

**Tertiary Education
Commission**

Te Amorangi Mātauranga Matua



2024 Global Wash-up Methodology

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The Tertiary Education Commission

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Our approach to calculating the 2024 wash-up

This document provides the 2024 methodology and technical specifications for calculating Funding wash-ups for the funds listed below.

Foundation and Youth Transition Funds

- › Adult and Community Education (ACE):
 - › ACE (Communities)
 - › ACE (Schools)
 - › ACE in TEIs
 - › Emergency Management
 - › Search and Rescue

- › Literacy and Numeracy (LN) and English Language Teaching (ELT):
 - › Intensive Literacy and Numeracy – ELT
 - › Intensive Literacy and Numeracy – Refugee English
 - › Intensive Literacy and Numeracy
 - › TEO-led Workplace Literacy and Numeracy Fund

- › Delivery at Levels 1 and 2 on the New Zealand Qualifications and Credentials Framework (DQ1-2) Fund:
 - › DQ1-2, including Special Supplementary Grant for Special Education (SSG)

- › Youth Funds:
 - › Gateway
 - › Youth Guarantee (YG) and YG Premium Payment

Vocational Funds

- › Delivery at Levels 3–7 (non-degree) on the New Zealand Qualifications and Credentials Framework and all industry training (DQ3-7) Fund

- › Māori and Pasifika Trades Training (MPTT):
 - › MPTT Fees Top-Up
 - › MPTT Brokerage Monthly
 - › MPTT Consortium Activities
 - › MPTT Consortium Learner Support

Degree and Research Funds

- › Delivery at Levels 7 (degree) and above on the New Zealand Qualifications and Credentials Framework (DQ7+) Fund:
 - › DQ7+ Fund
 - › DQ7+ Fund – Secondary Initial Teacher Education

Other Funds

- › Fees Free Payments

- › Secondary Tertiary Interface – Trades Academy

- › Medical Trainee Intern Grants

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How we calculate your wash-up

1

We calculate your **2024 Final Amended Allocation** (inclusive of in-year amendments, additional allocations and on hold payments) to 31 December 2024.

2

We calculate **2024 Total Delivery (Dollars)**¹ by taking your Actual (reported) Delivery less any condition offsets and adjustments. This includes any specific condition offsets, exemptions and adjustments.



3

We calculate **(Under)/Over Delivery** by taking your **2024 Total Delivery (Dollars)** less your **2024 Final Amended Allocation**.

4

We calculate **Funding Recovery** and/or **Wash-up payments** (including flexible Funding).

- › **Where under-delivery has occurred**, we will recover based on your 2024 Final Amended Allocation and the 2024 Total Delivery Dollars based on your most recent 2024 delivery data.
 - › Recovery is calculated against 99% of the Final Amended Allocation² for:
 - › DQ1-2 Fund
 - › DQ3-7 Fund
 - › DQ7+ Fund
 - › Recovery is calculated against 100% of the Final Amended Allocation for all other funds.
- › **Where over-delivery has occurred**, payments will be made up to the flexible Funding threshold or to the value of the over-delivery, where applicable.

¹ Where 2024 Total Delivery (Dollars) is calculated using fund-specific units and formulas, eg, learner hours, EFTS.

² Except for TEOs with zero delivery, where recovery is calculated against 100% of the Final Amended Allocation.

Timeline for finalising wash-ups

1. Most Funding wash-ups will be calculated in March 2025, with recovery or payments occurring **1 April 2025**.
2. Where delivery is reported in the Industry Training Register (ITR), wash-ups will be calculated in April 2025, with recovery or payments occurring **1 May 2025**. The providers listed below receive both provider-based and work-based Funding, and will have associated payment/set-off for all their funds on **1 May 2025**:
 - › Marine and Specialised Technology Academy of NZ (6034)
 - › Industry Connection for Excellence (6661)
 - › Te Pūkenga – New Zealand Institute of Skills and Technology (6683)
 - › Skills Active Te Mahi Ako (7018)
 - › St John New Zealand (7321)
 - › Ignite Colleges Limited (7502)
 - › New Zealand School of Education (7647)
 - › Apprentice Training New Zealand 2010 Trust (7741)
 - › Strategi Institute Limited (7963)
 - › Vertical Horizons New Zealand Limited (8199)
 - › NZ Welding School (8270)
 - › Skills4Work Limited (9130), and
 - › Builders Academy New Zealand Limited (9436).
3. All Fees Free delivery is reported through Workspace 2, and the wash-ups will be calculated in March 2025, with recovery or payments occurring **1 April 2025**.
4. Where delivery is reported in the Single Data Return (SDR) and/or DXP Ngā Kete reports, wash-up letters will be sent no later than **17 March 2025** (10 working days before 1 April 2025).

Reminders and changes from prior years

Funding Guarantee – for 2020 Funding only

The Funding Guarantee, which was applied to 2020 Funding, waived the recovery of unused Funding for many funds administered by the TEC. It has not been applied since 2021, and it will not be applied in 2024.

Treatment of Te Pūkenga – New Zealand Institute of Skills and Technology

Consolidation of prior institutes of technology and polytechnics: We will continue to wash up Te Pūkenga as a consolidated entity of all prior institutes of technology and polytechnics. For flexible Funding calculations, the External Evaluation and Review (EER) does not apply to Te Pūkenga.

Trades Academies: Trades Academies that are administered by the subsidiaries of Te Pūkenga will be washed up **collectively** under Te Pūkenga.

Apprenticeships: Manual adjustments occurring to the Managed Apprenticeships value of delivery (between work-based and provider-based reported provision) for Te Pūkenga, as well as Builders Academy and Skills4Work, are determined from a split between provider-based mode and work-based mode at the qualification level. The split is then used to calculate the actual delivery of related modes of delivery, which will inform the value of delivery in the wash-up calculation.

Flexible Funding calculation for providers with both DQ3-7 (SDR/provider-based) and DQ3-7 (ITR/work-based)

To determine the course completion and/or credit completion rate necessary for flexible Funding, the underlying **credit achievement** is used for both provider-based and work-based components of the calculation.

Treatment of over-delivery of YG Level 3 EFTS

If you have been allocated YG Funding to deliver qualifications at Level 3 on the NZQCF, you must not exceed that allocation for the Level 3 delivery. If you deliver more provision than you have been allocated (ie, your YG Level 3 delivery is greater than your YG Level 3 commitment), we will reduce delivery by the amount of Level 3 over-delivery as an offset.

Validation of ELT learners against SDR

Reported ELT Refugee English learners are validated against the SDR data. Where ELT Refugee English learners are not validated against the SDR, the reported learners and associated value of delivery will be offset against the total reported value of delivery.

Treatment of the Youth Guarantee Wellbeing and Pathways Support subsidy

There is no wash-up calculation made on the YG Wellbeing and Pathways Support subsidy Funding, however, a payment will be made for any over-delivery.



Foundation, Community and Youth Transition Funds

ACE (Communities)

Purpose of the fund

The purpose of the Adult and Community Education (ACE) Fund is to purchase provision that provides adults with community-based education, foundation skills, and pathways into other learning opportunities that meet community learning needs.

How we calculate your wash-up

We will recover Funding if you deliver less than 100% of your allocated ACE (Communities) Funding. We will recover the difference between the total delivery (dollars) and 100% of your allocated ACE (Communities) Funding.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery data as submitted through DXP Ngā Kete for the 2024 year. |
| Unit of Delivery: | Your expected total learner hours . |
| Rates: | There is no fixed rate for ACE (Communities) Funding as the Funding allocation, course Funding rate, mix of provision (MoP) and contracted volume of delivery is agreed with each TEO through the Plan process. |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2024 Funding Mechanism for ACE (TEC Website) – Paragraphs 36, 37 |
| Funding Conditions Catalogue | Repayment of Funding – Section 12, p. 22 |

Repayment of ACE (Communities) Funding

- a. If you receive ACE (Communities) Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.
- b. For the purpose of this Condition, you will have received Funding that was greater than it should have been if you delivered less ACE provision (as measured by expected total learner hours) than you were funded for. In that situation, we will recover the

difference between the amount of provision delivered (as measured by expected total learner hours) and the ACE (Communities) Fund Funding provided.

ACE (Schools)

Purpose of the fund

The purpose of the Adult and Community Education (ACE) Fund is to purchase provision that provides adults with community-based education, foundation skills, and pathways into other learning opportunities that meet community learning needs.

How we calculate your wash-up

We will recover Funding if you deliver less than 100% of your allocated ACE (Schools) Funding. We will recover the difference between the total delivery (dollars) and 100% of your allocated ACE (Schools) Funding.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery data as submitted through DXP Ngā Kete for the 2024 year. |
| Unit of Delivery: | Your expected total learner hours . |
| Rates: | We use the 2024 ACE (Schools) Funding rates to calculate your actual delivery at an hourly rate of \$10.79 (GST exclusive). |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% - All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2024 Funding Mechanism for ACE (TEC Website) – Paragraphs 36, 37 |
| Funding Conditions Catalogue | Repayment of Funding – Section 12, p. 30 |

Repayment of ACE (Schools) Funding

- a. If you receive ACE (Schools) Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and

ii. may be set-off against all or any Funding, or any sum of money payable by us to you.

b. For the purposes of this Condition, you will have received Funding that was greater than it should have been if you delivered less ACE provision (as measured by expected total learner hours) than you were funded for. In that situation, we will recover the difference between the amount of provision delivered (as measured by expected total learner hours) and the ACE (Schools) Fund Funding provided. We will determine the amount of Funding delivered using the hourly rate of \$10.79 (excluding GST).

Example: A school had planned delivery of 9,800 hours and is funded for 9,800 hours x \$10.79 (\$105,742.00). If the school's enrolments were for 9,600 hours, being 200 hours less than planned, then we will recover 200 x \$10.79 (\$2,158.00).

ACE in TEIs (including ACE in TELAC)

Purpose of the fund

The purpose of the Adult and Community Education (ACE) Fund is to purchase provision that provides adults with community-based education, foundation skills, and pathways into other learning opportunities that meet community learning needs.

The ACE in TELAC Funding delivers advice to adults with low skills and qualifications. It promotes how tertiary education increases their opportunities, provides advice about the different options available, and encourages them to make the most of these opportunities.

How we calculate your wash-up

We will recover Funding if you deliver less than 100% of your allocated ACE in TEIs Funding. We will recover the difference between the total delivery (dollars) and 100% of your allocated ACE in TEIs Funding.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery of equivalent full-time students as submitted through the December 2024 Single Data Return (SDR) . |
| Unit of Delivery: | Equivalent Full-Time Student (EFTS) . |
| Rates: | We use the 2024 ACE in TEIs Funding rates to calculate your actual delivery at a rate of \$5,018.00 per EFTS . |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2024 Funding Mechanism for ACE (TEC Website) – Paragraphs 36, 37 |
| Funding Conditions Catalogue | Repayment of Funding – Section 12, p. 22 |

Repayment of ACE (in TEIs) Funding

- a. If you receive ACE (in TEIs) Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.
- b. For the purpose of this Condition, you will have received Funding that was greater than it should have been if you delivered less ACE provision (as measured by expected total learner hours) than you were funded for. In that situation, we will recover the difference between the amount of provision delivered (as measured by expected total learner hours) and the ACE (in TEIs) Fund Funding provided.

Note: ACE in TELAC is **non-recoverable** in 2024.

Emergency Management

Purpose of the fund:

The Emergency Management Fund supports volunteers in civil defence emergency management to get the training and accreditation they need to perform emergency management operations.

How we calculate your wash-up:

We will recover Funding if you deliver less than 100% of your allocated Emergency Management Funding. We will recover the difference between the total delivery (dollars) and 100% of your allocated Emergency Management Funding.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery volume data (measured by actual hours) as submitted through DXP Ngā Kete . |
| Unit of Delivery: | Your actual learner hours . |
| Rates: | We use your Emergency Management allocation provided against your actual delivery (ie, 50% delivery of learner hours means 50% recovery). |

Delivery thresholds for recovery/payment:

| | |
|--------|---|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|----------------------------|--|
| Delegations and mechanisms | 2021 Funding Mechanism for ACE SAR (TEC Website) |
| Reference | Repayment of Funding – per TEC MOU with provider |

Repayment of Emergency Management Funding

- a. If NEMA receives Emergency Management (Training Delivery) Funding that is greater than it should have been, or that NEMA was not entitled to receive, NEMA must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by the TEC to NEMA.
- b. The TEC will consider that NEMA has received Emergency Management (Training Delivery) Funding that was greater than it should have been if NEMA does not deliver all the learning hours specified in the Mix of Provision. In that situation, the TEC will recover the difference between NEMA's actual volume of delivery and the Emergency Management (Training Delivery) Funding it has received.
- c. Volume of delivery will be calculated using, for each training course or activity, the number of learner enrolments specified in the agreed Mix of Provision.
- d. If NEMA does not enrol the number of learners in a civil defence emergency management training course or activity as specified in the agreed Mix of Provision, the TEC will recover the unused Emergency Management (Training Delivery) Funding at the training course or activity rate agreed to in the Mix of Provision.
- e. If more learners are enrolled in a training course or activity than the number specified in the Mix of Provision, the over-delivery will be off-set against under-delivery in any other training course or activity agreed to in the Mix of Provision (up to the maximum Emergency Management (Training Delivery) Funding allocated).

Note: The coordination fee is non-recoverable.

Search and Rescue

Purpose of the fund

The Search and Rescue Fund supports search and rescue volunteers to get the training and accreditation they need to perform search and rescue operations.

How we calculate your wash-up

We will recover Funding if you deliver less than 100% of your allocated Search and Rescue Funding. We will recover the difference between the total delivery (dollars) and 100% of your allocated Search and Rescue Funding.

Recoveries are based on:

| | |
|-------------------|---|
| Data: | Your most recent actual delivery volume data (measured by actual hours) as submitted through DXP Ngā Kete . |
| Unit of Delivery: | Your actual learner hours . |
| Rates: | We use your Search and Rescue allocation provided against your actual delivery (ie, 50% delivery of learner hours means 50% recovery). |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|----------------------------|--|
| Delegations and mechanisms | 2021 Funding Mechanism for ACE SAR (TEC Website) |
| Reference | Repayment of Funding – per TEC MOU with provider |

Repayment of Search and Rescue Funding

- a. If the Ministry of Transport receives Search and Rescue (Training Delivery) Funding that is greater than it should have been, or that the Ministry was not entitled to receive, the Ministry agrees to treat the amount of over-Funding as a debt due the TEC that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by the TEC to the Ministry.
- b. The TEC will consider that the Ministry has received Search and Rescue (Training Delivery) Funding that was greater than it should have been if the Ministry does not deliver all of the learning hours specified in the Mix of Provision. In that situation the TEC will recover the difference between the Ministry's actual volume of delivery and the Search and Rescue (Training Delivery) Funding it has received.
- c. Volume of delivery will be calculated using, for each training course or activity, the number of learner enrolments specified in the agreed Mix of Provision.
- d. If the Ministry does not enrol the number of learners in a search and rescue training course or activity as specified in the agreed Mix of Provision, the TEC will recover the

unused Search and Rescue (Training Delivery) Funding at the training course or activity rate agreed to in the Mix of Provision.

- e. If more learners are enrolled in a training course or activity than the number specified in the Mix of Provision, the over-delivery will be off-set against under-delivery in any other training course or activity agreed to in the Mix of Provision (up to the maximum Search and Rescue (Training Delivery) Funding allocated).

Note: The coordination fee is non-recoverable (as it is paid from operations Funding - and not grants).

Intensive Literacy and Numeracy – English Language Teaching

Purpose of the fund

The purpose of the Intensive Literacy and Numeracy Fund – English Language Teaching (ILN ELT) Fund (formerly known as Specialised English for Speakers of Other Languages (ESOL)) is to:

- › increase opportunities for adults to engage in literacy and numeracy learning, particularly migrants and refugees
- › raise adults’ literacy and numeracy skills to help learners progress onto further study and employment, and
- › fund the intensive provision of ELT learning opportunities within an appropriately structured environment.

How we calculate your wash-up

We will recover Funding if you deliver less than 100% of your allocated ILN ELT Funding. We will recover the difference between the total delivery (dollars) and 100% of your allocated ILN ELT Funding.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery data (measured by total face-to-face delivery hours) as submitted through DXP Ngā Kete . |
| Unit of Delivery: | Your actual delivery hours . |
| Rates: | We use the 2024 Intensive Literacy and Numeracy – ELT Funding rates to calculate your actual delivery at a rate of \$21.18 per hour delivered . |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2024 Funding Mechanism for ELT (TEC Website) – Paragraphs 43, 44 |
| Funding Conditions Catalogue | Repayment of Funding – Section 11, p. 78 |

Repayment of ILN ELT Funding

- a. If you receive ILN ELT Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.
- b. For the purposes of this Condition, we will determine whether you have received Funding that was greater than it should have been by subtracting the total number of tuition hours delivered in the calendar year (based on actual attendance) from the hours approved in Appendix 1 of your Funding Confirmation Letter.

Intensive Literacy and Numeracy – Refugee English

Purpose of the fund

The purpose of the Intensive Literacy and Numeracy, Refugee English (ILN Refugee English) Fund is to:

- › increase opportunities for adults to engage in literacy and numeracy learning, particularly migrants and refugees
- › raise adults' literacy and numeracy skills to help learners progress onto further study and employment, and
- › support those with a refugee background, or other special circumstances related to their transition to residence in New Zealand, to reach a level of English that will allow them to enter employment, or undertake their choice of vocational or degree-level education, by providing fees-free access to English Language Teaching (ELT) (formerly known as Specialised English for Speakers of Other Languages (ESOL)) programmes at Levels 3 or above on the New Zealand Qualifications and Credentials Framework (NZQCF).

How we calculate your wash-up

We will recover Funding if you deliver less than 100% of your allocated ILN Refugee English provision Funding. We will recover the difference between the total delivery (dollars) and 100% of your allocated ILN Refugee English provision Funding.

Recoveries are based on:

| | |
|-------|---|
| Data: | Your most recent actual delivery volume data (measured at the course level) as submitted through DXP Ngā Kete for the 2024 year. |
|-------|---|

| | |
|-------------------|--|
| Unit of Delivery: | Your learner places . |
| Rates: | There is no one fixed rate for ILN Refugee English Funding as the Funding allocation, course Funding rate, mix of provision (MoP) and contracted volume of delivery is agreed with each TEO through the Plan process. |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2024 Funding Mechanism for ELT (TEC Website) – Paragraphs 43, 44 |
| Funding Conditions Catalogue | Repayment of Funding – Section 11, p. 86 |

Repayment of ILN Refugee English Funding

- a. If you receive ILN Refugee English Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.
- b. For the purposes of this Condition, we will determine whether you have received Funding that was greater than it should have been if you do not deliver all of the places specified in your Investment Plan. This means that if you do not deliver the agreed number of places in your plan, then we will recover all Funding associated with those undelivered places.

Learner places: For ILN – Refugee English, recovery is based on the number of learner places not filled; both learner fees and pastoral care associated with these places will be recovered. Recovery of unused ILN Refugee English Funding is based on the number of approved learner places not filled and the learner fees to be charged by the TEO if the places had been filled. This means that where a TEO does not deliver the number of places agreed, all ILN Refugee English Funding (learner fees and pastoral care) associated with those unused places is recovered.

Validation of ELT learners against SDR: Reported ELT Refugee English learners are validated against the SDR data. Where ELT Refugee English learners are not validated against the SDR, the reported learners and associated value of deliver will be offset against the total reported value of delivery.

Intensive Literacy and Numeracy

Purpose of the fund

The purpose of the Intensive Literacy and Numeracy (ILN) Fund is to fund Tertiary Education Organisations (TEOs) for the intensive provision of high-quality literacy and numeracy learning opportunities within an appropriately structured environment.

We fund intensive literacy and numeracy provision to:

- › raise adults' literacy and numeracy skills
- › increase opportunities for adults to engage in literacy and numeracy learning, particularly for those in low-skilled employment, and
- › improve the quality and relevance of provision, including the ability to identify learner need and learning gain.

How we calculate your wash up

We will recover Funding if you deliver less than 100% of your allocated ILN Funding. We will recover the difference between the total delivery (dollars) and 100% of your allocated ILN Funding.

Recoveries are based on:

| | |
|-------------------|---|
| Data: | Your most recent delivery volume data (total hours of delivery) as submitted through DXP Ngā Kete . |
| Unit of Delivery: | Your actual delivery hours . |
| Rates: | We use the 2024 ILN Funding rates to calculate your actual delivery at a rate of \$28.23 per delivery hour . |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|---|
| Delegations and mechanisms | 2024 Funding Mechanism for LN (TEC Website) – Paragraphs 13, 14 |
| Funding Conditions Catalogue | Repayment of Funding – Section 10, p. 71 |

Repayment of ILN Funding

- a. If you receive ILN Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and

- ii. may be set-off against all or any Funding, or any sum of money payable by us to you.
- b. For the purposes of this Condition, we will determine whether you have received ILN Fund Funding that was greater than it should have been by subtracting the total number of tuition hours delivered in the calendar year (based on actual attendance) from the hours approved in Appendix 1 of your Funding Confirmation Letter.

TEO-led Workplace Literacy and Numeracy Fund

Purpose of the fund

The purpose of Funding literacy and numeracy provision is to:

- › raise adults’ literacy and numeracy skills
- › increase opportunities for adults to engage in literacy and numeracy learning, particularly for those in low-skilled employment, and
- › improve the quality and relevance of provision, including the ability to identify learner need.

The purposes of the Workplace Literacy and Numeracy (WLN) Fund are to:

- › increase the literacy and numeracy skills of employees, and
- › contribute to workplace productivity through the provision of literacy and numeracy learning in a workplace context.

How we calculate your wash up

We will recover Funding if you deliver less than 100% of your allocated WLN Fund – TEO-led Funding. We will recover the difference between the total delivery (dollars) and 100% of your allocated WLN Fund – TEO-led Funding.

Recoveries are based on:

| | |
|-------------------|---|
| Data: | Your most recent actual delivery volume data (total hours of actual face-to-face delivery) as submitted through DXP Ngā Kete . |
| Unit of Delivery: | Your actual delivery hours . |
| Rates: | We use the 2024 WLN – TEO-led Funding rates to calculate your actual delivery at a rate of \$84.69 per delivery hour . |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|----------------------------|---|
| Delegations and mechanisms | 2024 Funding Mechanism for LN (TEC Website) – Paragraphs 13, 14 |
|----------------------------|---|

Repayment of WLN Fund – TEO-led strand Funding

- a. If you receive WLN Fund – TEO-led strand Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.
- b. For the purposes of this Condition, we will determine whether you have received WLN Fund – TEO-led strand Funding that was greater than it should have been by subtracting the total number of tuition hours delivered in the calendar year (based on actual attendance) from the hours approved in Appendix 1 of your Funding Confirmation Letter.

Delivery at Levels 1 and 2 on the New Zealand Qualifications and Credentials Framework (DQ1-2) Fund

Purpose of the fund

Delivery at Levels 1 and 2 on the New Zealand Qualifications and Credentials Framework (DQ1-2) Fund contributes to the provision of teaching and learning services for enrolled learners at Tertiary Education Organisations (TEOs).

Special Supplementary Grant (SSG) Funding is to fund additional tutor support for special education in at TEOs.

How we calculate your wash-up

We will recover Funding if you deliver less than 99% of your allocated DQ1-2 Funding. We will recover the difference between the total delivery (dollars), less condition offsets as detailed below, and 99% of your allocated DQ1-2 Funding.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery volume data for DQ1-2 Source of Funding 26 and 28 (at the qualification level) as submitted through the December 2024 Single Data Return (SDR) . |
| Unit of Delivery: | Equivalent Full-Time Student (EFTS) . |
| Rates: | We use the 2024 DQ1-2 Funding rates to calculate your actual delivery at a rate based on table below per EFTS . |

Delivery thresholds for recovery/payment:

| | |
|-------|--|
| Over: | N/A – No payments made for over-delivery. |
|-------|--|

| | |
|---|---|
| Under: | 99% (100% for TEOs with zero delivery). |
| Funding determinations and conditions: | |
| Delegations and mechanisms | 2024 Funding Mechanism for DQ1-2 (TEC Website) – Paragraphs 54–57 |
| Funding Conditions Catalogue | Repayment of Funding – Section 12, p. 50 Early withdrawal of enrolments – Section 3, p. 33 Limit on EFTS values for qualifications – Section 5.6, p. 44 |

Repayment of DQ1-2 Funding

- a. If you receive DQ1-2 Fund Funding (including SSG Funding) that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.
- b. For the purposes of this Condition, you will have received DQ1-2 Fund Funding (including SSG Funding) that was “greater than it should have been” if the total dollar value of the Fund provision that was delivered by you within the Funding year is less than 99% of the total dollar value of the DQ1-2 Fund provision paid to you from DQ1-2 Fund Funding. In that situation, the percentage of Funding that is repayable is equal to the difference between the bottom of the tolerance band (99%) and the percentage value of the provision that was delivered.
- c. We may recover a proportion of your Funding for enrolments above the prior qualification limit.

Early withdrawal of enrolments: We will reduce the dollar value of actual delivery by subtracting enrolments for which students have not completed 10% or one month of the course, whichever is the earlier.

Limit on EFTS values for qualifications: You must not assign an EFTS value of more than 1.0 EFTS per year (being any 12-month period) to a programme for which you seek approval of DQ1-2 Fund Funding, unless you have received approval from us. In approving an exception to this Condition, we will consider additional criteria, including whether you:

- a. will inform each learner accurately about their higher-than-normal expected study commitments, and
- b. have support mechanisms in place for each learner who has difficulty coping with the intensity of the course.

Note: The Special Supplementary Grant (SSG) for Special Education is **non-recoverable**.

DQ1-2 Rates for 2023

| Rate Category | Rates (\$) |
|-------------------------------------|-------------|
| Te Reo Māori | \$9,033.00 |
| English Language Teaching | \$9,033.00 |
| General Foundation Education | \$9,598.00 |
| Services | \$10,164.00 |
| Supported Learning | \$14,680.00 |
| Trades | \$14,680.00 |
| Delivery in a Correctional Facility | \$14,680.00 |

Gateway

Purpose of the fund

The purpose of Gateway Fund Funding is to enable State and State-integrated New Zealand secondary schools to give senior learners opportunities to access quality, structured workplace learning that is integrated with school-based learning.

How we calculate your wash-up

We will recover Funding if you deliver less than 100% of your allocated Gateway Funding. We will recover the difference between the total delivery (dollars) and 100% of your allocated Gateway Funding.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery volume data (total number of distinct learner places) as submitted through DXP Ngā Kete . |
| Unit of Delivery: | Your distinct learner count . |
| Rates: | We use the 2024 Gateway Funding rates to calculate your actual delivery at a rate based on the rates outlined for 2024 . |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2016 Funding Mechanism for Gateway (TEC Website) – Paragraphs 25, 26 |
| Funding Conditions Catalogue | Repayment of Funding – Section 6, p. 63 |

Repayment of Gateway Funding

- a. If you receive Gateway Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.

Gateway wash-ups are calculated using the **distinct learner counts** matched up to the associated **Funding rate** per the distinct learner counts.

Note: The Gateway establishment fee is **non-recoverable**.

Youth Guarantee (YG) and YG Premium Payment

Purpose of the fund

The purpose of Youth Guarantee (YG) Fund Funding is to provide fees-free tertiary study for:

- a. eligible Domestic Students aged 16 to 24 years (inclusive) who are studying towards either: the National Certificate of Educational Achievement (NCEA) Level 1, 2 or 3 aligned to the Vocational Pathways, or another qualification at Level 1, 2 or 3 on the New Zealand Qualifications and Credentials Framework (NZQCF), which is intended to enable learners to progress to higher-level education or employment; and
- b. eligible Domestic Students aged 16 to 24 years (inclusive) who are studying towards a qualification at Level 3 on the NZQCF. Places at Level 3 on the NZQCF are intended to be prioritised to: learners who study towards Level 1 and 2 qualifications through YG and progress to Level 3 study during their entitlement of 2.5 equivalent full-time students (EFTS); and learners who have no or low (Level 1) prior achievement before enrolling in YG.

How we calculate your wash-up

We will recover Funding if you deliver less than 100% of your allocated YG (base) Funding. We will recover the difference between the total delivery (dollars) after Funding Condition offsets and 100% of your allocated YG (base) Funding.

Calculation steps:

Given the YG Fund contains multiple components of Funding (including base YG Funding, YG wellbeing and support, YG premium Funding and the Level 3 commitment cap) further detail is provided below on how the YG wash-up is calculated:

1) Base YG Funding:

- a. Calculate the under- or over-delivery from the base YG Funding by taking your base YG allocation and calculating your base YG delivery as reported against SoF 22.
 - › **YG Level 3:** Where your YG Level 3 delivery is greater than your YG Level 3 commitment, we will reduce the base YG delivery amount by the amount of Level 3 over-delivery.

2) YG Premium Funding:

- b. Calculate the under or over-delivery from the YG Premium Funding (Where the YG Premium Funding relates to a 50% Funding premium (“top up”) for YG delivery across Levels 1–3 courses that lead towards a Level 1 or 2 qualification).

3) Combine results:

- c. Combine the calculated YG base and YG Premium under-delivery/over-delivery result to get a net under-delivery/over-delivery across the YG Fund.
- d. Where the calculated net YG Fund amount results in over-delivery, apply the flexible Funding criteria:
 - › Where met, calculate flexible Funding with the net YG Fund amount.
 - › Where not met, no calculation for flexible Funding is applied.
- e. Calculate overall wash-up (recovery or flexible Funding payment).

Recoveries are based on:

| | |
|-------------------|---|
| Data: | Your most recent actual delivery data (at the qualification level) as submitted through the December 2024 Single Data Return (SDR) . |
| Unit of Delivery: | Equivalent Full-Time Student (EFTS). |
| Rates: | We use the 2024 YG Funding rates to calculate your actual delivery at a rate of \$15,730.00 (for Trades qualifications) and \$11,778.00 (for Non-Trades qualifications) per EFTS . We use the 2024 YG Exceptional Travel Funding rates to calculate your actual delivery based on the rates below . |

Delivery thresholds for recovery/payment:

| | |
|--------|---|
| Over: | 102% or 100% + 10 EFTS, whichever is greater (excluding YG Level 3 delivery above YG Level 3 commitment) |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2024 Funding Mechanism for Youth Guarantee (TEC Website) – Paragraphs 52–55 |
| Funding Conditions Catalogue | Repayment of Funding – Section 15, p. 112 Early withdrawal – Section 3, p. 99 TEO not to over-deliver Level 3 EFTS – Section 9, p. 110 |

Repayment of Youth Guarantee Funding

If you receive YG Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown. This is repayable on demand and may be set-off against all or any Funding, or any sum of money payable by us to you.

Early withdrawal of enrolments: We will reduce the dollar value of actual delivery by subtracting enrolments for which students have not completed 10% or one month of the course, whichever is the earlier.

TEO not to over-deliver Level 3 EFTS: If you have been allocated YG Fund Funding to deliver qualifications at Level 3 on the NZQCF, you must not exceed that allocation. If you deliver more provision at Level 3 on the NZQCF than that which you have been allocated, we may recover YG Fund Funding for the amount of provision that you have over-delivered.

Value of delivery of Level 3 EFTS over the committed value will not be eligible for flexible Funding.

Note: Excludes Exceptional Travel which is calculated through a separate process.

Flexible Funding

- a. We will allocate you additional YG Fund Funding to that specified in your Funding Confirmation Letter if:
 - i. you are a “qualifying Tertiary Education Organisation (TEO)”, which means you:
 - › are an eligible TEO:
 - › Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
 - › a Wānanga and have a New Zealand Qualifications Authority (NZQA) External Evaluation and Review (EER) status of Category 1 or 2; or
 - › a registered Private Training Establishment (PTE) and have an NZQA EER status of Category 1 or 2; or
 - › a State or State-integrated school that has been funded by us for YG provision since 2011; and
 - ii. are approved by us to receive a minimum of \$235,560 from the YG Fund for the calendar year, excluding any Funding allocated to the Wellbeing and Pathways Support rate; and
 - iii. have an average 2023 course completion rate of 55% or higher; and
 - iv. the value of provision you actually deliver as measured in dollars (as determined by us), is greater than the value of your approved Funding allocation, excluding any provision that exceeds your allocation for delivery of qualifications at Level 3 on the NZQCF.
 - b. The additional Funding available to be allocated is up to the following limits, either:
 - i. 2% of your approved Funding allocation; or
 - ii. 10 EFTS (we will calculate 10 EFTS of delivery using the average EFTS rate of your total actual delivery, as determined by us);whichever is greater.

- c. We may establish criteria to allocate Funding above the additional Funding limits described in (b) if we have assessed that we have sufficient Funding available to provide Funding above those limits.

If a TEO receives flexible Funding, the TEC must ensure that the TEO is allocated the Wellbeing and Pathways Support Funding at the rate specified for each EFTS for which it receives Funding.

Wellbeing and Pathways Support Subsidy

This subsidy is used to support wellbeing and cultural support initiatives for each learner and facilitate pathways to higher level learning or employment for the learner.

We will not recover under-delivery against the Wellbeing and Pathways Support Subsidy, calculated at \$2,100 per EFTS delivered. Over-delivery will be funded in full.

Youth Guarantee Rates for 2024

Youth Guarantee Funding rates: We will calculate your actual delivery at a rate of \$15,730.00 (for Trades qualifications) and \$11,778.00 (for Non-Trades qualifications) per EFTS.

YG Wellbeing and Pathways Support Subsidy Funding rates: We will calculate your actual delivery at a rate of \$2,100.00.



Vocational Funds

Delivery at Levels 3–7 on the New Zealand Qualifications and Credentials Framework and all industry training (DQ3-7) Fund

Purpose of the fund

The Delivery at Levels 3–7 (non-degree) on the New Zealand Qualifications and Credentials Framework and all industry training (DQ3-7) Fund has two components:

- a. the Delivery Component: The purpose of the Delivery Component is to contribute towards the costs of providing vocational education and training; and
- b. the Learner Component: The purpose of the Learner Component is to support Tertiary Education Organisations (TEOs) to put learners at the centre of their organisation and to improve outcomes for learners. It supports all learners, particularly those who have traditionally been underserved by the education system; and recognises that there are higher costs involved in adapting education delivery and support to meet all learners' unique needs.

How we calculate your wash-up

We will recover Funding if you deliver less than 99% of your allocated DQ3-7 Funding. We will recover the difference between the total delivery (dollars) adjusted for condition offsets as detailed below, and 99% of your allocated DQ3-7 Funding.

Note on the Learner Component:

The Learner Component Funding is **non-recoverable**.

Calculation steps:

Given the DQ3-7 Fund contains multiple components of Funding, including DQ3-7 (SDR/provider-based) Funding and DQ3-7 (ITR/work-based) Funding, further detail is provided below on how the DQ3-7 wash-up is calculated:

DQ3-7 (SDR/provider-based) Funding:

- a. Calculate the under- or over-delivery from the DQ3-7 (SDR/provider-based) Funding
 - > Final Amended Allocation
 - > Less calculated delivery
 - > Reported delivery
 - > Less early withdrawal offsets
 - > Less capped provision breaches

DQ3-7 (ITR/work-based) Funding:

- b. Calculate the under- or over-delivery from the DQ3-7 (ITR/provider-based) Funding
 - > Final Amended Allocation (including the December pathway to work allocations)
 - > Less calculated delivery
 - > Reported delivery
 - > Less early withdrawal offsets

Combine results:

- c. Combine the DQ3-7 (SDR) and DQ3-7 (ITR) under-delivery/over-delivery result to get a net under-delivery/over-delivery.
- d. Where the calculated net DQ3-7 fund amount results in over-delivery, apply the flexible Funding criteria.

- › Where met, calculate flexible Funding with the net YG fund amount.
 - › Where not met, no calculation for flexible Funding is applied.
- e. Calculate overall wash-up (recovery or flexible Funding payment).

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery volume data as submitted through the December Single Data Return and Industry Training Register . |
| Unit of Delivery: | Equivalent Full-Time Student (EFTS), which includes Standard Training Measure. |
| Rates: | We use the 2024 DQ3-7 Funding rates to calculate your actual delivery at a rate based on table per EFTS/STM. |

Delivery thresholds for recovery/payment:

| | |
|--------|---|
| Over: | 102% or 100% + 10EFTS, whichever is greater. |
| Under: | 99% (100% for TEOs with zero delivery). |

Funding determinations and conditions:

| | |
|--|---|
| Delegations and mechanisms | 2024 Funding Mechanism for DQ3-7 (TEC Website) – Paragraphs 96–99 |
| Funding Conditions Catalogue | Flexible Funding – ‘Flexible Funding’, pp. 121–122 Repayment of Funding – Section 18 & 19, p. 151 Early withdrawal – Section 4, pp. 124–125 |

Repayment of DQ3-7 Funding

- a. If you receive Delivery Component DQ3-7 Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - › is repayable on demand, and
 - › may be set-off against all or any Funding, or any sum of money payable by us to you.
- b. For the purposes of this Condition, you will have received DQ3-7 Fund Funding that was “greater than it should have been” if the total dollar value of the provision that was delivered by you within the Funding Period is less than 99% of the total dollar value for provision paid to you from DQ3-7 Fund Funding. In that situation, the percentage of Funding that is repayable is equal to the difference between the bottom of the tolerance band (99%) and the percentage value of the provision that was delivered.

Early withdrawal of enrolments: We will reduce the dollar value of actual delivery by subtracting enrolments for which students have not completed 10% or one month of the course, whichever is the earlier. Note this only applies to the provider-based mode of delivery.

Flexible Funding

- b. We will allocate you additional DQ3-7 Fund Delivery Component Funding to that specified in your Funding Confirmation Letter if:
- i. you are a “qualifying TEO”, which means you:
 - › are an eligible TEO:
 - › a University; or
 - › Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
 - › are a Wānanga and have a New Zealand Qualifications Authority (NZQA) External Evaluation and Review (EER) status of Category 1 or 2; or
 - › are a registered Private Training Establishment (PTE) and have an NZQA EER status of Category 1 or 2; and
 - › are approved by us to deliver a minimum of 20 equivalent full-time learners (EFTS) in 2024; and
 - › as applicable:
 - › for DQ3-7 (non-degree) provider-based and provider-based: extramural modes of delivery, have a course and/or credit completion rate of 70% or higher for provision funded under DQ3-7 at Levels 3 to 7 (non-degree) in 2023;
 - › for DQ3-7 (non-degree) in the work-based: pathway to work, work-based or assessment and verification modes of delivery, have a course and/or credit completion rate of 70% or higher for provision funded as one of these modes of delivery under the DQ3-7 (non-degree) in 2024; and

Supplementary note: To determine the course and/or credit achievement rate necessary for flexible Funding for TEOs who deliver **both** DQ3-7 provider-based provision and DQ3-7 work-based provision, both the course completion and credit achievement thresholds need to be separately met.

- ii. the value of provision you actually deliver (as determined by us), as measured in dollars, is greater than the value of your approved Funding allocation.
- c. The additional DQ3-7 Fund Delivery Component Funding available to be allocated is up to the following limits, either (whichever is greater):
- i. 2% of your approved Funding allocation; or
 - ii. 10 EFTSs (we will calculate 10 EFTS of delivery using the average EFTS rate of your total actual delivery as determined by us).
- d. Any flexible Funding for DQ3-7 Fund Delivery Component Funding will be calculated using information provided in the December Single Data Return (SDR) and the Industry Training Register (ITR) (as at the 1 April data cut-off).
- e. We may establish criteria to allocate DQ3-7 Fund Delivery Component Funding above the additional Funding limits described in (b), if we have assessed that we have

sufficient DQ3-7 Fund Delivery Component Funding available to provide Funding above those limits.

Capped provision and impact on flexible Funding: TEOs that deliver on capped provision may meet the eligibility criteria for flexible Funding, but the provision delivered on a capped provision delivery is not eligible for flexible Funding (eg, aviation provision – qualifications that include an in-flight training component).

Providers that only deliver provision in aviation (qualifications that include an in-flight training component) are not eligible for flexible Funding.

- › 7123 - North Shore Helicopter Training Limited
- › 7256 - Southern Wings Limited
- › 7413 - Waikato Aero Club Incorporated
- › 7826 - Wanaka Helicopters Limited
- › 8026 - Air Hawkes Bay Limited
- › 8031 - Christchurch Helicopters 2001 Limited
- › 8074 - New Zealand International Commercial Pilot Academy Limited
- › 8589 - International Aviation Academy of NZ Ltd
- › 8595 - Nelson Aviation College Limited
- › 8638 - Ardmore Flying School Limited

Other exceptions or TEO specific matters

University of Waikato and the Certificate of University Preparation (CUP) Programme:

Funding may not be used to deliver more than 150 EFTS for Level 4 from the DQ3-7 Fund Funding for the Certificate of University Preparation (CUP) programme of study under the A1 Funding category from 2024. This is outlined in the Waikato FCL 2024 – Certificate of University Preparation (CUP) programme of study. Actual delivery is identified by Qualification Code WI0290 Certificate of University Preparation.

The TEC will monitor the University of Waikato's CUP delivery and will reduce their dollar value of actual delivery by the full Funding for every EFTS delivered above the cap, at the DQ3-7 Funding category rate under the A1 Funding category from 2024.

Te Pūkenga (6683), Industry Connection for Excellence (6661) and New Zealand Management Academy (8661):

Funding may not be used to deliver more than the number of EFTS you enrolled in 2023 in NZ Certificate in Plumbing, Gasfitting and Drainlaying (Level 3), as outlined in your Funding Confirmation Letter. The TEC will recover the Funding allocated in respect of each EFTS over that number.

Manual adjustments for Apprenticeship

- The providers have been asked to (1) confirm the MA qualifications and remove/add the MA qualifications to the list, and (2) provide the percentage between the provider-based/provider-based extramural and work-based mode at the qualification level.
- We will use the percentage between the provider-based/provider-based extramural and work-based mode to calculate a revised value of delivery of each mode of delivery

- The value of delivery, above will be used to adjust to the actual deliveries reported via SDR and ITR:
 - manually lower volume and value of provider-based delivery
 - manually increase volume and value of work-based delivery

adjusted values of delivery will be used as part of the year-end wash-up for DQ3-7, and will be implemented through the wash-up models

DQ3-7 Rates for 2024

| Subject Category | Provider-based | Extra-mural | Work-based | Pathway to work | Assessment and Verification |
|---|----------------|-------------|-------------|-----------------|-----------------------------|
| Humanities, Business and Social Service Vocations (F1) | \$5,853.00 | \$5,125.00 | \$5,562.00 | \$6,733.00 | \$1,618.00 |
| Trades, Creative Arts, Information Technology and Health-related Professions (F2) | \$9,306.00 | \$5,125.00 | \$7,634.00 | \$9,495.00 | \$1,618.00 |
| Agriculture, Engineering, Health Sciences and Science (F3) | \$10,477.00 | \$5,125.00 | \$8,335.00 | \$10,432.00 | \$1,618.00 |
| Pilot Training and Priority Engineering (F4) | \$12,818.00 | \$5,125.00 | \$9,740.00 | \$12,305.00 | \$1,618.00 |
| Foreign-going Nautical and Specialist Agriculture (F5) | \$17,559.00 | \$5,125.00 | \$12,585.00 | \$16,097.00 | N/A |
| Mātauranga Māori and Te Reo Māori (F6) | \$7,376.00 | \$7,376.00 | \$7,376.00 | \$7,376.00 | \$1,679.00 |

MPTT Fees Top-Up

Purpose of the fund

The purpose of the Māori and Pasifika Trades Training (MPTT) Fund is to support Māori and Pacific learners aged 16 to 40 years of age (inclusive) to enter and achieve in pre-trades training, and progress to relevant trades-related employment, or work-based vocational training, including New Zealand Apprenticeships on the NZQCF. Progression to further provider-based vocational training at Level 4 or above on the NZQCF that has strong employment outcomes is also a positive outcome.

How we calculate your wash-up

We will recover Funding if you deliver less than 100% of your allocated MPTT fees top up Funding. We will recover the difference between the total delivery (dollars) less conditional offsets and 100% of your allocated MPTT fees top up Funding at a provider-consortium level.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery volume data (measured in EFTS at provider-consortium level), as submitted through the December 2024 Single Data Return (SDR) . |
| Unit of Delivery: | Equivalent Full-Time Student (EFTS) (at provider-consortium level) . |
| Rates: | We use the 2024 MPTT Fees Top-Up Funding rates to calculate your actual delivery at a rate of \$5,529.00 per EFTS . |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2024 Funding Mechanism for MPTT (TEC Website) – Paragraphs 49–50 |
| Funding Conditions Catalogue | Repayment of Funding – Sections 11–12, p. 159 Early withdrawal (DQ3-7) – Section 4, p. 124 Early withdrawal (DQ1-2) – Section 3, p. 33 Related DQ Funding requirements – Section 6, including compliance with conditions relating to DQ-funded programmes or micro-credentials. |

Repayment of MPTT Fees Top-Up Funding

1. If you receive MPTT Fees Top-ups Fund Funding and/or MPTT Brokerage Services Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand; and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.
2. If you receive MPTT Fees Top-ups Fund Funding or MPTT Brokerage Services Fund Funding that is less than it should have been, or than you were entitled to receive, we will treat the amount of the under-Funding as a credit and pay the amount as soon as is reasonably practicable.

3. For the purposes of this Condition, any MPTT Fees Top-ups Fund Funding or MPTT Brokerage Services Fund Funding that remains unspent at 31 December 2024 will be counted as an amount of Funding that is greater than it should have been.
4. We will recover up to 100% of MPTT Fees Top-ups Fund Funding for any under-delivery by your organisation. The course level delivery volume data submitted through the December Single Data Return (SDR) will be used to assess any under-delivery.
5. We will recover up to 100% of MPTT Brokerage Services Fund Funding for any under-delivery by your organisation. The data submitted through the December SDR will be used to determine the amount of under-delivery.

We will recover Funding at the provider-consortia level, based on individual contracts.

Early withdrawal of enrolments: We will reduce the dollar value of actual delivery by subtracting enrolments for which students have not completed 10% or one month of the course, whichever is the earlier (From Related DQ Funding requirements – **Sect. 6** – Including compliance with conditions relating to DQ-funded programmes or micro-credentials).

Note: NSNs are matched to consortia.

MPTT Brokerage Monthly

Purpose of the fund

The purpose of the Māori and Pasifika Trades Training (MPTT) Fund is to support Māori and Pacific learners aged 16 to 40 years of age (inclusive) to enter and achieve in pre-trades training, and progress to relevant trades-related employment, or work-based vocational training, including New Zealand Apprenticeships on the New Zealand Qualifications and Credentials Framework (NZQCF). Progression to further provider-based vocational training at Level 4 or above on the NZQCF that has strong employment outcomes is also a positive outcome.

This methodology only applies to the first 50% of the brokerage Funding (\$637 per learner), which is paid up front. It does not include the incentive portion (second 50%) of brokerage Funding (\$637 per learner) as this is paid on actual delivery.

How we calculate your wash-up

We will recover Funding if you deliver less than 100% of your allocated MPTT Brokerage Funding. We will recover the difference between the actual number of eligible learners and 100% of the allocated MPTT Brokerage Funding. We will only pay MPTT Brokerage in relation to a learner once.

Recoveries are based on:

Data:

Your most recent actual delivery volume data (measured in EFTS at provider-consortium level), as submitted through the **December 2024 Single Data Return (SDR)**

When determining the actual number of eligible learners we will make adjustments to the number of learners reported by you in your most recent actual delivery data submitted through the **2024 December SDR**

| | |
|-------------------|--|
| | (as reported in the Single Data Return (SDR) source of Funding code 28 and 29). |
| Unit of Delivery: | Your eligible learners . |
| Rates: | This methodology only applies to the first 50% of the brokerage Funding (\$637 per learner), which is paid up front. It does not include the incentive portion (second 50%) of brokerage Funding (\$637 per learner). |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2024 Funding Mechanism for MPTT (TEC Website) – Paragraphs 49–50 |
| Funding Conditions Catalogue or other ref. | Repayment of Funding – Sections 11–12, p. 159 Early withdrawal (DQ3-7) – Section 4, p. 124 Early withdrawal (DQ1-2) – Section 3, p. 33 Related DQ Funding requirements – Section 6, including compliance with conditions relating to DQ-funded programmes or micro-credentials. |

Repayment of MPTT Fees Top-Up Funding

- a. If you receive MPTT Fees Top-ups Fund Funding and/or MPTT Brokerage Services Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.
- b. If you receive MPTT Fees Top-ups Fund Funding or MPTT Brokerage Services Fund Funding that is less than it should have been, or than you were entitled to receive, we will treat the amount of the under-Funding as a credit and pay the amount as soon as is reasonably practicable.
- c. For the purposes of this Condition, any MPTT Fees Top-ups Fund Funding or MPTT Brokerage Services Fund Funding that remains unspent at 31 December 2024 will be counted as an amount of Funding that is greater than it should have been.

- d. We will recover up to 100% of MPTT Fees Top-ups Fund Funding for any under-delivery by your organisation. The course level delivery volume data submitted through the December Single Data Return (SDR) will be used to assess any under-delivery.
- e. We will recover up to 100% of MPTT Brokerage Services Fund Funding for any under-delivery by your organisation. The data submitted through the December SDR will be used to determine the amount of under-delivery.

We will recover Funding at the provider-consortia level, based on individual contracts.

- › Brokerage monthly (code 10100) is a separate initiative to brokerage success (code 10101).
- › Success is non-recoverable as is paid on actuals.

Early withdrawal of enrolments: We will reduce the dollar value of actual delivery by subtracting enrolments for which students have not completed 10% or one month of the course, whichever is the earlier (From Related DQ Funding requirements – **Sect. 6** – Including compliance with conditions relating to DQ-funded programmes or micro-credentials).

Prior year enrolments (MPTT Brokerage Monthly only): We will exclude learners who have been enrolled in MPTT in a prior year, whether or not they have received MPTT Brokerage Funding.

Multiple TEO enrolments: We will only pay MPTT Brokerage once per learner. Where we identify that a learner is enrolled with more than one TEO, we will only pay once to the TEO for the learner with the earliest start date. Therefore, an adjustment will be made to the TEO that has not reported the earliest course start date for the learner.

If there is an NSN with the same course start date but reported in multiple providers, we verify the learner’s first provider enrolment based on the actual reporting in the first instance. If this does not resolve the issue, we hold payment from both providers, and contact the consortium to confirm which provider the NSN is enrolled with. The providers will resubmit the report and we will pay the correct provider.

Note: NSNs are matched to consortia.

MPTT Consortium Activities

Purpose of the fund

The purpose of the Māori and Pasifika Trades Training (MPTT) Fund is to support Māori and Pacific learners aged 16 to 40 years of age (inclusive) to enter and achieve in pre-trades training, and progress to relevant trades-related employment, or work-based vocational training, including New Zealand Apprenticeships on the New Zealand Qualifications and Credentials Framework (NZQCF). Progression to further provider-based vocational training at Level 4 or above on the NZQCF that has strong employment outcomes is also a positive outcome.

The funded activities must support learner pathways into trades training and employment.

How we calculate your wash-up

We will recover Funding if you deliver less than 100% of your allocated MPTT Consortium Activities Funding. We will recover the difference between the actual amount spent on Consortia Activities and 100% of the allocated MPTT Consortium Activities Funding.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery data (actual year-end spend) as submitted in your year-end Progress Report through DXP Ngā Kete . We will recover Funding at the provider-consortia level, based on individual contracts. |
| Unit of Delivery: | Your expenditure (dollars) . |
| Rates: | We will recover Funding at the provider-consortia level, based on individual contracts. |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2024 Funding Mechanism for MPTT (TEC Website) – Paragraphs 49–50 |
| Funding Conditions Catalogue | Repayment of Funding – Section 11, p. 164 |

Repayment of MPTT Fees Top-Up Funding

- a. If you receive MPTT Consortium Activities Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.
- b. For the purposes of this Condition, any MPTT Consortium Activities Fund Funding that remains unspent at 31 December 2024 will be counted as an amount of Funding that is greater than it should have been.

Note: Recovery of MPTT Consortium Activities is independent of recovery from MPTT Consortium Learner Support.

MPTT Consortium Learner Support

Purpose of the fund

The purpose of the Māori and Pasifika Trades Training (MPTT) Fund is to support Māori and Pacific learners aged 16 to 40 years of age (inclusive) to enter and achieve in pre-trades training, and progress to relevant trades-related employment, or work-based vocational training, including New Zealand Apprenticeships on the New Zealand Qualifications and Credentials Framework (NZQCF).

Progression to further provider-based vocational training at Level 4 or above on the NZQCF that has strong employment outcomes is also a positive outcome.

Learner Support Funding will allow learners to have access to the support Funding when they need it, as assessed by the consortium.

Learner Support Funding goes directly (by way of products and services) to the learner for specific items to support their success. An audit trail for each learner must be recorded, identifying what each learner has received, and the associated cost.

How we calculate your wash-up

We will recover Funding if you spend less than 100% of your allocated MPTT Consortium Learner Support Funding. We will recover the difference between the actual spend and 100% of the allocated MPTT Consortium Learner Support Funding.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery data (actual year-end spend) as submitted in your year-end Progress Report through DXP Ngā Kete . We will recover Funding at the provider-consortia level, based on individual contracts. |
| Unit of Delivery: | Your expenditure (dollars) . |
| Rates: | We will recover Funding at the provider-consortia level, based on individual contracts. |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% - All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2024 Funding Mechanism for MPTT (TEC Website) – Paragraphs 49–50 |
| Funding Conditions Catalogue | Repayment of Funding – Section 11, p. 164 |

Repayment of MPTT Consortium Learner Support

- a. If you receive MPTT Consortium Learner Support Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.

- b. For the purposes of this Condition, any MPTT Consortium Learner Support Funding that remains unspent at 31 December 2024 will be counted as an amount of Funding that is greater than it should have been.

Note: Recovery of MPTT Consortium Learner Support is independent of recovery from MPTT Consortium Activities.



Degree and Research Funds

Delivery at Level 7 (degree) and above on the New Zealand Qualifications and Credentials Framework (DQ7+) Fund

Purpose of the fund

Funding from the Delivery at Level 7 (degree) and above on the New Zealand Qualifications and Credentials Framework (DQ7+) Fund contributes towards the provision of teaching and learning services for enrolled learners at Tertiary Education Organisations (TEOs).

How we calculate your wash-up

We will recover Funding if you deliver less than 99% of your allocated DQ7+ Funding. We will recover the difference between the total delivery (dollars) adjusted for condition offsets as detailed below, and 99% of your allocated DQ7+ Funding.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery volume data (at the course level) as submitted through the December Single Data Return as reported under SoF 01 . |
| Unit of Delivery: | Equivalent Full-Time Student (EFTS) . |
| Rates: | We use the 2024 DQ7+ Funding rates to calculate your actual delivery at a rate based on table per EFTS . |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | 102% or 100% + 10 EFTS, whichever is greater. |
| Under: | 99% (100% for TEOs with zero delivery). |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2024 Funding Mechanism for DQ7+ (TEC Website) – Paragraphs 70–73 |
| Funding Conditions Catalogue | Flexible Funding – ‘Flexible Funding’, p. 174 Repayment of Funding – Section 17, p. 198 Early withdrawal – Section 4, p. 176 |

Repayment of DQ7+ Funding

- a. If you receive DQ7+ Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.

- b. For the purposes of this Condition, you will have received DQ7+ Fund Funding that was “greater than it should have been” if the total dollar value of the provision that was delivered by you within the Funding Period is less than 99% of the total dollar value for provision paid to you from DQ7+ Fund Funding. In that situation, the percentage of Funding that is repayable is equal to the difference between the bottom of the tolerance band (99%) and the percentage value of the provision that was delivered.

Early withdrawal of enrolments: We will reduce the dollar value of actual delivery by subtracting enrolments for which students have not completed 10% or one month of the course, whichever is the earlier.

Flexible Funding

- a. We will allocate you additional DQ7+ Fund Funding to that specified in your Funding Confirmation Letter (or Significant Plan Amendment letter) if:
- i. you are a “qualifying TEO”, which means you:
 - › are an eligible TEO:
 - › a University; or
 - › Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
 - › a Wānanga and have a New Zealand Qualifications Authority (NZQA) External Evaluation and Review (EER) status of Category 1 or 2; or
 - › a registered Private Training Establishment (PTE) and have an NZQA EER status of Category 1 or 2; and
 - › are approved by us to deliver a minimum of 20 EFTS in 2024; and
 - › have an average 2023 course completion rate of 70% or higher for DQ7+; and
 - ii. the value of provision you actually deliver (as determined by us), as measured in dollars, is greater than the value of your approved Funding allocation.
- b. The additional Funding available to be allocated is up to the following limits, either (whichever is greater):
- i. 2% of your approved Funding allocation; or
 - ii. 10 EFTS (we will calculate 10 EFTS of delivery using the average EFTS rate of your total actual delivery as determined by us).
- c. Any flexible Funding will be calculated using information provided in the December Single Data Return (SDR), with payments made in April of the following year.
- d. We may establish criteria to allocate Funding above the flexible Funding limits described in (b), if we have assessed that we have sufficient Funding available to provide Funding above those limits.

Capped provision and impact on flexible Funding: TEOs that deliver on capped provision may meet the eligibility criteria for Flexible Funding but the provision delivered itself on a capped provision delivery is not eligible for flexible Funding (eg, aviation provision – qualifications that include an in-flight training component).

Exclusions from flexible Funding: Secondary Initial Teacher Education (Secondary ITE): This is considered separately, as the wash-up methodology is different from the rest of DQ7+.

Other exceptions and caps on provision

Massey University – aviation provision (126 EFTS)

Massey University – veterinary science (125 EFTS for Year 1 intake)

The University of Auckland – medical undergraduate (257 EFTS for Year 1 intake)

Lincoln University – specialist large animal science (70 EFTS)

The University of Otago – medical undergraduate (282 EFTS for Year 1 intake)

The University of Otago – dentistry (60 EFTS for Year 1 (intermediate) intake)

In all cases, if DQ7+ Funding is used to deliver more than the approved amount of EFTS specified above, we will treat the amount of over-Funding as a debt due to the Crown in accordance with the Conditions described in the 2024 Funding Conditions Catalogue and your Funding Confirmation Letter. The amount of the debt due will be calculated at the Funding rate for the relevant qualifications.

In some instances, implementing this relies on compliance by the institutions as it may not be possible to identify and calculate the relevant enrolments in the SDR.

2024 rates for the DQ7+ fund:

| Category (alphabetic) | Level 1 (excl GST) | Level 2 (excl GST) | Level 3 (excl GST) | Level 4 (excl GST) |
|-----------------------|--------------------|--------------------|--------------------|--------------------|
| A | \$7,379.00 | \$7,379.00 | \$9,314.00 | \$9,850.00 |
| B | \$11,289.00 | \$11,289.00 | \$14,351.00 | \$15,429.00 |
| C | \$13,572.00 | \$13,572.00 | \$17,250.00 | \$18,564.00 |
| G | | | \$31,463.00 | \$31,463.00 |
| H | | \$24,473.00 | \$30,864.00 | \$32,383.00 |
| I | \$11,732.00 | \$11,732.00 | \$14,712.00 | \$15,248.00 |
| J | \$7,379.00 | \$7,379.00 | \$9,314.00 | \$9,850.00 |
| L | \$12,683.00 | \$12,683.00 | \$15,992.00 | \$17,068.00 |
| M | \$16,154.00 | \$18,407.00 | \$23,111.00 | \$24,612.00 |
| N | \$15,057.00 | \$15,057.00 | \$18,942.00 | \$20,387.00 |
| O | | \$26,214.00 | | |
| Q | | \$36,417.00 | \$36,417.00 | \$36,417.00 |
| R | | \$62,180.00 | | |
| S | \$22,456.00 | | | |
| T | | \$51,271.00 | | |
| U | | \$51,271.00 | | |
| V | \$13,198.00 | \$16,130.00 | \$20,333.00 | \$21,702.00 |
| W | \$7,656.00 | \$7,656.00 | \$9,663.00 | \$10,219.00 |

DQ7+ Secondary Initial Teacher Education

Purpose of the fund

Funding from the Delivery at Level 7 (degree) and above on the New Zealand Qualifications and Credentials Framework (DQ7+) Fund contributes towards the provision of teaching and learning services for enrolled learners at Tertiary Education Organisations (TEOs).

Secondary Initial Teacher Education (ITE) aims to help ensure New Zealand has a high quality, diverse and sustainable teaching workforce that makes a positive difference for all our tamariki and rangatahi, and to achieve positive career outcomes for graduates.

Definition of Secondary Initial Teacher Education (ITE): “Initial teacher education” means:

- i. if you are a tertiary education institution (TEI), provision that has a course classification of #20, and a Funding category of I (as set out in Appendix 1 of the DQ7+ Funding mechanism); or
- ii. if you are a private training establishment (PTE), an agreed list of qualifications leading to registration as a secondary teacher.

How we calculate your wash-up

We will recover Funding if you deliver less than 99% of your allocated DQ7+ Secondary ITE Funding. We will recover the difference between the total delivery (dollars) adjusted for condition offsets as detailed below, and 99% of allocated DQ7+ Secondary ITE Funding.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery volume data (at the course level), submitted through the December Single Data Return . |
| Unit of Delivery: | Equivalent Full-Time Student (EFTS) |
| Rates: | We use the 2023 DQ7+ Funding rates to calculate your actual delivery at a rate based on table per EFTS . |

Delivery thresholds for recovery/payment:

| | |
|--------|---|
| Over: | No limit – All over-delivery is funded. |
| Under: | 99% (100% for TEOs with zero delivery) . |

Funding determinations and conditions:

| | |
|--|---|
| Delegations and mechanisms | 2024 Funding Mechanism for DQ7+ (TEC Website) – Paragraphs 70–73 |
| Funding Conditions Catalogue | Repayment of Funding – Section 17, p. 198 Early withdrawal – Section 4, p. 176 |

Repayment of DQ7+ Secondary ITE Funding

- a. If you receive DQ7+ Fund Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that:
 - i. is repayable on demand, and
 - ii. may be set-off against all or any Funding, or any sum of money payable by us to you.

- b. For the purposes of this Condition, you will have received DQ7+ Fund Funding that was “greater than it should have been” if the total dollar value of the provision that was delivered by you within the Funding Period is less than 99% of the total dollar value for provision paid to you from DQ7+ Fund Funding. In that situation, the percentage of Funding that is repayable is equal to the difference between the bottom of the tolerance band (99%) and the percentage value of the provision that was delivered.

Early withdrawal of enrolments: We will reduce the dollar value of actual delivery by subtracting enrolments for which students have not completed 10% or one month of the course, whichever is the earlier.

Flexible Funding

Exclusions from flexible Funding: Secondary Initial Teacher Education (Secondary ITE): This is considered separately as the wash-up methodology is different from the rest of DQ7+. No flexible Funding is paid on Secondary ITE as all over-delivery is funded.

The Secondary ITE providers are based on those listed on the Teaching Council NZ website: <https://teachingcouncil.nz/professional-practice/ite-providers/current-ite-programmes>

| EDUMIS | TEI |
|--------|--|
| 6683 | Open Polytechnic of New Zealand / Te Pūkenga |
| 7001 | The University of Auckland |
| 7002 | University of Waikato |
| 7003 | Massey University |
| 7004 | Victoria University of Wellington |
| 7005 | University of Canterbury |
| 7007 | University of Otago |
| 7008 | Auckland University of Technology |

| EDUMIS | TEO | Qualification |
|--------|---|--|
| 6668 | Teach First New Zealand Trust | 125988: Postgraduate Diploma in Secondary Teaching |
| 8327 | NZ Graduate School of Education Limited | PCCC01: Graduate Diploma in Teaching (Secondary) |
| 8694 | Bethlehem Institute Limited | PC1796: Graduate Diploma of Teaching (Secondary) |
| 9241 | Te Wānanga o Raukawa | RK049: Poutuarongo Whakaakoranga Wharekura |

Approval of Qualifications for Initial Teacher Education is carried out by the [Teaching Council of Aotearoa New Zealand](#) and [TeachNZ](#).



Other Funds

Fees Free

Purpose of the fund

The purpose of Fees Free tertiary education is to assist in making tertiary education more affordable and accessible by:

- › Funding the equivalent of the first year of full-time provider-based tertiary education fees-free for eligible learners, or
- › Funding the equivalent of the first two years of industry training fees free for eligible learners.

How we calculate your wash-up

If you deliver less than 100% of your allocated Fees Free Funding, we will recover the difference between the allocation and the total delivery (dollars), after TEC validation and allocation rules have been applied.

If you deliver more than 100% of your allocated Fees Free Funding, we will pay the difference between the allocation and the total delivery (dollars), after TEC validation and allocation rules have been applied.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your most recent actual delivery volume data measured by your Fees Free Multiple Providers and Cap Limit Report and/or your Fees Free Remittance . |
| Unit of Delivery: | Learner. |
| Rates: | As specified by the TEO in their Fees Free All Enrolments Cost Report and validated against STEO. |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | No limit – All over-delivery is funded. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|----------------------------|---|
| Delegations and mechanisms | 2024 Funding Delegation for Fees Free (TEC Website) |
|----------------------------|---|

Repayment of Fees Free Funding

Recovery of Funding: For Fees Free, validation and allocation rules are applied to the Funding conditions. If you deliver less than 100% of your allocated Fees Free Payments Funding, we will recover the difference between the allocation and the total delivery (dollars), after TEC validation and allocation rules have been applied.

If the “Fees Free All Enrolments and Costs” report (FF06) and/or the “Fees Free Programmes and Fees” report is not submitted, then this will be deemed to be zero delivery, and TEC will recover the full Funding for the year.

Full payment for over-delivery: If a TEO’s Fees Free delivery reported to the TEC is more than 100% of the TEO’s allocation after TEC validation and allocation rules have been applied, we will pay the difference.

Data and payment timing: All Fees Free delivery is reported through DXP Ngā Kete, and the wash-ups will be calculated in March 2025, with recovery or payments occurring 1 April 2025. For industry training, Fees Free delivery is reported monthly through DXP Ngā Kete, and is paid retrospectively on actual delivery, so the wash-ups are unlikely to lead to any recoveries.

Validation and allocation: The validation and allocation rules are calculated by the Fees Free team prior to delivery data being provided to Fund Management. Validations and allocation rules for SAC-funded TEOs are processed as follows:

1. TEOs submit “Fees Free All Enrolments and Costs” report (FF06).
2. Validation of the FF06 report against validation checks occurs.
3. Reconciliation occurs against the December 2024 SDR for valid enrolments.
4. Validation report (FF42) submitted to TEOs detailing the validation details against the FF06.
5. Allocation report submitted to TEOs, “Fees Free Multiple Providers and Cap Limit Report” (FF07), detailing by NSN the reported fees, allocated fees and messaging occurs for any variance.

The validation is applied against the learner, and course information submitted with further details outlined in the [Fees Free All Enrolment and Costs Return Guide 2024](#).

Validations and allocation rules for work-based funded TEOs are processed as follows:

1. TEOs submit “Fees Free Programmes and Fees” report.
2. Validation of the report against validation checks occurs.
3. Reconciliation occurs against the 2024 ITR for valid enrolments.
4. Remittance report submitted to TEOs detailing by NSN the reported Fees, allocated fees, and messaging for any variance and validation errors.

The validation is applied against the learner and course information submitted with further details outlined in the [Fees Free Industry Training Monthly Reporting Guide](#).

Note: Massey University has a subset of learners who are exempt from GST. Massey University will report a subset of learners who are GST exempt under a separate fund initiative (10189). For which the same validation and allocation rules above will be applied, however, no GST will be applied when paying Massey University for delivery associated to these learners.

Secondary Tertiary Interface – Trades Academy

Purpose of the fund

Trades Academies Funding supports trades and technology programmes for senior secondary school students to provide a transition between school and tertiary education.

Trades Academies are partnerships between schools, tertiary education organisations (TEOs) and employers. They aim to keep young New Zealanders engaged in education and training by creating

a clear path between school and further education, training or employment. Closer alignment of schools, the tertiary education sector and industry helps to make the future workforce more responsive to local and national business and economic needs.

There are 10 Trades Academies within Te Pūkenga. The Primary ITO and National Trade Academy Limited also receive Trades Academies Funding.

How we calculate your wash-up

We will recover Secondary Tertiary Interface (STI) Funding separately for each of the components. If you deliver less than 100% of your allocated STI Funding against each STI component, we will recover the difference between the dollar value of actual delivery for each component and 100% of your allocated Funding for each component for that Trades Academy.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Manual data reported by TEOs collected by the Ministry of Education (MoE). We use the Secondary-Tertiary Programme (STP) name in MoE’s data as the identity code to separate recoveries for providers who are lead providers for more than one Trades Academy. |
| Unit of Delivery: | Learners (Pastoral Care & Coordination); Learners pro rata (General Teaching & Learning); Learners pro rata (Trades Top-Up) |
| Rates: | We use the 2024 Secondary-Tertiary Interface Trades Academy Funding rates to calculate your actual delivery at a rate of Pastoral Care & Coordination at \$1,350.00 per learner , General Teaching & Learning at \$10,400.00 per learner (pro-rata) and Trades Top-Up at \$3,850.00 per learner (Trades pro-rata) . |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | N/A – No payments made for over-delivery. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|---|
| Delegations and mechanisms | Final Cabinet Paper on Trades Academy Funding, Service Academies and ERO reviews for National Standards |
| STI Trades Academy specific conditions | <ul style="list-style-type: none"> › Repayment of Funding › Recovery for TEO-led Trades Academies only › Separation of components for recovery › No payment for over-delivery › Pastoral care and coordination › Multi-academy lead providers |

Repayment of STI Trades Academy Funding

Repayment of Funding: If the Institute fails to deliver to the specified volume of students set out in Schedule D [of the individual contract], the Commission has the right to recover Funding. Recovery of 2024 Funding will be based on the difference between the maximum number of students approved to be on the programme in Schedule D and the maximum number of students on the programme reported through the MoE data.

Separation of components for recovery: All three components (“pastoral care and coordination”, “general teaching and learning”, and “trades top-up”) will be treated **separately**, and over-delivery in one component will not compensate for under-delivery elsewhere.

Recovery for TEO-led Trades Academies only: A Trades Academy can be led by a school or by a TEO. For a TEO-led Trades Academy, if you deliver less than 100% of your allocated Secondary Tertiary Interface (STI) Funding against any STI component, we will recover the difference between 100% of allocated Funding for the component and the dollar value of actual delivery for that component.

Multi-academy lead providers: We will recover STI Funding separately for each TEO-led Trades Academy. We use the Secondary-Tertiary Programme (STP) name in the Ministry of Education’s data as the identity code to separate recoveries for providers who are lead providers for more than one Trades Academy.

Te Pūkenga: For Te Pūkenga, all wash-ups where the Trades Academy is run by a subsidiary within Te Pūkenga will be aggregated up (with components remaining separate) to the Te Pūkenga level.

No payment for over-delivery: There will be no payment for over-delivery.

Note: Secondary component controlled by MoE.

Secondary Tertiary Interface – Trades Academy Components

Pastoral care and coordination: Pastoral care and coordination Funding are paid to the TEO lead Trades Academy once per learner and where delivery has occurred to that learner at the 2024 rate of **\$1,350.00**. We will recover if delivery was less than the allocation in this component.

General teaching and learning actual delivery: To calculate the actual delivery for General Teaching and Learning, we use the specified 2024 rate of **\$10,400.00**, multiplied by the Tertiary Component Full Time Equivalent (FTE) for each NSN, from the manual data collated by MoE.

If the delivery exceeds what is allocated, no additional Funding will be provided. We will recover if delivery was less than the allocation in this component.

Trades Top-Up actual delivery: To calculate the actual delivery for Trades Top-Up, we use the specified 2024 rate of **\$3,850**, multiplied by the Tertiary FTE for each NSN who has been marked as “Trades” delivery from the manual data collated by MoE. If the delivery exceeds what is allocated, no additional Funding will be provided. We will recover if delivery was less than the allocation in this component.

Medical Trainee Intern Grant

Purpose of the fund

Medical Trainee Intern Grants are paid to the University of Otago and the University of Auckland to provide a stipend for domestic medical students working as interns as part of their sixth year of study.

How we calculate your wash up

We will recover Funding if you deliver less than 100% of your allocated Medical Trainee Intern Funding. We will recover the difference between the total delivery (dollars) and 100% of allocated Medical Trainee Intern Funding.

If you deliver more than 100% of your estimated Medical Trainee Intern allocated Funding we will pay the difference between 100% of your allocated Medical Trainee Intern Funding and the amount actually delivered.

Recoveries are based on:

| | |
|-------------------|--|
| Data: | Your submitted Medical Trainee Intern Statement of Service Performance report which must include the: number of students funded, and amount of Funding consumed for the reporting year/s on DXP Ngā Kete . |
| Unit of Delivery: | Equivalent Full-Time Student (EFTS) . |
| Rates: | Each grant is \$26,756 (GST exempt) per student per 12 months internship . |

Delivery thresholds for recovery/payment:

| | |
|--------|--|
| Over: | No limit – All over-delivery is funded. |
| Under: | 100% – All under-delivery is recovered. |

Funding determinations and conditions:

| | |
|--|--|
| Delegations and mechanisms | 2015 Funding Mechanism for MTIG (TEC Website) – Paragraphs 17–18 |
| Medical Trainee Intern Grant specific conditions | <ul style="list-style-type: none">› Repayment of Funding› Full payment for over-delivery› Conditions based on previously published 2022 recovery methodology |

Repayment of MTIG Funding

Repayment of Funding: If you receive Funding that is greater than it should have been, or that you were not entitled to receive, you must treat the amount of the over-Funding as a debt due to the Crown that: (i) is repayable on demand; and (ii) may be set-off against all or any Funding, or any sum of money payable by us to you.

Full payment for over-delivery: We will pay for all over-delivery, without limit.