



File ref: [REFERENCE NO.]

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[DATE]

[ADRESSEE DETAILS]

Tēnā koe [CONTACT NAME]

### **Funding Confirmation Letter for Strategic Component of the Unified Funding System for Vocational Education and Training Off Plan Funding**

We are pleased to confirm funding (Funding) under the Strategic Component of the Unified Funding System for Vocational Education and Training Fund (the **Strategic Component Fund**). The Funding Confirmation attached in Appendix 1 sets out the amount of funding approved for your organisation, for [START DATE] to [END DATE], for the Strategic Component Fund only. You will receive a separate funding confirmation letter for any other funding you receive from the TEC.

This Funding is subject to:

- the conditions that apply to every fund (base conditions), which are set out in the 2023 Funding Conditions Catalogue on our website here: [link];
- the funding conditions in the Education and Training Act 2020; and
- the conditions specified in the enclosed Funding Confirmation.

This funding confirmation also sets out:

- the **period** for which we will provide Funding from the Strategic Component Fund;
- the **amount** of funding that your organisation will receive; and
- the **conditions** that apply to the Funding.

### **What actions do you need to take now?**

Please review the information in Appendix 1, and the Strategic Component Fund specific conditions in Appendix 2. If you wish to accept all or part of the Funding, please:

- sign the declaration form included in this funding confirmation letter; and
- return the completed document to your Relationship Advisor, and copied to [customerservice@tec.govt.nz](mailto:customerservice@tec.govt.nz), with the subject line 'EDUMIS# - Strategic Component Fund', within 10 working days of receipt of this letter.



Once we have received your signed funding confirmation letter, we will make the first payment to you in accordance with the milestone-based payment schedule outlined in Appendix 1.

If you accept all or part of the Funding, you will need to include the completed declaration form that is provided in Appendix 1. The declaration requires you to state how much of the allocation you accept. Any Funding that you do not use (or any Funding that you choose not to accept) at this time may be re-allocated to other TEOs.

By accepting the Funding you are confirming that you acknowledge, and will comply with, the conditions attached as Appendix 2 to this funding confirmation letter.

If you have any questions please contact your Relationship Advisor/Relationship manager.

Naku noa, nā

Gillian Dudgeon  
Deputy Chief Executive, Delivery



We ensure New Zealand's future success.

## Appendix 1: Funding, Milestones and Deliverables

**Edumis:**

**[PTE NAME]**

[INITIATIVE REFERENCE NO.] PTE-YY-##

The funding allocation contained in this letter is GST exclusive.

*Objective of funded initiative: [high-level paragraph explaining what the funding is being used to achieve]*

*Funding period: DD/MM/YYYY – DD/MM/YYYY*

Strategic Component of the Unified Funding System for Vocational Education and Training Off Plan Funding	
<b>Funding period from and to</b>	<b>2023 Funding (ex GST)</b>
<i>DD/MM/YYYY– DD/MM/YYYY</i>	<b>\$X</b>

Milestone reference	Milestone name	Period from	Period End	Report due	Payment amount (ex GST)	Scheduled payment date
1	Funding Commencement	DD/MM/YYY Y	DD/MM/YYY Y	DD/MM/YYY Y	\$X	DD/MM/YYY Y
2	Milestone name (repeat as necessary)	DD/MM/YYY Y	DD/MM/YYY Y	DD/MM/YYY Y	\$X	DD/MM/YYY Y
#	Final Report	DD/MM/YYY Y	DD/MM/YYY Y	DD/MM/YYY Y	\$X	DD/MM/YYY Y

(a) Funding will be paid for successful completion of each milestone that is set out in the table above on the scheduled payment date, provided the milestone has been completed to our satisfaction by the due date. If a milestone is not completed to our satisfaction by the due date, payment will not be made until [the first day of the month] following completion of the milestone to our satisfaction.

(b) The requirements for each milestone are set out in the table below.

Milestone reference	Milestone name	Deliverables
1	<b>Funding Commencement</b>	Return of signed Funding Confirmation Letter
2	<b>Milestone name (Repeat as necessary)</b>	Acceptance of a satisfactory Report, which includes: [TBC]

#	<b>Final report</b>	Acceptance of a final report, which includes: [TBC]
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## DECLARATION

I .....  
(Please insert name)

of .....  
(Please insert address)

As [TITLE]

Of [PTE NAME] I declare that:

1. [PTE NAME] accepts \$ ..... of Strategic Component of the Unified Funding System for Vocational Education and Training Fund, allocated by the Tertiary Education Commission under section 428 of the Education and Training Act 2020 (off Plan funding);
2. [PTE NAME] will comply with all the conditions of Funding for which Funding was allocated by the Tertiary Education Commission pursuant to the conditions attached as Appendix 2; and
3. [PTE NAME] will provide accurate data and information in its reports.

Signed:

Name:

Date:

Role:

Email:

Telephone:

Please complete and return this form to your Relationship Advisor/Relationship Manager, copied to [customerservice@tec.govt.nz](mailto:customerservice@tec.govt.nz).

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## **Appendix 2: Conditions of Funding**

### **Purpose of the unified funding system for vocational education and training**

The unified funding system is designed to incentivise providers to:

- (a) support learners to transition to work-based training,
- (b) enhance support for employers,
- (c) increase and improve success and support for all learners,
- (d) respond to national and regional skills priorities, and
- (e) ensure a strong and sustainable regional network of provision.

### **Purpose of Fund**

- (a) This fund provides funding unlinked to learner enrolments to support the tertiary sector to progress strategic priorities for vocational education and training.
- (b) This fund comprises two elements:
  - (i) Element 1: Responding to national and regional skills priorities, informed by advice from Workforce Development Councils (WDCs) and Regional Skills Leadership Groups (RSLGs); and
  - (ii) Element 2: Supporting programme development and maintenance aligned with the Reform of Vocational Education objectives. For 2023 and 2024, Element 2 includes funding to support PTEs to transition and adapt to the new incentives of the Unified Funding System (PTE Transition Support).

The following Conditions apply, under section 429 (off-plan), to the Strategic Component of the Unified Funding System for Vocational Education and Training (Strategic Component) Fund Funding to the funding specified in Appendix 1 of your Funding Confirmation Letter (Funding) that you receive for the period from [START DATE] to [END DATE] (Funding Period), in addition to:

- (a) the base funding conditions set out in the TEC's funding conditions catalogue, available here [add link] on the TEC's website; and
- (b) the conditions in the Education and Training Act 2020.

#### **1. Organisation eligibility**

1.1 You must be a PTE funded by us for the duration of the Funding Period.

#### **2. Use of Funding**

##### **2.1 Use of Strategic Component Fund Funding for Element 1**

You must use funding for Element 1 to:



- (a) develop and deliver innovative projects, initiatives and provision that respond to the national and regional skills priorities set by us that have been informed by advice from WDCs and RSLGs; and
- (b) meet any additional assessment and eligibility criteria specified by us.

## **2.2 Use of Strategic Component Fund Funding for Element 2**

If you receive funding for Element 2 (other than funding that has been allocated for PTE Transition Support), you must:

- (a) use the funding to:
  - (i) either:
    - (1) develop new programmes that are innovative and flexible; or
    - (2) review and maintain existing programmes; and
  - (ii) support the realisation of the Tertiary Education Strategy (TES) and other key education strategic objectives, aligned with the purpose of the unified funding system and the advice of WDCs; and
  - (iii) meet criteria specified by us.

## **2.3 Use of Strategic Component Fund Funding for milestones**

You must use the Strategic Component Fund funding to achieve the milestones set out in your funding confirmation letter, in Appendix 1, by the dates specified in that letter.

## **2.4 Use of funding for PTE Transition Support**

To receive PTE Transition Support funding, you must:

- (a) continue to deliver the provision specified in Appendix [X] of your funding confirmation letter in relation to PTE Transition Support funding, being the provision that we have determined made you eligible for PTE Transition Support; and
- (b) meet criteria specified by us in relation to the use of PTE Transition Support Funding.

## **3. Reporting**

For the purpose of this condition, “Report” means a report, in the manner and form prescribed by us, that includes the information specified in Appendix 1.

## **4. Repayment of Strategic Component Fund Funding**

If you receive Strategic Component Funding that is greater than it should have been, that you were not entitled to receive, or that has not been contractually committed towards the purposes for which funding was provided as at the end of your Funding Period, you must treat the amount of the over-funding as a debt due to the Crown that:

- (a) is repayable on demand; and
- (b) may be set-off against all or any funding, or any sum of money payable by us to you.

## **5. Suspension, revocation or withdrawal of Strategic Component Fund Funding**

- 5.1 If we suspend, revoke or withdraw some or all of your Strategic Component Funding under clause 26 of Schedule 18 of the Act before some or all of that funding has been used, or contractually committed towards the purposes for which the funding was provided, you must treat the unexpended or uncommitted portion of the funding as a debt due to the Crown that is:
- (a) repayable on demand by us; and
  - (b) may be set-off against all or any funding, or any sum payable by us to you.
- 5.2 We may suspend or revoke some or all of your Strategic Component Funding in accordance with Condition 6.1 and the processes in the Act if we are satisfied on reasonable grounds that:
- (a) you have not achieved the milestones set out in this funding confirmation letter (including if you have not achieved the milestones by the date specified), or have not achieved them to our satisfaction;
  - (b) your report as referred to in Condition 3 indicates significant issues with compliance with these funding conditions; or
  - (c) if you receive PTE Transition Support funding, if you cease delivering the provision referred to in Condition 2.4(a).

## **6. Definitions**

Unless otherwise defined in these Conditions, capitalised terms used in these Funding Conditions have the meaning given to them in the Funding Conditions Catalogue.

- (a) “Deliverables” means the Deliverables set out in Appendix 1.
- (b) “Funding Period” means the funding period set out in Appendix 1.
- (c) “Milestones” means the milestones set out in Appendix 1.