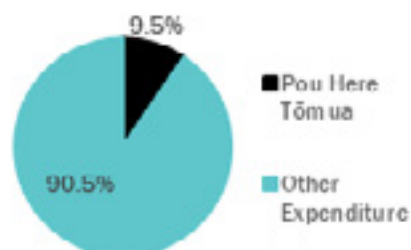


## Portion of the proposed levy attributable to Pou Here Tōmua

The Council estimates the average costs to undertake the work needed for Pou Here Tōmua is \$1.628 million per year over the next three years. This is approximately 9.5 percent of the estimated total annual cost to deliver all the functions (see Figure 5). A breakdown of these costs is in Appendix 3.

Note that ITE providers already make a significant contribution to meeting costs associated with programme approval panels and monitoring and review of programmes.

Figure 5: Portion of levy attributable to Pou Here Tōmua



## Pou Matatika - ensuring high standards of ethical behaviour

Pou Tikanga Matatika includes work associated with supporting teachers where conduct concerns have been raised and setting the criteria for managing related processes.

Work associated with this pou includes analysis and investigation when concerns about teacher conduct are advised to the Council and follow-up work after determinations on conduct complaints. The cost of this pou includes the costs of the Complaints Assessment Committee and Disciplinary Tribunal.

## How Pou Matatika contributes to a strong and effective teaching profession

Professions play a vital role in providing trusted expertise to communities. This role is founded on established codes of behaviour and ethics that ensure community expectations of good practice and social purpose are met.

In the teaching profession, these public good expectations are addressed in several ways. Guidance is provided to teachers through the Code | Ngā Tikanga Matatika and Standards | Ngā Paerewa. The teaching profession designed the Code | Ngā Tikanga Matatika and Standards | Ngā Paerewa to articulate their expectations and aspirations and set out what it means to be a teacher in Aotearoa New Zealand.

The Code | Ngā Tikanga Matatika promotes a shared understanding of the high standards of behaviour expected from the teaching profession. It champions effective leadership and teaching, elevates the status of teaching, and strengthens a self-managing profession by requiring every teacher to commit to upholding it when they register or are issued with or renew a practising certificate.

In conduct investigations, the Code | Ngā Tikanga Matatika is considered a benchmark that confirms the expected standards of conduct for members of the profession.

It is generally expected that everyone in a profession bears the cost of any disciplinary regime. The practitioner who is undergoing discipline may also be expected to make an additional contribution.

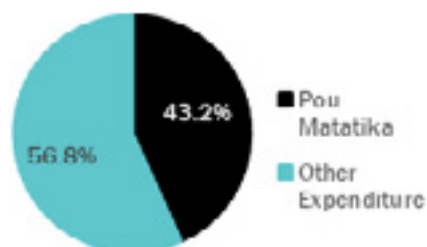
For this reason, professional bodies commonly charge all their members a disciplinary levy and seek to recover a portion of the costs related to disciplinary proceedings from those practitioners involved.

The courts have established principles regarding costs awards - they should not be punitive, should not deter the right to be heard, and should give regard to the ability to pay. The Council's Disciplinary Tribunal follows these principles when considering costs to be awarded against teachers.

## Portion of the proposed levy attributable to Pou Matatika

The Council estimates the average cost to undertake the work needed for Pou Matatika is \$7.388 million per year over the next three years. This is approximately 43.2 percent of the estimated total annual cost to deliver all the functions (see Figure 6). A breakdown of these costs is in Appendix 3.

Figure 6: Portion of levy attributable to Pou Matatika



## Pou Mataara - ensuring high-quality teacher practice

Pou Mataara includes work associated with the processes for supporting teachers where competency concerns have been raised, including the requirements for mandatory reporting and processes related to teacher competence.

Work associated with this pou includes analysis and evaluation when concerns about teacher competence are advised to the Council, and follow-up work to resolve competency issues.

## How Pou Mataara contributes to a strong and effective teaching profession

The Standards | Ngā Paerewa apply to all practising teachers. The standards were co-designed with the teaching profession and provide a holistic description of what high-quality teaching practice looks like. Teachers are expected to use and meet the Standards | Ngā Paerewa in their daily teaching practice.

When a concern or complaint is raised about an individual teacher's competence, the Council evaluates the concern and supports the teacher to meet the Standards | Ngā Paerewa and get their practice back on track. Mandatory reporting enables the Council to step in to support a teacher back to competence. The competence process provides a pathway for the teacher back into quality teaching or allows decisions to be made when the teacher should not remain in teaching.

The processes associated with these functions contribute to a high level of public confidence in the capability of teachers and help maintain the reputation of the profession.

Teachers subject to a competence assessment are vulnerable, and many end up being lost to the profession. The Council is seeking to change this by altering its approach to resolving competence concerns. Seeking costs from these teachers would likely alienate them further from the profession, and the amount being recovered would have limited impact on the levy charged to all teachers.

## Portion of the proposed levy attributable to Pou Mataara

The Council estimates the average cost to undertake the work needed for Pou Mataara is \$1.459 million per year over the next three years. This is approximately 8.5 percent of the estimated total annual cost to deliver all the functions (see Figure 7). A breakdown of these costs is in Appendix Three.

Figure 7: Portion of levy attributable to Pou Mataara



## Questions and feedback

You can provide feedback on the proposed fees and the levy:

- through our online feedback survey at <https://survey.publicvoice.co.nz/s3/2022feesconsultation> (preferred)
- by email in an attached Microsoft Word document or searchable PDF to [feesconsultation@publicvoice.co.nz](mailto:feesconsultation@publicvoice.co.nz)

Feedback is due by **5pm on Friday, 1 April 2022**. Feedback received after the deadline may not be considered unless a time extension has been previously agreed. Please email [feesconsultation@publicvoice.co.nz](mailto:feesconsultation@publicvoice.co.nz) to request a time extension.

### Written submissions

If you prefer to make a written submission, please note whether you are responding as an individual or a group and include your contact details.

The proposals are:

Proposal 1: Set fees and the levy for teachers and holders of LATs (as set out in Tables 1 and 8), to cover the Council's actual and reasonable operating costs.

Proposal 2: Charge the same levy for for teachers and for holders of LATs.

Proposal 3: Charge a higher fee for overseas teachers for registration and their first Tōmua | Provisional practising certificate to reflect the additional costs involved in evaluating their applications.

Proposal 4: Charge a higher fee for Tōmua | Provisional or Pūmau | Full (Category Two) certificated teachers applying for a Tūturu | Full (Category One) practising certificate, to reflect the additional costs involved in evaluating those applications.

Proposal 5: Continue to fund the cost of providing conduct and discipline functions collectively from all teachers and holders of LATs.

Proposal 6: Continue to fund the cost of establishing standards for initial teacher education qualifications and approving ITE programmes collectively from all teachers and holders of LATs with ITE providers contributing towards approval, review and monitoring of their programmes.

Proposal 7: Explore the viability of a 'buy now pay later' instalment option for payment of fees and the levy.

Proposal 8: Explore the viability of options to pay fees and the levy by instalment, in regular, small amounts.

Proposal 9: Fix fees and the levy for a three-year period, with an allowance for expected inflation over the period.

Proposal 10: Increase the late fee from \$50 to \$100.

The questions in the survey are noted below – you can choose to respond to all or some of these or to provide any other feedback on the consultation document.

1. Do you agree with the cost assumptions set out in this document?
2. What do you think about the proposed increases to Teaching Council fees?
3. What do you think about the proposal to impose a levy to cover the cost of some of the Council's mandatory functions?
4. Are there other ways to allocate the fees?
5. Are there other ways to allocate the levy?
6. What do you think about the proposal that fees and the levy are set for a three-year period?
7. Is there another period that would be better for the fees and the levy?
8. What do you think about the proposal to allocate the levy equitably across practising certificate types and LATs?
9. Do you agree with the proposal that overseas teachers should pay a higher fee for registration and their first Tōmua | Provisional practising certificate to reflect the additional costs involved in evaluating their applications?
10. Do you agree with the proposal that Tōmua | Provisional or Pūmau | Full (Category Two) certificated teachers should pay a higher fee when applying for a Tūturu | Full (Category One) practising certificate, to reflect the additional costs involved in evaluating those applications?
11. Do you agree with the proposal that holders of a LAT pay the same levy as registered teachers?
12. Do you agree with the proposal that the Late Fee for a teacher to renew their practising certificate after the expiry date of their current certificate should increase from \$50 to \$100?
13. Would you be interested in being able to access a third-party user-pays financial service that allowed teachers to pay fees and the levy in instalments over a short timeframe (for example, around three months) if this option were available in the future?
14. Would you be interested in fortnightly payments by instalment in the future, subject to the Council being able to resolve any cost, technical and legislative issues from such an approach?
15. If there was an additional cost for this service, would you still be interested in this option?
16. Is there anything else the Council could do to make it easier for teachers to manage the cost of proposed higher fees and a levy?
17. What other comments would you like to make on the proposed changes overall? What other information do you need?

# Appendix 1: How the Teaching Council regulates

Deciding when and how to regulate is a key driver of cost for a professional and regulatory body like the Council.

We base our approach to regulation on the UK's Professional Standards Authority's Principles of Good Regulation<sup>19</sup>:

*Proportionate*: regulators should only intervene when necessary. Remedies should be appropriate to the risk posed, and costs identified and minimised

*Consistent*: rules and standards must be joined up and implemented fairly

*Targeted*: regulation should be focused on the problem, and minimise side effects

*Transparent*: regulators should be open, and keep regulations simple and user friendly

*Accountable*: regulators must be able to justify decisions, and be subject to public scrutiny

*Agile*: regulation must look forward and be able to adapt to anticipate change.

The Teaching Council's *Strategic Plan 2019 to 2024: Our path to the future*<sup>20</sup> provides teachers and stakeholders with details of the Council's priorities and intended work. Current priorities include:

- speaking out and speaking up for the teaching profession on important issues that are relevant to the whole teaching profession
- enabling leadership across the whole profession
- developing a values-based Tiriti-led organisation
- reflecting this in key regulatory processes
- achieving financial sustainability by becoming fully self-funded through the collection of fees and levies to cover the actual and reasonable costs we incur in performing our statutory functions.

Consultation on a new strategic plan will take place in the first half of 2022, providing an opportunity for teachers and stakeholders to give feedback on priorities for this strategic plan.

<sup>19</sup> Professional Standards Authority. (11 April 2016). "Right-Touch Regulation 2015". <https://www.professionalstandards.org.uk/publications/detail/right-touch-regulation-2015>

<sup>20</sup> <https://teachingcouncil.nz/assets/Files/Publications/Path-to-the-Future-2019-.pdf>

## Appendix 2: Who the Teaching Council works with

The table below lists the groups and individuals that the Council works with:

<b>Direct relationships</b>	<b>Other relationships</b>
Early childhood teachers	Teacher recruitment agencies
Early childhood professional leaders	Teacher unions
Primary school teachers	Education sector peak bodies
Primary school principals	Education sector special interest groups
Secondary school teachers	Education agencies
Secondary school principals	
Teacher educators	
ITE providers	
Limited Authority to Teach (LAT) holders	
Overseas teachers	
Ministry of Education	
New Zealand Qualifications Authority	
New Zealand Police Vetting Agency	
Boards of Trustees	

## Appendix 3: Actual costs by function

	Statutory Function	Overhead	To carry out the functions relating to conduct	To carry out the functions relating to competence	To carry out functions relating to registration	To establish and maintain standards for qualifications that lead to teacher registration	To establish and maintain standards for ongoing practice	To conduct, in conjunction with quality assurance agencies, approvals of teacher education programmes	To provide direction for teachers	To enhance the status of teachers	To identify and disseminate best practice in teaching and foster the teaching profession's continued development in light of research and evidence of changes in society and technology	To establish and maintain a code of conduct for teachers under section 485	To perform any other functions conferred on it by this Act or any other enactment	Government funded Leadership of the profession
	Education and Training Act 2020		S479(1)(l, m, n)	S479(1)(l, o)	S479(1)(d, e, f, p)	S479(1)(g, h)	S479(1)(j)	S479(1)(i)	S479(1)(a)	S479(1)(b)	S479(1)(c)	S479(1)(k)	S479(1)(q)	
	<b>Cost per Annum</b>													
<b>Professional Responsibility</b>														
Personnel	2,534,307	-	2,534,307	-	-	-	-	-	-	-	-	-	-	-
Contractors & Consultants	59,898	-	59,898	-	-	-	-	-	-	-	-	-	-	-
Legal	892,698	-	892,698	-	-	-	-	-	-	-	-	-	-	-
Travel - Staff	75,000	-	75,000	-	-	-	-	-	-	-	-	-	-	-
DT Committee/Tribunal Fees/Hearing Fees	316,667	-	316,667	-	-	-	-	-	-	-	-	-	-	-
IC Committee/Tribunal Fees/Hearing Fees	8,000	-	8,000	-	-	-	-	-	-	-	-	-	-	-
CAC Committee/Tribunal Fees/Hearing Fees	290,000	-	290,000	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	95,000	-	95,000	-	-	-	-	-	-	-	-	-	-	-
<b>Total Prof Responsibility Expenditure</b>	<b>4,271,570</b>	-	<b>4,271,570</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Registration &amp; Contact Centre</b>														
<b>Registration</b>														
Personnel	1,281,350	-	-	-	1,281,350	-	-	-	-	-	-	-	-	-
Bank Charges	140,000	-	-	-	140,000	-	-	-	-	-	-	-	-	-
Postage	34,000	-	-	-	34,000	-	-	-	-	-	-	-	-	-
Printing	18,000	-	-	-	18,000	-	-	-	-	-	-	-	-	-
Registration Panel	42,000	-	-	-	42,000	-	-	-	-	-	-	-	-	-
TER Review Panel	6,000	-	-	-	6,000	-	-	-	-	-	-	-	-	-
Priority Police Vetting Expenses	94,000	-	-	-	94,000	-	-	-	-	-	-	-	-	-
Other Expenses	14,000	-	-	-	14,000	-	-	-	-	-	-	-	-	-
Contact Centre														

Personnel	534,351	-	80,153	-	454,199	-	-	-	-	-	-	-	-	-
<b>Total Registration/Contact Centre Expenditure</b>	<b>2,163,702</b>	-	<b>80,153</b>	-	<b>2,083,549</b>	-	-	-	-	-	-	-	-	-
<b>Professional Services</b>														
<b>Policy &amp; Implementation</b>														
Personnel	786,237	32,760	98,280	65,520	196,559	163,799	32,760	-	58,968	52,416	52,416	32,760	-	-
Travel	13,000	-	-	-	-	13,000	-	-	-	-	-	-	-	-
<b>Teacher Capability &amp; Collaboration</b>														
Personnel	1,687,016	-	-	590,456	274,140	-	168,702	421,754	56,178	56,178	56,346	-	-	63,263
Travel	181,667	-	-	36,333	10,900	-	5,450	128,983	-	-	-	-	-	-
Competence Authority Costs	43,000	-	-	43,000	-	-	-	-	-	-	-	-	-	-
Contractors/Consultants	125,000	-	-	-	-	-	-	125,000	-	-	-	-	-	-
<b>Total Professional Services Expenditure</b>	<b>2,835,920</b>	<b>32,760</b>	<b>98,280</b>	<b>735,309</b>	<b>481,599</b>	<b>176,799</b>	<b>206,912</b>	<b>675,737</b>	<b>115,145</b>	<b>108,593</b>	<b>108,762</b>	<b>32,760</b>	-	<b>63,263</b>
<b>Strategic Projects &amp; Business Improvement Initiatives</b>														
See separate allocation sheet	800,000	-	120,000	80,000	120,000	-	40,000	80,000	26,720	26,640	26,640	80,000	-	200,000
<b>Corporate</b>														
<b>Finance</b>														
Personnel	776,570	614,196	49,418	14,119	98,836	-	-	-	-	-	-	-	-	-
Depreciation	650,000	299,366	60,316	26,447	197,470	-	-	9,527	-	-	56,875	-	-	-
<b>Other Personnel</b>	<b>30,000</b>	<b>30,000</b>	-	-	-	-	-	-	-	-	-	-	-	-
Audit Fees	57,000	57,000	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	120,000	40,000	26,400	13,600	40,000	-	-	-	-	-	-	-	-	-
Consultants	8,000	8,000	-	-	-	-	-	-	-	-	-	-	-	-
<b>IT</b>														
Personnel	535,455	374,818	48,191	16,064	96,382	-	-	-	-	-	-	-	-	-
Computer Licences & Maintenance	1,106,692	340,108	174,264	76,416	488,411	-	-	27,492	-	-	-	-	-	-
Telephone / Data Centre Hosting	404,000	404,000	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenditure	54,000	16,200	-	-	-	37,800	-	-	-	-	-	-	-	-
<b>HR / Admin</b>														
Personnel	1,254,596	1,022,264	139,400	92,933	-	-	-	-	-	-	-	-	-	-
Professional Learning & Dvpt	218,574	218,574	-	-	-	-	-	-	-	-	-	-	-	-
Recruitment Costs	158,466	158,466	-	-	-	-	-	-	-	-	-	-	-	-
Building Costs	682,082	682,082	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenditure	328,000	328,000	-	-	-	-	-	-	-	-	-	-	-	-



<b>Communications</b>														
Personnel	565,835	-	282,917	-	226,334	28,292	-	28,292	-	-	-	-	-	-
Media Services/Printing	7,300	-	3,650	-	2,920	365	-	365	-	-	-	-	-	-
Stakeholder Communications	38,300	-	19,150	-	15,320	1,915	-	1,915	-	-	-	-	-	-
Website Project	20,800	-	10,400	-	8,320	1,040	-	1,040	-	-	-	-	-	-
<b>Executive</b>														
Salaries/Temps	1,208,464	347,433	163,143	57,402	117,825	178,248	117,825	57,402	27,190	27,190	27,190	87,614	-	-
Consulting	150,000	49,500	49,500	-	51,000	-	-	-	-	-	-	-	-	-
Travel	35,500	35,500	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenditure	6,700	6,700	-	-	-	-	-	-	-	-	-	-	-	-
<b>Governance</b>														
Board/Committee Fees	206,500	206,500	-	-	-	-	-	-	-	-	-	-	-	-
Board/Committee Expenses	30,500	30,500	-	-	-	-	-	-	-	-	-	-	-	-
Travel	100,000	100,000	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Corporate Expenditure</b>	<b>8,753,334</b>	<b>206,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Direct Expenditure</b>	<b>18,824,526</b>	<b>5,401,968</b>	<b>5,596,751</b>	<b>1,112,290</b>	<b>4,027,967</b>	<b>424,460</b>	<b>364,737</b>	<b>881,770</b>	<b>169,056</b>	<b>162,424</b>	<b>219,468</b>	<b>200,374</b>	<b>-</b>	<b>263,263</b>
<b>Overhead Allocation</b>		<b>- 5,401,968</b>	<b>2,252,437</b>	<b>447,646</b>	<b>1,621,073</b>	<b>170,826</b>	<b>146,790</b>	<b>354,872</b>	<b>68,037</b>	<b>65,368</b>	<b>88,326</b>	<b>80,641</b>	<b>-</b>	<b>105,951</b>
<b>Total Expenditure (including Overhead)</b>	<b>18,824,526</b>	<b>-</b>	<b>7,849,188</b>	<b>1,559,936</b>	<b>5,649,040</b>	<b>595,285</b>	<b>511,527</b>	<b>1,236,642</b>	<b>237,093</b>	<b>227,792</b>	<b>307,793</b>	<b>281,015</b>	<b>-</b>	<b>369,215</b>
<b>Recovery / Grants / Interest Income</b>														
Professional Responsibility Cost Recovery	150,000		150,000											
ITE Appraisal Recovery	200,000							200,000						
Government Leadership Grant	200,000													200,000
Innovation & Collaboration Appraisal Grant	178,000													178,000
Online Services Grant	979,000		293,700	97,900	587,400									
Interest/Sundry Income	40,000	40,000	17,012	3,381	12,244	1,290	1,109	2,680	514	494	667	609	-	
<b>Total Recovery</b>	<b>1,747,000</b>	<b>40,000</b>	<b>460,712</b>	<b>101,281</b>	<b>599,644</b>	<b>1,290</b>	<b>1,109</b>	<b>202,680</b>	<b>514</b>	<b>494</b>	<b>667</b>	<b>609</b>	<b>-</b>	<b>378,000</b>
<b>Net Expenditure</b>	<b>17,077,526</b>		<b>7,388,476</b>	<b>1,458,655</b>	<b>5,049,397</b>	<b>593,995</b>	<b>510,418</b>	<b>1,003,961</b>	<b>236,579</b>	<b>227,298</b>	<b>307,126</b>	<b>280,406</b>	<b>-</b>	<b>-8,785</b>

\*Note that \$18.825m includes the estimated costs of delivering Crown funded leadership activities. Crown funded leadership activities are not included in the costs used to calculate the proposed fees and levy.

## Appendix 4: Allocation of overheads and indirect costs

	Statutory Function	Overhead	To carry out the functions relating to conduct	To carry out the functions relating to competence	To carry out functions relating to registration	To establish and maintain standards for qualifications that lead to teacher registration	To establish and maintain standards for ongoing practice	To conduct, in conjunction with quality assurance agencies, approvals of teacher education programmes	To provide leadership to teachers and direction for the education profession	To enhance the status of teachers and education leaders	To identify and disseminate best practice in teaching and leadership and foster the education profession's continued development in light of research and evidence of changes in society and technology	To establish and maintain a code of conduct for teachers under section 485	To perform any other functions conferred on it by this Act or any other enactment	Government funded Leadership of the profession	Check Total
<b>Direct Costs</b>															
Personnel			3,455,706	836,494	2,745,626	370,340	319,287	507,448	142,336	135,784	135,953	120,374	-		8,769,346
Legal			892,698	-	-	-	-	-	-	-	-	-	-		892,698
Hearing Costs			614,667	43,000	48,000	-	-	-	-	-	-	-	-		705,667
Licences & Maintenance			174,264	76,416	488,411	-	-	27,492	-	-	-	-	-		766,583
Depreciation			60,316	26,447	197,470	-	-	9,527	-	-	56,875	-	-		350,634
Projects			120,000	80,000	120,000	-	40,000	80,000	26,720	26,640	26,640	80,000	-		600,000
Governance			-	-	-	-	-	-	-	-	-	-	-		-
Travel			75,000	36,333	10,900	13,000	5,450	128,983	-	-	-	-	-		269,667
Insurance			26,400	13,600	40,000	-	-	-	-	-	-	-	-		80,000
Priority Police Vetting			-	-	94,000	-	-	-	-	-	-	-	-		94,000
ITE Review Panels			-	-	-	-	-	125,000	-	-	-	-	-		125,000
Other			177,700	-	283,560	41,120	-	3,320	-	-	-	-	-		505,700
<b>Total Direct Costs</b>			<b>5,596,751</b>	<b>1,112,290</b>	<b>4,027,967</b>	<b>424,460</b>	<b>364,737</b>	<b>881,770</b>	<b>169,056</b>	<b>162,424</b>	<b>219,468</b>	<b>200,374</b>	<b>-</b>		<b>13,159,295</b>
<b>Indirect Costs</b>															
Salaries / Temps / Other Personnel (Payroll, ACC)		2,421,471	1,029,871	204,675	741,195	78,106	67,116	162,256	31,108	29,888	40,385	36,871	1,029,871		2,421,471
Computer Licences & Maintenance		340,108	144,651	28,748	104,105	10,970	9,427	22,790	4,369	4,198	5,672	5,179	144,651		340,108
Depreciation		299,366	127,323	25,304	91,634	9,656	8,298	20,060	3,846	3,695	4,993	4,558	127,323		299,366
Learning Development		218,574	92,961	18,475	66,904	7,050	6,058	14,646	2,808	2,698	3,645	3,328	92,961		218,574
Recruitment Costs		158,466	67,397	13,394	48,505	5,111	4,392	10,618	2,036	1,956	2,643	2,413	67,397		158,466
Travel		35,500	15,098	3,001	10,866	1,145	984	2,379	456	438	592	541	15,098		35,500
Building Costs (Rent, Cleaning, Mtce, Utilities)		682,082	290,095	57,653	208,780	22,001	18,905	45,704	8,763	8,419	11,376	10,386	290,095		682,082
Other		1,246,400	519,706	103,286	374,031	39,415	33,869	81,880	15,698	15,082	20,379	18,606	-		1,221,954
<b>Total Indirect Costs</b>		<b>5,401,968</b>	<b>2,252,437</b>	<b>447,646</b>	<b>1,621,073</b>	<b>170,826</b>	<b>146,790</b>	<b>354,872</b>	<b>68,037</b>	<b>65,368</b>	<b>88,326</b>	<b>80,641</b>	<b>-</b>		<b>5,296,016 *</b>
<b>Total Cost</b>			<b>7,849,188</b>	<b>1,559,936</b>	<b>5,649,040</b>	<b>595,285</b>	<b>511,527</b>	<b>1,236,642</b>	<b>237,093</b>	<b>227,792</b>	<b>307,793</b>	<b>281,015</b>	<b>-</b>		<b>18,455,311</b>
<b>Less Recoveries / Grants</b>			<b>460,712</b>	<b>101,281</b>	<b>599,644</b>	<b>1,290</b>	<b>1,109</b>	<b>202,680</b>	<b>514</b>	<b>494</b>	<b>667</b>	<b>609</b>	<b>-</b>		<b>1,369,000</b>
<b>Net Cost</b>			<b>7,388,476</b>	<b>1,458,655</b>	<b>5,049,397</b>	<b>593,995</b>	<b>510,418</b>	<b>1,033,961</b>	<b>236,579</b>	<b>227,298</b>	<b>307,126</b>	<b>280,406</b>	<b>-</b>		<b>17,086,311</b>

Excludes overhead apportioned to Crown funded leadership activities



**Teaching  
Council of  
Aotearoa  
New Zealand**

**Visit:** Level 11, 7 Waterloo Quay, Pipitea, Wellington 6011, NZ

**Post:** PO Box 5326, Wellington 6140, NZ

**Phone:** +64 (0) 4 471 0852

**Email:** [enquiries@teachingcouncil.nz](mailto:enquiries@teachingcouncil.nz)