



## Fees-free info sheet: Changes to the fees-free policy for 2019

This document sets out the policy and operational changes to the fees-free policy in 2019.

**Based on monitoring and feedback from 2018, minor policy and operational changes will be implemented for 2019**

The following changes are effective from **1 January 2019**:

1. Removing the criteria that, to be eligible for fees-free, a learner must not be concurrently enrolled in a school at the start date of the course or programme. Instead, the following will apply:
  - a. Any tertiary courses undertaken as part of a learner's school learning programme or secondary-tertiary programme on or after 1 January 2019 won't be included in measures of prior tertiary education to determine eligibility for fees-free.
2. Any credits achieved as part of any industry training programme that consists of fewer than 120 credits (that are reported after 1 January 2018) won't be included in measures of prior tertiary education to determine eligibility for fees-free.
3. The Tertiary Education Commission (TEC) will have discretion to fully or partially reinstate consumed fees-free entitlements due to exceptional personal circumstances.
4. The \$12,000 (including GST) cap on fees-free support will remain and will apply to total fees-free support across both provider-based study and industry training.
5. A carry-forward mechanism will be implemented, so that learners using less than 1 equivalent full-time student (EFTS) of fees-free support in 2018 (and not reaching the \$12,000 cap) can carry forward any remaining balance of their fees-free entitlement to use in future years.

# Policy changes

These changes seek to improve learner and tertiary education organisation experience, and the fairness and effectiveness of the policy.

## 1. Eligibility criteria for people enrolled in a school

### 2018

To be eligible for fees-free, a learner must not be “concurrently enrolled in a school at the start date of the course or programme.”

### 2019

Remove the concurrent school criteria but the following credits will not be included in measures of prior tertiary education to determine eligibility for fees-free: “any tertiary courses undertaken as part of the learner’s school learning programme or secondary-tertiary programme on or after 1 January 2019.”

See the Appendix for the full 2019 eligibility criteria.

#### *Operationally this means:*

- › People who haven’t completed Year 13 at secondary school can be confirmed as eligible for fees-free without having to submit declarations, speeding up confirmation of their fees-free eligibility. People don’t have to have left school, being enrolled at a school is sufficient.
- › Some secondary students may opt to enrol in tertiary study or training separate to any programme arranged through their school. These learners will start to “consume” their one year fees-free entitlement as a part-time tertiary student. Their future entitlement in a first year of full-time tertiary study or training will be limited to the remaining amount of fees-free entitlement they haven’t consumed.

## 2. Industry training programmes that consist of fewer than 120 credits

### 2018

To be eligible for fees-free, a learner must have “not undertaken more than half a year of equivalent full-time tertiary education (0.5 EFTS or 60 credits) at level 3 or above on the New Zealand Qualifications Framework (NZQF), including tertiary education at an equivalent level undertaken in any other country, but excluding any tertiary education undertaken while enrolled in a school.”

To be eligible for fees-free, an industry training programme must be:

- › on the NZQF at level 3 or above
- › approved by the New Zealand Qualifications Authority, and
- › comprise at least 120 credits (this includes all New Zealand Apprenticeships).

The 2018 policy settings (as stated above) mean that learners accumulating more than 60 credits at level 3 or above on the NZQF by participating in low-level, short industry training programmes (which themselves are not eligible for fees-free) are potentially losing their future eligibility for fees-free. In assessing learners’ eligibility for fees-free, currently all credits achieved through industry training at level 3 or higher count towards the 60-credit limit on prior tertiary study.

### 2019

The following credits will not be included in measures of prior tertiary education to determine eligibility for fees-free: “any credits achieved as part of any industry training programme that consists of fewer than 120 credits that are reported after 1 January 2018.”

**Operationally this means:**

- › A small increase in the number of people eligible for fees-free.
- › Learners who undertook industry training programmes of fewer than 120 credits (which were reported after 1 January 2018), will remain eligible for fees-free assuming they meet the rest of the eligibility criteria.

### **3. Discounting consumed fees-free entitlements in extraordinary circumstances**

#### **2018**

The TEC has discretion to grant eligibility for fees-free to people who don't meet all of the eligibility criteria due to exceptional personal circumstances.

#### **2019**

If a learner has exceptional personal circumstances, the TEC may use discretion in two scenarios:

- › The TEC may use discretion to determine that a learner who doesn't meet all of the eligibility criteria is eligible for fees-free after considering the learner's exceptional personal circumstances.
- › The TEC may use discretion to write-off all, or a portion of, an eligible learner's consumption of their fees-free entitlement after considering the learner's exceptional personal circumstances.

In determining cases of exceptional personal circumstances, the TEC will take into account the intent of the fees-free policy.

**Operationally this means:**

- › Learners eligible for fees-free (who undertook eligible study or training in 2018) who experienced exceptional personal circumstances which meant that they didn't fully benefit from the study or training (e.g. because they were forced to withdraw) can apply to the TEC to have their fees-free entitlement restored.

### **4. \$12,000 in-year cap applies to both provider-based study and industry training**

#### **2018**

- › For provider-based study, fees-free support is capped at \$12,000 per learner.
- › For industry training, eligible learners that commence their industry training programme in the 2018 calendar year are eligible for their fees to be paid for the first 24 months of the training programme.

#### **2019**

The TEC will pay no more than \$12,000 total to all TEOs in respect of any individual learner eligible for fees-free.

**Operationally this means:**

- › Any learner eligible for fees-free will have a \$12,000 cap applied to their study and/or training. This applies if an eligible learner is only undertaking provider-based study or only undertaking industry training or if they're undertaking both provider-based study and industry training.



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## 5. Implementing a “carry-forward” mechanism

### Provider-based study

Learners who **undertake less than 1 EFTS (120 credits) and use less than \$12,000 of fees-free support** in the 2018 calendar year can carry forward their remaining fees-free entitlement (in dollars and EFTS).

Eligible learners are entitled to up to \$12,000 of fees-free support or fees-free support for up to 1 EFTS (120 credits) – whichever cap the learner hits first. A learner’s entitlement will stop when they reach either \$12,000 or 1 EFTS.

### Industry training

Eligible learners that commence their industry training programme in the 2018 calendar year are eligible for their fees to be paid for the first 24 months of the training programme.

For more information on carryover see the [Carryover settings for 2019](#) page on the TEC website and [Fees-free info sheet: Carryover settings for 2019](#).

# Appendix: Eligibility criteria for 2019

## Provider-based

This criteria applies to learners starting provider-based study in the 2019 calendar year.

### Learner eligibility criteria

A learner eligible for fees-free provider-based study, is one of the following:

- a. a New Zealand citizen, or
- b. ordinarily resident in New Zealand and:
  - a. have been living in New Zealand for at least 3 years while holding a residence class visa, or
  - b. a refugee or protected person, or
  - c. sponsored into New Zealand by someone in their family who, at the time of sponsorship, was a refugee or protected person.

The learner must also have either:

- a. been enrolled in a school in or after 2017, other than as an adult student (see below), or
- b. not undertaken more than half a year of equivalent full-time tertiary education (0.5 equivalent full-time student or 60 credits) at level 3 or above on the NZQF, including tertiary education at an equivalent level undertaken in any country.

The following credits must not be included in measures of prior tertiary education to determine eligibility for fees-free:

- a. any tertiary education undertaken while enrolled in school prior to 1 January 2019 (except for tertiary education undertaken as an adult student, see below), and
- b. any tertiary courses undertaken as part of the student's or trainee's school learning programme or secondary-tertiary programme on or after 1 January 2019, and
- c. any credits achieved as part of any industry training programme that consists of fewer than 120 credits that are reported after 1 January 2018.

### Course eligibility criteria

To be eligible for fees-free, a course must be:

- a. funded by the TEC from either:
  - i. the SAC level 3 and above fund, or
  - ii. grants under s321 of the Education Act 1989 for tertiary provision that is part of a qualification or training scheme on the NZQF at level 3 or above, or
  - iii. the Youth Guarantee fund and leads to the award of a qualification on the NZQF at level 3 or above, and
- b. not part of a school learning programme or secondary-tertiary programme.

## Industry training

This criteria applies to learners starting industry training in the 2019 calendar year.

### Learner eligibility criteria

To be eligible for fees-free industry training, a trainee must be legally entitled to reside and work in New Zealand.

The learner must also have either:

- a. been enrolled in a school in or after 2017, other than as an adult student (see below), or
- b. not undertaken more than half a year of equivalent full-time tertiary education (0.5 equivalent full-time student or 60 credits) at level 3 or above on the NZQF, including tertiary education at an equivalent level undertaken in any country.

The following credits must not be included in measures of prior tertiary education to determine eligibility for fees-free:

- a. any tertiary education undertaken while enrolled in school prior to 1 January 2019 (except for tertiary education undertaken as an adult student, see below), and
- b. any tertiary courses undertaken as part of the student's or trainee's school learning programme or secondary-tertiary programme on or after 1 January 2019, and
- c. any credits achieved as part of any industry training programme that consists of fewer than 120 credits that are reported after 1 January 2018.

### Programme eligibility criteria

To be eligible for fees-free, an industry training programme must be:

- a. at NZQF level 3 or above, and
- b. approved by NZQA, and
- c. comprised of at least 120 credits (which includes all New Zealand Apprenticeships), and
- d. not part of a school learning programme or secondary-tertiary programme.

## 2019 adult student

An adult student, under the Education Act 1989 (the Act), is any student whose 19<sup>th</sup> birthday occurred before 1 January of the current year. This definition does not apply to students deemed to require special education under Section 9 of the Act.



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