

Tomorrow's Schools Review Independent Taskforce Meeting 30 May 2018

Agencies in the education system

Summary

1. This paper sets out and briefly explores the role, function and alignment of the core agencies supporting New Zealand's schools.
2. The Terms of Reference for the Tomorrow's Schools review identifies the roles of the entities in supporting schools. The following entities are covered in this paper:
 - a. Ministry of Education
 - b. Education Review Office
 - c. New Zealand Qualifications Authority
 - d. Network for Learning
 - e. Education Council and
 - f. New Zealand School Trustees Association (NZSTA).

Reform context

New Zealand school system: pre-1989¹

1. Prior to the Tomorrow's Schools reforms (the reforms), the New Zealand school system was highly centralised, with a national department having a key role in the provision of education through the Department of Education (DoE), which set the laws and regulations.
2. There was a network of decision-making Education Boards across the country, which linked the DoE to primary and area schools. Education Boards also had key employment functions, such as teacher and principal review and appointment, with staffing levels set nationally by the DoE. Boards of Governors performed the same role for secondary schools.
3. The Inspectorate – a business unit within the DoE – provided oversight and professional development of teachers and principals, graded primary school principals and teachers who were eligible for promotion, and assessed beginning teachers in both primary and secondary for fitness to teach.
4. Qualifications were managed by the Universities Entrance Board, DoE's examinations division; the Trades Certification Board and the Authority for Advanced Vocational Awards.
5. A Teachers Registration Board existed before 1989 as a part of the DoE, but registration was not compulsory.

Economic and fiscal context

6. In mid-1984, the change in Government coincided with a major foreign exchange and macroeconomic crisis. The response to the crises was to deregulate the domestic economy and dismantle a wide range of subsidies and protections to domestic producers.
7. The adjustment to this new environment involved major change and costs and ultimately resulted in a recession. Unemployment rose sharply as competitive pressures forced producers to cut costs and as the demand for unskilled labour diminished.
8. Part of the response to addressing the fiscal pressures was to undertake major reforms to the public sector.
9. State trading activities were commercialised (and many privatised). For the core state sector many of the extensive and detailed input controls were removed. Heads of government departments were placed on fixed term contracts, given the freedom to manage all aspects of a department's inputs, and were accountable for all aspects of their department's performance.
10. The intention behind the public sector reforms was to create the means for more effective expenditure controls, the ability to be a "competitive employer", greater efficiency and more explicit dialogue between departments and Ministers over goals for spending.

¹ Fancy, H. *Education Reform: Reflections On New Zealand Experience*

11. All of this was seen to create the conditions for better fiscal control and greater value for money over time.
12. In 1990, a new National Government faced projections of a seriously deteriorating fiscal outlook. To address this, substantial cuts to social spending took place. Social welfare benefits decreased significantly and cuts to the education budget represented around eight per cent of Vote Education in the 1991 Budget.

Education sector administrative reforms

13. The Picot Report identified areas of weakness in the education system:

“Our investigations convinced us that the present administrative structure is over centralised and made overly complex by having too many decision-making points. Effective management practices are lacking and the information needed by people in all parts of the system to make choices is seldom available. The result is that almost everyone feels powerless to change the things they see need changing. To make progress, radical change is now required.”
14. The major institutions established under the Tomorrow's Schools reforms through the Education Act 1989 were:
 - a. A Ministry of Education (MoE)
 - b. A Review and Audit Agency (which became the Education Review Office)
 - c. The New Zealand Qualifications Authority (NZQA)
 - d. Boards of Trustees
 - e. Special Education Service
 - f. Education Service Centres
 - g. Community Education Forums
 - h. Parent Advocacy Council
 - i. Teacher Registration Board
 - j. School Publications.
15. In 1989, parents at every school elected boards of trustees who were made responsible for operational management. Board members included the principal, a teacher, parents and other people from the school community.

The changes proposed through the 1989 reform

16. The Department of Education was reduced to a smaller MoE, and the regional Education Boards and Boards of Governors were abolished.
17. **MoE** retained its role as the primary funder of education and lead on education policy, but its capacity to have direct influence over the education system was reduced. Many decisions (such as teacher and principal appointments) that regional boards of governors had previously taken were devolved to the individual school level. It was acknowledged that some functions could not easily be devolved given their complexity, and they remained within MOE (for example, school transport and attendance services).

18. The **Review and Audit Agency** (now ERO) was established to ensure that institutions were accountable for the government funds they spend and for meeting the objectives set out in their Charter. It would also comment on the performance of other elements in the system – the Special Education Service's supply of services to institutions, the teachers colleges' supply of general advisory services to institutions and the Ministry of Education's provision of policy advice and overseeing of policy implementation as it affects the performance of institutions. Based on Review and Audit Agency reporting on the extent to which schools were achieving the objectives set out in their charter, if persistent performance was deemed unsatisfactory, boards could be dismissed or other interventions used by the Minister or Ministry.
19. The **New Zealand Qualifications Authority** (NZQA) was created, with responsibilities for qualifications and quality assurance. In July 1990, NZQA took over the work of the former Universities Entrance Board, MoE's examinations, the Trades Certification Board and the Authority for Advanced Vocational Awards.
20. The **Teacher Registration Board** (now Education Council) became a representative body of teachers, funded by the teachers themselves. It was responsible for: approving registration of teachers; administering the register of teachers; and setting the conditions that could lead to the removal of teachers from the register.
21. The **Special Education Service** (SES) was created as a stand-alone entity to provide services to schools (including support, advice, guidance, communication services and teacher aide funding).
22. The major institutions that no longer exist are:
 - a. **Parent Advocacy Council** – after the creation of the Parent Advocacy Council, as a result of financial pressures facing the Government it was disestablished in 1991. It was assumed that many of the Council's functions could be fulfilled by other agencies and avenues, such as the Ombudsman, the Human Rights Commission, the Ministry and the media.
 - b. **Community Education Forums** – Community Education Forums did not prove widely popular with communities and families. The community and partnership focus that was supposed to emanate from the forums was subsumed by a dynamic of competition between schools². Fewer than half a dozen forums were convened.
 - c. **Education Service Centres** – Most Education Service Centres became unviable several years after being implemented. Schools often opted for in-house provision of services, which could be done more cheaply than through service centres.
 - d. **School Publications** – School Publications was renamed Learning Media and made into firstly a Crown entity and then a State Owned Enterprise. It ultimately did not prove to be a commercially viable entity and was disestablished in 2013.
 - e. **Career Services** - The Careers Service was established in 1990 as a Crown entity, subsequently renamed Careers NZ, and in 2017 the function was subsumed into the Tertiary Education Commission.

² Mansell, R. L. *Community forum on education in Wellington's eastern suburbs: A case study on choice and democratic community participation in New Zealand education policy.*

What happened after the reform

23. In the early 1990s, the New Zealand Government was faced with fiscal pressures that resulted in cuts to the services that the public sector provided. These pressures coincided with the Tomorrow's Schools reforms, and impacted the implementation of the reform. For instance, an early review of agencies resulted in the abolishment of the Parent's Advocacy Council as the role was assumed to be able to be delivered by other entities.
24. The early 1990s review by Lough³ criticised MoE's operational role that had been formed through the reform implementation and recommended more distance between MOE and schools. For example, early in the reforms MoE assisted Boards with setting up financial management systems. The Lough report found that "*what has emerged in practice is increased central bureaucratic control, increased burdensome administrative tasks, inadequate resourcing and support for the institutions, and inadequate attention to education's outcomes*". At the time of the Lough review, MoE had a resource supporting 11 district managers across New Zealand. Lough's recommendations effectively resulted in a decrease to five management centres and a strengthening of the policy function within MoE.

Support from the centre grew

25. Self-management worked for many schools, but those that it didn't work for required more than just a Ministry focused on policy. With school failures starting to emerge, a shift from the centre having a hands-off policy approach to assisting the education system began.
26. The hands-off approaches of the early 1990s began to move towards working more closely with the profession and to rebuild relationships. By 1995, this change in emphasis was reflected in the strategic plan for MoE to develop a strong regional profile for the Ministry. As Boyd⁴ found, inevitably the district offices began to develop a support role not envisaged in the reforms.
27. Powers to allow the Minister, or Ministry, to intervene where schools were experiencing difficulties were developed five years after the reform.
28. The State Services Commission's paper on The Spirit of Reform⁵ also reflected this issue, commenting that:

"In the education sector, great reliance has been placed on the capacity of community schools to manage their own operations. There is good reason to believe that some schools cannot do an adequate job on their own and would benefit from assistance provided by re-invigorated regional offices."
29. Across the education agencies it took considerable time to redefine roles and build new and effective working relationships.
30. From the mid-1990s through to today, a wider range of services, programmes and interventions have developed to better support the range of challenges experienced

³ Lough report; Today's Schools

⁴ Boyd, R. *A Case Study of Change in National Education Administration, Post-Picot*

⁵ SSC, 1996, *The Spirit of Reform: Managing the New Zealand State Sector in a Time of Change*

by the sector, and to support increasing expectations about student learning and outcomes.

31. In the 2000s, the focus shifted to initiatives designed to get schools working together as clusters to improve teacher practice and student achievement (such as Extending High Standards Across Schools and School Improvement Projects).
32. This focus changed in 2010 to provide a more hands-on support for schools to improve student achievement particularly in literacy and numeracy through the establishment of the Student Achievement Function. The establishment of this function was part of a longer term aim of ensuring regional Ministry staff had the expertise and capacity to effectively support improvements in student achievement.
33. The current support function is delivered through a more locally-responsive and supportive service - the Directors of Education provide decision-making and coordination at the front line. They lead the development of a more responsive service that starts with local needs and situations, including the introduction of multidisciplinary teams focussed on the end to end needs of the community (support to ECE, schools and the transition to tertiary are all within the same team to better support the full student pathway). This change was made to reflect the range of support and approaches needed at different times and in different ways across the country.
34. Around the same time, the Education Infrastructure Service (EIS) was established in late 2013 as a dedicated business unit within MoE. It responded to the increasing recognition that education outcomes are linked to the quality of infrastructure services available to teachers and students. It also recognised that the portfolio of assets is one of the largest publicly owned property portfolios, the schools payroll is large and complex, and the Ministry is the second largest purchaser of public transport services in New Zealand.
35. The strengthening of EIS responded to the greater demands of schools for assistance in managing the complexity and scale of issues associated with the school property portfolio. This has included the operational challenges arising from the impact of earthquakes on the school property portfolio and addressing the legacy of poorly designed and leaky buildings.

Conclusion

36. The wider fiscal and political context is important when considering why the reform took place and how the structure of the education system currently looks. What happened in the years following the reforms suggests that estimates of the ability of almost 2,500 autonomous schools to be funded but to receive little other support were overly ambitious. The presumed market responses (in particular the support services that it was assumed would develop to fill the gap) didn't eventuate, resulting in agencies increasing their support for the sector.

Specific functions within the education system evolved over time

Special education services

37. Tomorrow's Schools introduced the Special Education Service (SES), an independent agency which had the contract for providing special education services including support, advice, guidance, communication services and teacher aide funding.
38. In the late 90s the Special Education 2000 (SE2000) framework was introduced, with the intent to give effect to the Education Act 1989. The policy aimed to produce a world class inclusive education system in New Zealand by 2005. The implementation of SE2000 provided significant additional funding and services to children and young people with special education needs.
39. In 2000, an evaluation of SE2000 implementation led by Dr Cathy Wylie "Picking Up the Pieces", resulted in changes because it was found in its current form to be unable to provide a coordinated and seamless service that served students with high and moderate needs.
40. As a result the Special Education Services were disestablished and integrated into the Ministry of Education in 2002 (first as the Special Education Group and later known as Special Education).
41. From 2015, the Ministry led a programme of work to significantly redesign how its services and supports, with schools and resource teachers, support children with disabilities and learning support needs. This work is at an early stage of implementation. Special Education became the Learning Support function within MoE.

School Support Services

42. Schools support services were initially entities that were independent from, but funded by, Government, based in the regions. Their focus of support was heavily curriculum-based, with smaller elements for leadership and management. Later, they moved into the Colleges of Education and then into universities.

Review and audit

43. The Review and Audit Agency was renamed as the Education Review Office (ERO) and the function of auditing school annual reports moved to the Office of the Auditor General. ERO's increasing understanding of the drivers of improvement in a self-managing system shifted its role in the system along a continuum from assuring compliance with legislative requirements to promoting improvement and evaluation capability building.
44. ERO's functions have increased in scope, rigour and complexity since 1989. Government policy settings, Ministerial reviews⁶ and ERO's strategic response to the education sector contexts have all influenced ERO's development and approach to external evaluation. From the outset, challenges associated with the relative emphasis

⁶Ministry of Education (1990). *Today's Schools: a review of the education reform implementation process*. Report prepared for the Minister of Education, April, 1990.

Austin, M., Parata-Blane, A., & Edwards, W. (1997). *Achieving excellence: A review of the education external evaluation services*. Wellington: Ministry of Education.

Rodger, S., Holden, J., Meade, A., Millar, A., & Smith, B. (2000). *Report to the Minister of Education: A review of the roles and responsibilities of the Education Review Office*. Wellington: Ministry of Education.

on compliance, accountability and improvement in evaluation methodology and practice, as well as notions of differentiation and a flexible response to the evaluation context, have been recognised.

45. Development and use of the improvement levers available in the external evaluation context has been a key feature in ERO's methodology development over time. ERO has developed a critical role in the generation and dissemination of knowledge about what works to improve education practice and outcomes through its development of evaluation methodologies and indicators and national evaluation programme.
46. New Zealand is recognised as a "leading edge example" in an international context in its approach to education evaluation, in particular the way external evaluation and internal evaluation are integrated. (Macbeath, 2012, p. 71)⁷.

Teacher registration

47. The Teacher Registration Board was a small independent body, responsible for determining the conditions and requirements under which teachers would be registered. It was responsible for approving registration and for administering a register of teachers
48. In 2002, the NZ Teachers' Council was established as an Autonomous Crown Entity, replacing the Teacher Registration Board. Its role was to be a voice for teachers, promote teaching as a profession and enhance the standing of teachers in our communities.
49. Both the New Zealand Teachers Council Review Committee and later a Ministerial Advisory Group recommended that the Council be disestablished and replaced with a new body. This led to the establishment of the Education Council in 2014, with its primary purpose to ensure safe and high quality leadership, teaching and learning for children and young people in early childhood, primary, secondary, and senior secondary schooling in English and Māori medium settings, through raising the status of the profession.
50. The Education Council has a strengthened regulatory framework for teaching to ensure consistently high professional conduct and competency standards (including a strengthened disciplinary framework).

Payroll

51. Education Payroll Limited (EPL) was formed in 2014 following a decision to transfer ownership and management of the schools' payroll service from a private company to a government-owned company. EPL is responsible for paying around 90,000 teachers and support staff in around 2,500 schools every fortnight.
52. Prior to EPL being formed, the Ministry operated a payroll system with payroll processing provided by outsourced providers,

The qualifications framework

53. NZQA's role has remained relatively constant. It has responsibilities for qualifications and quality assurance. In July 1990 NZQA took over the work of the former Universities

⁷ MacBeath, J. (2012). *Future of teaching profession*. Cambridge: University of Cambridge.

Entrance Board, the Ministry of Education's examinations, the Trades Certification Board and the Authority for Advanced Vocational Awards.

Careers Services

54. Career Services was established in 1990 as a Crown entity, that was subsequently renamed Careers NZ, and in 2017 this function was subsumed into the Tertiary Education Commission. The change was done to consolidate the information that users needed, enable better integration of the online careers planning tools that are currently offered by government, and establish clear lines of accountability for the delivery of careers services.

Network for Learning

55. Network for Learning (N4L) was established in 2012 as a Crown company to ensure that all schools would have access to safe, predictable, uncapped and fast internet connections.
56. Prior to N4L's establishment, schools chose whether to procure an internet connection, which resulted in a patchwork of connections of variable cost, quality and capacity. Rural and isolated schools were frequently unable to procure a commercial service at all, resulting a growing digital divide. This then limited the ability of the education system to take advantage of educational benefits at a system level.

Current structure of the education agencies

57. In 2018, the education system is supported by the following agencies. Their functions are listed below and the distribution of functions is set out in table 1.

1. Government Departments

58. The **Ministry of Education's** key functions are:

- a. Administer Vote Education and Vote Tertiary Education.
- b. Provide advice on education, from early childhood education (ECE) through schooling to tertiary education.
- c. Support a system of early learning services, schools and Communities of Learning | Kāhui Ako that meets the learning and wellbeing needs of children, young people and students. This includes administering a range of legislative and regulatory controls, delivering funding and other resources, and providing services that support the governance, management and operation of education providers. The Ministry also monitors providers and intervenes when there are performance concerns.
- d. Provide support and resources for educators. This includes the development of national guidelines, curricula and curricula resources to support teaching, learning and assessment, professional development, and scholarships and awards for teachers.
- e. Administer the learning support system to provide a wide range of services to children, young people and students. This is broader than the previous special education system and includes targeted interventions, specialist support services, funding and other services for children, young people and students with additional needs.
- f. Provide support and resources to the community. This includes empowering parents, caregivers and whānau to engage with their child's education, and working with whānau, iwi, employers and community groups to achieve high levels of engagement in education and to involve them in the education system.
- g. Provide advice on and support for the international education sector, and New Zealand's international engagements on education. The Ministry also contributes to education related aspects of New Zealand's international reporting obligations.
- h. Set payroll strategy and monitoring of the operational performance of Education Payroll Limited, which administers the largest payroll system in New Zealand, making payments to over 93,000 staff each fortnight.
- i. Oversee all education property owned by the Crown. This includes managing core infrastructure services in relation to school property, transport and ICT infrastructure to enable children, young people and students to have access to high quality learning environments.
- j. Undertake education research and analysis, and monitoring the overall performance of the education system. This includes responsibility for monitoring the performance of the education Crown entities and a number of other statutory bodies.
- k. Negotiation of collective employment agreements for principals, teachers and other staff in schools.

59. The **Education Review Office's** (ERO's) key functions are:
- a. Evaluate and report on the performance of education providers in the pre-tertiary sector, using bespoke evaluation methodologies for a range of contexts including Māori medium settings
 - b. System wide evaluations to inform policy makers and education providers, and to review the implementation and impact of government education policy and programmes in the sector
 - c. Generate and disseminate knowledge about what works to improve education practice and outcomes through its development of evaluation methodologies and indicators and national evaluation programme.
 - d. Undertake best practice reviews that highlight and share contexts and practices where educators are improving equity and excellence of outcomes for learners
 - e. Build evaluation capacity across the education system involving post-review workshops, training sessions for different education organisations and personnel as well as the publication of resources.
 - f. Contribute to the international education and evaluation community through information sharing and training for other jurisdictions in the development of external evaluation approaches and in the training of evaluators.

2. Crown entities

60. The **New Zealand Qualifications Authority's** (NZQA's) role in the education sector is to ensure that New Zealand qualifications are accepted as credible and robust, nationally and internationally, in order to help learners succeed in their chosen endeavours and to contribute to New Zealand society.
- a. Managing and leading improvements to the New Zealand Qualifications Framework (NZQF).
 - b. Administering the secondary school assessment system (NCEA) and New Zealand Scholarship.
 - c. Independent quality assurance of non-university tertiary education organisations.
 - d. Qualifications recognition and standard-setting for some specified unit standards.
61. **Network for Learning's** (N4Ls) role is to establish, operate and support a student-focused network (the N4L Managed network) that offers schools and kura access to predictable and fast internet with uncapped data, web filtering and network security services to help schools create a safe online environment for their students, and internet based content and services over a dedicated network.
62. The **Education Council** is a non-government independent entity. The overarching function is to:
- a. provide leadership to teachers and direction for the education profession, and raise the status of teachers and education leaders.
63. Other key functions include:
- a. Setting expectations of practice and behaviour (Code and Standards);
 - b. Setting requirements for Initial Teacher Education (ITE) programmes and qualifications;

- c. Setting requirements for the Teacher Education Refresh (TER) programme;
 - d. Sharing best practice in teaching and leadership;
 - e. Promoting and assuring appraisal for both accountability and development;
 - f. Setting and maintaining criteria for, and making decisions on, teacher registration;
 - g. Setting and maintaining criteria and standards for, and making decisions on, practising certificate applications; and
 - h. Managing complaints related to competence and conduct.
64. State schools are individual Crown entities and are governed by a **Board of Trustees** that is elected by parents and staff every three years. A Board of Trustees normally includes: five elected parents, the Principal, a staff member, and a student representative in secondary schools. There are approximately 18,000 people currently serving on 2,425 state and state integrated school boards.
65. The responsibilities of the **Board of Trustees** include:
- a. preparing and maintaining a school charter;
 - b. ensuring school policies include National Education Guidelines (NEGs);
 - c. preparing and maintaining an annual plan and a long-term plan;
 - d. reporting against the school charter annually to the community and Ministry of Education.
 - e. The Board of Trustees employs all the staff of the school, manages the property, controls the school's finances and sets the policies that govern the school.
 - f. The principal is, ultimately, an employee of the Board. The Board is expected to hold the principal accountable for effective performance as the Board's chief executive, professional adviser and the school's educational leader.
66. Approximately 2,232 (92%) of school boards of trustees are **NZSTA** member boards.
67. **NZSTA** is an independent, nonpartisan membership association representing school boards of trustees throughout New Zealand. NZSTA works closely with the government of the day to ensure that all boards of trustees are aware of their legal and ethical responsibilities as governors of their school, including support for Board members of Māori Medium schools.

Annex 1: Allocation of activities / roles allocated in the current system

The role of training, accrediting, appointing, and paying teachers, for example, is shared across a number of entities and the two proposed functions/agencies (Education Advisory Service, Education Leadership Council) will also have a role (functions identified with an asterisk).

Table 1 illustrates how the roles and activities listed above is distributed across the system.

Table 1: Distribution of activities are allocated across the central agencies in the school system

Agency	Students are educated	Assessing the need for and delivering learning support	Students have access to a safe learning environment	Students have access and school support infrastructure	*Resources are provided to support providers	Funding is provided to educators	Resources and equipment	Education system governance	*Education system leadership	Teaching professionals are led, trained and supported	*Certification of teachers	*Professional development of teachers	Capable teachers are appointed	*Teachers are supported with resources to deliver the curriculum	Teachers are paid	Development of a curriculum	A local and national curriculum	Setting of Qualifications	Assessment of qualifications	Oversight of the system	Monitoring/assessment of the functions including interventions when performance standards are	Complaints/ disputes system	Quality assurance	Parent, community involvement and engagement in students education journey	Provision of information to inform decisions	Setting of policy / regulations	Management of the Act	Priorities and objectives	
MoE	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
ERO	✓		✓	✓	✓			✓	✓	✓		✓								✓	✓		✓	✓					
NZQA	✓				✓			✓	✓	✓		✓		✓		✓	✓	✓	✓				✓	✓					
Ed Council	✓			✓				✓	✓	✓	✓	✓	✓								✓	✓		✓	✓				
N4L	✓		✓	✓	✓		✓		✓	✓				✓										✓	✓				
STA	✓			✓	✓			✓	✓	✓		✓	✓												✓				

