



## Supplementary Plan Guidance for investment from 2022

This Supplementary Plan Guidance provides additional information for Tertiary Education Organisations (TEOs) to submit an Investment Plan (Plan) for funding from 2022. It follows Plan Guidance (published in December 2020) and the Investment Toolkit (published in February 2021). All these documents should be read alongside each other and contribute to the content of a TEO's plans.

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This Supplementary Plan Guidance provides information on:

- › a continued focus on vocational education including an increased rate for the Industry Training Fund and extended Equity funding;
  - › our continued focus on learner success;
  - › our investment priorities;
  - › additional funding requests for investment in 2022; and
  - › the deadline for new provider submissions.
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### Budget 2021 has a continued focus on Vocational Education

Vocational education is critical to meeting the skills needs of New Zealand and supporting the rebuild of the economy following COVID-19. The Government continues to support the growth of vocational education.

The Budget 2021 announcements make changes to the funding you will receive for vocational education. You do not need to make any changes to your Plan. The indicative allocations you have received will already have incorporated this new funding. For detailed information on these initiatives please refer to our [website](#).

#### *Increases to the industry funding rates*

Additional funding for vocational education and training delivered from 2022 has been made available to recognise the value of vocational education, and supports its growth through the transitions occurring as part of the Reform of Vocational Education (RoVE).

- › All industry training funding (ITF) rates are increasing by 5 percent for 2022. This is in addition to the annual cost adjustment of 1.2 percent.

#### *Equity funding for vocational education and training is available to more TEOs from 2022*

[Equity funding](#) supports TEOs to improve learner success for underserved learners<sup>1</sup>. Extending access to Equity funding reinforces our commitment to learner success.

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<sup>1</sup> Underserved learners include Māori, Pacific, disabled and young people with low prior achievement.

- > For 2022, Equity funding is being increased and expanded for vocational education provision to include all Tertiary Education Organisations (TEOs).

These elements will be in place until the introduction of the Unified Funding System (UFS) from 1 January 2023. Further information on the details of the UFS will be provided as soon as possible.

## Your Plan needs to have specific content if you will be delivering apprenticeships

If you will be delivering New Zealand Apprenticeships or Managed Apprenticeships from 2022, your Plan needs to include specific information<sup>2</sup> about how you will complete all of the following apprenticeship training activities:

- > promoting apprenticeship training
- > identifying prospective apprentices, and employers
- > providing or arranging training or employment that may lead to apprenticeship training for prospective apprentices
- > helping prospective apprentices enter into apprenticeship training agreements
- > producing individual training plans and facilitating their implementation
- > monitoring individual apprentices
- > ensuring that the apprenticeship training code<sup>3</sup> is applied to apprenticeship training and every apprenticeship training agreement, and
- > providing or procuring appropriate pastoral care and support for apprentices.

## Learner success drives our investment approach

We expect all TEOs to focus on success for all learners, especially those who have been traditionally disadvantaged. TEOs' approach to learner success is an important part of our investment decision making process. We want to see evidence in Plans of how TEOs are implementing the Ōritetanga Learner Success approach.

This year we are expecting Learner Success Plans from all TEOs submitting a full plan and receiving \$5 million or more (including new providers). The [Infosheet– Learner Success](#) provides background information about the Ōritetanga Learner Success approach.

If you are not required to submit a new Learner Success Plan, but want to tell us about significant changes you are making to your learner success approach, please include this as a separate document. Our Relationship Managers and Advisors will continue to refer to your current Learner Success Plan in regular monitoring and engagement conversations. Progress against commitments made in your Learner Success Plan may be used by us in assessing any applications for additional funding.

## EPI targets need to be ambitious but achievable

We expect the Educational Performance Indicator Commitments (EPICs) you set to consider current performance compared to the targets that are in our Investment Briefs. This includes parity for Māori and Pacific learners. We want to see you set targets that are ambitious but achievable. If your organisation's current performance is below the Investment Brief targets, we expect progress of between 0.5 and 2 percentage points annually, depending on how far below the target your current performance is. For those with performance at or above these levels we expect to see targets that maintain or improve this.

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<sup>2</sup> Refer to section 376 of the Education and Training Act 2020

<sup>3</sup> The Code of Good Practice for NZ Apprenticeships currently only refers to New Zealand Apprenticeship arranged through Industry Training Organisations however changes to the legislation since its publication clarify that the Code applies to all apprenticeships.

### *We encourage success for women in areas where they are underrepresented*

There are several areas of tertiary education where we see a lack of parity between women's and other learners' participation and representation. This lack of parity contributes to uneven outcomes in the workforce, including a lack of diversity in some sectors, and a lack of opportunity for women to access and participate in some areas of the workforce.

We encourage you to reflect on gender participation and performance in your delivery. Where there is a lack of parity or performance by gender, we encourage you to consider why this is occurring, and outline in your Plan what you, as a TEO, will do to address it.

We are very interested to hear about successful initiatives you have used to increase female participation in traditionally male dominated areas.

### **Our investment priorities for investment from 2022**

Our December 2021 [Plan Guidance](#) and [Investment Toolkit](#) products, including Investment Briefs, outline our investment priorities from 2022. These are key areas where we want to increase the sector's contribution to achieving the goals of the [Tertiary Education Strategy](#) (TES) and other government priorities (including [Ka Hikitia](#) and the [Action Plan for Pacific Education](#)).

Our investment priorities for this Plan round can be seen in Appendix 1 of the Plan Guidance for investment from 2022. This reflects the TES, Investment Briefs, Focus Area Briefs and other Government priorities.

### *Targeted Training and Apprenticeship Fund has been extended to include more programmes*

The [Targeted Training and Apprenticeship Fund](#) (TTAF; also known as free trades training) supports learners to undertake vocational education and training, in particular areas of study<sup>4</sup>, without fees. This enables TEOs to provide education and training without fees to learners. TTAF makes a range of training and apprenticeship programmes at sub-degree level free for learners from 1 July 2020 until, or shortly after, 31 December 2022.

TTAF is targeted towards industry skill needs where demand from employers for these skills will continue to be strong, or is expected to grow, during New Zealand's recovery period from the impacts of COVID-19. In January 2021 TTAF was extended to include:

- Conservation, including freshwater management, biodiversity and biosecurity training needs that support the Jobs for Nature initiative;
- Information technology<sup>5</sup>, including cybersecurity, technical support and web development; and
- An expanded scope within community support, to specifically include enrolled nursing and cleaning (within community health), and programmes that train teacher aides and people learning to teach New Zealand Sign Language to others (within support for people with disabilities).

For details on the areas of study covered by TTAF refer to <https://www.tec.govt.nz/funding/funding-and-performance/funding/fund-finder/targeted-training-and-apprenticeship-fund/>

### **Additional Funding Requests as part of investment for 2022**

With a significant increase in demand expected for 2022, not all requests for additional funding will be approved. We will be looking for evidence of excess demand such as confirmed enrolments.

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<sup>4</sup> For details on the areas of study covered by TTAF refer to <https://www.tec.govt.nz/funding/funding-and-performance/funding/fund-finder/targeted-training-and-apprenticeship-fund/>

<sup>5</sup> Please note that 'information technology' refers to people training towards information technology roles and professional skills. Accordingly, the programmes eligible to be funded under the TTAF do not include qualifications or programmes to build personal computing or digital literacy skills as a user of technology, or general business administration skills.

A number of target Government priorities have been identified during the period following COVID-19. These Target Growth Priorities are prioritised for increased investment and will be considered first for additional funding before we look at growing other areas of provision. They are listed in Appendix 1 of the Plan Guidance for investment from 2022.

Additional Funding requests for 2022 must be submitted at the same time as your 2022 Investment Plan documents, by 9 July 2021. Decisions about Additional Funding will be handled as part of the Plan assessment process. Alternatively you can accept your allocation for 2022 and apply to us in-year during 2022 for additional funding should you meet the key decision points above at that time.

### **New providers need to have their plans in by 9 July 2021**

If you do not currently receive TEC funding, and have not received any funding from us in the past 12 months, we consider you a new provider.

If you are Private Training Establishment, Community Education Provider or Rural Education Activities Programme who wishes to seek funding for 2022, you must submit all parts of a [New Provider application](#) and required documents (as listed in the form) by 9 July 2021. All requests submitted after 9 July will be held by us and considered in the 2022 calendar year.