



**Tertiary Education  
Commission**  
Te Amorangi Mātauranga Matua



# Preparing for Investment in 2023

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## Setting the scene for the Plan round

The Reform of Vocational Education (RoVE) has been one of the most significant programmes of change the tertiary education system has seen. 2023 is a landmark year where many of the RoVE work streams will be in place. This will affect most tertiary education providers in New Zealand. We want to ensure tertiary education organisations (TEOs) understand and respond to these changes.

### We have made some changes to when Plan information is released

We will communicate information regularly as required between now and January 2023.



#### What's new?

Plan Guidance will be released in February 2022.

This document, *Preparing for Investment in 2023*, provides overarching information that will inform your planning and submissions for the Investment Round.

In previous years Plan Guidance (the document which communicates the specific requirements for Investment Plans and how they will be assessed) has been released in December with the Investment Toolkit released in the following February. For this Investment Round Plan Guidance will be released in February 2022. These timing changes have been implemented to:

- a. separate higher-level advice from Plan-specific instructions, and
- b. allow Plan Guidance to include information critical to Investment Plans for investment in 2023.

Plan Guidance, the Investment Plan Gazette notice and the briefs and template that make up the Investment Toolkit will be released simultaneously. These documents provide most of the information required for the development of your Investment Plans.

We will release Supplementary Plan Guidance in 2022, as required, to update any investment-related changes and decisions based on Government policies and priorities.

Date	Publication	Information contained
<b>December</b>	Preparing for Investment in 2023 (this document)	<ul style="list-style-type: none"> <li>» An outline of when key information relating to on-Plan investment for 2023 will be released</li> <li>» Introducing changes to the Plan round</li> <li>» Early guidance on TEC’s expectations of TEOs in relation to the Tertiary Education Strategy (TES)</li> <li>» Reminder about the new requirement for some TEOs to submit Disability Action Plans (DAPs) for investment for 2023</li> </ul>
<b>February</b>	Plan Guidance	<ul style="list-style-type: none"> <li>» Who needs to submit a Plan (and what aspects need to be submitted)</li> <li>» The timeline for releases and submission of information relating to investment for 2023</li> <li>» What information the Plan must contain</li> <li>» How the Plan will be assessed</li> <li>» TEC priorities for investment for 2023</li> <li>» Further guidance on TEC’s expectations of TEOs in relation to the Tertiary Education Strategy (TES)</li> </ul>
	Investment briefs	<ul style="list-style-type: none"> <li>» Investment focus for specific types of tertiary education</li> </ul>
	Templates	<ul style="list-style-type: none"> <li>» Template for Strategic Intent and Learner Success sections of Investment Plans (previously known as the Investment Plan Template)</li> <li>» New Provider template – for TEOs requesting TEC on-Plan funding for the first time</li> </ul>
<b>April/May</b>	Unified Funding System (UFS) update	<ul style="list-style-type: none"> <li>» Further information on the UFS and requirements for TEOs seeking UFS funding from 2023</li> </ul>
<b>June</b>	Supplementary Plan Guidance	<ul style="list-style-type: none"> <li>» Updates from Budget 2022 which could impact TEC on-Plan investment for 2023</li> <li>» Updates on any other information that has become available since the publication of Plan Guidance that could impact TEC on-Plan investment for 2023</li> </ul>

## Learner centricity is the key focus of the TES

The Tertiary Education Strategy (TES) was released in late 2020. It sets out the objectives and priorities for the tertiary education system. The TES has a significant focus on *how* TEOs and government agencies can make real changes for learners/ākonga and their whānau.

The TES has a strong emphasis on creating learner-centric education environments, where all learners can succeed. Building on discussions TEC has been having with TEOs on learner success, you will need to meet the key expectations of the TES by providing evidence that you have your own pathway that aligns to the elements of the learner success framework. This will include evidence of a whole-of-organisation approach to implementing a learner success operating model. We are rolling out these expectations progressively.

We are developing a range of tools to support you to use the learner success framework, in particular how each TEO can assess itself against the seven key capabilities of a learner success operating model. This will require you to think differently about how your organisation works and where you direct your effort.

We will take into account a TEO's approach to implementing a learner success operating model, and therefore the TES, when making investment decisions. Where organisational shifts are not occurring at the rate or scale we expect, this will have implications for future investment decisions. We will provide further information in the Plan Guidance, through our engagement directly with you and through other communications and channels.

Some of you will need to develop a road map approach to a learner success operating model in 2022. We have started discussions with those of you this applies to already. We will provide more information on what we expect this approach to include in Plan Guidance. This approach will be progressively rolled out and we will keep you informed when we require you to do this.

### **Learner Success Plans drive change and support the implementation of the TES**

Over the past four investment rounds we have used Learner Success Plans (LSPs) to focus TEOs on the importance of improving outcomes for learners, particularly those who have historically been underserved by the tertiary education system. You need to provide evidence of a strong understanding of our learner success expectations and how you are responding to them.

LSPs provide a guideline for TEOs to develop a whole-of-organisation approach to learner success. While not all TEOs will submit a LSP we encourage you to use the template to evaluate and improve your organisation's performance in this area.

The content of your LSP, your response to the TES, and your mission and role should tell a cohesive story about your organisation's commitment and actions. The LSP template will be part of the Template for Strategic Intent and Learner Success sections of Investment Plans which will be published in February 2022.

Beyond learner success, we want you to think about and prepare to respond to other aspects of the TES.



#### For more information

See the Ōritetanga [learner success information](#) on our website

## We want success for all learners

TEC is committed to a tertiary education system that supports all New Zealanders to set and achieve tertiary and career goals that will deliver good outcomes for them and for us all.

### We are focusing on success for disabled learners

Investment for 2023 also sees the introduction of Disability Action Plans (DAPs) for some TEOs. The requirement to create a DAP aims to encourage and support you to take a strong and proactive approach to improving outcomes for disabled learners. This approach is part of the Government's move to ensure TEOs meet their responsibilities under the United Nations Convention on the Rights of Persons with Disabilities. Creation and implementation of a DAP and the improvement in outcomes for disabled learners will also help you to give effect to the TES – specifically Objective Two: Barrier free access.



#### What's new?

Some TEOs will need to submit a Disability Action Plan with their Investment Plan for investment from 2023.

Fundamental to our learner success approach is understanding all learners, their needs and aspirations. The work to develop and implement a DAP will play a critical role in ensuring organisations fully understand the needs of disabled learners.

A DAP is a strategy for changing practices that might result in discrimination (intentional or unintentional) against disabled people, and improving outcomes for disabled learners. It also identifies good practices and offers a blueprint for change. The DAP sits alongside other additional Investment Plan requirements, including Strategic Intent and the LSP, designed to improve outcomes for historically underserved learner groups.



### For more information

We have more information on [Disability Action Plans](#) on our website. Read [Disability Action Plans: A guide for the tertiary education sector](#) and the [Kia Ōrite toolkit](#) to help you develop a Disability Action Plan for your organisation.

## COVID-19 continues to impact demand and present delivery challenges

In 2021 TEOs have been impacted by outbreaks of COVID-19 and corresponding lockdowns, especially in Auckland.

We have again seen innovative and learner-focused responses, with many positive outcomes continuing throughout this time.

COVID-19 has also had significant impact on demand in the tertiary system and certain labour market needs. Funding for 2022 is at the highest level ever to support an increase of over 9 percent in learners across all sectors during 2021. The growth in domestic enrolments in 2021 is driven by a number of factors, including the reduced ability for New Zealanders to travel overseas, government stimulus for specific areas of training, and changes in employment patterns caused by COVID-19.

We continue to balance demand with fiscal constraints by prioritising requests for additional funding.

Budget 2020 introduced a suite of COVID-19 response initiatives and increased funding for tertiary education. One of the key initiatives was the Targeted Training and Apprenticeship Fund (TTAF), which has supported learners to undertake vocational education and training without fees. This fund is currently expected to finish in December 2022. We encourage you to consider this in your planning.



## RoVE has implemented key changes

The Reform of Vocational Education is creating a strong, unified, sustainable vocational education system that is fit for the future of work and delivers the skills that learners, employers and communities need to thrive.



### For more information

The TEC website has [a video](#) which provides an overview of the new vocational education and training system and may be useful to share with your stakeholders.

These reforms initiated a number of changes across the sector:

1. **Create Workforce Development Councils (WDCs):** Six industry-led bodies were stood up in October 2021.
2. **Establish Regional Skills Leadership Groups:** These groups provide advice about the skills needs of the regions to the TEC, WDCs and local vocational education providers.
3. **Establish Te Taumata Aronui:** The group helps ensure that RoVE reflects the Government's commitment to Māori–Crown partnerships.
4. **Create Te Pūkenga:** Te Pūkenga has brought together the 16 Institutes of Technology and Polytechnics and received some or all of the arranging training functions of the transitional Industry Training Organisations (TITOs). It will ultimately have the national and regional reach to become a long-term skills training partner for firms and industries, enabling learners to move between workplaces and other educational offerings and locations as their needs change.
5. **Shift the role of supporting workplace learning from Industry Training Organisations (ITOs) to providers:** The role of supporting workplace-based learning is shifting from the transitional Industry Training Organisations (TITOs) to other providers (Te Pūkenga, private training establishments (PTEs) and wānanga). Several TITOs have already transitioned with the remainder transitioning throughout 2022. The qualifications systems functions of all TITOs transferred to the WDCs on 4 October 2021.
6. **Establish Centres of Vocational Excellence (COVEs):** Two COVEs have been established to support the key industry sectors. The Food and Fibre COVE is hosted at the Eastern Institute of Technology (EIT) and the Manukau Institute of Technology (MIT) hosts the Construction COVE.
7. **Change how work based training and non-degree levels 3 to 7 are funded:** From 2023 a new funding system will start to be implemented. This new system will be relevant and responsive to learners and employers.
8. **Other RoVE work includes the recent New Zealand Qualifications Authority (NZQA) consultation on simplifying New Zealand qualifications and other credentials.** Decisions on the proposals to simplify New Zealand qualifications and other credentials were announced on 14 September 2021.

## A new funding system for vocational education providers from 2023

From 2023 the UFS will be implemented. This new system will be relevant and responsive to learners and employers.

The UFS will cover all Industry Training funded learning (currently funded through the Industry Training Fund) and learning at levels 3–7 excluding degree study (previously covered by Student Achievement Fund (SAC) 3+).

The UFS is a new funding system with three funding components: the Funding Category Component, the Learner Component and the Strategic Component. The components are designed to work together so you can deliver education and support work-integrated learning which is responsive to regional and national skills needs, supports learners and employers in ways that best meet their needs, and drives new and innovative ways of delivering learning.



### What's new?

The Industry Training Fund ceases to exist at the end of 2022. A new fund will cover work-based learning and learning levels 3–7 (non-degree) previously funded by SAC 3+.

We will release information about the three funding components and how your Plan needs to respond to them throughout 2022 as details are finalised.



### For more information

Regular updates about the [UFS as it develops](#) are available on the TEC website.

## More industry and regional information is available to support our investment decisions

### Workforce Development Councils (WDCs) give a view of the skills industry need

RoVE has seen the establishment of six WDCs. Each WDC has responsibility for specific industries. They set standards, develop qualifications and help shape the curriculum of vocational education. They ensure the vocational education system meets industry needs and gives a stronger voice to Māori business and iwi development.



### What's new?

WDC advice will inform TEC investment decisions. WDCs will also endorse the new vocational programmes providers develop.

WDCs work with their industries to develop and maintain a strategic view of the skills industries require now and in the future. They analyse these requirements to form advice on what the vocational education system needs to deliver.

WDCs also advise us on investment in vocational education. Vocational education providers will be expected to engage with WDCs to ensure your proposed provision aligns with the advice we receive.

We expect to receive initial WDC investment advice in April and June 2022, which we will use as part of vocational education investment for 2023. As WDCs mature the advice we receive will continue to develop in the years ahead.



#### For more information

Learn more about the coverage of each of the WDCs through the [ohu mahi website](#).

### Regional Skills Leadership Groups (RSLGs) provide regional workforce and labour market information

RSLGs are focused on regional workforce and labour market demands. RSLGs' advice will relate to all levels of tertiary education, as they are relevant to labour market needs. We will use RSLG reports to inform our investment in each region.



#### What's new?

RSLG reports will inform TEC's understanding of regional needs.

RSLGs are independent, locally based, regionally enabled, and supported by a team of data analysts, advisors and workforce specialists at the Ministry of Business, Innovation and Employment (MBIE).

RSLGs will publish Regional Workforce Plans. These plans will develop a common understanding of labour market and skills priorities and what is required to achieve them. This intelligence is then shared with key stakeholders, such as education agencies (including TEC), tertiary education providers and WDCs. We want you to know what skills are in demand regionally so you can tailor your provision for a region's needs accordingly.



#### For more information

Learn more about the work of RSLGs on the [MBIE website](#).

## Appendix 1 – Ngā Kete information products

Below are some of the key reports you can access through Ngā Kete to inform your provision and correspondingly Plan content.

Area of information	Description
<b>Provision</b>	The <i>'My Provision'</i> apps use enrolment data from the Single Data Return (SDR) and the Industry Training Register (ITR) to provide a picture of the 'who, where, and what' in enrolment for tertiary education.
<b>Performance</b>	<p>The <i>'My Performance'</i> apps provide a detailed view of data your organisation reports that contribute to your educational performance indicators (EPIs) through the SDR or the ITR.</p> <p>The <i>'Tertiary Provision'</i> apps allow you to compare your organisations' performance against other TEOs.</p>
<b>Commitments</b>	The <i>'My Commitments'</i> app shows how you are performing against what your organisation has committed to in the Plan delivery and Performance commitments. There are two types of commitments: Delivery and Performance.
<b>Post Study Outcomes</b>	The <i>'Post-Study Outcomes'</i> app helps to understand the outcomes for learners and presents information on the post-study labour market outcomes of domestic graduates.

## Value for Investment Plans

## Link to guides and information

Your Plan needs to show an understanding of who your learners are, and their needs and aspirations. This app provides learner data broken down by a number of elements including gender, ethnicity, and age.

[Tertiary Provision](#)

[My Provision SDR](#)

[My Provision ITR](#)

In your Investment Plan we want to see that you understand, in detail, how your learners are achieving. These apps will help you identify areas of success as well as areas for improvement. You will need to be able to identify any groups that are doing less well in specific areas and put in place plans to address this.

[My Performance ITR](#)

[My Performance SDR](#)

[Tertiary Performance SDR](#)

[Tertiary Performance ITR](#)

As well as showing improvement against your own results, we want to see that your organisation is achieving well compared to other tertiary providers. These apps can look at other TEOs in the same area, delivering similar programmes, or supporting learners with similar demographics.

**Delivery:** When reviewing your plans we look at what you have previously committed to deliver and what was actually delivered. We also look at what you are committing to deliver going forward.

[My Commitments](#)

[My Industry Training Commitments](#)

**Performance:** When reviewing your plans we look at what you have previously committed to in terms of educational performance. We also look at what your performance commitments are going forward.

We want to see evidence in your Plan that your provision results in good post study outcomes. Where outcomes are less good we want to see in your Plan how you will address this.

[Post-Study Outcomes](#)



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