

Mahere Haumi

Investment Plan

2021

Te Pūkenga
New Zealand Institute
of Skills and Technology



Te Pūkenga

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Introduction

This Investment Plan sets out how we will support the Government's goals for building a proactive, sustainable and inclusive economy and improving the wellbeing of all New Zealanders.

This investment plan sets out the case for continued and enhanced investment in the high-quality education and training Te Pūkenga provides to more than 120,000 New Zealanders each year. Our new organisation is the key vehicle to:

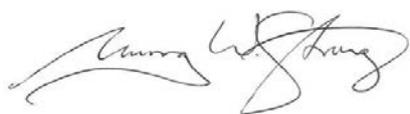
- deliver the education and training response required by the COVID-19 pandemic.
- create the transformed vocational education and training system that the regions of New Zealand need.
- enable the education agencies to discharge their obligations under Te Tiriti o Waitangi.

Demand for vocational education and training is forecast to increase by at least one-third during 2021 as the economic effects of the pandemic flow through the economy. The education and training we offer is central to meeting this once in a generation opportunity to upskill and reskill New Zealanders. This investment plan sets out how we will go about preparing people dislocated by changing patterns of economic activity to pursue new opportunities.

Our presence across the whole of New Zealand means we are central to the ability of communities to realise their economic and social aspirations. We are putting in place a Transition Pathway to guide the design of the future of vocational learning for New Zealand (see **Appendix A**). This investment plan sets out how we will lay the foundation for a sustainable, national network of regionally accessible vocational education and training.

The success of Māori is at the heart of our aspirations for vocational education and training, together with our commitment to putting learners at the centre of education and training. We are making sure Māori can learn and teach as Māori, and that Māori learner, hapū, and iwi outcomes are improved. This investment plan sets out how education agencies can give effect to their obligations under Te Tiriti o Waitangi through investment in Te Pūkenga.

Taken together, this Investment Plan sets out how we will deliver on the government's objectives for tertiary education, the expectations set for us by the Minister of Education and the priorities of the Tertiary Education Strategy through implementation of the Te Pūkenga Transition Pathway (see **Appendix A**).



Murray Strong
Chair



Stephen Town
Chief Executive

Our mission and role

Te Pūkenga is the cornerstone of a cohesive, sustainable vocational education system.

Our role

Overview

Te Pūkenga is a Tertiary Education Institution comprising sixteen Crown Entity subsidiaries made up of the former Institutes of Technology and Polytechnics, together with a small head office.

Our functions and Charter are defined through legislation. We operate in accordance with expectations set for us by the Minister of Education and contribute to the objectives of the Tertiary Education Strategy.

At the time of writing, Te Pūkenga was in the process of developing its strategic plan and defining its distinctive mission. We have developed a set of priorities and principles that govern how we operate.

Our functions and Charter

Our functions and Charter are defined in the Education and Training Act. Te Pūkenga exists to provide education and training, conduct research, be responsive to and empowering of stakeholders, improve consistency of vocational education and training, and improve outcomes for the system as a whole, and equity for Māori learners and communities in particular.

The Charter embodies enduring principles for the way that Parliament expects Te Pūkenga to operate.

Our vision

Our vision is:

He akoranga whaihua – kia waihanga i te ao o āpōpō

Learning with purpose, creating our futures

Our priorities

The priorities of Te Pūkenga are:

- A relentless focus on equity and ensuring participation – we honour and uphold Te Tiriti o Waitangi in all we do.
- Delivering customised learning approaches that meet the needs of learners and trainees wherever they are.
- Using our size and scale to strengthen the quality and range of education delivery throughout Aotearoa. Excellence in educational provision for all.
- Services that meet the specific regional needs of employers and communities.
- Transitioning educational services smoothly and efficiently.

Our principles

1. The tertiary and vocational system delivered by Te Pūkenga ('the system') will be a partnership between the staff of Te Pūkenga, industry at all levels, iwi, and communities, driven by both current and future work requirements. Staff of Te Pūkenga will work with Workforce Development Councils (WDCs), Regional Skills Leadership Groups (RSLGs), iwi, government agencies, and the compulsory sector to ensure the network will be integrated, non-competitive, and directed through one centrally led organisation, delivering locally and nationally using on job, on campus, and online approaches, with higher quality and better outcomes than currently.
2. The network will operate in a manner that ensures its regional representatives are empowered to make decisions about delivery and operations that are informed by local relationships and to make decisions that meet the needs of their communities.



3. Learners will be supported throughout their lifetime journey in the tertiary education system and at work, recognising the importance of flexing around the learner, their life skills and experiences, in partnership with other agencies.
4. The network will target all potential learners, national and international, full-time, part-time and casual, maximising the potential of the local and online presence of the network for all communities, to enable lifelong engagement with learning.
5. Ngā kete wānanga - We use data, experience, and expertise from all stakeholders to ensure quality, relevant, and accessible vocational education and training which validates and uses Mātauranga Māori and western knowledges, systems, and institutions.
6. Te Pūkenga will have a strong international education approach, which will be developed working together with Education NZ and the Ministry of Business, Innovation and Employment (MBIE), recognizing the value of both international students studying within our network and in New Zealand, and domestic students having international opportunities
7. The network will invest in appropriate people, systems, products, infrastructure and the management structures required in order to deliver the outcomes stated above, in the Charter of Te Pūkenga, and in the Tertiary Education Strategy.

Our expectations

The Government sets expectations for Te Pūkenga directly through a letter of expectations from the Minister of Education, and through the funding instruments we access.

The current expectations guide our priorities for the medium term and included specific guidance for the remainder of 2020. At their heart, the Minister's expectations challenge us to ask "what will this actually mean for students, trainees, apprentices and employers and their communities?"

The current priority expectations call on Te Pūkenga to support the Government's goals for building a productive, sustainable and inclusive economy and improving the wellbeing of all New Zealanders, and our long-term vision for the education system.

These goals reflect the Tertiary Education Strategy objectives:

- Learners at the centre.
- Barrier-free access.
- Quality and leadership.
- Focus on the future of learning and work.
- World class inclusive education.

The current expectations also identify six areas of focus for 2020:

- Te Tiriti o Waitangi: Delivering partnership, protection, participation and equity.
- Learners at the centre.
- Working collaboratively, collectively and inclusively through partnerships
- Creating quality international education
- Striking the right balance — delivering transformative change and core business
- Accountable to all stakeholders

These expectations include guidance from the Minister about how each should be expressed and are reflected in this Investment Plan. The expectations set for Te Pūkenga inform the priorities we determine in line with our functions, Charter and our strategic planning processes.

Addressing the needs of our stakeholders

Understanding our key relationships

Our stakeholders

We cater to the education and training needs of more than 120,000 learners each year and engage with local government, iwi, business and community organisations across New Zealand to ensure we deliver high-quality, relevant programmes.

An uncertain context

The COVID-19 pandemic is a 'once in a century' public health shock that is expected to have profound and sustained impacts (MartinJenkins/Infometrics, 2020), particularly wellbeing impacts among existing vulnerable populations (Cook, Ihaka-McLeod, Nepe-Apatu, & Tavita, 2020).

These impacts are being felt through changing patterns of economic activity, migration, geopolitics, work, employer need, how public services are designed and delivered and how financial policies and social systems operate (Gluckman, 2020).

The effects of the pandemic will be felt unevenly with wide differences in outcomes between regions, industry sectors and population groups (OECD, 2020), (Pearce, 2020), (Treasury, 2020).

The future trajectory of the New Zealand economy is uncertain given the impacts of the COVID-19 pandemic, and the implications for individual industries are yet to be fully understood.

Economic forecasting and emerging labour market data indicates that the most significantly impacted industries are accommodation and food service, and arts and recreation services (Treasury, 2020a) but considerable uncertainty about the effects of the pandemic remains (Andrew, 2020), (MartinJenkins/Infometrics, 2020).

We also see evidence of increased stress for learners and staff (Sedgewick, 2020), major impacts on the international student market (Adam, 2020), (James, 2020) and considerable pressure on our revenue (Lumpkin, 2020), (Marshman, 2020), (Staley, 2020).

While the formation of Te Pūkenga and the reform of vocational education foreshadowed expectations of more coordination of public services, these trends will likely accelerate and we recognise government priorities will evolve accordingly (Westwood, 2020), (Khadem, 2020).

Our learners and potential learners

Our learners are drawn from across New Zealand and are drawn from a wide range of backgrounds.

Many more learners may have the potential for tertiary education but choose not to, either because they can access other more suitable opportunities, or our processes, systems and programmes are not sufficiently learner-centred.

We have conducted a deep and systematic examination of the experience of learners. This attempt to hear and understand the journeys of learners, the Learner Journey Mapping project, provided us with deep insights.

The result of this work, the Mobilising the New World Report of the Learner Journey Mapping Workstream (Preston & Roadley, 2020), challenged us to focus on ensuring that a system, structures, and processes are created that work for all learners.

The tertiary education system works well for those learners who are well-resourced and supported. For too many, however, our systems are not easy to navigate.

Our systems are not yet well-suited to the needs of people who need to combine work and study and for distinct cohorts of learners such as disabled people.

We understand from this work the vital need to build structures and processes that actively enable learner success, rather than compensating for deficiencies through targeted support.



Te tāngata

Te Pūkenga serves the education and training needs of New Zealand's population of approximately 5 million people (StatsNZ, 2020).

Our communities are increasingly diverse in terms of ethnicity, gender, sexuality, age, health and disability status, language and culture, religion, social connectedness and socioeconomic context, and the distribution of these diversities varies geographically across New Zealand (Cameron, 2019), (CaDDANZ, 2020), (Roy, et al., 2020).

Major ethnic groups in New Zealand include European (70.2 per cent), Māori (16.5 per cent), Asian (15.1 per cent), Pasifika peoples (8.1 per cent), Middle Eastern/Latin American/African peoples (1.5 per cent) (StatsNZ, 2019)¹.

Our population has been growing quickly relative to our OECD peers, but the COVID-19 pandemic is expected to suppress population growth in the near-term (MartinJenkins/Infometrics, 2020).

These effects will likely exacerbate the projected ageing of the population with the associated and widespread shrinkage in the prime working-age population over the coming decades (Jackson, 2019).

Approximately 770,000 people identified as New Zealand Māori at the 2018 census, an increase of 11.2 per cent from the 691,000 recorded in 2013 (StatsNZ, 2019). This population is highly urbanised and increasingly concentrated in urban centres in Auckland, Waikato and Canterbury (Te Puni Kōkiri, 2018).

People who identify with one or more Pasifika ethnicity numbered approximately 381,000 in 2018. Pasifika peoples encompass a super diverse community comprising 65 distinct ethnic groups and a wide range of inter and intra community differences (Arini, 2009). Two-thirds of the population (65.9 per cent) live in the Auckland region, mainly concentrated in South Auckland, although there are growing populations in the Waikato and the Bay of Plenty (Pasifika Futures, 2017).

Around one in four New Zealanders are disabled people, and many are not well-supported to succeed in employment (MoE, 2019).

Adults under the age of 65 years (21 per cent) and children under 15 years (11 per cent) experience a range of physical and other impairments. Learning impairments are common with six per cent of all children experiencing learning difficulties. Disability rates vary among regions with the highest rates found in the Bay of Plenty and Manawatu-Wanganui (both 27 per cent), Northland (29 per cent), and Taranaki (30 per cent) (Stats NZ, 2014).

We also recognise the need to have regard to our future stakeholders. Reports such as the National Climate Change Risk Assessment for New Zealand highlight how choices we make today will influence the wellbeing of future generations significantly (Mfe, 2020).

Industry

New Zealand is an open, free-market economy with sizeable services (65 per cent of economic activity) and manufacturing (19 per cent) sectors, and a highly-efficient primary sector (7 per cent) (StatsNZ, 2019)².

Each region of New Zealand has specific comparative advantages and a different mix of industries and businesses. These differences can be quite significant and demand adaption of our offerings to local needs. For example, manufacturing accounts for 18.4 per cent of the GDP in the Marlborough region compared to 6.2 per cent in the Otago region (MBIE, 2019).

Several industry-level strategies will help to inform the decisions we make about the delivery of education and training. These include sector-specific skills development plans (such as (PISLWG, 2019), (Skills in Construction, 2019; FWPWAPWG, 2020)) and the suite of Industry Transformation Plans (MBIE, 2020).

¹ NOTE THAT PERCENTAGES WILL NOT TOTAL TO 100% BECAUSE OF THE POTENTIAL FOR MULTIPLE-RESPONSES.

² TAXES ON PRODUCTION ACCOUNT FOR THE BALANCE OF 9 PER CENT.



We also take account of the range of workforce development plans developed by the transitional Industry Training Organisations (TIOs) such as (Careerforce, 2019), (ServiceIQ, 2017).

Māori economic aspirations

Māori and Māori-owned businesses make a significant contribution to the economic life of New Zealand.

There are significant opportunities to support Māori to play a greater role in the economic life of the region, particularly where Māori businesses are aligned with the comparative economic strengths of regions. Given demographic trends, Māori will be an increasingly critical component of the nation's future workforce and economic activity (Māori Economic Development Panel, 2012).

There are opportunities to better cater to the skills needs of the 318,000 Māori in employment including the 36,000 who are self-employed and support the 29,000 unemployed Māori into employment or further study (StatsNZ, 2019a), (MBIE, 2019).

Pacific economic success

The Pasifika population in New Zealand is growing and flourishing. Yet the capacity of many Pasifika people to realise their economic aspirations is constrained by barriers to accessing advanced teaching and learning (MBIE, 2015), even as participation rates outstrip those of other New Zealanders (MPP, 2019).

Historical poor access to tertiary education and the limited economic resources means that opportunities to up-skill while working are important to many Pasifika people (MBIE, 2015). At the same time, many Pasifika learners lack suitable pathways into advanced technical and degree-level and higher education and training (MPP, 2019).

Skills and employment

There are major opportunities to lift the skills and employment outcomes for the people of New Zealand.

The Global Competitiveness Report notes that New Zealand ranks poorly relative to peer countries in terms of the skills of the current workforce (Schwab, 2019).

New Zealand businesses consistently report having trouble finding skilled labour and accelerating technological change is expected to drive rapid shifts in the skills needed by employees (Hipkins H. , 2019), (MoE, 2019).

The impacts of the COVID-19 pandemic will also put pressure on those industries that are reliant on the availability of skilled labour from overseas (Lee, 2020).

Additionally, large increases in unemployment in recessions can result in long-term and persistent unemployment due to the decay of labour market skills, loss of hope among the unemployed, and labour market discrimination, particularly among the young, Māori and Pasifika populations (Cook, Ihaka-McLeod, Nepe-Apatu, & Tavita, 2020).

Other groups that experience barriers to employment include disabled adults. This group has considerably lower rates of labour force participation and employment compared with non-disabled adults, and a higher rate of unemployment compared with non-disabled adults (ODI, 2018).

Significant partnerships

Te Pūkenga has significant partnerships with local government, iwi, business and community organisations across New Zealand.

Our relationships are sustained through our Council, the boards of directors of each of our subsidiaries, our management team and the work our staff do every day to connect with learners, their whānau and other stakeholders.

Across our national network, we work closely with regional economic development agencies, major iwi bodies and iwi-owned businesses and peak bodies for business.

Our existing programme advisory committees provide connections with employers across New Zealand, and we maintain strong relationships with professional organisations such as the Nursing Council of New Zealand and Engineering New Zealand.



We are also well-connected with the other actors in the vocational education and training system. We are collaborating closely with TITOs as we work to create a seamless system of on-campus, online and workplace-based education and training.

We are also exploring how we can best coordinate with the WDCs (scheduled to be established in January 2021) and the RSLGs, which are being established across the country.

We anticipate putting in place formal mechanisms during 2021 to ensure we coordinate with these new entities effectively.

Initial steps aligned to this goal include the establishment of subgroups as part of our 'COVID-19 Recovery – Training and Skills Needs' work. These subgroups are aligned to the planned WDCs and bring together a wide range of industry peak bodies and relevant government agencies.

Success for Māori

A commitment to equitable success for Māori through meaningful partnerships is at the centre of our operating and relationship model.

Our focus is ensuring our systems and services work well for Māori. To do that, we need to respond with excellence to the priorities of Māori learners and their whānau, and to the wider aspirations of iwi and Māori communities throughout Aotearoa.

We will co-design with our partners, approaches that meet Ka Hikitia expectations with Māori, to facilitate Māori succeeding as Māori throughout vocational education.

A tangible example of this approach is the development of the Te Tiriti o Waitangi Excellence Framework (see How are we responding).

We are embedding the Te Pūkenga Te Tiriti o Waitangi Excellence Framework throughout all Te Pūkenga activities and articulating core objectives within a rautaki co-designed and agreed to with Māori partners.

Our partnership with Māori is being put into effect through a stocktake of existing relationships, mobilizing of working groups across Embedding a Te Tiriti Excellence Framework in Te Pūkenga (Māori Equity Workstream), Tiriti Partnerships and Māori Stakeholder Voice, Ōritetanga, Educational Delivery, and Mātauranga.

Regional and local context

Our Charter charges Te Pūkenga with offering a mix of accessible, learner-centred education and training in each region of New Zealand.

We offer an unmatched potential to provide the skilled people that the regions of New Zealand require. These needs are evident across the major urban areas of New Zealand through to our least urbanised and predominantly rural communities.

There are also clear linkages between the role of skills development and regional economic and social development set out in the regional economic development strategies (such as (TTNEAP, 2019), (Bay of Connections, 2017), (SoRDS, 2014).

How we will engage stakeholders

We have identified an ideal future state for engagement with key stakeholders (Stewart, Grey, & Fenton, 2020).

The ideal future state is an Employer and Community Engagement model that embodies positive Tiriti relations. Through a unified, yet regionally responsive engagement plan, new efficiencies will be gained from improved relationship management practice across the network with more expansive reach than before. The vision is for engagement competencies and cultural competencies, developed over time, which will see NZIST [Te Pūkenga] and its subsidiaries providing responsive vocational education experiences that meet regional and national needs and improve participation, access and success for learners, employers and industry, and communities.



Our approach to realising this future state includes:

- acknowledging, honouring, and supporting existing partner and stakeholder relationships,
- making Te Tiriti o Waitangi the foundation of power-sharing,
- taking a strategic approach to stakeholder engagement,
- co-designing education and training solutions with Māori, Pasifika and disabled learners, as well as employers and industries,
- engaging early and often with industry, and
- coordinating our communications and engagement well (Stewart, Grey, & Fenton, 2020)

These approaches will inform how we build new, more effective engagement approaches across Te Pūkenga.

Our engagement approach will also embody the obligations we welcome under legislation to ensure representation of staff, students and a member of our Māori advisory committee on our council.

We are establishing advisory committees to Council for staff, students and Māori to ensure that each of these groups has a strong voice in our decision-making.



Expectations and priorities

The mission and role of Te Pūkenga, and our understanding of the needs of our stakeholders, guide the areas of focus of this new organisation. This section of the Investment Plan describes how Te Pūkenga will align its strategic and business planning and activities to the expectations set out in the current Letter of Expectations from the Minister of Education and the priorities identified in the Tertiary Education Strategy (2014-2019).

The key priorities of Te Pūkenga are articulated through our organisational vision. **Figure 1** shows the key elements of the vision, together with the expectations and Tertiary Education Strategy (TES) priorities through to our responses.

Our vision provides for Te Pūkenga to operate in the following ways:

- Consistent with the principles of Te Tiriti o Waitangi and ensuring Māori can learn and teach as Māori, and that Māori learner, hapū, and iwi outcomes are improved.
- By developing a strong and healthy national workforce through connecting individuals with opportunities that lead to positive social, cultural, environmental, and cultural outcomes for both the nation and regions.
- By putting people and relationships at the heart of what we do – Ira tangata.

In line with our vision, we are prioritising through this investment plan efforts to:

- Deliver the education and training response required by the COVID-19 pandemic.
- Create the transformed vocational education and training system that the regions of New Zealand need.
- Enable the education agencies of the state sector to discharge their obligations under Te Tiriti o Waitangi.

Responding to the COVID-19 pandemic. We set out the compelling evidence of increased demand for the education and training we provide and how we support the reskilling and upskilling of learners across New Zealand (see Programmes).

Transforming vocational education. We will deliver in 2021 an operating model to create a sustainable, national network of regionally accessible vocational education and training, which is responsive to the needs of all regions of New Zealand, their learners, industries, employers, and communities.

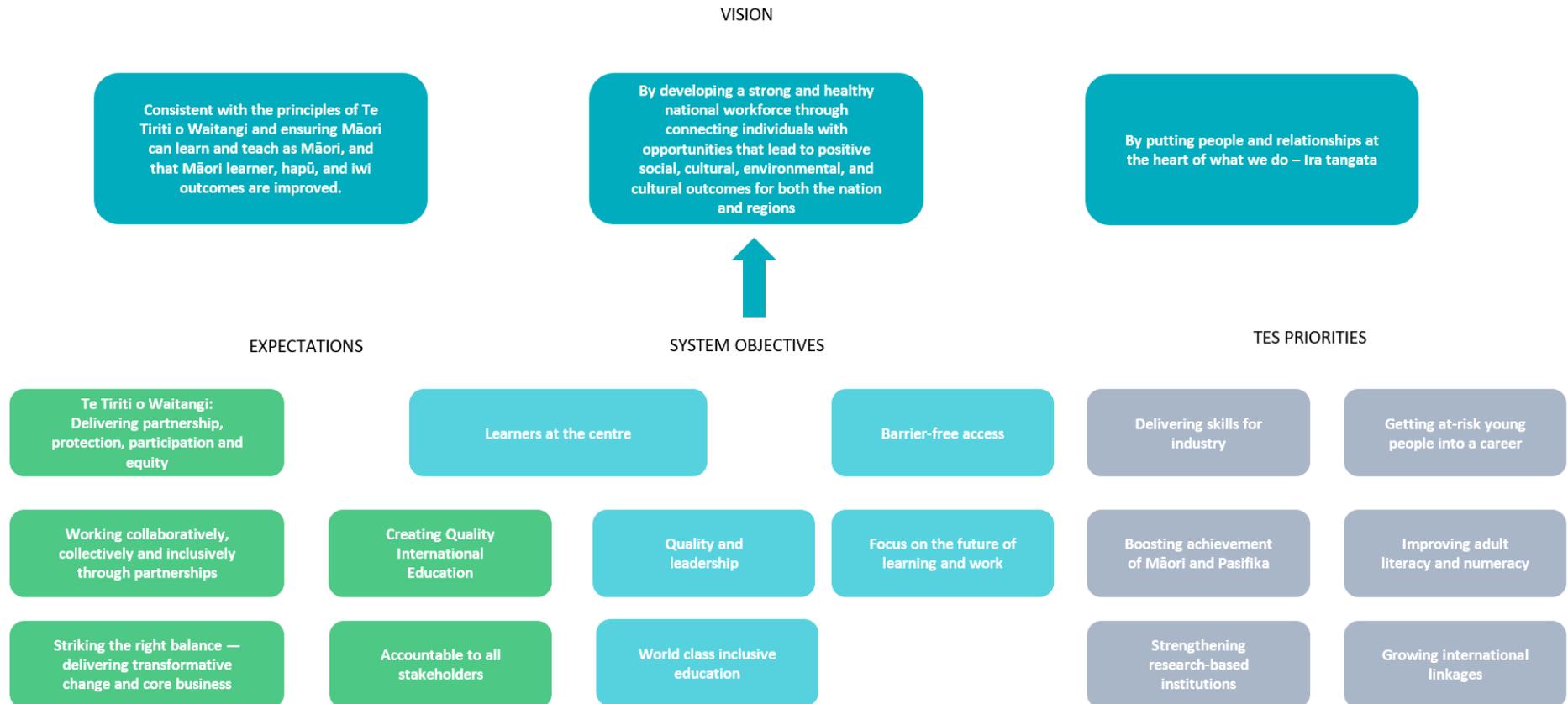
Success of Māori. Te Pūkenga is a key vehicle for the government's education agencies to give effect to their obligations under Te Tiriti o Waitangi. Investment in Te Pūkenga will be critical in ensuring that Māori are at the heart of our aspirations for vocational education and training.

We set out below our responses to these expectations and priorities. Each response is linked to one or more objective, priority and expectation in the supporting narrative.



Figure 1: Vision, expectations, priorities and system objectives presents the vision of Te Pūkenga, the expectations that the Minister of Education has set for the organisation, the systems objectives and priorities of the TES.

Figure 1: Vision, expectations, priorities and system objectives



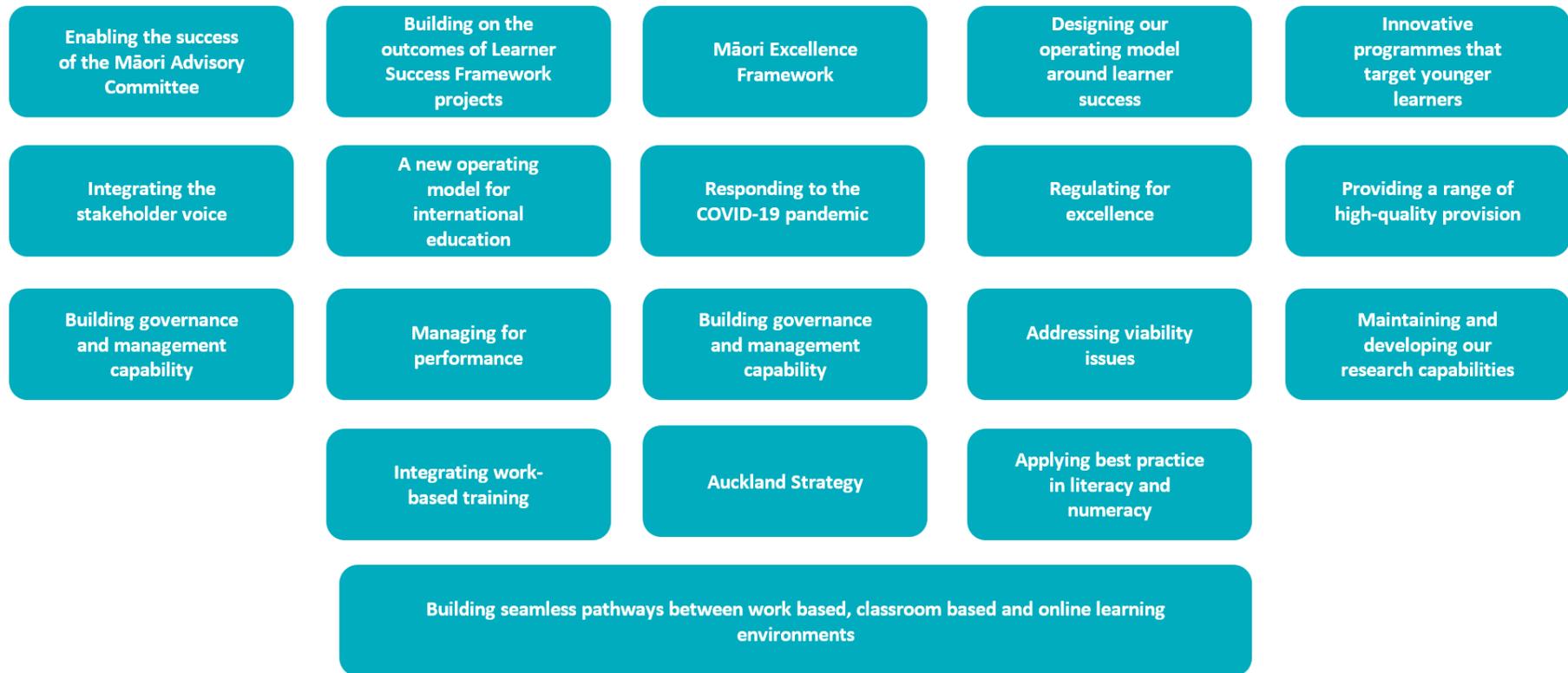


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Figure 2: Our responses presents the specific actions that we will take to support the system objectives, priorities of the TES and the current expectations of Te Pūkenga set out by the Minister of Education.

Figure 2: Our responses



Our capacity to deliver these responses is reflected in the workstreams of the Te Pūkenga Transition Pathway, which is designing the future of vocational learning for New Zealand. Our key foci are 'Learners at the Centre', 'Academic Delivery Innovation', 'TITO Transition and Work based Learning', 'Operating Model' and 'Māori Partnerships and Equity' (see Error! Reference source not found.).



How we are responding

Designing our operating model around learner success

Contributes to:

- Priority expectation: Learners at the centre
- TES priority: Getting at-risk young people into a career

We are building a new operating model. The NZIST Establishment Board established seven working groups as part of the Mobilising the New World programme. The reports prepared by the working groups explored the implications of our new capacity for the national and regional reach including the potential to be a long-term skills training partner for firms and industries, enabling learners and employers to move between workplaces and other educational offerings and between locations as their needs change

Feedback from stakeholders on the reports affirmed many of their findings, supported the use of a co-design model and made many valuable suggestions for changes and refinements. During the remainder of this year, we will be drawing on the reports and feedback to develop the new operating model for Te Pūkenga.

During the term of this investment plan, we will develop and begin implementation of the new operating model aligning with our Charter and the expectations set out in the Minister of Education's current Letter of Expectations. We acknowledge the importance of a well-planned and resourced process that involves realistic timeframes.

Examples of the specific steps we plan to take include extending and applying the results of the mapping of the learner journey, making use of the new Academic Board to drive the shift to a single entity and beginning the process of integrating workplace, campus and online delivery.

Māori Excellence Framework

Contributes to:

- System objectives: Learners at the centre and Quality and leadership
- Other expectation: Te Tiriti o Waitangi: Delivering partnership, protection, participation and equity
- TES priority: Boosting achievement of Māori and Pasifika

The Charter of Te Pūkenga provides a solid foundation to give effect to the Crown-Māori partnership. The provisions within the Charter create clear obligations on Te Pūkenga to ensure that its governance, management, and operations give effect to Te Tiriti o Waitangi, recognise that Māori are key actors in regional social, environmental, and economic development and respond to the needs of and improve outcomes for Māori learners, whānau, hapū and iwi, and employers.

We are developing a Te Tiriti o Waitangi Excellence Framework that supports each key governance and management group in the organisation to become aware of Te Tiriti and assess their performance against good practice. The framework is a formative self-assessment tool which links ongoing internal investment to evidence of self-reflection and responsiveness.

During the term of this investment plan, we will ensure uptake of the Māori Excellence Framework across Te Pūkenga, put in place a comprehensive monitoring framework and progressively link investment decisions to progress with the use of this tool.



Enabling the success of the Māori Advisory Committee

Contributes to:

- Expectation: Te Tiriti o Waitangi: Delivering partnership, protection, participation and equity

The Māori Advisory Committee is critical to our success. This committee of our Council is a key element in our approach to ensure the success of learners, whānau, iwi and hapū, and Māori employers.

We recognise the importance of resourcing the committee so it can fulfil its functions. The advice of the committee will be vital in making sure we engage key Māori stakeholders as we deliver transformational change, including delivering equity for Māori. The members will also help to ensure we prioritise Māori cultural knowledge and capability and maintain and further develop strategic partnerships with iwi and Māori.

During the term of the Investment Plan, the Māori Advisory Committee will be operating effectively, and there will be clear evidence of the influence of the group over the approaches Te Pūkenga takes.

Building seamless pathways between work-based, classroom-based and online learning environments

- System objectives: Barrier-free access

Seamless pathways for learners is a key opportunity for Te Pūkenga to transform vocational education. We are already employing these approaches as part of our response to COVID-19. Support for apprentices displaced from employment is designed to tailor educational options for them based on their progress to date. The potential of flexible transitions between different modes of delivery is clear, but we have much work to do to realise the opportunities.

Our efforts to promote seamless pathways will need to encompass learning resources and flexible blended learning options that are designed for this purpose. Programmes and other educational products will need to include multiple options to transition between campus, online and work-based learning as well as across different regions. These products will need to dovetail with our extended mapping of the learner journey, so they cater to the often complex personal, social and economic contexts of learners.

During the term of this investment plan, we will collaborate closely with learners, TITOs and employers to design and deliver the solutions we need to realise the potential of these newly seamless pathways.

Regulating for excellence

Contributes to:

- System objectives: Barrier-free access

The Regulating for Excellence work programme will ensure the academic integrity of the new seamless system of vocational education and training. Creating a single entity that combines on-campus, online and work-based teaching and learning brings together a wide range of different approaches to academic regulation.

Our initial assessment identified considerable variation in the approach to academic regulation, misalignment between the design and language of the existing regulations and the key audiences (i.e. employers and learners) and a common pattern of a monocultural design that was better suited to the university context.

During the term of the next investment plan, we would like to shift to a high-competence/high-trust model for academic regulation that is designed to be principles-based, is anchored in vocational education and training and empowers learner achievement, especially by Māori learners.



This shift will be an essential element of our efforts to create a seamless system of education and training, increasingly standardise our education products and processes and deliver on our aspiration to put learners at the centre.

Addressing viability issues

Contributes to:

- System objectives: Quality and leadership

The viability of the previous institute of technology and polytechnic (ITP) sector was a key factor influencing the government's decision to proceed with the reform of vocational education and training (TEC, 2017). The underlying drivers (growing learner expectations, rising cost pressures and shift toward higher-level programmes) of these financial challenges persist even as these organisations have become subsidiaries of Te Pūkenga. The likelihood of cash shortfalls among subsidiaries over the term of this investment plan is high, particularly given the financial impact of the COVID-19 pandemic.

We are working closely with subsidiaries to better understand their financial position and forecasts. We are developing a financial management strategy for those subsidiaries at financial risk. This strategy may include drawing on our balance sheet to maintain the viability of the subsidiaries. As a last resort, we will draw on the \$50 million capital contingency established by the government to assist Te Pūkenga to actively manage the financial stress that many subsidiaries are facing.

Our efforts to assure the viability of Te Pūkenga as a whole are intertwined with the work to develop a new operating model (see **Designing our operating model around learner success**).

Integrating work-based training

Contributes to:

- System objectives: Focus on the future of learning and work

A key transformational component of the reform of vocational education is the integration of workplace-based training with online and campus-based training.

This process will be a significant undertaking for Te Pūkenga. Over the next several years, we must seamlessly assume responsibility for around 130,000 apprentices and trainees who are undertaking training with more than 44,000 businesses. We have three main outcomes in mind through this transition: developing our readiness and capacity, delivering an effective, progressive transition and delivering equitable outcomes for Māori.

Accordingly, 'Transitional Industry Training Organisation (TITOs) and Work-based Learning' is a key workstream of our Transition Pathway. This workstream aims to manage the transition including our readiness to receive TITOs, complete the necessary due diligence and align with the developing functions of the new WDCs.

Te Pūkenga will be mapping the pathways of employers and employees into training, developing an integration plan for the arranging of training and piloting the transition during 2021. We will be developing appropriate capability to support the new entities, conducting the necessary financial, legal, and educational due diligence and ensuring our approach aligns to the Te Tiriti Excellence Framework.

We are working closely with TITOs and TEC as we prepare for this transition. These relationships complement our existing collaborations relating to trades academies and the COVID-19 response. The successful integration of workplace-based training will involve careful coordination among TITOs, WDCs, employers and apprentices, including a phased approach. We are developing a practical implementation plan and measures of success for the transition in collaboration with TITOs, with a focus on those that have indicated a willingness to move sooner.



Responding to the COVID-19 pandemic

Contributes to:

- System objectives: Focus on the future of learning and work
- Expectation: Learners at the centre
- TES priority: Delivering skills for industry

We are focused on supporting the immediate response to, and recovery from, the COVID-19 pandemic. Te Pūkenga is assisting displaced workers in getting back into work and helping them to re-train for another job or industry. This support is helping to address the economic and labour market disruption caused by the pandemic.

We are working closely with learners, TIOs, employers and unions to match displaced workers to suitable education and training. We have established workstreams aligned to each of the planned WDCs, as well as Māori and Pasifika learners. The foci of this work are:

- Existing programmes: We are matching displaced workers to our existing vocational education and training programmes. The government's investment in extending fees-free provision through the Targeted Training and Apprenticeships Fund is playing an important role in signalling areas of national priority and reducing barriers to access.
- Short courses: Developing micro-credentials and training schemes that address specific gaps in skills and competencies so learners can move quickly to alternative employment. These short courses will play an important role in, for example, providing new skills to workers in the tourism, hospitality and retail industries whose roles in the industry are changing.
- Recognition of prior learning: A standardised recognition of prior learning process will be applied to learners who have existing skills and competencies. This process will have general applicability but is particularly valuable for apprentices who need to transition to on-campus education and training because their employment has been interrupted.

During the term of the next investment plan, this work will ensure we are delivering the skills needed by industry as the economy recovers, increasing the flexibility of our programmes and building a seamless system across work-based, on-campus and online education and training.

This shift will be an essential element of our efforts to be relevant and responsive to the changing needs of employers and design our offerings around the context for each learner.

A new operating model for international education

Contributes to:

- System objectives: World class inclusive education
- Expectation: Creating quality international education
- TES priority: Growing international linkages

The COVID-19 pandemic has transformed the landscape for international education in New Zealand and internationally. The immediate effects included a marked decline in international student enrolments. The pipeline effects and outlook for 2021 suggests that international enrolments in 2021 may be, at best, half the level recorded in 2019 (10,500-11,000 EFTS).

We are taking a strategic, holistic approach to international education that is repositioning vocational education for international students from being focused on student volume and revenue generation to high-quality education provision, enhancing the learner experience and their wellbeing, exploring offshore provision and enabling long term sector sustainability.

During the term of this investment plan, we will complete the design and begin the delivery of the future operating model for international education. This new operating model will better integrate international education with efforts to promote 'regional vitality' (ENZ, 2018) in line with our wider aspirations to align our programmes with regional development priorities, improve coordination across our organisation, promote diversification of our markets and build our internal capacity and capability.



Maintaining and developing our research capabilities

Contributes to:

- System objectives: World class inclusive education
- TES priority: Strengthening research-based institutions

Te Pūkenga is charged with conducting research, with a focus on applied and technological research (Education Act, 1989, s.222b) and ensuring that teaching and learning are supported by research, evidence, and best practice. Our research is also a vital underpinning of our capacity to deliver degree-level and higher teaching and learning.

The research undertaken by our staff is significant both in terms of its foci and collective scale. Our researchers are involved in research projects that address issues of significance to regional communities and industry with recent symposia highlighting the breadth of research produced covering topics as diverse as the climate crisis, cybersecurity, migrant seasonal workers and cultural competence among healthcare professionals (ITP Research, 2019).

This breadth is unsurprising given the more than 430 full-time equivalent researchers whose evidence portfolios met the standard for a funded Quality Category in the 2018 Quality Evaluation (TEC, 2019), an increase of 36 per cent since the last Quality Evaluation in 2012. This newly consolidated research capacity is equivalent to that found at the University of Waikato and twice the number at Lincoln University.

During the term of this investment plan, we will maintain our existing research capability and seek opportunities to deepen research collaborations across our research workforce.

Building on the outcomes of Learner Success Framework projects

Contributes to:

- Expectation: Learners at the centre
- TES priority: Boosting achievement of Māori and Pasifika

The Ōritetanga learner success approach is intended to deliver transformational change in outcomes across the tertiary system. The approach is applicable to all learners at risk, even as it focuses specifically on Māori, Pasifika and disabled learner achievement. The Learner Success Framework that underpins the approach is consistent with the steps we have taken to put learners at the centre of everything we do (Preston & Roadley, 2020).

Subsidiaries of Te Pūkenga are partnering with TEC to explore new approaches to engage learners with higher needs and to support them to achieve. These projects involve a deep and comprehensive student journey mapping exercise and testing the effectiveness of needs assessments and holistic support of learners.

During the term of this Investment Plan, we propose to extend these approaches across the three subsidiaries with among the highest concentration of Māori learners, NorthTec, Toi Ohomai and Manukau Institute of Technology, building on the outcomes of the pilots at Manukau Institute of Technology and Waikato Institute of Technology Limited.

We anticipate drawing on examples of similar interventions locally and internationally including the emerging outcomes of the Tertiary Education Commission's Learner Success Approach projects and the results of successful practice overseas including those employed at Georgia State University, the University System of Georgia and the City University of New York.

Integrating the stakeholder voice

Contributes to:

- Expectation: Working collaboratively, collectively and inclusively through partnerships

Our central focus is putting learners at the centre of everything we do, as we ensure that we deliver for the unique needs of all learners, including those who have been traditionally under-served, such as Māori, Pasifika, and disabled learners.



We are putting systems in place to gather and embed the input of our stakeholders, including students, staff, iwi, industry and employers into our decision-making. Our staff, student and Māori advisory committees in particular will provide opportunities for genuine input into decision-making, as well as supporting our collective response to the COVID-19 pandemic.

These priorities are reflected across our Transition Pathway. For example, the Ākonga at the Centre Workstream commits us to greater understanding of Ākonga so we can deliver to the unique needs of each learner, design our interventions so they support learner success and deliver equitable outcomes for Māori.

Building on our expanded mapping of Ākonga Journeys in 2020, we will establish learner and staff 'voice' advisory committees, conduct deep and wide engagement with ākonga across the modes of delivery and mobilise learner-centred design working groups in alignment with our operating model.

We will also build successful relationships with the new WDCs and the RSLGs so we can shape our offerings to the needs of the stakeholders they represent. Collaboration with other tertiary education organisations will also be important so we can coordinate our approaches to workforce development.

During the term of this investment plan, we will demonstrate strong evidence that stakeholders can have a real influence over the direction set by the Council and the operational priorities of Te Pūkenga.

Managing for performance

Contributes to:

- Expectation: Accountable to all stakeholders

We are putting in place a new approach to stakeholder engagement. The Mobilising the New World programme of work challenged us to uphold and maintain our existing relationships as we take a more strategic approach to engagement grounded in partnership with Māori.

The work to develop our new employer and community engagement model anticipates the development of the Strategic Partnership Strategy, co-design with Māori, Pasifika and disabled learners, employers and industry, early engagement with industry and genuine influence and input into decision-making by tāngata whenua. We will also ensure that we are in close and regular contact with TEC and the ROVE programme board providing assurance about our progress.

During the term of this investment plan, we will build the key relationships identified and put in place the systems and processes needed to demonstrate our accountability.

Innovative programmes that target younger learners

Contributes to:

- TES priority: Getting at-risk young people into a career

Te Pūkenga is committed to ensuring that 'at risk' young people are supported to realise their aspirations. Our programmes provide the skills and competencies young people need to succeed in employment and further study. We offer quality and personalised pastoral care, and we are increasingly applying systematic approaches to monitor their success.

We are the largest provider of education and training at the secondary-tertiary interface. The almost 13,000 learners who enrol in Trades Academy, STAR and Dual Pathway programmes each year benefit from our close alignment with secondary schools, the TIOs and employers, the benefits that come from having access to a blend of secondary school, campus-based and workplace-based education and training and clear pathways to more advanced study.

During the term of this investment plan, the benefits of our new operating model putting learners at the centre will improve outcomes for this group of learners as we maintain this vital provision across the national network.



Applying best practice in literacy and numeracy

Contributes to:

- TES priority: Improving adult literacy and numeracy

We recognise the vital role that literacy and numeracy skills play in contributing to the success of learners. Our programmes, particularly at levels 1-3, contextualise literacy and numeracy learning irrespective of the mode of delivery.

Organisational-wide policies, oversight of key achievement and progression data and appropriate resourcing of systems and staff professional development are priorities across the network. Alignment with best practice in the approaches used for literacy and numeracy education is combined with utilisation of the Literacy and Numeracy for Adults Assessment Tool. The results of the assessments of learner skills are used to inform teaching practice and professional support.

During the term of this investment plan, we will consolidate the data analytics, learner and staff support systems, and professional development systems so that they support greater consistency in learner achievement in gain literacy and numeracy competencies.

Auckland Strategy

Contributes to:

- Expectation: Te Tiriti o Waitangi: Delivering partnership, protection, participation and equity
- Expectation: Working collaboratively, collectively and inclusively through partnerships
- Expectation: Striking the right balance – delivering transformative change and core business
- System objectives: Barrier-free access

Our Auckland strategy is determining a common approach to meeting the vocational education and training needs of Tāmaki Makaurau through a collaboration between our subsidiaries in Northland, Auckland and the Waikato and key regional stakeholders including ATEED and the RSLG.

The work involves an assessment of the alignment between our obligations under Te Tiriti o Waitangi, the current mix, mode and geographical foci of provision and the skill needs of local industry and patterns of population growth and demographic diversity of the region's communities.

The results of our analysis show the major gaps in face-to-face vocational education provision in the north between Henderson and Whangarei and in the south between Ōtara and Hamilton, reflected in a misalignment between our capital asset base and the major growth forecast in the southern corridor, particularly Drury. These issues are a microcosm of the challenges we face across our national network of provision.

During the term of this investment plan, we will be implementing the findings of the Auckland Strategy work and drawing on our experience with this collaborative approach to apply the lessons across our national network, particularly in relation to the management of capital assets.

Providing a range of high-quality provision

Contributes to:

- TES priority: Delivering skills for industry
- System objectives: Barrier-free access

Our significant contribution to tertiary education across New Zealand is described in detail in the section Programmes. Our provision is designed to cater to learners across New Zealand including those living in more remote regions or in areas with lower populations, and learners traditionally underserved in tertiary education, particularly Māori, Pasifika and disabled people.



Programmes

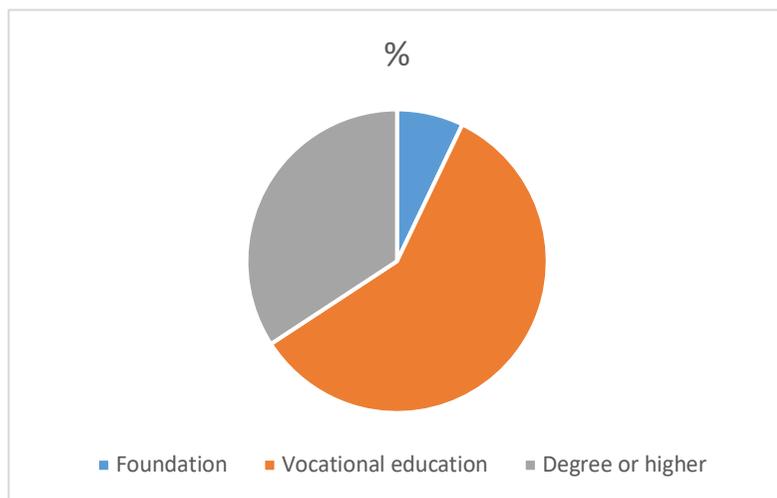
Our mix of provision

Our market position

Te Pūkenga is the largest provider of education and training in New Zealand by a significant margin. We offer high-quality programmes of teaching and learning at all levels on the New Zealand Qualifications Framework (NZQF) across New Zealand.

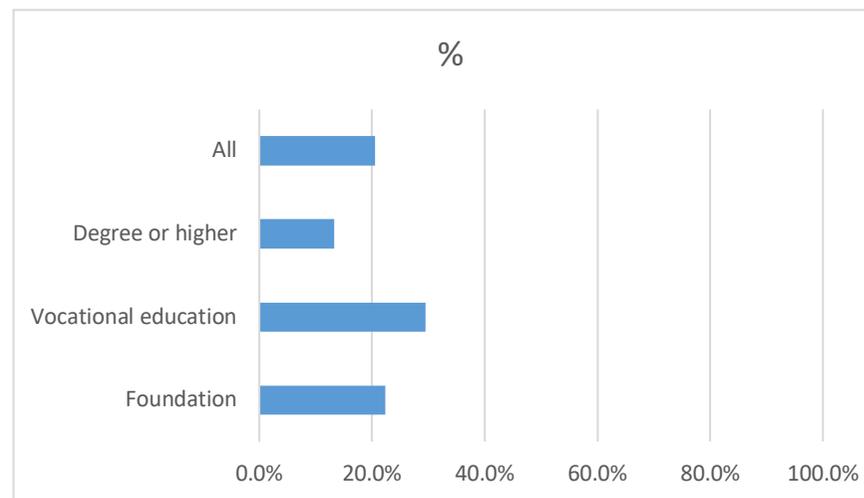
In 2019, our 110,000 domestic and international students made Te Pūkenga around two and half times larger than the University of Auckland (UoA, 2019). We enrolled almost 14,000 foundation education learners and the 25,000 students enrolled in our undergraduate degree programmes made us the second-largest provider in New Zealand, larger than several of the universities. We also brought together almost 5,500 postgraduate students (MoE, 2020a).

Figure 3 – Domestic EFTS by level, Te Pūkenga, 2019



Te Pūkenga will account for 20.5 per cent of all equivalent full-time domestic learners in New Zealand. We accounted for one in five (22.3 per cent) of all foundation education (levels 1-2) learners, almost one-third (29.5 per cent) of learners at levels 3-6 and one in eight (13.3 per cent) learners at degree-level or higher in 2019 (see Figures 3 and 4).

Figure 4 – Share of domestic EFTS by level, Te Pūkenga, 2019



Within our current network, the subject classifications of 'Health' (17.2 per cent), 'Society and Culture' (14.8 per cent), Management and Commerce' (13.9 per cent), 'Architecture and Building' (11.4 per cent), 'Engineering and Related Technologies' (10.6 per cent) and account for around two-thirds of the provision we delivered in 2019.

On a regional basis, our domestic provision accounted for around half or more of the EFTS-weighted provision delivered in the Nelson (58.9 per cent), Hawke's Bay (56.2 per cent) and Southland (49.9 per cent). We also accounted for around one-third of the provision in the Taranaki (40.2 per cent), Gisborne (36.4 per cent), West Coast (35.8 per cent), Bay of Plenty (30.3%) and Northland (28.1 per cent) regions in 2019.

Our contribution to education and training is lower in major urban centres that host university campuses, such as Auckland (10.7 per cent), Wellington (13.5 per cent), Otago (14.4 per cent), Canterbury (19.2 per cent), Manawatu-Wanganui (20.9 per cent) and Waikato (24.8 per cent) regions. We also account for 44.4 per cent of all extramural provision (see **Figure 5**).

Near-term demand for tertiary education

The research literature supports the view that that tightening in the job market normally leads to higher enrolments in tertiary education programmes (Card & Lemieux, 2001) (Dellas & Sakellaris, 2003), (Smart, 2009), a trend that has become more pronounced over time (Long, 2004).

The literature is less definitive about the influence of economic conditions on enrolments choices at a subject-area level and by specific ethnic groups. Learners will have significant agency in this process.

Perceptions that some industries are at risk of experiencing subdued activity over a sustained period (such as tourism), may be directly stimulated by public investment (such as infrastructure and construction) or are subject to positive social effects may play a role in shaping demand.

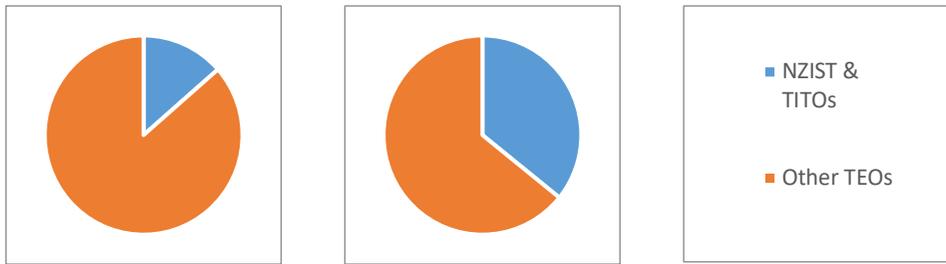
Our implicit assumptions about the link between changing patterns of economic activity in specific industries and demand for education and training in related fields need to be validated empirically.

In the tourism industry, there will be a complex interplay between the evident decline in international visitors (StatsNZ, 2020), the increase in domestic tourists as opportunities for overseas travel are constrained (RNZ, 2020), long-standing skills shortages and the lack of migrant labour (Bradley, 2018).

The combination of the government's investment in the sustainability of tourism and the efforts to reimagine the way it operates (Davis, Kelvin, 2020), (MBIE, 2020) may change the profile of skills, education and training the industry requires (Pointon, 2020).

Figure 5: Share of provision by region, Te Pūkenga (NZIST), 2019





Other patterns of note include the increased tendency for learners aged 16 to 24 years of age to pursue tertiary education when alternative job opportunities are lacking (Clark, 2009), an increased propensity among adults in their mid to late twenties to pursue tertiary education during the global financial crisis (Barr & Turner, 2015) and the increased enrolments in teacher education we noted earlier (MoE, 2020f).

Statistical analysis by the Ministry of Education is consistent with the literature forecasting an increase in demand for education and training due to the economic impacts of the pandemic.

In the near term, demand for tertiary education and training delivered by Te Pūkenga is expected to increase markedly in 2021 (MoE, 2020), (Smyth, 2020), (Gerritsen, 2020). These forecasts indicate that the number of EFTS consumed in the 2021 year may increase from 201,540 (2019) to between 230,000 to 248,000 by 2021. The largest proportional and actual increase is expected among the Te Pūkenga subsidiaries from 47,620 (2019) to between 55,000 and 71,000, equivalent to between 17 per cent and 51 per cent (MoE, 2020). Industry training volumes are forecast to be stable over the next several years (MoE, 2020b).

We are beginning to observe these patterns with some emerging evidence in the second half of 2020 (Groenestein, 2020), (Dahmen, 2020).

Responding to demand and changing needs

We are adapting our provision to respond to changing market conditions and inform from stakeholders about evolving skill needs. This investment plan makes the case for growth over and above pipeline considerations of 32.4 per cent. This increase is consistent with forecast growth in demand for tertiary education and training (see above).

We have responded to this forecast demand in two ways: Reprioritisation and Growth.

Reprioritisation

We have identified approximately 350 EFTS that are available for reprioritisation. We identify few opportunities to reprioritise existing programme offerings. With the exception of our modest tourism provision (245 EFTS), evidence is emerging of either realised or projected growth across the country. Most reprioritisation is occurring as we redesign and redevelopment our programmes to better meet learner needs.

Growth

We have identified 3,998 EFTS of increased demand in 2021. This provision is associated with subsidiaries that can demonstrate the highest standards of quality, with 85.8 per cent associated with category one and two subsidiaries. In line with demand forecasts, we have focused on growth in vocational education at levels 3-6 (75.0 per cent of all growth) and foundation level (13.9 per cent), with degree-level or higher provision accounting for a smaller portion (11.1 per cent).

Figure six: New provision, NZIST, 2021

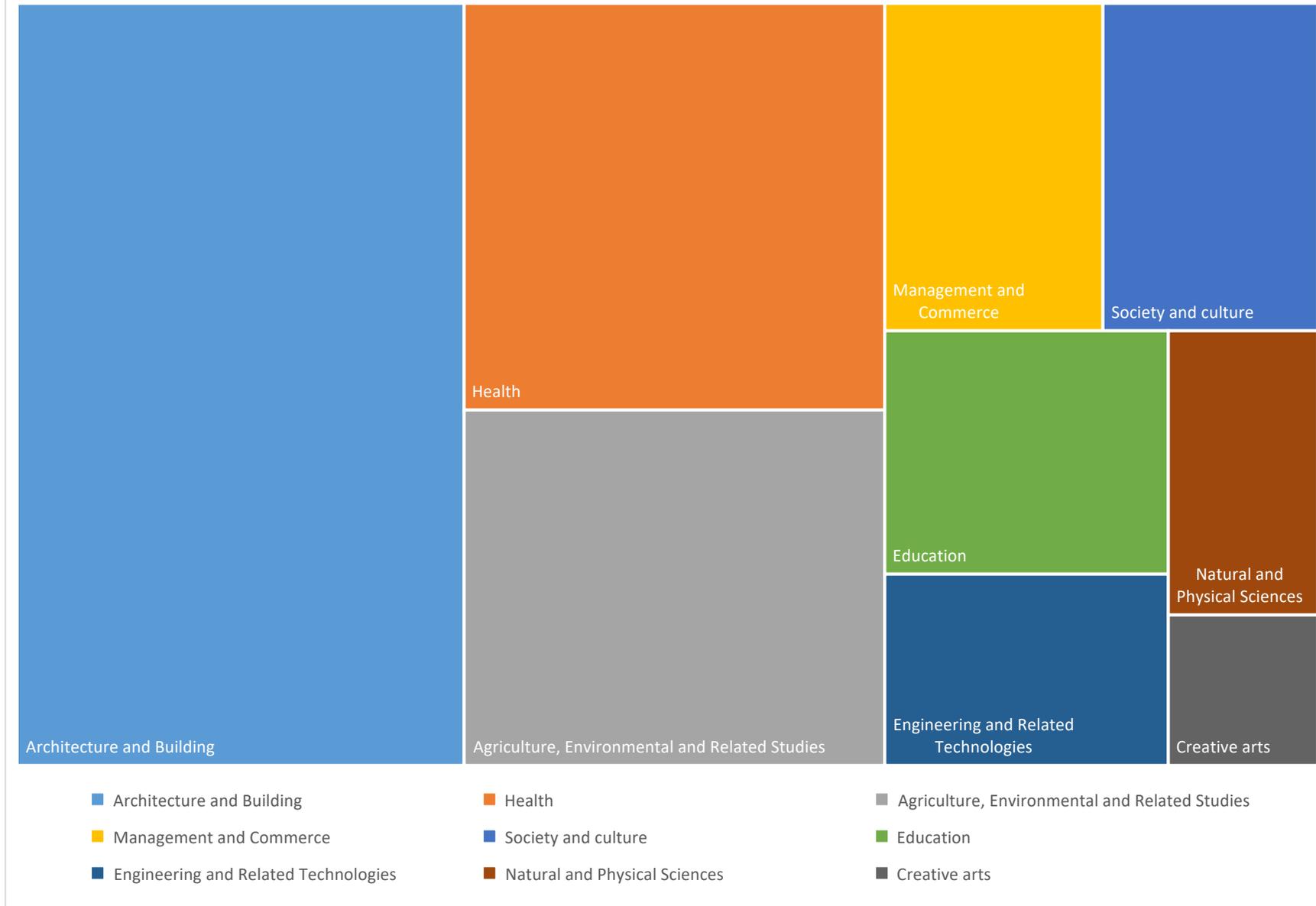


Figure seven: Existing mix of provision, NZIST, 2019



- Architecture and Building
- Agriculture, Environmental and Related Studies
- Society and culture
- Engineering and Related Technologies
- Creative arts
- Food, Hospitality and Personal Services
- Health
- Management and Commerce
- Education
- Natural and Physical Sciences
- Information Technology



The increased investment we seek is well-aligned with the government's priorities for investment. Almost three-fifths (56.3 per cent) relates to a suite of programmes in identified COVID-19 priority areas, particularly construction (18.6 per cent), primary industries (15.4 per cent), professional services (11.7 per cent). Provision that relates to areas of identified skill shortages (10.3 per cent) also overlaps with the preceding to some degree. Other areas of focus include the priority growth areas of aged-care (8.7 per cent) and creative and digital (6.5 per cent) provision, and provision relating to foundation skills (7.4 per cent) and te reo Māori (3.4 per cent).

We are prioritising investment in areas of greatest demand. The share of new provision associated with construction, primary and education is markedly higher than our existing provision, reflecting anticipated changes in the labour market. Architecture and building provision accounts for 25.7 per cent of our new provision in 2021, compared to 11.4 per cent of our current portfolio. The applicable rates for Agriculture, Environmental and Related Studies are 12.9 per cent compared to 3.8 per cent. In line with past changes in learner demand, Education provision makes up 5.2 per cent of our new provision compared to 4.2 per cent currently (see Figures six and seven).

We are planning to expand our extramural provision considerably (39.4 per cent of new provision compared to 17.7 per cent) while meeting growing demand forecast in the Auckland regions of New Zealand.

An overview of our analysis of the additional provision proposed for 2021 relative to our existing portfolio (2019 data) is presented in tables one and two.

Meeting the needs of learners on the West Coast

There have been ongoing challenges for the current education and training system to deliver equitable outcomes for learners on the West Coast of Te Wai Pounamu in a financially sustainable way due to the region's size, geographical spread and difficulty of access, small population and the current funding structure.

Tai Poutini Polytechnic Limited has restructured, changed its business focus and transformed its operating model to align with early indications from the Minister of Education about the future of the new vocational education system. This transformation has included the removal of duplication and out-of-region provision, coupled with an increased focus on Māori achievement, disadvantaged learners, and regional economic development.

An associated 'cost-out' exercise in 2017 extracted all possible costs and resulted in a business one-third of its previous size. Concurrently, an exercise was completed to ensure the compliance with the delivery of learning hours and associated government funding. So, by focussing on both costs and income, TPP Ltd has ensured operational efficiency, whilst adhering strictly to TEC rules around funding. In addition, courses have been rationalised to ensure they are regionally relevant and to reduce unnecessary competition and duplication across the network.

This work means that TPP Ltd now shows an early level of preparedness to pilot co-provision with members of the subsidiary network and partners to achieve more equitable outcomes for learners. Partnerships and collaborations will be assessed and selected based on their expertise in working in regional New Zealand in similar contexts to the West Coast. Strategic relationships with subsidiaries who have regional delivery experience, complementary mixes of provision, experience with remote and satellite campuses and those with similar industry drivers will be prioritised as well as seeking to explore complementary relationships with high schools, Wānanga and ITOs to demonstrate wide and deep partnerships within the region as well as across the network.



This work will be completed this calendar year with expanded provision being piloted as early as possible in 2021. Identified initiatives will provide a clear indication of how the reform will look in practice. The initiatives will utilise beneficial network partnerships, flexible learning tools and increased adaptability in delivery to break down the current barriers to access, meet the needs of learners and employers and to work with Government agencies to accelerate the implementation of the Te Pūkenga vision as outlined in the Charter. The result will be a blurring of the lines between high school learners, on campus learners, on job learners, and online learners.

This work will provide useful implementation and outcome data to feed into the wider network. The initiatives will also give an insight into the true costs of delivering to the demands of the wider reform.

Given the unified funding system is not anticipated until 2023 it is anticipated we will need to seek additional funding beyond volume-based allocation of \$2.45 million (GST exclusive) due to the challenging operating environment.



Table 1: Comparative data, new and existing provision, Te Pūkenga

Dimension	Share of new provision (%)	Share of 2019 provision (%)
EER Category		
1+2	85.8%	90.5%
Level		
Level 1-2	13.9%	7.1%
Level 3-6	75.0%	58.7%
Level 7+	11.1%	34.2%
Priority areas		
Construction and other trades	18.6%	N/A
Primary	15.4%	N/A
Professional services	11.7%	N/A
Areas of skills shortage	10.3%	N/A
Aged care	8.7%	N/A
Foundation skills and related provision	6.5%	N/A
Creative and digital	7.4%	N/A
Te reo Māori	3.4%	N/A
Other	18.1%	N/A
ANZSIC classification		
Architecture and Building	25.7%	11.4%
Health	12.9%	17.3%
Agriculture, Environmental and Related Studies	11.3%	3.8%
Management and Commerce	5.4%	13.9%
Society and culture	5.3%	14.7%
Education	5.2%	4.2%
Engineering and Related Technologies	4.1%	10.7%
Natural and Physical Sciences	3.2%	2.1%
Creative arts	1.7%	7.5%
Information Technology	0.0%	4.2%
Food, Hospitality and Personal Services	0.0%	5.4%

Table 2: Regional distribution, new and existing provision, Te Pūkenga

Dimension	Share of new provision (%)	Share of 2019 provision (%)
Regional provision		
Auckland Region	11.7%	17.8%
Bay of Plenty Region	0.5%	6.9%
Canterbury Region	4.2%	10.9%
Extramural	39.4%	17.7%
Gisborne Region	0.9%	1.6%
Hawke's Bay Region	3.0%	5.6%
Manawatu-Wanganui Region	4.5%	4.7%
Marlborough Region		0.3%
Nelson Region		2.5%
Northland Region	5.0%	3.0%
Otago Region	3.5%	5.8%
Southland Region	5.7%	3.2%
Taranaki Region	7.3%	2.1%
Waikato Region	9.5%	9.2%
Wellington Region	1.4%	8.5%
West Coast Region	3.5%	0.3%

Reflecting critically on our performance

Disparities in learner outcomes are persistent over time

Equity for learners

There is clear evidence of a persistent pattern of inequitable outcomes for Māori and Pasifika learners across the former ITP sector.

These inequitable outcomes relate to both the level of the programmes these learners enrol in and the outcomes we support them to achieve.

Māori learners were 1.69 times more likely than non-Māori, non-Pasifika learners to enrol in programmes at level 1-3 in 2019. They were also 0.80 times as likely to enrol in level 4-7 (non-degree) programmes. The ratio for degree level and more advanced degrees was 0.70 and 0.69 respectively.

Pasifika learners were 1.3 times as likely to enrol in level 1-3 programmes and 0.8 times as likely to enrol at levels 4-7 (non-degree). By contrast, Pasifika learners were about as likely as non-Māori, non-Pasifika learners to enrol in degree-level (1.04 times) and higher (0.97 times) programmes.

The rate of course and qualifications completions are persistently lower for Māori and Pasifika compared to non-Māori, non-Pasifika learners.

Between 2016 and 2019, the Māori learners recorded a course completion rate that was 12.7 per cent lower on average than their non-Māori, non-Pasifika peers. This difference fell by 0.6 per cent from 13.1 per cent to 12.5 per cent over the period, an average improvement of 0.2 per cent. At the current rate of progress, parity for Māori learners will be achieved around 2083.

The comparable average difference for Pasifika learners was 11.8 per cent over the same period. The disparity has, however, increased over the period from 11.3 per cent to 12.2 per cent.

Qualification completion rates recorded a worsening trend. The disparity for Māori learners increased over the period from 1.2 per cent to 6.8 per cent. Similarly, the disparity for Pasifika learners widened from near parity to 7.1 per cent.

There is little evidence of a sustained improvement at the level of individual subsidiaries, with the possible exception of the disparity in course completions at the Open Polytechnic and Wellington Institute of Technology Limited (Pasifika learners only). These improvements do not, however, appear to flow through into qualifications completions.

The results suggest that there are structural issues with the way education and training and learner support is organised, particularly as the differences persist across on-campus, online and workplace-based learning (Preston & Roadley, 2020).

Post-study outcomes

Data on the post-study outcomes of graduates indicate that there is wide variation in the rates of progression, employment and earnings over time among graduates of the programmes we offer.

These differences arise in relation to the subject areas, level and ethnicity of learners. These data do not demonstrate causality but indicate trends that require further investigation.

For example, median earnings of Māori graduates tend to be lower (7-9 per cent) among graduates of level four and higher certificate and diploma programmes. This difference arises immediately following graduation and persists with evidence of suppressed earnings after nine years irrespective of the graduate age cohort.

A possible explanatory factor is the lower employment rates of Māori graduates immediately following graduation. For example, Māori graduates of level four and higher certificate and diploma programmes aged 25-39 years of age are 20 per cent less likely than non-Māori, non-Pasifika graduates of the same age to be in employment one year after graduation.

This difference in the rate of employment diminishes over time, but even nine years after graduation, Māori graduates are 10 per cent less likely to be in employment.



There are a variety of explanatory factors for these differences. Some examples include the preparation and preferences of learners, the advice we provide about programmes, the quality of our programmes of teaching and learning and the support we provide for graduates to transition into employment.

As we develop our capacity to understand and use data such as post-study outcomes and the range of 'touchpoints' that learners have with our systems, we will be better placed to understand the learner experience, assess our performance and intervene where there are material inconsistencies in the expectation we have to place learners at the centre of everything we do.

Out of region provision

'Out of region' provision is normally understood to refer to education and training delivered by a former Institute of Technology and Polytechnic in a region outside of its commonly understood catchment.

'Out of region' provision is insignificant across the network overall and for most subsidiaries. Most provision of this nature currently relates to specialist programmes where duplication is not desirable or distance delivery.

Te Pūkenga will facilitate a reduction in 'out of region' provision in 2021 that represents unnecessary duplication and/or competition.

An example of provision that will require careful consideration is that delivered in Christchurch by the Southern Institute of Technology Limited.

We will need to complete a feasibility study to assess the impacts on learners and academic pathways, as well as understanding the financial implications.

This study will form part of a wider dialogue with our learners, Academic Board, unions and other stakeholders.

Our focus will be delivering a well-managed process that ensures learners and employers interests are at the centre and provides insights that may be used across the rest of the network.

'Out of region' provision also arises in relation to international students. Over the years several subsidiaries have leased premises on Queen Street in Auckland to cater to this market.

Te Pūkenga anticipates simplifying our physical presence in Auckland and enhancing our coordination across the network as part of our international strategy. We will begin to relinquish some of these leases in 2021.

Quality assurance reviews

Mechanisms for the external assurance of our quality

Quality assurance

External quality assurance is provided through a range of mechanisms including accreditation by professional organisations, such as the Nursing Council of New Zealand and Engineering New Zealand, and through external quality assurance processes administered by the New Zealand Qualifications Authority (NZQA) including the external evaluation and review (EER) process.

Each subsidiary operates under a separate evaluation cycle agreed with NZQA. Under the mechanisms in place before 2020, each former Institute of Technology and Polytechnic was assigned a rating concerning its educational performance and capability in self-assessment. These results were combined to determine a 'category' on a four-step rating scale.

EER outcomes

The EER process provides evidence-based conclusions about the quality and performance of each subsidiary. While some time has elapsed since the last EER for many subsidiaries, the results provide a reasonable indication of their respective strengths and weaknesses.

The fourteen subsidiaries that deliver almost all (90.5 per cent) the provision of Te Pūkenga have been assigned the highest Category One or Two ratings, with almost half of all provision (46.5 per cent) associated with a Category One rating.

Similarly, the vast majority of provision delivered at foundation level (98.9 per cent) and vocational education and training (91.9 per cent) is of the highest quality. The proportion of degree-level and higher provision is 86.8 per cent.

Transitional arrangements

We have worked with NZQA to agree on an interim approach to external quality assurance as we transition to a single consolidated organisation through to 2022.

Subsidiaries that were scheduled to participate in EERs will be subject to targeted reviews. These reviews will be thematic and developmental while offering scope for benchmarking.

Two subsidiaries are implementing comprehensive recovery plans designed to demonstrate the highest quality standards and will undergo a full EER. We welcome the opportunity to gather valuable quality assurance information about the performance of our subsidiaries through this process.

Key challenges

We will be supporting subsidiaries participating in external quality assurance processes as we build integrated nationally coordinated capacity.

Our major focus will be supporting all subsidiaries to demonstrate their continued alignment with the high standards that apply across the network, particularly the two participating in a full EER.

Central to this challenge will be supporting efforts to reflect on disparities in outcomes for Māori and Pasifika learners, making better use of data, strengthening confidence among external stakeholders and proactive management of compliance requirements.



Supplementary information

We are building our capacity and capability

Building governance and management capability

The Te Pūkenga Council began operating on 1 April 2020 along with the Board of Directors of each of the subsidiaries.

The Chief Executive commenced his role in July 2020, and tier two appointments will be made during the third quarter of 2020.

The organisational structure will then be determined by the new management team, along with guiding the development of the new operating model.

Te Pūkenga is developing key accountability documents including our Strategic Plan, Statement of Intent and Statement of Performance Expectations to provide transparency about the outcome we seek, how these will be achieved and how our progress will be monitored.

Planning for the major investments required to establish and operate key information technology systems is well underway. These systems will enable the consolidation of financial management and data analysis capabilities.

During the term of this investment plan, we will make the necessary investments to enable Te Pūkenga to manage the network well, effectively monitor performance and make informed decisions.

Sub-contracting register

We have completed the subcontracting register and provided this document under separate cover.

Capital assessment management

Te Pūkenga is committed to ensuring that Capital assessment management provides facilities that are fit for modern teaching and learning, optimally configured high levels of utilisation, of a high standard and appropriate to our mix of provision.

Te Pūkenga is conducting a process designed to provide an assessment of the current state of our asset stock, develop a ten-year capital assessment strategy, integrate the capital assessment management plans of our subsidiaries, establish a suitable capital asset management system and identifies major short-term projects aligned to the objectives of the wider reform of vocational education.

We will update TEC on progress with this process during the term of this investment plan.

Statement of Service Performance

The Statement of Service Performance (SSP) was still under development at the time of writing. We will provide TEC with a copy of the SSP once it is confirmed.



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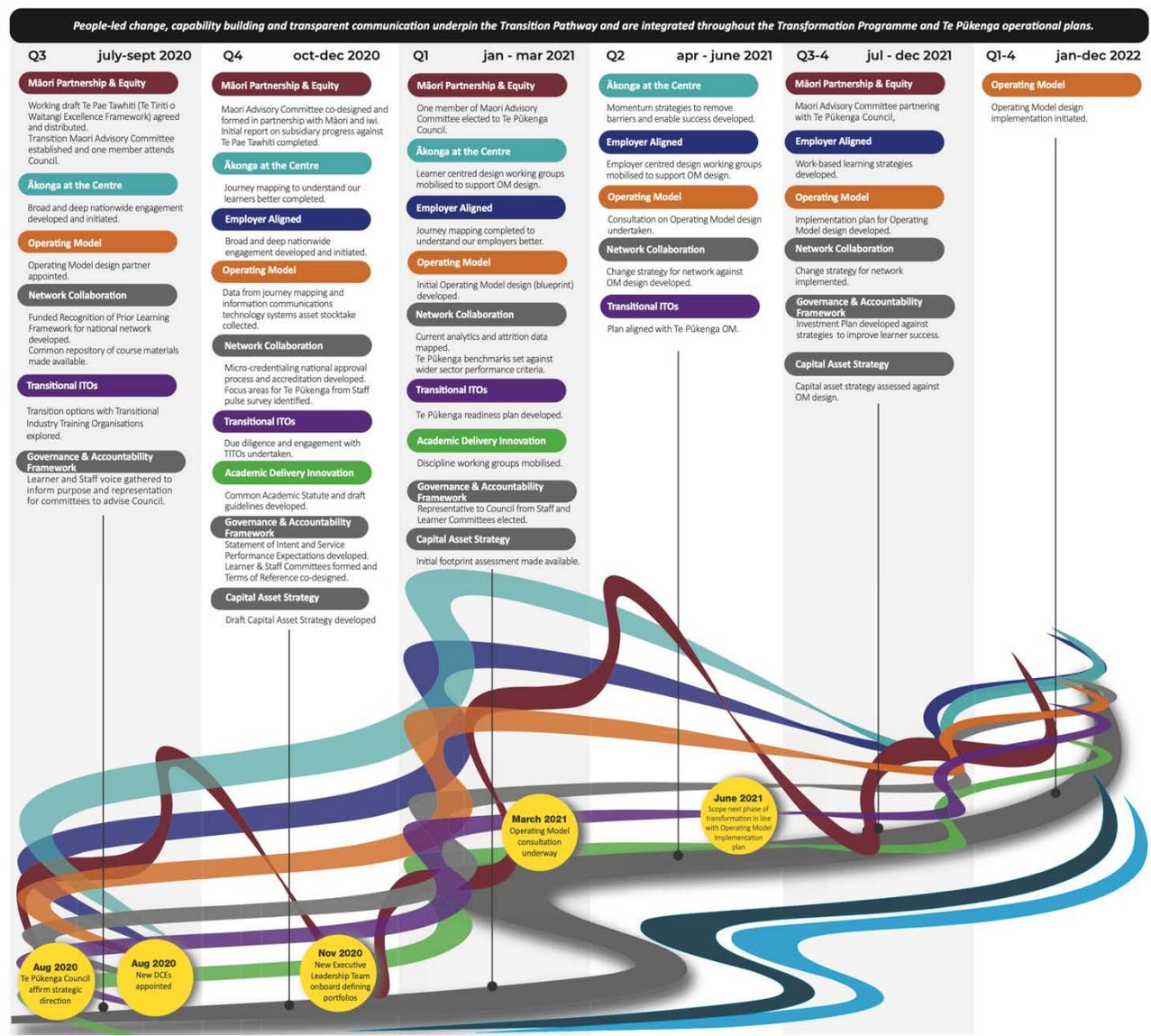
Appendix A: Te Pūkenga Transition Pathway

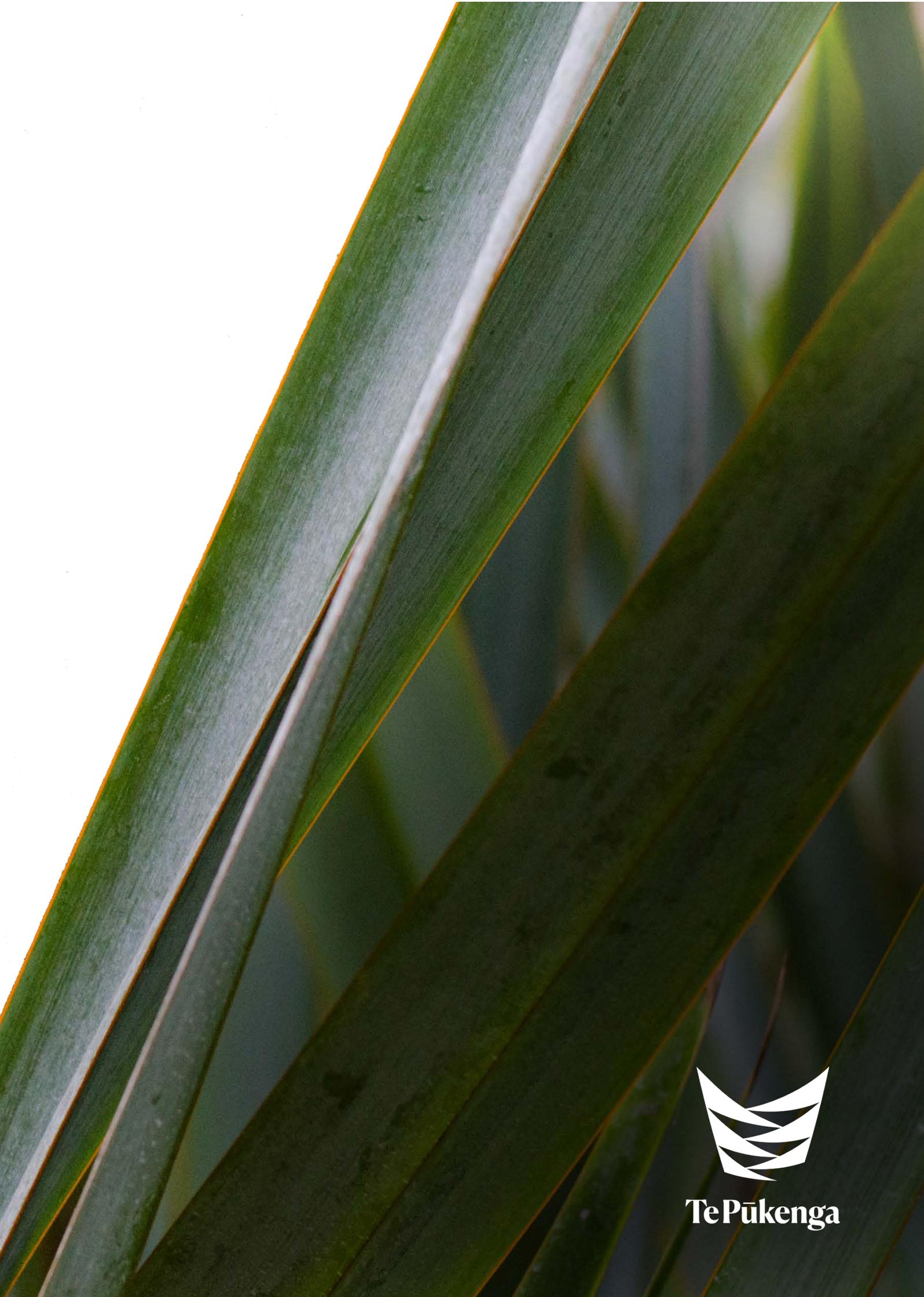


Designing the future of vocational learning for New Zealand
Transition Pathway
OCTOBER 2020

- Māori Partnership & Equity
Mana Ōrite
- Ākonga at the Centre
Ko te Ākonga te Putake
- Employer Aligned
Hāngai ki te Kaitiukumahi
- Operating Model
Whakoumu i te ako
- Network Collaboration
Whātau Mahi Tahī
- Transitional ITOs
Ahūmahi, Ahuako
- Academic Delivery Innovation
He Tukunga Auaho
- Governance & Accountability Framework
Mana Tiaki, Manu Mātai
- Capital Asset Strategy
Tātai Rawā

DRAFT
 This is a living document that will be amended as the design and planning of the transformation programme progresses.
 Version 1.0





Te Pūkenga