

Fee and levy FAQs

Why is the fee going up so much?

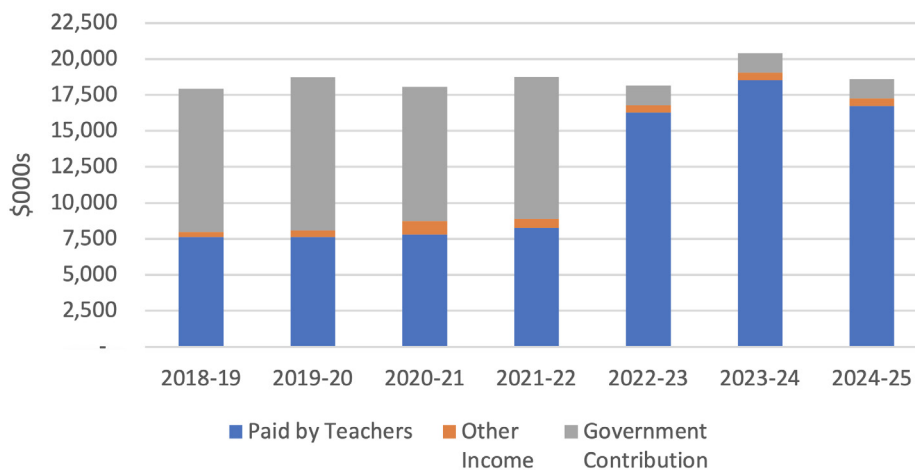
For clarity, the costs of the Council are not increasing, but who pays is changing; teachers will now have to pay the full price of their registration and certification.

Since 2015 when the Council was established (in its various iterations, 'Education Council' and 'Teaching Council') the Government has provided transitional funding, effectively subsidising the fees teachers' pay for registration and practicing certificates at approximately 60 percent.

This funding ends on 1 July 2022, leaving the Council with a significant shortfall in its operating costs and only one source of income to cover this - that is, fees and levies paid by teachers and holders of LATs.

There has been no increase in fees for 12 years. The Council's operating costs have not increased significantly since 2018, but who pays is changing - from the Government to teachers. The Government has been clear that its expectation is the Council should be financially independent, as an independent statutory body.

Revenue by source



Notes

- The government contribution excludes the funding provided to develop the on-line application system (Hapori Matatū)
- The government contribution provided in 2020-21 and 2021-22 has been smoothed as the timing of the payments distorted the totals in those years (\$3M transferred from 2020-21 to 2021-22)
- Fee and levy income fluctuates year by year as application volumes change
- Other income includes contributions from ITE providers, costs awarded from conduct matters, and interest income from Council reserves.

Please note the fee and levy we're talking about is for three years, so for renewal of a practising certificate this equates to \$154.79 per year (\$464.37 every three years). For more information on the costs for different application types please refer to this table on our website.

Why is the overall amount almost the same as what was proposed in 2020?

The fee and levy have been set to reflect actual and reasonable costs based on analysis of the Council's operating costs. These costs reflect changes including savings of approximately \$2.7M over the three-year fee and levy setting period. However, they are largely the same as outlined in the 2020 consultation.

How can you increase the fee when you lost the Judicial Review taken by PPTA?

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 meant the Council needed to consult again to establish the level for the fee 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. That amendment took effect from 20 November 2021.

Teachers asked you to cut costs and save money - what have you done?

During the cost analysis for the first consultation, the Council was able to identify cost savings of about \$1.2M over the next three years which were included in the proposals for the fee and levy.

In their feedback on this stage of the consultation, teachers asked us to look again at our operational costs. We were able to identify further savings of approximately \$1.5M over three years and in a later re-consultation, asked teachers and holders of LATs how these additional savings should be distributed.

These additional savings mean a further reduction in the overall quantum of the fee and levy can be applied.

Overall, we have been able to find approximately \$2.7M in cost savings over the three-year period.

How are the \$2.7M in savings over three years broken down?

Forecast savings identified and reflected in the new three yearly fee and levy announced to the profession on 1 June 2022.

Forecast saving	Approximate amount	Description
Reduction in legal expenses related to conduct matters	\$0.400m	Includes anticipated benefits of legislation changes (this is \$100k lower than first anticipated due to changes at the Select Committee stage).
Reduction in hearing costs related to conduct matters	\$0.100m	Increased use of on-line hearings
Insurance	\$0.120m	Council no longer insuring for judicial reviews (as premium made it uneconomic)
Investment in Hapori Matatu	\$0.450m	Changes to Hapori Matatū will be prioritised and where possible will be deferred.
Reduced travel costs	\$0.300m	Reduced travel across the Council reflecting the increased use of on-line meetings.
Personnel cost savings due to vacancies during the recruitment process	\$0.390m	Positions are often vacant for a period of time while replacement employees are recruited. This saving has been included as an anticipated cost reduction.
Reduction in funding allocated for delivering strategic projects	\$0.300m	
Recoveries from ITE institutions to better reflect the cost of this function	\$0.400m	
Improvements in the registration and renewal of practising certificates	\$0.240m	
Total	\$2.700m	

Teachers didn't agree with the Council having expanded functions so why should we pay for them?

The functions the Council are required to carry out are set out in the Education and Training Act 2020. They reflect both teachers' and the public's interest in a high-quality, trusted, and effective teaching profession.

The functions we must do are those things that you would expect to be led by teachers rather than any other party. For example, setting the *Standards for the Teaching Profession | Ngā Paerewa mō te Umanga Whakaakoranga* and *Code | Ngā Tikanga Matatika mō te Haepapa Ngaiotanga*, setting expectations for Initial Teacher Education and registration, and holding teachers to account for their conduct and competence.

In addition, there are other functions that are no longer mandatory. These functions require the Council to seek approval from the Minister of Education. They will not be paid for by teachers but instead by the Government.

Why are you charging a levy? This is just another way of taxing teachers.

The costs now associated with the levy are not new costs – rather a change in our legislation has clarified that charging a levy is a more appropriate way of collecting this part of our operational costs.

Why did you use historic inflation as part of the cost modelling for consultation on the proposed fee and levy?

The estimate of the impact of historic inflation played no part in the assessment of the Council's projected costs over the proposed fee and levy period.

The projected costs used actual audited amounts as the starting point and a conservative estimate of future inflation. The historical inflation estimate was used to provide some insights into the probable drivers of increases to the Council's historical costs, over the period prior to the proposed fee and levy period.

You said you've consulted with the teaching profession, but you haven't listened when we said we didn't want an increase in the fee.

The Council has carefully considered and analysed all the information and feedback provided during the consultation and this analysis has helped us make final decisions regarding the fee and levy.

It is important to understand that consultation does not necessarily involve negotiation to reach agreement. However, an important part of engaging in consultation is to ensure that those affected have all the necessary information to make an informed response, and that adequate time is provided to do this.

Did you talk to your other stakeholders?

Prior to consultation with the teaching profession, the Council engaged with its key stakeholders to provide them with opportunities to fully interrogate detailed information about the Council's costs and discuss the consultation process.

As the Council has worked towards becoming financially independent, we have continued to engage with stakeholders, keeping an open-door policy and committing to keeping them informed every step of the way.

How many teachers were consulted?

We sent the consultation documents to 148,000 teachers and professional leaders on our database.

The consultation documents were also shared with our stakeholder and peak body groups.

A total of 6,078 submissions were received during the initial part of our consultation.

A total of 2,120 online responses were received responding to our second consultation document, along with nine written submissions.

Nicola Ngarewa said to the Select Committee any new consultation on fees would be done differently. What's different?

We have focused on making sure stakeholders and peak bodies have had opportunities to fully interrogate detailed information about the Council's costs and discuss the consultation process,

We also provided additional information and clarification to stakeholders and peak bodies when this has been requested.

Because stakeholders raised concerns about teachers and holders of LATs being under pressure in their personal and working lives, we made sure the consultation period provided plenty of time for respondents to consider the information and make their response.

We have provided much more information about what the Council does, more detailed information about our cost assumptions and financial modelling, and the value of a professional body.

We also reconsulted with stakeholders/peak bodies, teachers, and holders of LATs before taking decisions on two new options so we could hear what you thought, rather than assume we knew from earlier feedback.

As a result of feedback, what has changed from the original proposals you presented to us in February this year?

A full outline of decisions can be found [here](#).

Decisions that reduced the amount teachers and holders of LATs pay include:

- We undertook further analysis of the Council's expenditure and identified additional savings over three years of about \$1.5M.
- We re-examined the amount of the additional fee charged for teachers seeking to move from Tiwhikete Whakaakoranga Tōmua | Provisional Practising Certificate or Tiwhikete Whakaakoranga Pūmau | Full (Category Two) Practising Certificate to Tiwhikete Whakaakoranga Tūturu | Full (Category One) Practising Certificate and were able to reduce the cost of this fee to \$48.00 (previously \$81.77; proposed \$100.00).
- We re-examined the proposed amount for the levy for holders of LATs and determined that there was a rationale for proposing a further reduction in their levy. This was based on the argument that they received less benefits from being part of a profession than teachers. After re-consultation on options for distributing additional savings was completed, we decided to use some of these to lower the LAT levy by \$118.34.
- This decision meant that the additional savings were also applied to practising certificate renewals, resulting in a reduction to the levy charged to teachers of \$7.84 per application.
- The late fee remains unchanged at \$50.00.

What are you going to do with the huge influx of cash that you're going to get once teachers start paying this increased amount?

The Council has been meeting about 60 percent of its operating expenses using transitional funding provided by the Government. This funding ends on 1 July 2022.

Our operating expenses have remained largely the same since 2018, despite the impacts of inflation, because we have been able to introduce service efficiencies such as the online application system Hapori Matatū.

We also identified savings of about \$1.2M during our analysis for identifying the level of the proposed increase to the fee and levy. Following feedback from respondents during consultation, we identified further savings of about \$1.5M and options for distributing these were presented to teachers, holders of LATs and stakeholders/peak bodies in the subsequent re-consultation.

When will the new fee and levy increase start?

The new fee and levy will take effect from Monday 11 July 2022.

You can renew your practising certificate up to three months before its expiry date. If your PC is due to expire, you may want to complete your application before 11 July so that you can renew at the current rates.

Teachers can't afford to have their fees increased - why can't you reduce the activities you do and save money that way?

The Council must do all the work associated with its mandatory functions. However, we have looked carefully at our operating costs and have managed to reduce budgeted expenditure by about \$2.7M over the next three years.

Why can't employers pay the fee?

Previously some collective agreements included provision for the registration and certification fee to be paid by employers, however subsequent negotiations agreed these provisions would be removed.

If a centre, school, or kura where teachers are covered by a collective agreement wants to offer different employment terms or conditions from what is in the collective agreement, they must seek Ministry of Education approval. This approval is called [concurrency](#).

Some ECE settings can pay teacher registration and certification because their staff may not be covered by a collective agreement.

Why do teachers who want to move from Tiwhikete Whakaakoranga Tōmua | Provisional Practising Certificate or Tiwhikete Whakaakoranga Pūmau | Full (Category Two) Practising Certificate to Tiwhikete Whakaakoranga Tūturu | Full (Category One) Practising Certificate have to pay more?

Processing these applications requires additional work compared to other applications.

The Council has undertaken further analysis of the costs associated with processing these applications. It has re-calculated the actual and reasonable cost from \$81.77 to \$48.00, which is reflected in the final decisions on increases to the fee and levy.

Why can't there be a sliding scale based on income for the fee and levy?

While we appreciate that this may be viewed as a desirable option for different groups of teachers, current legislation does not give the Council the power to set fees and levies that differentiate between teachers based only on income.

Why should I pay for conduct and competency costs when I have never had any problems raised about my practice or behaviour?

Teachers all have an interest in high standards of conduct and competence being maintained within the profession, to ensure tamariki and rangatahi have good learning experiences, and to safeguard the reputation of the profession.

Why are teachers paying for a leadership centre? We didn't agree to fund this!

The Council doesn't charge teachers for work associated with the leadership centre – this is and always has been funded by the Ministry of Education.

The Council's leadership functions in the Education and Training Act 2020 are no longer mandatory and the Council is required to seek approval on its programme of work from the Minister of Education. These activities will be paid for by the Government, not teachers.

Why do I have to pay for some of the costs associated with Initial Teacher Education? It's been years since I trained as a teacher!

Teachers all have an interest in ensuring that the requirements that have been determined for selecting and educating the next generation of teachers are met, as this is one of the ways that you and the public know the profession continues to be high-quality, trusted, and effective.

ITE Providers pay for the costs related to approval of their own programmes.

I'm a relieving teacher and this increase is so hard for those of us who only work a day or two a week – if that. Why can't there be a pro rata rate for relievers?

While we appreciate that this may be viewed as a desirable option for some relieving teachers, current legislation does not give the Council the power to set fees and levies that differentiate between teachers and holders of LATs based on income, or type of work.

I would love a clear breakdown of exactly where all this money goes.

You can find out more about how the Council allocates costs to different work streams in the full [consultation document](#).

Are we going to get a payment by instalment option to pay the fee and levy?

Feedback from consultation didn't strongly support a Buy Now Pay Later option, but we will continue to explore the viability of other payment by instalment options.

You can find out more information about work to date on the payment by instalment option [here](#).

Will you be charging a late fee?

The late fee will remain at \$50.00 - it applies only to teachers who have submitted their application for renewing their practising certificate after its expiry date.

Why haven't we seen all the consultation feedback?

You can find more information about feedback from the first consultation [here](#) and further feedback from re-consultation [here](#).

The Government should be funding the Teaching Council, so teachers don't have to pay fees.

The Council went back to Government to seek further funding. However, the Minister has been clear that the expectation from Government is that the Council will be self-funding going forward.

Why is the Council running PLD and charging teachers for it? We don't want it and there are already lots of PLD providers.

From time to time the Council offers webinars, seminars and workshops on topical issues that relate to the work associated with our mandatory functions e.g., Professional Growth Cycle workshops. However, we don't charge a registration fee for these, and many are now delivered online, which helps keep them cost-effective.

Why does the Council waste teachers' money on publishing the Ako journal?

The Council doesn't publish the Ako journal - it is published by NZEI Te Riu Roa for its members but is undoubtedly of interest to all members of the teaching profession.

Why do I have to keep renewing my practising certificate every three years and paying the fee and levy for this? I'm an experienced teacher.

The Education and Training Act 2020 requires that a practising certificate is renewed at least every three years. Having a regular cycle of renewal provides assurance that every teacher is meeting the *Standards for the Teaching Profession* | *Ngā Paerewa mō te Umanga Whakaakoranga* in an ongoing way and has a current police vet. This builds the confidence of the public in the quality of teachers and teaching.

Why do we need the Teaching Council?

The Teaching Council is a teacher-led regulatory and professional organisation. The majority of its Governing Council are teachers, voted in by teachers (with some Ministerial appointments).

As a professional body, the Council's purpose is to ensure safe and high-quality leadership, teaching and learning for all tamariki and rangatahi in early childhood, primary and secondary schooling, in English and Māori medium settings, through raising the status of the profession.

Our work includes ensuring teachers are qualified, remain up to date in their professional growth and learning and when problems arise for individual teachers, that robust processes are in place to support them and to keep tamariki and rangatahi safe and flourishing in their learning setting

The Council is responsible to teachers, but also to the public - to whānau, families and communities - who entrust the care and education of their tamariki and rangatahi to the teaching profession. This is why our regulatory responsibilities are so important, but also why teachers have placed so much importance on key policies such as *Our Code, Our Standards* | *Ngā Tikanga Matatika, Ngā Paerewa*.

Most professions have professional bodies - nurses, social workers, lawyers, accountants etc. All are funded by members, for members, to ensure ongoing professionalism, regulation, and discipline of their profession, giving confidence to the public. Teachers are no different.

Who runs the Council?

The Teaching Council is an independent statutory body governed by a Council that has 13 members.

- Seven of those members are elected from the profession - your peers and colleagues.
- Six are appointed by the Minister from the education landscape to ensure full representation, including representing diverse cultural identities and ensuring gender representation.

Find out more and meet your Governing Council [here](#).

The Governing Council sets the strategic direction via the strategic plan and employs the Chief Executive to carry out the plan. The Chief Executive employs kaimahi and with their team develops the business plan to carry out the vision of the Governing Council.

Does the Council have a legal mandate?

Yes - please refer to the [Education and Training Act 2020](#) section 479 which describes the Council's functions and powers.