

Tertiary Education  
Commission  
Te Amorangi Mātauranga Matua



# Supplementary Plan Guidance

For providers submitting Plans for funding from  
1 January 2024



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Every effort is made to provide accurate and factual content. The TEC, however, cannot accept responsibility for any inadvertent errors or omissions that may occur.



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# Supplementary Plan Guidance for investment from 2024

Read our Supplementary Plan Guidance alongside Plan Guidance and Investment Briefs.

This Supplementary Plan Guidance provides additional information for providers submitting an Investment Plan (Plan) for funding from 1 January 2024. It supplements the February 2023 [Plan Guidance \(PDF 7.1 MB\)](#) and [Investment Briefs](#). All these documents should be read alongside each other and be reflected in the content of your Plan.

## Contents

Investment Plans are due by 7 July	4
Achieving system-wide equity is at the heart of our investment approach	5
Budget 2023 supports tertiary education	6
Our priorities should inform your Investment Plan	7
The targeted priorities for vocational education as informed by WDC and RSLG advice	9
Unified Funding System strategic component processes are different for TEIs and PTEs	27
For 2024 more providers will have milestones for the UFS learner component performance element (LCPE)	29
Additional funding processes for 2024 differ by fund	32
We will consider new providers delivering to our investment priorities for 2024	33
New work-based learning for 2024 must address an unmet need	34
Appendix 1 – On-Plan funds	35

## Investment Plans are due by 7 July

It is important to meet the Plan submission deadlines. Any delays in submitting the required elements of your Plan may lead to delayed funding decisions.

Activity	Timing
The Tertiary Education Commission (TEC) releases Plan Guidance and Plan engagement begins	By March 2023
TEC publishes notices in the New Zealand Gazette setting out requirements for Plan content, timetable, assessment, and Plan summaries	By March 2023
Government announces Budget	May 2023
TEC provides indicative allocations	By 1 June 2023
TEC releases Mix of Provision (MoP) and Educational Performance Indicator Commitment (EPIC) templates	By 8 June 2023
TEC releases Supplementary Plan Guidance to reflect any policy or Budget changes (as required)	June 2023
Providers submit proposed Plans, including MoPs, EPICs, Learner Success Plans (LSPs) and Disability Action Plans (DAPs)*	By 7 July 2023
TEC reviews proposed Plans and has further discussion with providers as needed	July–October 2023
Providers are notified of decisions in writing	From November 2023
First payments made against Plans; Plan delivery begins	January 2024

\* If you are submitting a DAP that is not part of your Plan requirements please follow the guidance we have given you about when to submit.

### Submit Plan components through Workspace 2

You must submit all the components of your Investment Plan (including your Strategic Intent, Learner Success Plan, Disability Action Plan, Mix of Provision (MoPs) and educational performance indicator commitments (EPICs) as required) to us **by 7 July 2023** via Workspace 2.

For new providers who do not have access to Workspace 2, please email your documents to [customerservice@tec.govt.nz](mailto:customerservice@tec.govt.nz) with the subject line “[EDUMIS #] 2024 Investment Plan”.

All required components must be fully completed when they are submitted. If we do not receive all fully completed documents by 7 July 2023 this may delay your funding or make you ineligible for specific funding.

Plan component requirements are published on pp. 34–39 of the [Plan Guidance \(PDF 7.1 MB\)](#). If you are unclear about which elements you need to submit or what they need to contain, we encourage you to contact your Relationship Manager, phone us on 0800 601 301 or email [customerservice@tec.govt.nz](mailto:customerservice@tec.govt.nz).

# Achieving system-wide equity is at the heart of our investment approach

Learner success is integral to the Tertiary Education Strategy (TES) and our investment cycle. Our top priority for investment is to reach system-level equity of participation and achievement by supporting providers to take a whole-of-organisation approach to learner success. Every provider should have a plan in place to achieve equity for their learners.

Our detailed expectations on learner success are published on pp. 9-14 of the [Plan Guidance \(PDF 7.1 MB\)](#).

## We require an intentional and holistic approach to learner success

To guide providers in implementing learner-centric operating models, the TEC has developed the [Learner Success Framework](#). We strongly encourage you to use and adapt the Framework to intentionally design and implement a learner-centric operating model and achieve equity.

We expect all providers to develop organisation-wide operating models that address the seven learner success capabilities:

1. People, culture and leadership
2. Data and technology
3. Guided pathways
4. Holistic learner supports
5. Learner-centric systems
6. Teaching and learning
7. Partnerships

## Our tools and resources can help you move through the phases of the Learner Success Framework

The Preparing for Success resources and Learner Success Diagnostic Tool are two recent additions to our self-service toolkit we are developing to support providers to use the Learner Success Framework.

- › [Preparing for Success](#) – resources to help you gain an understanding of the learner success journey ahead and build commitment to a whole-of-organisation learner-centred operating model
- › [Learner Success Diagnostic Tool](#) – a downloadable tool to facilitate discussions about equity and identify focus areas for your own learner success approach

For more information on the learner success approach, see:

- › [Ōritetanga Learner Success](#)
- › [Disability Action Plans](#)

You can also contact your Relationship Manager or call our Customer Contact Group on 0800 601 301.

## Budget 2023 supports tertiary education

The Government's Budget includes initiatives for the tertiary sector that:

- › increase tuition and training subsidies,
- › increase support for the teaching of te reo Māori and mātauranga Māori,
- › increase funding for expected increases in student numbers, and
- › extend support for apprenticeships.

The Government announced an additional \$496.822 million funding over the next four years to increase tuition and training subsidies by 5 percent from 1 January 2024. This will support tertiary education and training providers to maintain the quality of opportunities available to learners.

The Budget has an additional \$24.207 million to support the delivery of te reo Māori and other courses that promote the learning of mātauranga Māori. This increase will be phased in over four years and will result in an additional 15 percent increase on 2023 funding rates for these courses by 2027.

Another \$180.7 million will fund forecast tertiary education and training enrolments in 2024 and 2025. While provider-based enrolments have decreased from 2021 levels, total enrolments across provider-based and work-based tertiary education (including apprenticeships) are expected to remain higher than pre-COVID levels in 2024 and 2025 requiring additional baseline funding. This funding will enable TEC to fund approximately 15,000 more full-time equivalent learner enrolments in 2024 and around 10,000 more in 2025.

Apprenticeship Boost is extended to the end of 2024 at an expected cost of \$77.122 million. Apprenticeship Boost provides a \$500 (exclusive of GST) per month subsidy to employers of eligible first- and second-year apprentices. There is no change to eligibility.

### **Funding from the Budget will be allocated through the usual investment process**

TEC will allocate this funding through our usual investment processes. As in previous years, providers do not need to amend Plan submissions as a result of these changes. Tuition subsidy rate increases will be included in your 2024 funding allocation.

More information on implementing the subsidy increase for the te reo Māori/mātauranga Māori initiative will be released soon.

# Our priorities should inform your Investment Plan

Our priorities for investment support our investment decision-making. We use them to ensure the provision we fund supports learners, communities, government priorities, regions, industry and employers.

Workforce Development Councils (WDCs) and Regional Skills Leadership Groups (RSLGs) have an important role in informing the priorities for investment that guide TEC's funding decisions, through providing advice to TEC each year.

Priorities are divided into broader priorities and targeted priorities.

## The broader priorities apply to all provision

The broader priorities focus on quality provision with good outcomes. These priorities apply across all provision at all levels. We will prioritise investment in programmes that show these characteristics. The broader investment priorities for 2024 are published on pp. 16–20 of the [Plan Guidance \(PDF 7.1 MB\)](#).

## The targeted priorities focus on specific areas

The targeted priorities identify specific areas of provision that we want to see growth or change in. These priorities focus on what provision we are seeking in the year ahead.

Quality and relevance will be our first consideration, along with distribution across regions to ensure access. We will only invest in growth of provision where we have confidence the provider is delivering well and can support good outcomes for learners. Decisions on investment in growth will not only be based on offering provision listed in the targeted priorities alone.

Our targeted priorities for degree + provision (higher education) were published on pp. 21–23 of the [Plan Guidance \(PDF 7.1 MB\)](#).

The targeted priorities for vocational education are in the following section, and were informed by the advice WDCs and RSLGs provided to TEC in April 2023.

## The targeted priorities for vocational education highlight specific industries and skills

Our investment for vocational education is focused on where tertiary education delivers the skills that employers and industries need. This year we have received a broad range of priorities for vocational education. We know that many sectors are experiencing significant skill shortages, and this has been highlighted across all WDC and RSLG advice.

Our priorities target specific industries and areas of provision where there is an identified need for:

- › growth in graduates due to labour market demand, and/or
- › increased diversity of graduates

The table below outlines our targeted priorities for vocational education as informed by WDC and RSLG advice. WDC and RSLG advice provides guidance on workforce needs that can be supported through education and training.

In this second year of WDC and RSLG advice, TEC is seeing emerging evidence of the connection between specific provision and workforce outcomes. This is more developed for some sectors than others. Identifying the scale of growth required is also a complex issue for WDCs and RSLGs and their capability to do so is still developing. Our investment approach will reflect this.

Our investment decisions will not only be based on offering provision listed in the targeted priorities alone.

Quality and relevance remain our first consideration, along with distribution across regions to ensure access. If you want to reprioritise your provision or request funding, you will need show how your provision has been or will be successful in achieving good workforce outcomes for learners and for industry.

For some programmes where there is an identified need for more qualified people, enrolments are already high. It is low completion rates that limit graduate numbers. We will not invest more in programmes with poor completion rates, instead we want to see you actively working to increase the number of graduates from these programmes.

We will only invest in growth where we have confidence the provider is delivering well and can support good outcomes for the learner.

### **Investment priorities should guide your planning**

The investment priorities we publish (both broader and targeted priorities) should guide how you plan and prioritise provision.

Investment priorities will guide investment in new provision and additional funding, however more funding might not always be available. So, we expect to see you adjusting your provision toward the investment priorities where they are aligned to your current offerings.

### **We encourage you to stay connected to WDC and RSLG published documents**

WDCs and RSLGs have prepared extensive advice documents which explain the context of the advice. This Supplementary Plan Guidance focuses only on the key areas we have identified for 2024 with immediate needs for specific change. To understand the full picture, we encourage you to read the WDC and RSLG publications around their advice, and workforce or regional priorities.

For more information on the six WDCs, see [Workforce Development Councils](#).

For information about the 15 RSLGs, see [Regional Skills Leadership Groups – Ministry of Business, Innovation and Employment](#).

Please note that the targeted priorities for higher education (degree + provision) were published in [Plan Guidance \(PDF 7.1 MB\)](#) in February.

## The targeted priorities for vocational education as informed by WDC and RSLG advice

WDC	Areas of study	Qualification	Direction	Goal
Toitū te Waiora	Youth work	New Zealand Certificate in Youth Work (Level 5)	Increase	We want to see new provision for this qualification.
Toitū te Waiora	Teacher aides	New Zealand Certificate in Education Support and Care (Level 3)	Increase	We want to see more graduates for these qualifications.
		New Zealand Certificate in Education Support (Level 4)		
		Diploma for Education Support Workers (Level 5)		
Toitū te Waiora	Parenting education	New Zealand Diploma in Transition to Parenting Education (Level 5)	Increase	We want to see new provision for this qualification. NB this replaces the current qualification New Zealand Diploma in Pregnancy, Childbirth and Early Parenting Education (Level 5).
Toitū te Waiora	Caregiver/ Kaiāwhina workers	New Zealand Certificate in Health and Wellbeing (Level 2)	Increase for work-based provision ONLY	We want to see more graduates for these qualifications where they are delivered in the workplace.
		New Zealand Certificate in Health and Wellbeing (Level 3)		

WDC	Areas of study	Qualification	Direction	Goal
		New Zealand Certificate in Health and Wellbeing (Advanced Care and Support) (Level 4)		
		New Zealand Certificate in Health and Wellbeing (Peer Support) (Level 4)		
		New Zealand Certificate in Health and Wellbeing (Primary Care Practice Assistance) (Level 4)		
		New Zealand Certificate in Health and Wellbeing (Rehabilitation Support) (Level 4)		
		New Zealand Certificate in Health and Wellbeing (Social and Community Services) (Level 4)		
		New Zealand Diploma in Health and Wellbeing (Practice/Applied Practice) (Level 5)		
		The kaiāwhina workforce was specifically highlighted in advice from the Tāmaki Makarau, Tairāwhiti, Hawke’s Bay, Taranaki, Manawatū–Whanganui, Wellington, West Coast and Southland RSLGs.		

WDC	Areas of study	Qualification	Direction	Goal
Toitū te Waiora	Enrolled nursing	New Zealand Diploma in Enrolled Nursing (Level 5)	Increase	We want to see more graduates for this qualification.
		Enrolled nursing was specifically highlighted in advice from the Te Tai Tokerau, Tāmaki Makaurau and Marlborough RSLGs.		
Toitū te Waiora	Oral health	New Zealand Certificate in Health and Wellbeing (Level 3) Strand: Health Assistance	Increase	We want to see more graduates for these qualifications.
		Diploma in Dental Hygiene (Level 6)		
Toitū te Waiora	Embalming	New Zealand Diploma in Embalming (Level 5)	Increase	We want to see more graduates for this qualification.
Toitū te Waiora	Home-based early childhood education	Level 3 provision replaced with Levels 4 and above	Replace	<p>We want to see Level 3 provision replaced with higher-level provision in line with <u>Ministry of Education guidance</u>.</p> <p>The new minimum level we are looking for is Level 4 ECE qualifications.</p> <p>We expect to see a reduction of provision at Level 3, especially where the provider cannot evidence good rates of progression to</p>

WDC	Areas of study	Qualification	Direction	Goal
				the Level 4 qualification.
Hanga Aro Rau	Food processing	New Zealand Certificate in Primary Products Food Processing (Level 3)	Increase	We want to see more graduates for this qualification.
Hanga Aro Rau	Engineering	New Zealand Certificate in Fluid Power Engineering Fundamentals (Level 3)	Increase	We want to see new provision for this qualification.
Hanga Aro Rau	Automotive engineering	New Zealand Certificate in Heavy Automotive Engineering (Level 4)	Increase	We want to see more graduates for these qualifications.
		New Zealand Certificate in Automotive Electrical Engineering (Level 4)		
Muka Tangata	Vet nursing	New Zealand Diploma in Veterinary Nursing (Level 6)	Increase and diversify	We want to see more graduates for this qualification. We also want to see increased diversity of learners, especially Māori, Pacific and male learners.
Muka Tangata	Wine	New Zealand Certificate in Horticulture (Level 3) Strand: Wine Growing	Increase and diversify	We want to see more graduates for this qualification. We also want to see increased diversity of learners,

WDC	Areas of study	Qualification	Direction	Goal
				especially Māori learners.
<b>Muka Tangata</b>	Poultry	New Zealand Certificate in Poultry Production (Level 3)	Increase	We want to see more graduates for this qualification.
<b>Muka Tangata</b>	Horticulture (Fruit and vegetable production)	New Zealand Certificate in Horticulture (Level 3) Strands: Fruit Production, Post-harvest, Indoor Crop Production, Outdoor Crop Production	Increase	We want to see more graduates for these qualifications.
		New Zealand Certificate in Horticulture Production (Level 4) Strands: Fruit Production, Post-Harvest, Indoor Crop Production, Outdoor Crop Production		
<b>Muka Tangata</b>	Arable/ Horticulture	New Zealand Certificate in Primary Industry Skills (Level 2)	Increase	We want to see more graduates for this qualification. For the arable sector we want to see increased diversity of learners, especially Māori learners.
		Entry-level provision for primary industries was mentioned in advice from the Wellington RSLG.		
<b>Muka Tangata</b>	Apiculture	All apiculture qualifications	Mode change	We want to see providers moving

WDC	Areas of study	Qualification	Direction	Goal
				apiculture provision into work-based modes.
Ringa Hora	Aviation	New Zealand Diploma in Aviation (General Aviation) (Level 5)	Delivery to the level of the cap	We support delivery of aviation training that includes in-flight training components to the level of the cap only. <sup>1</sup>
		New Zealand Diploma in Aviation (Level 6) Strands: Aeroplane Flight Instruction and Aeroplane Airline Preparation		
		New Zealand Certificate in Airport Operations (Level 4)	Increase	We want to see more graduates for these qualifications.
		New Zealand Certificate in Aviation (Ground Handling) (Level 3)		
		The aviation sector was highlighted by the Marlborough RSLG.		
Ringa Hora	Hospitality	New Zealand Certificate in Cookery (Level 3)	Increase AUCKLAND ONLY	We want to see more graduates for this qualification when it is delivered in Auckland only.
		New Zealand Certificate in Cookery (Level 4)	Increase	We want to see more graduates

<sup>1</sup> As provision with a high cost, aviation training that includes an in-flight component is capped to a maximum of 450 equivalent full-time students (EFTS) per year. We support provision up to this level only.

<b>WDC</b>	<b>Areas of study</b>	<b>Qualification</b>	<b>Direction</b>	<b>Goal</b>
		New Zealand Diploma in Cookery (Advanced) (Level 5)		for these qualifications.
		New Zealand Diploma in Hospitality Management (Level 5)		
		New Zealand Diploma in Hospitality Management (Level 6)		
		The shortage of chefs was highlighted in advice from the Tāmaki Makaurau, West Coast, Hawke’s Bay, Manawatū–Whanganui and Wellington RSLGs.		
<b>Ringa Hora</b>	Security	New Zealand Certificate in Security (Foundation) (Level 3)	Increase	We want to see more graduates for these qualifications.
		New Zealand Certificate in Security (Intermediate) (Level 4)		
		New Zealand Diploma in Security (Level 6)		
<b>Ringa Hora</b>	Property	New Zealand Certificate in Residential Property Management (Level 4)	Increase	We want to see more graduates for these qualifications.
		New Zealand Certificate in Real Estate (Level 5)		
<b>Ringa Hora</b>	Tourism	New Zealand Certificate in Tour Guiding (Level 4)	Increase NELSON TASMAN ONLY	We want to see more graduates for this qualification when it is

<b>WDC</b>	<b>Areas of study</b>	<b>Qualification</b>	<b>Direction</b>	<b>Goal</b>
				delivered in the Nelson Tasman region only.
		New Zealand Certificate in Tourism (Level 4)	Increase	We want to see more graduates for these qualifications.
<b>Ringa Hora</b>	Business & professional services	New Zealand Certificate in Business (First Line Management) (Level 4)		
		New Zealand Diploma in Business (Level 5) Strand: Leadership and Management		
		New Zealand Diploma in Business (Level 6) Strands: Leadership and Management, and Māori Business and Management		
<b>Waihanga Ara Hau</b>	Construction	New Zealand Diploma in Detailing (Structural) (Level 5)	Increase	We want to see new provision for this qualification.
<b>Waihanga Ara Hau</b>	Electricity Supply	New Zealand Certificate in Electricity Supply (Transmission Operational Switching) (Level 4)	Increase	We are interested in funding new provision for these qualifications.
		New Zealand Certificate in Electricity Supply (Transmission Operating Sequence Control) (Level 5)		

<b>WDC</b>	<b>Areas of study</b>	<b>Qualification</b>	<b>Direction</b>	<b>Goal</b>
<b>Toi Mai</b>	Journalism	New Zealand Certificate in Content Creation (Level 4)	Increase	We are interested in funding new provision for this qualification.
		New Zealand Diploma in Content Creation (Level 5)		
		New Zealand Diploma in Journalism (Level 5)	Increase	We want to see more graduates for this qualification.
		All journalism	Focus on specific learners	We are interested in supporting a journalism workforce that has appropriate skills in te reo Māori. We will prioritise funding for provision that supports this goal.
<b>Toi Mai</b>	Diving	New Zealand Certificate in Surface Supplied Breathing Apparatus (SSBA) Construction Diving to 30 metres (Level 4)	Increase	We are interested in funding new provision for these qualifications.
		New Zealand Certificate in Surface Supplied Breathing Apparatus (SSBA) Construction Diving to 50 metres (Level 5)		
		New Zealand Certificate in Diving (Level 3)	Decrease	We want to see a decrease in the TEC-funded

WDC	Areas of study	Qualification	Direction	Goal
				provision of this qualification.
<b>Toi Mai</b>	Fitness	New Zealand Certificate in Pre-choreographed Group Exercise (Level 3)	Increase	We want to see more graduates for these qualifications.
		New Zealand Certificate in Freestyle Group Exercise (Level 4)		
		New Zealand Certificate in Exercise (Level 4)		
<b>Toi Mai</b>	Aquatics	New Zealand Certificate in Aquatics (Level 3) – Strand: Pool Lifeguard	Increase	We want to see more graduates for these qualifications.
		New Zealand Certificate in Aquatics (Senior Pool Lifeguard) (Level 4)		
<b>Toi Mai</b>	Screen industry and events	New Zealand Certificate in Entertainment and Event Operations (Level 3)	Increase	We want to see more graduates for these qualifications.
		New Zealand Certificate in Entertainment, Event and Screen Production Technology (Level 4)		
		New Zealand Certificate in Entertainment and Event Technology (Level 5)		

WDC	Areas of study	Qualification	Direction	Goal
		New Zealand Diploma in Entertainment and Event Technology (Level 6)		
		New Zealand Diploma in Screen Production (Level 5)		
		New Zealand Diploma in Screen Production (Level 6)		
		Make up qualifications for the screen industry	Mode change	We want providers to plan how to move their existing provision to a work-based mode. NB this does not relate to beauty-related make-up skills.
		Broadcast and screen training was highlighted in advice from the Tairāwhiti RSLG.		
<b>Toi Mai</b>	Information technology	New Zealand Diploma in Web Development and Design (Level 5)	Focus on specific learners	For this qualification we want to see a focus on supporting career changers <sup>2</sup> who are pathwaying into roles as software testers/ engineers. We are interested in increasing the

<sup>2</sup> We expect that identifying learners (including career changers) with specific job pathways will occur in a work-based setting.

WDC	Areas of study	Qualification	Direction	Goal
				diversity of learners enrolled in this qualification to become web developers. We will prioritise funding where there is clear evidence these goals are being met.
		New Zealand Diploma in Software Development (Level 6)	Increase	We want to see additional enrolments in this qualification.
		New Zealand Diploma in Software Testing (Level 6)	Focus on specific learners	For this qualification we want to see a focus on supporting career changers. We will prioritise funding where there is clear evidence this goal is being met.
		New Zealand Certificate in Applied Software Development (Level 6)	Focus on specific learners	For this qualification we want to see a focus on supporting career changers who intend to become software testers /engineers and all learners who intend to become web developers.
		New Zealand Diploma in	Increase	We want to see additional

WDC	Areas of study	Qualification	Direction	Goal
		Cybersecurity (Level 6)		enrolments in this qualification.
Toi Mai	Technology	All technology qualifications – vocational levels	Diversify	For this qualification we want to see increased diversity of learners, especially Māori and Pacific learners. We will prioritise funding where there is clear evidence this goal is being met.
		Digital skills and information technology learning were highlighted broadly across RSLG advice.		
Toi Mai	Outdoor Education	New Zealand Certificate in Outdoor Leadership (Level 4)	Increase	We want to see more graduates for these qualifications.
		New Zealand Certificate in Outdoor Leadership (Guiding) (Level 5) with strands		
		New Zealand Certificate in Outdoor Leadership (Instruction) (Level 5)		
Toi Mai	Conservation	New Zealand Certificate in Conservation (Operations) (Level 4)	Increase	We want to see more graduates for these qualifications.
		New Zealand Diploma in Environmental Management (Level 5) Strand:		

<b>WDC</b>	<b>Areas of study</b>	<b>Qualification</b>	<b>Direction</b>	<b>Goal</b>
		Conservation (Operations)		
		Conservation training was highlighted in advice from the West Coast RSLG.		
<b>Toi Mai</b>	Archiving, records management	New Zealand Certificate in Heritage Information (Level 4)	Increase	We want to see new provision for this qualification with a focus on the development of digital skills.
		New Zealand Diploma in Records and Information Management (Level 6)		We want to see more graduates for this qualification with a focus on the development of digital skills.
<b>Toi Mai</b>	Music	New Zealand Certificate in Music (Level 4)	Increase	We want to see more graduates for these qualifications to support the supply of musicians, and we will be looking for clear links to industry and work outcomes.
		New Zealand Diploma in Music (Level 5)		
		New Zealand Diploma in Music (Level 6)		
<b>All</b>	All vocational sectors	Leadership and management training	Increase	Leadership training that can show it is contextualised to specific vocational contexts and delivers opportunities for people who are currently employed to upskill on-the-job.

WDC	Areas of study	Qualification	Direction	Goal
				<p>While our focus is for programmes delivered at Level 4 or above, entry-level management programmes will also be considered where a pathway to higher levels can be demonstrated.</p>
		<p>Leadership skills were highlighted broadly across both WDC and RSLG advice.</p>		

## Cyclone recovery is top-of-mind for many RSLGs and WDCs

We heard from WDCs and RSLGs that they are carefully considering how to best support the regions that have experienced significant weather events in 2023. We are conscious that the labour needs for recovery are immediate, whereas the impact of tertiary education investment is generally felt in the medium to longer term. We are hearing that skilled workers are likely to be more mobile at this time. We encourage providers to support people in training who need to be more mobile during this period.

## It is critical to stay connected to qualification and credential changes for 2024

WDCs have signalled to TEC that there are a number of new and revised qualifications coming on stream. They will require new programmes to be developed as well as providing new credentials that providers will be able to deliver. We have been advised of more than 70 new and revised qualifications and credentials that will be available for delivery in 2024. This volume of change means that it is crucial that providers remain closely connected to WDCs as these changes are implemented.

We expect providers to move quickly to respond to new and revised qualifications and credentials to ensure provision offered aligns with industry needs.

Below is a list of areas where we expect to see new and changed qualifications and credentials. This list may change so it is important you do not rely on it to be complete. We expect you to explore with the relevant WDC where qualification and credential changes may impact your provision.

Areas of study	WDC
Disability support vaccination, health navigation, holistic nutrition, health science, peer support, school counselling, civil defence, paramedicine, health wellness and spa therapies, hine kōpū	Toitū te Waiora
Forestry, seafood, wool harvesting, agritech, irrigation, freshwater management, environmental regulations, biosecurity, dairy grazing, greenhouse gas (GHG) emissions, calf rearing, project management/business planning, grazing management, regenerative agriculture, land use change, body condition scoring, ground spreading fertiliser	Muka Tangata
Future of Services Sector skills (pan-sector) qualifications and credentials, cookery	Ringa Hora
Plumbing, gasfitters & drainlayers, concrete pump operators, demolition, timber panelisation/flooring cassettes, underground utility location, temporary traffic management, floating floors and carpet tiles, flooring fundamentals, trade assistant, paving, joinery detailing, introductory crane, tube and coupler scaffolding installers, edge protection installers, trainer assessor capabilities, structured data cabling, customer premises systems	Waihanga Ara Rau
IT support, foundation digital skills, screen industry, exercise fundamentals, community coach/leader, conservation, business skills for creative sector, freelancing in gig economy, piano tuning and technology, digital/creative entrepreneur, circus	Toi Mai

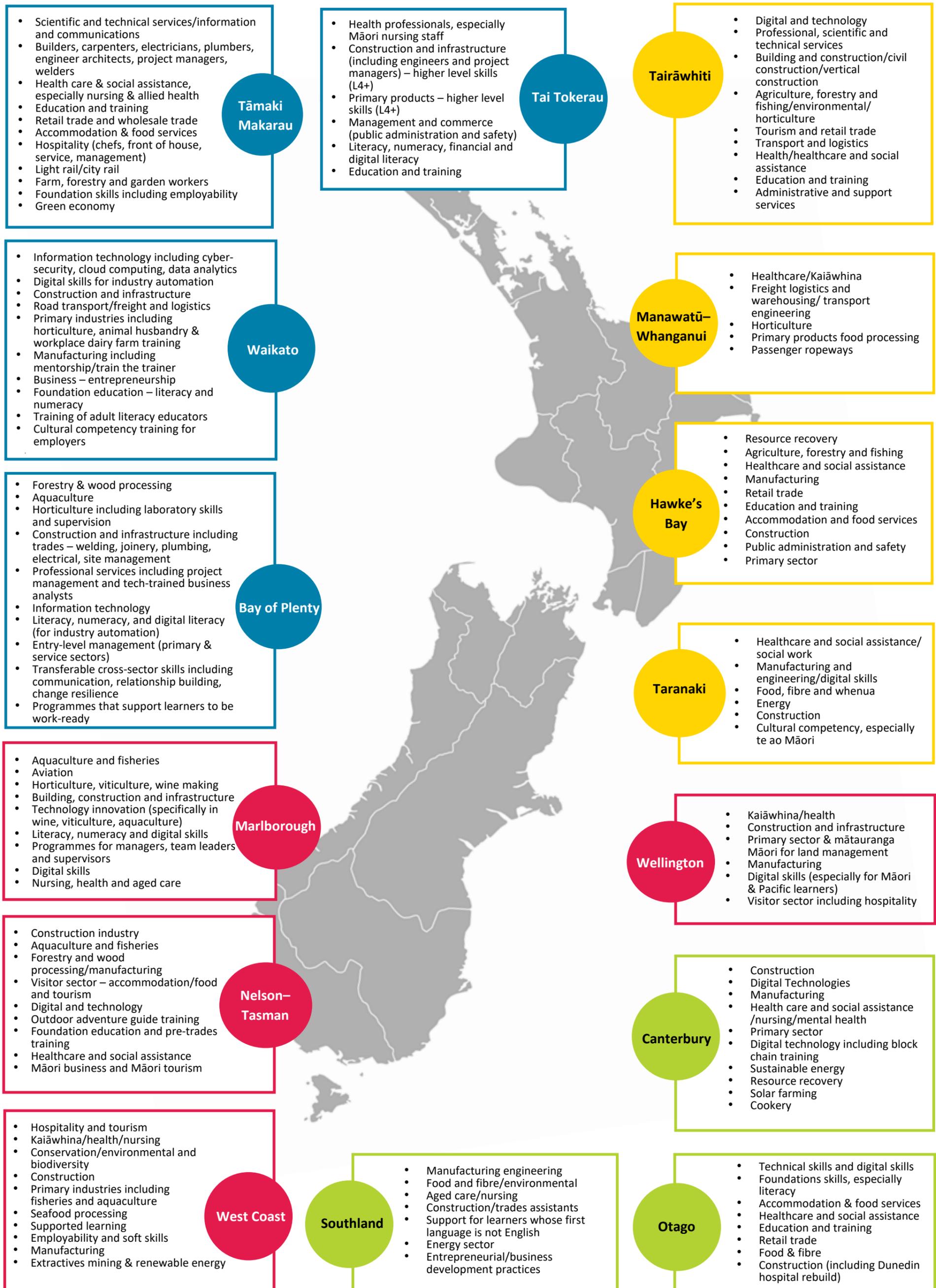
Computer numerical control (CNC), robotics (welding), digital skills, primary product and food processing, sewing machinist/apparel manufacturing, fluid power systems, passenger ropeways, transport engineering, trades assistant	Hanga Ara Rau
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## RSLG-identified training needs by region

The advice TEC receives from RSLGs helps us understand the workforce demands of the regions and how tertiary education supports these. The map below shows areas of provision that RSLGs have advised TEC are important in their region and/or where there are specific workforce needs. Where provision highlighted by an RSLG is also supported by the WDC, it is shown as part of our targeted priorities.

RSLGs are ideally positioned to inform on the workforce needs of their region. As the vocational system develops, we expect to see increased alignment between WDC and RSLG advice. As the industries listed are broad and the connections between tertiary provision and workforce outcomes are only emerging, delivery in these areas will not necessarily lead to TEC funding. This information is included to guide your engagement with RSLGs. Delivering provision that supports needs identified in this map will not necessarily result in TEC funding.

## RSLG-identified training needs by region



## Unified Funding System strategic component processes are different for TEIs and PTEs

The strategic component of the Unified Funding System (UFS) provides non-volume-based funding to support providers to respond to key challenges and opportunities within the tertiary education system. It is expected to complement and support your organisation's overall strategic approach, including delivery and support for learners.

Strategic component funding is made up of several parts:

- › funding to support Te Pūkenga to meet its charter obligations (outlined in schedule 13 of the Education and Training Act 2020), through the creation of a sustainable network of provision for vocational education
- › funding to support innovative projects, initiatives and provision that respond to national and regional skills priorities as identified by WDCs and RSLGs
- › supporting the costs of programme development and maintenance, including for extramural programmes, with a focus on innovative and flexible programmes. This funding is for the development and/or maintenance of programmes, so it can apply to new or existing programme/s
- › transitions funding for private training establishments (PTEs) (for 2023 and 2024 only).

### For Te Pūkenga, your Plan needs to cover the strategic component requirement

As advised in Plan Guidance, your submission for strategic component funding should form part of your 2024 Investment Plan. For more information, see p. 38 of the [Plan Guidance \(PDF 7.1 MB\)](#).

You can seek both national and regional skills priorities (NRSP) funding and Programme Development and Maintenance fund (PDMF) funding. NRSP funding is available to support you to meet your charter obligations (outlined in schedule 13 of the Education and Training Act 2020), through the creation of a sustainable network of provision for vocational education.

### Wānanga can request PDMF funding

You can apply for funding to develop or redevelop programmes under the PDMF element of the UFS strategic component.

We will contact you about the application process and the template to use if you wish to apply for PDMF funding for 2024. Your Relationship Manager will provide further information and assistance.

For more information about the PDMF element, see [Strategic component – Unified Funding System](#).

## Private training establishments need to submit a separate application for strategic component

The Private Training Establishment (PTE) Strategic Fund is a key part of the strategic component of the Unified Funding System. Strategic component funding for PTEs is off-Plan (not determined by your Investment Plan) but applications need to be submitted at the same time, by 7 July 2023.

PTE Strategic Fund funding is through two elements of the strategic component:

### National and regional skills priorities (NRSP) funding

Funding is available to support innovative projects, initiatives and provision that respond to national and regional skills priorities, which have been informed by advice from WDCs and RSLGs. For investment in 2024 the NRSPs have been incorporated into our broader priorities (as detailed on pp. 16–20 of the [Plan Guidance \(PDF 7.1 MB\)](#)).

### Programme Development and Maintenance Fund (PDMF)

Funding is also available under the strategic component to support the costs of programme development and maintenance. We want you to develop programmes that are innovative, flexible and responsive to changes in the vocational education system.

### PTE eligibility

For your PTE to be eligible for the 2024 PTE Strategic Fund it must be a New Zealand Qualifications Authority (NZQA)-registered PTE. It must also:

- › have an External Evaluation and Review (EER) provider category of either 1 or 2, and
- › have received a 2024 indicative allocation from us for the Non-degree Delivery at Levels 3 to 7 on the New Zealand Qualifications and Credentials Framework and all Industry Training Fund.

Applications to receive this funding in 2024 opened on 8 May 2023 and will close on **7 July 2023**.

For more information, see [Application and assessment – PTE Strategic Fund](#).

## Transitions funding will be available for PTE delivery of priority or niche provision through UFS

Transitions funding focuses on enabling PTEs with strategically important provision to adapt to the new incentives introduced by the UFS. PTEs that are eligible for transitions funding for 2024 will have this funding communicated to them as part of their indicative allocations in June 2023.

See p. 30 of the [Plan Guidance \(PDF 7.1 MB\)](#) for further information.

# For 2024 more providers will have milestones for the UFS learner component performance element (LCPE)

## The UFS learner component has two parts

The UFS Learner Component substantially increases funding for providers to support all learners, particularly those who traditionally have not been well served by the education system. It has two parts:

**Learner Component Funding:** is calculated based on the enrolments of four groups of learners traditionally underserved by the vocational education system (learners with low prior achievement, disabled learners, Māori learners, and Pacific learners). These groups serve as a proxy for learners who need additional support to be successful in vocational education and training (VET).

**Learner Component Performance Element:** an incentive payment paid to each provider on achieving the performance expectations set by TEC.

## More providers will be part of the LCPE in 2024

TEC has taken a phased approach to implementing the incentive payments paid to providers on achieving learner component performance expectations.

In 2023, incentive payments for the learner component were implemented through a targeted approach with nine providers that are currently delivering a significant amount of vocational education. We are extending the LCPE to more providers in 2024.

## The LCPE approach will require providers to meet agreed performance expectations

We will pay performance element incentive payments when providers achieve agreed-upon performance expectations, in the form of milestones or otherwise. These payments form 20 percent of each provider's learner component allocation.

## The Minister has set priorities for the learner component

The Minister has asked providers to demonstrate how they will deliver results for VET learners by building specific capability to:

- › address racism, bias and low expectations that impact VET learners and their whānau
- › strengthen mechanisms to hear and act on the VET learner voice and understand the views of whānau and communities about VET
- › reduce barriers for VET learners, particularly in accessing work-based learning, and support them to be successful in VET

- › ensure VET teaching and learning meets learner, employer, and industry needs, and delivers skills relevant for the workplace.

Where relevant, this includes supporting employers who deliver VET.

## Your performance expectations are determined by your Plan status and learner component funding amount

Your performance expectation requirements will be determined by your Plan status for 2024 and the amount of learner component funding (based on 2023 indicative data) that you receive. This is detailed in the table below.

Learner component funding amount (based on 2023 indicative data)	Plan status for 2024	Requirements for the performance element
\$100,000 or more	Regardless of Plan status (Significant Plan Amendment needed if not Plan required)	Tailored performance expectations
Between \$50,000 and \$100,000	Plan required	Tailored performance expectations
	Not Plan required	Standard performance expectations
\$50,000 or less (subject to TEC discretion)	Regardless of Plan status	Without specific performance expectations

### Tailored performance expectations

Tailored performance expectations will be set through milestones. We will require milestones to be submitted alongside Investment Plans (and Learner Success Plans if a provider is required to submit one) for the duration of the Plan.

Providers that receive more than \$100,000 of learner component funding and are not required to submit a Plan in 2024 will need to submit milestones through a Significant Plan Amendment to receive performance element funding.

If you are required to submit a Learner Success Plan (LSP), milestones should reflect your learner success goals. Otherwise, milestones should be submitted alongside MoPs and EPICs and reflect general performance commitments.

Milestones should also reflect the Minister of Education’s priorities for the performance element.

### Standard performance expectations

Providers that are not required to submit an Investment Plan in 2024 and receive between \$50,000 and \$100,000 of learner component funding will need to meet standard performance measures.

Standard performance measures are based on providers making progress towards the Minister's priorities for the performance element. We will also expect to see trends where your general organisational improvements will flow through into learner-related metrics.

Performance element funding will be paid in quarterly instalments. Each quarter we will engage with you about your progress towards the Minister's priorities.

In any future years when you are required to submit a Plan, your learner component performance expectations will be agreed in the form of tailored performance milestones for the duration of your Plan.

#### **Without specific performance expectations**

Providers that receive less than \$50,000 of total learner component funding will not need to meet performance expectations specific to the learner component. Some providers that are just above this threshold will not need to either. We will notify you if this is the case.

Instead, performance expectations will be included in existing quality assurance and performance processes. We will continue regular engagement and monitoring on your approach to learner success. Performance element funding will be paid in equal monthly instalments.

#### **Submitting milestones**

If you are a provider that is required to meet tailored performance expectations you will need to submit milestone templates by **7 July 2023**, alongside your Investment Plan.

For more information about the learner component performance element, see [Learner component – Unified Funding System](#).

## Additional funding processes for 2024 differ by fund

Additional funding for 2024 will be subject to funding availability, and our approach varies across the on-Plan funds.

Our priorities for investment will drive our approach. Provider demand alone will not result in additional funding. We will only consider growth (or new provision) for providers that are successfully delivering priority provision. Enrolment and delivery patterns throughout 2023 will also inform our decisions.

We recommend that you plan on the basis that additional funding may not be available to your organisation.

### We will contact relevant providers directly for the DQ7+ Fund

We will be taking a targeted approach to 2024 investment round additional funding for the Delivery on the New Zealand Qualifications and Credentials Framework at Levels 7 and above (DQ7+) Fund. Our focus will be on high priority areas and provision where there is demand for graduates. We will contact you in 2024 if you meet our criteria.

### For the DQ3-7 Fund we will consider requests after April 2024

We will not be considering 2024 investment round Additional Funding Requests (AFRs) for the Non-degree Delivery at Levels 3–7 on the New Zealand Qualifications and Credentials Framework and all Industry Training (DQ3-7) Fund. We will communicate our approach to in-year AFRs for this fund after the 2024 April Single Data Return (SDR).

### Applications are open for additional funding requests for the foundation education funds

We will be considering 2024 investment round AFRs for the following funds:

- › Delivery on the New Zealand Qualifications and Credentials Framework at Levels 1 and 2 (DQ1-2) Fund
- › Youth Guarantee (YG)
- › Adult and Community Education (ACE) Fund (ACE in Communities, ACE in Schools, and ACE in Te Pūkenga and Wānanga)
- › Intensive Literacy and Numeracy Fund (ILN)
- › Intensive Literacy and Numeracy ESOL Fund (ILN ESOL)
- › TEO-led Workplace Literacy and Numeracy Fund (WLN TEO-led)
- › Intensive Literacy and Numeracy Fund – Refugee English.

Application forms for these funds are available at [Guidance to develop your Investment Plan – Templates](#). These forms must be submitted at the same time as your 2024 Investment Plan documents, by **7 July 2023** via Workspace 2 and email.

# We will consider new providers delivering to our investment priorities for 2024

We will consider new providers (providers that have not received TEC on-Plan funding in the last 12 months) that are delivering provision aligned with our strategic priorities for investment and meeting unmet needs. We do not expect many new providers for 2024.

## The application process is outlined on our website

The process for providers wishing to apply for the TEC Investment Plan (on-Plan) funding for the first time is outlined at [Application to receive TEC funding](#).

## You must contact us before applying

For all funds you must contact us to discuss your situation before applying for on-Plan funding. Applying for funding as a new provider does not guarantee that you will be approved for funding. We will decide that after reviewing your application as a whole and all applicable evidence, in the context of other applications made and the funding available at the time.

## New provider applications must align with our investment priorities

New providers seeking funding need to demonstrate that their proposed provision closely aligns with our investment priorities. This includes:

- › delivering to under-served learner groups that are not reached through existing provision by other providers
- › delivering to one or more priorities outlined in Plan Guidance and Supplementary Plan Guidance that require additional provision
- › provision agreed as part of iwi settlements.

For UFS and DQ7+ we will be guided by the targeted priorities for investment published in Plan Guidance and Supplementary Plan Guidance. For our Foundation Education Funds, we will look for your alignment with the broader priorities to see your provision supports learner outcomes.

New provider applications for 2024 funding are due by **7 July 2023** via email.

# New work-based learning for 2024 must address an unmet need

## We will prioritise applications for new work-based learning that address an unmet need

In 2023, work-based learning was limited to those providers that were named in transition plans (from Transitional Industry Training Organisations) or were already delivering work-based learning.

In 2024 we will consider other existing providers (registered with NZQA) that want to move into work-based learning. We will only consider applications that propose to address unmet need, without replicating existing provision.

## You must contact us before applying

If you wish to apply, please email us at [customerservice@tec.govt.nz](mailto:customerservice@tec.govt.nz) or get in touch with your Relationship Manager.

You will be guided through the requirements. If we determine that you are likely to meet the criteria, you will be provided with an application form. You will need to submit this application form and all relevant evidence by **7 July 2023**, along with your Investment Plan documents.

For more information, see [First-time application to receive funding for work-based learning](#).

## Appendix 1 – On-Plan funds

We provide most of our funding through Investment Plans. The following funds are considered on-Plan (the funding allocated through the Investment process):

- › Delivery on the New Zealand Qualifications and Credentials Framework at Levels 1 and 2 (DQ1-2)
- › Non-degree Delivery at Levels 3–7 on the New Zealand Qualifications and Credentials Framework and all Industry Training (DQ3-7) (Delivery and Learner Components of the Unified Funding System)
- › Delivery on the New Zealand Qualifications and Credentials Framework at Levels 7 (degree) and above (DQ7+)
- › Youth Guarantee (YG)
- › Intensive Literacy and Numeracy (ILN)
- › Intensive Literacy and Numeracy – English for Speakers of Other Languages (ILN ESOL)
- › Intensive Literacy and Numeracy (ILN) – Refugee English
- › TEO-led Workplace Literacy and Numeracy (WLN)
- › Adult and Community Education (ACE) – ACE in Communities, ACE in Schools, and ACE in Te Pūkenga and Wānanga

The UFS has both on-Plan and off-Plan elements:

	<b>Te Pūkenga</b>	<b>PTE</b>	<b>Wānanga</b>	<b>Universities</b>
UFS delivery component	On-Plan	On-Plan	On-Plan	On-Plan
UFS learner component	On-Plan	On-Plan	On-Plan	On-Plan
UFS strategic component	On-Plan	Off-Plan contestable process	On-Plan PDMF only	N/A