

# Regulatory Impact Statement: Changes to the Teaching Council's governance

Decision sought	This analysis is produced to inform final Cabinet decisions on
	changes to the Teaching Council's governance
Agency responsible	Ministry of Education
Proposing Ministers	Hon Erica Stanford, Minister of Education
Date finalised	11/06/2025

#### **Key Proposal**

It is Government's priority to have an effective regulator that is focused on teacher quality to support improved educational outcomes for all students. The Teaching Council does not always have the right strategic governance capability or government oversight to be effective in delivering its core regulatory responsibilities. The dominance of representative rather than skill-based positions also risks the misalignment between the Council's priorities and focus with and broader system improvement settings.

The proposal aims to strengthen the strategic governance capability of the Teaching Council and its alignment with broader system priorities to support more effective delivery of its functions and responsibilities.

The proposal is to shift to a majority Ministerially-appointed Council by removing the legislated teacher education representative and adding an additional Ministerially-appointed member. The proposal will be progressed in the Education and Training Amendment Bill (No 2) ("ETAB2") by introducing an Amendment Paper at the Committee of the Whole House stage.

## Summary: Problem definition and options

#### What is the policy objective?

The Teaching Council is established as an entity with statutory independence from government with a critical role in protecting the public interest in the provision of a safe and effective education system. It does this by regulating entry to the profession and enforcing established standards.

It needs to be effectively governed by a Council with the skills and experience to deliver these regulatory functions. Having a majority of its Council members elected by and as representatives of the registered teaching workforce risks the Council having significant weaknesses in those necessary governance skills. The dominance of representative rather

than skill based positions also risks the misalignment between the Council's priorities and focus with and broader system improvement settings.

This proposal intends to improve quality teaching through improving the effectiveness of the workforce regulator and its ability to deliver its legislated functions. It seeks to do this by:

- improving the strategic and governance capability of the Council, and
- increasing the Council's alignment with broader system settings and priorities.

#### What policy options have been considered, including any alternatives to regulation?

This proposal sits as part of a suite of reforms the Minister is progressing to address the challenges with the Council's strategic capability, alignment with system settings and priorities and delivery of its regulatory functions to lift teaching quality.

A package of transparency and accountability proposals are already included in ETAB2 that give the Minister and the Secretary for Education more active oversight, which complement this proposal. Therefore, broader transparency and accountability measures to support improved strategic capability and alignment were considered as options here.

Further to this, the Minister is progressing a suite of system changes that impact on the role and functions of the Council 9(2)(f)(iv)

. Changes that aim to directly improve the regulatory performance of the Council's functions are considered in this package.

The Minister directly requested this proposal. The proposal will be complemented by these two broader packages, but only looks directly at options to shift the membership of the Council to a Ministerially-appointed majority, leaving discussion of wider systemic change options for the  $\frac{9(2)}{(f)(i)}$  package.

Given this direction, and the complementary broader reform packages, in addition to the status quo, we have considered three options. These are:

- a. Option 1: Adding Ministerially-appointed members
- b. Option 2: Removing elected members
- c. Option 3: Removing 1 elected member and adding 1 Ministerially-appointed member.

Given the direction from the Minister, non-regulatory options have also not been considered in this Statement.

#### What consultation has been undertaken?

The Minister has directed that this proposal be progressed through ETAB2. ETAB2 is currently being considered through the Select Committee process. Therefore, the only option for including this proposal in ETAB2 is via an Amendment Paper at the Committee of the Whole House stage.

Given these timelines, we have not been able to undertake any public or sector consultation and the sector will not be aware of the proposal at the time of its inclusion in ETAB2.

The most direct impact of this proposal will be on the members of the Teaching Council, especially the elected teacher educator representative. We will inform the Chair of the Teaching Council of the proposal prior to the tabling of the Amendment Paper.

While no direct consultation has been undertaken, from previous reviews of the Council<sup>1</sup>, we expect the broader sector is likely to object to the proposal as the Council will no longer be majority sector-elected and will be seen as less independent from government.

The Treasury, Department of Prime Minister and Cabinet, Public Service Commission, Ministry for Regulation, Parliamentary Counsel Office, New Zealand Qualifications Authority and Educational Review Office were consulted on these proposals.

Is the preferred option in the Cabinet paper the same as preferred option in the RIS? Yes, the preferred option in the Cabinet paper is the same as in the RIS.

## Summary: Minister's preferred option

#### Costs (Core information)

There will be minor direct costs to the Ministry in appointment of a new Ministerially-appointed member, which will be met through existing Ministry baselines. There may be a small ongoing cost (\$24k p/a) in fees for the new member, however this cost may not apply, depending on the new member's employment situation, and the employment situation of the previously elected member (noting that the overall size of the Council remains the same).

There is a risk of sector pushback to any changes that make the Council majority Ministerially-appointed. The sector is likely to view this as compromising the independence of the Council. This could reduce sector buy-in, therefore making the Council less effective at delivering some of its functions (largely those requiring soft-influence). This risk is balanced against the known low engagement of the teaching profession with the Council currently (e.g. 8% turnout for elections).

There is a risk that removing the teacher educator representative elected position from the Council could result in a loss of specific expertise, though the Minister is able to appoint members to cover areas of specific needed expertise, including teacher educator expertise. The Council is also able to draw on expertise from the teacher education sector through the establishment of standing advisory groups which it has done previously.

#### **Benefits (Core information)**

The Teaching Council will benefit from an increase in governance experience and capability from an additional member that can be appointed based on the Council's strategic needs and its core regulatory functions.

The teaching profession, teachers and schools will benefit from a Council that more effectively delivers its regulatory functions in a way that aligns with broader system interests and priorities to support quality teaching outcomes.

#### Balance of benefits and costs (Core information)

<sup>&</sup>lt;sup>1</sup> Winter, Baker, Aitken and Morris (2012). Review of the New Zealand Teachers Council: A Teaching Profession for the 21<sup>st</sup> Century. Report to Hon. Hekia Parata, Minister of Education.

The proposed option may bring some improvements to Council capacity in certain skillsets and improve overall effectiveness and increased government oversight, with the potential to therefore improve student outcomes. There will be little to no monetary cost to this proposal.

As noted above, the risk of losing skills and expertise from the teacher education sector is reduced as the Minister can appoint members to cover specific skill areas, including teacher education expertise. However, the risk of sector pushback is significant. There is a risk that reducing sector representation on the Council reduces sector engagement and overall influence of the Council. This could impact on its ability to deliver some of its current functions, though shouldn't impact on its ability to deliver its core regulatory functions of registration/certification, discipline/compliance and ITE approvals and monitoring.

#### **Implementation**

An Amendment Paper to ETAB2 will be drafted to amend the Education and Training Act 2020 to:

- a. amend section 475(1) (a) and (b) to provide for 7 Ministerially appointed members and 6 elected members of the Council
- b. remove the requirement for a teacher educator representative from the composition of the elected members of the Council (section 475 (1)(b)(iv)), and
- c. enable transitional provisions that allow for the change to occur while the remaining members continue in their positions.

The Amendment paper will be introduced at the Committee of the Whole House stage of ETAB2, and will be passed as part of the final Bill.

Following royal assent of the Bill, the Council will inform the teacher education representative that their position has been disestablished, and they will be removed from the Council. The Minister will commence the appointment process for a new member following normal appointments procedure. No other members of the Council will be affected.

#### Limitations and Constraints on Analysis

This proposal has been developed in response to Ministerial direction to undertake governance changes to give the Council a Ministerially-appointed majority. This direction was given as ETAB2 and  $\frac{9(2)(f)}{2}$  both contain packages of proposals that consider broader options to improve transparency and accountability of the Teaching Council, and to improve the effectiveness of delivery of its regulatory functions. Separate regulatory impact statements assess these options.

This direction limited the scope of options that we could consider to legislative changes only, and only changes that resulted in a Ministerially-appointed majority Council.

This proposal was developed at pace, following Ministerial direction that this proposal should be incorporated into ETAB2. Because of these timeframes, the proposal was not consulted on with the sector, and the sector will not be informed about the proposal until it is introduced as part of an Amendment paper to ETAB2.

The timeframe limited our scope for evidence gathering and options analysis. However, we consider the analysis undertaken enables us to assess whether the options considered will support the Council to more effectively undertake its functions and duties.

The effectiveness of the proposal will be affected by the progress of wider systemic reform 9(2)(f)(iv). There will also be limited time to consider the impact of these changes before the council's governance is reconsidered 9(2)(f)(iv).

I have read the Regulatory Impact Statement and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the preferred option.

Responsible Manager(s) signature:
Paul Aitken
Senior Policy Manager
Quality Teaching and Learning
11 June 2025

#### **Quality Assurance Statement**

Reviewing Agency: QA rating: Partially meets

#### **Panel Comment:**

The Ministry of Education's Quality Assurance Panel has reviewed the Regulatory Impact Statement produced by the Ministry of Education. The panel considers that, due to the limits on effective consultation placed by the decision to progress this proposal via an Amendment Paper at the Committee of the Whole House, this RIS can only be assessed as partially meeting the Quality Assurance criteria. The RIS provides useful and clear analysis of some options for strengthening the regulatory system to better support high quality teacher training. The potential impacts, risks, and limitations of the proposed approach are well illustrated.

## Section 1: Diagnosing the policy problem

What is the context behind the policy problem and how is the status quo expected to develop?

The Teaching Council holds core regulation functions in the education system

2. We know that teacher quality makes a significant difference to student performance. There is strong public interest in regulating the education workforce so that teachers have the attributes, skills and knowledge required to deliver excellent student outcomes and keep

<sup>&</sup>lt;sup>2</sup> Evidence shows that up to 59% of variance in student performance is attributable to differences between teachers and classes: <u>Quality Teaching for Diverse Students in Schooling: Best Evidence Synthesis Iteration (BES) | Education Counts</u>

- students safe from harm. Educational workforce quality supports a strong New Zealand society and economy.<sup>3</sup>
- 3. The Teaching Council carries out regulatory functions to maintain standards of teaching quality, "to ensure safe and high-quality leadership, teaching and learning in early childhood education and schooling through raising the status of the profession." The Teaching Council's regulatory functions under the Education and Training Act 2020 ("the Act") include:
  - a. Setting standards for the profession (including professional development requirements).
  - b. Setting standards for qualifications (ITE standards).
  - c. Approving ITE qualifications.
  - d. Quality assurance and ongoing monitoring of ITE.<sup>5</sup>
  - e. Setting conduct and competence requirements (code of conduct or ethics).
  - f. Discipline, conduct, competence.
  - g. Professional leadership, advocacy, developing best practice and research.
  - h. Supporting development of education leaders.<sup>6</sup>
- 4. Each of these functions are important in our education system. When these functions are performed well, teaching practices are of consistent high quality, we have confidence that all teachers have the expected skills, knowledge and attributes to practice effectively and deliver good outcomes for learners.
- 5. The Teaching Council is comprised of 13 members, 7 of which are elected by the profession and 6 of which are appointed by the Minister of Education. The Minister also appoints the Chair and Deputy Chair. Voter turnout has been low in recent elections (8% in 2022 and 9% in 2025).
- 6. Although the Teaching Council has previously been funded by the profession through registration and certification fees, the government has paid teacher fees as part of the 2022 collective agreement, and has recently committed further funding to cover fees through to 2028.<sup>7</sup>

The Council operates with considerable independence from government

7. The Teaching Council is an independent profession-led regulator. The work of the Teaching Council's board is shaped by consultation with teachers and the education sector more broadly. There is a small amount of legislated interaction with government. Consultation with the Minister of Education is required before any changes are made to ITE standards and registration criteria. The Education and Training Amendment Bill (No, 2), currently before

<sup>&</sup>lt;sup>3</sup> Office circular (99) 6: Policy Framework for Occupational Regulation <u>www.dpmc.govt.nz/publications/co-99-6-policy-framework-occupational-regulation</u>.

<sup>&</sup>lt;sup>4</sup> Section 478 of the Education and Training Act 2020

<sup>&</sup>lt;sup>5</sup> The Council has responsibility for creating standards for teacher education programmes and a function under s 479 (i) "to conduct, in conjunction with quality assurance agencies, approvals of teacher education programmes." NZQA and the University Vice-Chancellor's Committee (delegated to the Community on University Academic Preparation) are the quality assurance agencies, with cross-tertiary responsibility for assuring that qualifications meet expected domestic and international academic standards. The Teaching Council's quality assurance process instead assures that teacher education programmes meet the standards for teacher education, which prepare a trainee to be able to meet the teaching standards, with support.

<sup>&</sup>lt;sup>6</sup> Note that a complete and more detailed list of powers and functions can be found in Section 479 of the Education and Training Act 2020.

<sup>&</sup>lt;sup>7</sup> Backing teachers: Teacher registrations funded | Beehive.govt.nz

Select Committee, will add a requirement for the Minister to be consulted before any changes are made to the Standards for the Teaching profession, or before the issuing of any practicing certificates of different kinds.

8. The Minister can request independent reports of Teaching Council functions, require a financial statement or other information related to the performance of its functions, and issue Statements of Government Policy (SoGPs) that the Teaching Council must have regard to (which it did for the first time at the end of 2024)<sup>8</sup>. Despite this, the Council's level of independence from government is at the high end in international comparison.<sup>9</sup>

There is work underway and planned to improve effectiveness of the workforce regulator and support quality teaching outcomes

- 9. There is already regulatory and non-regulatory work underway to improve the effectiveness of the workforce regulator, increase oversight of government and improve alignment with government priorities to support quality teaching outcomes. This includes:
  - a. Issuing the Teaching Council with a Statement of Government Policy, which outlined the Government's policy positions on key areas of the Council's functions, primarily focusing on the review of the Teaching Standards.
  - b. Working with the Teaching Council to strengthen teacher education outcomes by raising entry requirements and progressing changes to the ITE programme approval and monitoring requirements to better reflect curriculum priorities.
  - c. Implementing a Transparency and Accountability package to strengthen the accountability and transparency of the Teaching Council's teacher education (ITE) functions in ETAB 2. This includes:
    - a. giving the Secretary for Education a legislated advisory role in ITE standard setting, reviews and approvals,

England and Singapore sit at the end of the spectrum of fully government-led regulation, with no independent regulatory body for teachers and functions sitting within government. England splits its functions between three agencies; the Department for Education, the Teacher Registration Agency (TRA), which is an executive agency within the Department, and Ofsted (for quality assurance of ITE), which is independent but operates within a government framework.

<sup>8</sup> Statement of Government Policy Relating to Teaching Council Functions - 2024-go6031- New Zealand Gazette

<sup>&</sup>lt;sup>9</sup> Ontario, Victoria and New South Wales are all mixed models like New Zealand, but with greater government levers of control. Notably:

The Ontario Teaching Council (OTC) moved away from having a fully professionally-led board in 2021 to a 50:50 split between elected and Ministerial appointees. The Minister can also direct the OTC to undertake specific actions or intervene in cases of public concern, even in disciplinary processes.

<sup>•</sup> The Victorian Institute of Teaching's (VIT) Board is fully appointed by the Minister, and the Minister has other oversight measures such as approving the ITE standards that VIT develops, meaning the VIT plays an advisory role only in key functions.

<sup>•</sup> The NSW Education Standards Authority differs from most other Australian states in its high level of government-control. It is a statutory authority and its board is fully appointed by the Minister, the CEO is a public sector employee and can be directed by the Minister, and it is subject to all public sector governance requirements.

- b. broadening the Council's consultation requirements under the Education and Training Act 2020 (the Act) to include consulting the Minister before making changes to standards for ongoing practice and criteria for the issuing of practicing certificates, and
- c. requiring the Council to report on their response to Statements of Government Policy through their annual report.

### What is the policy problem or opportunity?

The Government wants an effective regulator focused on delivering its legislated functions and supporting quality teaching outcomes

- 10. Teacher workforce regulation has been a contentious area for the best part of a century. 10 Through the Teaching Council, we currently operate a mixed model of regulation. The Council is majority profession-led, with some levers for Government influence to reflect the substantial government and public interest in education workforce regulation. Teacher workforce regulation in New Zealand is mostly profession-led because it was hoped that more teacher voice in the professional body would lead to improved teaching practice and teaching status.11
- 11. When workforce regulation is done right, it acts as a powerful lever to assure quality workforce outcomes, by setting clear expectations for who can enter the profession and how they must continue to meet standards over time. It ensures that only individuals who meet specific standards are allowed to begin and continue practicing.
- 12. The current regulatory model is ineffective, and the public interest is not being met. Teacher training outcomes have been a long-standing area of concern for schools employing new teachers who believe that many new teachers enter the workforce underprepared and lacking confidence in critical areas.12 We have limited visibility of the quality of teaching delivered by already practicing teachers, and few levers for government to regulate teaching practice.
- 13. The appropriateness of a profession-led regulatory model operates on the underlying assumption that the profession can set appropriate standards and hold themselves to account for quality. This assumes the profession is sufficiently esteemed to recruit high quality new teachers (including through levels of remuneration and working conditions), deliver high quality training and preparation for new and beginning teachers, maintains

NZEI, Initial Teacher Education 2040 (2022).

Ready, set, teach: How prepared and supported are new teachers? Education Review Office (2024). Teaching and Learning International Survey of New Zealand, Ministry of Education (2018)

Fit for purpose: Teachers' own learning experiences and lessons about standardisation from the health sector. NZIER (2024)

Royal Society, Pāngarau Mathematics and Tauanga Statistics in Aotearoa New Zealand (2021) - Drawing on TIMSS data from 2019

<sup>&</sup>lt;sup>10</sup> Alcorn. N (2019). Between the profession and the state: A history of the Education Council of Aotearoa New Zealand.

<sup>&</sup>lt;sup>11</sup> Winter, Baker, Aitken and Morris (2012). *Review of the New Zealand Teachers Council. A Teaching profession for the 21st Century.* 

<sup>&</sup>lt;sup>12</sup> Winter et al (2012). Review of the New Zealand Teachers Council. A Teaching profession for the 21<sup>st</sup> Century The NZ Initiative (2023). Who Teaches the Teachers?

Post Primary Teachers Association (2022). Initial Teacher Education: Is it fit for Purpose? <u>AC paper - NCEA Change Package update</u>

- universally high levels of teaching and leadership capability, and is fully committed to exiting non-performers.
- 14. Unfortunately, these assumptions are not being met. Employers continue to raise significant concerns about the quality of graduates entering the teaching workforce, research indicates significant weakness in core capabilities of teachers required to teach the national curriculum (eg maths, structured literacy and classroom management). These are priority areas of focus for the government which a profession-led Council has not demonstrated it is well equipped to address.
- 15. Additionally, as outlined above, the Government has recently committed to cover teacher fees and levies through to 2028, which will cover most of the Council's operating costs. This means that the Government has a significant financial interest in the Council's operations without the levers to ensure legislated functions are being delivered in the most effective and efficient ways and that quality teaching outcomes are being achieved.

The Council requires a strategic focus to meet the government's expectations and deliver alignment with broader system priorities

- 16. Having an effective Council is important to ensure the professional body is well run, delivering its legislated functions, and focused on supporting quality teaching and high standards of the profession. This in-turn supports safety and high educational outcomes for learners. Having the right mix of people and skills on the Council is an important factor in ensuring effective governance of the Council in exercising its statutory functions.<sup>13</sup>
- 17. Under the current process a minority of Ministerial members are appointed after elected members are voted for.<sup>14</sup> This is intended to ensure that the Council has the right mix of collective skills, competencies and knowledge, and the legislation requires the Minister to ensure that the public interest is reflected in the Council.<sup>15</sup> It is important that Ministerial appointments are strongly focused on the needs of the governing Council to balance the representative focus of the elected members. Ministerial appointments help to fill skillsets elected members are less likely to have, such as expertise in governance, financial oversight, use of digital technology by Council and schools, and Māori and Pacific education.
- 18. The current balance of elected and Ministerial members prioritises sector representation over strategic governance expertise and capabilities, which are required to be filled by Ministerial appointments. This has resulted in the Council sometimes failing to have sufficient focus on their core regulatory role and functions rather than their professional enhancement and engagement functions. This focus is evident in the Teaching Council's strategic plan 2024-2029 where there is little to no mention of the Council's core functions of certification, discipline and compliance and Initial Teacher Education approval and quality assurance.<sup>16</sup>

<sup>&</sup>lt;sup>13</sup> Elements of effective governance — Office of the Auditor-General New Zealand

<sup>14</sup> Section 476 of the Education and Training Act 2020 specifies what the Minister needs to consider when appointing Council members.

<sup>&</sup>lt;sup>15</sup> As part of considering whether to appoint a member to the Council, the Minister must take into account the duties of a member of the Teaching Council and represent the public interest (Section 476(4)(a) of Education and Training Act 2020.

<sup>&</sup>lt;sup>16</sup> TC-Strategic-Plan-2024-2029.pdf

19. The dominance of representative rather than skill-based positions also risks the misalignment between the Council's priorities and focus with and broader system improvement settings.

The Minister wants a Council that is majority-Ministerially appointed as a first step in a broader work programme to address these challenges

20. The challenges relating to effective delivery of the Council's regulatory functions are significant and will not be addressed solely by changing the balance of appointments and elected members on the Council. This proposal is part of a suite of proposals being progressed as part of ETAB2 9(2)(f)(iv). It is a about complementing the ETAB2 transparency and accountability package changes, and putting the building blocks in place for more fundamental changes in the medium-term, which will look at roles and functions of the Council.

#### What objectives are sought in relation to the policy problem?

- 21. This proposal intends to improve quality teaching through improving the effectiveness of the workforce regulator and its ability to deliver its legislated functions. It seeks to do this by:
  - improving the strategic and governance capability of the Council, and
  - increasing the Council's alignment with broader system settings and priorities.

#### What consultation has been undertaken?

- 22. The Minister has directed that this proposal be progressed through ETAB2. ETAB2 is currently being considered through the Select Committee process. Therefore, the only option for including this proposal in ETAB2 is via an Amendment Paper at the Committee of the Whole House stage.
- 23. Given these timelines, we have not been able to undertake any public or sector consultation and the sector will not be aware of the proposal at the time of its inclusion in ETAB2.
- 24. The most direct impact of this proposal will be on the members of the Teaching Council, especially the elected teacher educator representative. We will inform the Chair of the Teaching Council of the proposal prior to the tabling of the Amendment Paper.
- 25. While no direct consultation has been undertaken, from previous reviews of the Council<sup>17</sup>, we expect the broader sector is likely to object to the proposal as the Council will no longer be majority sector-elected and will be seen as less independent from government. This was also a concern that was raised through consultation undertaken on a related, but separate proposal, to lift and shift some Initial Teacher Education functions from the Council to within the Ministry for Education in 2024. Stakeholders in this targeted consultation process raised concerns about any changes that were seen to undermine the independence of the Council and risk politisation of its functions.

Winter, Baker, Aitken and Morris (2012). Review of the New Zealand Teachers Council: A Teaching Profession for the 21st Century. Report to Hon. Hekia Parata, Minister of Education.

- 26. The risks of no consultation may be seen through reduced sector buy-in and therefore influence of the Teaching Council in the sector. These risks are balanced against the known low current engagement with the Council (8% voter turnout rates).
- 27. The Treasury, Department of Prime Minister and Cabinet, Public Service Commission, Ministry for Regulation, Parliamentary Counsel Office, New Zealand Qualifications Authority and Educational Review Office were consulted on these proposals.

## Section 2: Assessing options to address the policy problem

#### What criteria will be used to compare options to the status quo?

28. The Ministry has assessed the options based on the following criteria and compared them against the status quo. These criteria have been developed to assess whether the policy solutions will achieve the overall objectives.

Criteria	Description
Effective governance through Ministerial oversight of skills and capability mix	The option supports the Council to hold the right mix of skills and strategic capability to support effective governance through the balance of appointed and elected members.
Increased alignment with system priorities to support quality teaching outcomes	The option supports increased government oversight of the Council to minimise the risk of misalignment between the Council's priorities and focus with and broader system improvement settings to support safe and high quality teaching and leadership.
Implementation	The option minimises cost, time and disruption, which could negatively impact on the effectiveness of the regulator and its ability to deliver its functions.
Sector representation and voice	The option supports sector representation and voice in the governance of the Council to support the delivery of safe and high quality teaching and leadership.
Te Tiriti	Extent to which the option gives effect to Te Tiriti o Waitangi <sup>18</sup>

<sup>&</sup>lt;sup>18</sup> Criterion reflects the Ministry's obligations under section 4(d) of the Education and Training Act 2020.

#### What scope will options be considered within?

#### Scope of options

- 29. This proposal sits as part of a suite of reforms the Minister is progressing to address the challenges with the Council's strategic capability, alignment with system settings and priorities and delivery of its regulatory functions to lift teaching quality.
- 30. A package of transparency and accountability proposals are already included in ETAB2 that give the Minister and the Secretary for Education more active oversight, which complement this proposal. Therefore, broader transparency and accountability measures to support improved strategic capability and alignment were considered as options here.
- 31. Further to this, the Minister is progressing a suite of system changes that impact on the role and functions of the Council 9(2)(f)(iv)

  Changes that aim to directly improve the regulatory performance of the Council's functions are considered in this package.
- 32. Ministerial direction was to deliver a Ministerially-appointed majority on the Council. The proportion of elected and Ministerially-appointed members are set out in s 475 of the Education and Training Act 2020.
- 33. For this reason, we have not considered non-legislative options and have discounted options that could partially achieve the objectives in other ways, as these options are considered as part of ETAB2 9(2)(f)(iv). For example, broader options that would impact on the priorities, role and functions of the Teaching Council 9(2)(f)(iv).
- 34. The problem of the skills-mix and balance of membership of the Council is specific to this proposal. However, we have discounted the option of specifying in the legislation any criteria or requirements for elected members to ensure they had stronger strategic capability and governance skills. Legislating any such requirements would undermine the democratic process that is currently run by the Council to elect members.
- 35. We also discounted the option of being more specific on the required skills of appointed members. These are already set out in the legislation and sufficiently cover the skills and expertise to be taken into account. The challenge is the balance of these members against elected representative members.

#### **Timeframe**

36. The Minister has directed that this proposal be progressed through ETAB2. Given the progress of ETAB2 through Select Committee processes, our only option for including this proposal in ETAB2 is via an Amendment Paper at the Committee of the Whole House stage. This limits the ability for consultation on the proposal and has resulted in the rapid development of this policy advice.

#### What options are being considered?

- 37. In addition to the status quo, we have considered three options that would meet the Ministerial direction of changing the Council's governance arrangements, so that the majority of the Council's members are Ministerial appointments. These are:
  - a. Option 1: Adding Ministerially-appointed members
  - b. Option 2: Removing elected members
  - c. Option 3: Shifting an elected member to a Ministerially appointed member.

#### Status Quo

38. The Council continues in its current governance, with 7 elected members and 6 Ministerially appointed members. Elected members are a teacher and a school/centre leader from ECE, primary and secondary settings and a teacher educator representative.

#### Option 1: Adding Ministerially appointed members

39. Option 1 would require adding at least two Ministerially appointed members to the Council so that there is a majority of Ministerially appointed members. This would mean there would be 8 Minister-appointed, and 7 elected members, for a minimum Council size of 15 members. Limiting the number of additional members to 2 is most cost-effective and limits the impact on decision making. This option would require a legislative change to s 475(1)(a) of the Act to raise the number of Ministerially appointed members on the Council.

#### Option 2: Removing elected members

40. Option 2 would mean removing elected members. To achieve a Ministerially-appointed majority, at least 2 elected members would need to be removed, which would mean 6 Ministerially appointed, and 5 elected members, a total of 11 members. This option would also require a change to s 475(1)(b) of the Act to lower the number of elected members on the Council. This would require decisions about which members to remove. Removing 2 members would change the balance between members representing ECE, primary and secondary settings on the Council.

Option 3: Removing the teacher educator representative elected member and adding a Ministerially appointed member (preferred option)

- 41. Option 3 would mean removing an elected member position and adding a Ministerially-appointed member, resulting in 7 Ministerially appointed and 6 elected members, with the total number of Council members remaining at 13. We recommend removing the teacher educator elected position to maintain the balance of 2 elected members from each of the ECE, primary and secondary schooling sectors.
- 42. This would require amending the Education and Training Act 2020 to:
  - a. amend section 475(1) (a) and (b) to provide for 7 Ministerially appointed members and 6 elected members of the Council
  - b. remove the requirement for a teacher educator representative from the composition of the elected members of the Council (section 475 (1)(b)(iv))
  - c. remove regulations related to the role of the teacher educator representative in s 475(2), 477(2) of the Act and the Teaching Council of Aotearoa New Zealand Election Rules 2018 and,

members continue in their positions.

d. enable transitional provisions that allow for the change to occur while the remaining

## How do the options compare to the status quo/counterfactual?

Criteria	Status Quo	Ministerially-annointed	Option 2: removing elected members	Option 3: transitioning an elected position to an appointed member
Effective governance through Ministerial oversight of skills and capabilities	0	This option gives the Minister more oversight over the skills and strategic capability of the Council and the ability for added members to be targeted to skills not currently held by Council members.  However, this will result in an extremely large Council, undermining the benefits of adding additional skills and capabilities to the Council.	'	This option allows the Minister to add 1 further Ministerial member, which may improve the coverage of the range of skills and experience needed by the Council.  This option would not change to the size of Council.
Implementation	0	There may be small costs involved with adding two new members. However, these costs are likely to be	Removing two members could present a small cost saving to the Council's operating costs.  However, this option would potentially require a reelection if the Minister	There may be a small cost to dismiss an elected board member and appoint a new one, and possibly a small ongoing increase in fees for an additional Ministerially-appointed member (also

		low depending on the appointments. <sup>19</sup> This option would not impact any currently elected members, but would require the Ministry to run an appointment process for at least two new members, which will take time and have a small cost.	wants to maintain the elected members democratic mandate (which will also cost the Council). It would also be most disruptive to the existing Council and face the strongest sector push- back, potentially impacting the ability for the Council to effectively deliver its regulatory functions during the disruptive transition process.	elected members. There would need to be an appointment process run by the Ministry and there will be some disruption to the Council through this
Increased alignment with system priorities to support quality teaching outcomes	0	+ Ministerially appointed majority supports greater alignment with system priorities to support quality teaching outcomes. But doing so in an extremely large Council is likely to reduce the impact of this.	++  Ministerially appointed majority supports greater alignment with system priorities to support quality teaching outcomes.	++  Ministerially appointed majority supports greater alignment with system priorities to support quality teaching outcomes.

<sup>&</sup>lt;sup>19</sup> Under the Cabinet Fees Framework, it is the employment status of the appointee that determines whether they are eligible to have fees paid, and this applies equally to elected and appointed members. For example, if the new appointee was an academic like the current elected person, they will only be able to claim fees as secondary employment if their contract allowed them to do this.

Sector representation and voice	0	- Ministerially-appointed majority dilutes the voice of elected members, and may be perceived as negatively impacting the independence of the Council. However, this option ensures there is still representation across the sector and doesn't remove the voice of the teacher educators.	Ministerially-appointed majority dilutes the voice of elected members, and may be perceived as negatively impacting the independence of the Council.  Removing two elected members has the biggest impact on sector representation.  There would likely be more sector opposition to the removal of more recently elected members.	- Ministerially-appointed majority dilutes the voice of elected members, and may be perceived as negatively impacting the independence of the Council.  There would be loss of sector voice from removing an elected member, but this may be less significant than removing more than one member.
Te Tiriti	0	As Ministerial appointments help fill specific skill-sets, including in Māori education, this option could support stronger voice for Maori in the Council. However, it could also be viewed as undermining the voice of Māori teachers and professionals, by taking	This option wouldn't provide any additional appointed members on the Council and therefore won't create space for additional Māori voices. It could also be viewed as undermining the voice of Māori teachers and professionals, by taking away the majority elected members.	As Ministerial appointments help fill specific skill-sets, including in supporting high quality outcomes for Māori students, this option could support stronger voice for Maori in the Council. However, it could also be viewed as undermining the voice of Māori teachers and professionals, by taking away the opportunity to

		away the majority elected members.		elect the majority of members.
Overall Rating	O	This option allows the Minister to add more members with desirable skillsets, and supports alignment with broader system priorities.  However, it grows the size of the Council, which is already large, adding governance complexity.  This option would likely generate some sector opposition to the loss of perceived independence of the Council, but likely less than the other options.	This option supports alignment with broader system priorities and reduces the overall size of the Council to support effectiveness.  However, this option is the most disruptive and has the biggest impact on retaining a representative sector voice on the Council and likely the biggest impact on Te Tiriti outcomes.	disruptive impact, though not as much as other options and though it

## What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

- 43. Option three best meets the criteria and best balances the benefits and risks of moving to a Ministerially-appointed Council.
- 44. It will enable the Council to have a Ministerial majority, providing greater opportunity for the Minister to appoint for specific strategic governance skillsets on the Council. It also reduce the current dominance of sector representative views that can risk alignment with broader system priorities an improvement settings.
- 45. This option will not change the overall size of the Council which is already large compared to other similar entities, or reduce teacher and leadership representation. 9(2)(g)(i)
- 46. The most significant risk of losing the education sector representative voice is partially mitigated by the fact the Ministerial appointees are designed to meet the necessary skills gaps in the Council, which can include education sector skills if required.
- 47. All three options have the risk of volatility and disruption to the Council if the membership changes with changes in government. However, appointments are all for three-year terms, and are always subject to change on this cycle.
- 48. Raising the size of the Council under Option 1 could create more challenges in achieving effective governance that outweigh the benefits of adding additional skills. Reducing the number of elected members by at least two (Option 2) would lead to far greater loss in sector voice and representation and be more disruptive to the Council, impacting its effectiveness.

## Is the Minister's preferred option in the Cabinet paper the same as the agency's preferred option in the RIS?

49. Option three is Minister Stanford's preferred option. Out of the options to shift a Ministerially-appointed majority on the Council, it is also the Ministry's preferred option.

## What are the marginal costs and benefits of the preferred option in the Cabinet paper?

Affected groups (identify)	Comment nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.	Impact \$m present value where appropriate, for monetised impacts; high, medium or low for non- monetised impacts.	Evidence Certainty High, medium, or low, and explain reasoning in comment column.
Additional cost	s of the preferred option	compared to taking no a	ection
Regulated groups	Sector may view the change in the Council	Low (non-monetised) – only impacts softer	Medium – engagement

(Teacher education providers, teachers)	from elected majority to Ministerially-appointed majority as a cost to the independence of the Council, which could result in reduced engagement with the Council, reduced effectiveness for its softer influencing functions (and lack of nominations to fill elected places).	influencing functions not on its delivery of core regulatory responsibilities e.g. certification and discipline/compliance	with the Council in terms of voting rates is already low, but it is unclear the extent to which changes to majority membership will flow through to further engagements.
Regulators (Teaching Council, the Ministry, ERO, NZQA, CUAP)	Teaching Council carries out removing of teacher educator and appointing new Ministerially-appointed member, and faces instability during transition/appointment of new member.  Potential small financial cost to the Council of fees for additional Ministerially-appointed member (24k p/a)  No broader impacts on other regulators interacting with the Council.	Teaching Council: Low (monetised) Transition costs plus possible \$24k p/a for member fees (noting that the Council mays for all members whether elected or appointed). Ministry: Low (monetised) cost of running an appointment process for one member.	High – although ongoing cost of new member dependent on who is appointed
Others (Education leaders, schools)	No or negligible impact on those not directly affected by the work of the Teaching Council	Low	High
Total monetised costs	Low	Low (Transition costs and possibly \$24k p/a additional member fees)	High
Non-monetised costs	Low	Low	High

Additional benefits of the preferred option compared to taking no action					
Regulated groups (Teacher education programmes, teachers)	Regulated parties benefit from a more effective Council, supporting improved engagement with their Council	Medium	Medium.		
Regulators (Teaching Council, the Ministry, ERO, NZQA, CUAP)	The Council benefits from improved strategic and governance expertise	Medium	Medium		
Others (Education leaders, schools, students, whānau)	Improved Teaching Council effectiveness can support quality teaching outcomes which will have positive effects for schools, students and communities	Wider community: High  Education leaders and schools: High	Medium – There is still some uncertainty that improved regulatory effectiveness will directly support quality teaching outcomes.		
Total monetised benefits	Low	Low	High		
Non-monetised benefits	Medium System benefits from improved capability of the Council and improved coherence of guidance and support around teaching quality	Medium-high	Medium  Benefits of improved approach likely to be long term and one part of government work to improve teacher quality		

## Section 3: Delivering an option

## How will the proposal be implemented?

- 50. An Amendment paper to ETAB2 will be drafted. This amendment paper will amend the Education and Training Act 2020 to:
  - d. amend section 475(1) (a) and (b) to provide for 7 Ministerially appointed members and 6 elected members of the Council;
  - e. remove the requirement for a teacher educator representative from the composition of the elected members of the Council (section 475 (1)(b)(iv)); and,

- f. enable transitional provisions that allow for the change to occur while the remaining members continue in their positions.
- 51. The Amendment paper will be introduced at the Committee of the Whole House stage of ETAB2, and will be passed as part of the final Bill.
- 52. Following royal assent of the Bill, the Council will inform the teacher education representative that their position has been disestablished, and they will be removed from the Council. The Minister will commence the appointment process for a new member following normal appointments procedure. No other member of the Council will be affected.
- 53. Ongoing implementation of these new governance arrangements will be influenced by any further changes to the Councils accountability and transparency settings, and broader changes to its functions, powers and governance that are being considered in the wider work programme to strengthen regulation of the teaching workforce.
- 54. The long-term operating state and impact will form part of the resulting change from all of these reforms combined. However, we note that as a direct impact of these proposals, the Council will need to consider how to ensure continued sector voice in their work, for example, through the continued practice of consultation on changes to its policies.
- 55. It will also need to determine if there will be any monetary impacts and if these have flow-on implications for teacher fees and levies. If there are flow-on impacts, we expect these would be very small. However, they could trigger the need for a review of fees and levies and a consultation process, as required under legislation. This could result in a small rise in fees, which could also impact on the government in the short-term given the government is covering fees and levies for teachers until 2028.

### How will the proposal be monitored, evaluated, and reviewed?

- 56. The Council's annual reporting to Parliament provides a mechanism for monitoring the performance of the Council.
- 57. The other proposals in ETAB2 that provide greater transparency and accountability to the Minister and the Secretary for Education will give visibility of the extent to which the governance of the Council has improved the quality of teacher education and alignment with wider government priorities. For example, by requiring consultation with the Minister and Secretary on key functions, and through reporting to Parliament on how Statements of Government Policy have been taken into account.
- 58. Further evidence of the impact of the impact of the proposal will be collected through the Council's initial teacher education programme monitoring and government's periodic surveying of employers views of the quality of graduates entering the workforce
- 59. This proposal forms one part of wider government work to improve teacher quality that we expect will deliver improved system performance and student outcomes over time. However, benefits are likely to be long term, and due to the concerted effect of the whole package of reforms.