

Regulatory Impact Statement: Unique Identifier Use in the PBRF or Other Research Initiatives

Coversheet

Purpose of Document	
Decision sought:	<i>This analysis is produced for the purpose of informing final Cabinet policy decisions on unique identifier use for research funding purposes</i>
Advising agencies:	<i>Ministry of Education</i>
Proposing Ministers:	<i>Hon Penny Simmonds, Minister for Tertiary Education and Skills</i>
Date finalised:	<i>9/10/2024</i>
Problem Definition	
<p>The Tertiary Education Commission (TEC) is responsible for allocating funding to the tertiary education sector. As a part of this, it needs to allocate funding for the Performance Based Research Fund (PBRF) in a way that is timely, accurate and low cost. To fulfil this function, they require a unique identifier, this has historically been the National Student Number (NSN). However, Office of the Privacy Commissioner has found that this approach is inconsistent with the legislative provisions on the purpose of NSNs in the Education and Training Act 2020 as well as the Privacy Act 2020. Therefore, either a new unique identifier will need to be developed, or legislative change is required to support the continued administration of the PRBF. Retrospective validation will also be required to enable using and disclosing the previous dataset.</p>	
Executive Summary	
<p>The Tertiary Education Commission is responsible for allocation of funding to the tertiary education sector in New Zealand. As a part of that, TEC administers the Performance-Based Research Fund (PBRF). An integral part of the system that allocates PBRF funding is the requirement for a unique identifier to recognise individual research excellence and ensure that funding is assigned to the individual researchers that have earned it. TEC have historically used National Student Numbers to fulfil this role, however, due to the legislative requirements surrounding unique identifiers in the Privacy Act 2020 they will no longer be able to use National Student Numbers without legislative change to the Education and Training Act 2020.</p> <p>The Privacy Act 2020 states that unique identifiers can only be used by an agency when it is necessary for its functions, and it must be used for purpose(s) directly related to why it was assigned. For National Student Numbers, that purpose is outlined in Schedule 24 of the Education and Training Act 2020 (the Act). The Office of the Privacy Commissioner (OPC) has found that collecting NSNs for the purpose of verifying researchers as part of a research fund or initiative, using NSNs that were originally assigned to researchers when they were students is inconsistent with Schedule 24 of the Act. The use of NSN in submitted staff data files does not, therefore, align with the Privacy Act 2020. OPC have</p>	

communicated that they may pursue compliance action if legislation is not progressed to align practice with the Privacy Act 2020.

The following options have been explored:

- Retain the Status quo
- Create a new unique identifier for research funding purposes.
- Amend Schedule 24 of the Act to include use of NSNs for research funding purposes (Preferred option).

Option 2 and Option 3 would both require legislative change which is intended to be progressed through ETAB2. However, Option 2 would also require significant ongoing policy work.

Option 3 is the preferred option because it minimises the administrative burden on Tertiary Education Organisations (TEO) and is the most cost-effective option for both the Government and the Sector.

When given the choice between Option 2 and Option 3, the responses from public consultation had a strong preference for amending Schedule 24 of the Act to include use of NSNs for research funding purposes given the potential administrative costs associated with a new unique identifier.

Responses from the sector indicated that another unique identifier, ORCID, could potentially be explored as an option. However, ORCID was ruled out early into the policy process for a number of reasons, including that:

- ORCID is an optional scheme and there would be no mechanism to make all staff who are participating in the PBRF join ORCID.
- ORCID identifiers do not require any identification to be tied to them and it is possible for researchers to create duplicate IDs.
- Neither TEC or MOE have administrative or technical control over the ORCID data environment, this is potentially amplified by the fact it is not based in New Zealand.
- ORCID may potentially have the same issues with Information Privacy Principle 13 of the Privacy Act 2020.

Therefore, it was not explored further as an option to solve the current policy problem.

In addition, the previous use of the NSN needs to be retrospectively authorised to enable the continued storage, disclosure, and previous use of PBRF data.

Limitations and Constraints on Analysis

The scope of the options is limited by the need to ensure compliance with the Privacy Act 2020. This means that more long-term solutions that would require significant consultation, such as wider changes to digital identity in education, have been ruled out. The analysis is also limited by the need to ensure it is timely, accurate, and also can be achieved within baseline as no additional funding has been allocated for this work.

One of the primary assumptions underpinning this impact analysis is that in future the TEC will still need to use unique identifiers to allocate research funding to individuals as part of the tertiary funding system. This has been standard practice historically. However, the University Advisory Group will be presenting their findings to the Ministry of Education on the effectiveness of the funding system in supporting the university system, and the Ministry may or may not choose to change policy settings for the future based on that

advice. We are still progressing this legislative change because in the event that the tertiary research funding system still requires a unique identifier, there will still be an immediate need to address potential compliance issues., Irrespective of any regulatory changes to support the future use of unique identifiers for tertiary research funding, changes are required now to allow continued access to historical datasets.

There are not expected to be any distributional impacts on population groups due to the narrow scope of the policy problem.

Responsible Manager(s) (completed by relevant manager)

Eleonora Sparagna

Senior Policy Manager

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Te Tāhuhu o te Mātauranga Ministry of Education



Eleonora Sparagna

9/10/2024

Quality Assurance (completed by QA panel)

Reviewing Agency: Ministry of Education

Panel Assessment & Comment: The Ministry of Education's Quality Assurance Panel has reviewed the Regulatory Impact Statement produced by the Ministry of Education and dated 17 September 2024. The panel considers that it meets the Quality Assurance criteria.

Section 1: Diagnosing the policy problem

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

National Student Number use for administrating the Performance-Based Research Fund

1. The Tertiary Education Commission (TEC) is responsible for administering the Performance-Based Research Fund (PBRF) as a part of their responsibility to allocate funding to the tertiary education sector. The stated purpose of the PBRF is to increase the quality of research in Aotearoa New Zealand by encouraging and rewarding excellent research.
2. The most recent published annual report shows that as a part of the PBRF, TEC allocated roughly \$315 million in funding in 2022¹:
 - a. \$303.36 million to eight universities
 - b. \$9.5 million to Te Pūkenga

¹ Link: [2022-PBRF-performance-allocations.pdf \(tec.govt.nz\)](#)

- c. \$1.35 million to 11 private training establishments
 - d. \$786,242 to two Wānanga
3. The PBRF is broken up into three funding components – the Quality Evaluation, Research Degree Completion, and External Research Income. Each of these components are used to determine individual researchers' funding allocation which is allocated to the TEO that employs them.
 4. The Quality Evaluation is an assessment of the research performance of PBRF eligible staff at participating TEOs and is held periodically. The most recent Quality Evaluation was in 2018 and the next one was scheduled for 2026.
 5. As part of previous Quality Evaluations, TEOs have been required to apply PBRF eligibility criteria to staff members and present eligible research in evidence portfolios. These evidence portfolios have been assessed for quality by TEC-employed expert peer review panels. Funding has then been allocated to TEOs based on the quality of the research presented in Evidence Portfolios by individual researchers, and a unique identifier such as the National Student Number is required for their verification process.
 6. Previous Quality Evaluation processes have been based on participating TEOs submitting the following to TEC:
 - a. a Staff Data File – which contained information on all eligible staff members for whom an Evidence Portfolio was submitted; and
 - b. an Evidence Portfolio for each submitting staff member – which contained selected examples of research outputs and activities.
 7. Both the Staff Data File and Evidence Portfolio matching process have been critical to enable the correct total funding allocation to each TEO.
 8. Information captured in the Staff Data File, in combination with the results of the exercise, has been used by the Ministry of Education to ensure the process is delivering against its intended objectives.
 9. In previous Quality Evaluations, the following information has been collected through the Staff data file:

<ul style="list-style-type: none"> • Provider Number • Staff ID • Date of Birth • First Name • Preferred First Name • Middle Names • Family Name • Position Title • Full-Time Equivalent 	<ul style="list-style-type: none"> • Start Date • End Date • Nominated Academic Unit • New and Emerging Researcher • Part Time Staff • Gender • Previous Provider ID • Ethnicity
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10. If the design of any future Quality Evaluations (or other research funding initiatives) is similar to previous rounds, TEC will need to collect, use, and in some cases assign, or arrange for the assignment of a unique identifier to administer this process.
11. It is critical that the TEC can use a unique identifier to ensure that the funding is allocated accurately. The Quality Evaluation has previously allocated funding based on the quality of the research submitted in individual Evidence Portfolios, which requires the use of a unique identifier, and this may be part of the design of future rounds.
12. The Office of the Privacy Commissioner (OPC) has found that the use of NSNs for the PBRF could potentially be problematic and has indicated that they may pursue further compliance action unless the Act is amended to align NSN use with the Privacy Act 2020, or NSNs are no longer used in the PBRF process.
13. Irrespective of which of the two options for a unique identifier for the future administration of the PBRF are progressed, the previous use of the NSN needs to be retrospectively authorised. The Ministry of Education will, therefore, need to progress legislative change to enable the storage, disclosure, and previous use of PBRF data and explore options for future PBRF Quality Evaluations or similar research initiatives.
14. Although the PBRF Quality Evaluation 2026 will not take place due to the upcoming work being conducted by the University Advisory Group, the Ministry of Education will still be progressing legislative change. This is due to the need for retrospective validation of previous rounds of PBRF data, and in anticipation of the Quality Evaluation or a similar research initiative occurring in future with a continuing requirement to use previously assigned unique identifiers and assign new unique identifiers to participating TEO staff members.

15.9(2)(g)(i) [Redacted]
[Redacted]
[Redacted]

What is the policy problem or opportunity?

16. Agencies are required by the Privacy Act 2020 to only use unique identifiers for things directly related to the purposes which they are collected for. Historically, National Student Numbers have been used by TEC to distribute funding to researchers as a part of the PBRF Quality Evaluation.
17. OPC has found that this is outside of the scope for NSNs which is outlined in Schedule 24 of the Act. In their view, this is because:
 - a. TEC assigning NSNs which were originally created and assigned by the Ministry as a unique identifier for students falls out of the permitted uses under the Act and does not meet the expectations of IPP13(2)(a)(b) of the Privacy Act 2020.
 - b. TEC requiring Tertiary Education Organisations to submit staff files containing the disclosure of researchers' NSNs is in breach of IPP13(5).
18. 9(2)(g)(i)
[Redacted text]

What objectives are sought in relation to the policy problem?

19. Moving forward, the primary policy objective for a unique identifier is for staff members participating in research assessment exercises at TEOs to have a trusted and persistent verified identity that is assigned, collected and used in accordance with relevant legislation (currently this means that it would enable their participation in a PBRF Quality Evaluation).
20. Secondary policy objectives include:
 - a. Minimising any administrative burden on TEOs and education agencies;
 - b. Minimising duplication of personal information collected; and
 - c. minimising costs to relevant stakeholders.
21. Achieving the primary policy objective requires:
 - a. a system that allows the Ministry and TEC to establish and manage a persistent verified researcher identity, and
 - b. an accurate, efficient, and secure means of ensuring integrity of researcher identity.

Section 2: Deciding upon an option to address the policy problem

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

22. The Ministry has assessed the options based on the following criteria and compared them against the status quo. These criteria are developed to assess the overall costs and benefits of each option and the extent to which they meet the policy objectives.

Criteria	Description
Requirements for research funding allocation	PBRF eligible staff members have a trusted and persistent verified identity that enables their participation in the PBRF or other similar research initiatives
Impact on regulated groups	Any impact on the general operations for TEOs and funding-eligible staff including administrative costs/burdens
Alignment with Privacy Act 2020	Whether the option aligns with the Information Privacy Principles as outlined in the Privacy Act 2020
Costs and timeline for implementation	How costly the option may be and how long the option could potentially take to be implemented.

What scope will options be considered within?

23. The scope of the options is limited by the need to ensure compliance with the Privacy Act 2020 and align with the Education and Training Act 2020. This means that more long-term solutions that would require significant cost and additional consultation, such as wider changes to digital identity in education, have been ruled out.

24. Each option will need to:

- i. Be funded within existing baseline due to additional funding not being provided.
- ii. Enable eligible staff members/researchers to have a trusted and persistent verified identity (captures full name, date of birth, gender, citizenship or residential status etc.) that allows them to participate in the PBRF or other similar research initiatives.
- iii. Minimise the impact on regulated groups (TEOs and funding-eligible researchers), for example costs and administrative burden.
- iv. Be effective and responsive to sector and compliance requirements.
- v. Align with Information Privacy Principles as outlined in the Privacy Act 2020.

25. Options also need to address validation for historical use.

Excluded Options

26. Several options, both non-regulatory and regulatory, were considered to resolve the problem. We have discounted the following options:

Option:	Reason discounted:
Redesigning the PBRF funding so it is not linked to individual researchers (removing the need for a unique identifier)	<ul style="list-style-type: none"> • Long-term project with significant implications on TEOs' funding. • May be considered as an option in the advice presented by the University Advisory Group; however, this will not address compliance in the shorter term.
Retaining a Quality Evaluation process but redesigning the process to avoid the need for linking individual researchers to evidence portfolios	<ul style="list-style-type: none"> • We would not be able to complete validation of staff data files and Evidence Portfolios, which is a critical step in the quality evaluation. • This also removes the ability to compare historical data sets.
Using Open Researcher and Contributor ID (ORCID) as a unique identifier	<ul style="list-style-type: none"> • ORCID is an optional scheme and there would be no mechanism to make all staff who are participating in the PBRF join ORCID. • ORCID identifiers do not require any identification to be tied to them and it is possible for researchers to create duplicate IDs. • Neither TEC or MOE have administrative or technical control over the ORCID data environment, this is potentially amplified by the fact it is not based in New Zealand. • ORCID may potentially have the same issues with Information Privacy Principle 13 of the Privacy Act 2020.

What options are being considered?

27. The following sections provide an overview of the analysis of each option, and the Multi-Category Analysis on page 11 provides an overview summary against the key criteria outlined earlier.
28. Due to the status quo no longer being viable, it was not included as an option for public consultation. However, it is included as a baseline for comparative analysis in this document.
29. After the options on page 7 were discounted along with the status quo (option one), the Ministry determined that only the following two options would be viable based on our policy objectives and criteria:
 - a. Option Two – Creating a new unique identifier for research funding purposes.
 - b. Option Three – Amending Schedule 24 of the Education and Training Act, enabling TEC to use the NSN for the PBRF Quality Evaluation or similar research initiatives, including retrospective validation.

Option One – *Status Quo*

30. Option one (retaining the status quo) has been discounted as OPC has communicated to TEC and MOE that it does not meet the requirements of the Privacy Act. In its communications OPC has indicated it will pursue compliance action unless the scope of the NSN is either broadened to include current use (Option Three – amending schedule 24 of the Act), or the NSN is no longer used for allocating research funding and NSNs used for this purpose are removed from the NSI.

Option Two – Creating a new unique identifier for research funding purposes.

31. A new unique identifier is created for the Performance-Based Research Fund (or similar research initiatives).
32. This would require a database of the required personal information to be established and access to the database to be managed across the Ministry, TEC and TEOs. Permissions would need to be set around who is able to assign and amend the unique identifier and ensure information is kept up to date. Further policy work will be needed to identify who would own and operate a new database. The timeline for this policy work could potentially affect compliance going forward.
33. This option would meet the primary policy objective of PBRF eligible staff members having a trusted and persistent verified identity that enables their participation in the PBRF. It would also meet secondary objectives in the long term once new processes are implemented and established.
34. Establishment of a new unique identifier would still require legislative change to the Act to set the purpose for which the unique identifier can be assigned and used, similar to proposed changes to Schedule 24. The new identifier may also duplicate existing processes for sharing personal information, increasing the possibility of privacy breaches.
35. TEOs would need to implement new processes to collect and share unique identifier information. The cost of developing, implementing and maintaining this option is unknown, but there may be significant cost implications for the Ministry, TEC, and TEOs.
36. In 2023, a TEC briefing estimated an additional cost of \$300,000 to PBRF IT system costs for the 2026 Quality Evaluation (based on 2018 costs). This estimate was for TEC

only and did not include any potential compliance costs for TEOs. However, it was anticipated that TEOs would also have additional costs.

37. This would have been a roughly 28% increase in IT costs for the PBRF Quality Evaluation process and was estimated as a smaller part of a larger IT project. If this unique identifier was developed outside of the larger IT systems costs could potentially be higher.
38. If TEC was the database owner, TEC as an organisation would need to hold more personal information than it currently does (likely all the variables required to establish and maintain the unique verifier) compared with Option 2. The key variables not captured in the Staff Data File but associated with the NSN include residential status and confirmation identity has been verified. This information is usually confirmed when a student enrolls in education.
39. If a new unique identifier is created, a process to confirm identity would need to occur. This responsibility could sit directly with TEOs, TEC or the Ministry.
40. If this option were to be progressed further consultation would need to occur over ownership of the database, implications on TEOs and staff, and ongoing costs.
41. This option would not address past and present use and would mean that any previously collected data for tertiary funding purposes could no longer be used or stored without additional retrospective validation.

Option Three - Amending Schedule 24 of the Education and Training Act, enabling TEC to use the NSN for the PBRF Quality Evaluation or similar research initiatives, including retrospective validation.

42. This option amends Schedule 24 of the Education and Training Act 2020, allowing TEOs and TEC to use NSNs for the PBRF Quality Evaluation (or similar research initiatives) and validate previous assignment, disclosure and retention of NSNs. This option is the most pragmatic approach, utilising existing systems and processes where possible.
43. This option more strongly aligns with the policy objectives and key analysis criteria than Option Two and is therefore the preferred approach. We have been progressing further detailed analysis of the privacy implications of this approach, which will be made publicly available once work progresses.
44. TEOs have existing processes in place to assign and amend NSNs through their core role as education providers. These would be used for assigning NSNs to PBRF-eligible staff, where they did not already have one. Strong existing processes are in place for TEOs to create, amend and access National Student Index (NSI) information, which would be utilised for this process, minimising potential privacy risk. TEC would use the NSN to match the Staff Data File and evidence portfolios.
45. Option three is more cost effective than option two as TEC will only need to develop a system for the Quality Evaluation process itself or any similar research initiative, rather than developing a new process for assigning, amending, and maintaining unique verifiers.
46. The administrative burden on researchers and TEOs is also expected to be lower when compared to creating a new unique identifier, as researchers who have already participated in the New Zealand education system will have already been assigned an NSN. Researchers who have not taken part in the New Zealand education system will be assigned NSNs purely for the purpose of participating in the PBRF Quality Evaluation or similar research initiatives.

How do the options compare to the status quo?

Key	++ Much better than the status quo	+ Better than the status quo	0 About the same as the status quo	- Worse than the status quo	-- Much worse than the status quo
	Option One – Status Quo		Option Two – A new unique identifier is created for the PBRF or similar research initiatives		Option Three- Amending Schedule 24 of the Education and Training Act 2020, enabling TEC to use NSNs for research funding purposes
Requirements for research funding allocation	0 Current practice is to use NSNs to verify researchers' identity and enable their participation in the PBRF. If this continues the Office of the Privacy Commissioner has said it will pursue compliance action	++ <ul style="list-style-type: none"> A bespoke solution would be created for the PBRF. The unique identifier would be either owned by TEC or MOE and held in a database with the associated necessary personal information. This would enable TEC to use it for the PBRF Quality Evaluation. As part of the process to assign the unique identifier to PBRF eligible staff, identity would need to be verified. 	++ <ul style="list-style-type: none"> The NSN is a trusted and persistent unique identifier regularly used in the education sector. As part of the assignment of an NSN identity must be verified. Use of this unique identifier would enable PBRF staff to participate in the Quality Evaluation. 		
Impact on regulated groups (TEOs and funding-eligible researchers)	0 Potential compliance action from OPC may affect TEOs	-- <ul style="list-style-type: none"> Cost to implement new process for staff and TEOs. Likely increased ongoing administrative burden as TEOs would need to undertake a identify 	+ <ul style="list-style-type: none"> TEOs are familiar with requirements around NSN creation and amendment. Existing processes used for students can be followed for staff. 		

		verification process for staff increasing workload.	Most funding-eligible staff will have an existing NSN minimising workload in creating unique identifiers.
Alignment with Privacy Act 2020	0 Current practice may not be aligned with the Information Privacy Principles.	++ <ul style="list-style-type: none"> A new identifier would be designed to fully align with the Information Privacy Principles. More personal information may need to be held by either TEC or MOE to create and maintain the identifier. 	++ <ul style="list-style-type: none"> The proposed amendment will align the intended and previous use with legislative settings.
Costs and timeline for implementation	0	-- <ul style="list-style-type: none"> Developing a new unique identifier could potentially have significant costs in both time and resources for both the sector and regulators. 	0 <ul style="list-style-type: none"> Implementation will be limited by the timelines for the legislative change process. There will be either low or no additional costs for the sector as this option is intended to enable the status quo. There will be minor administrative costs to the Ministry of Education, which are associated with the legislative change process. These will be mitigated by including this legislative change within a larger amendment bill.
Overall assessment	0	+	++

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

47. Option Three - Amending Schedule 24 of the Education and Training Act 2020, enabling TEC to use NSNs for research funding purposes is the preferred option.
48. The primary trade-offs between Options Two and Three in the Multi-Category Analysis are the impact on TEOs and the costs and timeline for implementation. Option Two performs strongly in aligning with the Privacy Act 2020 and meeting the requirements for allocating research funding. However, it falls short in the impact it could potentially have on regulated groups and the costs and timeline of implementation.
49. Option Three has a strong positive value within the multi-criteria analysis due to the status quo being fundamentally unviable going forward. If OPC decide to pursue compliance action as they have indicated, we will likely no longer be able to maintain the status quo.
50. We anticipate that the impact on TEOs for creating a new unique identifier for the purposes of research funding would be significant compared to Option Three, this is because Option Three would regulate current practice and allow for its continuation and thus reduce the impact on individual researchers and TEOs as much as possible.
51. Sector stakeholders were communicated with during the public consultation process. The consultation process outlined the current policy setting and communicated why it is no longer viable, that historic compliance issues are not being pursued, and also presented two options for their consideration. It is intended that the impact on stakeholders will be small enough that they will not need any additional support.
52. When given the choice between creating a new unique identifier for the sector and continuing to utilise NSNs, the responses from public consultation had a strong preference for continuing to utilise NSNs given the potential administrative costs associated with a new unique identifier.
53. However, the sector did express an interest in pursuing ORCID identifiers as an alternative to NSNs for the purposes of research funding. This was ruled out early into the policy process due to a number of issues, indicated in the excluded options table on page 7.
54. After considering Ka Hikitia – Ka Hāpaitia, the Ministry Māori education strategy, it was deemed that each of the options would score the same in multi-category analysis. Therefore, it has not been included in the table.

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Te Tiriti o Waitangi Analysis

55. The Crown has a duty to actively promote and protect Tiriti rights and interests and to develop education settings in a way that supports Māori-Crown relationships. The following summary of Te Tiriti implications considers the ways in which this policy may intentionally or unintentionally impact Māori and assesses each option against the articles 1-3 of Te Tiriti.

	Article 1: Kāwanatanga	Article 2: Tino Rangatiratanga	Article 3: Ōritetanga
Interpretation	The Crown has the right to govern (kāwanatanga). Good governance must protect Māori interests and ensure equitable Māori engagement and/or leadership in priorities and decisions.	Provides Māori with tino rangatiratanga or absolute sovereignty over all their whenua, kāinga and taonga.	Promises to Māori the benefits of royal protection and full citizenship. This Article emphasises the rights of Māori to live as Māori in a manner consistent with whānau, hapū and/or iwi values and traditions.
Relevance to problem definition	Genuine engagement with Māori representatives on any new requirement is critical to supporting Māori-Crown relationships and meeting our partnership responsibilities. This is explicitly referenced in section 4 of the Act.	Māori have have rights and interests in relation to the collection, ownership and storage of Māori data. Te Kāhui Raraunga Māori data governance model notes that most Māori data sits in systems designed and controlled by Government. In WAI 2522, the Waitangi Tribunal noted that data is a tāonga that requires culturally grounded models of protection and care. The Crown has a responsibility to ensure that Māori data is not used in ways that cause harm through creating stigmatising or deficit-based narratives about Māori.	The Government has an obligation to actively protect Māori to ensure that they have equitable participation in the education system.
Option 1: Status quo	LIMITED Māori are included in the general PBRF process and have an interest in the fund allocating resources correctly, equitably and in a timely matter. However, Māori have not been independently consulted on the final decisions for this policy. Any wider reaching decisions about the PBRF system have been deemed out of scope due to the problem definition being narrow.	POOR Māori have not been granted opportunities to exercise their rangatiratanga in the context of National Student Number data. Because Māori data is a tāonga, this undermines the obligation under article 2 of Te Tiriti.	FAIR This process does not have any specific considerations towards Māori; however, it is intended to enable a policy setting that treats equity as one of its primary guiding principles. The accurate and timely allocation of funding would be a significant part of an equitable system. While the scope of this change is too limited to address any potential equity issues within the tertiary education sector, it may contribute strongly to other policy work that enables equitable treatment of Māori.

Option 2:	LIMITED	POOR	FAIR
	Same as for status quo.	Same as for status quo.	Same as for status quo.
Option 3:	LIMITED	POOR	FAIR
	Same as for status quo.	Same as for status quo.	Same as for status quo.

Key: Each option is ranked based on the following criteria.	Silent	Poor	Limited	Fair	Excellent
	There is no content in relation to this article of Te Tiriti	<p>Little consideration of the article.</p> <p>Little evidence can be provided to answer questions.</p> <p>Significantly more consideration of the article needed.</p>	<p>Limited consideration of the article.</p> <p>Limited evidence can be provided to answer questions.</p> <p>More consideration of the article is needed.</p>	<p>A fair amount of consideration of the article.</p> <p>Sufficient evidence can be provided to answer questions but there are gaps.</p> <p>More could be done to ensure consideration is excellent.</p>	<p>In depth consideration of the article.</p> <p>Sufficient evidence is provided to answer all questions with no gaps.</p> <p>Still potential for more development.</p>

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What are the marginal costs and benefits of the option?

56. The following cost benefit analysis has been completed for Option Three - Amending the Education and Training Act 2020 to include using NSNs for research funding purposes (preferred option).
57. Option Two – A new unique identifier is created for the PBRF, or similar research initiatives, could potentially have significant costs for both regulators and regulated groups. Therefore, it has not been considered for cost-benefit analysis.

Option Three - Amending the Education and Training Act 2020 to include using NSNs for research funding purposes			
Affected groups <i>(identify)</i>	Comment <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	Impact <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	Evidence Certainty <i>High, medium, or low, and explain reasoning in comment column.</i>
Additional costs of the preferred option compared to taking no action			
Regulated groups (TEOs and funding-eligible researchers)			
Regulators (TEC and MOE)	One-off cost of regulatory change	low	High
Others (eg, wider govt, consumers, etc.)			
Total monetised costs			
Non-monetised costs		low	
Additional benefits of the preferred option compared to taking no action			
Regulated groups (TEOs and funding-eligible researchers)	One-off benefit of compliance action no longer being pursued by the Office of the Privacy Commissioner	High	Medium – The Office of the Privacy Commissioner has indicated to TEC and MOE that they may pursue compliance action if no action is taken. This may not be limited to regulators depending on its approach.
Regulators (TEC and MOE)	One-off benefit of compliance action no longer being pursued by the Office of the Privacy Commissioner	High	High – The Office of the Privacy Commissioner has indicated to

			TEC and MOE that they may pursue compliance action if no action is taken.
Others (eg, wider govt, consumers, etc.)			
Total monetised benefits			
Non-monetised benefits		<i>High</i>	

Section 3: Delivering an option

How will the new arrangements be implemented?

58. Delivery for Option Three resolves compliance concerns with the status quo by amending regulations to enable it to continue. This will avoid any future compliance action by OPC. If Option Three is progressed, then the responsibilities for ongoing operation and enforcement will remain the same.
59. The current arrangements will not immediately change but will become fully compliant immediately once legislation is passed. Regulated parties and regulators will need minimal time to prepare for any changes as the preferred option would enable the status quo.
60. Stakeholders or other agencies with a substantive interest in NSNs are already engaged with the NSN's ongoing operation. This regulatory change is limited to a very small part of the overall NSN data environment and thus affects a limited number of stakeholder groups.

How will the new arrangements be monitored, evaluated, and reviewed?

61. Option Three, if agreed to, will be integrated into the Ministry's, TEC's and TEOs' existing information handling systems. The Ministry has been seeking advice from OPC and working collaboratively with TEC to ensure that the proposal is fit for purpose for the tertiary education sector and complies with the Privacy Act 2020.
62. Regulators, regulated parties, and other stakeholders have had the opportunity to raise any concerns during the public consultation process.
63. A Privacy Impact Assessment (PIA) will be completed and periodically updated to assess and address privacy risks for when the Ministry handles NSNs.
64. The proposed option is intended to enable the currently existing data environment, which has an existing PIA. The Ministry's PIA template is informed by advice from OPC, and measures privacy risk against the Ministry's own risk matrix, the Data Protection and Use Policy, the Information Privacy Principles, and the GCSB information classification guidelines. The reason that regulatory change is necessary is

due to a single information flow affecting the many others around it. Once using, assigning, and collecting NSNs for the purposes of research funding is potentially enabled, the data environment that they exist within will continue to be monitored against the Information Privacy Principles, as well as:

- a. Principle and clearance levels
- b. Electronic transmissions
- c. Electronic storage
- d. Electronic disposal
- e. Manual transmission
- f. Manual storage
- g. Manual disposal

Proactively released