



## Briefing Note: **New Zealand School Trustees Association contract - update**

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| <b>To:</b>                                    | Hon Jan Tinetti, Associate Minister of Education  |                     |             |
| <b>Cc:</b>                                    | Hon Chris Hipkins, Minister of Education<br>Hon Kelvin Davis, Associate Minister of Education |                     |             |
| <b>Date:</b>                                  | 5 October 2022  | <b>Priority:</b>    | Medium      |
| <b>Security Level:</b>                        | Commercially sensitive  | <b>METIS No:</b>    | 1290123     |
| <b>Drafter:</b>                               | Doug Ferry, Manager: School Governance  | <b>DDI:</b>         | 04 463 8262 |
| <b>Key Contact:</b>                           | Jann Marshall Pouwhakarae:<br>Network and School Delivery                                     | <b>DDI:</b>         | 04 463 8829 |
| <b>Messaging seen by Communications team:</b> | No  | <b>Round Robin:</b> | No          |

### Purpose of Report

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The purpose of this paper is to update you on our plans for the future of the schedule of services (contract) with New Zealand School Trustees Association (NZSTA) which is due to end on 31 December 2022. This follows our previous Briefing Note on 30 May 2022 [METIS 1281182 refers].

### Summary

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1. Since January 2014, the Ministry has engaged NZSTA to provide a wide range of support for school boards (boards) under a Master Services Agreement (MSA). The contract has been renewed or extended several times since 2014.
2. In 2020, the Ministry extended the contract through to 31 December 2022. The timing for the extension of the contract recognised the need to have continuity of support for boards through and beyond the 2022 triennial election process.
3. The Ministry's view is that NZSTA is best placed to continue to provide support and advice to boards in the short term. The Secretary for Education has agreed in principle extend the current contract for one-year till the end of 2023, with a one-year right of renewal subject to the recommendation.
4. The Ministry is currently undertaking analysis of the contract to inform negotiations. We plan to negotiate an extension to the contract for 2023, with any necessary amendments to the MSA, by the end of November 2022.

## Recommended Actions

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The Ministry of Education recommends you:

- a **Note** the Ministry's proposed approach for the NZSTA contract to support boards in 2023.
- b **Agree** that the Ministry of Education release this briefing after the contract negotiations with NZSTA for 2023 have concluded.

☒ **Agree** ☐ **Disagree**



Jann Marshall  
**Pouwhakarae - Te Pae Aronui**  
**Education**  
**Te Mahau**

5/10/2022



Hon Jan Tinetti  
**Associate Minister of**  
**School Operations**

16 / 10 / 2022

## Background

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1. New Zealand School Trustees Association (NZSTA) has been contracted by the Ministry of Education (the Ministry) since 2014 to provide governance and employment advice and support services to all school and kura boards (including principals) – whether they are members of NZSTA or not.
2. Since June 2017, the Ministry has made a series of one-year extensions to the contract with NZSTA to provide ongoing support to boards while the Review of Tomorrow's Schools was completed, and the Government made decisions about its implementation.
3. This main schedule of services (contract) sits under a Master Services Agreement (MSA). A two-year extension was agreed for the current contract from 1 January 2021 to 31 December 2022 [METIS 1246531 refers] to ensure that boards had critically important support through and beyond the 2022 triennial election process.
4. NZSTA's current contract requires them to provide services that use a proactive integrated approach to assist boards to meet the Government's increased expectations and accountabilities of boards. This includes:
  - a. independent, employment, personnel, trusteeship, and governance advice to boards
  - b. providing management services for board elections;
  - c. increasing boards' capability in human resources management (HRM). This is to include a programme of support to boards ensuring that there are good HRM systems in place that will enhance student achievement and safeguard students and raise in-school practice;
  - d. professional development for boards; and
  - e. using client feedback to improve professional development and support.

### **Support for Boards in the short term**

5. The Ministry's view is that NZSTA is best placed to continue to provide support and advice to boards in the short term. The Secretary for Education has agreed in principle, to extend the current contract for one year until the end of 2023 with a one-year right of renewal.
6. A one-year extension will ensure support for boards is maintained while we identify a long-term arrangement for the provision of contracted board advice and support services for the 2024 calendar year and beyond, and for the Ministry to:
  - a. further develop the Te Mahau frontline service delivery model (including support to be delivered to schools and boards);
  - b. consider the support that that will be provided by Te Mahau, and test the market for the provision of services to Boards for 2024 onwards, in accordance with procurement best practice; and
  - c. review the underlying business need and justification for contracted advice and support services for boards.

7. We are undertaking analysis of the current agreement. The analysis will support the Ministry's negotiating position with a view to have the next contract finalised by the end of November 2022. This will provide NZSTA with time to prepare for any changes it will need to have in place by the commencement of the 2023 school year.
8. Our review of the business need and justification for contracted advice and support services for boards will enable an integrated and consistent level of service support for boards and a better understanding of their capability needs.
9. We will also be able to look at board support as part of the evolving system settings and structures in the wider education system. With this in mind we will investigate how the Te Mahau frontline service delivery model, can further support board capability. Leadership Advisors, once implemented, will have a role in supporting principals with their board-related functions.

## Financial Implication

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10. The funding for the NZSTA contract has been appropriated by Parliament for the purpose of providing governance support to schools. The contract value is 9(2)(f)(iv), for the 2021-2022 financial year and 9(2)(f)(iv), for the 2022-2023 financial year. The amount varies depending on the school board election cycle.

## Key Risks

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## Next Steps

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12. We are progressing the short and long-term workstreams concurrently to ensure ongoing support to boards in 2023 and beyond.