Ministry of Education: Supporting professional development for teachers

Performance audit report

2008
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This is the report of a performance audit we carried out under section 16 of the Public Audit Act 2001.

August 2008

We all want young people to have a good education. Having teachers who are familiar with and using the most effective ways to teach is important for young people’s learning.

The Ministry of Education has many roles in the design and operation of the parts of the education system relating to professional development for teachers. These roles range from funding providers of professional development to collecting and collating evidence of what is effective professional development for teachers.

The Ministry ably carries out these roles. However, there are aspects of the Ministry’s work that could be improved. These improvements include greater coherence of its information and activities for the professional development of teachers.

My staff have estimated the Ministry’s spending on professional development for teachers at more than $200 million each year. The Ministry is aware of the range of sources of funding it uses for professional development for teachers. The Ministry does not consider all of these sources as a whole when making decisions about the relative priority of initiatives or the adequacy of the funding available for professional development for teachers.

The Ministry’s focus on evidence of what is effective professional development is one of the strengths of the professional development system. There is, however, potential within both the Ministry and the wider education sector for greater use of this evidence.

The Ministry identified, in its response to the draft of this report, what it proposed to do to address our recommendations. I appreciate the Ministry’s commitment to preparing a work plan for addressing the concerns we have raised. I also acknowledge that some of the work the Ministry has already started should help address these concerns.

I thank the staff of the Ministry and the wide range of sector representatives who gave generously of their time and views for this performance audit.

K B Brady
Controller and Auditor-General
13 August 2008
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Having teachers who are familiar with and using effective teaching practices is important to the quality of education received by our young people. Ongoing professional development is one way to inform teachers about effective teaching practices.

We carried out a performance audit that looked at the Ministry of Education’s (the Ministry’s) arrangements to support the professional development of primary and secondary school teachers after they have graduated from a teacher education programme.

Professional development can be informal or formal and covers a wide range of activities. It includes training courses, conferences, tertiary study, observed practice, and study groups.

The Ministry of Education’s roles in the professional development of teachers

The Ministry, teachers, school boards of trustees, providers of professional development services, the New Zealand Teachers Council, and the Education Review Office all play a part in the professional development of teachers. This means that decisions about who receives what kind of professional development are often made by, or influenced by, more than one organisation.

The Ministry’s main roles in the professional development of teachers are:

- funding professional development providers;
- providing operational funding to schools, some of which schools can use for the professional development of their teachers;
- funding other types of professional development – for example, Schooling Improvement initiatives and scholarships for teachers;
- monitoring professional development providers and evaluating professional development initiatives; and
- collating and providing evidence of what is effective professional development.

The Ministry also sets and implements policies on designing and regulating the education system, such as the National Administration Guidelines and the National Education Guidelines.

The Ministry is aware of the range of sources of funding it uses for professional development for teachers. One of the main sources is the Professional Development and Support appropriation. In the 2007/08 year, the Ministry anticipated spending about $92 million of this appropriation on the areas covered by our audit.
The Ministry has not taken into account its total spending on professional development for teachers across all of its sources of funding when considering the relative priority of initiatives or for the purpose of considering the adequacy of professional development funding. We have estimated the Ministry’s total spending on professional development for teachers in the areas covered by our audit at more than $200 million in 2007/08.

Our findings

We examined the Ministry’s roles in the professional development of teachers against our expectations. When we set our expectations we were mindful that schools, in New Zealand’s devolved education system, are self-governing entities. Within this devolved system, schools have a lot of responsibility for monitoring the quality of teaching, identifying professional development needs, and supporting and arranging access to appropriate professional development for teachers where necessary. We have not examined schools’ decision-making practices because our audit was of the Ministry, not schools.

Objectives, information, and support for professional development

We expected the Ministry to have set overall objectives within the education system for the professional development of teachers. We expected the Ministry to have, and use, evidence of what constitutes effective professional development, including sharing this evidence with teachers and the providers of professional development. We also expected that the Ministry would support others within the education sector to carry out their roles in relation to professional development for teachers.

The Ministry has identified effective teaching as the main objective of professional development for teachers.

The Ministry has assembled considerable evidence of the characteristics of effective professional development for teachers, and has made this available to the education sector. The Ministry is increasingly using this evidence to inform its purchase of professional development services.

We have identified some areas for improvement, including a need for the Ministry to ensure that information on professional development opportunities for teachers is presented to the education sector in a more coherent, less fragmented way.
Managing risk and the performance of contractors

We expected the Ministry to effectively manage risks (for example, risks to sector capability and capacity to participate in professional development) in its arrangements to support professional development for teachers, including any risks associated with its contracts with the providers of professional development. We also expected the Ministry to have effective systems for monitoring those providers to ensure that the delivery of the professional development initiatives is satisfactory.

The Ministry’s contract management practices compared the delivery of professional development initiatives with contracted expectations. As well as monitoring the providers of professional development services, the Ministry has carried out or commissioned evaluations of many of the professional development initiatives that it funds.

We note that, for one large initiative being implemented, Extending High Standards Across Schools, the Ministry has proposed developing an overall evaluation strategy, but the strategy had not been written at the time of our audit. It is important that the Ministry completes the strategy and conducts the evaluation for this initiative.

In our view, the Ministry could make more systematic use of the range of information it collects, including better use of reports from providers of professional development services, to identify risks and wider lessons learned throughout the professional development initiatives that it funds. From the contract files we reviewed, it was clear that the Ministry could also better document risks and the management of risks.

Funding, prioritisation, and value for money

We expected the Ministry to have a strategy or plan to help ensure that all of its funding for professional development is directed to areas of need and the highest priorities. We also expected the Ministry’s contract management practices to support value for money.

The Ministry could not provide us with strong evidence of an established and coherent funding and procurement strategy that consistently prioritises the supply of professional development funding to the areas of greatest need. However, we acknowledge that the Ministry’s Schooling Improvement initiatives are specifically targeted at high-needs schools and that the Ministry has begun work that will help it better manage the whole of its spending on professional development for teachers.
In our view, the Ministry needs to include all of its spending on professional development for teachers when it decides the priority of initiatives to fund, and when it considers the adequacy of funding for professional development.

In the files we reviewed, we did not see evidence of regular reviews of provider efficiency or the consistent use of efficiency-related performance measures across professional development programmes.

Specifically we identified:

- a lack of a systematic approach to prioritising the full range of professional development initiatives over which the Ministry has some control or influence (although the Ministry has set out in a draft document a process for setting priorities);
- limited documentary evidence of reviews of value for money in contract files, despite such reviews being a requirement of the Ministry’s contract management guidelines;
- potentially high compliance costs for some provider milestone reporting, relative to the benefits gained from the reports; and
- limited recovery of funds from providers for undelivered services (although in some cases substitute services were provided).

In 2006, the Ministry identified gaps in its information on how successful the regulatory, funding, and infrastructure arrangements for professional development were in promoting and supporting effective professional development for teachers. Specific examples that it identified were some gaps in the information on the effectiveness of multiple, centrally-driven contracts; on time-bound initiatives; and on the capability of the providers of professional development for teachers.

We acknowledge that the Ministry has recently worked to improve the efficiency of professional development services.
Our recommendations

We have made 11 recommendations. We appreciate the Ministry's commitment to responding constructively to our recommendations, including preparing a work plan to address the recommendations.

Setting objectives, sharing information, and supporting professional development

We recommend that the Ministry of Education:

1. document and publish its approach to professional development for teachers, including the criteria it uses to prioritise initiatives and its funding and contracting intentions, in an easily accessible format;

2. regularly review the professional development initiatives for teachers that it funds against the evidence of what is effective professional development, and use the review to ensure, wherever possible, that its funding decisions and the operations of providers are consistent with that evidence;

3. review the range and content of Ministry-funded professional development initiatives for teachers to determine whether it is building enough capability within the education sector to implement an evidence-based approach to professional development; and

4. make information on the full range of Ministry-funded professional development initiatives for teachers easily accessible in a central repository.

Risk management, contracting, and evaluation

We recommend that the Ministry of Education:

5. document in its contract files the risks to effective professional development for teachers and the associated risk management activities, and actively manage the risks, where possible, for each professional development contract; and

6. make better use of the information it collects from all relevant sources (for example, monitoring and reporting information from providers of professional development for teachers, informal and formal school reporting, and schools' planning documents) to identify emerging professional development trends, needs, and issues.
Summary

Funding, prioritisation, and value for money

We recommend that the Ministry of Education:

7. include all of its spending on professional development for teachers when deciding the priority of initiatives to fund, and when considering the adequacy of professional development funding;

8. reduce the risk of over-commitment by schools to, or waste in the provision of, professional development initiatives that can occur when schools participate in too many or too many similar Ministry-funded initiatives;

9. include value-for-money considerations when purchasing new, or evaluating existing, professional development initiatives for teachers;

10. continue to work with the contracted providers of professional development initiatives for teachers to ensure that contract monitoring reports are useful and do not create inappropriate compliance costs for providers or the Ministry; and

11. prepare clear guidance for staff about using the provisions in contracts to recover funds for undelivered services from the providers of professional development initiatives for teachers, and ensure that the guidance is followed.
Part 1
Introduction

1.1 In this Part we describe:
• what professional development for teachers is and why it is important;
• the scope of our audit;
• how we conducted our audit; and
• the structure of this report.

What is professional development and why is it important?

1.2 Professional development covers a wide range of activities, including training courses, conferences, tertiary study, observed practice, and study groups. This means that not all professional development takes place in a course. Reading relevant literature, observing colleagues in practice, and opportunities to meet with peers are all forms of professional development.

1.3 Successful professional development initiatives support effective teaching, which is pivotal to improving student outcomes.¹

The scope of our audit

1.4 We carried out a performance audit of the Ministry of Education’s roles in relation to the professional development of teachers. We did not evaluate the effectiveness of professional development initiatives (for the teachers or for their students) but we did look at how the Ministry evaluated their effectiveness.

1.5 Our audit covered the professional development that teachers² do after they have graduated from a teacher education programme. We looked at professional development for teachers in primary and secondary state and state-integrated schools.

1.6 We did not examine professional development:
• for school support staff (for example, school office staff and in-classroom support staff);
• in the early childhood and tertiary education sectors;
• in special education (because the Ministry has different arrangements for special education); or
• funded by teachers directly or through schools’ locally raised funding.

¹ By student outcomes, we mean students’ learning resulting from the education that students receive.
² Unless otherwise stated, in this report the word “teacher” includes teaching staff who are also in senior leadership or responsibility roles (for example, deputy principals or heads of departments) and school principals.
1.7 Schools have a lot of responsibility for monitoring the quality of teaching, identifying professional development needs, and supporting and arranging access to appropriate professional development for teachers where necessary. We have not examined these practices within schools because our audit was of the Ministry, not schools.

How we conducted our audit

1.8 We assessed the Ministry's roles in relation to the professional development of teachers against a set of expectations. We state those expectations at the beginning of Parts 3, 4, and 5.

1.9 To conduct our audit, we reviewed a sample of Ministry files and other documentation, including contracts between professional development providers and the Ministry.

1.10 The contract files that we reviewed included a mixture of contestable and non-contestable contracts (the initiatives covered by the contracts we reviewed are listed in Appendix 1). The files included large and small contracts, public and private providers, and different types of professional development initiatives for teachers. The files also covered subject-specific contracts and contracts for enhancing general teaching practice. From the information we had available, we estimated the combined annual value of the contracts we reviewed was about $30 million.

1.11 We also interviewed a wide range of stakeholders, including:
   • staff within the Ministry's national, regional, and local offices;
   • School Support Services\(^3\) providers;
   • other holders of professional development contracts with the Ministry;
   • teacher unions;
   • principals’ groups;
   • the Education Review Office (ERO);\(^4\)
   • the New Zealand School Trustees' Association; and
   • an education expert.

1.12 At the time of our audit, the Minister of Education had identified that professional development was an area of interest to the Government. ERO was doing work on professional development decision-making within schools and was looking at professional development as part of its school reviews in 2008. Our audit

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\(^3\) School Support Services are professional development services funded by the Ministry and provided by tertiary education providers. They form the core of professional development funded by the Ministry for schools and teachers.

\(^4\) The Education Review Office is a government department whose purpose is to evaluate and report publicly on the education and care of students in schools and early childhood services.
complements ERO’s work in that our focus is on the Ministry’s professional development activities.

**Structure of this report**

1.13 In Part 2, we discuss the main stakeholders involved in funding, regulating, monitoring, or providing professional development for teachers, and describe their responsibilities. We also discuss our estimate of the Ministry’s spending on professional development for teachers.

1.14 In Part 3, we discuss our findings about:
- the Ministry’s objectives for professional development for teachers;
- the evidence the Ministry has about the processes and practices that have been shown to improve teaching and students’ outcomes; and
- the support provided by the Ministry to help the education sector to deliver professional development services (the sector’s capability) and enable teachers and schools to participate in the services (teachers’ and schools’ capacity).

1.15 In Part 4, we review the Ministry’s risk management and contract management practices, and how it evaluates the effectiveness of professional development initiatives.

1.16 In Part 5, we review the Ministry’s funding strategy for professional development and how decisions are made about what, where, and how professional development services for teachers are available. We also review the extent of the Ministry’s value-for-money considerations when administering professional development contracts and the Ministry’s use of efficiency-related performance measures in those contracts.

1.17 Parts 3 to 5 contain recommendations for the Ministry. The Ministry has responded constructively to our recommendations and has committed to preparing a work plan to address them. At the time of our audit, the Ministry had not finalised this plan but, in its response to the draft of this report, it identified some current and proposed work relating to our recommendations. We note this current and proposed work in this report.
Part 2
Responsibilities for, and spending on, professional development for teachers

2.1 In this Part, we describe the responsibilities of the main stakeholders involved in professional development for teachers, and our estimates of the Ministry’s spending on professional development for teachers.

Overview

2.2 Figure 1 is a diagram of our understanding of how the key entities involved in the professional development of teachers relate to each other, and the funding flows from the Ministry to providers of professional development services and to schools.

Factors influencing the demand for professional development

2.3 The factors that influence the demand for professional development include:

- national priorities and new policies set by the Government;
- each school’s development needs, identified through ERO’s school review processes;
- individual teachers’ personal development needs, identified through an appraisal process and self-evaluation;
- emerging best practice;
- society’s and the community’s expectations (which may change over time and also be reflected in other influences on the demand and need for professional development); and
- the learning needs of individual students.

2.4 Prioritisation decisions, including which programmes to fund and which schools and teachers should take part in professional development initiatives, are made at different levels by different stakeholders. We discuss this further in paragraphs 5.15-5.40.
Figure 1
Relationships and responsibilities for professional development for teachers

Bold lines indicate areas where the Ministry has a strong influence on professional development for teachers.
Responsibilities

The Ministry of Education

2.5 The Ministry is the principal adviser to the Government on the education system and it is responsible for ensuring that the system works. The Ministry influences the arrangements for professional development for teachers through policy work on the design and operation of the system and through the National Administration Guidelines and National Education Guidelines for schools (published by the Minister by notice in the *New Zealand Gazette*), which include requirements for professional development.¹

2.6 The Ministry influences the provision and use of professional development services by:

- funding professional development providers;
- providing operational funding to schools, some of which schools can use for the professional development of their teachers;
- funding other types of professional development – for example, Schooling Improvement initiatives and scholarships for teachers;
- monitoring professional development providers and evaluating professional development initiatives; and
- collating and providing evidence of what effective professional development is.

2.7 The Ministry funds a range of public and private providers of professional development services through contestable and non-contestable contracting arrangements. These arrangements provide subsidised professional development opportunities to teachers and schools.

2.8 Other Ministry activities related to professional development for teachers include its funding of some scholarships and fellowships for teachers and its involvement with a Work Programme that is part of the primary teachers’ 2007-10 collective employment agreement. This agreement includes the following statement about professional development:

> Central to the Work Programme is improving student learning outcomes through recognition and promotion of effective teaching practice and strong professional leadership.

¹ National Administration Guideline 2 requires each school to develop a strategic plan that sets out how it gives effect to the National Education Guidelines through its policies, plans, and programmes, including those for staff professional development. National Education Guideline 3 requires each board of trustees to comply with the conditions contained in employment contracts and to be a good employer as defined in the State Sector Act 1988.
Schools and boards of trustees

2.9 Schools are self-managing, independent Crown entities governed by elected boards of trustees. One of their roles is to employ teachers.

2.10 The secondary school teachers’ 2007-10 collective employment agreement states that “the employer shall provide reasonable opportunities for appropriate and effective professional development for all teachers”.

2.11 Schools fund some professional development through the operational funding the Ministry provides. We discuss how schools prioritise their professional development spending in paragraphs 5.29-5.38.

2.12 The National Administration Guidelines require boards of trustees to plan for professional development that will give effect to the National Educational Guidelines (see paragraph 2.5).

2.13 Professional leaders within schools play a critical role in supporting the ongoing quality of teaching. Professional leaders affirm to the New Zealand Teachers Council that teachers have met the Council’s professional development requirements. This is part of the process teachers follow to renew their practising certificate.

Teachers

2.14 The collective employment agreements for both primary and secondary school teachers require the teachers to meet a set of professional standards, including an expectation that teachers will continue to participate in professional development.

2.15 Under the current collective employment agreement with secondary school teachers, a school board of trustees can require teachers to participate in professional development when the school is not open for instruction. This is capped at five days a year for each teacher. Primary school teachers are required under their collective employment agreement to attend school (or elsewhere) when the school is closed for instruction for a range of purposes, including professional development, for up to ten days in each school year.
New Zealand Teachers Council

2.16 The New Zealand Teachers Council (the Council) provides an important control on the quality of teachers. The Council is responsible for issuing practising certificates to registered teachers and ensuring that teachers continue to meet professional standards.

2.17 The Council will renew a teacher’s practising certificate only if the Council is satisfied that the teacher has met the Council’s “satisfactory teacher” requirements. These include a requirement for “appropriate professional development” during the past three years.

2.18 The Ministry has identified the Council’s registration requirements and Code of Ethics as policies that promote participation in ongoing professional development.

Spending on professional development for teachers

2.19 We have found it difficult to quantify the Ministry’s total spending on professional development because:
- professional development includes a large variety of initiatives;
- there are many funding streams for professional development, and some of them include components other than professional development; and
- the Ministry has reported its spending on professional development in different ways in different reports, depending on the purpose of the report.

2.20 The Ministry is aware of the range of sources of funding it uses for professional development for teachers. One of the main sources is the Professional Development and Support appropriation. The Ministry spent about $92 million of this appropriation in 2007/08 on the areas covered by our audit. The initiatives within this appropriation and within the scope of our audit are listed in Appendix 2.

2.21 The Ministry’s spending from the Professional Development and Support appropriation is the information it usually reports as its expenditure on professional development. However, the amount the Ministry includes in reports depends on the purpose of a specific report and the breadth of professional development initiatives covered by the report.

2.22 In its report to the Minister entitled Centrally Funded In-service Professional Development Provision, the Ministry reported spending on professional development activities that constituted “a direct and immediate point of influence for the government”. This definition included Schooling Improvement,\(^2\)

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\(^2\) Schooling Improvement consists of a number of initiatives that are aimed at increasing student achievement where schools are identified as being particularly in need of assistance. These initiatives have focused on effective teaching practice, particularly for the literacy and numeracy subject areas. Schooling Improvement initiatives usually involve clusters of schools rather than a single school.
Part 2 Responsibilities for, and spending on, professional development for teachers

which is not funded from the Professional Development and Support appropriation. The report also stated that “funding devolved to schools, resource and specialist teachers, and arrangements negotiated through collective agreements” were all part of the total professional development investment.

2.23 We have estimated the Ministry’s spending on professional development as being more than $200 million a year (excluding GST). Appendix 3 lists the components of our estimate. For consistency, our estimate, where possible, has excluded the cost of relieving teachers and of professional development outside the scope of our audit. We consider relieving teacher costs to be a cost of participating in professional development, rather than a cost of the professional development initiatives themselves.

2.24 We note that the Ministry does not generally use some of the information that we have included in our estimate because it is difficult to get accurate, complete, and current information. We acknowledge that there are issues with some of the information we have used; for example, information on schools’ use of operational funding for professional development for teachers. However, we consider it important to identify, as fully as possible, the resources allocated to the professional development of teachers.

2.25 The Ministry also receives funding to provide policy advice on, and administer contracts for, professional development. We have excluded this administrative funding from our estimate.
Part 3
Setting objectives, sharing information, and supporting professional development

3.1 In this Part, we set out our expectations of the Ministry in setting objectives, providing information, and helping the education sector to provide professional development services and enable teachers to participate in them. We then describe our findings on the Ministry’s:
• professional development objectives, strategy, and planning;
• evidence-based approach; and
• efforts to improve capability and capacity.

Our expectations

3.2 We expected the Ministry to:
• have identified the main objectives for the professional development of teachers, and have these clearly articulated in relevant documents;
• use, and make available to the education sector, evidence of what effective professional development is; and
• support teachers, schools, and providers in their respective professional development roles by building their capability and capacity where necessary.

Summary of our findings

3.3 We identified the following strengths:
• The Ministry has defined its high-level objective for professional development (namely effective teaching).
• The Ministry’s allocation of funding is increasingly informed by evidence of what effective professional development practice is.

3.4 We identified the following areas for improvement:
• There is room for improvement in the capability of providers, teachers, and schools to analyse student achievement data.
• The information available to the sector about professional development opportunities and funding is fragmented and not all of the information is easily accessible.

Professional development objectives, strategy, and planning

3.5 It is important that all those involved in the professional development of teachers have a common understanding of the overall objectives of professional development.
The Ministry’s high-level objective for the professional development of teachers is effective teaching. The Ministry has stated that effective teachers are those who:

- have high expectations that all students can succeed;
- know their subject well – they know what to teach;
- know how to teach well;
- reflect on the results of assessment and their own teaching to connect and adapt to their students’ learning needs; and
- care about their students and what happens to them.

We acknowledge there are many influences on effective teaching beyond the professional development of teachers, some of which are outside the control of the Ministry. However, in our view, it is important for the Ministry, as a whole, to track progress against its effective teaching objective and, if possible, to track the specific contribution of professional development to the objective.

**Strategy for effective teaching**

We looked for a strategic or planning document outlining how professional development would meet the high-level objective of effective teaching.

The Ministry does not have a strategy or plan covering the full range of professional development initiatives over which it has some influence or control. Nor does the Ministry have a comprehensive document integrating its strategy and plans for the professional development of teachers. Therefore it is not clear how the Ministry ensures the coherence of multiple initiatives. However, the Ministry does have an internal project plan covering some of the major aspects of its professional development work.

The lack of a comprehensive strategy or plan also means that it is not clear whether, or to what extent, the current mix of initiatives and funding mechanisms are the result of deliberate decisions by the Ministry. This makes it difficult for the sector to be clear about the Ministry’s future direction and for the sector to plan on an informed basis.

However, we did see evidence that the Ministry had considered the generic mechanisms it has for influencing teachers’ professional development and the relative benefits and weaknesses of each of these mechanisms.

**Recommendation 1**

We recommend that the Ministry of Education document and publish its approach to professional development for teachers, including the criteria it uses to prioritise initiatives and its funding and contracting intentions, in an easily accessible format.
3.12 The Ministry has indicated that its priorities are spelt out in its Statement of Intent and other key strategy documents. It has noted that it has established a professional development steering group to provide a clear direction to the sector about the Ministry’s plans for the professional development of teachers. The Ministry has also noted that it is actively considering professional development for teachers in the light of wider education strategies.

3.13 We would consider this recommendation to be implemented if we saw the Ministry’s approach published, were satisfied with the quality and scope of the published information, and saw evidence of the Ministry confirming with the sector that it had published the information in a way that was accessible and useful.

Evidence-based approach

3.14 The Ministry’s professional development activities are based on an intervention logic. That is, the Ministry believes that students’ outcomes can be improved by effective teaching, and that effective professional development for teachers supports effective teaching.

3.15 We saw examples of the Ministry taking an evidence-based approach to professional development for teachers consistent with its intervention logic. This included:

- funding services to build sector capability to take an evidence-based approach;
- using student achievement data to target schools for improvement services that include professional development for teachers;
- prioritising the funding of initiatives based on the evidence of their effectiveness;
- identifying studies of New Zealand professional development for teachers that have been shown to be effective; and
- requiring a provider to achieve minimum shifts in student achievement as a result of its professional development services for teachers.

3.16 The Ministry has funded a Best Evidence Synthesis (BES) module on professional learning and development, as part of its BES series.

3.17 The professional learning and development BES, Teacher Professional Learning and Development: Best Evidence Synthesis Iteration, looked widely at the

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1 An intervention logic is a reasoned explanation (logic) of why and how an action (intervention) produces a given result (outcome).

2 Note that, whereas the BES module refers to “professional learning and development”, in this report we use the term “professional development” to cover both.

international and New Zealand evidence on effective professional development for teachers.

3.18 The Ministry has identified that improvements to professional development can be supported by distributing the findings of the professional learning and development BES. In its view, the primary audience is the educators of teachers, rather than teachers themselves. A report issued by the Organisation for Economic Co-operation and Development found that a partnership of educational leaders and principals will be critical to realising the potential of the full BES series, given the highly devolved school-based management model of New Zealand’s schools.

3.19 At the time of our audit, the Ministry had been considering how various stakeholders could use the professional learning and development BES, and how the Ministry could use it to inform its decision-making.

3.20 For example, the Ministry:
   • had written a draft Working Theory of Action for Dissemination and Use to guide its distribution of the professional learning and development BES;
   • had been working with the providers of professional development initiatives to distribute the professional learning and development BES;
   • was intending to write guidelines to support schools’ professional development activities; and
   • was preparing a document to be published in 2008 to explain the professional learning and development BES to teachers and other audiences.

3.21 Various stakeholders told us that the Ministry did not consistently base its decisions about funding and providing professional development initiatives on the evidence it has.

3.22 In our view, it would be helpful for the Ministry to review the professional development initiatives it funds against its BES evidence and any other relevant evidence on effective professional development. We recognise that ongoing improvements to the professional development initiatives the Ministry funds will be an iterative process. However, such a review is consistent with the:
   • evidence-based approach signalled in the Schooling Strategy 2005-2010;
   • commitment in the Ministry’s Statement of Intent 2007-2012 to applying the findings of the BES series; and
   • Ministry’s observation that the use of knowledge and understanding of effective professional development by teachers varies, and that this is a strategic area needing further work.
3.23 We appreciate that the time frames of some contracts may constrain the extent to
which the Ministry is able to align its funding decisions with such a review. Other
factors that may influence alignment with the evidence base are the availability
of relevant evidence, the availability of providers already taking an evidence-based
approach, and the extent to which providers’ alignment with the evidence base
can be improved and how long it would take to get that alignment.

Recommendation 2
We recommend that the Ministry of Education regularly review the professional
development initiatives for teachers that it funds against the evidence of what
is effective professional development, and use the review to ensure, wherever
possible, that its funding decisions and the operations of providers are consistent
with that evidence.

3.24 The Ministry agrees that its teacher professional development initiatives should
be reviewed. In its opinion, the priority of the initiatives that it will fund should be
based primarily on the needs in the education sector, with evidence informing the
design of specific professional development initiatives.

3.25 In its response to the draft of this report, the Ministry told us that it was writing
guidelines based on the evidence about effective professional development for
its managers to use when carrying out a contract review or procurement process.
It also told us that it was doing other reviews to redesign the provision of some
professional development initiatives, and it was preparing a programme for
providers of professional development projects funded by the Ministry.

3.26 We would consider this recommendation to be implemented if we saw
documented evidence that the Ministry had adequately considered the alignment
of initiatives with the evidence on effective professional development for teachers
when it made funding decisions.

Building capability and capacity for professional
development

3.27 The Ministry is encouraging an evidence-based approach to professional
development. In our view, teachers, schools, and providers need to have the skills
and knowledge (the capability) and the resources and information (the capacity)
to analyse student achievement data to identify areas where professional
development for teachers might be needed. For this reason, we have focused on
determining whether the Ministry’s professional development initiatives support
the capability and capacity needed for participants to carry out their roles.
Part 3 Setting objectives, sharing information, and supporting professional development

Capability

3.28 A range of stakeholders, including the Ministry, have identified a need for improvement in the capability of providers, schools, and teachers to assemble and analyse student achievement data.

3.29 By capability to implement an evidence-based approach we mean the capability to:
   • use information about what teaching processes and practices have been shown to improve teaching and students’ achievement;
   • track the outcomes of professional development initiatives in terms of students’ achievements; and
   • use this tracking to inform ongoing teaching practice.

3.30 The Ministry has told us that building teachers’ capability to analyse student achievement data is a component of all of its professional development contracts. In its November 2007 briefing for the incoming Minister, the Ministry noted that it was making progress in strengthening teachers’ capability to assess students’ achievements. The New Zealand Council for Educational Research has also reported some evidence of positive changes in the monitoring of student achievement data in schools.

Recommendation 3
We recommend that the Ministry of Education review the range and content of Ministry-funded professional development initiatives for teachers to determine whether it is building enough capability within the education sector to implement an evidence-based approach to professional development.

3.31 In its response to the draft of this report, the Ministry cited a review and redevelopment of its National Assessment Strategy as work that would address this recommendation. The Ministry told us that as a result of our audit, it has committed to speeding up its work. The Ministry also identified its In-service Teacher Education Practice (INSTEP) initiative as addressing this recommendation. The Ministry was also preparing a professional learning programme for those providing Ministry-funded professional development initiatives at the time we wrote our report.

3.32 We would consider the recommendation to be implemented if we saw documented evidence that the Ministry had reviewed and properly considered the education sector’s capability to implement an evidence-based approach to professional development.

4 This is a strategy for the assessment of student achievement by teachers. The National Assessment Strategy is intended to help teachers to use high quality assessment information to raise student achievement and reduce educational disparities.
Capacity

3.33 The main constraints on teachers getting access to professional development are the same as they are for many professions – for example, the availability of appropriate, high quality professional development, the time to carry out the professional development work, and the cost of replacement staff while doing it.

3.34 How schools decide whether to make teachers available for professional development initiatives, and whether relief teachers are employed in their absence, is outside of the scope of our audit. Nevertheless, it is important that the Ministry understands the relationship between the supply of professional development initiatives and the capacity of the education sector to use those services, given the time and cost constraints. The capacity of the education sector to sustain and build on changes resulting from professional development, so that investments in professional development continue to deliver value, is also important.

3.35 We were interested in how teachers know what professional development opportunities are available and how to access them. We were provided with a range of views, from teachers who found it difficult to find information through to teachers who received a large volume of material on professional development opportunities that they did not have time to sort through. We were also told that word of mouth was an important source of information on the availability and quality of professional development.

3.36 Some information about professional development initiatives for teachers is available through various pages within the Ministry’s Te Kete Ipurangi website (www.tki.org.nz). Information for principals and school leaders is available through the Ministry’s Leadspace website (www.leadspace.govt.nz/).

3.37 In our view, the information on different websites about professional development is fragmented. The Te Kete Ipurangi website contains a large amount of information for parents, students, teachers, and school leaders. The Leadspace website provides a valuable resource for principals, including a list of Ministry programmes which aim to increase leadership capacity in New Zealand schools. However, at the time of our audit, there was no single, comprehensive list of the Ministry’s professional development initiatives for teachers. In our view, it would be helpful if a full suite of easily accessible information was available in one place.

Recommendation 4

We recommend that the Ministry of Education make information on the full range of Ministry-funded professional development initiatives for teachers easily accessible in a central repository.
3.38 The Ministry has informed us that the central repository for information about all teacher professional development is the professional learning pages on the Te Kete Ipurangi website. The Ministry told us that the first phase of the redevelopment of the professional learning pages was completed early in 2008 and that planning for the second phase was under way at the time of writing our report.

3.39 We would consider this recommendation to be implemented if the Ministry created a central repository that was readily accessible, and contained all of the Ministry-funded professional development initiatives for teachers.
Part 4
Risk management, contracting, and evaluation

4.1 In this Part, we outline our expectations of the Ministry’s risk management, contract management practices, and evaluation of the effectiveness of professional development initiatives. We then describe our findings and conclusions for each of these areas, and discuss how the Ministry learns from its information.

Our expectations
4.2 We expected the Ministry to have:
- arrangements for effectively managing risks to the provision of professional development initiatives;
- systems for managing and monitoring contractors and ensuring that the provision of professional development initiatives is satisfactory; and
- mechanisms for evaluating the effectiveness of professional development initiatives for teachers and providing feedback on lessons learned to support continuous learning.

Summary of our findings
4.3 We identified the following strengths:
- the frequency and scale of the Ministry’s evaluation of professional development initiatives; and
- the Ministry’s systems for comparing the delivery of professional development initiatives against the Ministry’s contracted expectations.

4.4 We identified the following areas for improvement:
- The Ministry does not systematically use the full range of information it collects to actively identify risks, or to identify the wider lessons to be learned from professional development initiatives.
- The risks and risk management activities were not fully documented in the contract files that we examined.

4.5 We also identified that, for one large initiative, Extending High Standards Across Schools, the Ministry has proposed developing and implementing an overall evaluation strategy, but this strategy had not been written at the time of our audit.
Risk management

4.6 The Ministry invests large amounts of public money in professional development for teachers. To help ensure that its investment results in improved outcomes for students, it is important that the Ministry identifies potential risks that could reduce the effectiveness or efficiency of professional development initiatives and identify, where possible, how the risks might be managed.

4.7 Responding to risks can be complex, given the number of stakeholders involved in providing professional development initiatives for teachers. Nonetheless, the Ministry is responsible for the overall effective provision of those professional development initiatives, and must manage any risks appropriately.

4.8 We looked for evidence of risk identification and communication among relevant stakeholders and for evidence of risk registers, or equivalent documents, detailing the risks to professional development.

Managing high-level risks

4.9 Much of the high-level risk identification we saw within the Ministry took place through internal meetings and correspondence. We did not see any high-level risk registers, although the Ministry does have a database of risk indicators for schools. Therefore, it is unclear whether information on high-level risks was shared among, or accessible to, Ministry staff responsible for managing risks associated with individual professional development initiatives or contracts. The Ministry has identified the need for “a more strategic approach to the integration and use of system-level information in strategic decision making”.

4.10 There are several high-level risks that the Ministry or stakeholders in professional development have identified, including:

- limited access by some teachers to professional development initiatives because of geographic isolation or financial constraints;
- limited capability (skills and knowledge) of providers and teachers to implement an evidence-based approach to professional development and learning;
- limited capacity of providers to provide initiatives because of difficulties in attracting suitable staff; and
- schools over-committing to professional development initiatives, or taking up professional development initiatives sufficiently similar to other initiatives that little or no additional value is gained.

4.11 We have also identified the geographic mobility of teachers as a risk because of targeting professional development at a school level. The Ministry believes that it is managing this risk to the extent it can.

4.12 The Ministry has made some recent efforts to better understand and manage risks to professional development initiatives. For example, the Ministry has identified a need for a more flexible approach to centrally-funded teacher professional development programmes, with a balance between centrally-funded priorities and school-identified needs. It supports initiatives to develop teachers with the potential to be school principals. The Ministry also funds its INSTEP initiative to strengthen the capability of teachers to use assessment data to support student learning. In our view, it needs to strengthen and continue those efforts.

Limitations of an evidence-based approach

4.13 The Ministry believes that students’ outcomes can be improved through effective teaching and that the effectiveness of professional development initiatives can be measured using student achievement information.

4.14 Although an analysis of student achievement information can identify areas in need of improvement, relationships between the professional development received by teachers and students’ achievement are complex. The performance of students can be influenced by a range of factors and circumstances. While we support an evidence-based approach, we consider it important that the Ministry recognises any limitations of its evidence-based approach.

Contract management

Managing contract risks

4.15 Managing individual contract risks is one of the means by which the Ministry can reduce the risks to professional development. The Ministry’s risk management policy requires risk analysis and monitoring to be built into all phases of the contracting process, including planning, selection of provider, contract negotiation, contract management and review, and re-negotiation. The Ministry has a comprehensive suite of templates to support staff to do this.

4.16 We saw varying risk assessment practices within the Ministry. For example, when the Ministry was considering an extension and a possible expansion to one professional development initiative, it identified the risks of extending the initiative and possible strategies to mitigate those risks. In contrast, for another initiative, a report on funding applications for that initiative found that none of
the applications considered risk. The report recommended that the Ministry issue an application template that includes a section on risks, such as staff turnover, and how the risks will be handled. We support this recommendation.

4.17 When we asked the Ministry for evidence of its risk analysis and monitoring throughout the contracting process, we were told that risks were considered but may not be documented in the contract files.

4.18 We saw limited evidence of risk registers, or other equally specific documentation, recording risks at the contract level. This limits the Ministry’s ability to identify and share information about risks among service providers, and within and across particular teacher professional development initiatives. It may also limit the Ministry’s ability to effectively manage risks.

4.19 The Ministry’s contract management guide describes the reporting of risks as a “critical component of the contracting cycle”. Although we do not recommend an inappropriately resource-intensive approach, we expected the Ministry to follow its risk management policy and we expected to see documented evidence of this. For example, we expected to see evidence that the Ministry had identified risks to each project or contract, assessed the likelihood and impact of each risk, and identified strategies to reduce each risk.

4.20 In our view, if risks are documented and managed effectively, important lessons can be learnt throughout the contracting process and shared among contract managers and policy advisers at the Ministry. This can help maintain a knowledge base of lessons learned and can prove to be a valuable resource, especially if there is a high staff turnover at the Ministry or among professional development service providers.

4.21 The Ministry has identified “variable quality of in-service teacher education practice”\(^2\) as a risk for professional development.

**Recommendation 5**

We recommend that the Ministry of Education document in its contract files the risks to effective professional development for teachers and the associated risk management activities, and actively manage the risks, where possible, for each professional development contract.

4.22 In its response to the draft of this report, the Ministry noted that it would be asking its staff responsible for professional development contracts to review the risk management guidelines and templates and their use. The Ministry also noted that it would be training staff and managers to ensure greater compliance with risk management guidelines, and to ensure that risks are identified and actively managed. The Ministry also said that it would like its staff to consider a process for raising concerns about risks, to allow information about risks among service providers or within particular professional development areas to be shared and managed.

4.23 We would consider this recommendation to be implemented if we saw documented evidence of active and considered risk management within the contract files.

**Monitoring contractor performance**

4.24 We looked for systems to reduce the risk of failure by ensuring that the provision of professional development initiatives was satisfactory to the Ministry. We also looked for feedback and review mechanisms to support Ministry staff and enable providers to learn from others’ experiences.

4.25 The Ministry has processes in place to match contractor performance with contract expectations. For example, contractual agreements between the Ministry and the professional development providers contain clear guidance on expected outputs, milestone reporting requirements, and expected time frames for the provision of the professional development.

4.26 In our review of contract files, we saw service agreements with clear performance measures and monitoring expectations. For example, most providers are required to submit between three and five milestone reports to the Ministry each year. These reports include expenditure and budget information. We observed some variability in the number of milestone reports required for the initiatives we reviewed. Many of these reports were written but some were oral. The Ministry provides feedback on these reports. Some providers have found oral reporting to be more effective than written reporting and would like to see a change to oral reporting, with summary documents to focus on important and emerging issues.

4.27 We also saw that the Ministry is increasingly focusing on outcomes in its monitoring and its milestone reporting requirements. Changes in student achievement outcomes are becoming more commonly used as indicators. We were told that in 2008 the Ministry will require evidence of a shift in student achievement for the literacy professional development initiatives that it funds.
Evaluation of professional development initiatives

4.28 Evaluation is an assessment of the strengths and weaknesses of a specific initiative, including, where possible, an assessment of the actual results of the initiative.

4.29 The frequency and scale of the evaluation of Ministry-funded professional development initiatives for teachers is a strength of its work (although we have not benchmarked the Ministry’s level of expenditure on evaluation against expenditure on evaluation in other social sectors). Evaluation is essential if the funding and provision of professional development for teachers is to be informed, on an ongoing basis, by the evidence of what is effective and efficient.

4.30 During our fieldwork, we saw examples of evaluations having been planned, commissioned, or carried out for some of the initiatives we looked at. These included the School Support Services initiatives. We also saw evidence that the Ministry had evaluated a number of past teacher professional development initiatives.

4.31 However, for Extending High Standards Across Schools, which is a large initiative, developing and implementing an overall evaluation strategy has been proposed but the strategy has not yet been written. In our view, it is important that this strategy is written, and that the evaluation is carried out.

4.32 The Ministry has identified some limitations on its ability to evaluate the overall effectiveness of professional development provision.

Learning from a wide range of information

4.33 The Ministry collects a large amount of risk and other information each year from schools and professional development providers. This can be gathered in formal and informal ways; for example, it may be formally documented in milestone reports, school charters, or planning documents or obtained more informally from the regular interactions of Ministry staff with schools.

4.34 Schools, providers, and the Ministry compile and analyse this information, and compliance costs can be high for all stakeholders. We were told that, in some cases, schools viewed reporting requirements as compliance mechanisms rather than tools for improvement, and that providers have questioned the usefulness of reporting to the Ministry.

4.35 Despite the range of information the Ministry collects from the education sector, we have seen limited evidence that the Ministry uses this information as systematically and consistently as possible to generate collective knowledge
across providers and initiatives. For example, the Ministry could make a greater effort to compile information from milestone reports, school charters, and planning documents to actively assess and reduce risks and inform decisions about its investments in the professional development of teachers.

**Recommendation 6**

We recommend that the Ministry of Education make better use of the information it collects from all relevant sources (for example, monitoring and reporting information from providers of professional development for teachers, informal and formal school reporting, and schools’ planning documents) to identify emerging professional development trends, needs, and issues.

4.36 The Ministry has acknowledged that it could make better use of the large amount of information that it collects, but that the costs and benefits of any additional work would need to be considered.

4.37 We would consider the recommendation to be implemented if the Ministry could provide us with examples of issues being combined and compared from the multiple sources of information it has.
Part 5
Funding, prioritisation, and value for money

5.1 In this Part, we outline our expectations of the Ministry’s funding, prioritisation of resources, and value-for-money considerations when administering teacher professional development contracts. We then set out our findings, conclusions, and recommendations for each of these areas.

Our expectations

5.2 We expected the Ministry to promote the efficient funding and delivery of professional development for teachers through:

• a funding strategy or plan that:
  – aligns funding streams with professional development needs;
  – prioritises professional development so that resources are directed towards the areas of greatest priority and need;
  – encourages appropriate participation in professional development initiatives;
• the monitoring of funding and services to determine whether it is targeting priority areas and reaching those most in need of professional development; and
• contract management practices for awarding and monitoring contracts for the professional development of teachers that include:
  – considering value for money when awarding contracts;
  – using efficiency-related performance measures when monitoring contracts.

Summary of our findings

5.3 We did not see strong evidence of a coherent funding strategy that consistently prioritises the supply of professional development funding to the areas of greatest need, although we acknowledge that the Ministry’s Schooling Improvement initiatives are specifically targeted at high-needs schools. Neither did we observe regular reviews of the efficiency of providers, or the consistent use of efficiency-related performance measures for the professional development contracts we looked at.

5.4 We identified that:

• the Ministry did not have a systematic approach to setting priorities across the full range of professional development initiatives over which the Ministry has some control or influence;
• the Ministry has only limited documented evidence of reviewing providers’ value for money when renewing contracts, even though such reviews are a requirement of the Ministry’s contracting management guidelines;
Part 5 Funding, prioritisation, and value for money

• some milestone reporting appears to have potentially high compliance costs relative to the benefits gained from the reports; and
• the Ministry makes only limited use of claw-backs (the recovery of funds for undelivered services) where this is permitted in contracts with providers of professional development for teachers, although in some cases substitute services were provided.

5.5 However, we have observed that the Ministry has made recent efforts to improve its work to support the efficiency of professional development initiatives for teachers. Examples include reviews of the information that the Ministry collects from providers, comparisons of some programme costs for each student, and internal discussions about the coherence and alignment within and across initiatives. We support these efforts and encourage the Ministry to do more of them across the range of its professional development initiatives for teachers.

Funding

Strategy and planning

5.6 Beyond the strategic information in its Statement of Intent, we did not see evidence of a strategy or plan covering the whole of the Ministry’s teacher professional development funding activities in one document, although strategy documents exist for some initiatives.

5.7 Without clear direction from the Ministry, it is difficult for providers to plan their services, and for schools to plan and prioritise their professional development needs. Without assurance that initiatives will be offered in the long term, schools may over-commit to initiatives given the uncertainty about when the initiatives will be available in the future.

Funding levels

5.8 The Ministry has conducted some analysis identifying the cost for each teacher of specific professional development initiatives that have been shown to be effective in raising student outcomes. The cost of these initiatives ranged from $1,624 to $4,300 for each teacher. The Ministry estimates that if each of “approximately 50,000” teachers were to access one programme a year at a value of $3,500, the annual cost for these teachers would be about $175 million.\(^1\)

5.9 We support the Ministry analysing the cost per teacher to help inform decisions about the adequacy of the overall level of funding allocated to professional development. We acknowledge, however, that there are many assumptions that

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1 The initiatives are: Numeracy Development Project; Te Kotahitanga; Strengthening Education in Mangere and Otara; Assessment for Learning; and initiatives within the Literacy Strategy.

need to be made and tested before definitive conclusions can be reached on the appropriateness of current funding levels relative to the quoted $175 million annual cost. This includes assessing the overall level of need for professional development services.

5.10 A challenge the Ministry faces is the need to ensure that the professional development initiatives that it funds will not rely on ongoing resourcing directly from the Ministry. That is, it needs to ensure that the initiatives are sustainable. By sustainable, we mean that teaching practice learnt as part of a professional development initiative continues to be implemented after the Ministry’s funding of the initiative has stopped. As far back as 2005, the Ministry stated that the responsibility for teacher professional development support and funding for its Schooling Improvement programmes is a shared arrangement between the Ministry and schools.

5.11 We consider it is important that the Ministry identify and include all of its spending on professional development for teachers when considering the adequacy of professional development funding levels.

Recommendation 7
We recommend that the Ministry of Education include all of its spending on professional development for teachers when deciding the priority of initiatives to fund, and when considering the adequacy of professional development funding.

5.12 We would consider this recommendation to be implemented if we saw publicly reported documents showing the Ministry considering all of its spending on professional development for teachers when deciding the priority of initiatives to fund, and when considering the adequacy of professional development funding.

Financial incentives

5.13 The Ministry looks for changes in its approach to support professional development for teachers that might present opportunities to alter the mixture of funding arrangements and associated incentives. For example, the Ministry has done some initial work comparing various funding mechanisms to determine whether they support national policy directions and equity among schools. This comparison also identified possible outcomes and risks of the various funding mechanisms, and opportunities to provide incentives or build partnerships among schools.
5.14 Apart from the requirements for renewing a teacher’s practising certificate and salary effects through increased levels of qualification, there are few requirements or direct financial incentives within the current system for individual teachers to participate in professional development.

Prioritisation

5.15 ERO has stated:

*Ultimately it is the Crown’s responsibility to ensure that the differing needs and priorities of all those with an interest in in-service training are brought together.*

5.16 This is the Ministry’s responsibility on behalf of the Crown.

5.17 The Ministry decides which areas of professional development to fund for teachers, including which providers to fund.

5.18 Providers decide, within any criteria set by the Ministry, who to provide teacher professional development services to and, to an extent, what specific services to provide and where they are to be provided.

5.19 Schools decide which professional development initiatives they need and which initiatives they will purchase with operational funding.

Ministry-level prioritisation

5.20 Over time the Ministry has considered a variety of factors when making decisions about the priority of various professional development initiatives. These factors have included government priorities, cross-government strategies, Ministry analysis of student achievement and other data, ERO’s findings, national initiatives, and research findings.

5.21 At the time of our audit, the Ministry was working on a systematic approach to prioritising its allocation of funding for the professional development of teachers across various initiatives. The Ministry has advised the Minister that the approach will be based on transparent and evidence-based decisions to prioritise initiatives with strategic importance and effect on the education system.

5.22 In a 2006 internal document, the Ministry identified what it believes are important areas of focus to provide successful learning outcomes for students. The areas are:

- effective teaching in the foundation areas of literacy and numeracy, and development of key competencies through the curriculum learning areas;
- building teacher capability in assessment and inquiry based approach that enable effective teaching and learning across schooling; and

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3 Education Review Office (2000), *In-Service Training for Teachers in New Zealand Schools*.

• other areas where international and national data has identified the need to improve the quality of teaching and learning outcomes.

5.23 In the same document, the Ministry identified some gaps in its information about the effectiveness of its current arrangements in promoting effective professional development for teachers. We encourage the Ministry to work on reducing these information gaps given the strategic importance of this information.

Provider-level prioritisation

5.24 The Ministry has advised the Minister that providers vary in their “approaches to the identification of, and planning for, locally determined professional development needs”. It has also identified that the effectiveness of professional development can be improved by the “development of mechanisms that enable schools and providers to respond more flexibly to professional development needs”.

5.25 We identified a range of methods used by the providers we spoke with to determine how they allocate their professional development resources across topics, schools, and teachers. The factors that influenced their allocation decisions included:

• the Ministry’s contractual requirements;
• school performance data;
• school direct requests for services;
• information and discussions with Ministry regional offices;
• meetings and correspondence with schools;
• reviews of teacher recruitment advertisements in the *Education Gazette*, as an indicator of individual schools’ needs;
• working with other providers to share knowledge;
• geographic clustering of schools;
• school commitment and resourcing; and
• surveys of teachers’ professional development needs.

5.26 We saw evidence of the Ministry telling at least one provider in 2004 that it needed to be more active in setting priorities for who would receive its services rather than relying on advertising widely and responding to potential recipients who “put their hand up first”.

5.27 Some providers of professional development said they have traditionally used demographic data and National Certificate of Educational Achievement (NCEA) results to prioritise among schools when planning where to provide professional development services for teachers.

5.28 We saw evidence of the Ministry’s national office staff, in at least one year, having met with its local and regional office staff and with a School Support Services provider to discuss priorities for allocating funded hours across subject areas, before negotiating the contract with the provider.

School-level prioritisation

5.29 The Ministry set out its expectations of school-level professional development priorities in a 2000 newsletter to schools. This stated:

Planning for professional development is informed by the New Zealand Curriculum, school and teacher self-review, principal and teacher appraisals, and analysis of quality assessment information. The school identifies professional development needs, draws up a timeline for meeting these, and evaluates and costs possible professional development options both within and outside the school. As well as particular local needs, the school will need to take account of national priorities, such as implementation of curriculum statements or other government initiatives and the professional development being offered in support of these.

5.30 We have not seen a more recent statement of the Ministry’s expectations of schools for planning and setting priorities for professional development but we understand that the 2000 expectations have not been withdrawn.

5.31 The people we spoke with during our audit indicated that schools differ in how they decide on professional development for teachers. We were told that principals play a critical part in the allocation of professional development funding within schools, and that some schools have professional development committees.

5.32 We were also told that there is a potential for schools to work together more at a regional level.

5.33 School leaders make decisions about how much operational funding they will use for teacher professional development. We were told during our audit fieldwork that a school’s professional development budget may, in some circumstances, be used for other purposes.

5.34 We were also told that schools’ selection of professional development can sometimes be influenced by the availability and central funding of various professional development initiatives more than by identified school needs. ERO is intending to look at school-level decision-making as part of the work we described in paragraph 1.12.
5.35 We have not drawn conclusions on the issues covered in paragraphs 5.33 and 5.34 because school decision-making was outside the scope of our audit.

5.36 Because schools are not required to report the amount of operational funding they spend specifically on professional development, it is difficult for the Ministry to track school spending in this area. However, the Ministry has identified “schools’ relatively low investment in professional development” as an issue.

5.37 The Ministry reviewed schools’ operational funding in 2006 and found that “decisions need to be made at both the national level and school level, about whether existing resources are being used as effectively as possible and how to reprioritise resources to get better results”.

5.38 We were told that ERO is doing a national evaluation of professional development and learning. This evaluation will include information about responsiveness to local needs.

**Recommendation 8**
We recommend that the Ministry of Education reduce the risk of over-commitment by schools to, or waste in the provision of, professional development initiatives that can occur when schools participate in too many or too many similar Ministry-funded initiatives.

5.39 The Ministry has said that it believes there is a significant workload (and therefore cost) involved in implementing this recommendation for all professional development initiatives, given what it might gain from the work. However, the Ministry has indicated that there is merit in developing a system to record information on the schools participating in selected initiatives (a system that Ministry staff and professional development providers could access). The examples of selected initiatives given by the Ministry are Schooling Improvement, e-learning clusters, and Extending High Standards Across Schools.

5.40 We would consider this recommendation to be implemented if we saw evidence of the Ministry designing, monitoring, and managing the application process for initiatives to reduce the risk of over-commitment by schools to professional development initiatives or waste in the provision of professional development initiatives.

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8 Ministry of Education (2006), *Review of Schools’ Operational Funding*. 
Value for money

5.41 The Ministry’s contract management guidelines require contract managers to consider value for money throughout the contracting and procurement process, including when renewing contracts. However, what constitutes value for money for any given professional development initiative is not defined. We have defined value for money as using resources effectively, economically, and without waste, with due regard for the total costs and benefits of an arrangement and its contribution to the outcomes the entity is trying to achieve.

5.42 We have seen evidence that the Ministry has measured the cost of some of its initiatives for each teacher or each student. Such analysis has been limited and has not considered whether the money could have been used more effectively elsewhere (in other schools or other initiatives), or whether greater benefits could have been achieved through a different investment.

5.43 In a wider review looking at $181 million of contracted initiatives, the Ministry identified many teacher professional development initiatives that have good outcomes, are aligned with government objectives, and provide value for money. This included School Support Services.

5.44 One of the challenges the Ministry faces is how to obtain value for money when contracting with other public entities. This is because in some instances factors beyond those related to the cost and quality of outputs, in particular the government’s ownership interest in the entity, may also need to be taken into account.

Obtaining value for money

Contestable contracts

5.45 The Ministry funds and manages a range of public and private providers of professional development services through contestable contracting arrangements. The use of contestable funding is a key mechanism to support contracts delivering value for money.

5.46 A 2006 review9 of the Ministry’s contestable funding, carried out by the Ministry with sector involvement, described the responsibility for managing contestable funds within the Ministry as diffuse and disconnected. A number of operational issues associated with contestable funding have also been identified in a Ministry review of schools’ operational funding.10 These included:

- difficulty for schools in getting information on initiatives;
- inter-relationships with other funding streams;

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10 Ministry of Education (2006), Review of Schools’ Operational Funding.
• compliance costs (associated with winning a contract and reporting against it); and
• sustainability of a professional development initiative (given funding is for a defined purpose for a defined period).

5.47 Issues with contestable funding for professional development for teachers that were raised with us during our fieldwork were consistent with some of the issues identified in the Ministry’s review of contestable funding.

5.48 The risk of diffuse and disconnected funding responsibilities within the Ministry is that some schools may receive more than their appropriate share of professional development funding to the detriment of other schools.

5.49 Changes to the Ministry’s contestable funding process suggested by the contestable funding review included:
   • … the establishment of a central repository with information about all funds;
   • combining funds where the outcomes sought are similar; and
   • where possible and desirable, alignment of application processes and reporting and accountability requirements.\(^\text{11}\)

5.50 We support the Ministry making these changes to its process.

5.51 The Ministry told us that it has made some progress with respect to the application process for contestable funding pools. In 2007, the Ministry began work on streamlining the application process, which involved restructuring the contestable funding information on the Ministry’s website and developing common application forms for all contestable programmes.

5.52 At the time of our audit, the Ministry was developing a business system to receive applications online and store them in a central database.

**Recommendation 9**
We recommend that the Ministry of Education include value-for-money considerations when purchasing new, or evaluating existing, professional development initiatives for teachers.

5.53 In its response to the draft of this report, the Ministry noted that it will be asking its staff to review how value-for-money considerations are handled, to review guidelines and templates and their use, and to train Ministry staff.

5.54 We would consider this recommendation to be implemented if we saw documents showing how value for money was considered when the Ministry funded new professional development initiatives, and when it evaluated or commissioned evaluations of professional development initiatives.
Non-contestable contracts

5.55 With non-contestable contracting, competitive tendering processes cannot be used to help ensure a fair market rate. In such situations, we expect the Ministry to pursue other ways of achieving value for money, such as benchmark pricing.

5.56 We have seen evidence of a Ministry review to inform pricing for non-contestable professional development services. This review set benchmarks for “reasonable” personnel and non-personnel costs of School Support Services offered from tertiary education providers. The review was in draft form when we completed this audit, but its purpose is to inform the Ministry’s future School Support Services contract negotiations. We encourage the Ministry to periodically review arrangements and benchmark prices within and across initiatives.

5.57 In 2003, the Ministry began issuing its non-contestable teacher professional development contracts with some tertiary education providers on a rolling three-year cycle. This arrangement provides a greater degree of certainty to these providers compared to an annual contract (for example, for staffing and planning purposes), although the specific allocation of resources across priorities within the contract is negotiated annually.

Monitoring and value for money

5.58 The Ministry has implemented a contracting model involving relatively detailed outputs, clear milestone reporting arrangements, and feedback to providers. This is for both contestable and non-contestable contracts. This approach enables the Ministry to ensure that providers are allocating resources and delivering services in proportion to the priorities and target areas specified within contracts.

5.59 The contract files that we reviewed were readily available and complete, except for the risk information we discussed in Part 4. However, we did not find strong evidence that the Ministry consistently uses efficiency-related performance measures as part of its monitoring of providers’ performance in delivering professional development contracts.

5.60 Milestone reporting and monitoring have transaction costs for the Ministry and providers. This information should be used as efficiently as possible. We observed large and detailed milestone reports being provided to the Ministry for some contracts for professional development for teachers. The longest report we saw was for a large multi-million dollar contract – the report was more than 600 pages in length. Other service providers we spoke with have found reporting requirements to be lengthy and time-consuming, with questionable added value.
5.61 Although, to an extent, contractual requirements influence the volume of reporting material, Ministry and provider judgements about what is appropriate to meet those requirements also influence that volume. The Ministry gave us a copy of the guidelines it has issued to providers regarding an appropriate length and expected content of milestone reports, and the intended audience of the reports. The Ministry also told us that it would support shorter but more useful reports.

5.62 We encourage all parties to carefully consider the relative costs and benefits associated with producing and assessing large documents for milestone reporting. As well as being costly to administer for both provider and funder, such documents also have the potential to “bury” the important messages being conveyed. Large documents also have the potential to focus attention on detailed issues and not the overall progress towards an outcome. This is a point that a former chief executive of the Ministry had previously raised about a specific teacher professional development contract during his tenure as chief executive.

5.63 Large documents also make it difficult to synthesise issues raised in the monitoring information that are common to all providers and initiatives.

5.64 We were encouraged by some evidence of the Ministry having commissioned analysis across the key milestone reporting documents of School Support Services as part of an “ongoing, developmental process that seeks to inform and strengthen” School Support Service milestone reporting.12 The analysis identified the types and quality of evidence in the milestone reports, how the evidence is used by School Support Service providers, and whether providers have improved students’ outcomes.

5.65 As a result of the Ministry-commissioned analysis, the Ministry considers that the following actions will improve the effectiveness of School Support Services. The actions are:

- continued professional support for providers in developing applied research expertise;
- increased opportunities for collaboration between providers; and
- aligned formats for reporting data to enable more credible comparative analysis.

5.66 In our view, these actions also have the potential to get better value for money for the Ministry.

---

12 Gorinski, R. (2007), Analysis of Selected Output Areas from 2006 School Support Services’ Milestone 3 Reports.
Part 5 Funding, prioritisation, and value for money

Recommendation 10
We recommend that the Ministry of Education continue to work with the contracted providers of professional development initiatives for teachers to ensure that contract monitoring reports are useful and do not create inappropriate compliance costs for providers or the Ministry.

5.67 In its response to the draft of this report, the Ministry told us that it is “trialling a new contract reporting framework [for School Support Services] in 2008 which will be evaluated in terms of compliance costs and the usefulness of information for improvement and accountability”.

5.68 We would consider the recommendation to be implemented if we saw documented evidence of discussions between the Ministry and providers about how to address issues with the usefulness and compliance costs of reporting requirements in contracts.

Claw-back provisions

5.69 A claw-back provision is one mechanism the Ministry can use to help ensure that it gets value for money. Contracts with claw-back provisions allow the Ministry to recover funds if services are not delivered in the required period.

5.70 We saw variable enforcement of claw-back provisions and associated decision-making and we did not see clear criteria for the Ministry’s staff to use in deciding when to invoke claw-back provisions.

5.71 In our view, claw-back provisions need to be applied consistently to be effective in holding the provider accountable for delivering the services agreed to in the contract.

Recommendation 11
We recommend that the Ministry of Education prepare clear guidance for staff about using the provisions in contracts to recover funds for undelivered services from the providers of professional development initiatives for teachers, and ensure that the guidance is followed.

5.72 We would consider this recommendation to be implemented if we saw documents providing clear guidance for staff on using the contract provisions for recovering funds.
## Appendix 1

### Professional development initiatives we reviewed

<table>
<thead>
<tr>
<th>Key strategic aspirations as noted in Ministry documentation</th>
<th>Other information from Ministry documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assess to Learn</strong></td>
<td>The initiative is delivered by three-year contracts with eight providers.</td>
</tr>
<tr>
<td>Improve student learning and achievement.</td>
<td></td>
</tr>
<tr>
<td>Create shifts in teachers’ assessment knowledge and practice.</td>
<td></td>
</tr>
<tr>
<td>Develop coherence between assessment processes, practices, and systems so that they promote better learning.</td>
<td></td>
</tr>
<tr>
<td>Develop schools as learning communities to encourage cultures of continuous school improvement.</td>
<td></td>
</tr>
<tr>
<td>Enhance professional learning communities regionally and nationally.</td>
<td></td>
</tr>
<tr>
<td><strong>Extending High Standards Across Schools (EHSAS)</strong></td>
<td></td>
</tr>
<tr>
<td>Strengthen professional learning communities of schools and increase collaboration.</td>
<td>The principles behind EHSAS are to raise student achievement by promoting excellence in the school system and supporting high standards.</td>
</tr>
<tr>
<td>Improve student outcomes.</td>
<td>The objective of EHSAS is to improve student outcomes by assisting schools to further develop effective processes and practices with other schools. A key element of this initiative will be schools working collaboratively to extend their practice.</td>
</tr>
<tr>
<td>Improve teaching quality.</td>
<td>By identifying processes and practices currently operating in schools and which are having a significant impact on student achievement, and assisting schools to work collaboratively with others, this initiative has the potential to bring about significant system level change.</td>
</tr>
<tr>
<td>Develop a knowledge base of models of effectiveness and examples of practices and processes that can be used to enhance school performance.</td>
<td></td>
</tr>
<tr>
<td>Increase opportunities for teachers to work with colleagues to inquire into and strengthen their professional knowledge and practice.</td>
<td></td>
</tr>
<tr>
<td><strong>In-Service Teacher Education Practice Project (INSTEP)</strong></td>
<td>INSTEP is a research and development project about the learning and practice of advisers, facilitators, resource teachers, and other in-service teacher educators.</td>
</tr>
<tr>
<td>Explore and develop effective approaches for the professional learning of in-service teacher educators.</td>
<td></td>
</tr>
<tr>
<td>Strengthen and promote evidence-based in-service teacher education practice.</td>
<td></td>
</tr>
<tr>
<td>Support professional leadership and ongoing improvement within the in-service teacher education sector.</td>
<td></td>
</tr>
</tbody>
</table>
Appendix 1  Professional development initiatives we reviewed

<table>
<thead>
<tr>
<th>Key strategic aspirations as noted in Ministry documentation</th>
<th>Other information from Ministry documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Literacy Professional Development Project</strong></td>
<td>Literacy Professional Development Project is one part of the Ministry of Education's Literacy Strategy. The project is offered to schools with students in Years 1-6 and/or Years 7-8 and provides them with in-depth school-wide professional development in literacy. Schools can choose to focus on either reading comprehension or writing. Facilitators work with the literacy leaders, principals, and teachers of the participating schools, supporting them to take an enquiry- and evidence-based approach to increasing the effectiveness of the literacy practices in their school.</td>
</tr>
<tr>
<td>Evidence of improved student achievement.</td>
<td></td>
</tr>
<tr>
<td>Evidence of improved teacher content knowledge.</td>
<td></td>
</tr>
<tr>
<td>Evidence of improved transfer of understanding of literacy pedagogy to practice.</td>
<td></td>
</tr>
<tr>
<td>Evidence of professional learning communities.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>National Pilot Programme for Aspiring Principals</strong></th>
<th>A national pilot programme for aspiring principals will run during 2008. The pilot is a programme of professional learning designed to prepare aspirants for principalship in a range of New Zealand schools. To be considered for selection, applicants must provide evidence of:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leading learning is the key priority. This involves leadership which:</td>
<td>• successful teaching practice;</td>
</tr>
<tr>
<td>• improves learning outcomes for all students, with a particular focus on Māori;</td>
<td>• recent professional learning;</td>
</tr>
<tr>
<td>• creates the vision and conditions for effective teaching and learning; and</td>
<td>• relationships with students, colleagues, and community;</td>
</tr>
<tr>
<td>• builds and sustains schools as learning communities.</td>
<td>• leading and/or being part of a team; and</td>
</tr>
<tr>
<td></td>
<td>• a personal commitment to leading learning.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Principals’ Development Planning Centre</strong></th>
<th>The Principals’ Development Planning Centre is a professional development initiative for principals of New Zealand schools with three or more years’ experience. While at the Centre, participating principals:</th>
</tr>
</thead>
<tbody>
<tr>
<td>To develop educational leadership capability in principals.</td>
<td>• experience a range of activities and exercises that imitate real-life situations they face in a leadership role;</td>
</tr>
<tr>
<td></td>
<td>• have the opportunity to reflect and evaluate their current leadership practices in a safe and supportive environment;</td>
</tr>
</tbody>
</table>
Professional development initiatives we reviewed

### Key strategic aspirations as noted in Ministry documentation
- receive intensive one-on-one support from a facilitator who, where possible, is matched to their circumstances;
- work through a “strengths and needs” analysis as part of building a professional development plan; and
- have the opportunity to build supportive relationships with other participating principals.

### Schooling Improvement
Schooling Improvement is an evidence-based practice aimed at raising student achievement, particularly that of Māori and Pasifika students. These are projects that aim to improve the capability of schools and clusters and their responsiveness to the needs of their communities. Most projects are developed in the context of a business case. Teacher professional development is an aspect of the projects.

This occurs through a set of planned interventions which to date, have focused mainly on literacy and numeracy. These interventions have primarily focused on effective classroom practice as opposed to other external variables. Schooling Improvement predominantly works with clusters of schools rather than individual schools.

### School Support Services
The School Support Services contracts are the main vehicle that the Ministry of Education uses for the provision of centrally-funded and managed professional learning programmes.

The provision of professional learning programmes for principals and teachers to meet government priorities as well as to meet regional needs continues to be a key focus of the services purchased through the School Support Services contracts.

### Teachers Refresher Course Committee (TRCC)
The TRCC has identified the following key strategic targets for the next three years. The TRCC will:
- be a professional, representative and highly effective committee;
- be nationally recognised as a quality professional development provider with strong links to relevant educational groups;
- meet its Treaty of Waitangi responsibilities in all aspects of the organisation’s activities;
- be appropriately resourced to ensure sound financial, asset and personnel management; and
- provide innovative, relevant and timely courses for all sectors in education.

The TRCC exists to:
- improve the quality of teaching and learning in New Zealand education;
- provide quality professional development for all New Zealand educators;
- deliver national courses “for teachers by teachers”; and
- take account of research, and model best practice in education, in course planning.
Te Hiringa i te Mahara aims to empower Māori secondary school teachers, particularly teachers of te reo Māori:

- to think about their situation differently, and to respond in their own culturally and professionally powerful way; and
- to provide them with classroom and management resources, professional development programmes, and enhanced access to networks.

Te Hiringa is about “the power of the mind” – and about the attributes that a Māori teacher brings to the practice of their profession.

<table>
<thead>
<tr>
<th>Key strategic aspirations as noted in Ministry documentation</th>
<th>Other information from Ministry documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Te Hiringa i te Mahara</td>
<td></td>
</tr>
</tbody>
</table>

- Te Hiringa i te Mahara aims to empower Māori secondary school teachers, particularly teachers of te reo Māori:
  - to think about their situation differently, and to respond in their own culturally and professionally powerful way; and
  - to provide them with classroom and management resources, professional development programmes, and enhanced access to networks.
Appendix 2

Professional Development and Support appropriation 2007/08

The following table shows, from the total 2007/08 appropriation of $120.410 million for Professional Development and Support, those initiatives that were within the scope of our audit.

<table>
<thead>
<tr>
<th>Initiative</th>
<th>2007/08 budget ($) (GST exclusive)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Arts Professional Development</td>
<td>756,000</td>
</tr>
<tr>
<td>Aspiring and Potential Principals</td>
<td>361,000</td>
</tr>
<tr>
<td>Assessment Professional Development</td>
<td>3,485,000</td>
</tr>
<tr>
<td>E-Learning Cluster Development</td>
<td>932,000</td>
</tr>
<tr>
<td>Enterprise Education</td>
<td>444,000</td>
</tr>
<tr>
<td>Environmental Education Professional Development</td>
<td>1,156,000</td>
</tr>
<tr>
<td>Environment Sustainability</td>
<td>3,261,000</td>
</tr>
<tr>
<td>ESOL* Home School Partnership programme</td>
<td>178,000</td>
</tr>
<tr>
<td>ESOL Learning Progression Framework</td>
<td>290,000</td>
</tr>
<tr>
<td>ESOL Professional Development</td>
<td>889,000</td>
</tr>
<tr>
<td>Gifted and Talented Professional Development</td>
<td>1,323,000</td>
</tr>
<tr>
<td>Group Mentoring/Leadership Forums</td>
<td>196,000</td>
</tr>
<tr>
<td>Healthy Lifestyles</td>
<td>1,253,000</td>
</tr>
<tr>
<td>Information Technology Initiatives</td>
<td>11,292,000</td>
</tr>
<tr>
<td>International – ESOL Professional Development</td>
<td>444,000</td>
</tr>
<tr>
<td>International Teacher Exchange</td>
<td>1,056,000</td>
</tr>
<tr>
<td>Literacy Professional Development</td>
<td>3,707,000</td>
</tr>
<tr>
<td>Māori Curricular Professional Development</td>
<td>493,000</td>
</tr>
<tr>
<td>Māori Teacher Workload (two initiatives)</td>
<td>2,546,000</td>
</tr>
<tr>
<td>NCEA** Professional Development</td>
<td>871,000</td>
</tr>
<tr>
<td>New Teaching Diploma – GIF</td>
<td>2,133,000</td>
</tr>
<tr>
<td>New Zealand Curriculum &amp; Other (Teacher Professional Development)</td>
<td>862,000</td>
</tr>
<tr>
<td>Numeracy Professional Development</td>
<td>4,052,000</td>
</tr>
<tr>
<td>Pacific English Language</td>
<td>1,301,000</td>
</tr>
<tr>
<td>Principals Professional Development</td>
<td>1,518,000</td>
</tr>
<tr>
<td>Principals Development – Leadspace</td>
<td>3,082,000</td>
</tr>
<tr>
<td>Principals’ Development Planning Centre (PDPC)</td>
<td>801,000</td>
</tr>
<tr>
<td>Physical Activity for Primary Schools</td>
<td>700,000</td>
</tr>
<tr>
<td>Reading Recovery School Support Services</td>
<td>2,630,000</td>
</tr>
<tr>
<td>School Advisory Services (School Support Services)</td>
<td>22,735,000</td>
</tr>
<tr>
<td>Secondary Numeracy Professional Development</td>
<td>1,551,000</td>
</tr>
<tr>
<td>Secondary Literacy Professional Development</td>
<td>888,000</td>
</tr>
<tr>
<td>Senior Subject Advisor Service</td>
<td>1,870,000</td>
</tr>
</tbody>
</table>
### Initiative

<table>
<thead>
<tr>
<th>Initiative</th>
<th>2007/08 budget ($) (GST exclusive)</th>
</tr>
</thead>
<tbody>
<tr>
<td>STAR*** Professional Development (5 School Support Services positions)</td>
<td>533,000</td>
</tr>
<tr>
<td>Strengthening In-Service Teacher Education Practice</td>
<td>225,000</td>
</tr>
<tr>
<td>Student Wellbeing</td>
<td>827,000</td>
</tr>
<tr>
<td>Teacher Fellowships</td>
<td>410,000</td>
</tr>
<tr>
<td>Teacher Refresher Course Committee</td>
<td>444,000</td>
</tr>
<tr>
<td>Te Kotahitanga and Te Kauhua Professional Development</td>
<td>5,170,000</td>
</tr>
<tr>
<td>Te Kauhua Phase III</td>
<td>704,000</td>
</tr>
<tr>
<td>Te Reo Tikanga Māori</td>
<td>1,563,000</td>
</tr>
<tr>
<td>Whakapiki Reo</td>
<td>3,038,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>91,970,000</strong></td>
</tr>
</tbody>
</table>

* ESOL = English for Speakers of Other Languages.
** NCEA = National Certificate in Educational Achievement.
*** STAR = Secondary Tertiary Alignment Resource.
Appendix 3
Estimated spending on professional development in 2007/08

The following table is our estimate of the Ministry of Education’s spending in 2007/08 on professional development for primary and secondary school teachers within the scope of our audit. It is based on information provided by the Ministry and in the *Estimates of Appropriations*.

<table>
<thead>
<tr>
<th>Type of expense</th>
<th>Appropriations</th>
<th>Description</th>
<th>2007/08 budget ($ million) (GST exclusive)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Output Expense</td>
<td>Support and Resources for Teachers</td>
<td>Expenditure on policies and services focused on supporting the work and enhancing the capability of teachers. It includes providing professional development for teachers.</td>
<td>21.600</td>
<td>This appropriation includes policy advice, and the new curriculum. This is our minimum estimate of expenditure on professional development for teachers within this appropriation. Our estimate uses information in the Ministry’s 2007-2012 Statement of Intent on output 5.3.</td>
</tr>
<tr>
<td></td>
<td>Non-Departmental Output Expense</td>
<td>Professional Development and Support</td>
<td>Delivery of professional development and advisory support to staff in schools to support effective teaching and enhance self-management</td>
<td>91.970</td>
</tr>
<tr>
<td>Other Crown Expenses</td>
<td>Primary and Secondary Education</td>
<td>Estimated expenditure of school operational funding on professional development services for teachers.</td>
<td>31.169</td>
<td>Assumes the same proportion of total operational funding being spent on teacher professional development services as in 2005/06. The 2005/06 figure is indicative only, as the Ministry has noted that there is uncertainty about the accuracy of the data due to schools’ reporting inconsistencies.</td>
</tr>
</tbody>
</table>
### Estimated spending on professional development in 2007/08

<table>
<thead>
<tr>
<th>Type of expense</th>
<th>Appropriations</th>
<th>Description</th>
<th>2007/08 budget ($ million) (GST exclusive)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Crown Expenses</td>
<td>Primary and Secondary Education</td>
<td>EHSAS initiative</td>
<td>10.000</td>
<td>See description in Appendix 1.</td>
</tr>
<tr>
<td>Other Crown Expenses</td>
<td>Primary and Secondary Education</td>
<td>Ministry estimate of expenditure on teacher release time and call-back days as part of collective employment agreements.</td>
<td>80.000</td>
<td>This figure was provided by the Ministry and applies to the 2005/06 year. The Ministry was unable to provide a more recent equivalent figure. The figure includes the cost of relief teaching to cover study and sabbatical leave. The Ministry has not been able to tell us exactly what proportion relates to relief teaching costs. We therefore acknowledge that the Ministry's actual spending on professional development for teachers as a result of arrangements in the collective agreements with teachers will be less than $80 million a year. This is assuming that the current costs of these arrangements are the same as in 2005/06.</td>
</tr>
<tr>
<td>Other Crown Expenses</td>
<td>Schooling Improvement</td>
<td>These are projects that aim to improve the capability of schools and clusters and their responsiveness to the needs of their communities. Most projects are developed in the context of a business case. Teacher professional development is an aspect of the projects.</td>
<td>4.372</td>
<td>Not all of this sum will be explicitly for professional development, but professional development is a significant component of Schooling Improvement projects.</td>
</tr>
</tbody>
</table>
### Appendix 3 Estimated spending on professional development in 2007/08

<table>
<thead>
<tr>
<th>Type of expense</th>
<th>Appropriations</th>
<th>Description</th>
<th>2007/08 budget ($ million) (GST exclusive)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits and Other Unrequited Expenses</td>
<td>National Study Awards</td>
<td>These are the study awards, sabbaticals, and fellowships for teachers.</td>
<td>0.361</td>
<td>This figure excludes the salary costs associated with relief teacher cover for teachers receiving awards.</td>
</tr>
<tr>
<td>Benefits and Other Unrequited Expenses</td>
<td>Study Abroad Awards</td>
<td>Awards granted to provide assistance to top scholars, researchers, and teachers to undertake placements abroad and to participate in reciprocal education exchange arrangements.</td>
<td>[2.290]</td>
<td>The teacher proportion of this is unknown, so we have not included the figure in the total.</td>
</tr>
<tr>
<td>Estimated total expenditure</td>
<td></td>
<td></td>
<td>239.472</td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**

1. The funding the Ministry receives for some of the appropriations listed above is higher than the funding levels shown. This is because funding for professional development for early childhood education and special education are excluded from the information provided above.
2. We have included information within our estimate of spending that the Ministry does not normally include because of accuracy and currency issues. We acknowledge that these are issues with some of the information, in particular with schools' operational funding. In our view, it is important to identify, to the extent possible, the resources being allocated to professional development.
3. The Ministry considers study awards, sabbaticals, and fellowships for teachers to be of a different nature from the other professional development initiatives listed above. Therefore, it excludes these in its analyses of spending on professional development for teachers. We have included them because it is a public resource that is allocated to the ongoing professional development of teachers.
Other publications issued by the Auditor-General recently have been:

- Inquiry into the West Coast Development Trust
- Maintaining and renewing the rail network
- Reporting the progress of defence acquisition projects
- Ministry of Education: Monitoring and supporting school boards of trustees
- Charging fees for public sector goods and services
- The Auditor-General’s observations on the quality of performance reporting
- Local government: Results of the 2006/07 audits – B.29[08b]
- Procurement guidance for public entities
- Ministry of Education: Monitoring and supporting school boards of trustees
- Public sector purchases, grants, and gifts: Managing funding arrangements with external parties
- The Accident Compensation Corporation’s leadership in the implementation of the national falls prevention strategy
- Ministry of Social Development: Preventing, detecting, and investigating benefit fraud
- Guardians of New Zealand Superannuation: Governance and management of the New Zealand Superannuation Fund
- Annual Plan 2008/09 – B.28AP(08)
- Central government: Results of the 2006/07 audits – B.29[08a]
- The Auditor-General’s Auditing Standards – B.28(AS)
- Responses to the Coroner’s recommendations on the June 2003 Air Adventures crash
- Inland Revenue Department: Effectiveness of the Industry Partnership programme
- Audit committees in the public sector
- New Zealand Trade and Enterprise: Administration of grant programmes – follow-up audit

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Ministry of Education: Supporting professional development for teachers