



**Tertiary Education
Commission**
Te Amorangi Mātauranga Matua



2023 Funding Conditions Catalogue

How to navigate the Funding Conditions Catalogue

The Funding Conditions Catalogue has four main sections:

- Base Funding Conditions and Base Funding Information – general Tertiary Education Commission (TEC) Conditions of funding;
- Foundation and Youth Transition Funds;
- Vocational Funds; and
- Degree and Research Funds.

You can navigate the catalogue from the main contents page (p.3). Sections and funds also have contents pages. Buttons at the bottom of each page will return you to the main contents, or to the contents for a fund or section.

You can also download the catalogue, open it in a PDF reader and use the Bookmarks side panel to find the relevant section.

The **Funding Conditions Catalogue** is available on our **website**.



Base Funding Conditions and Base Funding Information	4
Foundation and Youth Transition Funds	12
Adult and Community Education (Communities) Fund	13
Adult and Community Education (Schools) Fund	22
Delivery on the New Zealand Qualifications and Credentials Framework at Levels 1 and 2 Fund	30
Employer-led Workplace Literacy and Numeracy Fund	50
Gateway Fund	59
Intensive Literacy and Numeracy Fund	63
Intensive Literacy and Numeracy Fund – English for Speakers of Other Languages	70
Intensive Literacy and Numeracy Fund – Refugee English	78
TEO-led Workplace Literacy and Numeracy Fund	86
Youth Guarantee Fund	95
Vocational Funds	112
Adult Literacy Educator Fund	113
Māori and Pasifika Trades Training Fund (Fees Top-ups Fund Funding and Brokerage Services Fund Funding)	120
Māori and Pasifika Trades Training Fund (Consortium Activities)	128
Non-degree Delivery at Levels 3–7 on the New Zealand Qualifications and Credentials Framework and all Industry Training Fund (Delivery and Learner Components of the Unified Funding System)	134
Strategic Component of the Unified Funding System for Vocational Education and Training Fund – Te Pūkenga	167
Strategic Component of the Unified Funding System for Vocational Education and Training Fund – Wānanga	171
Degree and Research Funds	175
Delivery on the New Zealand Qualifications and Credentials Framework at Levels 7 (degree) and above Fund	176
Equity Fund	203
Performance-Based Research Fund	207
Definitions and Interpretation	213

Base Funding Conditions and Base Funding Information

Base Funding Conditions	5
Introduction	5
1. Conditions in the Education and Training Act 2020	5
2. Conditions that apply to all Funding	5
3. Conditions that apply to all Funding if you are a Wānanga, PTE or Te Pūkenga	8
Base Funding Information	9
1. Payment of Funding	9
2. Variations	9
3. Communication and relationship management	10
4. Record-keeping and reporting	10
5. TEC monitoring activities	10
6. Suspension, revocation or withdrawal of Funding	11
7. Investment Plan summaries	11
8. No guarantee of further Funding	11

Base Funding Conditions and Base Funding Information

Base Funding Conditions

Introduction

This section sets out the Conditions that apply to every Fund for which you receive Funding.

In addition to the Conditions set out in this section, the following Conditions apply to your Funding:

- (a) Fund-specific Conditions, which are set out in this Funding Conditions Catalogue; and
- (b) Organisation-specific Conditions, which are set out in Appendix 2 of your Funding Confirmation Letter.

1. Conditions in the Education and Training Act 2020

Sections 426 and 429 of the Education and Training Act (the Act) (as applicable) set out a number of statutory Conditions that apply to your Organisation's receipt of funding. Those Conditions relate to the supply of financial, statistical or other information to us or the Ministry of Education from time to time, as required.

2. Conditions that apply to all Funding

2.1 Supply of information

- (a) You must supply to us information relating to your financial viability, if we notify you that we require that information, within the time period specified in the notice.
- (b) You must supply to us information about your subcontracting arrangements when we request that information, within the time period specified in the notice.
- (c) You must notify us at least 28 days before, or as soon as practicable if it is not possible for you to notify us at least 28 days before, if:
 - (i) you have a Change of Control;
 - (ii) you transfer (or agree to transfer) all of, or a material part of, your assets to a third party;
 - (iii) you merge with, or acquire, any other entity or business; or
 - (iv) there is any change to the persons who make up your governing body.

- (d) You must notify us immediately if:
- (i) any record required to be kept under clause 13(1) of Schedule 18 (for On-Plan Funding) or clause 25(1) of Schedule 18 (for Off-Plan Funding) of the Act has been lost or damaged;
 - (ii) you are no longer able to comply with a Condition;
 - (iii) your New Zealand Qualifications Authority (NZQA) registration or accreditation is cancelled;
 - (iv) you have an Insolvency Event;
 - (v) you have changed your name (if you are Te Pūkenga, you must also inform us if any Te Pūkenga subsidiary has changed its name); or
 - (vi) the location or locations at which you deliver a course or courses has changed. If you are Te Pūkenga, you must also inform us if the location or locations at which any Te Pūkenga subsidiary delivers a course or courses has changed.
- (e) If you are a tertiary education institution (TEI), you must give us copies of your audit management letter from the Office of the Auditor General within 5 working days of receiving it.

Definitions used in this paragraph 2.1

Insolvency Event means, in relation to you, the occurrence of any of the following events:

- (a) any step taken in or toward the making of any compromise, proposal or deed of arrangement with all or some of your creditors;
- (b) the appointment of a liquidator, provisional liquidator, receiver, receiver and manager, voluntary administrator, statutory manager or similar official in respect of you or the whole or part of your assets;
- (c) the suspension or threatened suspension of the payment of your debts;
- (d) you cease or threaten to cease to carry on all or any material part of your business or operations;
- (e) a distress, attachment or other execution is levied or enforced upon, or commenced against, any of your assets and is not discharged or stayed within 10 business days, except, in each case, when we are satisfied that you are contesting the same in good faith by appropriate proceedings;
- (f) cessation of your business in New Zealand; or
- (g) any other insolvency event or proceedings analogous to any of the foregoing occurring in any relevant jurisdiction.

Change of Control means, in relation to a person (the “first person”), when a person acquires Control of the first person or when a person who controls the first person ceases to do so; and

Control means, in relation to a person (the “first person”), the ability of another person (the “second person”) to ensure that the activities and business of the first person are conducted in accordance with the wishes of the second person, whether through ownership of voting shares, contract or otherwise. Without limitation, the direct or indirect beneficial ownership of more than 50% of the voting rights in a body corporate is deemed to constitute Control.

2.2 Financial viability assessment

This Condition applies to you if you are a Private Training Establishment (PTE) or a Community Education Provider (CEP).

- (a) You must participate in a financial viability assessment when we ask you to do so.
- (b) If your Organisation is assessed by us as being high risk, you must provide us with a financial viability action plan (as referred to in 2.2(c) and (d)) that we consider acceptable, by the date we specify.
- (c) A financial viability action plan must state how you will meet the set of minimum financial prudential standards specified by us.
- (d) You must comply with the financial viability action plan during the Funding Period.

2.3 Source and use of funding

- (a) You must:
 - (i) not seek or obtain any funding from any Crown source other than us to fund a programme, Credential, or Micro-credential or a Component Part of a programme or Credential that is delivered using the Funding (without our prior written consent); and
 - (ii) notify us immediately if you become aware of any circumstances that might result in a breach of subparagraph (i) of this Condition.
- (b) You must only use the Funding:
 - (i) lawfully, responsibly, and for the purposes for which the Funding is provided; and
 - (ii) in a manner consistent with the appropriate use of public funds.

2.4 Organisation to make information available to us and our appointed representative for the purpose of monitoring

- (a) You must give us (and any representative acting on our behalf) reasonable access to information needed by us to undertake our monitoring and compliance functions to determine whether you are complying with the Act and the Conditions imposed on your Funding.
- (b) By accepting the Funding, you authorise us and our appointed representatives to have access to your premises and any premises where your records are kept for the purpose of enabling our monitoring, and compliance activities to be undertaken at those premises.

3. Conditions that apply to all Funding if you are a Wānanga, PTE or Te Pūkenga

3.1 External Evaluation and Review status

- (a) If you are a Wānanga or PTE, or if you are Te Pūkenga each Te Pūkenga subsidiary you must, continue to have a Category 1, 2 or 3 status in the most recently published full NZQA External Evaluation and Review report (EER report); or
 - (i) Category 4 status in the most recently published full EER report, and:
 - A. have received Category 3 status or better in the full EER report that was published immediately prior to the most recently published full EER report; and
 - B. have addressed the issues identified by the NZQA within 12 months following the publication of the full EER report in which you received a Category 4 status.

3.2 Appointment of independent Organisation to assess and moderate learning

If the NZQA withdraws or suspends your right to assess and moderate learners' learning in accordance with its Quality Assurance (including External Evaluation and Review (EER)) Rules 2021, you must, in conjunction with NZQA, identify and appoint an independent Organisation that has appropriate consent to assess and moderate the learning of the learners enrolled at your Organisation.

3.3 Expired dates for qualifications

- (a) You must not deliver any qualification beyond the expiry date for the qualification as determined by the NZQA.
- (b) Once the NZQA assigns an expiry date to a qualification, we will:
 - (i) not fund any new learners that you enrol in a programme leading to the qualification after the last date for entry for that qualification as determined by the NZQA; and
 - (ii) continue to fund learners who are already enrolled in a programme leading to the qualification, provided that all the other Conditions are met.

Base Funding Information

1. Payment of Funding

- 1.1** We will provide you with the Funding specified in your Funding Confirmation Letter in respect of the Funding Period subject to:
- (a) your compliance with the Conditions that apply to your Funding;
 - (b) our rights to suspend, revoke or withdraw the Funding as set out in the Act;
 - (c) the relevant Funding Mechanisms continuing in effect; and
 - (d) the Government continuing to appropriate sufficient funding for the relevant Fund.
- 1.2** To ensure accountability for public money, we will:
- (a) monitor your enrolment data and, if you are tracking below funded volumes, we may implement a reduced payments schedule following withdrawing, suspending, or revoking some of your funding under clauses 16 or 26 of Schedule 18 of the Act (whichever is applicable), or, if applicable, require you to amend your Investment Plan after following the process set out in clause 22 of Schedule 18 of the Act; or
 - (b) recover funding for under-delivery of the programmes and activities described in your Investment Plan or Application for Funding, in accordance with the Conditions.
- 1.3** The amounts specified in the Funding Confirmation Letter are in New Zealand dollars and exclude GST. We will pay you the Funding plus GST, if applicable.
- 1.4** Your Funding Confirmation Letter sets out the entire understanding between you and us in relation to the Funding to be provided by us to you for the Funding Period. The Funding Confirmation Letter supersedes all prior verbal or written communication relating to the provision of Funding to be provided by us to you for the Funding Period (including all earlier communication in respect of the approval of Funding made by the Chief Executive of the TEC or any other TEC official).
- 1.5** Subject to our future approval, we intend to provide you with the Indicative Funding specified in the Key Particulars (if any).

2. Variations

- 2.1** In relation to your Investment Plan, you must contact us in the following circumstances if you:
- (a) think your Investment Plan may need to be amended; and/or
 - (b) wish to vary delivery from that specified in your Investment Plan.
- 2.2** Clauses 20 to 23 of Schedule 18 of the Act apply where we or you seek a significant amendment to your Investment Plan.
- 2.3** In relation to your Application for Funding, you should contact us in the following circumstances if you:
- (a) think the Minimum Requirements may need to be amended; or
 - (b) wish to vary delivery from that specified in the Minimum Requirements.

3. Communication and relationship management

- 3.1** Regular contact will be maintained for the purpose of:
- (a) us monitoring your performance against the Performance Commitments set out in your Investment Plan and/or the Minimum Requirements (as applicable);
 - (b) encouraging the ongoing review and assessment of your effectiveness;
 - (c) providing constructive feedback that will enhance the effectiveness of your performance; and
 - (d) identifying early any issues and opportunities for you to improve.
- 3.2** If you expect that you will not meet the Performance Commitments set out in your Investment Plan and/or the Minimum Requirements (as applicable), or that you will not comply with a Condition, you must advise us in writing as soon as possible and no later than 10 working days after you become aware that you are unlikely to meet those Performance Commitments and/or Minimum Requirements, or if you will not comply with a Condition.

4. Record-keeping and reporting

- 4.1** In addition to any specific record-keeping and reporting obligations as described in the Conditions, you must comply with your record-keeping and reporting obligations as set out in (as applicable):
- (a) clause 13 of Schedule 18 of the Act (in relation to On-Plan Funding); and/or
 - (b) clause 25 of Schedule 18 of the Act (in relation to Off-Plan Funding).
- 4.2** The records that you are required to keep must, for example, fully and fairly show for the period to which the Funding relates whether the Conditions on which funding approval was given have been complied with.

5. TEC monitoring activities

- 5.1** We will monitor your performance against:
- (a) your compliance with the Conditions;
 - (b) the Performance Commitments in your Investment Plan; and
 - (c) your delivery against the Minimum Requirements (as applicable).
- 5.2** We will also monitor your performance against:
- (a) any initiatives implemented to reduce low-performing provision;
 - (b) the agreed objectives for any TEC-funded projects; and/or
 - (c) the change expectations for you as agreed by us.
- 5.3** If we consider that there are persistent quality issues with the data you submit to us, we may require that the accuracy of your data is validated by a third party.
- 5.4** Your performance against the Conditions, the Performance Commitments in your Investment Plan and the Minimum Requirements (as applicable) will also be considered when making future funding decisions.

6. Suspension, revocation or withdrawal of Funding

- 6.1** We may suspend, revoke or withdraw some or all of the Funding provided under this Funding Confirmation in accordance with:
- (a) clause 16 of Schedule 18 of the Act (in respect of On-Plan Funding), in which case clauses 17 to 19 of Schedule 18 of the Act also apply; or
 - (b) clause 26 of Schedule 18 of the Act (in respect of Off-Plan Funding), in which case clauses 27 to 28 of Schedule 18 of the Act also apply.
- 6.2** For example, we may suspend or revoke your Funding if we are satisfied on reasonable grounds that:
- (a) you have not complied, or are not complying with, a Condition on which Funding has been given;
 - (b) if the Funding is On-Plan Funding, when measured against performance indicators, you have not achieved, or are not achieving, an outcome anticipated in your Investment Plan for a tertiary education programme or activity to which Funding has been given; or
 - (c) you have not provided, or are not providing, adequate and timely information required by us or the Ministry of Education.

7. Investment Plan summaries

- 7.1** If you have not been granted an exemption under clause 9 of Schedule 18 of the Act from the requirement to provide an Investment Plan, you must ensure that an Investment Plan summary is available for inspection by the public and that complies with clause 24 of Schedule 18 of the Act. The simplest way to do this is to make the information public online. Your Investment Plan summary may be published alongside your other accountability documents.
- 7.2** The requirements for what an Investment Plan summary must include are specified in the **[Gazette Notice: Education \(Proposed Investment Plans: Content and Submission; Assessment Criteria; and Plan Summaries\) Notice 2022](#)**, and in clause 24 of Schedule 18 of the Act.

8. No guarantee of further Funding

Funding approval does not mean that we:

- (a) approve any Funding other than that specified in the Funding Confirmation Letter. This includes any Indicative Funding which requires a further approval to be made by us before such funding can be considered to be “approved”;
- (b) agree with every statement in your Investment Plan or Application for Funding; or
- (c) will Fund you in the future.

Foundation and Youth Transition Funds

Adult and Community Education (Communities) Fund	14
Adult and Community Education (Schools) Fund	23
Delivery on the New Zealand Qualifications and Credentials Framework at Levels 1 and 2	31
Employer-led Workplace Literacy and Numeracy Fund	51
Gateway Fund	60
Intensive Literacy and Numeracy Fund	64
Intensive Literacy and Numeracy Fund – English for Speakers of Other Languages	71
Intensive Literacy and Numeracy – Refugee English	79
TEO-led Workplace Literacy and Numeracy Fund	87
Youth Guarantee Fund	96

Adult and Community Education (Communities) Fund

Purpose of Fund	14
1. Organisation eligibility	14
2. Learner eligibility	14
3. Verification of learner eligibility	15
4. Verification of learner identity	17
5. Programme eligibility	18
6. Funding priorities	18
7. Your responsibilities	19
8. Fees	19
9. Reports	20
10. National Student Number (NSN) reporting	20
11. Subcontracting	20
12. Repayment of ACE (Communities) Fund Funding	20
13. Suspension, revocation or withdrawal of ACE (Communities) Fund Funding	21

Adult and Community Education (Communities) Fund

Purpose of 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 following Conditions apply, under section 426 of the Education and Training Act (the Act), to the ACE (Communities) Fund Funding that you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

1.1 You must, for the length of the Funding Period, continue to be:

- (a) Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
- (b) a Wānanga; or
- (c) a Private Training Establishment (PTE) that specialises in foundation learning; or
- (d) a Rural Education Activities Programme (REAP) provider; or
- (e) a community Organisation.

1.2 If you are Te Pūkenga, a subsidiary of Te Pūkenga delivering the relevant programme for which you receive ACE (Communities) Fund Funding, a Wānanga, PTE or REAP provider,¹ you must continue to be quality assured by the New Zealand Qualifications Authority (NZQA).

2. Learner eligibility

2.1 You must ensure that ACE (Communities) Fund Funding is only used in respect of a learner enrolled in an ACE programme who is, and continues to be:

- (a) a **Domestic Student**;² and
- (b) aged 16 years or over; and
- (c) not a full-time secondary school learner.

¹ Condition 1(b) does not apply to REAP providers which are also community Organisations.

² A “Domestic Student” means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the [Tertiary Education \(Domestic Students\) Notice 2022](#).

- 2.2** However, you may use ACE (Communities) Fund Funding for a learner who is a Domestic Student but does not meet the criteria specified in Condition 2.1(b) or 2.1(c), if that learner is, and continues to be:
- (a) under the age of 16 years and they participate with adults in family-based provision; or
 - (b) a full-time secondary school learner:
 - (i) who is 16 years of age and over; and
 - (ii) who receives ACE (Communities) Fund funded provision outside of normal school hours; and
 - (iii) who has obtained approval from the relevant school principal or person of equivalent authority; and
 - (iv) for whom you have obtained our approval.

3. Verification of learner eligibility

- 3.1** You must verify that each learner enrolled in a programme of study or training meets the eligibility criteria as specified in Condition 2 by sighting the relevant documents specified below for the type of learner:

Type of learner	Verification methods
A New Zealand citizen	<p>You must:</p> <ul style="list-style-type: none"> (a) confirm the learner’s citizenship status using the learner’s National Student Number (NSN); or (b) receive an assertion through RealMe® that the learner was born in New Zealand (prior to 2005); or (c) sight an original or certified copy of one or more of the following documents: <ul style="list-style-type: none"> (i) a New Zealand birth certificate; or (ii) a New Zealand passport; or (iii) a New Zealand certificate of citizenship; or (d) if a learner is unable to obtain a birth certificate for the purposes of (c)(i) above, you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of citizenship.
A New Zealand resident	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) a passport with a current returning residency class visa (a passport with a visa label); or (b) a passport, and letter or email, confirming current returning residency class visa (label-less visa, followed by confirmation with Immigration New Zealand, where appropriate); or (c) a certificate of identity from Immigration New Zealand if the learner is a refugee.

Type of learner	Verification methods
An Australian citizen or Australian permanent resident currently residing in New Zealand	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) an Australian birth certificate issued before 20 August 1986;* or (b) an Australian passport; or (c) a passport with a current Australian resident return visa. <p><small>* An Australian birth certificate issued after August 1986 is not an accepted form of verification. You will need to sight the travel document, which is likely to be an Australian passport.</small></p>
A dependant of diplomatic personnel	You must sight the original or certified copy of an authorised form from the Ministry of Foreign Affairs and Trade.
Other types of valid domestic enrolments A person who is required to be treated as if they are not an international student within the meaning set out in the Tertiary Education (Domestic Students) Notice 2022	You must verify each learner’s identity in accordance with the requirements specified on our website for how each learner is to be verified. The requirements can be found on the TEC website page Other valid domestic enrolments .

- 3.2** You must follow the process set out in Condition 3.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and we authorise you in writing to follow a different process specified by us.
- 3.3** For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (a) be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 (New Zealand) to take a statutory declaration, such as a Justice of the Peace, a person enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (b) have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

4. Verification of learner identity

- 4.1** You must verify the identity of each learner enrolled in a programme or programmes of study or training and confirm the learner is who they say they are by doing one or more of the following:
- (a) confirming that all data fields match the learner's NSN; or
 - (b) receiving an assertion through the Department of Internal Affairs' RealMe® online identity verification service; or
 - (c) sighting the original or certified copy of a current passport; or
 - (d) sighting the original or certified copy of one or more of the following documents:
 - (i) a birth certificate; or
 - (ii) a certificate of identity; or
 - (iii) a New Zealand certificate of citizenship; or
 - (iv) an expired passport that has not been cancelled; or
 - (v) a current New Zealand driver licence; or
 - (vi) a current New Zealand firearms licence; or
 - (e) if a learner is unable to obtain a birth certificate for the purposes of Condition 4.1(d)(i), you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of identity.
- 4.2** You must follow the process set out in Condition 4.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and we authorise you in writing to follow a different process specified by us.
- 4.3** For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (a) be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (b) have the official's signature on each page, with the name and title of the official shown clearly below their signature.

5. Programme eligibility

5.1 You must only use ACE (Communities) Fund Funding for an eligible learner enrolled in a programme of study or training that is designed to do one or more of the following:

- (a) improve employability, such as through:
 - (i) courses focused on employability or life skills like financial literacy;
 - (ii) introductory ‘taster’ courses;
- (b) promote social and cultural inclusion and participation, including, but not limited to:
 - (i) courses in languages such as te reo Māori, New Zealand Sign Language, English language (including ESOL), Pacific languages (especially Realm languages) and Asian languages;
 - (ii) courses supporting digital inclusion;
- (c) raise foundation skills through courses in literacy, numeracy or digital literacy;
- (d) improve health and wellbeing, such as through courses in parenting, mental health and resilience, or conflict resolution/anger management.

5.2 You must not use ACE (Communities) Fund Funding to provide:

- (a) programmes of study or training to a Group (three or more) or class of secondary school learners, even if the programme is provided outside school hours; or
- (b) professional development courses for ACE teachers and tutors.

6. Funding priorities

If you are Te Pūkenga or a Wānanga, you must prioritise ACE (Communities) Fund Funding for provision that primarily focuses on:

- (a) the learning of foundation skills; and
- (b) the re-engagement of learners whose previous learning was not successful; and
- (c) the progression of learners into formal tertiary education.

7. Your responsibilities

- 7.1** Where appropriate, you must work with local Regional Skills Leadership Groups, local iwi, local Organisations, peak bodies, local industry, local employers and communities, including other TEOs³ that are involved in ACE provision, to identify and meet community learning needs in relation to each TEO's overall portfolio of ACE provision.
- 7.2** You must design and provide ACE programmes of study or training that meet the requirements set out in Condition 5.
- 7.3** If you are Te Pūkenga or a Wānanga, you must also design and provide ACE programmes of study or training that align with the priorities specified in Condition 6.
- 7.4** You must provide us with access to your premises, employees, and information for the purposes of:
- inspecting the records that you keep; and
 - auditing your compliance with the Conditions and requirements in the Act.
- 7.5** You must ensure that:
- if you are receiving ACE (Communities) Fund Funding for the provision of foundation skills, you will target the provision of foundation skills to learners who have low or no formal qualifications; and
 - if you are receiving ACE (Communities) Fund Funding for the provision of English language/ESOL, you will target the provision of English language/ESOL to learners who identify as having English language needs.

8. Fees

- 8.1** You must:
- ensure that the level of fees you set for ACE programmes of study or training is not expected to prevent individuals from enrolling in those programmes; and
 - charge the same fee to all learners participating in an ACE programme of study or training.
- 8.2** In relation to equipment, infrastructure, and hardware:
- you must pay for the necessary equipment, infrastructure and hardware required to deliver a particular programme; and
 - when providing essential equipment (including computers), you must not require a learner to meet the costs through the “course-related costs” component of the Student Loan Scheme as a Condition of the learner’s enrolment.
- 8.3** For the purposes of this Condition, “equipment, infrastructure and hardware”:
- means items that can be used by successive intakes of learners; and
 - does not include personal items that are provided for individual learners’ use and that you do not retain for the next intake of learners.

³ You must comply with the Commerce Act 1986 when working with other TEOs.

9. Reports

- 9.1** If you are a Wānanga you must, or if you are Te Pūkenga, the relevant Te Pūkenga subsidiary must:
- (a) supply to us information about each learner enrolled in ACE provision by completing the fields in the Single Data Return (SDR) and using the funding source code 23; and
 - (b) submit the information on or before the date we specify.
- 9.2** If you are a PTE, REAP provider or community Organisation you must submit:
- (a) a progress report for the period 1 January to 31 May no later than 10 working days after 31 May; and
 - (b) a progress report for the period 1 January to 30 September no later than 10 working days after 30 September; and
 - (c) a final report for the period 1 January to 31 December no later than 31 January of the following year.
- 9.3** Each progress report and the final report must:
- (a) be completed and submitted in accordance with the template that we will provide to you; and
 - (b) relate to the specific delivery commitments outlined in your Investment Plan.

10. National Student Number (NSN) reporting

- 10.1** From 1 January 2023, you may, where possible, collect and report to us each enrolled learner's NSN.

11. Subcontracting

- 11.1** You must not subcontract any of the funded activities without the prior written approval of NZQA where you are quality assured by NZQA; and without prior written approval from us.
- 11.2** You must:
- (a) comply with any Conditions imposed by us on a consent to subcontract; and
 - (b) ensure that the subcontracted party does not further subcontract any functions; and
 - (c) remain accountable to us for the use of the ACE (Communities) Fund Funding.

12. Repayment of ACE (Communities) Fund Funding

- 12.1** 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:
- (a) is repayable on demand; and
 - (b) may be set-off against all or any Funding, or any sum of money payable by us to you.

12.2 Te Pūkenga, a Wānanga, a PTE, a REAP provider or a community Organisation will have received Funding that was greater than it should have been if it delivered less ACE provision than it was funded for. In that situation, we will recover the difference between the amount of provision delivered and the ACE (Communities) Fund Funding provided.

13. Suspension, revocation or withdrawal of ACE (Communities) Fund Funding

If we suspend, revoke or withdraw some or all of your ACE (Communities) Fund Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as debt due to the Crown that is:

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

Adult and Community Education (Schools) Fund

Purpose of Fund	23
1. Organisation eligibility	23
2. Learner eligibility	23
3. Verification of learner eligibility	24
4. Verification of learner identity	25
5. Programme eligibility	26
6. Funding priorities	27
7. Your responsibilities	27
8. Fees	27
9. Reports	28
10. National Student Number (NSN) reporting	28
11. Subcontracting	28
12. Repayment of ACE (Schools) Fund Funding	29
13. Suspension, revocation or withdrawal of ACE (Schools) Fund Funding	29

Adult and Community Education (Schools) Fund

Purpose of 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 following Conditions apply, under section 426 of the Education and Training Act (the Act), to the ACE (Schools) Fund Funding that you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

- 1.1 You must, for the length of the Funding Period, continue to be a State or State-integrated school.
- 1.2 You must, for the length of the Funding Period, continue to be quality assured by the Education Review Office.

2. Learner eligibility

- 2.1 You must ensure that ACE (Schools) Fund Funding is only used in respect of a learner enrolled in an ACE programme who is, and continues to be:
 - (a) a **Domestic Student**¹ and
 - (b) aged 16 years or over; and
 - (c) not a full-time secondary school learner.
- 2.2 However, you may use ACE (Schools) Fund Funding for a learner who is a Domestic Student but does not meet the criteria specified in Condition 2.1(b) or 2.1(c) if that learner is, and continues to be:
 - (a) under the age of 16 years and they participate with adults in family-based provision; or
 - (b) a full-time secondary school learner:
 - (i) who is 16 years of age and over; and
 - (ii) who receives ACE (Schools) Fund funded provision outside of normal school hours; and
 - (iii) who has obtained approval from the relevant school principal, or person of equivalent authority; and
 - (iv) for whom you have obtained our approval.

¹ A "Domestic Student" means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the [Tertiary Education \(Domestic Students\) Notice 2022](#).

3. Verification of learner eligibility

3.1 You must verify that each learner enrolled in a programme of study or training meets the eligibility criteria as specified in Condition 2 by sighting the relevant documents specified below for the type of learner:

Type of learner	Verification methods
A New Zealand citizen	<p>You must:</p> <ul style="list-style-type: none"> (a) confirm the learner’s citizenship status using the learner’s National Student Number (NSN); or (b) receive an assertion through RealMe® that the learner was born in New Zealand (prior to 2005); or (c) sight an original or certified copy of one or more of the following documents: <ul style="list-style-type: none"> (i) a New Zealand birth certificate; or (ii) a New Zealand passport; or (iii) a New Zealand certificate of citizenship; or (d) if a learner is unable to obtain a birth certificate for the purposes of (c)(i) above, you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of citizenship.
A New Zealand resident	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) a passport with a current returning residency class visa (a passport with a visa label); or (b) a passport, and letter or email, confirming current returning residency class visa (label-less visa, followed by confirmation with Immigration New Zealand, where appropriate); or (c) a certificate of identity from Immigration New Zealand if the learner is a refugee.
An Australian citizen or Australian permanent resident currently residing in New Zealand	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) an Australian birth certificate issued before 20 August 1986;* or (b) an Australian passport; or (c) a passport with a current Australian resident return visa. <p><small>* An Australian birth certificate issued after August 1986 is not an accepted form of verification. You will need to sight the travel document, which is likely to be an Australian passport.</small></p>
A dependant of diplomatic personnel	<p>You must sight the original or certified copy of an authorised form from the Ministry of Foreign Affairs and Trade.</p>

Type of learner	Verification methods
<p>Other types of valid domestic enrolments</p> <p>A person who is required to be treated as if they are not an international student within the meaning set out in the Tertiary Education (Domestic Students) Notice 2022</p>	<p>You must verify each learner’s eligibility, in accordance with the requirements specified on our website for how each learner is to be verified. The requirements can be found on the TEC website page Other valid domestic enrolments.</p>

- 3.2** You must follow the process set out in Condition 3.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and we authorise you in writing to follow a different process specified by us.
- 3.3** For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 (New Zealand) to take a statutory declaration, such as a Justice of the Peace, a person enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

4. Verification of learner identity

- 4.1** You must verify the identity of each learner enrolled in a programme or programmes of study or training and confirm the learner is who they say they are by doing one or more of the following:
- confirming that all data fields match the learners’s NSN; or
 - receiving an assertion through the Department of Internal Affairs’ RealMe® online identity verification service; or
 - sighting the original or certified copy of a current passport; or

- (d) sighting the original or certified copy of one or more of the following documents:
 - (i) a birth certificate; or
 - (ii) a certificate of identity; or
 - (iii) a New Zealand certificate of citizenship; or
 - (iv) an expired passport that has not been cancelled; or
 - (v) a current New Zealand driver licence; or
 - (vi) a current New Zealand firearms licence; or
- (e) if a learner is unable to obtain a birth certificate for the purposes of Condition 4.1(d)(i), you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of identity.

4.2 You must follow the process set out in Condition 4.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and we authorise you in writing to follow a different process specified by us.

4.3 For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:

- (a) be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
- (b) have the official's signature on each page, with the name and title of the official shown clearly below their signature.

5. Programme eligibility

5.1 You must only use ACE (Schools) Fund Funding for an eligible learner enrolled in a programme of study or training that is designed to do one or more of the following:

- (a) improve employability, such as through:
 - (i) courses focused on employability or life skills like financial literacy;
 - (ii) introductory 'taster' courses;
- (b) promote social and cultural inclusion and participation, including, but not limited to:
 - (i) courses in languages such as te reo Māori, New Zealand Sign Language, English language (including ESOL), Pacific languages (especially Realm languages) and Asian languages;
 - (ii) courses supporting digital inclusion;
- (c) raise foundation skills through courses in literacy, numeracy or digital literacy;
- (d) improve health and wellbeing, such as through courses in parenting, mental health and resilience, or conflict resolution/anger management.

5.2 You must not use ACE (Schools) Fund Funding to provide:

- (a) programmes of study or training to a Group (three or more) or class of secondary school learners, even if the programme is provided outside school hours; or
- (b) professional development courses for ACE teachers and tutors.

6. Funding priorities

- 6.1** You must prioritise learners with the highest need and those who have been traditionally under-served, such as Māori, Pacific peoples, and learners with disabilities.

7. Your responsibilities

- 7.1** Where appropriate, you must work with local Regional Skills Leadership Groups, local iwi, local Organisations, peak bodies, local industry, local employers and communities, including other TEOs² that are involved in ACE provision, to identify and meet community learning needs in relation to each TEO's overall portfolio of ACE provision.
- 7.2** You must design and provide ACE programmes of study or training that meet the requirements set out in Condition 5 and align with the priorities specified in Condition 6.
- 7.3** You must provide us with access to your premises, employees and information for the purposes of:
- (a) inspecting the records that you keep; and
 - (b) auditing your compliance with the Conditions and requirements in the Act.
- 7.4** If you receive ACE (Schools) Fund Funding to support ACE coordination, you must only use the funding to meet your administration and programme coordination costs.
- 7.5** You must ensure that:
- (a) if you are receiving ACE (Schools) Fund Funding for the provision of foundation skills, you will target the provision of foundation skills to learners who have low or no formal qualifications; and
 - (b) if you are receiving ACE (Schools) Fund Funding for the provision of English language/ESOL, you will target the provision of English language/ESOL to learners who identify as having English language needs.

8. Fees

- 8.1** You must:
- (a) ensure that the level of fees you set for ACE programmes of study or training is not expected to prevent individuals from enrolling in those programmes; and
 - (b) charge the same fee to all learners participating in an ACE programme of study or training.
- 8.2** In relation to equipment, infrastructure, and hardware:
- (a) you must pay for the necessary equipment, infrastructure and hardware required to deliver a particular programme; and
 - (b) when providing essential equipment (including computers), you must not require a learner to meet the costs through the “course-related costs” component of the Student Loan Scheme as a Condition of the learner's enrolment.

² You must comply with the Commerce Act 1986 when working with other TEOs.

- 8.3** For the purposes of this Condition, “equipment, infrastructure and hardware”:
- (a) means items that can be used by successive intakes of learners; and
 - (b) does not include personal items that are provided for individual learners’ use and that you do not retain for the next intake of learners.

9. Reports

- 9.1** If you receive ACE (Schools) Fund Funding you must submit to us information on or before the date we specify.
- 9.2** You must submit to us:
- (a) a progress report for the period 1 January to 31 May no later than 10 working days after 31 May; and
 - (b) a progress report for the period 1 January to 30 September no later than 10 working days after 30 September; and
 - (c) a final report for the period 1 January to 31 December no later than 31 January of the following year.
- 9.3** Each progress report and the final report must:
- (a) be completed and submitted in accordance with the template that we will provide to you; and
 - (b) relate to the specific delivery commitments outlined in your Investment Plan.
- 9.4** If you receive ACE (Schools) Fund Funding to support ACE co-ordination you must submit to us:
- (a) an interim report on expenditure for the period 1 January to 30 September no later than 10 working days after 30 September; and
 - (b) a final report on expenditure for the period 1 January to 31 December no later than 31 January of the following year.

10. National Student Number (NSN) reporting

From 1 January 2023, you may, where possible, collect and report to us each enrolled learner’s NSN.

11. Subcontracting

You must:

- (a) not subcontract any of the funded activities without prior written consent from us; and
- (b) comply with any Conditions imposed by us on a consent to subcontract; and
- (c) ensure that the subcontracted party does not further subcontract any functions; and
- (d) remain accountable to us for the use of ACE (Schools) Fund Funding.

12. Repayment of ACE (Schools) Fund Funding

12.1 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:

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

12.2 A State or State-integrated school will have received funding that was greater than it should have been if it delivered less ACE provision (calculated in enrolled hours) than it was funded for. In that situation, we will recover the difference between the amount of provision delivered and the ACE (Schools) Fund Funding provided. We will determine the amount of Funding delivered using the hourly rate of \$10.28 (excluding GST).

For example:

A school had planned delivery of 9,800 hours and is funded for 9,800 hours x \$10.28 (\$100,744.00). If the school's enrolments were for 9,600 hours, being 200 hours less than planned, then we will recover 200 x \$10.28 (\$2,056.00).

13. Suspension, revocation or withdrawal of ACE (Schools) Fund Funding

If we suspend, revoke or withdraw some or all of your ACE (Schools) Fund Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as debt due to the Crown that is:

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

Delivery on the New Zealand Qualifications and Credentials Framework at Levels 1 and 2 Fund

Purpose of Fund	31
1. Organisation eligibility	31
2. Single Data Return (SDR)	32
3. Withdrawal of enrolments	32
4. Use of DQ1-2 Fund Funding for valid domestic enrolments	33
5. Programmes, Micro-credentials and qualifications	40
6. Funding	44
7. Student Services Fees	45
8. Performance standards	47
9. Disclosure of data from Statistics New Zealand's Integrated Data Infrastructure	48
10. Benchmarking	48
11. Subcontracting	48
12. Recovery of DQ1-2 Fund Funding	49
13. Suspension, revocation or withdrawal of DQ1-2 Fund Funding	49

Delivery on the New Zealand Qualifications and Credentials Framework at Levels 1 and 2 Fund

Purpose of Fund

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

The objectives of foundation-level tertiary education (Levels 1 and 2 on the New Zealand Qualifications Framework (NZQCF)) are to:

- (a) provide people who do not already have essential foundation skills with access to a low-cost way to gain those skills; and
- (b) provide progression to higher-level study and skilled employment; and
- (c) build the literacy and numeracy skills of eligible learners; and
- (d) enable learners to learn English or te reo Māori; and
- (e) encourage TEOs that are best able to meet the needs of foundation education learners.

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

The following Conditions apply, under section 426 of the Education and Training Act (the Act), to the DQ1-2 Fund Funding and SSG Funding (as applicable) that you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue and the Conditions in the Act.

1. Organisation eligibility

1.1 You must continue to be:

- (a) Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga)
- (b) a University;
- (c) a Wānanga; or
- (d) a Private Training Establishment (PTE).

1.2 If you are Te Pūkenga, a subsidiary of Te Pūkenga delivering the relevant programme for which you receive DQ1-2 Fund Funding, a Wānanga or a PTE, you must continue to be quality assured by the New Zealand Qualifications Authority (NZQA).

1.3 If you are a University, you must continue to be quality assured by the New Zealand Vice Chancellors' Committee (NZVCC).

2. Single Data Return (SDR)

You must or, if you are Te Pūkenga, the relevant Te Pūkenga subsidiary must:

- (a) supply to us information about each learner enrolled in a course by completing the fields in the SDR in accordance with the SDR Manual and its appendices; and
- (b) submit the information on or before the date we specify through the Services for Tertiary Education Organisations (STEO) website. For more information, please refer to the [SDR Manual and SDR Appendices](#).

3. Withdrawal of enrolments

3.1 Withdrawal date for Te Pūkenga, universities and Wānanga

- (a) If you are a University or a Wānanga you may, or, if you are Te Pūkenga, the relevant Te Pūkenga subsidiary may, set a Withdrawal date, being the specified period during which a learner can Withdraw and receive a full refund of student service fees, provided that date is not earlier than the Withdrawal date in Condition 3.1(b).
- (b) If you do not set a Withdrawal date, the Withdrawal date will be the date on which 10% (rounded up to the nearest whole day) or one month of the course for which a learner is enrolled has passed, whichever is the earlier. The Withdrawal date must be determined by calculating the number of sequential calendar whole days from the start date of the course.

3.2 Withdrawal date for PTEs

If you are a PTE, you must comply with the Withdrawal dates and refund period entitlements set out in sections 355 to 360 of the Act.

3.3 Reporting Withdrawals to the Ministry of Social Development (StudyLink)

In addition to any other Conditions requiring you to report Withdrawals of enrolments, you must report the Withdrawal of learners to the Ministry of Social Development (StudyLink) within five working days of each Withdrawal. This is to enable student loans and student allowances to be cancelled as soon as possible.

3.4 Other obligations to report Withdrawals

For the avoidance of doubt, completing the SDR under Condition 2 does not discharge your other obligations to report Withdrawals. These obligations include reporting (where applicable) to Immigration New Zealand (for international learners) and Trustees administering fee protection mechanisms (for international learners and all PTE learners).

3.5 Refunding fees for Withdrawals

If student services fees are to be refunded to a learner, you must, as soon as reasonably practicable, pay the refund:

- (a) to the Ministry of Social Development, if the learner paid the fees using the Student Loan Scheme; or
- (b) directly to the learner.

4. Use of DQ1-2 Fund Funding for valid domestic enrolments

4.1 Valid domestic enrolments

- (a) You must ensure that DQ1-2 Fund Funding is only used in respect of a learner who is a valid domestic enrolment.
- (b) For the purposes of DQ1-2 Fund Funding, the term “valid domestic enrolment” refers to the enrolment of a learner who is:
 - (i) a **Domestic Student**;¹ and
 - (ii) either:
 - A. aged 16 years and over; or
 - B. aged under 16 years, and meets the criteria established by us for a valid domestic enrolment of a learner aged under 16 years (refer to Condition 4.1(c)); and
 - (iii) studying in New Zealand, unless the learner meets the criteria in Condition 4.1(d).
- (c) A learner aged under 16 years old at the time that the programme of study or training in which the learner is enrolled begins is a valid domestic enrolment if:
 - (i) you are satisfied that the learner is capable of completing the academic requirements of the programme of study or training in which the learner is enrolled; and
 - (ii) you have ensured that the learner has a school exemption certificate from the Ministry of Education; and
 - (iii) the learner is, or will be, enrolled in a secondary school at the time the programme of study or training starts, and you have ensured that the learner’s principal has signed a letter that approves the programme of study or training, and that either specifies that:
 - A. the learner is not required to be absent from school during school hours; or
 - B. if the learner is required to be absent from school during school hours for more than five hours per week, the school will seek reduced funding for the learner from the Ministry of Education; or
 - (iv) the learner is, or will be, home schooled at the time that the programme of study or training starts, and you have ensured that the parent of the learner who is primarily responsible for the learner’s home schooling has signed a letter that approves the study or training.
- (d) A learner studying outside New Zealand is a valid domestic enrolment if:
 - (i) the learner meets the criteria in Conditions 4.1(b)(i), (ii) and (iv); and
 - (ii) the learner is enrolled in a course(s) leading to the award of a recognised qualification offered by a New Zealand TEO.
- (e) A learner who has not paid their student services fees (if student services fees apply) is a valid domestic enrolment, including for the purpose of section 256(5) of the Act (if applicable) if you pay for the student services fees through a scholarship.

¹ A “Domestic Student” means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the [Tertiary Education \(Domestic Students\) Notice 2022](#).

4.2 Verification of learner eligibility

- (a) You must verify a learner’s eligibility for enrolment as a valid domestic enrolment. For the following types of learners who are a valid domestic enrolment under Condition 4.1, you must use one of the following verification methods, and assess whether the learner meets the eligibility criteria as specified in Condition 4.1:

Type of learner	Verification methods
A New Zealand citizen	<p>You must:</p> <ul style="list-style-type: none"> (a) confirm the learner’s citizenship status using the learner’s National Student Number (NSN); or (b) receive an assertion through RealMe® that the learner was born in New Zealand (prior to 2005); or (c) if the student is in prison at the time of enrolment, receive a completed and signed Department of Corrections “Verification of legal name and New Zealand residency status” form relating to the student; or (d) sight an original or certified copy of one or more of the following documents: <ul style="list-style-type: none"> (i) a New Zealand birth certificate; or (ii) a New Zealand passport; or (iii) a New Zealand certificate of citizenship; or (e) if a student is unable to obtain a birth certificate for the purposes of (d)(i) above, you may contact us to confirm that a whakapapa statement signed by both the student and a kaumātua is acceptable evidence of citizenship.
A New Zealand resident	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) a passport with a current returning residency class visa (a passport with a visa label); or (b) a passport, and letter or email, confirming current returning residency class visa (label-less visa, followed by confirmation with Immigration New Zealand, where appropriate); or (c) a certificate of identity from Immigration New Zealand if the student is a refugee.
An Australian citizen or Australian permanent resident currently residing in New Zealand	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) an Australian birth certificate issued before 20 August 1986;* or (b) an Australian passport; or (c) a passport with a current Australian resident return visa. <p>* An Australian birth certificate issued after August 1986 is not an accepted form of verification. You will need to sight the travel document, which is likely to be an Australian passport.</p>
A dependant of diplomatic personnel	<p>You must sight the original or certified copy of an authorised form from the Ministry of Foreign Affairs and Trade.</p>

Type of learner	Verification methods
<p>Other types of valid domestic enrolments.</p> <p>A person who is required to be treated as if they are not an international student within the meaning set out in the Tertiary Education (Domestic Students) Notice 2022</p>	<p>You must verify each learner’s eligibility in accordance with the requirements specified on our website for how each learner is to be verified. The requirements can be found on the TEC website page Other valid domestic enrolments.</p>

- (b) You must follow the process set out in Condition 4.2(a) unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- (c) For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (i) be certified by an official of the issuing authority or a person authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person who is enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (ii) have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

4.3 Verification of learner identity

- (a) You must verify the identity of each learner enrolled in a programme or programmes of study or training of more than 0.03 EFTS and confirm the learner is who they say they are by doing one or more of the following:
- (i) confirming that all data fields match the learner’s NSN; or
 - (ii) receiving an assertion through the Department of Internal Affairs’ RealMe® online identity verification service; or
 - (iii) if the learner is in prison at the time of enrolment, receiving a completed and signed Department of Corrections “Verification of legal name and New Zealand residency status” form relating to the learner; or
 - (iv) sighting the original or certified copy of a current passport; or
 - (v) sighting the original or certified copy of one or more of the following documents:
 - A. a birth certificate; or
 - B. a certificate of identity; or
 - C. a New Zealand certificate of citizenship; or
 - D. an expired passport that has not been cancelled.

- (b) You must follow the process set out in Condition 4.3(a) unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- (c) If a learner is unable to obtain a birth certificate for the purposes of Condition 4.3(a)(v)A., you may contact us to confirm that a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of identity.
- (d) For the purposes of this Condition a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
 - (i) be certified by an official of the issuing authority or a person authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person who is enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (ii) have the official's signature on each page, with the name and title of the official shown clearly below their signature.

4.4 Enrolment records for valid domestic enrolments

- (a) You must keep accurate and up-to-date records of each valid domestic enrolment of a learner enrolled in a programme of study or training of more than 0.03 EFTS funded by us specifying:
 - (i) the programme of study or training (including qualification(s) and course(s) in which the learner has been admitted or readmitted); and
 - (ii) the learner's identity details, including the learner's name, date of birth, citizenship, domestic or international student status, and residency status (if relevant); and
 - (iii) if the learner is enrolled in a programme of study or training leading to a qualification with an EFTS value of greater than 0.03 EFTS, whether you have verified the learner's identity; and
 - (iv) whether you have verified that the learner is a valid domestic enrolment and/or has the appropriate student visa; and
 - (v) the learner's NSN; and
 - (vi) the learner's previous academic achievement (if relevant) verified by NZQA; and
 - (vii) the receipt verifying that the learner has paid or has arranged to pay their fees (if applicable); and
 - (viii) changes (if any) made to an enrolment; and
 - (ix) whether the learner has Withdrawn from part of their programme of study or training, the date of the Withdrawal, and whether the Withdrawal was within the Withdrawal period; and
 - (x) whether a learner has been expelled from part of their programme of study or training by you due to a breach of your Code of Conduct; and
 - (xi) whether a learner is on a discretionary leave of absence greater than leave normally granted under your standard minimum attendance requirements; and

- (xii) whether the learner is attending the programme of study in which they are enrolled, or is actively involved in the programme or course (learner attendance record); and
 - (xiii) the period for which the learner is enrolled.
- (b) You must retain each learner’s record described in Condition 4.4(a) until:
- (i) at least two years after the completion of the education or training in which the learner is enrolled; or
 - (ii) if a learner Withdraws before the learner has completed their education or training, at least two years after the date of Withdrawal.

4.5 No inducing enrolment

- (a) You must not secure or seek to secure a valid domestic enrolment through offering of an inducement.
- (b) Even if a learner meets the criteria specified in Condition 4.1, the enrolment is not a valid domestic enrolment if it has been secured by way of an inducement.
- (c) For the purposes of this Condition, an inducement includes any of the following, where they induce a learner to enrol:
- (i) a financial benefit to the learner; or
 - (ii) a personal advantage to the learner; or
 - (iii) a physical item that a learner retains possession of after the course of study or training has ended.
- (d) For the purposes of this Condition, an inducement does not include:
- (i) a scholarship, as defined below; or
 - (ii) a physical item that:
 - A. is essential for a learner to complete the compulsory requirements of their programme of study (including printed course notes, an e-reader for course notes, or course-related textbooks); and
 - B. cannot be returned and reused for learners in subsequent intakes (for example, due to health and safety reasons; time-limited materials or materials that will be updated; or if it is not financially feasible); or
 - (iii) an item or arrangement that has been approved by us (for example, we may approve an item that has minimal residual value or useful life in the general marketplace, or items that are needed for a learner’s pathway into the vocation for which study or training has been undertaken); or
 - (iv) the guarantee of a job placement on the successful completion of a programme of study, backed by a partial or total money-back guarantee; or
 - (v) a conditional offer of a partial refund (such as a refund for a timely or electronic enrolment).

- (e) For the purposes of this Condition, a scholarship means:
- (i) a merit scholarship (or prize) that comprises financial aid given to a learner as a result of high academic achievement exceeding that of their fellow learners or cohort; and/or
 - (ii) a needs-based scholarship that comprises financial aid given to a learner who would otherwise be significantly disadvantaged in accessing education, where the need of the learner has been demonstrated through a robust application and assessment process; and/or
 - (iii) any scholarship that:
 - A. has a clear, focused rationale for its existence; and
 - B. has a clearly identified philanthropic aim or supports study in a particular area of importance to the donor.

4.6 No private advantage

You must not restrict enrolment in a DQ1-2 Fund funded programme or Micro-credential on the basis of private advantage (for example, restricting enrolment to your employees only).

4.7 Exceeding the total annual EFTS value of the qualification

You must not seek DQ1-2 Fund Funding in respect of a learner enrolled in a course that leads to the award of a qualification if the result of enrolling the learner in the course is that the total EFTS factors for all of the courses in which the learner is enrolled in that year exceed the total annual EFTS value of the qualification, unless:

- (a) the learner, in an exceptional circumstance (such as repeating a course that they previously have not passed), has elected to exceed total EFTS value of the qualification in that year; and
- (b) you can demonstrate that the EFTS factor sought for the course adequately reflects additional teaching input, rather than additional self-directed study.

4.8 Funding for EFTS factor of a course

You may only seek DQ1-2 Fund Funding for the EFTS factor of a course once in cases where a learner's enrolment in the course can lead to the award of two (or more) qualifications for the learner, unless you can demonstrate that additional EFTS value sought for the learner's enrolment in the course adequately reflects additional teaching input or assessment that the learner would not receive if their enrolment in the course could only lead to the award of one qualification.

4.9 Recognised prior learning

- (a) You must not seek DQ1-2 Fund Funding for recognised prior learning credited to a learner. To ensure that you are able to comply with this Condition, you must:
 - (i) make any fees charged for recognition of prior learning clear to the learner; and
 - (ii) ask the learner to specify prior learning they have undertaken; and
 - (iii) review the information provided by the learner when admitting a learner into a programme, Micro-credential or qualification; and
 - (iv) retain documents that confirm that the learner has demonstrated the required knowledge or skill; and
 - (v) adjust the course EFTS factor in the SDR enrolment so that you do not claim DQ1-2 Fund Funding for prior learning credited to the learner; and
 - (vi) where programme or Credential components are credited to the learner for prior learning you must pro-rata the course EFTS factor accordingly and detail your calculations for each enrolment.
- (b) Recognised prior learning does not include repeated learning or training that the applicable quality assurance body requires learners to undertake periodically (eg, First Aid Certificates). If you deliver repeated learning or training for the purpose of meeting quality assurance body requirements, you must retain evidence that clearly identifies:
 - (i) the learning or training that the learner was required to repeat to meet quality assurance body requirements; and
 - (ii) the specific quality assurance body requirements; and
 - (iii) that you have advised the learner of the fees that you will charge for the repeated learning or training; and
 - (iv) that the learner has agreed it is necessary to repeat the learning or training.

4.10 Learners with prior qualifications

- (a) You must not claim Funding in relation to a learner enrolled in a programme or Micro-credential eligible for DQ1-2 Fund Funding if:
 - (i) that learner has already achieved a qualification at Level 2 or higher on the NZQCF (a prior qualification); and
 - (ii) 10% of the learners for which you receive DQ1-2 Fund Funding in the calendar year had, at the time of their enrolment, already achieved a qualification at Level 2 or higher on the NZQCF.
- (b) You must measure the limit on enrolments with a prior qualification:
 - (i) by excluding learner enrolments in qualifications in English for Speakers of Other Languages (ESOL) or te reo Māori; and
 - (ii) by excluding qualifications achieved five years or more prior to the current enrolment; and
 - (iii) according to any other methodology we set.
- (c) Without limiting Condition 11, we may recover DQ1-2 Fund Funding if you enrol a learner in breach of this Condition.

5. Programmes, Micro-credentials and qualifications

You must only use DQ1-2 Fund Funding to deliver qualifications, Micro-credentials and courses that have been approved by us. To receive funding approval for a Micro-credential or qualification, you must submit the relevant documents to us in accordance with the information on our website.

5.1 Minimum Requirements

You must ensure that, throughout the Funding Period, a programme or Micro-credential in which an eligible learner is enrolled and that receives DQ1-2 Fund Funding:

- (a) meets the objectives of foundation level tertiary education, which are to:
 - (i) provide people who do not already have essential foundation skills with access to a low-cost way to gain those skills; and
 - (ii) provide progression to higher-level study and skilled employment; and
 - (iii) build the literacy and numeracy skills of eligible learners; and
 - (iv) enable learners to learn English or te reo Māori; and
 - (v) encourage TEOs that are best able to meet the needs of foundation education learners; and
- (b) is one of the following:
 - (i) part of a programme that:
 - A. leads to the award of a qualification (of 40 credits or more) at Level 1 or 2 on the NZQCF; and
 - B. has been quality assured by either NZQA or the NZVCC (where appropriate); or
 - (ii) part of a Micro-credential that:
 - A. leads to an award with a credit value of at least 20 credits; and
 - B. has been quality assured by NZQA; or
 - (iii) part of a programme that leads to the award of the National Certificate of Educational Achievement (NCEA) at Level 2 that is aligned with one or more of the Vocational Pathways; and
- (c) includes embedded literacy and numeracy provision (except for qualifications in ESOL or te reo Māori); and
- (d) includes an effective assessment process for determining the literacy and numeracy needs of eligible learners, such as the Literacy and Numeracy for Adults Assessment Tool (LNAAT), and provides support to ensure that those learners progress in line with the [guidelines](#) provided by us; and
- (e) involves synchronous learning (delivered in real-time to the learner); and
- (f) may be delivered extramurally, provided you have our prior approval; and
- (g) is provided by tutors who are appropriately qualified. The appropriateness of a tutor's qualification relates to the foundation education qualification being delivered, including specialist areas, such as ESOL, te reo Māori and supported learning, as well as capability around the delivery of embedded literacy and numeracy (see Condition 5.1(d)).

5.2 Health and safety or regulatory compliance learning

- (a) You must not use DQ1-2 Fund Funding to fund a programme of study or Micro-credential where a majority of the courses in the programme of study or Micro-credential relate to health and safety or regulatory compliance.
- (b) When determining whether a majority of the courses in a programme of study or Micro-credential relate to health and safety or regulatory compliance, we will:
 - (i) exclude courses from that calculation that are integral to the skills and knowledge recognised through the qualification; and
 - (ii) include the following courses in that calculation:
 - A. discrete short packages of health and safety or regulatory compliance learning (usually under 20 credits); and
 - B. learning that displaces the responsibility of an employer to provide the necessary training for the mitigation of health and safety and regulatory compliance risks; and
 - C. courses that contain learning about health and safety and/or regulatory compliance that will only lead to the completion of health and safety and/or regulatory compliance learning, rather than a whole programme of study or Micro-credential.

5.3 Micro-credentials

- (a) To use DQ1-2 Fund Funding for Micro-credentials you must ensure that:
 - (i) the Micro-credentials have been quality assured by either:
 - A. NZQA, if you are a PTE, Te Pūkenga, or Wānanga or;
 - B. the New Zealand Vice-Chancellors' Committee, if you are a University; and
 - (ii) the Micro-credentials have been approved by us as eligible for Funding and added to the TEC Qualifications Register; and
 - (iii) the Micro-credentials that we have agreed to fund meet and continue to meet the criteria for Funding that we set,² and comply with any requirements that we set.
- (b) You must ensure that the amount of delivery towards Micro-credentials is consistent with the criteria determined by us.

5.4 Making changes to qualifications

- (a) Before making a minor change to a qualification, you must:
 - (i) obtain approval for the minor change from the relevant quality assurance body (if required), that is:
 - A. NZQA, if you are a PTE, Te Pūkenga or Wānanga; or
 - B. New Zealand Vice Chancellors' Committee, if you are a University; and
 - (ii) notify us of the change and provide the relevant information; and
 - (iii) obtain approval from us to update the course or qualification register.

² [The criteria](#) are set out on our website.

- (b) Before making a significant change to a qualification, you must:
 - (i) obtain approval from the relevant quality assurance body, as set out in Condition 5.3(a)(i); and
 - (ii) provide the relevant information to us (including evidence of approval from the quality assurance body) to enable us to determine whether or not to approve the change; and
 - (iii) obtain approval from us to make the significant change.
- (c) For the purposes of this Condition:
 - (i) a “minor change” to a qualification is a change that does not change the size, level, core content or EFTS value of the qualification; and
 - (ii) a “significant change” to a qualification is a change to:
 - A. the EFTS value of the qualification; or
 - B. the total number of credits in the qualification; or
 - C. the timeframe to complete the qualification; or
 - I. the level of the qualification in the NZQCF; or
 - D. in relation to Te Pūkenga (including the relevant Te Pūkenga subsidiary), Wānanga and PTEs:
 - I. the location or locations at which the qualification is delivered; or
 - II. the delivery mode of the qualification; or
 - III. the number of courses that each learner is expected to undertake to achieve the qualification; or
 - IV. prerequisite requirements.

5.5 Assigning EFTS values to qualifications and Credentials

- (a) You must:
 - (i) use the following three methods to determine the EFTS value of a qualification:
 - A. credits; and
 - B. learning hours; and
 - C. full-time teaching weeks; and
 - (ii) ensure that a qualification designed to be delivered within a year (being any 12-month period) is limited to a maximum of 1.0 EFTS, even if obtaining the qualification requires more than 120 credits (1,200 notional hours of learning or 34 full-time teaching weeks), unless we have approved an exception to this limit; and
 - (iii) provide us with information on the three methods of calculating EFTS values (being credits, learning hours and full-time teaching weeks) when you enter qualification details on our STEO website.
- (b) For the purposes of DQ1-2 Fund Funding, 1.0 EFTS equates to a programme of study or training that is 120 credits (1,200 notional learning hours delivered over 34 teaching weeks).

- (c) If you submit a qualification for approval for DQ1-2 Fund Funding that has two or more strands, you must propose an EFTS value for the qualification that is based on the strand that contains the highest number of credits that you are approved to deliver for the qualification. A strand is a specialisation within a qualification that represents a major component of the qualification and is at the level of the qualification. Strands are documented through strand-specific outcomes in the graduate profile.
- (d) If you submit a qualification for approval for DQ1-2 Fund Funding, and NZQA has approved you to deliver a qualification in both trades and non-trades³ (ie, 50% of the courses are in course classifications codes C1, L1 and P1 and the other 50% are in course classifications codes A1, J1), you must set up two separate local qualifications codes to reflect these different programmes. Where the qualification will only be delivered as either trade or non-trade, only the relevant qualification code needs to be set up.
- (e) For the purposes of this Condition, and Condition 5.4, learning hours comprises learning activities leading towards achievement of programme or qualification learning outcomes (planned by you and communicated by you to the learner). Learning activities include but are not limited to:
 - (i) lecturer and tutor contact hours, including workshops and tutorials; and
 - (ii) tests and assignments; and
 - (iii) supervised practical placements; and
 - (iv) study time; and
 - (v) self-directed learning activities that the learner is expected to engage with and participate in (with tutorial support available); and
 - (vi) examination periods.

5.6 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 qualification 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.

³ A trades qualification is a qualification that focuses on, or leads to, training required for skilled labour or a professional craft. Trades qualifications would likely require further training as an apprentice, cadet, trainee or some on-the-job training. A non-trades qualification provides students with a broad educational experience, particularly in business, computer technology, education, healthcare or retail. Programmes in a non-trade qualification provide learners with the fundamental principles, concepts, vocabulary and methods essential for the acquisition of knowledge and skills basic to the field of study.

5.7 Assigning delivery classifications

- (a) You must accurately assign each of your courses to a delivery classification listed in the “Delivery Classification Prescription” of Appendix 1 of the then-current Funding Mechanism named *Determination of Design of Funding Mechanism: Delivery on the New Zealand Qualifications and Credentials Framework at Levels 7 (degree) and above.*
- (b) The Supported Learning classification only applies to programmes for learners with high learning needs, who are undertaking Level 1 courses to build some basic foundation education skills and gain life skills.

5.8 Assigning courses to a funding category

You must accurately assign each of your courses to a funding category listed in the “Funding Category tables” of Appendix 1 of the Funding Mechanism named *Determination of Design of Funding Mechanism: Delivery on the New Zealand Qualifications and Credentials Framework at Level 7 (degree) and above.*

6. Funding

6.1 Use of DQ1-2 Fund Funding

- (a) You must ensure that DQ1-2 Fund Funding is only used for the relevant programmes and activities at Levels 1 and 2 on the NZQCF which are specified in your approved Investment Plan (unless exempt) or equivalent arrangement. For the purposes of calculating the value of your approved DQ1-2 Fund funded delivery, we use a metric comprising:
 - (i) the number of valid domestic enrolments measured in EFTS; and
 - (ii) the qualifications, and their component courses, in which learners are enrolled, and the assigned course classifications, funding categories and funding rates of those qualifications and component courses.
- (b) You may only claim DQ1-2 Fund Funding for a learner who:
 - (i) is and continues to be for the length of the Funding Period a valid domestic enrolment as described in Condition 4.1(b); and
 - (ii) has completed 10% or one month of the course for which they have enrolled, whichever is the earlier. You must determine whether a learner has completed 10% or one month of a course by calculating the number of sequential calendar whole days (including weekends and public holidays) from the start date of the course, rounding up to the nearest whole day.

6.2 DQ1-2 Fund Funding rate for “Delivery in a Correctional Facility”

- (a) All programmes or Credentials that are delivered under DQ1-2 Fund funding in prisons will be funded at the DQ1-2 Fund “Delivery in a Correctional Facility” rate, listed in the “Funding Category tables” of Appendix 1 of the Funding Mechanism named *Determination of Design of Funding Mechanism: Delivery on the New Zealand Qualifications and Credentials Framework at Levels 1 and 2.*

6.3 No charging fees

- (a) You must not charge a fee to a learner enrolled in a programme or Micro-credential funded from DQ1-2 Fund funding.
- (b) For the purposes of this Condition, the term “fee” includes the following items: tuition fees, compulsory course costs, examination fees, cost of materials, costs of field trips, costs associated with the compulsory purchase of equipment or books through a TEO, and other charges associated with a course that is part of a qualification.
- (c) The term “fee” does not include student services fees or fees for student identification cards.

6.4 Provision of equipment, infrastructure and hardware

- (a) You must pay for the necessary equipment, infrastructure and hardware required to deliver a particular course or qualification.
- (b) When providing essential equipment (including computers, diving hardware and chainsaws), you must not:
 - (i) include the costs in any fee, compulsory course cost or student service fee charged to a learner; or
 - (ii) require a learner to meet the costs through the “course-related costs” component of the Student Loan Scheme as a Condition of the learner’s enrolment.
- (c) For the purposes of this Condition, “equipment, infrastructure, and hardware”:
 - (i) means items that can be used by successive intakes of learners
 - (ii) does not include personal items that are provided for individual learners’ use and that you do not retain for the next intake of learners.

6.5 Special Supplementary Grant for Special Education (SSG) Funding

- (a) The purpose of the SSG Funding is to provide additional tutorial support for learners with special needs to ensure these learners gain the knowledge and skills needed to take part in social and economic life in New Zealand.
- (b) If you receive SSG Funding you must submit a report relating to your use of SSG Funding at the end of the calendar year. The report must be submitted before 31 January of the following year. It must be submitted using the template provided to you by us and include the required information.

7. Student Services Fees

- (a) This Condition applies to all student services fees charged by you to domestic learners in respect of whom you receive DQ1-2 Fund Funding.
- (b) The objective of these requirements is to ensure:
 - (i) accountability in the use of fees for student services to learners;
 - (ii) involvement of learners in decisions in the charging and use of fees for student services;
 - (iii) fair arrangements for learners in different tertiary education settings (for example, work-based learners or learners in fees-free foundation education programmes).

7.1 Decision-making

You must establish and demonstrate adequate arrangements for decisions to be made jointly, or in consultation with the learners enrolled at your Organisation, or their representatives, on the following matters:

- (a) the maximum amount that learners will be charged for student services;
- (b) the types of services to be delivered (within the permitted categories set out in Condition 7.6);
- (c) the procurement of these services; and
- (d) the method for authorising expenditure on these services.

7.2 Accounting for the use of student services fees

You must hold all student services fees in a separate bank account or ensure that all income and expenditure associated with the provision of such services is separately accounted for in your accounting system.

7.3 Reporting on student services fees

- (a) If your Organisation is:
 - (i) a TEI, you must provide information on all student services fees through your annual report; or
 - (ii) a PTE, you must provide information on all student services fees through a written report to learners.
- (b) If Condition 7.3(a) applies, you must include the following information in your annual report or written report to learners (as the case may be):
 - (i) a description of the services funded out of the student services fee;
 - (ii) a statement of the fee income and expenditure for each type of student service;
 - (iii) the student services fee amount charged per EFTS or academic year (or however it is calculated); and
 - (iv) a statement describing how you are complying with the accounting requirements specified above in Condition 7.2.

7.4 PTE written reports to learners

If your Organisation is a PTE required to prepare a written report to learners in accordance with Condition 7.3(a)(ii), you must provide us with a copy of the report. The report must be sent to:

Requirements for Student Services Fees Submissions
 Monitoring and Crown Ownership
 The Tertiary Education Commission
 PO Box 27048
 Wellington 6141
 Email: cssf@tec.govt.nz

7.5 Publishing information online

If you are charging student services fees, you must, as soon as reasonably practicable each year, publish the following information on your website:

- (a) basic student services fee information for the year, including the amount charged per EFTS (or however it is calculated) and a description of the student services the fee supports;
- (b) a description of the current year's student services fee decision-making process – including a description of how the current fees and services offered were determined, how consultation with learners occurred, and what the decisions were; and
- (c) a description of how learners can be involved in student services fee decisions for the following year – ie, how you propose to consult with your learners and what issues might be considered.

7.6 Categories of student services

You may charge student services fees to support the delivery of the following categories of services:

- (a) Advocacy and legal advice – Advocating on behalf of individual learners and groups of learners, and providing independent support to resolve problems. This includes advocacy and legal advice relating to accommodation;
- (b) Careers information, advice and guidance – Supporting learners' transition into post-study employment;
- (c) Counselling services – Providing non-academic counselling and pastoral care, such as chaplains;
- (d) Employment information – Providing information about employment opportunities for learners while they are studying;
- (e) Financial support and advice – Providing hardship assistance and advice to learners on financial issues;
- (f) Health services – Providing health care and related welfare services;
- (g) Media – Supporting the production and dissemination of information by learners to learners, including newspapers, radio, television and internet-based media;
- (h) Childcare services – Providing affordable childcare services while parents are studying;
- (i) Clubs and societies – Supporting learner clubs and societies, including through the provision of administrative support and facilities for clubs and societies; and
- (j) Sports, recreation and cultural activities – Providing sports, recreation and cultural activities for learners.

8. Performance standards

You must meet any performance standards specified by us, including any performance standards specified in your Investment Plan.

9. Disclosure of data from Statistics New Zealand's Integrated Data Infrastructure

It is a Condition of funding that you consent, for the purposes of section 37A(a) of the Statistics Act 1975, to Statistics New Zealand disclosing information to the Ministry of Education and to us from its Integrated Data Infrastructure that identifies or may identify you. The Statistics Act 1975 does not constrain the ongoing use or sharing of your TEO-level data once it is disclosed.

10. Benchmarking

If you are a tertiary education institution (TEI), you must participate as appropriate in benchmarking, including:

- (a) providing the vendor with financial and performance information as requested, in a timely manner; and
- (b) engaging with the vendor over follow-up questions and related quality assurance processes, in a timely manner; and
- (c) contributing to the cost of the agreement between us and the vendor, at a rate we determine.

11. Subcontracting

- (a) You must not subcontract any of the funded activities without the prior written approval by NZQA where you are quality assured by NZQA and without prior written consent from us.
- (b) You must:
 - (i) comply with any conditions imposed by us on the consent to subcontract; and
 - (ii) ensure that the subcontracted party does not further subcontract any functions; and
 - (iii) remain accountable to us for the use of the DQ1-2 Fund Funding.

12. Recovery of DQ1-2 Fund Funding

- (a) If you receive DQ1-2 Fund Funding and/or 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 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.

13. Suspension, revocation or withdrawal of DQ1-2 Fund Funding

If we suspend, revoke or withdraw some or all of your DQ1-2 Fund Funding and/or SSG Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as a debt due to the Crown that is:

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

Employer-led Workplace Literacy and Numeracy Fund

Purpose of Fund	51
1. Organisation eligibility	51
2. Learner eligibility	52
3. Verification of learner eligibility	53
4. Verification of learner identity	54
5. Programme eligibility	55
6. Hours and intensity of delivery	56
7. Fees	56
8. Reports and information	56
9. Subcontracting	58
10. Repayment of EWLN Fund Funding	58
11. Suspension, revocation or withdrawal of EWLN Fund Funding	58

Employer-led Workplace Literacy and Numeracy Fund

Purpose of Fund

The purpose of funding literacy and numeracy provision is to:

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

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

- (a) increase the literacy and numeracy skills of employees; and
- (b) contribute to workplace productivity through the provision and evaluation of literacy and numeracy learning in a workplace context.

The purposes can be achieved by:

- (a) providing programmes of workplace literacy and numeracy training to employees; and
- (b) supporting workplaces to establish workplace literacy and numeracy provision.

The WLN Fund has two funding strands: the Tertiary Education Organisation (TEO)-led strand and the Employer-led strand (EWLN).

The following Conditions apply, under section 429 of the Education and Training Act (the Act), to the Literacy and Numeracy Provision – Workplace Literacy and Numeracy Fund, Employer-led strand (EWLN Fund) Funding you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

1.1 You must continue to be an employer that:

- (a) is a TEO as defined by section 10(1) of the Act; and
- (b) is a body corporate; and
- (c) delivers literacy, numeracy, or literacy and numeracy provision:
 - (i) to a minimum of 20 of its employees; or
 - (ii) to a minimum of 20 employees as part of a consortium arrangement with other employers.

1.2 You must, for the length of the Funding Period:

- (a) have in place an effective assessment process for determining the literacy and numeracy needs of eligible learners, such as the Literacy and Numeracy for Adults Assessment Tool (LNAAT), and provide support to ensure that those learners progress in line with the **guidelines** provided by us; and
- (b) be able to offer an eligible programme of intensive literacy and numeracy provision as set out in Condition 5.

2. Learner eligibility

2.1 You must ensure that EWLN Fund Funding is only used for a learner who:

- (a) is a **Domestic Student**;¹ and
- (b) has low skill levels in literacy, numeracy, or literacy and numeracy, as determined by us; and
- (c) is in the paid workforce; and
- (d) is not:
 - (i) enrolled as a full-time learner at a TEO; or enrolled as a full-time secondary learner; or
 - (ii) accessing TEC-funded literacy, numeracy, or literacy and numeracy provision at another TEO or workplace; or
 - (iii) enrolled in a programme or Credential identified as being delivered in the *provider-based, extramural, or work-based: pathway to work* modes of delivery,² or
 - (iv) enrolled in a programme or Credential at Level 4 or above on the New Zealand Qualifications and Credentials Framework (NZQCF); or
 - (v) enrolled in a New Zealand Apprenticeship.

2.2 For the purposes of this Condition, a learner is considered to have a low skill level in literacy, numeracy, or literacy and numeracy if the learner:

- (a) has fewer than 80 credits on the NZQCF (or equivalent); or
- (b) has more than 80 credits on the NZQCF (or equivalent), and has fewer than 12 credits in literacy and/or numeracy in unit standards and/or achievement standards (or equivalent); or
- (c) is assessed using the LNAAT and presents at Step 3 or below on the Learning Progressions for reading, and/or Step 4 or below on the Learning Progressions for numeracy.

2.3 You must ensure that, for the length of the Funding Period, the learner continues to meet the eligibility criteria as specified in Condition 2.1 (except the criterion in Condition 2.1(b)).

1 A "Domestic Student" means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the **Tertiary Education (Domestic Students) Notice 2022**.

2 As defined in Appendix 1, Table 3: Funding categories: numeric code, of the Funding Mechanism named *Determination of Design of Funding Mechanism: non-degree delivery at levels 3–7 on the New Zealand Qualifications and Credentials Framework and all industry training*.

3. Verification of learner eligibility

- 3.1** You must verify that each learner enrolled in a programme of study or training meets the eligibility criteria as specified in Condition 2.1 by sighting the relevant documents specified below for the type of learner:

Type of learner	Verification methods
A New Zealand citizen	<p>You must:</p> <ul style="list-style-type: none"> (a) confirm the learner’s citizenship status using the learner’s National Student Number (NSN); or (b) receive an assertion through RealMe® that the learner was born in New Zealand (prior to 2005); or (c) if the learner is in prison at the time of enrolment, receive a completed and signed Department of Corrections “Verification of legal name and residency status” form relating to the learner; or (d) sight an original or certified copy of one or more of the following documents: <ul style="list-style-type: none"> (i) a New Zealand birth certificate; or (ii) a New Zealand passport; or (iii) a New Zealand certificate of citizenship; or (e) if a learner is unable to obtain a birth certificate for the purposes of (d)(i) above, you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of citizenship.
A New Zealand resident	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) a passport with a current returning residency class visa (a passport with a visa label); or (b) a passport, and letter or email, confirming current returning residency class visa (label-less visa, followed by confirmation with Immigration New Zealand, where appropriate); or (c) a certificate of identity from Immigration New Zealand if the learner is a refugee.
An Australian citizen or Australian permanent resident currently residing in New Zealand	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) an Australian birth certificate issued before 20 August 1986;* or (b) an Australian passport; or (c) a passport with a current Australian resident return visa. <p>* An Australian birth certificate issued after August 1986 is not an accepted form of verification. You will need to sight the travel document, which is likely to be an Australian passport.</p>
A dependant of diplomatic personnel	<p>You must sight the original or certified copy of an authorised form from the Ministry of Foreign Affairs and Trade.</p>

Type of learner	Verification methods
<p>Other types of valid domestic enrolments</p> <p>A person who is required to be treated as if they are not an international student within the meaning set out in the Tertiary Education (Domestic Students) Notice 2022</p>	<p>You must verify each learner’s eligibility in accordance with the requirements specified on our website for how each learner is to be verified. The requirements can be found on the TEC website page Other valid domestic enrolments.</p>

- 3.2** You must follow the process set out in Condition 3.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- 3.3** For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person who is enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

4. Verification of learner identity

- 4.1** You must verify the identity of each learner enrolled in a programme of study or training and confirm whether the learner is who they say they are by doing one or more of the following:
- confirming that all data fields match the learner’s NSN; or
 - receiving an assertion through the Department of Internal Affairs’ RealMe® online identity verification service; or
 - if the learner is in prison at the time of enrolment, receiving a completed and signed Department of Corrections “Verification of legal name and New Zealand residency status” form relating to the learner; or
 - sighting the original or certified copy of a current passport; or
 - sighting the original or certified copy of one or more of the following documents:
 - a birth certificate; or
 - a certificate of identity; or
 - a New Zealand certificate of citizenship; or
 - an expired passport that has not been cancelled; or
 - a current New Zealand driver licence; or
 - a current New Zealand firearms licence.

- 4.2** If a learner is unable to obtain a birth certificate for the purposes of Condition 4.1(e)(i) above, you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of identity.
- 4.3** You must follow the process set out in Condition 4.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- 4.4** For the purposes of this Condition a certified copy is a photocopy or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (a) be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person who is enrolled as a barrister and solicitor of the High Court, or a Court official (Court Registrar or Deputy Registrar); and
 - (b) have the official's signature on each page, with the name and title of the official shown clearly below their signature.

5. Programme eligibility

- 5.1 You must only use EWLN Fund Funding for a programme of workplace training that for the length of the Funding Period:**
- (a) provides literacy, numeracy, or literacy and numeracy training that is specific, rather than embedded within the programme; and
 - (b) provides high-quality literacy, numeracy, or literacy and numeracy study or training that represents value for money; and
 - (c) is effective and innovative in improving each learner's workplace literacy, numeracy, or literacy and numeracy skills to meaningfully engage in the workplace and New Zealand society; and
 - (d) is able to be tailored to meet the needs of an individual learner; and
 - (e) has adequate processes for reporting on a learner's progress in improving literacy, numeracy, or literacy and numeracy skills; and
 - (f) is provided by a tutor who holds an appropriate qualification as determined by us.
- 5.2** In addition to the requirements in Condition 5.1, you must only use EWLN Fund Funding for a programme of workplace training if the programme:
- (a) provides high-quality literacy, numeracy, or literacy and numeracy study or training that is tailored to the needs of the workplace; and
 - (b) contributes to the development of sustainable employee literacy and numeracy practices within the workplace; and
 - (c) has targeted literacy, numeracy, or literacy and numeracy outcomes that reflect the priorities and needs of the workplace; and
 - (d) has the support of the employer's senior management.

6. Hours and intensity of delivery

- (a) The total hours of literacy, numeracy, or literacy and numeracy tuition you deliver per learner is generally expected to be between 25 and 80 hours, acknowledging some learners having need of more or fewer hours.
- (b) The literacy, numeracy, or literacy and numeracy tuition you provide must be delivered at the intensity of 40 hours over a 10- to 40-week period.

7. Fees

You must not charge a fee to a learner who is participating in a programme of workplace training for which you receive EWLN Fund Funding.

8. Reports and information

- 8.1** You must immediately notify us if you expect that you will not meet the deliverables specified in Appendix 1 of your Funding Confirmation Letter by the specified deliverables due date.
- 8.2** You must submit progress reports and a final report at the times specified by us.
- 8.3** Each progress report and the final report must:
 - (a) be submitted in accordance with the template that we will provide to you; and
 - (i) relate to the specific milestones outlined in your Funding Confirmation letter; and
 - (ii) include the following information:
 - A. the number of learners enrolled in each EWLN Fund programme of study or training; and
 - B. learner enrolment information, including:
 - I. the NSN; and
 - II. tuition hours delivered (actual attendance); and
 - III. remaining tuition hours planned (if any); and
 - IV. demographic information; and
 - V. regional information; and
 - VI. literacy and numeracy information; and
 - VII. the enrolment start and finish dates for each learner enrolled in each EWLN Fund programme of study or training during the period covered by the report; and
 - C. the name of the business in which the learner is employed.

- 8.4** You must complete the attestation tab before submitting the report.
- 8.5** The first progress report must also describe the progress made in implementing the programme, commenting specifically on:
- (a) how participation of learners is tracking; and
 - (b) any challenges you have had to date; and
 - (c) progress in literacy and/or numeracy skills and knowledge, reported against the **Learner Progressions Framework**. This may include using the LNAAT (or Starting Points described in the Tool, if applicable); and
 - (d) any changes made to the programme design and/or delivery approach, in response to Conditions 8.5 (a) to (c); and
 - (e) reporting of personal outcomes for employees; and
 - (f) any change to the productivity problems you highlighted in your programme application which literacy and numeracy training could address, including changes to employee practices and other metrics; and
 - (g) any other changes that show the strengthening of a sustainable organisational learning culture, including any career development due to the literacy and numeracy training.
- 8.6** The final report must describe:
- (a) participation of learners; and
 - (b) successes and challenges; and
 - (c) reporting of personal outcomes for learners; and
 - (d) any change to the productivity problems you highlighted in your programme application which literacy and numeracy training could address, including changes to employee practices and other metrics; and
 - (e) how any other business outcomes and performance measures have been enhanced; and
 - (f) measurement of employees' literacy and/or numeracy skills and knowledge post-training intervention using an appropriate assessment, which may be the LNAAT (or Starting Points described in the Tool, if applicable); and
 - (g) how the programme has promoted and encouraged participation in workplace literacy and numeracy training among learners with low levels of literacy and/or numeracy skills; and
 - (h) any other changes that show the strengthening of a sustainable organisational learning culture, including any career development due to the literacy and numeracy training.

9. Subcontracting

- 9.1** You must not subcontract the provision of a programme of workplace training to another TEO unless:
- (a) you receive our written consent prior to subcontracting; and
 - (b) you comply with any Conditions imposed by us on giving consent to subcontract; and
 - (c) you ensure that the subcontracted TEO has in place an effective assessment process for determining the literacy and numeracy needs of eligible learners, such as the LNAAT, and provide support to ensure that those learners progress in line with the **guidelines** provided by us.
- 9.2** For the purposes of this Condition, we have given our written consent for you to subcontract a programme of workplace training to the TEO specified in your completed EWLN application form.

10. Repayment of EWLN Fund Funding

- 10.1** If you receive EWLN 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:
- (a) is repayable on demand; and
 - (b) may be set-off against all or any Funding, or any sum of money payable by us to you.
- 10.2** For the purposes of this Condition, we will determine whether you have received EWLN Fund Funding that was greater than it should have been by analysing the information provided to us in your final report. We will develop the details of our Funding recovery through discussions with you.

11. Suspension, revocation or withdrawal of EWLN Fund Funding

If we suspend, revoke or withdraw some or all of your EWLN Fund Funding under clause 26 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as debt due to the Crown that:

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

Gateway Fund

Purpose of Fund	60
1. Organisation eligibility	60
2. Learner eligibility	60
3. Programme eligibility	60
4. Your responsibilities	61
5. Access to and supply of information	61
6. Repayment of Gateway Fund Funding	62
7. Suspension, revocation or withdrawal of Gateway Fund Funding	62

Gateway Fund

Purpose of 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.

Learners have their learning assessed in the workplace and can achieve credits, which may align to one or more Vocational Pathways, towards qualifications on the New Zealand Qualifications and Credentials Framework (NZQCF), particularly at Level 1 or 2, or towards the National Certificate of Educational Achievement (NCEA).

The following Conditions apply, under section 429 of the Education and Training Act (the Act), to the Gateway Fund Funding that you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

You must continue to be:

- (a) a State or State-integrated secondary school; and
- (b) quality assured by the Education Review Office.

2. Learner eligibility

You must ensure that Gateway Fund Funding is only used in respect of eligible learners, each of whom is enrolled in an eligible programme, and meets and continues to meet the eligibility criteria for being an eligible learner. An “eligible learner” is a learner who is:

- (a) a **Domestic Student**¹ and
- (b) enrolled at a State or State-integrated secondary school; and
- (c) Year 11 or above.

3. Programme eligibility

You must ensure that the Gateway Fund Funding is only used for a programme of study or training that meets and continues to meet the eligibility criteria for eligible programmes.

An “eligible programme” is a programme of study or training which:

- (a) has credits that contribute to the award of the NCEA and/or a qualification on the NZQCF; and
- (b) allows each eligible learner to participate in structured workplace learning, including the assessment and recognition of that learning in the form of credits (towards the NCEA and/or a qualification on the NZQCF); and
- (c) integrates workplace learning with each eligible learner’s wider course of study.

¹ A “Domestic Student” means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the [Tertiary Education \(Domestic Students\) Notice 2022](#).

4. Your responsibilities

You must:

- (a) only use Gateway Fund Funding to support eligible learners undertaking eligible programmes; and
- (b) not use Gateway Fund Funding to fund:
 - (i) the cost of school space; or
 - (ii) school office or administrative services other than services specifically for Gateway provision; and
- (c) not charge a tuition fee, or course or equipment costs, to an eligible learner for their eligible programme; and
- (d) ensure that each eligible learner has the equipment necessary for their work placement, including tools, equipment, safety clothing, and tuition material; and
- (e) comply with all administrative requirements specified by us, including reporting requirements specified in the [Tertiary Education Commission \(TEC\) Gateway Handbook](#); and
- (f) take all reasonable and practicable steps to ensure that each eligible learner will be safe in their work placement; and
- (g) monitor the safety of each eligible learner in their work placement; and
- (h) ensure that each employer is aware of its employer obligations and that the workplace is appropriate for structured workplace learning; and
- (i) ensure that each eligible learner is aware of their obligations as an employee; and
- (j) meet minimum performance standards specified by us.

5. Access to and supply of information

You must:

- (a) provide us with access to your premises, employees and information, for the purposes of:
 - (i) inspecting the records that you must keep; and
 - (ii) auditing your compliance with these Conditions and requirements in the Act; and
- (b) supply to us information about each eligible learner in accordance with the reporting requirements specified in the [TEC Gateway Handbook](#) available on our website; and
- (c) ensure that each eligible learner's credit achievement information is submitted to the New Zealand Qualifications Authority.

6. Repayment of Gateway Fund Funding

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:

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

7. Suspension, revocation or withdrawal of Gateway Fund Funding

If we suspend, revoke or withdraw some or all of your Gateway Fund Funding under clause 26 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as a debt due to the Crown that:

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

Intensive Literacy and Numeracy Fund

Purpose of Fund	64
1. Organisation eligibility	64
2. Learner eligibility	65
3. Verification of learner eligibility	65
4. Verification of learner identity	67
5. Programme eligibility	68
6. Hours and intensity of delivery	68
7. Fees	68
8. Reports	68
9. Subcontracting	69
10. Repayment of ILN Fund Funding	69
11. Suspension, revocation or withdrawal of ILN Fund Funding	69

Intensive Literacy and Numeracy Fund

Purpose of Fund

The purpose of funding literacy and numeracy provision is to:

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

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.

The following Conditions apply, under section 426 of the Education and Training Act (the Act), to the Literacy and Numeracy Provision – Intensive Literacy and Numeracy Fund (ILN Fund) Funding you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

1.1 You must continue to be:

- (a) a University; or
- (b) Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
- (c) a Wānanga; or
- (d) a Private Training Establishment (PTE); or
- (e) a State or State-integrated school.

1.2 You must, for the length of the Funding Period:

- (a) have in place an effective assessment process for determining the literacy and numeracy needs of eligible learners, such as the Literacy and Numeracy for Adults Assessment Tool (LNAAT), and provide support to ensure that those learners progress in line with the [guidelines](#) provided by us; and
- (b) be able to offer an eligible programme of intensive literacy and numeracy provision as set out in Condition 5; and
- (c) have adequate processes in place for reporting improvements of a learner's literacy and numeracy skills.

1.3 If you are a University, you must continue to be quality assured by the New Zealand Vice Chancellors' Committee.

1.4 If you are Te Pūkenga, a subsidiary of Te Pūkenga delivering the relevant programme for which you receive ILN Fund Funding, a Wānanga or PTE, you must continue to be quality assured by the New Zealand Qualifications Authority (NZQA).

1.5 If you are a State or State-integrated school, you must continue to be quality assured by the Education Review Office.

2. Learner eligibility

- 2.1** You must ensure that ILN Fund Funding is only used in respect of a learner who:
- is, and continues to be, a **Domestic Student**¹ as defined under section 10(1) of the Act; and
 - has low skill levels in literacy, numeracy, or literacy and numeracy, as determined by us.
- 2.2** For the purposes of this Condition, a learner is considered to have a low skill level of literacy, numeracy, or literacy and numeracy if a learner:
- has fewer than 80 credits on the New Zealand Qualifications and Credentials Framework (NZQCF) (or equivalent); or
 - has more than 80 credits on the NZQCF (or equivalent), and has fewer than 12 credits in literacy and/or numeracy in unit standards and/or achievement standards (or equivalent); or
 - is assessed using the LNAAT and presents at Step 1 or 2 on the Learning Progressions for reading and/or numeracy.

3. Verification of learner eligibility

- 3.1** You must verify that each learner enrolled in a programme of study or training meets the eligibility criteria as specified in Condition 2.1 by sighting the relevant documents specified below for the type of learner:

Type of learner	Verification methods
A New Zealand citizen	<p>You must:</p> <ol style="list-style-type: none"> confirm the learner’s citizenship status using the learner’s National Student Number (NSN); or receive an assertion through RealMe® that the learner was born in New Zealand (prior to 2005); or sight an original or certified copy of one or more of the following documents: <ol style="list-style-type: none"> a New Zealand birth certificate; or a New Zealand passport; or a New Zealand certificate of citizenship; or if a learner is unable to obtain a birth certificate for the purposes of (c)(i) above, you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of citizenship.

¹ A “Domestic Student” means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the **Tertiary Education (Domestic Students) Notice 2022**.

Type of learner	Verification methods
A New Zealand resident	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) a passport with a current returning residency class visa (a passport with a visa label); or (b) a passport, and letter or email, confirming current returning residency class visa (label-less visa, followed by confirmation with Immigration New Zealand, where appropriate); or (c) a certificate of identity from Immigration New Zealand if the learner is a refugee.
An Australian citizen or Australian permanent resident currently residing in New Zealand	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) an Australian birth certificate issued before 20 August 1986;* or (b) an Australian passport; or (c) a passport with a current Australian resident return visa. <p><small>* An Australian birth certificate issued after August 1986 is not an accepted form of verification. You will need to sight the travel document, which is likely to be an Australian passport.</small></p>
A dependant of diplomatic personnel	You must sight the original or certified copy of an authorised form from the Ministry of Foreign Affairs and Trade.
Other types of valid domestic enrolments A person who is required to be treated as if they are not an international student within the meaning set out in the Tertiary Education (Domestic Students) Notice 2022	You must verify each learner's eligibility in accordance with the requirements specified on our website for how each learner is to be verified. The requirements can be found on the TEC website page Other valid domestic enrolments .

- 3.2** You must follow the process set out in Condition 3.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- 3.3** For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (a) be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (b) have the official's signature on each page, with the name and title of the official shown clearly below their signature.

4. Verification of learner identity

- 4.1** You must verify the identity of each learner enrolled in a programme or programmes of study or training and confirm the learner is who they say they are by doing one or more of the following:
- (a) confirming that all data fields match the learner’s NSN; or
 - (b) receiving an assertion through the Department of Internal Affairs’ RealMe® online identity verification service; or
 - (c) sighting the original or certified copy of a current passport; or
 - (d) sighting the original or certified copy of one or more of the following documents:
 - (i) a birth certificate; or
 - (ii) a certificate of identity; or
 - (iii) a New Zealand certificate of citizenship; or
 - (iv) an expired passport that has not been cancelled; or
 - (v) a current New Zealand driver licence; or
 - (vi) a current New Zealand firearms licence.
- 4.2** If a learner is unable to obtain a birth certificate for the purposes of Condition 4.1(d)(i) above, you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of identity.
- 4.3** You must follow the process set out in Condition 4.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- 4.4** For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (a) be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, person enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (b) have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

5. Programme eligibility

You must only use ILN Fund Funding for a programme of study or training that, for the length of the Funding Period:

- (a) provides literacy, numeracy, or literacy and numeracy study or training that is specific, rather than embedded within the programme; and
- (b) provides high-quality literacy, numeracy, or literacy and numeracy study or training, that represents value for money; and
- (c) enables each learner to use literacy, numeracy, or literacy and numeracy skills to meaningfully engage in New Zealand society; and
- (d) is effective in improving each learner's literacy, numeracy, or literacy and numeracy skills; and
- (e) has measurable literacy, numeracy, or literacy and numeracy outcomes; and
- (f) is flexible and able to be tailored to meet the needs of an individual adult learner; and
- (g) is provided by a tutor who holds an appropriate qualification as determined by us.

6. Hours and intensity of delivery

- 6.1** The total hours of literacy, numeracy, or literacy and numeracy tuition you deliver per learner is generally expected to be between 80 and 300 hours per year, acknowledging some learners having need of more or fewer hours.
- 6.2** The literacy, numeracy, or literacy and numeracy tuition you provide must be delivered at the intensity of 5 to 20 hours per week.

7. Fees

You must not charge a fee to a learner who is participating in a programme of study or training for which you receive ILN Fund Funding.

8. Reports

- 8.1** You must submit:
 - (a) a progress report for the period 1 January to 31 May no later than 10 working days after 31 May; and
 - (b) a progress report for the period 1 January to 30 September no later than 10 working days after 30 September; and
 - (c) a final report for the period 1 January to 31 December no later than 31 January of the following year.

8.2 Each progress report and the final report must:

- (a) be submitted in accordance with the template that we will provide to you; and
- (b) relate to the specific delivery commitments outlined in your Investment Plan; and
- (c) include the following information:
 - (i) the number of learners enrolled in each ILN programme of study or training; and
 - (ii) learner enrolment information, including:
 - A. the NSN; and
 - B. tuition hours delivered (actual attendance); and
 - C. remaining tuition hours planned (if any); and
 - D. demographic information; and
 - E. regional information; and
 - F. literacy and numeracy information; and
 - G. the enrolment start and finish dates for each learner enrolled in each ILN programme of study or training during the period covered by the report.

9. Subcontracting

You must:

- (a) not subcontract any of the funded activities without prior written consent from us; and
- (b) comply with any Conditions imposed by us on a consent to subcontract; and
- (c) ensure that the subcontracted party does not further subcontract any functions; and
- (d) remain accountable to us for the use of the ILN Fund Funding.

10. Repayment of ILN Fund Funding

10.1 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:

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

10.2 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.

11. Suspension, revocation or withdrawal of ILN Fund Funding

If we suspend, revoke or withdraw some or all of your ILN Fund Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the funding was provided, you must treat the unexpended or uncommitted portion of the funding as a debt due to the Crown that is:

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

Intensive Literacy and Numeracy Fund – English for Speakers of Other Languages

Purpose of Fund	71
1. Organisation eligibility	71
2. Learner eligibility	72
3. Verification of learner eligibility	73
4. Verification of learner identity	75
5. Programme eligibility	75
6. Literacy and Numeracy for Adults Assessment Tool	76
7. Hours and intensity of delivery	76
8. Fees	76
9. Reports	76
10. Subcontracting	77
11. Repayment of ILN ESOL Fund Funding	77
12. Suspension, revocation or withdrawal of ILN ESOL Fund Funding	77

Intensive Literacy and Numeracy Fund – English for Speakers of Other Languages

Purpose of Fund

The purpose of the *Specialised English for Speakers of Other Languages – Intensive Literacy and Numeracy ESOL* (ILN ESOL) Fund is to:

- (a) increase opportunities for adults to engage in literacy and numeracy learning, particularly migrants and refugees; and
- (b) raise adults' literacy and numeracy skills to help learners progress onto further study and employment; and
- (c) fund the intensive provision of ESOL learning opportunities within an appropriately structured environment.

The following Conditions apply, under section 426 of the Education and Training Act (the Act), to the ILN ESOL Fund Funding you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

1.1 You must:

- (a) continue to be:
 - (i) a tertiary education institution (TEI), namely:
 - A. a University; or
 - B. Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
 - C. a Wānanga; or
 - (ii) a Private Training Establishment (PTE); or
 - (iii) a Rural Education Activities Programme (REAP) provider; or
 - (iv) a community Organisation; or
 - (v) a State or State-integrated school; and
- (b) have demonstrated expertise in delivering ILN ESOL to adult refugee-background learners and migrants.

1.2 If you are Te Pūkenga, a subsidiary of Te Pūkenga delivering the relevant programme for which you receive ILN ESOL Fund Funding, a Wānanga or a PTE (including REAP providers that are registered providers), you must continue to be quality assured by the New Zealand Qualifications Authority (NZQA).

1.3 If you are a State or State-integrated school, you must continue to be quality assured by the Education Review Office.

1.4 If you are a University, you must continue to be quality assured by the New Zealand Vice-Chancellors' Committee.

2. Learner eligibility

- 2.1** You must ensure that ILN ESOL Fund Funding is only used in respect of a learner who:
- is a person for whom English is not their first language; and
 - is a **Domestic Student**¹ and
 - is 16 years of age or over; and
 - has low English language and/or literacy skills.
- 2.2** For the purposes of this Condition, a learner is considered to have a low skill level of literacy, numeracy, or literacy and numeracy:
- if the learner has fewer than 80 credits on the New Zealand Qualifications and Credentials Framework (NZQCF) (or equivalent); or
 - if the learner has more than 80 credits on the NZQCF (or equivalent), and has fewer than 12 credits in literacy and/or numeracy in unit standards and/or achievement standards (or equivalent); or
 - if the learner is assessed using the Literacy and Numeracy for Adults Assessment Tool (LNAAT) and presents below Step 1 in reading on the Learning Progressions; or
 - if the learner is assessed using Starting Points and presents at the equivalent of below Step 1 in reading on the Learning Progressions.
- 2.3** You must only allow a learner to re-enrol in a programme funded through the ILN ESOL Fund for a period of up to five years in total unless you have received prior written approval from us to enrol a learner outside of the five-year period.

¹ A "Domestic Student" means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the [Tertiary Education \(Domestic Students\) Notice 2022](#).

3. Verification of learner eligibility

3.1 You must verify that each learner enrolled in a programme meets the eligibility criteria as specified in Condition 2 by sighting the relevant documents specified below for the type of learner:

Type of learner	Verification methods
A New Zealand citizen	<p>You must:</p> <ul style="list-style-type: none"> (a) confirm the learner’s citizenship status using the learner’s National Student Number (NSN); or (b) receive an assertion through RealMe® that the learner was born in New Zealand (prior to 2005); or (c) sight an original or certified copy of one or more of the following documents: <ul style="list-style-type: none"> (i) a New Zealand birth certificate; or (ii) a New Zealand passport; or (iii) a New Zealand certificate of citizenship; or (d) if a learner is unable to obtain a birth certificate for the purposes of (c)(i) above, you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of citizenship.
A New Zealand resident	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) a passport with a current returning residency class visa (a passport with a visa label); or (b) a passport, and letter or email, confirming current returning residency class visa (label-less visa, followed by confirmation with Immigration New Zealand, where appropriate); or (c) a certificate of identity from Immigration New Zealand if the learner is a refugee.
An Australian citizen or Australian permanent resident currently residing in New Zealand	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) an Australian birth certificate issued before 20 August 1986;* or (b) an Australian passport; or (c) a passport with a current Australian resident return visa. <p><small>* An Australian birth certificate issued after August 1986 is not an accepted form of verification. You will need to sight the travel document, which is likely to be an Australian passport.</small></p>
A dependant of diplomatic personnel	<p>You must sight the original or certified copy of an authorised form from the Ministry of Foreign Affairs and Trade.</p>

Type of learner	Verification methods
<p>Other types of valid domestic enrolments</p> <p>A person who is required to be treated as if they are not an international student within the meaning set out in the Tertiary Education (Domestic Students) Notice 2022</p>	<p>You must verify each learner’s eligibility in accordance with the requirements specified on our website for how each learner is to be verified. The requirements can be found on the TEC website page Other valid domestic enrolments.</p>

- 3.2** You must follow the process set out in Condition 3.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- 3.3** For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- be certified by an official of the issuing authority or a person authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person who is enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

4. Verification of learner identity

- 4.1** You must verify the identity of each learner enrolled in a programme or programmes of study or training and confirm the learner is who they say they are by doing one or more of the following:
- confirming that all data fields match the learner’s NSN; or
 - receiving an assertion through the Department of Internal Affairs’ RealMe® online identity verification service; or
 - sighting the original or certified copy of a current passport; or
 - sighting the original or certified copy of one or more of the following documents:
 - a birth certificate; or
 - a certificate of identity; or
 - a New Zealand certificate of citizenship; or
 - an expired passport that has not been cancelled; or
 - a current New Zealand driver licence; or
 - a current New Zealand firearms licence.

- 4.2** You must follow the process set out in Condition 4.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- 4.3** For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (a) be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (b) have the official's signature on each page, with the name and title of the official shown clearly below their signature.

5. Programme eligibility

- 5.1** You must only use ILN ESOL Fund Funding for a programme of study or training that continues to:
- (a) have English language and literacy outcomes; and
 - (b) be taught by appropriately qualified and experienced ESOL educators; and
 - (c) be flexible and tailored to respond to the particular needs of adult learners (for example, provision may be delivered at off-peak times for those in employment).
- 5.2** For the purposes of this Condition, an appropriately qualified and experienced educator is a person who:
- (a) has a specific qualification relating to teaching adults literacy and numeracy; and
 - (b) has experience in teaching literacy and numeracy.

6. Literacy and Numeracy for Adults Assessment Tool

You must have in place an effective assessment process for determining the literacy and numeracy needs of eligible learners, such as the LNAAT, and provide support to ensure that those learners progress in line with the [guidelines](#) provided by us.

7. Hours and intensity of delivery

- (a) The total hours of ESOL tuition you deliver per learner is generally expected to be between 20 and 500 hours per year, acknowledging some learners having need of more or fewer hours.
- (b) The ESOL tuition you provide must be delivered at the intensity of 5 to 40 hours per week.

8. Fees

You must not charge a fee to a learner who is participating in an eligible programme for which you receive ILN ESOL Fund Funding.

9. Reports

9.1 You must submit:

- (a) a progress report for the period 1 January to 31 May no later than 10 working days after 31 May; and
- (b) a progress report for the period 1 January to 30 September no later than 10 working days after 30 September; and
- (c) a final report for the period 1 January to 31 December no later than 31 January of the following year.

9.2 Each progress report and the final report must:

- (a) be submitted in accordance with the template that we provide you; and
- (b) relate to the specific outcomes outlined in your Investment Plan; and
- (c) include the following information:
 - (i) the number of learners enrolled in each programme of study or training; and
 - (ii) learner enrolment information, including:
 - A. the NSN; and
 - B. tuition hours delivered (actual attendance); and
 - C. remaining tuition hours planned (if any); and
 - D. demographic information; and
 - E. regional information; and
 - F. literacy and numeracy information; and
 - G. the enrolment start and finish dates for each learner enrolled in each ILN ESOL programme of study or training during the period covered by the report.

10. Subcontracting

You must not subcontract the delivery of ESOL provision funded from the ILN ESOL Fund.

11. Repayment of ILN ESOL Fund Funding

11.1 If you receive ILN ESOL 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:

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

11.2 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.

12. Suspension, revocation or withdrawal of ILN ESOL Fund Funding

If we suspend, revoke or withdraw some or all of your ILN ESOL Fund Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as a debt due to the Crown that is:

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

Intensive Literacy and Numeracy Fund – Refugee English

Purpose of Fund	79
1. Organisation eligibility	79
2. Learner eligibility	80
3. Verification of learner eligibility	81
4. Verification of learner identity	82
5. Programme eligibility	83
6. Fees	83
7. Withdrawals	83
8. Reports	83
9. Subcontracting	84
10. Repayment of ILN Refugee English Fund Funding	84
11. Suspension, revocation or withdrawal of ILN Refugee English Fund Funding	85

Intensive Literacy and Numeracy Fund – Refugee English

Purpose of Fund

The purpose of the *Specialised English for Speakers of Other Languages (ESOL) – Refugee English* (ILN Refugee English) Fund is to:

- (a) increase opportunities for adults to engage in literacy and numeracy learning, particularly migrants and refugees; and
- (b) raise adults' literacy and numeracy skills to help learners progress onto further study and employment; and
- (c) 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 ESOL programmes at Level 3 or above on the New Zealand Qualifications and Credentials Framework (NZQCF), leading to an ESOL qualification.

The following Conditions apply, under section 426 of the Education and Training Act (the Act), to the ILN Refugee English Fund Funding you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

1.1 You must:

- (a) continue to be:
 - (i) a tertiary education institution (TEI), namely:
 - A. a University; or
 - B. Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
 - C. a Wānanga; or
 - (ii) a Private Training Establishment (PTE); and
- (b) have experience in educating refugee-background learners.

1.2 If you are Te Pūkenga, a subsidiary of Te Pūkenga delivering the relevant programme for which you receive ILN Refugee English Fund Funding, a Wānanga or PTE, you must continue to be quality assured by the New Zealand Qualifications Authority (NZQA).

1.3 If you are a University, you must continue to be quality assured by the New Zealand Vice-Chancellors' Committee.

2. Learner eligibility

2.1 You must ensure that ILN Refugee English Fund Funding is only used in respect of a learner who:

- (a) is and continues to be a **Domestic Student**,¹ and
- (b) has either:
 - (i) a refugee background, which includes:
 - A. refugees or protected persons;² or
 - B. those who gained the Afghan Emergency Resettlement Visa and the partner and/or children of members of these groups; or
 - C. other family that gained New Zealand residence class visa due to their relationship to a refugee, protected person, or those holding an Afghan Emergency Resettlement Visa;³ or
 - (ii) other special circumstances related to their transition to residence in New Zealand, including those directly affected by the Christchurch mosques terror attack and their family members. Members of this group are holders of the Christchurch Response Visa, or would have been eligible for this visa but were already holding another residence visa, and family members who hold residence visas through their relationship to holders of a Christchurch Response Visa (or would have been eligible but were already holding another residence visa). These resident visa types for family members include:
 - A. Partner of a New Zealander Resident Visa;
 - B. Dependent Child Resident Visa;
 - C. Parent Resident Visa; or
 - D. Resident Visa granted by discretion under section 61 of the Immigration Act 2009.

2.2 You must only allow a learner to re-enrol in a programme funded through the ILN Refugee English Fund for a period of up to three years in total.

2.3 You must not claim ILN Refugee English Fund Funding for prior learning⁴ credited to a learner. To ensure that you are able to comply with this Condition, you must:

- (a) ask each learner to specify prior learning they have undertaken; and
- (b) before admitting each learner into an ILN Refugee English Fund-funded programme of study or training, review that information as it relates to each learner; and
- (c) retain documents that confirm that the learner has demonstrated the required knowledge or skill.

1 A "Domestic Student" means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the **Tertiary Education (Domestic Students) Notice 2022**.

2 This includes those resettled by the government in New Zealand as refugees and those who gained refugee status or protected person status while living in New Zealand. For the avoidance of doubt, this includes people who have gained refugee status or protected person status and are yet to gain a residence visa, as they have a refugee background and still meet the definition of Domestic Students.

3 For the avoidance of doubt, refugee background will also include the Afghan interpreters who worked for the New Zealand-led Provincial Reconstruction team in Afghanistan and their dependants who were also granted residence visas.

4 For the avoidance of doubt, recognised prior learning does not include repeated learning or training that the applicable quality assurance body requires learners to repeat periodically.

3. Verification of learner eligibility

3.1 You must verify that each learner enrolled in a programme meets the eligibility criteria as specified in Condition 2 by sighting the relevant documents specified below for the type of learner:

Type of learner	Verification methods
A New Zealand citizen	<p>You must:</p> <ul style="list-style-type: none"> (a) confirm the learner’s citizenship status using the learner’s National Student Number (NSN); or (b) receive an assertion through RealMe® that the learner was born in New Zealand (prior to 2005); or (c) sight an original or certified copy of one or more of the following documents: <ul style="list-style-type: none"> (i) a New Zealand birth certificate; or (ii) a New Zealand passport; or (iii) a New Zealand certificate of citizenship; or (d) if a learner is unable to obtain a birth certificate for the purposes of (c)(i) above, you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of citizenship.
A New Zealand resident	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) a passport with a current returning residency class visa (a passport with a visa label); or (b) a passport, and letter or email, confirming current returning residency class visa (label-less visa, followed by confirmation with Immigration New Zealand, where appropriate); or (c) a certificate of identity from Immigration New Zealand if the learner is a refugee.
An Australian citizen or Australian permanent resident currently residing in New Zealand	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) an Australian birth certificate issued before 20 August 1986;* or (b) an Australian passport; or (c) a passport with a current Australian resident return visa. <p><small>* An Australian birth certificate issued after August 1986 is not an accepted form of verification. You will need to sight the travel document, which is likely to be an Australian passport.</small></p>
A dependant of diplomatic personnel	<p>You must sight the original or certified copy of an authorised form from the Ministry of Foreign Affairs and Trade.</p>

Type of learner	Verification methods
<p>Other types of valid domestic enrolments</p> <p>A person who is required to be treated as if they are not an international student within the meaning set out in the Tertiary Education (Domestic Students) Notice 2022</p>	<p>You must verify each learner’s eligibility in accordance with the requirements specified on our website for how each learner is to be verified. The requirements can be found on the TEC website page Other valid domestic enrolments.</p>

- 3.2** You must follow the process set out in Condition 3.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- 3.3** For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

4. Verification of learner identity

- 4.1** You must verify the identity of each learner enrolled in a programme or programmes of study or training and confirm the learner is who they say they are by doing one or more of the following:
- confirming that all data fields match the learner’s NSN; or
 - receiving an assertion through the Department of Internal Affairs’ RealMe® online identity verification service; or
 - sighting the original or certified copy of a current passport; or
 - sighting the original or certified copy of one or more of the following documents:
 - a birth certificate; or
 - a certificate of identity; or
 - a New Zealand certificate of citizenship; or
 - an expired passport that has not been cancelled; or
 - a current New Zealand driver licence; or
 - a current New Zealand firearms licence.

- 4.2** You must follow the process set out in Condition 4.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- 4.3** For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (a) be certified by an official of the issuing authority or a person authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (b) have the official's signature on each page, with the name and title of the official shown clearly below their signature.

5. Programme eligibility

You must only use ILN Refugee English Fund Funding for a programme of study or training that is and continues to be:

- (a) a qualification or course at Level 3 and above on the NZQCF that supports ESOL learners with English, and can include skills in preparation for further study; and
- (b) quality assured by either NZQA or the New Zealand Vice-Chancellors' Committee (where appropriate).

6. Fees

You must not charge a fee to a learner who is participating in an eligible programme for which you receive ILN Refugee English Fund Funding.

7. Withdrawals

You must report the Withdrawal of learners to the Ministry of Social Development within five working days of that Withdrawal. This is to enable student loans and student allowances to be cancelled as soon as possible.

8. Reports

- 8.1** You must submit:
- (a) a progress report for the period 1 January to 31 May no later than 10 working days after 31 May;
 - (b) a progress report for the period 1 January to 30 September no later than 10 working days after 30 September; and
 - (c) a final report for the period 1 January to 31 December no later than 31 January of the following year.

- 8.2** The report must be submitted in accordance with the template provided and must:
- (a) relate to the specific outcomes in your Investment Plan; and
 - (b) include the following information:
 - (i) the number of learners enrolled in each programme of study or training; and
 - (ii) learner enrolment information including:
 - A. the NSN; and
 - B. number of equivalent full-time students (EFTS) delivered; and
 - C. ethnicity; and
 - D. tuition fees charged (if any); and
 - E. qualification enrolment details (including the start and finish dates, and qualification name for the enrolment) of each learner enrolled during the period covered by the report; and
 - (iii) the number of learner places delivered; and
 - (iv) the NSN and details of any learners not already reported in the progress reports; and
 - (v) a summary of the learner demographics; and
 - (vi) the regions in which you delivered the provision; and
 - (vii) a declaration that confirms that you have monitored each learner’s progress, and you have met your Performance Commitments.

9. Subcontracting

You must not subcontract the delivery of a programme of study or training funded from the ILN Refugee English Fund Funding.

10. Repayment of ILN Refugee English Fund Funding

10.1 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:

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

10.2 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 Investment Plan, then we will recover all Funding associated with those undelivered places.

11. Suspension, revocation or withdrawal of ILN Refugee English Fund Funding

If we suspend, revoke or withdraw some or all of your ILN Refugee English Fund Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as a debt due to the Crown that:

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

TEO-led Workplace Literacy and Numeracy Fund

Purpose of Fund	87
1. Organisation eligibility	87
2. Learner eligibility	88
3. Verification of learner eligibility	89
4. Verification of learner identity	91
5. Programme eligibility	92
6. Hours and intensity of delivery	92
7. Fees	92
8. Reports	93
9. Subcontracting	93
10. Repayment of WLN Fund – TEO-led strand Funding	94
11. Suspension, revocation or withdrawal of WLN Fund – TEO-led strand Funding	94

TEO-led Workplace Literacy and Numeracy Fund

Purpose of Fund

The purpose of funding literacy and numeracy provision is to:

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

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

- (a) increase the literacy and numeracy skills of employees; and
- (b) contribute to workplace productivity through the provision and evaluation of literacy and numeracy learning in a workplace context.

The purposes can be achieved by:

- (a) providing programmes of workplace literacy and numeracy training to employees; and
- (b) supporting workplaces to establish workplace literacy and numeracy provision.

The WLN Fund has two funding strands: the Tertiary Education Organisation (TEO)-led strand and the Employer-led strand.

The following Conditions apply, under section 426 of the Education and Training Act (the Act), to the Literacy and Numeracy Provision – Workplace Literacy and Numeracy Fund, TEO-led strand (WLN Fund – TEO-led strand) Funding you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

1.1 You must continue to be:

- (a) a University; or
- (b) Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
- (c) a Wānanga; or
- (d) a Private Training Establishment (PTE); or
- (e) a State or State-integrated school.

- 1.2** You must, for the length of the Funding Period:
- (a) have in place an effective assessment process for determining the literacy and numeracy needs of eligible learners, such as the Literacy and Numeracy for Adults Assessment Tool (LNAAT), and provide support to ensure that those learners progress in line with the **guidelines** provided by us; and
 - (b) be able to offer an eligible programme of intensive literacy and numeracy provision as set out in Condition 5.
- 1.3** If you are a University, you must continue to be quality assured by the New Zealand Vice-Chancellors' Committee.
- 1.4** If you are Te Pūkenga, a subsidiary of Te Pūkenga delivering the relevant programme for which you receive WLN Fund – TEO-led strand Funding, a Wānanga or PTE, you must continue to be quality assured by the New Zealand Qualifications Authority (NZQA).
- 1.5** If you are a State or State-integrated school, you must continue to be quality assured by the Education Review Office.

2. Learner eligibility

- 2.1** You must ensure that WLN Fund – TEO-led strand Funding is only used for a learner who:
- (a) is a **Domestic Student**,¹ and
 - (b) has low skill levels in literacy, numeracy, or literacy and numeracy, as determined by us; and
 - (c) is in the paid workforce; and
 - (d) is not:
 - (i) enrolled as a full-time learner at a TEO; or enrolled as a full-time secondary school learner; or
 - (ii) accessing TEC-funded literacy, numeracy, or literacy and numeracy, provision at another TEO or workplace; or
 - (iii) enrolled in a programme or Credential identified as being delivered in the *provider-based, extramural, or work-based: pathway to work* modes of delivery;² or
 - (iv) enrolled in a programme or Credential at Level 4 or above on the New Zealand Qualifications and Credentials Framework (NZQCF); or
 - (v) enrolled in a New Zealand Apprenticeship.

1 A "Domestic Student" means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the **Tertiary Education (Domestic Students) Notice 2022**.

2 As defined in Appendix 1, Table 3: Funding categories: numeric code, of the Funding Mechanism named *Determination of Design of Funding Mechanism: non-degree delivery at levels 3–7 on the New Zealand Qualifications and Credentials Framework and all industry training*.

- 2.2** For the purposes of this Condition, a learner is considered to have a low skill level in literacy, numeracy, or literacy and numeracy if the learner:
- (a) has fewer than 80 credits on the NZQCF (or equivalent); or
 - (b) has more than 80 credits on the NZQCF (or equivalent), and has fewer than 12 credits in literacy and/or numeracy in unit standards and/or achievement standards (or equivalent); or
 - (c) is assessed using the LNAAT and presents at Step 3 or below on the Learning Progressions for reading, and/or Step 4 or below on the Learning Progressions for numeracy.
- 2.3** You must ensure that, for the length of the Funding Period, the learner continues to meet the eligibility criteria as specified in Condition 2.1 (except the criterion in Condition 2.1(b) above).

3. Verification of learner eligibility

- 3.1** You must verify that each learner enrolled in a programme of study or training meets the eligibility criteria as specified in Condition 2.1 by sighting the relevant documents specified below for the type of learner:

Type of learner	Verification methods
A New Zealand citizen	<p>You must:</p> <ul style="list-style-type: none"> (a) confirm the learner’s citizenship status using the learner’s National Student Number (NSN); or (b) receive an assertion through RealMe® that the learner was born in New Zealand (prior to 2005); or (c) sight an original or certified copy of one or more of the following documents: <ul style="list-style-type: none"> (i) a New Zealand birth certificate; or (ii) a New Zealand passport; or (iii) a New Zealand certificate of citizenship; or (d) if a learner is unable to obtain a birth certificate for the purposes of (c)(i) above, you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of citizenship.
A New Zealand resident	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) a passport with a current returning residency class visa (a passport with a visa label); or (b) a passport, and letter or email, confirming current returning residency class visa (label-less visa, followed by confirmation with Immigration New Zealand, where appropriate); or (c) a certificate of identity from Immigration New Zealand if the learner is a refugee.

Type of learner	Verification methods
An Australian citizen or Australian permanent resident currently residing in New Zealand	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) an Australian birth certificate issued before 20 August 1986;* or (b) an Australian passport; or (c) a passport with a current Australian resident return visa. <p>* An Australian birth certificate issued after August 1986 is not an accepted form of verification. You will need to sight the travel document, which is likely to be an Australian passport.</p>
A dependant of diplomatic personnel	You must sight the original or certified copy of an authorised form from the Ministry of Foreign Affairs and Trade.
<p>Other types of valid domestic enrolments</p> <p>A person who is required to be treated as if they are not an international student within the meaning set out in the Tertiary Education (Domestic Students) Notice 2022</p>	<p>You must verify each learner’s eligibility in accordance with the requirements specified on our website for how each learner is to be verified. The requirements can be found on the TEC website page Other valid domestic enrolments.</p>

- 3.2** You must follow the process set out in Condition 3.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- 3.3** For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (a) be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (b) have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

4. Verification of learner identity

- 4.1** You must verify the identity of each learner enrolled in a programme of study or training and confirm whether the learner is who they say they are by doing one or more of the following:
- (a) confirming that all data fields match the learner's NSN; or
 - (b) receiving an assertion through the Department of Internal Affairs' RealMe® online identity verification service; or
 - (c) sighting the original or certified copy of a current passport; or
 - (d) sighting the original or certified copy of one or more of the following documents:
 - (i) a birth certificate; or
 - (ii) a certificate of identity; or
 - (iii) a New Zealand certificate of citizenship; or
 - (iv) an expired passport that has not been cancelled; or
 - (v) a current New Zealand driver licence; or
 - (vi) a current New Zealand firearms licence.
- 4.2** If a learner is unable to obtain a birth certificate for the purposes of Condition 4.1(d) (i), you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of identity.
- 4.3** You must follow the process set out in Condition 4.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- 4.4** For the purposes of this Condition a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (a) be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (b) have the official's signature on each page, with the name and title of the official shown clearly below their signature.

5. Programme eligibility

- 5.1** You must only use WLN Fund – TEO-led strand Funding for a programme of training that for the length of the Funding Period:
- (a) provides literacy, numeracy, or literacy and numeracy training that is specific, rather than embedded within the programme; and
 - (b) provides high-quality literacy, numeracy, or literacy and numeracy study or training that represents value for money; and
 - (c) is effective and innovative in improving each learner’s workplace literacy, numeracy, or literacy and numeracy skills to meaningfully engage in the workplace and New Zealand society; and
 - (d) is able to be tailored to meet the needs of an individual learner; and
 - (e) has adequate processes for reporting on a learner’s progress in improving literacy, numeracy, or literacy and numeracy skills; and
 - (f) is provided by a tutor who holds an appropriate qualification as determined by us.
- 5.2** In addition to the requirements in Condition 5.1, if you are a TEO that works with a specific employer, you must only use WLN Fund – TEO-led strand Funding for a programme of workplace training if the programme:
- (a) provides high-quality literacy, numeracy, or literacy and numeracy study or training that is tailored to the needs of the workplace; and
 - (b) contributes to the development of sustainable employee literacy and numeracy practices within the workplace; and
 - (c) has targeted literacy, numeracy, or literacy and numeracy outcomes that reflect the priorities and needs of the workplace; and
 - (d) has the support of the employer’s senior management.

6. Hours and intensity of delivery

- (a) The total hours of literacy, numeracy, or literacy and numeracy tuition you deliver per learner is generally expected to be between 25 and 80 hours, acknowledging some learners having need of more or fewer hours.
- (b) The literacy, numeracy, or literacy and numeracy tuition you provide must be delivered at the intensity of 40 hours over a 10- to 40-week period.

7. Fees

You must not charge a fee to a learner who is participating in a programme of workplace training for which you receive WLN Fund – TEO-led strand Funding.

8. Reports

8.1 You must submit:

- (a) a progress report for the period 1 January to 31 May no later than 10 working days after 31 May; and
- (b) a progress report for the period 1 January to 30 September no later than 10 working days after 30 September; and
- (c) a final report for the period 1 January to 31 December no later than 31 January of the following year.

8.2 Each progress report and the final report must:

- (a) be submitted in accordance with the template that we will provide to you; and
- (b) relate to the specific delivery commitments outlined in your Investment Plan; and
- (c) include the following information:
 - (i) the number of learners enrolled in each WLN programme of study or training; and
 - (ii) learner enrolment information, including:
 - A. the NSN; and
 - B. tuition hours delivered (actual attendance); and
 - C. remaining tuition hours planned (if any); and
 - D. demographic information; and
 - E. regional information; and
 - F. literacy and numeracy information; and
 - G. the enrolment start and finish dates for each learner enrolled in each WLN programme of study or training during the period covered by the report; and
 - (iii) the name of the business in which the learner is employed.

9. Subcontracting

You must:

- (a) not subcontract any of the funded activities without prior written consent from us; and
- (b) comply with any Conditions imposed by us on a consent to subcontract; and
- (c) ensure that the subcontracted party does not further subcontract any functions; and
- (d) remain accountable to us for the use of the WLN Fund – TEO-led strand Funding.

10. Repayment of WLN Fund – TEO-led strand Funding

10.1 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:

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

10.2 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.

11. Suspension, revocation or withdrawal of WLN Fund – TEO-led strand Funding

If we suspend, revoke or withdraw some or all of your WLN Fund – TEO-led strand Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as a debt due to the Crown that is:

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

Youth Guarantee Fund

Purpose of Fund	96
Flexible funding	97
1. Organisation eligibility	97
2. Single Data Return (SDR)	98
3. Withdrawal of enrolments	98
4. Use of YG Fund Funding for eligible learners	99
5. Programmes and qualifications	106
6. Literacy and Numeracy Assessment Tool	108
7. Fees	109
8. Claiming YG Fund Funding	109
9. TEO not to over-deliver Level 3 EFTS	109
10. Wellbeing and Pathways Support subsidy	109
11. Travel assistance funding	110
12. Exceptional Circumstances Transport Assistance (ECTA) Fund Funding	110
13. Performance expectations	110
14. Subcontracting	110
15. Repayment of YG Fund Funding	111
16. Suspension, revocation or withdrawal of YG Fund Funding	111

Youth Guarantee Fund

Purpose of 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:
 - (i) the National Certificate of Educational Achievement (NCEA) Level 1, 2 or 3 aligned to the Vocational Pathways, or
 - (ii) 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:
 - (i) 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
 - (ii) learners who have no or low (Level 1) prior achievement before enrolling in YG.

“Aligned to the Vocational Pathways” means all the achievement and unit standards in a programme are either sector-related or recommended standards from the Vocational Pathways. NCEA Level 2 programmes aligned to the Vocational Pathways must lead to at least one Vocational Pathway Award.

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:
 - A. have a New Zealand Qualifications Authority (NZQA) External Evaluation and Review (EER) status of Category 1 or 2¹ (except Te Pūkenga); and
 - B. are approved by us to receive a minimum of \$224,340 from the YG Fund for the calendar year, excluding any funding allocated to the Wellbeing and Pathways Support rate; and
 - C. have an average 2022 course completion rate of 55% or higher; and
 - (ii) 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.
- (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.

The following Conditions apply, under section 426 of the Education and Training Act (the Act), to the YG Fund Funding that you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

1.1 You must continue to be:

- (a) Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
- (b) a Wānanga; or
- (c) a Private Training Establishment (PTE); or
- (d) a State or State-integrated school that has been funded by us for YG provision since 2011.

¹ EER status is determined by the most recently published full EER report relating to you.

- 1.2** If you are Te Pūkenga, a subsidiary of Te Pūkenga delivering the relevant programme for which you receive YG Fund Funding, a Wānanga or a PTE, you must continue to be quality assured by the New Zealand Qualifications Authority (NZQA).
- 1.3** If you are a State or State-integrated school, you must continue to be quality assured by the Education Review Office.

2. Single Data Return (SDR)

You must, or if you are Te Pūkenga, the relevant Te Pūkenga subsidiaries must:

- (a) supply to us accurate information about each learner enrolled in a course by completing the fields in the SDR in accordance with the SDR Manual and its appendices; and
- (b) submit the information on or before the date we specify through the Services for Tertiary Education (STEO) website. For more information, please refer to the [**SDR Manual and SDR Appendices**](#).

3. Withdrawal of enrolments

3.1 Withdrawal date for Te Pūkenga and Wānanga

- (a) If you are a Wānanga you may, or if you are Te Pūkenga the relevant Te Pūkenga subsidiaries may, set a Withdrawal date, being the specified period during which a learner can Withdraw, provided that date is not earlier than the Withdrawal date in Condition 3.1(b).
- (b) If you do not set a Withdrawal date, the Withdrawal date will be the date on which 10% (rounded up to the nearest day) or one calendar month of the course for which a learner is enrolled has passed, whichever is the earlier. The Withdrawal date must be determined by calculating the number of sequential calendar whole days (including weekends and public holidays) from the start date of the course.

3.2 Withdrawal date for PTEs

If you are a PTE, you must comply with the Withdrawal dates and refund period entitlements set out in sections 355 to 360 of the Act.

3.3 Reporting Withdrawals to the Ministry of Social Development (StudyLink)

In addition to any other Conditions requiring you to report Withdrawals of enrolments, you must report the Withdrawals of learners to the Ministry of Social Development (StudyLink) within five working days of each Withdrawal. This is to enable student loans and student allowances to be cancelled as soon as possible.

3.4 Other obligations to report Withdrawals

For the avoidance of doubt, completing the SDR under Condition 2 does not discharge your other obligations to report Withdrawals.

4. Use of YG Fund Funding for eligible learners

4.1 Learner eligibility

- (a) For the purposes of this Condition, 1.0 EFTS is defined as the learner workload that would normally be carried out by a learner enrolled full time in a single academic calendar year, being:
- (i) 80 credits (800 notional hours of learning and 34 full-time teaching weeks) for YG programmes leading to a Level 1 and/or 2 qualification; and
 - (ii) 120 credits (1,200 notional hours of learning and 34 full-time teaching weeks) for YG programmes leading to a Level 3 qualification.
- (b) You must ensure that a learner enrolled in a YG programme for which YG Fund Funding is being used is and continues to be:
- (i) a **Domestic Student**;² and
 - (ii) not enrolled in secondary school; and
 - (iii) either:
 - A. aged 16 to 24 years (inclusive) at the time they commence the YG programme; or
 - B. 15 years of age at the time they commence the YG programme, with an early leaving exemption from their school.
- (c) You must not enrol a learner in a YG programme if that learner has already:
- (i) achieved a qualification at Level 3 or above on the NZQCF; or
 - (ii) received more than 2.5 EFTS of YG provision, or the learner would, if enrolled by you, exceed more than 2.5 EFTS of YG provision during the period of that enrolment unless an exception, that has been specified by us, applies.
- (d) If you receive YG Fund Funding at Level 3 on the NZQCF, you must give priority to Level 3 provision to:
- (i) learners with no or low (Level 1) prior achievement; and
 - (ii) learners who have completed a Level 1 or Level 2 qualification through a YG provision programme.
- (e) You must not claim Funding in relation to a learner enrolled in a programme eligible for YG Provision Fund Funding if:
- (i) that learner has already achieved a qualification at Level 1 or 2 on the NZQCF; and
 - (ii) 10% or more of the learners for which you receive YG Fund Funding in the calendar year had, at the time of their enrolment, already achieved a qualification at Level 1 or 2.
- (f) You must not enrol a learner in more than:
- (i) 1.5 EFTS of Level 1 and/or 2 YG qualification provision in any calendar year; and
 - (ii) 1.0 EFTS of Level 3 YG provision in any calendar year.
- (g) Without limiting Condition 14, we may recover YG Fund Funding if you enrol a learner in breach of this Condition 4.1.

² A "Domestic Student" means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the [Tertiary Education \(Domestic Students\) Notice 2022](#).

4.2 Verification of learner eligibility

- (a) You must verify a learner’s eligibility for enrolment. For the following types of learners, you must use one of the following verification methods below, and assess whether the learner meets the eligibility criteria as specified in Condition 4.1:

Type of student	Verification methods
A New Zealand citizen	<p>You must:</p> <ul style="list-style-type: none"> (a) confirm the student’s citizenship status using the student’s National Student Number (NSN); or (b) receive an assertion through RealMe® that the student was born in New Zealand (prior to 2005); or (c) if the student is in prison at the time of enrolment, receive a completed and signed Department of Corrections “Verification of legal name and New Zealand residency status” form relating to the student; or (d) sight an original or certified copy of one or more of the following documents: <ul style="list-style-type: none"> (i) a New Zealand birth certificate; or (ii) a New Zealand passport; or (iii) a New Zealand certificate of citizenship; or (e) if a student is unable to obtain a birth certificate for the purposes of (d)(i) above, contact us to confirm whether a whakapapa statement signed by both the student and a kaumātua is acceptable evidence of citizenship.
A New Zealand resident	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) a passport with a current returning residency class visa (a passport with a visa label); or (b) a passport, and letter or email, confirming current returning residency class visa (label-less visa), followed by confirmation with Immigration New Zealand, where appropriate); or (c) a certificate of identity from Immigration New Zealand if the student is a refugee.
An Australian citizen or Australian permanent resident currently residing in New Zealand	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) an Australian passport; or (b) a passport with a current Australian resident return visa.
A dependant of diplomatic personnel	<p>You must sight the original or certified copy of an authorised form from the Ministry of Foreign Affairs and Trade.</p>

Type of student	Verification methods
<p>Other types of valid domestic enrolments</p> <p>A person who is required to be treated as if they are not an international student within the meaning set out in the Tertiary Education (Domestic Students) Notice 2022</p>	<p>You must verify each learner’s eligibility in accordance with the requirements specified on our website for how each learner is to be verified. The requirements can be found on the TEC website page Other valid domestic enrolments.</p>

- (b) You must follow the process set out in Condition 4.2(a) unless we are satisfied that there are special circumstances that justify using an alternative process and authorise you in writing to follow a different process specified by us.
- (c) For the purposes of this Condition, a certified copy is a photocopy, photograph, or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (i) be certified by an official of the issuing authority or a person authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to make a statutory declaration, such as a Justice of the Peace, a person who is enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (ii) have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

4.3 Verification of learner identity

- (a) You must verify the identity of each learner enrolled in a programme or programmes of study or training and confirm the learner is who they say they are by doing one of the following:
- (i) confirming that all data fields match the learner’s NSN; or
 - (ii) receiving an assertion through the Department of Internal Affairs’ RealMe® online identity verification service; or
 - (iii) if the learner is in prison at the time of enrolment, receiving a completed and signed Department of Corrections “Verification of legal name and New Zealand residency status” form relating to the learner; or
 - (iv) sighting the original or certified copy of a current passport; or
 - (v) sighting the original or certified copy of one or more of the following documents:
 - A. a birth certificate; or
 - B. a certificate of identity; or
 - C. a New Zealand certificate of citizenship; or
 - D. an expired passport that has not been cancelled.
- (b) You must follow the process set out in Condition 4.3(a) unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- (c) If a learner is unable to obtain a birth certificate for the purposes of Condition 4.3(a)(iv)A above, you may contact us to confirm that a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of identity.
- (d) For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (i) be certified by an official of the issuing authority or a person authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person who is enrolled as a barrister and solicitor of the High Court or a court official (Court Registrar or Deputy Registrar); and
 - (ii) have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

4.4 Enrolment records for eligible learners

- (a) You must keep accurate and up-to-date records of each valid domestic enrolment of an eligible learner enrolled in a programme of study or training of more than 0.03 EFTS for which you receive YG Fund Funding, specifying:
- (i) the programme of study or training (including qualification(s) and course(s) in which the learner has been admitted or readmitted); and
 - (ii) the learner's identity details sighted to verify learner eligibility and identity, including the learner's name, date of birth, citizenship, Domestic Student status, and residency status (if relevant); and
 - (iii) whether you have verified the learner's identity; and
 - (iv) whether you have verified that the learner is an eligible learner enrolment; and
 - (v) the learner's National Student Number (NSN); and
 - (vi) the learner's previous academic achievement (if relevant); and
 - (vii) changes (if any) made to an enrolment; and
 - (viii) whether the learner has withdrawn from part of their programme of study or training, and the date of the Withdrawal; or
 - (ix) whether a learner has been expelled from part of their programme of study or training by you due to a breach of your Code of Conduct; or
 - (x) whether a learner is on a discretionary leave of absence greater than leave normally granted under your standard minimum attendance requirements; and
 - (xi) that the learner is attending the programme of study in which they are enrolled, or is actively involved in the programme or course (learner attendance record); and
 - (xii) the period for which the learner is enrolled (including last date of attendance); and
- (b) You must retain each learner's records described in Condition 4.4(a) until:
- (i) at least two years after the completion of the education or training in which the learner is enrolled; or
 - (ii) if a learner Withdraws before the learner has completed their education or training, at least two years after the date of Withdrawal.

4.5 No inducing enrolment

- (a) You must not secure or seek to secure an enrolment through offering an inducement.
- (b) Even if a learner meets the criteria specified in Condition 4.1, the enrolment is not a valid enrolment if it has been secured by way of an inducement.
- (c) For the purposes of this Condition, an inducement includes any of the following, where it induces a learner to enrol:
 - (i) a financial benefit to the learner; or
 - (ii) a personal advantage to the learner; or
 - (iii) a physical item that a learner retains possession of after the course of study or training has ended.
- (d) For the purposes of this Condition, an inducement does not include:
 - (i) a scholarship, as defined below; or
 - (ii) a physical item that:
 - A. is essential for a learner to complete the compulsory requirements of their programme of study (including printed course notes, an e-reader for course notes, or course-related textbooks); and
 - B. cannot be returned and reused for learners in subsequent intakes (for example, due to health and safety reasons; time-limited materials or materials that will be updated; or if it is not financially feasible); or
 - (iii) an item or arrangement that has been approved by us (for example, we may approve an item that has minimal residual value or useful life in the general marketplace, or items that are needed for a learner's pathway into the vocation for which study or training has been undertaken); or
 - (iv) the guarantee of a job placement on the successful completion of a programme of study, backed by a partial or total money-back guarantee; or
 - (v) a conditional offer of a partial refund (such as a refund for a timely or electronic enrolment).
- (e) For the purposes of this Condition, a scholarship means:
 - (i) a merit scholarship (or prize) that comprises financial aid given to a learner as a result of high academic achievement exceeding that of their fellow learners or cohort; and/or
 - (ii) a needs scholarship that comprises financial aid given to a learner who would otherwise be significantly disadvantaged in accessing education, where the need of the learner has been demonstrated through a robust application and assessment process; and/or
 - (iii) any scholarship that:
 - A. has a clear, focused rationale for its existence; and
 - B. has a clearly identified philanthropic aim, or supports study in a particular area of importance to the donor.

4.6 Funding for EFTS factor of a course

You may only seek YG Fund Funding for the EFTS factor of a course once unless, in cases where a learner's enrolment in the course can lead to the award of two (or more) qualifications for the learner, you can demonstrate that the additional EFTS value sought for the learner's enrolment in the course adequately reflects additional teaching input or assessment that the learner would not receive if their enrolment in the course could only lead to the award of one qualification.

4.7 Recognised prior learning

- (a) You must not seek YG Fund Funding for recognised prior learning credited to a learner. To ensure that you are able to comply with this Condition, you must:
 - (i) make any fees charged for recognition of prior learning clear to the learner; and
 - (ii) ask the learner to specify prior learning they have undertaken; and
 - (iii) review the information provided by the learner when admitting a learner into a programme or qualification; and
 - (iv) retain documents that confirm that the learner has demonstrated the required knowledge or skill; and
 - (v) adjust the course EFTS by Month in the SDR enrolment file so that you do not claim YG Fund Funding for prior learning already credited to the learner; and
 - (vi) where programme or Credential components are credited to the learner for prior learning you must pro-rate the course EFTS factor accordingly and detail your calculations for each enrolment.
- (b) Recognised prior learning does not include repeated learning undertaken that the applicable quality assurance body requires learners to repeat periodically (eg, First Aid Certificates). If you deliver repeated learning or training for the purpose of meeting quality assurance body requirements, you must retain evidence that clearly identifies:
 - (i) the learning or training that was required to meet quality assurance body requirements; and
 - (ii) the specific quality assurance body requirements; and
 - (iii) that you have advised the learner of the fees that you will charge for the repeated learning or training; and
 - (iv) that the learner has agreed it is necessary to repeat the learning or training.

5. Programmes and qualifications

5.1 Approval of programmes and qualifications

You must:

- (a) only use YG Fund Funding to deliver qualifications and courses that have been approved by us. To receive Funding approval for a qualification, you must submit the relevant documents to us in accordance with the information on our website; and
- (b) ensure that YG Fund Funding is only used for a course that is part of a programme that has been quality assured by NZQA.

5.2 Minimum Requirements

- (a) You must only use YG Fund Funding for provision, in which eligible learners are enrolled, that:
 - (i) leads to the award of a qualification that is either:
 - A. NCEA at Level 1, 2 or 3; or
 - B. another National or New Zealand Certificate at Level 1, 2 or 3 on the NZQCF; and
 - (ii) includes literacy and numeracy provision; and
 - (iii) comprises part of a recognised pathway (as determined by NZQA) towards one or more vocational qualifications at Level 4 and above on the NZQCF; and
 - (iv) if it leads to a Level 1 or 2 NCEA qualification, is aligned to the Vocational Pathways; and
 - (v) is provided by tutors who are appropriately qualified.
- (b) YG programmes must be delivered face-to-face (for example, not delivered via distance learning or in a work-based setting) unless we authorise you in writing to use an alternative delivery method.

5.3 Making changes to qualifications

- (a) Before making a minor change to a qualification, you must:
 - (i) obtain approval for the minor change from the relevant quality assurance body (if required), that is: NZQA, if you are a PTE, Te Pūkenga or a Wānanga; and
 - (ii) notify us of the change and provide the relevant information; and
 - (iii) obtain approval from us to update the course or qualification register.
- (b) Before making a significant change to a qualification, you must:
 - (i) obtain approval from the relevant quality assurance body (as outlined in 5.3(i)); and
 - (ii) provide the relevant information to us (including evidence of approval from the quality assurance body) to enable us to determine whether or not to approve the change; and
 - (iii) obtain approval from us to make the significant change.

- (c) For the purposes of this Condition:
- (i) a “minor change” to a qualification is a change that does not change the size, level, core content, or EFTS value of the qualification; and
 - (ii) a “significant change” to a qualification is a change to:
 - A. the EFTS value of the qualification; or
 - B. the total number of credits in the qualification; or
 - C. the timeframe to complete the qualification; or
 - D. the level of the qualification in the NZQCF; or
 - E. in relation to Te Pūkenga (including relevant Te Pūkenga subsidiaries), Wānanga and PTEs:
 - I. the location or locations at which the qualification is delivered; or
 - II. the delivery mode of the qualification; or
 - III. the number of courses that each learner is expected to undertake to achieve the qualification; or
 - IV. prerequisite requirements.

5.4 Assigning EFTS values to qualifications

- (a) You must:
- (i) use the following three methods to assign the EFTS value of a qualification:
 - A. credits; and
 - B. learning hours; and
 - C. full-time teaching weeks; and
 - (ii) provide us with information on the three methods of assigning EFTS values (being credits, learning hours, and full-time teaching weeks) when you enter qualification details on our STEO website.
- (b) For the purposes of this Condition, 1.0 EFTS has the same definition as that set out in Condition 4.1(a).
- (c) If you submit a qualification for approval for YG Fund Funding that has two or more strands, you must propose an EFTS value for the qualification that is based on the strand that contains the highest number of credits that you are approved to deliver for the qualification. A strand is a specialisation within a qualification that represents a major component of the qualification and is at the level of the qualification. Strands are documented through strand-specific outcomes in the graduate profile.
- (d) If you submit a qualification for approval for YG Fund Funding, and NZQA has approved you to deliver a qualification in both trades (50% or more of the courses are in course classifications codes C1, L1 and P1) and non-trades³ strands (each leading to the same NZQCF qualification), you must enter two qualification codes in STEO to reflect each of the two strands.

³ A trades qualification is a qualification that focuses on, or leads to, training required for skilled labour or a professional craft. Trade qualifications would likely require further training as an apprentice, cadet or trainee or some on-the-job training. A non-trades qualification provides students with a broad educational experience, particularly in business, computer technology, education, healthcare or retail. Programmes in a non-trade qualification provide learners with the fundamental principles, concepts, vocabulary, and methods essential for the acquisition of knowledge and skills basic to the field of study. See Ministry of Education, [Trades and Non-Trades Learning Programmes](#) (PDF 27KB).

- (e) For the purposes of this Condition, learning hours comprises learning activities leading towards achievement of programme or qualification learning outcomes (planned by you and communicated by you to the learner). Learning activities include but are not limited to:
 - (i) lecturer and tutor contact hours, including workshops and tutorials; and
 - (ii) tests and assignments; and
 - (iii) supervised practical placements; and
 - (iv) study time; and
 - (v) self-directed learning activities that the learner is expected to engage with/ participate in outside teaching and tutor contact hours; and
 - (vi) examination periods.

5.5 Limit on EFTS values for qualifications

- (a) You must not assign an EFTS value representing more than 120 credits per year to a qualification for which you seek approval of YG Fund Funding, unless you have received approval from us. In approving an exception to this Condition, we will consider additional criteria, including whether you:
 - (i) will inform each learner accurately about their higher than normal expected study commitments; and
 - (ii) have support mechanisms in place for each learner who has difficulty coping with the intensity of the course.
- (b) We will only approve an exception to this Condition if the qualification is at Level 3 on the NZQCF.

6. Literacy and Numeracy Assessment Tool

You must have in place an effective assessment process for determining the literacy and numeracy needs of eligible learners, such as the Literacy and Numeracy for Adults Assessment Tool (LNAAT), and provide support to ensure that those learners progress in line with the **guidelines** provided by us.

7. Fees

- (a) You must:
 - (i) not charge any fees (including student services fees) to learners enrolled in a course funded by YG Fund Funding;
 - (ii) pay for the necessary equipment, infrastructure and hardware required to deliver a particular programme; and
 - (iii) in relation to the provision of essential equipment, including computers, not require the costs to be met through the “course-related costs” component of the Student Loan Scheme.
- (b) For the purposes of this Condition, “equipment, infrastructure and hardware”:
 - (i) means items that can be used by successive intakes of learners; and
 - (ii) does not include personal items that are provided for individual learners’ use and that you do not retain for the next intake of learners.

8. Claiming YG Fund Funding

You may only claim YG Fund Funding for a learner who:

- (a) is a valid domestic enrolment who meets the criteria in Condition 4.1; and
- (b) has completed 10% or one calendar month of the course for which they have enrolled, whichever is the earlier. You must determine whether a learner has completed 10% or one month of a course by calculating the number of sequential calendar whole days (including weekends and public holidays) from the start date of the course (when tuition starts), rounding up to the nearest whole day.

9. TEO not to over-deliver Level 3 EFTS

- (a) If you have been allocated YG Fund Funding to deliver qualifications of Level 3 on the NZQCF, you must not exceed that allocation.
- (b) 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.

10. Wellbeing and Pathways Support subsidy

- (a) The Wellbeing and Pathways Support subsidy of \$2,000 per EFTS is in addition to the 2023 YG Fund Funding rate.
- (b) This subsidy must be used to support:
 - (i) wellbeing and cultural support for the learner; and
 - (ii) facilitating pathways to higher level learning or employment for the learner.
- (c) You must work with learners and their whānau to develop a pathway plan to map “from here to there” for learners.

11. Travel assistance funding

- (a) A travel assistance subsidy of \$1,000 per EFTS is included in the 2023 YG Fund Funding rate.
- (b) The purpose of the travel subsidy (being a component of the YG Fund trade and non-trade funding rate per EFTS) is to support the travel costs associated with normal learner travel needs.

12. Exceptional Circumstances Transport Assistance (ECTA) Fund Funding

- (a) The purpose of the ECTA Fund (being a component of the YG Fund) is to provide for additional travel assistance to learners who live in relatively isolated areas who may have higher transport needs.
- (b) For ECTA Fund funding, you must:
 - (i) ensure that the funding is only used to pay for the actual cost of transport incurred by you or the learner to whom it is paid; and
 - (ii) if a learner incurs the cost of travel, reimburse the learner within 20 working days of them notifying you that they have incurred the cost; and
 - (iii) keep records of your expenditure on transport assistance; and
 - (iv) if you supply transport to learners, keep records including:
 - A. a daily travel logbook that sets out the kilometres travelled in relation to each learner; and
 - B. the source of funding for each learner's enrolment at your Organisation (for example, whether the learner is enrolled in a YG Fund Funded programme or otherwise); and
 - (v) if travel assistance funding is paid directly to a learner, keep records stating:
 - A. the amounts paid to each learner; and
 - B. the total amount that you reimbursed learners for transport.

13. Performance expectations

You must meet any performance expectations specified by us, including any performance standards specified in your Investment Plan.

14. Subcontracting

You must not subcontract delivery of any programme without the prior written approval by NZQA where the TEO is quality assured by NZQA and prior written consent from us.

15. Repayment of YG Fund 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.

16. Suspension, revocation or withdrawal of YG Fund Funding

If we suspend, revoke or withdraw some or all of your YG Fund Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as debt due to the Crown that is:

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

Vocational Funds

Adult Literacy Educator Fund	114
Māori and Pasifika Trades Training Fund (Fees Top-ups Fund Funding and Brokerage Services Fund Funding)	121
Māori and Pasifika Trades Training Fund (Consortium Activities)	129
Non-degree Delivery at Levels 3–7 on the New Zealand Qualifications and Credentials Framework and all Industry Training Fund (Delivery and Learner Components of the Unified Funding System)	135
Strategic Component of the Unified Funding System for Vocational Education and Training Fund – Te Pūkenga	168
Strategic Component of the Unified Funding System for Vocational Education and Training Fund – Wānanga	172

Adult Literacy Educator Fund

Purpose of Fund	114
1. Organisation eligibility	114
2. Learner eligibility	115
3. Verification of learner eligibility	115
4. Verification of learner identity	117
5. Programme eligibility	117
6. Recognised prior learning	118
7. Reports	118
8. Subcontracting	118
9. Repayment of ALE Fund Funding	118
10. Suspension or revocation of ALE Fund Funding	119

Adult Literacy Educator Fund

Purpose of Fund

The purpose of Funding literacy and numeracy provision is to:

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

The purpose of the *Adult Literacy Educator (ALE) Fund* is to build an effective literacy and numeracy teaching workforce by increasing the capability of educators and trainers to teach literacy and numeracy skills to adults. It does this by reducing fees for programmes of study or training that lead to literacy and numeracy educator qualifications at Level 5 on the New Zealand Qualifications and Credentials Framework (NZQCF).

The following Conditions apply, under section 426 of the Education and Training Act (the Act), to the Literacy and Numeracy Provision – Adult Literacy Educator Fund (ALE) Fund Funding you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

1.1 You must continue to be:

- (a) a University; or
- (b) Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
- (c) a Wānanga; or
- (d) a Private Training Establishment (PTE).

1.2 You must be able to offer an eligible programme as set out in Condition 5.

1.3 If you are a University, you must continue to be quality assured by the New Zealand Vice-Chancellors' Committee.

1.4 If you are Te Pūkenga, a subsidiary of Te Pūkenga delivering the relevant programme for which you receive ALE Fund Funding, a Wānanga or a PTE, you must continue to be quality assured by the New Zealand Qualifications Authority (NZQA).

2. Learner eligibility

You must ensure that ALE Fund Funding is only used in respect of a learner who meets and continues to meet the following criteria:

- (a) is a **Domestic Student**¹ and
- (b) is aged 18 years or over; and
- (c) has the academic ability to complete the programme of study or training that leads to an appropriate qualification.

3. Verification of learner eligibility

3.1 You must verify that each learner enrolled in a programme meets the eligibility criteria as specified in Condition 2 by sighting the relevant documents specified below for the type of learner:

Type of learner	Verification methods
A New Zealand citizen	<p>You must:</p> <ul style="list-style-type: none"> (a) confirm the learner’s citizenship status using the learner’s National Student Number (NSN); or (b) receive an assertion through RealMe® that the learner was born in New Zealand (prior to 2005); or (c) sight an original or certified copy of one or more of the following documents: <ul style="list-style-type: none"> (i) a New Zealand birth certificate; or (ii) a New Zealand passport; or (iii) a New Zealand certificate of citizenship; or (d) if a learner is unable to obtain a birth certificate for the purposes of (c)(i) above, you may contact us to confirm whether a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of citizenship.
A New Zealand resident	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) a passport with a current returning residency class visa (a passport with a visa label); or (b) a passport, and letter or email, confirming current returning residency class visa (label-less visa, followed by confirmation with Immigration New Zealand, where appropriate); or (c) a certificate of identity from Immigration New Zealand if the learner is a refugee.

¹ A “Domestic Student” means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the [Tertiary Education \(Domestic Students\) Notice 2022](#).

Type of learner	Verification methods
An Australian citizen or Australian permanent resident currently residing in New Zealand	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) an Australian birth certificate issued before 20 August 1986;* or (b) an Australian passport; or (c) a passport with a current Australian resident return visa. <p><small>* An Australian birth certificate issued after August 1986 is not an accepted form of verification. You will need to sight the travel document, which is likely to be an Australian passport.</small></p>
A dependant of diplomatic personnel	You must sight the original or certified copy of an authorised form from the Ministry of Foreign Affairs and Trade.
Other types of valid domestic enrolments A person who is required to be treated as if they are not an international student within the meaning set out in the Tertiary Education (Domestic Students) Notice 2022	You must verify each learner’s eligibility in accordance with the requirements specified on our website for how each learner is to be verified. The requirements can be found on the TEC website page Other valid domestic enrolments .

- 3.2** You must follow the process set out in Condition 3.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- 3.3** For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (a) be certified by an official of the issuing authority authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (b) have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

4. Verification of learner identity

- 4.1** You must verify the identity of each learner enrolled in a programme of study or training and confirm the learner is who they say they are by doing one or more of the following:
- (a) confirming that all data fields match the learner’s NSN; or
 - (b) receiving an assertion through the Department of Internal Affairs’ RealMe® online identity verification service; or
 - (c) sighting the original or certified copy of a current passport; or
 - (d) sighting the original or certified copy of one or more of the following documents:
 - (i) a birth certificate; or
 - (ii) a certificate of identity; or
 - (iii) a New Zealand certificate of citizenship; or
 - (iv) an expired passport that has not been cancelled; or
 - (v) a current New Zealand driver licence; or
 - (vi) a current New Zealand firearms licence.
- 4.2** If a learner is unable to obtain a birth certificate for the purposes of Condition 4.1(d)(i), contact us to confirm that a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of identity.
- 4.3** You must follow the process set out in Condition 4.1 unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- 4.4** For the purposes of this Condition a certified copy is a photocopy or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (a) be certified by an official of the issuing authority or a person authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to take a statutory declaration, such as a Justice of the Peace, a person enrolled as a barrister or solicitor of the High Court or a court official (Court Registrar or Deputy Registrar); and
 - (b) have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

5. Programme eligibility

You must only use ALE Fund Funding for tuition fees top-ups for a programme of study or training if the programme leads to a literacy and numeracy educator qualification (or qualifications) at Level 5 on the NZQCF (“eligible programme”). For the avoidance of doubt, if you receive a fees top-up from the ALE Fund for an eligible learner, you may charge the learner for any balance of the tuition fees.

6. Recognised prior learning

- 6.1** You must not seek ALE Fund Funding for recognised prior learning credited to a learner. To ensure that you are able to comply with this Condition, you must:
- (a) ask a learner to specify prior learning they have undertaken; and
 - (b) review the information provided by the learner when admitting a learner into a programme or qualification; and
 - (c) retain documents that confirm that the learner has demonstrated the required knowledge or skill.
- 6.2** Recognised prior learning does not include repeated learning or training that the applicable quality assurance body requires learners to repeat periodically.

7. Reports

- 7.1** You must submit:
- (a) a progress report for the period 1 January to 31 March no later than 10 working days after 31 March of that year; and
 - (b) a progress report for the period 1 January to 31 July no later than 10 working days after 31 July of that year; and
 - (c) a final report for the period 1 January to 31 December no later than 10 working days after 31 December.
- 7.2** Each report must be submitted in accordance with the template that we will provide to you and include all information requested.

8. Subcontracting

You must:

- (a) not subcontract any of the funded activities without the prior written approval by NZQA where you are quality assured by NZQA and without prior written consent from us; and
- (b) comply with any Conditions imposed by us on a consent to subcontract; and
- (c) ensure that the subcontracted party does not further subcontract any functions; and
- (d) remain accountable to us for the use of the ALE Fund Funding.

9. Repayment of ALE Fund Funding

If you receive ALE 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:

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

10. Suspension or revocation of ALE Fund Funding

If we suspend or revoke some or all of your ALE Fund Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as a debt due to the Crown that:

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

Māori and Pasifika Trades Training Fund (Fees Top-ups Fund Funding and Brokerage Services Fund Funding)

Purpose of Fund	121
Funding for MPTT Fees Top-ups	122
Funding for MPTT Brokerage Services	122
1. Organisation eligibility	123
2. Learner eligibility	123
3. Reporting requirements	124
4. Eligible programmes and Micro-credentials for MPTT Fees Top-ups	125
5. Eligible MPTT Brokerage Services	125
6. Compliance with Conditions that apply to DQ-funded programmes or Micro-credentials	125
7. Literacy and Numeracy for Adults Assessment Tool	126
8. Fees and associated course costs	126
9. Performance standards	126
10. Subcontracting	126
11. Repayment of MPTT Fees Top-ups Fund Funding or MPTT Brokerage Services Fund Funding	126
12. Recovery of MPTT Fees Top-ups Fund Funding or MPTT Brokerage Services Fund Funding	127
13. Suspension, revocation or withdrawal of MPTT Fees Top-ups Fund Funding or MPTT Brokerage Services Fund Funding	127

Māori and Pasifika Trades Training Fund (Fees Top-ups Fund Funding and Brokerage Services Fund Funding)

Purpose of 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 sustainable trades or trades-related employment, including New Zealand Apprenticeships and other successful industry training programmes at Level 3 and above 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.

Funding through the MPTT Fund is for:

- (a) MPTT fees top-ups to make provider-based delivery of pre-trades training programmes or Credentials funded through the following, fees-free for MPTT learners:
 - (i) Delivery on the New Zealand Qualifications and Credentials Framework at Levels 1 and 2 (DQ1-2) Fund; and
 - (ii) Non-degree Delivery at Levels 3–7, and all industry training up to Level 7 on the New Zealand Qualifications and Credentials Framework (DQ3-7) Fund; and
- (b) MPTT Brokerage Services to:
 - (i) match learner talents and aspirations with employer skill requirements and career pathways; and
 - (ii) tailor pre-employment trades educational provision to the needs and aspirations of MPTT learners, communities and potential employers; and
 - (iii) facilitate relationships between MPTT learners, providers, training Organisations and potential employers; and
 - (iv) transition learners into sustainable employment; and
- (c) MPTT Consortium Activities to:
 - (i) increase access to vocational training for Māori and Pacific learners; and
 - (ii) improve pre-employment trades training (including robust work preparation and learner support) to align this training more closely to the needs of employers, and of Māori and Pacific communities.

The government contribution towards the costs of teaching and learning services is funded through DQ1-2 Fund and/or DQ3-7 Fund. An Organisation delivering trades training under the MPTT initiative must meet the teaching and learning costs through its existing approved DQ1-2 Fund and/or DQ3-7 Fund allocation funded as part of its Investment Plan. If an Organisation does not receive DQ1-2 Fund and DQ3-7 Fund Funding, it must have a written agreement with an Organisation that has a DQ1-2 Fund and/or DQ3-7 Fund allocation that is approved by us.

Funding for MPTT Fees Top-ups

- (a) We will provide MPTT Fees Top-ups Funding calculated at the rate of \$5,266 per equivalent full-time student (EFTS)¹ for programmes and Micro-credentials at Level 3 or Level 4 on the NZQCF, and \$0 for programmes and Micro-credentials at Level 1 or 2 on the NZQCF.²
- (b) We will pay you the Funding of the MPTT Fees Top-ups in monthly instalments as outlined in your payment schedule.

Funding for MPTT Brokerage Services

- (a) Funding for Brokerage Services is calculated at a rate of \$1,214 per individual learner up to the total number of learners agreed by us, and at the brokerage rate applicable at the time the learner enrolled. This amount is only allocated once in respect of the same individual learner.
- (b) We will pay 50% of MPTT Brokerage Services Funding in monthly instalments as outlined in your payment schedule.

50% of the Brokerage Services Funding is reserved for the payment of a performance incentive that is payable on the basis of sufficient evidence of individual learners achieving a successful outcome, in accordance with subparagraph (b), from a programme supported by MPTT within 18 months of the learner ceasing to be enrolled in the programme.

- (c) The outcomes that result in the payment of the performance incentive are:
 - (i) entry into a New Zealand Apprenticeship; or
 - (ii) entry to vocational training at Level 3 or higher on the NZQCF, in a programme identified by us as being likely to lead to sustainable employment.

The following Conditions apply, under section 429 of the Education and Training Act 2020 (the Act), to the MPTT Fund Funding you receive for MPTT Fees Top-ups (MPTT Fees Top-ups Fund Funding) and MPTT Brokerage Services (MPTT Brokerage Services Fund Funding) for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

¹ One (1.0) EFTS unit is defined as the learner workload that would normally be carried out by a student enrolled full-time in a single academic calendar year.

² All Level 1 and 2 DQ Funding provision is fees-free for eligible learners.

1. Organisation eligibility

- 1.1** To receive MPTT Fund Funding for MPTT Fees Top-ups and Brokerage Services you must remain part of the same approved consortium or consortia, where applicable, for the length of the Funding Period, except as agreed by us, for the purpose of continuing to support enrolled learners.
- 1.2** If we cease to fund the consortium or consortia you are part of, through MPTT, then Fees Top-ups and Brokerage Services for new learners will also cease.
- 1.3** To receive MPTT Fees Top-ups Fund Funding and MPTT Brokerage Services Fund Funding during the Funding Period you must be:
- (a) a Tertiary Education Organisation (TEO) that:
 - (i) is part of a consortium approved by us; and
 - (ii) is a Wānanga, Te Pūkenga, a PTE or a University; and
 - (iii) is quality assured as follows:
 - A. if you are Te Pūkenga, a relevant subsidiary of Te Pūkenga, a Wānanga or PTE, you must be quality assured by the New Zealand Qualifications Authority (NZQA); or
 - B. if you are a University, you must be quality assured by the New Zealand Vice-Chancellors' Committee; and
 - (iv) has been allocated DQ1-2 and/or DQ3-7 Funding from us; or
 - (b) a consortium, or a member of a consortium, that:
 - (i) is approved by us; and
 - (ii) is a legal entity; and is a training Organisation that is quality assured by the NZQA or is a TEO identified under section 10(1) of the Act; and
 - (iii) in the case of MPTT Fees Top-ups Fund Funding, has a contract for DQ1-2 Fund and/or DQ3-7 Fund-funded provision with at least one TEO that meets the criteria specified in Condition 1.3(a).

2. Learner eligibility

- 2.1** You must ensure that MPTT Fees Top-ups Fund Funding and MPTT Brokerage Services Fund Funding are used only in respect of a learner who meets and continues to meet the following eligibility criteria. To be an eligible learner, a learner must be:
- (a) one of the following:
 - (i) a **Domestic Student**;³ or
 - (ii) an Australian citizen or Australian permanent resident currently residing in New Zealand; and
 - (b) Māori or Pacific; and
 - (c) aged 16 to 40 years of age (inclusive) at the start date of the first course in the programme of study or training; and
 - (d) enrolled in an eligible programme or Micro-credential as set out in Condition 4.1.

³ A "Domestic Student" means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the [Tertiary Education \(Domestic Students\) Notice 2022](#).

2.2 For the purposes of this Condition:

- (a) “Māori” refers to those with evidence of Māori ancestry, whakapapa, or persons that made an oath, affirmation or declaration that they are Māori before a person recognised and authorised to administer such oaths, attestations, or declarations (eg, a kaumātua affiliated to a recognised Māori hapū, iwi or legal entity, a Justice of the Peace, or other persons empowered to administer oaths and declarations under the Oaths and Declarations Act 1957); and
- (b) “Pacific” refers to those who have evidence of ancestry from the independent and sovereign nations of the South Pacific, including The Republic of Fiji, The Kingdom of Tonga, Sāmoa, the Cook Islands, Solomon Islands, Vanuatu, Tuvalu, Nauru, Niue and Kiribati. It also includes the atolls of Tokelau for which New Zealand is administratively and constitutionally responsible; and
- (c) additionally, on the basis of a request by a consortium, we may grant admission to learners descended from persons from French Polynesia, Wallis and Futuna Islands, New Caledonia, Papua New Guinea and American Sāmoa provided they also meet the other requirements specified in Condition 2.1 and there is spare capacity, but only after prior consideration of admission by Māori and Pacific learners.

3. Reporting requirements

You must provide us with any information relating to consortium activities and/or performance that we request, in the format we specify.

4. Eligible programmes and Micro-credentials for MPTT Fees Top-ups

You must only use MPTT Fees Top-ups Fund Funding for an eligible learner enrolled in a programme or Micro-credential that is:

- (a) DQ-funded training; and
- (b) either:
 - (i) a programme of study leading to the award of a qualification at Levels 1 to 4 on the NZQCF; or
 - (ii) a Micro-credential of between 40 and 45 credits at Levels 1 to 4 on the NZQCF that has been endorsed by a training Organisation as a suitable pathway into an apprenticeship or traineeship for learners with a specified set of needs; and
- (c) forms a pathway to entry to:
 - (i) a New Zealand Apprenticeship; or
 - (ii) vocational training at Level 3 or higher on the NZQCF, in a programme identified by us as being likely to lead to sustainable employment.
- (d) You must not use MPTT Fees Top-ups Fund Funding for:
 - (i) a New Zealand Apprenticeship; or
 - (ii) learning undertaken in the *work-based: pathway to work, work-based or assessment and verification* modes of delivery as funded under the *Non-degree Delivery at Levels 3–7, and all industry training up to Level 7 on the New Zealand Qualifications and Credentials Framework (DQ3-7) Fund*; or
 - (iii) a Micro-credential if we consider on reasonable grounds that a majority of the Micro-credential relates to health and safety or regulatory compliance learning.

5. Eligible MPTT Brokerage Services

You must use the MPTT Brokerage Services Fund Funding to provide or subcontract brokerage services to eligible learners. MPTT Brokerage Services Fund Funding must be used to achieve the following purposes:

- (a) to match learner talents and aspirations with employer skill requirements and career pathways; and
- (b) to tailor pre-employment trades educational provision to the needs and aspirations of MPTT learners, communities and potential employers; and
- (c) to facilitate relationships between MPTT learners, providers, training Organisations and potential employers; and
- (d) to transition learners into sustainable employment.

6. Compliance with Conditions that apply to DQ-funded programmes or Micro-credentials

You must, in respect of the programmes and Micro-credentials for which you are receiving DQ Funding, comply with the Conditions imposed on that Funding.

7. Literacy and Numeracy for Adults Assessment Tool

In the case of learners for whom you receive MPTT Fees Top-ups Fund Funding for DQ-funded programmes or Credentials leading to a qualification at Level 3 or 4 on the NZQCF, you must have in place an effective assessment process for determining the literacy and numeracy needs of eligible learners, such as the Literacy and Numeracy for Adults Assessment Tool (LNAAT), and provide support to ensure that those learners progress in line with the **guidelines** provided by the us.

8. Fees and associated course costs

- (a) You must not charge a fee to a learner who is enrolled in a qualification for which you receive MPTT Fees Top-ups Fund Funding.
- (b) You must not charge a fee to a learner for brokerage services for which you have received Funding from the MPTT Brokerage Services Fund.

9. Performance standards

You must meet any performance standards including any Minimum Requirements specified by us. We will monitor your performance against the performance standards and Minimum Requirements with respect to MPTT learners and your performance may inform future funding decisions.

10. Subcontracting

10.1 You must not subcontract delivery of any programme, Micro-credential, component course or part of a course for which you receive MPTT Fees Top-ups Fund Funding or MPTT Brokerage Services Fund Funding without the prior written approval by NZQA where the TEO is quality assured by NZQA, and without prior written consent from us.

10.2 You must:

- (a) comply with any Conditions imposed by us on the consent to subcontract; and
- (b) ensure that the subcontracted party does not further subcontract any functions; and
- (c) remain accountable to us for the use of the MPTT Fees Top-ups or MPTT Brokerage Services Funding.

11. Repayment of MPTT Fees Top-ups Fund Funding or MPTT Brokerage Services Fund Funding

11.1 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:

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

11.2 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.

11.3 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 2023 will be counted as an amount of Funding that is greater than it should have been.

12. Recovery of MPTT Fees Top-ups Fund Funding or MPTT Brokerage Services Fund Funding

- (a) 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.
- (b) 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.

13. Suspension, revocation or withdrawal of MPTT Fees Top-ups Fund Funding or MPTT Brokerage Services Fund Funding

If we suspend, revoke or withdraw some or all of your MPTT Fees Top-up Fund Funding and/or MPTT Brokerage Services Fund Funding under clause 26 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as debt due to the Crown that is:

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

Māori and Pasifika Trades Training Fund (Consortium Activities)

Purpose of Fund	129
1. Organisation eligibility	130
2. Consortium lead member's responsibilities	130
3. Membership of consortium	131
4. Consortium Activities	131
5. Female participation in MPTT	131
6. Participation of learners who may be less likely to participate or achieve in vocational training without MPTT	132
7. Employment outcomes performance measure for consortia	132
8. Minimum performance standards	132
9. Financial reporting	133
10. Subcontracting	133
11. Repayment of MPTT Consortium Activities Fund Funding	133
12. Suspension, revocation or withdrawal of MPTT Consortium Activities Fund Funding	133

Māori and Pasifika Trades Training Fund (Consortium Activities)

Purpose of 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 sustainable trades or trades-related employment, including New Zealand Apprenticeships and other successful industry training programmes¹ at Level 3 and above 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.

Funding through the MPTT Fund is for:

- (a) MPTT fees top-up to make provider-based delivery of pre-trades training programmes or Credentials funded through the following, fees-free for MPTT learners:
 - (i) Delivery on the New Zealand Qualifications and Credentials Framework at Levels 1 and 2 (DQ1-2) Fund; and
 - (ii) Non-degree Delivery at Levels 3–7, and all industry training up to Level 7 on the New Zealand Qualifications and Credentials Framework (DQ3-7) Fund.
- (b) MPTT Brokerage Services to:
 - (i) match learner talents and aspirations with employer skill requirements and career pathways; and
 - (ii) tailor pre-employment trades educational provision to the needs and aspirations of MPTT learners, communities and potential employers; and
 - (iii) facilitate relationships between MPTT learners, Tertiary Education Organisations (TEOs), and potential employers; and
 - (iv) transition learners into sustainable employment; and
- (c) MPTT Consortium Activities to:
 - (i) increase access to vocational training for Māori and Pacific learners; and
 - (ii) improve pre-employment trades training (including robust work preparation and learner support) to align this training more closely to the needs of employers and of Māori and Pacific communities.

¹ For the purposes of this fund, “industry training” refers to training undertaken in *work-based: pathway to work, work-based and assessment and verification* modes of delivery and includes all levels on the New Zealand Qualifications and Credentials Framework (NZQCF).

MPTT Consortium Activities include:

- (a) governance and project management; and
- (b) co-ordinating the contributions of consortium members and other services to the development of learner capabilities; and
- (c) employability skills training (MPTT Employability Activities) and licensing (eg, driver licensing) that complement the DQ funded programmes or Credentials; and
- (d) learner support (activities, goods or other support that contribute to learner success) in addition to the support ordinarily offered by the tertiary provider.

The following Conditions apply, under section 429 of the Education and Training Act (the Act), to the MPTT Fund Funding that you receive for the MPTT Consortium Activities, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

- 1.1** To be eligible to receive MPTT Consortium Activities Fund Funding you must remain part of the same approved consortium or consortia, where applicable, for the length of the Funding Period, except as agreed by us, for the purpose of continuing to support enrolled learners.
- 1.2** To receive MPTT Consortium Activities Fund Funding, you must continue to be the lead consortium member that is:
- (a) approved by us; and
 - (b) a legal entity; and either:
 - (c) a TEO that is eligible to receive Funding for MPTT Fees Top-up or MPTT Brokerage Services under the MPTT Fund; or
 - (d) an individual or body that provides tertiary education-related services, as defined in section 10(1) of the Act.

2. Consortium lead member's responsibilities

As the lead member of the consortium, you must enter into an arrangement, or arrangements, with each other member of the consortium that:

- (a) enables you to meet the Conditions imposed by us on you as the consortium lead member; and
- (b) imposes on each other member of the consortium obligations owed to you that are similar to your obligations in respect of any MPTT Fund Funding received by you; and
- (c) imposes on each other member of the consortium obligations to provide information to and fully co-operate with you and us, in order to verify your compliance with the Conditions.

3. Membership of consortium

- (a) A consortium must consist of at least one TEO funded for work-based learning, one TEO funded for provider-based learning (which may be the same TEO), employer representation, and a Māori and/or Pacific entity.
- (b) As the lead member of the consortium, you must not, without our prior written approval, enter into or end any arrangement with another Organisation, or any other member of the consortium, that would have the effect of changing the membership of that lead consortium.

4. Consortium Activities

You may only use MPTT Consortium Activities Fund Funding to undertake the MPTT Consortium Activities specified in the “Purpose of the Fund” section above.

5. Female participation in MPTT

- 5.1** You must agree with us an aspirational target for female participation in MPTT that:
 - (a) reflects the opportunity for the consortium to increase female participation in trades that offer sustainable employment and in which females have traditionally been under-represented; and
 - (b) represents a significant but achievable increase on previous female participation in the Consortium, and in similar consortia.
- 5.2** We will monitor your actual overall female learner participation. Your performance against the target may be used to inform future Funding decisions.
- 5.3** This target forms part of your 2023 Funding Confirmation.

6. Participation of learners who may be less likely to participate or achieve in vocational training without MPTT

- 6.1 You must agree with us an aspirational target(s) for the participation of learners less likely to participate or achieve in vocational training without MPTT, such as those with low prior achievement and recent beneficiaries.
- 6.2 The target(s) should reflect local/regional needs and aspirations, including those identified by Workforce Development Councils and Regional Skills Leadership Groups, and can relate to an industry need and/or specific qualifications and/or be in response to regional economic development strategies.
- 6.3 The target(s) form(s) part of your 2023 Funding Confirmation.
- 6.4 Your performance against the target(s) may be used to inform future Funding allocations.
- 6.5 You must work with your consortium partners to ensure that the requirements below are met, and documented:
 - (a) learners enrolling in MPTT qualifications at Levels 3 and 4 on the NZQCF hold qualifications no higher than Level 3 at the time of their enrolment; and
 - (b) prior achievement requirements for learners enrolling in Level 1 and 2 qualifications are met in accordance with the Funding Conditions for DQ Levels 1 and 2 provision.

7. Employment outcomes performance measure for consortia

- 7.1 You must report employment outcomes in the form that we specify.
- 7.2 The MPTT initiative is an end-to-end initiative for recruiting learners, providing training and pastoral care, and transitioning them into sustainable trades-related employment. You must have a strong role in achieving learner progression to:
 - (a) New Zealand Apprenticeships; or
 - (b) other industry training programmes or Credentials at Level 3 and above; or
 - (c) trades-related employment; or
 - (d) further education at Level 4 or above; or
 - (e) other employment.
- 7.3 We will analyse employment outcomes data reported by your consortium.
- 7.4 Your performance and reporting may be used to inform future Funding decisions.

8. Minimum performance standards

You must meet any minimum performance standards as specified by us. We will monitor your performance against the minimum performance standards and Minimum Requirements with respect to MPTT learners, and your performance may inform future Funding decisions.

9. Financial reporting

- 9.1** You must, as soon as practicable after the end of any year in which you receive MPTT Consortium Activities Fund Funding, provide us with:
- (a) a financial report for that year, including a statement of financial performance, a statement of financial position, a statement of movements in equity, a statement of cash flows, and a statement of service performance that compares your performance with the outcomes agreed with us as measured by any performance indicators agreed with us; and
 - (b) any financial reports, or statistical or other information, required by us; and
 - (c) any information we may require to demonstrate your compliance with the Conditions.
- 9.2** The reports described in Condition 9(a) must be prepared in accordance with appropriate accounting practice and audited by an independent chartered accountant.

10. Subcontracting

- 10.1** You must not subcontract any MPTT Consortium Activities Fund funded activities without prior written consent from us.
- 10.2** You:
- (a) must comply with any Conditions imposed by us on the consent to subcontract; and
 - (b) must ensure that the subcontracted party does not further subcontract any functions; and
 - (c) remain accountable to us for the use of the MPTT Consortium Activities Fund Funding.

11. Repayment of MPTT Consortium Activities Fund Funding

- 11.1** 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:
- (a) is repayable on demand; and
 - (b) may be set-off against all or any Funding, or any sum of money payable by us to you.
- 11.2** For the purposes of this Condition, any MPTT Consortium Activities Fund Funding that remains unspent at 31 December 2023 will be counted as an amount of Funding that is greater than it should have been.

12. Suspension, revocation or withdrawal of MPTT Consortium Activities Fund Funding

- If we suspend, revoke or withdraw some or all of your MPTT Consortium Activities Fund Funding under clause 26 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as debt due to the Crown that:
- (a) is repayable on demand, and
 - (b) may be set-off against all or any Funding, or any sum payable by us to you.

Non-degree Delivery at Levels 3–7 on the New Zealand Qualifications and Credentials Framework and all Industry Training Fund (Delivery and Learner Components of the Unified Funding System)

Purpose of the Unified Funding System for vocational education and training	135
Purpose of Fund	135
Flexible funding for DQ3-7 Fund Delivery Component Funding	136
1. Organisation eligibility	137
2. Supply and use of information	137
3. Confirmed learner enrolments	138
4. Withdrawal of enrolments	138
5. Use of DQ3-7 Fund Funding for valid domestic enrolments	139
6. Programmes and qualifications	148
7. Funding	155
8. Fees Free tertiary education	157
9. Fee limits	157
10. Student Services Fee	161
11. Minimum and maximum performance standards	163
12. Financial reporting	164
13. Learner Success Plan reporting	164
14. Disclosure of data from Statistics New Zealand’s Integrated Data Infrastructure	164
15. Benchmarking	164
16. Subcontracting	165
17. Conditions for DQ3-7 Fund Learner Component Funding	165
18. Repayment of DQ3-7 Fund Funding	166
19. Repayment of DQ3-7 Fund funding in case of deviation from Funding approval	166
20. Suspension, revocation or withdrawal of DQ3-7 Fund Funding	166

Non-degree Delivery at Levels 3–7 on the New Zealand Qualifications and Credentials Framework and all Industry Training Fund (Delivery and Learner Components of the Unified Funding System)

Purpose of the Unified Funding System for vocational education and training

The Unified Funding System is designed to incentivise providers to:

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

Purpose of Fund

The *Non-degree Delivery at Levels 3–7 and all Industry Training*¹ up to Level 7 on the NZQCF (DQ3-7) Fund comprises 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 learners who have traditionally been underserved by the education system. It recognises that there are higher costs involved in adapting education delivery and support to meet all learners' unique needs.

¹ For the purposes of this fund, “industry training” refers to training undertaken in the *work-based: pathway to work, work-based and assessment and verification* modes of delivery and includes all levels on the New Zealand Qualifications and Credentials Framework (NZQCF).

Flexible funding for DQ3-7 Fund Delivery Component Funding

- (a) 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:
 - A. have a New Zealand Qualifications Authority (NZQA) External Evaluation and Review (EER) status of Category 1 or 2² (except for universities and Te Pūkenga); and
 - B. are approved by us to deliver a minimum of 20 equivalent full-time learners (EFTLs) in 2023; and
 - C. as applicable:
 - I. 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 SAC at Levels 3 to 7 (non-degree) in 2022;
 - II. 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 2023; and
 - (ii) you are a tertiary education institution (TEI) or Private Training Establishment (PTE) and 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) If you are a TEO that received arranging training functions from transitional industry training Organisations (TITOs) in the 2022 calendar year, and you do not meet the requirement set out in Condition (a)(i)C.I., we will consider you for flexible funding on an individual basis.
- (c) The additional DQ3-7 Fund Delivery Component Funding available to be allocated is up to the following limits, either:
- (i) 2% of your approved funding allocation; or
 - (ii) 10 EFTLs (we will calculate 10 EFTLs of delivery using the average EFTLs rate of your total actual delivery as determined by us), whichever is greater.
- (d) Any additional 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 paragraph (b) above, if we have assessed that we have sufficient DQ3-7 Fund Delivery Component Funding available to provide Funding above those limits.

² EER status is determined by the most recently published full EER report relating to you.

The following Conditions apply, under section 426 of the Education and Training Act (the Act), to the DQ3-7 Fund Funding you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, any Organisation-specific Conditions set out in your Funding Confirmation Letter, and the Conditions in the Act.

1. Organisation eligibility

- (a) You must continue to be:
 - (i) a TEI, namely:
 - A. a University; or
 - B. Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
 - C. a Wānanga; or
 - (ii) a PTE.
- (b) If you are a Wānanga or PTE, you must continue to be quality assured by the NZQA.
- (c) If you are Te Pūkenga or one or more of the subsidiaries of Te Pūkenga, you must continue to be quality assured by NZQA.
- (d) If you are a University, you must continue to be quality assured by the New Zealand Vice-Chancellors' Committee (NZVCC).

2. Supply and use of information

2.1 Single Data Return (SDR)

- (a) You must:
 - (i) supply to us information about each learner enrolled in a course by completing the fields in the SDR in accordance with the SDR Manual and its appendices; and
 - (ii) submit the information on or before the date we specify through the Services for Tertiary Education Organisations (STEO) website. For more information, please refer to the **SDR Manual and SDR Appendices**.
- (b) You must supply to us a forecast of your likely DQ3-7 Fund funded equivalent full-time students (EFTS) in accordance with the SDR Manual.
- (c) You must follow the process set out in Conditions 2.1(a) and (b) unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.

2.2 Industry Training Register (ITR)

- (a) You must:
- (i) supply to us information about each learner undertaking learning in the *work-based: pathway to work, work-based and assessment and verification* modes of delivery, including New Zealand Apprentices, enrolled in a programme or qualification by completing the fields in the ITR; and
 - (ii) submit the information through the ITR no later than 90 days after the training commenced; and
 - (iii) ensure that each industry trainee who is volunteering is identified as a volunteer through the ITR. For more information about using the ITR, please refer to the [ITR User Guide](#) or the [ITR schema definition](#) document.
- (b) You must follow the process set out in Condition 2.2(a) unless we are satisfied that there are special circumstances that justify using an alternative process and authorise you in writing to follow a different process specified by us.

3. Confirmed learner enrolments

You must ensure that your SDR accurately records all “confirmed learner enrolments” where fees apply. A confirmed learner enrolment occurs where:

- (a) a learner and your Organisation have entered into an enrolment or tuition contract, training agreement, or other arrangement and the learner (or their employer, as the case may be) has paid or committed to pay their fees; and
- (b) the period during which the learner is entitled to Withdraw from a programme or Credential, and/or Component Part, and the learner or employer receive a full refund of fees (less any applicable administration fee) has passed; and
- (c) the learner has not received a full refund of fees (less any applicable administration fee).

4. Withdrawal of enrolments

4.1 Withdrawal date for TEIs

- (a) If you are a University, Wānanga or Te Pūkenga, you may set a Withdrawal date, being the specified period during which a learner can Withdraw and receive a full refund of fees, course costs and student service fees, provided that date is not earlier than the Withdrawal date in Condition 4.1(b).
- (b) If you do not set a Withdrawal date, the Withdrawal date will be the date on which 10% (rounded up to the nearest whole day) or one month of the course for which a learner is enrolled has passed, whichever is earlier. The Withdrawal date must be determined by calculating the number of sequential calendar whole days (including weekends and public holidays) from the start date of the course.

4.2 Withdrawal date for PTEs

If you are a PTE, you must comply with the Withdrawal dates and refund period entitlements set out in sections 355 to 360 of the Act.

4.3 Reporting Withdrawals to the Ministry of Social Development (StudyLink)

In addition to any other Conditions requiring you to report Withdrawals of enrolments, you must report the Withdrawal of learners in *provider-based* and *provider-based: extramural* modes of delivery to the Ministry of Social Development (StudyLink) within five working days of each Withdrawal. This is to enable learner loans and learner allowances to be cancelled as soon as possible. For the avoidance of doubt, delivery reported via the SDR under Source of Funding code 11 (SoF 11) is excluded from this Condition.

4.4 Other obligations to report Withdrawals

For the avoidance of doubt, completing the SDR under Condition 2 does not discharge your other obligations to report Withdrawals. These obligations include reporting (where applicable) to:

- (a) Immigration New Zealand (for international learners); and
- (b) the Ministry of Social Development (StudyLink) (for Learner Loan and Learner Allowance recipients); and
- (c) Trustees administering fee protection mechanisms (for international learners and all PTE learners).

4.5 Refunding fees for Withdrawals

If fees are to be refunded to a learner or employer on the basis that the learner withdrew before the Withdrawal date, you must, as soon as reasonably practicable, pay the refund:

- (a) to the Ministry of Social Development, if the learner paid the fees using the Student Loan Scheme; or
- (b) directly to the learner or employer.

5. Use of DQ3-7 Fund Funding for valid domestic enrolments

5.1 Valid domestic enrolments

- (a) You must ensure that DQ3-7 Fund Funding is only used in respect of a learner who is a “valid domestic enrolment”.
- (b) For the purposes of DQ3-7 Fund Funding, the term “valid domestic enrolment” refers to the enrolment of a learner who:
 - (i) is one of the following:
 - A. a **Domestic Student**,³ or
 - B. an Australian citizen or Australian permanent resident currently residing in New Zealand; and
 - (ii) is either:
 - A. aged 16 years and over; or
 - B. aged under 16 years and meets the criteria in Condition 5.1(c); and
 - (iii) is studying in New Zealand, unless the learner meets the criteria in Condition 5.1(d); and
 - (iv) has paid or is committed to pay their fees (if fees apply), unless the learner meets the criteria in Condition 5.1(e).

³ A “Domestic Student” means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the [Tertiary Education \(Domestic Students\) Notice 2022](#).

- (c) A learner aged under 16 years old at the time that the programme or Credential in which the learner is enrolled begins is a valid domestic enrolment if:
- (i) you are satisfied that the learner is capable of completing the academic requirements of the programme or Credential in which the learner is enrolled; and
 - (ii) you have ensured that the learner has a school exemption certificate from the Ministry of Education; and
 - (iii) the learner is, or will be, enrolled in a secondary school at the time the programme or Credential starts, and you have ensured that the learner's principal has signed a letter that approves the programme or Credential and specifies that:
 - A. the learner is not required to be absent from school during school hours; or
 - B. if the learner is required to be absent from school during school hours for more than five hours per week, the school will seek reduced Funding for the learner from the Ministry of Education; and
 - (iv) the learner is, or will be, home schooled at the time that the programme or Credential starts, and you have ensured that the parent of the learner who is primarily responsible for the learner's home schooling has signed a letter that approves the study or training.
- (d) A learner studying outside New Zealand is a valid domestic enrolment if they meet the following criteria:
- (i) the learner meets the criteria in Conditions 5.1(b)(i), (ii) and (iv); and
 - (ii) the learner is enrolled in a course(s) leading to the award of a recognised qualification offered by a New Zealand TEO; and
 - (iii) if the learner is studying at an overseas campus or delivery site (irrespective of whether they are enrolled at the TEO's New Zealand campus or overseas campus), the learner meets the following criteria:
 - A. the learner is enrolled at a New Zealand TEO in a programme leading to the award of a qualification at Level 7 on the New Zealand Qualifications and Credentials Framework (NZQCF); and
 - B. the study outside New Zealand is full time and face-to-face (ie, not an extramural enrolment) in an approved country identified on the Education New Zealand website; and
 - C. the learner is undertaking part (but not all) of the programme outside New Zealand.
- (e) A learner who has not paid their fees (if fees apply) is a valid domestic enrolment, including for the purposes of section 256(5) of the Act (if applicable), if the learner's fees are paid for by their employer, you pay for the learner's fees through a scholarship, or if the learner is eligible for Fees Free tertiary education, and you are prohibited from charging the learner the amount that we have paid you under Condition 8, which may be some or all of the fees.

5.2 Verification of learner eligibility

- (a) You must verify a learner’s eligibility for enrolment as a valid domestic enrolment. For the following types of learners who are valid domestic enrolments under Condition 5.1, you must use one of the following verification methods below, and assess whether the learner meets the eligibility criteria as specified in Condition 5.1:

Type of learner	Verification methods
A New Zealand citizen	<p>You must:</p> <ul style="list-style-type: none"> (a) confirm the learner’s citizenship status using the learner’s National Learner Number (NSN); or (b) receive an assertion through RealMe® that the learner was born in New Zealand (prior to 2005); or (c) if the learner is in prison at the time of enrolment, receive a completed and signed Department of Corrections “Verification of legal name and New Zealand residency status” form relating to the learner; or (d) sight an original or certified copy of one or more of the following documents: <ul style="list-style-type: none"> (i) a New Zealand birth certificate; or (ii) a current New Zealand passport; or (iii) an expired New Zealand passport that has not been cancelled; or (iv) a New Zealand certificate of citizenship; or (e) If a learner is unable to obtain a birth certificate for the purposes of (d)(i) above, you may contact us to confirm that a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of citizenship.
A New Zealand resident	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) a passport with a current returning residency class visa (a passport with a visa label); or (b) a passport, and letter or email, confirming current returning residency class visa (label-less visa, followed by confirmation with Immigration New Zealand, where appropriate); or (c) a certificate of identity from Immigration New Zealand if the learner is a refugee.

Type of learner	Verification methods
An Australian citizen or Australian permanent resident currently residing in New Zealand	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) an Australian birth certificate issued before 20 August 1986;* or (b) an Australian passport; or (c) a passport with a current Australian resident return visa. <p>* An Australian birth certificate issued after August 1986 is not an accepted form of verification. You will need to sight the travel document, which is likely to be an Australian passport.</p>
A dependant of diplomatic personnel	You must sight the original or certified copy of an authorised form from the Ministry of Foreign Affairs and Trade.
Other types of valid domestic enrolments A person who is required to be treated as if they are not an international student within the meaning set out in the Tertiary Education (Domestic Students) Notice 2022	You must verify each learner's eligibility in accordance with the requirements specified on our website for how each learner is to be verified. The requirements can be found on the TEC website page Other valid domestic enrolments .

- (b) You must follow the process set out in Condition 5.2(a) unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- (c) For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
 - (i) be certified by an official of the issuing authority or a person authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to make a statutory declaration, such as a Justice of the Peace, a person who is enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (ii) have the official's signature on each page, with the name and title of the official shown clearly below their signature.

5.3 Verification of learner identity

- (a) You must verify the identity of each learner enrolled in a programme or Credential of more than 0.03 EFTLs⁴ and confirm whether the learner is who they say they are by doing one or more of the following:
- (i) confirming that all data fields match the learner’s NSN; or
 - (ii) receiving an assertion through the Department of Internal Affairs’ RealMe® online identity verification service; or
 - (iii) if the learner is in prison at the time of enrolment, receiving a completed and signed Department of Corrections “Verification of legal name and New Zealand residency status” form relating to the learner; or
 - (iv) sighting the original or certified copy of a current passport; or
 - (v) sighting the original or certified copy of one or more of the following documents:
 - A. a birth certificate; or
 - B. a certificate of identity; or
 - C. a New Zealand certificate of citizenship; or
 - D. an expired passport that has not been cancelled; or
 - E. a current New Zealand driver licence or current New Zealand firearms licence (for *work-based: pathway to work, work-based or assessment and verification* modes of delivery only).
- (b) You must follow the process set out in Condition 5.3(a) unless we are satisfied that there are special circumstances that justify using an alternative process and authorise you in writing to follow a different process specified by us.
- (c) If a learner is unable to obtain a birth certificate for the purposes of Condition 5.3(a)(v)(A), you may contact us to confirm that a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of identity.
- (d) For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (i) be certified by an official of the issuing authority or a person authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to make a statutory declaration, such as a Justice of the Peace, a person who is enrolled as a barrister and solicitor of the High Court or a court official (Court Registrar or Deputy Registrar); and
 - (ii) have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

⁴ 1 EFTL is equal to 1 standard training measure (STM) or 1 equivalent full-time student (EFTS) and each equate to 120 credits; 0.03 EFTL equates to 3.6 credits.

5.4 Enrolment records for valid domestic enrolments

- (a) If a learner, who is a valid domestic enrolment, is enrolled in a programme or Credential of more than 0.03 EFTL DQ3-7 Fund funded by us, you must keep accurate and up-to-date records specifying:
- (i) the programme or Credential (including qualification(s) and Component Part(s) in which the learner has been admitted or readmitted); and
 - (ii) the learner's identity details, including the learner's name, date of birth, citizenship, domestic or international learner status, and residency status (if relevant); and
 - (iii) whether you have verified the learner's identity; and
 - (iv) whether you have verified that the learner is a valid domestic enrolment and/or has the appropriate learner visa; and
 - (v) the learner's NSN; and
 - (vi) the learner's previous academic achievement (if relevant); and
 - (vii) the receipt verifying that the learner has paid, or has arranged to pay (including if their employer will pay), their fees (if applicable); and
 - (viii) changes (if any) made to an enrolment; and
 - (ix) whether the learner has Withdrawn from part of their programme or Credential, the date of the Withdrawal, and whether the Withdrawal was within the Withdrawal period; and
 - (x) whether a learner has been expelled from part of their programme or Credential by you due to a breach of your Code of Conduct; and
 - (xi) whether a learner is on a discretionary leave of absence greater than leave normally granted under your standard minimum attendance requirements; and
 - (xii) whether the learner is attending the programme or Credential in which they are enrolled, or is actively involved in the programme or Credential (learner attendance record); and
 - (xiii) the period for which the learner is enrolled.
- (b) You must retain each learner's records described in Condition 5.4(a) until:
- (i) at least two years after the completion of the education or training in which the learner is enrolled; or
 - (ii) if a learner Withdraws before the learner has completed their education or training, at least two years after the date of Withdrawal.

5.5 Records for *work-based: pathway to work, work-based or assessment and verification* modes of delivery

- (a) You must keep a record of evidence that each learner who is in a *work-based: pathway to work, work-based or assessment and verification* mode of delivery has:
- (i) a formal training agreement with their employer that is intended to lead to the achievement of one or more of the programmes or Credentials set out in Condition 6.1; and
 - (ii) an enrolment or tuition contract entered into by your Organisation and the learner; and
 - (iii) an agreement entered into by your Organisation and the learner's employer outlining the arrangement to deliver training and support learners in the *work-based: pathway to work, work-based or assessment and verification* mode of delivery.

5.6 No inducing enrolment

- (a) You must not secure or seek to secure an enrolment through offering an inducement.
- (b) Even if a learner meets the criteria specified in Condition 5.1, the enrolment is not a valid domestic enrolment if it has been secured by way of an inducement.
- (c) For the purposes of this Condition, an inducement includes any of the following, where it induces a learner to enrol:
- (i) a financial benefit to the learner; or
 - (ii) a personal advantage to the learner; or
 - (iii) a physical item that a learner retains possession of after the course of study or training has ended.
- (d) For the purposes of this Condition, an inducement does not include:
- (i) a scholarship, as defined below; or
 - (ii) a physical item that:
 - A. is essential for a learner to complete the compulsory requirements of their programme of study (including printed course notes, an e-reader for course notes, course-related textbooks, or tools for apprenticeships); and
 - B. cannot be returned and reused for learners in subsequent intakes (for example, due to health and safety reasons; time-limited materials or materials that will be updated; or if it is not financially feasible); or
 - (iii) an item or arrangement that has been approved by us (for example, we may approve an item that has minimal residual value or useful life in the general marketplace, or items that are needed for a learner's pathway into the vocation for which study or training has been undertaken such as tools for apprenticeships); or
 - (iv) the guarantee of a job placement under the *work-based: pathway to work* mode of delivery or on the successful completion of a programme of study, backed by a partial or total money-back guarantee; or
 - (v) a conditional offer of a partial refund (such as a refund for a timely or electronic enrolment); or

- (vi) advertising or offering programmes of study where learning is undertaken in the *work-based: pathway to work* mode of delivery.
- (e) For the purposes of this Condition, a scholarship means:
 - (i) a merit scholarship (or prize) that comprises financial aid given to a learner as a result of high academic achievement exceeding that of their fellow learners or cohort; and/or
 - (ii) a needs-based scholarship that comprises financial aid given to a learner who would otherwise be significantly disadvantaged in accessing education, where the need of the learner has been demonstrated through a robust application and assessment process; and/or
 - (iii) any scholarship that:
 - A. has a clear, focused rationale for its existence; and
 - B. has a clearly identified philanthropic aim or supports study in a particular area of importance to the donor.

5.7 No private advantage

You must not restrict enrolment in a DQ3-7 Fund funded programme or Credential on the basis of private advantage (for example, restricting enrolment to your employees only).

5.8 Exceeding the total annual EFTS value of the qualification for data reported through SDR (*provider-based and provider-based: extramural modes of delivery only*)

You must not seek DQ3-7 Fund Funding in respect of a learner enrolled in a programme or Credential that leads to the award of a qualification if the result of enrolling the learner in the programme or Credential is that the total EFTS factors for all of the programmes or Credentials in which the learner is enrolled in that year exceed the total annual EFTS value of the qualification, unless:

- (a) the learner, in an exceptional circumstance (such as repeating a programme or Credential that they previously have not passed), has elected to exceed total EFTS value of the qualification in that year; and
- (b) you can demonstrate that the EFTS factor sought for the programme or Credential adequately reflects additional teaching input, rather than additional directed study.

5.9 Funding for EFTL factor of a programme or Credential (*applies to all modes of delivery*)

You may only seek DQ3-7 Fund Funding for the EFTL factor of a programme or Credential once in cases where a learner's enrolment in the programme or Credential can lead to the award of two (or more) qualifications for the learner, unless you can demonstrate that additional EFTL value sought for the learner's enrolment in the programme or Credential adequately reflects additional teaching input or assessment that the learner would not receive if their enrolment in the programme or Credential could only lead to the award of one qualification.

5.10 Recognised prior learning

- (a) You must not seek DQ3-7 Fund Funding for recognised prior learning credited to a learner. To ensure that you are able to comply with this Condition, you must:
- (i) make any fees charged for recognition of prior learning clear and reasonable to the learner; and
 - (ii) ask the learner to specify prior learning they have undertaken; and
 - (iii) review the information provided by the learner when admitting a learner into a programme or qualification; and
 - (iv) retain documents that confirm that the learner has demonstrated the required knowledge or skill; and
 - (v) reduce the learner's fees accordingly in proportion to the recognised prior learning they have undertaken; and
 - (vi) for data reported through the SDR, adjust the programme or Credential EFTL by Month in the SDR enrolment file so that you do not claim DQ3-7 Fund Funding for prior learning already credited to the learner; or
 - (vii) for data reported through the ITR, adjust the programme or Credential EFTL in accordance with the instructions in the ITR User Guide; and
 - (viii) where programme or Credential components have been recognised for prior learning you must pro-rate the course EFTL accordingly and detail your calculations for each enrolment.
- (b) Recognised prior learning does not include repeated learning or training that the applicable quality assurance body requires learners to undertake periodically. If you deliver repeated learning or training for the purpose of meeting quality assurance body requirements you must retain evidence that clearly identifies:
- (i) the learning or training that the learner was required to repeat to meet quality assurance body requirements; and
 - (ii) the specific quality assurance body requirements; and
 - (iii) that you have advised the learner of the fees that you will charge for the repeated learning or training; and
 - (iv) that the learner has agreed it is necessary to repeat the learning or training.

6. Programmes and qualifications

6.1 Approval of programmes and qualifications for Delivery Component

You must only use DQ3-7 Fund Delivery Component Funding to deliver programmes or Credentials that have been approved by us as required by us. To receive approval for a programme or Credential, you must submit the relevant documents to us in accordance with the information on our website.

6.2 Minimum Requirements for Delivery Component

- (a) You must ensure that DQ3-7 Fund Delivery Component Funding is only used for:
- (i) a programme or Credential:
 - A. that leads to the award of a qualification at Levels 3 to 7 on the NZQCF (non-degree); and
 - B. that has been endorsed by the relevant Workforce Development Council (WDC) (where appropriate); and
 - C. that has been quality assured by either NZQA or the NZVCC (where appropriate); and
 - D. where a programme or Credential is quality assured by NZQA, the mode of delivery is consistent with the mode of delivery approved by NZQA as part of your approval and accreditation for the programme or Credential; or
 - (ii) a programme or Credential that is in line with the NZQA criteria for the approval of Micro-credentials and meets any other criteria specified by us; or
 - (iii) part of a programme or Credential, if:
 - A. it is designed to encourage entry into a full qualification or provide postgraduate skill development; and
 - B. it has a minimum of 20 credits and a maximum of 70 credits; and
 - C. the programme or Credential it is part of:
 - I. leads to the award of a qualification at Levels 3 to 7 on the NZQCF (non-degree); and
 - II. has been quality assured by either NZQA or the NZVCC (where appropriate); and
 - III. where the programme is quality assured by NZQA, the mode of delivery is consistent with the mode of delivery approved by NZQA as part of your approval and accreditation for the programme; or

- (iv) a programme or Credential, or part of a programme or Credential that:
 - A. leads to the award of a qualification at Level 1 or 2 on the NZQCF (non-degree); and
 - B. is predominantly completed in the *work-based or assessment and verification* modes of delivery; and
 - C. the programme or Credential, or Component Part:
 - I. has been endorsed by the relevant WDC (where appropriate); and
 - II. has been quality assured by NZQA; and
 - III. the mode of delivery is consistent with the mode of delivery approved by NZQA as part of your approval and accreditation for the programme or Credential.
- (b) You must ensure that the amount of delivery using DQ3-7 Fund Delivery Component Funding towards Micro-credentials is consistent with any criteria determined by us⁵ and published on our website.
- (c) You must not use DQ3-7 Fund Delivery Component Funding for any of the following:
 - (i) certificates of proficiency; or
 - (ii) certificates of personal interest; or
 - (iii) programmes taught under contract (and reported under source of funding code 12); or
 - (iv) community education programmes of study at TEIs.

6.3 Delivery Component Funding for Levels 1 to 3 on the NZQCF

- (a) You must only use DQ3-7 Fund Delivery Component Funding to deliver a programme or Credential, or a Component Part, leading to a qualification at Level 1, 2 or 3 on the NZQCF if it includes embedded literacy or numeracy.
- (b) You must determine the literacy and numeracy needs of eligible learners and provide support to those learners to meet their literacy and numeracy needs in accordance with the guidelines specified by us.

⁵ [The criteria](#) are set out on our website.

6.4 Health-related professional qualifications

- (a) You may use DQ3-7 Fund Delivery Component Funding for programmes, Credentials, or their Component Parts that lead to the award of a post-entry health-related professional qualification or Credential that:
 - (i) is of an academic or research nature; and
 - (ii) has a clinical component of 30% or less within the total qualification or Credential.
- (b) You must not use DQ3-7 Fund Delivery Component Funding for programmes, Credentials, or their Component Parts that lead to the award of a post-entry health-related professional qualification or Credential that has:
 - (i) a clinical component of more than 30% within the total qualification or Credential; and
 - (ii) either:
 - A. a requirement for clinical education and training; or
 - B. an emphasis on specialist clinical professional skills.

6.5 Health and safety or regulatory compliance learning

- (a) You must not use DQ3-7 Fund Delivery Component Funding to fund a programme or Credential where the majority of the programme of study or training or the Credential relates to health and safety or regulatory compliance.
- (b) When determining whether the majority of a programme or Credential relates to health and safety or regulatory compliance, we will:
 - (i) exclude programmes or Credentials from that calculation that are integral to the skills and knowledge recognised through the programme or Credential; and
 - (ii) include the following programmes or Credentials in that calculation:
 - A. discrete short packages of health and safety or regulatory compliance learning (usually under 20 credits); and
 - B. a programme or Credential designed primarily to equip a participant with the skills and knowledge they need to carry out a given task or function in a manner that complies with a specific health and safety or regulatory compliance requirement; and
 - C. learning that displaces the responsibility of an employer to provide the necessary training for the mitigation of health and safety, and legal risks; and
 - D. programmes or Credentials that contain learning about health and safety and/or regulatory compliance that will only lead to the completion of health and safety and/or regulatory compliance components, rather than a whole qualification or Credential.

6.6 New Zealand Apprenticeships and New Zealand Apprentices

- (a) You must report a programme as a New Zealand Apprenticeship if it:
- (i) provides an entry point into an occupation to set a person up for a career in an industry; and
 - (ii) meets any regulatory requirements for entry into an occupation; and
 - (iii) requires a tripartite training agreement; and
 - (iv) contains a strong theoretical component to support further learning, as well as a practical element; and
 - (v) is directly related to the intended career; and
 - (vi) leads to either:
 - A. a qualification at Level 4 on the NZQCF that has a minimum of 120 credits and, if approved by us, additional qualifications at Level 3 or Level 4 on the NZQCF; or
 - B. multiple qualifications that together have at least 120 credits, provided those qualifications are at Level 3 and Level 4 on the NZQCF, and at least 60 credits are at Level 4 on the NZQCF; and
 - (vii) meets any additional criteria set by us to ensure that the programme is focused on Level 4 outcomes on the NZQCF.
- (b) You must report a learner as a New Zealand Apprentice if they are:
- (i) a valid domestic enrolment; and
 - (ii) employed in the occupation for which they are training; and
 - (iii) supported by a training plan agreed by the apprentice, the employer and the TEO arranging the training, throughout the programme of training; and
 - (iv) either:
 - A. enrolled in a New Zealand Apprenticeship; or
 - B. were enrolled in a Managed Apprenticeship programme or New Zealand Apprenticeship programme on 31 December 2022.

6.7 Making changes to qualifications in STEO

- (a) Before making a minor change to a qualification, you must:
- (i) receive notification of change from the WDC (where the qualification was developed by a WDC); and
 - (ii) obtain approval for the minor change from the relevant quality assurance body (if required), that is:
 - A. NZQA, if you are a PTE; or
 - B. NZQA or your Academic Board, if you are Te Pūkenga or a Wānanga; or
 - C. NZVCC, if you are a University; and
 - (iii) notify us of the change and provide the relevant information; and
 - (iv) obtain approval from us to update the course or qualification register.

- (b) Before making a significant change to a qualification, you must:
 - (i) receive notification of change from the WDC (where a qualification was developed by a WDC); and
 - (ii) obtain approval from the relevant quality assurance body as set out in Condition 6.7(a)(ii); and
 - (iii) provide the relevant information to us (including evidence of approval from the quality assurance body) to enable us to determine whether or not to approve the change; and
 - (iv) obtain approval from us to make the significant change.
- (c) For the purposes of this Condition:
 - (i) a “minor change” to a qualification is a change that does not change the size, level, core content, or EFTL value of the qualification; and
 - (ii) a “significant change” to a qualification is a change to:
 - A. the EFTL value of the qualification; or
 - B. the total number of credits in the qualification; or
 - C. the timeframe to complete the qualification; or
 - D. the level of the qualification in the NZQCF; or
 - E. in relation to Te Pūkenga, Wānanga and PTEs:
 - I. the location or locations at which the qualification is delivered; or
 - II. a change to the delivery mode of the qualification (eg, a move from face-to-face learning to distance online learning); or
 - III. the number of programmes or Credentials that each learner is expected to undertake to achieve the qualification; or
 - IV. prerequisite requirements.

6.8 Assigning EFTL values to qualifications and Credentials

- (a) You must:
 - (i) use the following three methods to determine the EFTL value of a qualification or Credential, when using EFTS:
 - A. credits or points; and
 - B. learning hours; and
 - C. full-time teaching weeks.
 - (ii) ensure that a qualification designed to be delivered within a year (being any 12-month period) is limited to a maximum of 1.0 EFTL for *provider-based* and *provider-based: extramural* modes of delivery, even if obtaining the qualification requires more than 120 credits (1,200 notional hours of learning, over 34 full-time teaching weeks), unless we have approved an exception to this limit; and
 - (iii) provide us with information on the three methods of calculating the EFTL value (being credits or points, learning hours, and full-time teaching weeks) when you enter qualification details on our STEO website.

- (iv) use the following two methods to determine the EFTL value of a qualification or Credential, when using standard training measures (STM):
 - A. credit values; and
 - B. nominal duration.
- (b) For the purposes of DQ3-7 Fund Funding, 1.0 EFTL equates to a student workload that is 120 credits or the amount of training that is required for a learner in the *work-based: pathway to work, work-based and assessment and verification* modes of delivery to achieve 120 NZQCF credits (1,200 notional learning hours delivered over 34 teaching weeks).
- (c) If you submit for approval for DQ3-7 Fund Funding a qualification that has two or more strands, you must propose an EFTL value for the qualification that is based on the strand that contains the highest number of credits that you are approved to deliver for the qualification. A strand is a specialisation within a qualification that represents a major component of the qualification and is at the level of the qualification. Strands are documented through strand-specific outcomes in the graduate profile.
- (d) For the purposes of this Condition and Condition 6.9, notional learning hours and nominal duration comprises learning activities leading towards achievement of programme or qualification learning outcomes (planned by you and/or the employer and communicated by you and/or the employer to the learner). Learning activities include but are not limited to:
 - (i) lecturer and tutor contact hours, including workshops and tutorials; or
 - (ii) tests and assignments; or
 - (iii) supervised practical placements; or
 - (iv) study time; or
 - (v) self-directed learning activities that the learner is expected to engage with/participate in; or
 - (vi) examination periods; or
 - (vii) on-job learning in the workplace; or
 - (viii) skills verification and assessments.

6.9 Limit on EFTL values for qualifications

- (a) You must not assign an EFTL value of more than 1.0 EFTL for *provider-based* and *provider-based: extramural* modes of delivery per year to a qualification, for which you seek approval of DQ3-7 Fund Funding, unless you have received approval from us. In approving an exception to this Condition, we will consider additional criteria, including whether you:
 - (i) will inform each learner accurately about their higher than normal expected study commitments; and
 - (ii) have support mechanisms in place for each learner who has difficulty coping with the intensity of the programme or Credential.
- (b) You must not assign a value of 1.0 or more EFTL for *work-based: pathway to work*, *work-based* and *assessment and verification* modes of delivery per year to a qualification for which you seek approval of DQ3-7 Fund Funding, unless:
 - (i) you:
 - A. have an agreement in place with the learner’s employer to ensure the learner can adjust their work schedule, if and when needed, to enable them to continue their study; and
 - B. have confidence in the learner’s ability to achieve their responsibilities under their employment agreement and training agreement, per observations of the learner’s competence and discussions with the learner; or
 - (ii) you have prior written approval from us.

6.10 Assigning programme or Credential delivery classifications

In accordance with your quality assurance approval from NZQA or the Committee on University Academic Programmes (CUAP), whichever the case may be, you must accurately assign:

- (a) each of your programmes, Credentials, and/or Component Parts delivered in the *work-based: pathway to work*, *work-based* and *assessment and verification* modes of delivery, as set up in the Industry Training Register, a credit value and nominal duration (in order for the correct STM value to be calculated); and
- (b) each of your programmes, Credentials, and/or Component Parts delivered in the *provider-based* and *provider-based: extramural* modes of delivery:
 - (i) an EFTS factor; and
 - (ii) for data reported through the SDR, a delivery classification listed in Table 1, “Delivery Classification” of Appendix 1 of the Funding Mechanism named *Determination of Design of Funding Mechanism: Non-degree Delivery at levels 3–7 and all industry training up to level 7 on the New Zealand Qualification and Credentials Framework*.

6.11 Assigning programme or Credential to a funding category

For data reported through the SDR, you must accurately assign each of your programmes, Credentials, and/or Component Parts a funding category listed in the tables in Appendix 1 of the Funding Mechanism named *Determination of Design of Funding Mechanism: Non-degree Delivery at levels 3–7 and all industry training up to level 7 on the New Zealand Qualification and Credentials Framework*.

6.12 Over-delivery

You must not deliver provision above 105% of your approved Funding allocation unless you have prior written approval from us.

7. Funding

7.1 Use of DQ3-7 Fund Funding

- (a) You must ensure that DQ3-7 Fund Funding is only used for the relevant programmes, Credentials and activities at Level 3–7 (non-degree) as well as all industry training on the NZQCF, which are specified in your approved Investment Plan (unless exempt) or equivalent arrangement. For the purposes of calculating the value of your approved DQ3-7 Fund funded delivery, we use a metric comprising:
 - (i) the number of valid domestic enrolments measured in EFTLs; and
 - (ii) the programmes or Credentials, and their Component Parts, in which learners are enrolled, and the assigned delivery classifications, funding categories, and funding rates of those qualifications and Component Parts.
- (b) You may only claim DQ3-7 Fund Funding for a learner who:
 - (i) is and continues to be for the length of the Funding Period, a valid domestic enrolment as described in Condition 5.1(a); and
 - (ii) is enrolled in a programme, Credential, or Component Part in:
 - A. the *provider-based* or *provider-based: extramural* modes of delivery, and has completed 10% or one month of the Credential or Component Part, for which they have enrolled, whichever is the earlier. You must determine whether a learner has completed 10% or one month of a Credential or Component Part by calculating the number of sequential calendar whole days (including weekends and public holidays) from the start date of the Credential or Component Part rounding up to the nearest whole day; or
 - B. *work-based: pathway to work, work-based* and *assessment and verification* modes of delivery, and has a programme enrolment status of ACTIVE or GRACE on the last day of a calendar month for which the STM value is being calculated.

7.2 Use of DQ3-7 Fund Funding for overseas travel

- (a) You must not use DQ3-7 Fund Funding to meet the costs of overseas travel for learners, or require learners to meet the cost of the travel by accessing the Student Loan Scheme, unless the overseas travel is academically essential. To determine whether overseas travel is academically essential, you must:
 - (i) submit an application to us at least two months before you advertise or publish any information about the programme or Credential or accept enrolments; and
 - (ii) include a letter from the applicable quality assurance body, endorsing the essential nature of the travel component of the programme or Credential; and
 - (iii) receive approval from us to include overseas travel as part of a programme or Credential.
- (b) For the purposes of this Condition, the appropriate quality assurance body is NZQA if you are Te Pūkenga, a Wānanga or a PTE, and NZVCC if you are a University.
- (c) When determining whether or not overseas travel is academically essential, we will consider whether:
 - (i) the overseas travel is integrally linked to the stated outcomes of a programme or Credential; and
 - (ii) the programme or Credential is a compulsory requirement of a qualification and/or major; and
 - (iii) the academic outcomes for the programme or Credential cannot be achieved in any other manner in New Zealand; and
 - (iv) the programme, Credential or qualification is aligned to the Tertiary Education Strategy.

7.3 Provision of equipment, infrastructure and hardware

- (a) You must pay for the necessary equipment, infrastructure, and hardware required to deliver a particular programme, Credential, and/or Component Part.
- (b) When providing necessary equipment (including computers, diving hardware, and chainsaws), you must not:
 - (i) include the costs in any fee, compulsory course cost, or student services fee, charged to a learner or their employer; or
 - (ii) require a learner to meet the costs through the “course-related costs” component of the Student Loan Scheme as a Condition of the learner’s enrolment.
- (c) For the purposes of this Condition, “equipment, infrastructure, and hardware”:
 - (i) means items that can be used by successive intakes of learners; and
 - (ii) does not include:
 - A. personal items that are provided for individual learners’ use and that you do not retain for the next intake of learners; or
 - B. infrastructure used by learners in *work-based: pathway to work*, *work-based* or *assessment and verification* modes.

8. Fees Free tertiary education

- (a) You must not charge a learner (that we have determined is eligible for Fees Free tertiary education) or their employer (if applicable) an amount of fees otherwise payable by the learner or their employer (if applicable) if we have advised you that we will:
 - (i) if you are a PTE, compensate you for that amount in respect of fees forgone as a result of this Condition; or
 - (ii) if you are not a PTE, pay you that amount in respect of fees on behalf of the learner.
- (b) You must work collaboratively with us to give effect to the Fees Free tertiary education initiative. In particular, you must provide information as required by us, to enable us to understand the EFTLs consumption of eligible learners, and in relation to fees.
- (c) Any fees in excess of the amount payable by us under Condition 8(a) may be charged by you to the learner, or to their employer (if applicable).

9. Fee limits

- (a) This Condition applies to fees charged by you for DQ3-7 Fund funded programmes, Credentials, activities and/or Component Parts. However, Conditions 9.1 to 9.5 do not apply to:
 - (i) fees for courses delivered by a subsidiary of Te Pūkenga that are part of Te Pūkenga's process to unify similar programmes, and Te Pūkenga delivers those courses across its network; or
 - (ii) fees charged for industry training (ie, programmes previously funded through the Industry Training Fund).
- (b) The fees charged by you are subject to this Condition if you are the sole source of the item to which the fee relates.
- (c) For the purposes of this Condition, unless the context otherwise requires:
 - (i) **Course** means part of a programme of study that leads to the award of a qualification on the NZQCF, including a certificate, diploma, degree, or postgraduate qualification. For the avoidance of doubt, this includes a course that is part of a qualification where the learner is not enrolled in the qualification (for example, where a learner is only enrolled in the course or where the learner is undertaking the course as part of a Micro-credential); and
 - (ii) **Micro-credential** means study or training that leads to an award but does not, of itself, lead to an award of a qualification listed on the NZQCF; and

- (iii) **Fees:**
- A. means tuition fees; and
 - B. means compulsory course costs that are charged to all students enrolled in a course, which includes (but are not limited to) the following: any compulsory costs associated with enrolment, examinations (including reporting of credits to the New Zealand Qualifications Authority), field trips, and any compulsory purchase of equipment or books through the TEO; and
 - C. excludes any administrative fees or charges (other than tuition fees or compulsory course costs) for additional services that are payable as a result of the specific circumstances of a student, which includes (but are not limited to) the following: reassessment or remarking of examination results, examination relocation fees, fees associated with recognition of prior learning, or fees associated with an application for selected entry programmes; and
 - D. excludes student services fees; and
- (iv) **Student services fees** are fees that TEOs may charge to Domestic Students to fund student services. These were previously known as compulsory student services fees (CSSFs); and
- (v) **TEO** means Tertiary Education Organisation as defined in section 10 of the Act.

9.1 Annual Maximum Fee Movement (AMFM)

- (a) The AMFM sets the maximum percentage that you may increase your domestic tuition fees by each year for all DQ3-7 Fund funded courses, excluding any fees charged for industry training (ie, programmes previously funded through the Industry Training Fund).
- (b) The AMFM for 2023 is 2.75%. You are therefore permitted to increase fees (GST exclusive) charged in 2022 to domestic learners for DQ3-7 Fund funded courses by 2.75%.
- (c) If a course spans more than one calendar year, the applicable fee is the fee applying to the course in the calendar year in which the course started.
- (d) The fees to be used in calculating the AMFM are the highest fees charged to an intake of learners.

9.2 Substitute courses

The AMFM applies to any new courses established by you in substitution for an existing course dealing with the same or similar subject matter, at a same or similar level on the NZQCF, for which DQ3-7 Fund Funding can be used.

9.3 Calculating the AMFM

- (a) For the purposes of determining the fee to be used in calculating the AMFM, you must provide us with information about:
 - (i) the highest fee charged to a learner; and
 - (ii) the usual fee charged to a learner; and
 - (iii) any discounted fees charged to a learner.
- (b) If you discount your course fees for a calendar year, you must supply to us information about each discount.
- (c) You must report, in STEO, accurate information regarding the fees you are charging learners.

9.4 Zero fee or low fee courses

If the fees for a DQ3-7 Fund funded course were less than \$511.11 (incl GST) (or \$444.44 (ex GST)) per EFTS in 2022, then, for 2023, you may increase the fee for the course:

- (a) to up to \$511.11 (incl GST) (or \$444.44 (ex GST)) per EFTS; or
- (b) by 2.75%,

whichever is the greater.

9.5 Exceptions to the AMFM

- (a) You may apply for an exception from the AMFM on the basis of exceptional circumstances. Any exception granted will not exceed an additional 2.75% over and above the permitted 2.75% increase.
- (b) In considering whether there are exceptional circumstances, we must only have regard to the following criteria:
 - (i) you are unable to support the course(s) while remaining financially viable; and
 - (ii) where the course is part of a qualification at Levels 3 to 7 (non-degree) on the NZQCF that has been delivered previously, the qualification has a cohort-based completion rate that meets or exceeds the median performance benchmark for that NZQCF group in the previous year; and
 - (iii) you can demonstrate that the course is in some way unique or special (for example, there are no local alternatives); and
 - (iv) not allowing an exception will prevent you from making a significant contribution to the achievement of one or more of the Government's priorities, as set out in the current Tertiary Education Strategy.
- (c) We must only grant an exception if we are satisfied that you meet all of the criteria listed in Condition 9.5(b).
- (d) To apply for an exception, you must use the templates specified on our website and send the application to our Customer Contact Group by the date specified by us on our website. Any submissions from learner bodies should be received no later than one week after receipt of your application.

9.6 Fee setting limits for new courses

- (a) The fees for a new course established by you and funded under the DQ3-7 Fund must be no more than the 75th percentile from the range of fees charged for similar courses. We will specify how similar courses will be determined.
- (b) Condition 9.6(a) does not apply to a new substitute course as defined in Condition 9.2 which is subject to the AMFM.

9.7 Exceptions to fee setting limits for new courses

- (a) You may apply for an exception from Condition 9.6(a) on the basis of exceptional circumstances.
- (b) In considering whether there are exceptional circumstances, we must only have regard to the following criteria:
 - (i) the course would be financially unviable without a higher fee; and
 - (ii) where the course is part of a qualification at Levels 3 to 7 (non-degree) on the NZQCF that has been delivered previously, the qualification has a cohort-based completion rate that meets or exceeds the median performance benchmark for that NZQCF group in the previous year; and
 - (iii) you can demonstrate that the course is in some way unique or special, for example, there are no or very few similar courses to compare fees with; and
 - (iv) the course is aligned to Government priorities as set out in the Tertiary Education Strategy.
- (c) We must only grant an exception if we are satisfied that you meet all of the criteria listed in Condition 9.7(b).
- (d) If we grant an exception in respect of a new course and we specify the fees for that course that you may charge, you must not charge fees for that course that are greater than the fees specified by us.

9.8 Fee capping limits for Micro-credentials

- (a) The fees you charge for a Micro-credential must be no more than \$60 (GST inclusive) per credit (excluding components made up of DQ3-7 Fund funded courses that also lead to the award of a qualification).
- (b) Where a Micro-credential wholly or partly comprises DQ3-7 Fund funded courses that also lead to the award of a qualification, the fees you charge for these courses must be equal to, or less than, the maximum fee permitted for the course under the AMFM under Condition 9.1 and the fee setting limits for new courses under Condition 9.6. The fees you charge for the components that are not part of existing courses must be no more than \$60 (GST inclusive) per credit.

9.9 Exceptions to fee capping limits for Micro-credentials

- (a) You may apply for an exception from Condition 9.8 on the basis of exceptional circumstances.
- (b) In considering whether there are exceptional circumstances, we must only have regard to the following criteria:
 - (i) you can demonstrate that the fee cap makes it financially unsustainable to offer the Micro-credential, in terms of the costs of delivering the Micro-credential and taking into account the total income that the Micro-credential would generate (including government Funding and fees), and that there are no satisfactory alternatives to limit costs; and
 - (ii) you must provide evidence that there is strong support from industry and/or employers to deliver the Micro-credential and that this clearly meets industry and/or employer needs.
- (c) We must only grant an exception if we are satisfied that you meet all of the criteria listed in Condition 9.9(b).
- (d) If we grant an exception in respect of a Micro-credential and we specify the fees for that Micro-credential that you may charge, you must not charge fees for that Micro-credential that are greater than the fees specified by us.

9.10 Refund for breach

If you breach Condition 9.1, 9.2, 9.4, 9.6, or 9.8, you must refund the learner the part of the fee that was overcharged. The refund must be given to the Ministry of Social Development (StudyLink), if the learner paid for the programme or Credential using the Learner Loan Scheme, or to the learner.

10. Student Services Fee

- (a) This Condition applies to all student services fees charged by you to Domestic Students in respect of whom you receive DQ3-7 Fund Funding.
- (b) The objective of these requirements is to ensure:
 - (i) accountability in the use of fees for student services to students;
 - (ii) involvement of learners in decisions in the charging and use of fees for student services;
 - (iii) fair arrangements for learners in different tertiary education settings (for example, work-based learners or learners in fees-free foundation education programmes).

10.1 Opt-in arrangements for trainees and apprentices

- (a) You must not charge a student services fee to apprentices, trainees or their employers. You must give apprentices, trainees and their employers the option of paying for and accessing student services.
- (b) Where apprentices and trainees opt in to receive student services and pay fees, you must comply with the requirements in Conditions 10.2–10.7.

10.2 Decision-making

You must establish and demonstrate adequate arrangements for decisions to be made jointly, or in consultation with the learners enrolled at your Organisation, or their representatives, on the following matters:

- (a) the maximum amount that learners will be charged for student services;
- (b) the types of services to be delivered (within the permitted categories set out in Condition 10.7);
- (c) the procurement of these services; and
- (d) the method for authorising expenditure on these services.

10.3 Accounting for the use of student services fees

You must hold all student services fees in a separate bank account or ensure that all income and expenditure associated with the provision of such services is separately accounted for in your accounting system.

10.4 Reporting on student services fees

- (a) If your Organisation is:
 - (i) a TEI, you must provide information on all student services fees through your annual report; or
 - (ii) a PTE, you must provide information on all student services fees through a written report to learners.
- (b) If Condition 10.4(a) applies, you must include the following information in your annual report or written report to learners (as the case may be):
 - (i) a description of the services funded out of the student services fee;
 - (ii) a statement of the fee income and expenditure for each type of student service;
 - (iii) the student services fee amount charged per EFTL or academic year (or however it is calculated); and
 - (iv) a statement describing how you are complying with the accounting requirements specified above in Condition 10.3.

10.5 PTE written reports to learners

If your Organisation is a PTE required to prepare a written report to learners in accordance with Condition 10.4(a)(ii), you must provide us with a copy of the report. The report must be sent to:

Requirements for Student Services Fees Submissions
 Monitoring and Crown Ownership
 The Tertiary Education Commission
 PO Box 27048
 Wellington 6141
 Email: cssf@tec.govt.nz

10.6 Publishing information online

If you are charging student services fees, you must, as soon as reasonably practicable each year, publish the following information on your website:

- (a) basic student services fee information for the year, including the amount charged per EFTS (or however it is calculated) and a description of the student services the fee supports;
- (b) a description of the current year's student services fee decision-making process – including a description of how the current fees and services offered were determined, how consultation with learners occurred, and what the decisions were; and
- (c) a description of how learners can be involved in student services fee decisions for the following year – ie, how you propose to consult with your learners and what issues might be considered.

10.7 Categories of student services

You may charge student services fees to support the delivery of the following categories of services:

- (a) Advocacy and legal advice – Advocating on behalf of individual learners and groups of learners, and providing independent support to resolve problems. This includes advocacy and legal advice relating to accommodation;
- (b) Careers information, advice and guidance – Supporting learners' transition into post-study employment;
- (c) Counselling services – Providing non-academic counselling and pastoral care, such as chaplains;
- (d) Employment information – Providing information about employment opportunities for learners while they are studying;
- (e) Financial support and advice – Providing hardship assistance and advice to learners on financial issues;
- (f) Health services – Providing health care and related welfare services.
- (g) Media – Supporting the production and dissemination of information by learners to learners, including newspapers, radio, television and internet-based media;
- (h) Childcare services – Providing affordable childcare services while parents are studying;
- (i) Clubs and societies – Supporting learner clubs and societies, including through the provision of administrative support and facilities for clubs and societies; and
- (j) Sports, recreation and cultural activities – Providing sports, recreation and cultural activities for learners.

11. Minimum and maximum performance standards

You must meet any minimum or maximum performance standards specified by us, including any minimum performance standards specified in your Investment Plan.

12. Financial reporting

If your Organisation is a TEI, you must use the TEI Financial Monitoring electronic templates that we will provide to you and supply the following information to us:

- (a) your Annual Report prepared in accordance with section 306 of the Act (including your financial statements and statement of service performance prepared in accordance with the Crown Entities Act 2004); and
- (b) your three-year financial forecast; and
- (c) any other financial reports that we request.

13. Learner Success Plan reporting

If you are required to submit a Learner Success Plan in accordance with **Education (Proposed Investment Plans: Content and Submission; Assessment Criteria; and Plan Summaries) Notice 2022**, or as requested by us, you must submit any subsequent progress reports in the form, and on the date, specified by us.

14. Disclosure of data from Statistics New Zealand's Integrated Data Infrastructure

It is a Condition of DQ3-7 Fund Funding that you consent, for the purposes of section 37A(a) of the Statistics Act 1975, to Statistics New Zealand disclosing information to the Ministry of Education and to us from its Integrated Data Infrastructure that identifies or may identify you.

The Statistics Act 1975 does not constrain the ongoing use or sharing of your TEO-level data once it is disclosed.

15. Benchmarking

If you are a TEI, you must participate as appropriate in benchmarking, including:

- (a) providing the vendor with financial and performance information as requested, in a timely manner; and
- (b) engaging with the vendor over follow-up questions and related quality assurance processes, in a timely manner; and
- (c) contributing to the cost of the agreement between us and the vendor, at a rate we determine.

16. Subcontracting

- (a) You must not subcontract any of the DQ3-7 Fund funded activities without prior written:
 - (i) consent from us; and
 - (ii) approval from NZQA, where you are quality assured by NZQA.
- (b) You must:
 - (i) comply with any Conditions imposed by us on the approval to subcontract; and
 - (ii) ensure that the subcontracted party does not further subcontract any functions; and
 - (iii) remain accountable to us for the use of the DQ3-7 Fund Funding.

17. Conditions for DQ3-7 Fund Learner Component Funding

17.1 Minimum Requirements for Learner Component Funding

You must:

- (a) identify the unique needs of all learners (including through engagement with learners and their communities); and
- (b) decide how to support learners; and
- (c) allocate Funding from the DQ3-7 Fund accordingly.

17.2 Performance expectations for Learner Component Funding

- (a) If you receive DQ3-7 Fund Learner Component Funding, and we have determined that you are required to set and meet performance expectations, you must demonstrate how you will deliver results for learners and commit to:
 - (i) addressing racism, bias and low expectations that impact vocational education and training (VET) learners and their whānau; and
 - (ii) strengthening mechanisms to hear and act on VET learner voice, and to understand the views of whānau and communities about VET; and
 - (iii) reducing barriers for VET learners, particularly in accessing work-based learning and supporting learners to be successful in VET; and
 - (iv) ensuring VET teaching and learning meets learner, employer and industry needs, and delivers skills relevant for the workplace.
- (b) If we have determined that you are required to set and meet performance expectations, you must:
 - (i) agree performance expectations with us that show how you will contribute to meeting the current funding priorities of the DQ3-7 Fund Learner Component Funding, and that are relevant and tailored the needs of your learner population; and
 - (ii) provide any information specified by us within the timeframes specified by us to enable us to monitor your performance expectations.

18. Repayment of DQ3-7 Fund Funding

- (a) If you receive 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:
 - (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 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.

19. Repayment of DQ3-7 Fund funding in case of deviation from Funding approval

If we notify you that we consider that you have deviated materially and substantially from your commitments to deliver specific subject areas, programme or Credential levels, or modes of delivery for which Funding is approved, you must treat the amount of the over-Funding as a debt due to the Crown that:

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

20. Suspension, revocation or withdrawal of DQ3-7 Fund Funding

If we suspend, revoke, or withdraw some or all of your DQ3-7 Fund Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as a debt due to the Crown that:

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

Strategic Component of the Unified Funding System for Vocational Education and Training Fund – Te Pūkenga

Purpose of the Unified Funding System for vocational education and training	168
Purpose of Fund	168
1. Organisation eligibility	169
2. Use of Strategic Component Fund Funding for Element 1	169
3. Use of Strategic Component Fund funding for Element 2	169
4. Reporting	169
5. Repayment of Strategic Component Fund Funding	170
6. Suspension, revocation or withdrawal of Strategic Component Fund Funding	170

Strategic Component of the Unified Funding System for Vocational Education and Training Fund – Te Pūkenga

Purpose of the Unified Funding System for vocational education and training

The Unified Funding System is designed to incentivise providers to:

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

Purpose of Fund

- (a) The *Strategic Component of the Unified Funding System for Vocational Education and Training Fund – Te Pūkenga* provides Funding to support the tertiary sector to progress strategic priorities for Vocational Education and Training. The Funding is not linked to learner enrolments.
- (b) This Fund comprises two elements:
 - (i) Element 1: Responding to national and regional skills priorities, informed by advice from Workforce Development Councils (WDCs) and Regional Skills Leadership Groups (RSLGs); and
 - (ii) Element 2: Supporting programme development and maintenance aligned with the Reform of Vocational Education objectives. For 2023 and 2024, Element 2 includes Funding to support Private Training Establishments (PTEs) to transition and adapt to the new incentives of the Unified Funding System (PTE Transition Support).

The following Conditions apply, under section 426 (on-Plan) of the Education and Training Act (the Act), to the Strategic Component of the Unified Funding System for Vocational Education and Training (Strategic Component) Fund Funding you receive for the Funding Period. These Conditions apply in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

To receive Strategic Component Fund Funding, you must be, and continue to be, for the length of the Funding Period, an eligible Organisation. Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga) is an eligible Organisation.

2. Use of Strategic Component Fund Funding for Element 1

2.1 You must use Funding for Element 1 to:

- (a) meet your Charter obligations outlined in Schedule 13 of the Act, including meeting the education and training needs of regions throughout New Zealand; and
- (b) develop and deliver innovative projects, initiatives and provision that respond to the national and regional skills priorities set by us that have been informed by advice from WDCs and RSLGs; and
- (c) meet any additional assessment and eligibility criteria specified by us.

2.2 You must not use Funding for Element 1 to develop any qualifications unless previously approved by us.

3. Use of Strategic Component Fund funding for Element 2

3.1 If you receive Funding for Element 2, you must use the Funding to:

- (a) either:
 - (i) develop new programmes that are innovative and flexible; or
 - (ii) review and maintain existing programmes; and
- (b) support the realisation of the Tertiary Education Strategy (TES) and other key education strategic objectives, aligned with the purpose of the Unified Funding System and the advice of WDCs; and
- (c) meet any additional assessment and eligibility criteria specified by us.

3.2 You must use the Strategic Component Fund Funding to achieve the milestones set out in your Funding Confirmation Letter, by the dates specified in that letter.

4. Reporting

By the date, and in the form, specified by us, you must provide us with:

- (a) an expenditure report relating to the period from 1 January to 30 June for each year that you receive Strategic Component Fund Funding; and
- (b) a final expenditure report that relates to the period from 1 January to 31 December for each year that you receive Strategic Component Fund Funding; and
- (c) progress reports that set out how you have used Element 1 Funding for its intended purpose as outlined in Condition 2.1; and
- (d) progress reports that set out how you have used Element 2 Funding to progress from development and maintenance of programmes to implementation of those programmes, in accordance with the framework set out in your Investment Plan and that has been approved by us.

5. Repayment of Strategic Component Fund Funding

If you receive Strategic Component Fund Funding that is greater than it should have been, that you were not entitled to receive, or that has not been contractually committed towards the purposes for which Funding was provided as at 31 December 2023, you must treat the amount of the over-funding as a debt due to the Crown that:

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

6. Suspension, revocation or withdrawal of Strategic Component Fund Funding

6.1 If we suspend, revoke or withdraw some or all of your Strategic Component Fund Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used, or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as a debt due to the Crown that is:

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

6.2 We may suspend or revoke some or all of your Strategic Component Fund Funding in accordance with Condition 6.1 and the processes in the Act if we are satisfied on reasonable grounds that:

- (a) you have not achieved the milestones set out in your Funding Confirmation Letter (including if you have not achieved the milestones by the date specified), or have not achieved them to our satisfaction; or
- (b) your expenditure report as referred to in Condition 4(a) indicates significant issues with compliance with these Funding Conditions.

Strategic Component of the Unified Funding System for Vocational Education and Training Fund – Wānanga

Purpose of the Unified Funding System for Vocational Education and Training	172
Purpose of Fund	172
1. Organisation eligibility	173
2. Use of Strategic Component Fund Funding	173
3. Reporting	173
4. Repayment of Strategic Component Fund Funding	173
5. Suspension, revocation or withdrawal of Strategic Component Fund Funding	174

Strategic Component of the Unified Funding System for Vocational Education and Training Fund – Wānanga

Purpose of the Unified Funding System for Vocational Education and Training

The Unified Funding System is designed to incentivise providers to:

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

Purpose of Fund

- (a) The *Strategic Component of the Unified Funding System for Vocational Education and Training Fund – Wānanga* provides Funding to support the tertiary sector to progress strategic priorities for vocational education and training. The Funding is not linked to learner enrolments.
- (b) This Fund comprises two elements:
 - (i) Element 1: Responding to national and regional skills priorities, informed by advice from Workforce Development Councils (WDCs) and Regional Skills Leadership Groups (RSLGs); and
 - (ii) Element 2: Supporting programme development and maintenance aligned with the Reform of Vocational Education objectives. For 2023 and 2024, Element 2 includes funding to support Private Training Establishments (PTEs) to transition and adapt to the new incentives of the Unified Funding System (PTE Transition Support).

Wānanga are only eligible for funding under Element 2.

The following Conditions apply, under section 426 (on-Plan) of the Education and Training Act (the Act), to the Strategic Component of the Unified Funding System for Vocational Education and Training (Strategic Component) Fund Funding you receive for the Funding Period. These Conditions apply in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

To receive Strategic Component Fund Funding, you must be, and continue to be, for the length of the Funding Period, an eligible Organisation. A Wānanga is an eligible Organisation.

2. Use of Strategic Component Fund Funding

2.1 If you receive Funding for Element 2, you must:

- (a) use the Funding to:
 - (i) either:
 - A. develop new programmes that are innovative and flexible; or
 - B. review and maintain existing programmes; and
 - (ii) support the realisation of the Tertiary Education Strategy (TES) and other key education strategic objectives, aligned with the purpose of the Unified Funding System and the advice of WDCs; and
 - (iii) meet any additional assessment and eligibility criteria specified by us.

2.2 You must use the Strategic Component Fund Funding to achieve the milestones set out in your Funding Confirmation Letter, by the dates specified in that letter.

3. Reporting

By the date, and in the form, specified by us, you must provide us with:

- (a) an expenditure report relating to the period from 1 January to 30 June for each year that you receive Strategic Component Fund Funding; and
- (b) a final expenditure report that relates to the period from 1 January to 31 December for each year that you receive Strategic Component Fund Funding; and
- (c) progress reports that set out how you have used Element 2 funding to progress from development and maintenance of programmes to implementation of those programmes, in accordance with the framework set out in your Investment Plan that has been approved by us.

4. Repayment of Strategic Component Fund Funding

If you receive Strategic Component Fund Funding that is greater than it should have been, that you were not entitled to receive, or that has not been contractually committed towards the purposes for which funding was provided as at 31 December 2023, you must treat the amount of the over-funding as a debt due to the Crown that:

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

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

- 5.1** If we suspend, revoke or withdraw some or all of your Strategic Component Fund Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used, or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as a debt due to the Crown that is:
- (a) repayable on demand by us; and
 - (b) may be set-off against all or any Funding, or any sum payable by us to you.
- 5.2** We may suspend or revoke some or all of your Strategic Component Fund Funding in accordance with Condition 5.1 and the processes in the Act if we are satisfied on reasonable grounds that:
- (a) you have not achieved the milestones set out in your Funding Confirmation Letter (including if you have not achieved the milestones by the date specified), or have not achieved them to our satisfaction; or
 - (b) your expenditure report as referred to in Condition 3(a) indicates significant issues with compliance with these Funding Conditions.

Degree and Research Funds

Delivery on the New Zealand Qualifications and Credentials Framework at Levels 7 (degree) and above Fund	177
Equity Funding for Level 7 (degree)	204
Performance-Based Research Fund	208

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

Purpose of Fund	177
Flexible funding	177
1. Organisation eligibility	178
2. Single Data Return (SDR)	178
3. Confirmed learner enrolments	178
4. Withdrawal of enrolments	179
5. Use of DQ7+ Fund Funding for valid domestic enrolments	180
6. Programmes, qualifications and Credentials	188
7. Funding	192
8. Fees Free tertiary education	194
9. Fee limits	194
10. Student Services Fees	198
11. Performance standards	200
12. Financial reporting	200
13. Learner Success Plan reporting	200
14. Disclosure of data from Statistics New Zealand's Integrated Data Infrastructure	201
15. Benchmarking	201
16. Subcontracting	201
17. Repayment of DQ7+ Fund Funding	201
18. Suspension, revocation or withdrawal of DQ7+ Fund Funding	202

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

Purpose of Fund

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

Flexible funding

- (a) We will allocate you additional DQ7+ Fund Funding to that specified in your Funding Confirmation Letter if:
 - (i) you are a “qualifying TEO”, which means you:
 - A. have a New Zealand Qualifications Authority (NZQA) External Evaluation and Review (EER) status of Category 1 or 2¹ (except for Universities and Te Pūkenga); and
 - B. are approved by us to deliver a minimum of 20 equivalent full-time students (EFTS) in 2023; and
 - C. have an average 2022 course completion rate of 70% or higher for DQ7+; and
 - (ii) one of the following applies:
 - (iii) you are a tertiary education institution (TEI) or Private Training Establishment (PTE) and 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.

The following Conditions apply, under section 426 of the Education and Training Act (the Act), to the DQ7+ Fund Funding you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, any Organisation-specific Conditions set out in your Funding Confirmation Letter, and the Conditions in the Act.

¹ EER status is determined by the most recently published full EER report relating to you.

1. Organisation eligibility

1.1 You must continue to be:

- (a) a TEI, namely:
 - (i) a University; or
 - (ii) Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
 - (iii) a Wānanga; or
- (b) a PTE.

1.2 If you are Te Pūkenga, a subsidiary of Te Pūkenga delivering the relevant programme for which you receive DQ7+ Fund Funding, a Wānanga or PTE, you must continue to be quality assured by the New Zealand Qualifications Authority (NZQA).

1.3 If you are a University, you must continue to be quality assured by the New Zealand Vice-Chancellors' Committee (NZVCC).

2. Single Data Return (SDR)

You must:

- (a) supply to us information about each learner enrolled in a course by completing the fields in the SDR in accordance with the SDR Manual and its appendices; and
- (b) submit the information on or before the date we specify through the Services for Tertiary Education Organisations (STEO) website. For more information, please refer to the [SDR Manual and SDR Appendices](#); and
- (c) supply to us a forecast of your likely DQ7+ Fund funded equivalent full-time students (EFTS) in accordance with the SDR Manual; and
- (d) follow the process set out in Conditions 2(a) and (b) unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.

3. Confirmed learner enrolments

You must ensure that your SDR accurately records all “confirmed learner enrolments” where fees apply. A confirmed learner enrolment occurs where:

- (a) a learner and your Organisation have entered into an enrolment or tuition contract or arrangement and the learner has paid or committed to pay their fees; and
- (b) the period during which the learner is entitled to Withdraw from a course, programme or Micro-credential and receive a full refund of fees (less any applicable administration fee) has passed; and
- (c) the learner has not received a full refund of fees (less any applicable administration fee).

4. Withdrawal of enrolments

4.1 Withdrawal date for TEIs

- (a) If you are a University, Wānanga or Te Pūkenga, you may set a Withdrawal date, being the specified period during which a learner can Withdraw and receive a full refund of fees, course costs and student service fees, provided that date is not earlier than the Withdrawal date in Condition 4.1(b).
- (b) If you do not set a Withdrawal date, the Withdrawal date will be the date on which 10% (rounded up to the nearest whole day) or one month of the course for which a learner is enrolled has passed, whichever is earlier. The Withdrawal date must be determined by calculating the number of sequential calendar whole days (including weekends and public holidays) from the start date of the course.

4.2 Withdrawal date for PTEs

If you are a PTE, you must comply with the Withdrawal dates and refund period entitlements set out in sections 355 to 360 of the Act.

4.3 Reporting Withdrawals to the Ministry of Social Development (StudyLink)

In addition to any other Conditions requiring you to report Withdrawals of enrolments, you must report the Withdrawal of learners to the Ministry of Social Development (StudyLink) within five working days of each Withdrawal. This is to enable student loans and student allowances to be cancelled as soon as possible.

4.4 Other obligations to report Withdrawals

For the avoidance of doubt, completing the SDR under Condition 2 does not discharge your other obligations to report Withdrawals. These obligations include reporting (where applicable) to: Immigration New Zealand (for international learners), the Ministry of Social Development (StudyLink) (for Student Loan and Student Allowance recipients) and Trustees administering fee protection mechanisms (for international learners and all PTE learners).

4.5 Refunding fees for Withdrawals

If fees are to be refunded to a learner on the basis that the learner withdrew before the Withdrawal date, you must, as soon as reasonably practicable, pay the refund:

- (a) to the Ministry of Social Development, if the learner paid the fees using the Student Loan Scheme; or
- (b) directly to the learner.

5. Use of DQ7+ Fund Funding for valid domestic enrolments

5.1 Valid domestic enrolments

- (a) You must ensure that DQ7+ Fund Funding is only used in respect of a learner who is a “valid domestic enrolment”.
- (b) For the purposes of DQ7+ Fund Funding, the term “valid domestic enrolment” refers to the enrolment of a learner who:
- (i) is one of the following:
 - A. a **Domestic Student**;² or
 - B. an Australian citizen or Australian permanent resident currently residing in New Zealand; and
 - (ii) is either:
 - A. aged 16 years and over; or
 - B. aged under 16 years and meets the criteria in Condition 5.1(c); and
 - (iii) is studying in New Zealand, unless the learner meets the criteria in Condition 5.1(d); and
 - (iv) has paid or committed to pay their fees (if fees apply), unless the learner meets the criteria in Condition 5.1(e).
- (c) A learner aged under 16 years old at the time that the programme of study or training in which the learner is enrolled begins is a valid domestic enrolment if:
- (i) you are satisfied that the learner is capable of completing the academic requirements of the programme of study or training in which the learner is enrolled; and
 - (ii) you have ensured that the learner has a school exemption certificate from the Ministry of Education; and
 - (iii) the learner is, or will be, enrolled in a secondary school at the time the programme of study or training starts, and you have ensured that the learner’s principal has signed a letter that approves the programme of study or training, and that either specifies that:
 - A. the learner is not required to be absent from school during school hours; or
 - B. if the learner is required to be absent from school during school hours for more than five hours per week, the school will seek reduced Funding for the learner from the Ministry of Education; or
 - (iv) the learner is, or will be, home schooled at the time that the programme of study or training starts, and you have ensured that the parent of the learner who is primarily responsible for the learner’s home schooling has signed a letter that approves the study or training.

² A “Domestic Student” means a New Zealand citizen, the holder of a residence class visa granted under the Immigration Act 2009, and the persons to be treated as if they are not international students under the **Tertiary Education (Domestic Students) Notice 2022**.

- (d) A learner studying outside New Zealand is a valid domestic enrolment if:
- (i) the learner meets the criteria in Conditions 5.1(b)(i),(ii) and (iv); and
 - (ii) the learner is enrolled in a course(s) leading to the award of a recognised qualification offered by a New Zealand TEO; and
 - (iii) if the learner is studying at an overseas campus or delivery site (irrespective of whether they are enrolled at the TEO's New Zealand campus or overseas campus), the learner meets the following criteria:
 - A. the learner is enrolled at a New Zealand TEO in a programme leading to the award of a qualification at Level 7 or above on the New Zealand Qualifications and Credentials Framework (NZQCF); and
 - B. the study outside New Zealand is full time and face-to-face (ie, not an extramural enrolment) in an approved country identified on the Education New Zealand website; and
 - C. the learner is undertaking part (but not all) of the programme outside New Zealand.
- (e) A learner who has not paid their fees (if fees apply) is a valid domestic enrolment, including for the purposes of section 256(5) of the Act (if applicable), if you pay for the learner's fees through a scholarship, or if the learner is eligible for Fees Free tertiary education, and you are prohibited from charging the learner the amount that we have paid you under Condition 8, which may be some or all of the fees.

5.2 Verification of learner eligibility

- (a) You must verify a learner’s eligibility for enrolment as a valid domestic enrolment. For the following types of learner who are valid domestic enrolments under Condition 5.1, you must use one of the following verification methods below, and assess whether the learner meets the eligibility criteria as specified in Condition 5.1:

Type of learner	Verification methods
A New Zealand citizen	<p>You must:</p> <ul style="list-style-type: none"> (a) confirm the learner’s citizenship status using the learner’s National Student Number (NSN); or (b) receive an assertion through RealMe® that the learner was born in New Zealand (prior to 2005); or (c) if the learner is in prison at the time of enrolment, receive a completed and signed Department of Corrections “Verification of legal name and New Zealand residency status” form relating to the learner; or (d) sight an original or certified copy of one or more of the following documents: <ul style="list-style-type: none"> (i) a New Zealand birth certificate; or (ii) a New Zealand passport; or (iii) a New Zealand certificate of citizenship; or (e) If a learner is unable to obtain a birth certificate for the purposes of (d)(i) above, you may contact us to confirm that a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of citizenship.
A New Zealand resident	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) a passport with a current returning residency class visa (a passport with a visa label); or (b) a passport, and letter or email, confirming current returning residency class visa (label-less visa, followed by confirmation with Immigration New Zealand, where appropriate); or (c) a certificate of identity from Immigration New Zealand if the learner is a refugee.
An Australian citizen or Australian permanent resident currently residing in New Zealand	<p>You must sight an original or certified copy of one or more of the following documents:</p> <ul style="list-style-type: none"> (a) an Australian birth certificate issued before 20 August 1986;* or (b) an Australian passport; or (c) a passport with a current Australian resident return visa. <p><small>* An Australian birth certificate issued after August 1986 is not an accepted form of verification. You will need to sight the travel document, which is likely to be an Australian passport.</small></p>
A dependant of diplomatic personnel	<p>You must sight the original or certified copy of an authorised form from the Ministry of Foreign Affairs and Trade.</p>

Type of learner	Verification methods
<p>Other types of valid domestic enrolments</p> <p>A person who is required to be treated as if they are not an international learner within the meaning set out in the <u>Tertiary Education (Domestic Students) Notice 2022</u></p>	<p>You must verify each learner’s eligibility in accordance with the requirements specified on our website for how each learner is to be verified. The requirements can be found on the TEC website page <u>Other valid domestic enrolments</u>.</p>

- (b) You must follow the process set out in Condition 5.2(a) unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- (c) For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (i) be certified by an official of the issuing authority or a person authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to make a statutory declaration, such as a Justice of the Peace, a person who is enrolled as a barrister and solicitor of the High Court, or a court official (Court Registrar or Deputy Registrar); and
 - (ii) have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

5.3 Verification of learner identity

- (a) You must verify the identity of each learner enrolled in a programme or programmes of study or training of more than 0.03 EFTS and confirm whether the learner is who they say they are by doing one or more of the following:
- (i) confirming that all data fields match the learner’s NSN; or
 - (ii) receiving an assertion through the Department of Internal Affairs’ RealMe® online identity verification service; or
 - (iii) if the learner is in prison at the time of enrolment, receiving a completed and signed Department of Corrections “Verification of legal name and New Zealand residency status” form relating to the learner; or
 - (iv) sighting the original or certified copy of a current passport; or
 - (v) sighting the original or certified copy of one or more of the following documents:
 - A. a birth certificate; or
 - B. a certificate of identity; or
 - C. a New Zealand certificate of citizenship; or
 - D. an expired passport that has not been cancelled.
- (b) You must follow the process set out in Condition 5.3(a) unless we are satisfied that there are special circumstances that justify using an alternative process, and authorise you in writing to follow a different process specified by us.
- (c) If a learner is unable to obtain a birth certificate for the purposes of Condition 5.3(a)(v)(A), you may contact us to confirm that a whakapapa statement signed by both the learner and a kaumātua is acceptable evidence of identity.
- (d) For the purposes of this Condition, a certified copy is a photocopy, photograph or scanned copy that has been endorsed as a true copy of the original. To be certified, the document must:
- (i) be certified by an official of the issuing authority or a person authorised by section 9(1)(a) to (h) of the Oaths and Declarations Act 1957 to make a statutory declaration, such as a Justice of the Peace, a person who is enrolled as a barrister and solicitor of the High Court or a court official (Court Registrar or Deputy Registrar); and
 - (ii) have the official’s signature on each page, with the name and title of the official shown clearly below their signature.

5.4 Enrolment records for valid domestic enrolments

- (a) If a learner, who is a valid domestic enrolment, is enrolled in a programme of study or training of more than 0.03 EFTS funded by us, you must keep accurate and up-to-date records specifying:
- (i) the programme of study or training (including qualification(s) and course(s) in which the learner has been admitted or readmitted); and
 - (ii) the learner's identity details, including the learner's name, date of birth, citizenship, domestic or international learner status, and residency status (if relevant); and
 - (iii) if the learner is enrolled in a programme of study or training leading to a qualification with an EFTS value of greater than 0.03 EFTS, whether you have verified the learner's identity; and whether you have verified that the learner is a valid domestic enrolment and/or has the appropriate learner visa; and
 - (iv) the learner's NSN; and
 - (v) the learner's previous academic achievement (if relevant) verified by NZQA; and
 - (vi) the receipt verifying that the learner has paid, or has arranged to pay, their fees (if applicable); and
 - (vii) changes (if any) made to an enrolment; and
 - (viii) whether the learner has Withdrawn from part of their programme of study or training, the date of the Withdrawal, and whether the Withdrawal was within the Withdrawal period; and
 - (ix) whether a learner has been expelled from part of their programme of study or training by you due to a breach of your Code of Conduct; and
 - (x) whether a learner is on a discretionary leave of absence greater than leave normally granted under your standard minimum attendance requirements; and
 - (xi) whether the learner is attending the programme of study in which they are enrolled, or is actively involved in the programme or course (learner attendance record); and
 - (xii) the period for which the learner is enrolled.
- (b) You must retain each learner's records described in Condition 5.4(a) until:
- (i) at least two years after the completion of the education or training in which the learner is enrolled; or
 - (ii) if a learner Withdraws before the learner has completed their education or training, at least two years after the date of Withdrawal.

5.5 No inducing enrolment

- (a) You must not secure or seek to secure an enrolment through offering an inducement.
- (b) Even if a learner meets the criteria specified in Condition 5.1, the enrolment is not a valid domestic enrolment if it has been secured by way of an inducement.
- (c) For the purposes of this Condition, an inducement includes any of the following, where it induces a learner to enrol:
 - (i) a financial benefit to the learner; or
 - (ii) a personal advantage to the learner; or
 - (iii) a physical item that a learner retains possession of after the course of study or training has ended.
- (d) For the purposes of this Condition, an inducement does not include:
 - (i) a scholarship, as defined below; or
 - (ii) a physical item that:
 - A. is essential for a learner to complete the compulsory requirements of their programme of study (including printed course notes, an e-reader for course notes, or course-related textbooks); and
 - B. cannot be returned and reused for learners in subsequent intakes (for example, due to health and safety reasons; time-limited materials or materials that will be updated; or if it is not financially feasible); or
 - (iii) an item or arrangement that has been approved by us (for example, we may approve an item that has minimal residual value or useful life in the general marketplace, or items that are needed for a learner's pathway into the vocation for which study or training has been undertaken); or
 - (iv) the guarantee of a job placement on the successful completion of a programme of study, backed by a partial or total money-back guarantee; or
 - (v) a conditional offer of a partial refund (such as a refund for a timely or electronic enrolment).
- (e) For the purposes of this Condition, a scholarship means:
 - (i) a merit scholarship (or prize) that comprises financial aid given to a learner as a result of high academic achievement exceeding that of their fellow learners or cohort; and/or
 - (ii) a needs-based scholarship that comprises financial aid given to a learner who would otherwise be significantly disadvantaged in accessing education, where the need of the learner has been demonstrated through a robust application and assessment process; and/or
 - (iii) any scholarship that:
 - A. has a clear, focused rationale for its existence; and
 - B. has a clearly identified philanthropic aim or supports study in a particular area of importance to the donor.

5.6 No private advantage

You must not restrict enrolment in a DQ7+ Fund funded programme or Micro-credential on the basis of private advantage (for example, restricting enrolment to your employees only).

5.7 Exceeding the total annual EFTS value of the qualification

You must not seek DQ7+ Fund Funding in respect of a learner enrolled in a course that leads to the award of a qualification if the result of enrolling the learner in the course is that the total EFTS factors for all of the courses in which the learner is enrolled in that year exceed the total annual EFTS value of the qualification, unless:

- (a) the learner, in an exceptional circumstance (such as repeating a course that they previously have not passed), has elected to exceed total EFTS value of the qualification in that year; and
- (b) you can demonstrate that the EFTS factor sought for the course adequately reflects additional teaching input, rather than additional directed study.

5.8 Funding for EFTS factor of a course

You may only seek DQ7+ Fund Funding for the EFTS factor of a course once in cases where a learner's enrolment in the course can lead to the award of two (or more) qualifications for the learner, unless you can demonstrate that additional EFTS value sought for the learner's enrolment in the course adequately reflects additional teaching input or assessment that the learner would not receive if their enrolment in the course could only lead to the award of one qualification.

5.9 Recognised prior learning

- (a) You must not seek DQ7+ Fund Funding for recognised prior learning credited to a learner. To ensure that you are able to comply with this Condition, you must:
 - (i) make any fees charged for recognition of prior learning clear to the learner; and
 - (ii) ask the learner to specify prior learning they have undertaken; and
 - (iii) review the information provided by the learner when admitting a learner into a programme or qualification; and
 - (iv) retain documents that confirm that the learner has demonstrated the required knowledge or skill; and
 - (v) reduce the learner's fees accordingly in proportion to the recognised prior learning they have undertaken; and
 - (vi) adjust the course EFTS by Month in the SDR enrolment file so that you do not claim DQ7+ Fund Funding for prior learning already credited to the learner; and
 - (vii) where programme or Credential components are credited to the learner for prior learning you must pro-rata the course EFTS factor accordingly and detail your calculations for each enrolment.

- (b) Recognised prior learning does not include repeated learning or training that the applicable quality assurance body requires learners to undertake periodically. If you deliver repeated learning or training for the purpose of meeting quality assurance body requirements you must retain evidence that clearly identifies:
 - (i) the learning or training that the learner was required to repeat to meet quality assurance body requirements; and
 - (ii) the specific quality assurance body requirements; and
 - (iii) that you have advised the learner of the fees that you will charge for the repeated learning or training; and
 - (iv) that the learner has agreed it is necessary to repeat the learning or training.

6. Programmes, qualifications and Credentials

6.1 Approval of programmes, qualifications and Credentials

You must only use DQ7+ Fund Funding to deliver qualifications, courses or Credentials that have been approved by us. To receive Funding approval for a qualification, course or Credential, you must submit the relevant documents to us in accordance with the information on our website.

6.2 Minimum Requirements

You must ensure that DQ7+ Fund Funding is only used for a course that:

- (a) is part of a programme that:
 - (i) leads to the award of a qualification at Level 7 (degree) to 10 on the NZQCF; and
 - (ii) has been quality assured by either NZQA or the NZVCC (where appropriate); or
- (b) is part of a Micro-credential that has been quality assured; or
- (c) is a Certificate of Proficiency at Level 5 or above on the NZQCF.

6.3 Health-related professional qualifications or Credentials

- (a) You may use DQ7+ Fund Funding for courses that are part of a programme leading to the award of a post-entry health-related professional qualification or Credential that:
 - (i) is of an academic or research nature; and
 - (ii) has a clinical component of 30% or less within the total qualification or Credential.
- (b) You must not use DQ7+ Fund Funding for courses that are part of a programme leading to the award of a post-entry health-related professional qualification that has:
 - (i) a clinical component of more than 30% within the total qualification or Credential; and
 - (ii) either:
 - A. a requirement for clinical education and training; or
 - B. an emphasis on specialist clinical professional skills.

6.4 Health and safety or regulatory compliance learning

- (a) You must not use DQ7+ Fund Funding to fund a programme of study or training or a Credential where the majority of the programme of study or training or Credential relates to health and safety or regulatory compliance.
- (b) When determining whether the majority of a programme of study or training or Credential relates to health and safety or regulatory compliance, we will:
 - (i) exclude courses from that calculation that are integral to the skills and knowledge recognised through the programme of study or training or Credential; and
 - (ii) include the following courses in that calculation:
 - A. discrete short packages of health and safety or regulatory compliance learning (usually under 20 credits); and
 - B. learning that displaces the responsibility of an employer to provide the necessary training for the mitigation of health and safety, and legal risks; and
 - C. courses that contain learning about health and safety and/or regulatory compliance that will only lead to the completion of health and safety and/or regulatory compliance learning, rather than a whole programme of study or training or Credential.

6.5 Micro-credentials (including Certificates of Proficiency)

- (a) To use DQ7+ Fund Funding for Micro-credentials (including Certificates of Proficiency (COPs)), you must ensure that:
 - (i) the Micro-credentials have been quality assured by either:
 - A. NZQA, if you are Te Pūkenga, a Wānanga or a PTE or;
 - B. the New Zealand Vice-Chancellors' Committee (NZVCC), if you are a University; and
 - (ii) the Micro-credentials have been approved by us as eligible for Funding and added to the TEC Qualifications Register; and
 - (iii) the Micro-credential that we have agreed to Fund meets and continues to meet the criteria for Funding that we set³ and complies with any requirements that we set.
- (b) You must ensure that the amount of delivery towards Micro-credentials (including COPs) is consistent with the criteria determined by us.

³ [The criteria](#) are set out on our website.

6.6 Making changes to qualifications

- (a) Before making a minor change to a qualification, you must:
- (i) obtain approval for the minor change from the relevant quality assurance body (if required), that is:
 - A. NZQA, if you are Te Pūkenga, a Wānanga or a PTE; or
 - B. NZVCC, if you are a University; and
 - (ii) notify us of the change and provide the relevant information; and
 - (iii) obtain approval from us to update the course or qualification register.
- (b) Before making a significant change to a qualification, you must:
- (i) obtain approval from the relevant quality assurance body as set out in Condition 6.6(a)(i); and
 - (ii) provide the relevant information to us (including evidence of approval from the quality assurance body) to enable us to determine whether or not to approve the change; and
 - (iii) obtain approval from us to make the significant change.
- (c) For the purposes of this Condition:
- (i) a “minor change” to a qualification is a change that does not change the size, level, core content, or EFTS value of the qualification; and
 - (ii) a “significant change” to a qualification is a change to:
 - A. the EFTS value of the qualification; or
 - B. the total number of credits in the qualification; or
 - C. the timeframe to complete the qualification; or
 - D. the level of the qualification in the NZQCF; or
 - E. in relation to Te Pūkenga, Wānanga and PTEs:
 - I. the location or locations at which the qualification is delivered; or
 - II. the delivery mode of the qualification; or
 - III. the number of courses that each learner is expected to undertake to achieve the qualification; or
 - IV. prerequisite requirements.

6.7 Assigning EFTS values to qualifications and Credentials

- (a) You must:
- (i) use the following three methods to determine the EFTS value of a qualification or Credential:
 - A. credits or points; and
 - B. learning hours; and
 - C. full-time teaching weeks; and
 - (ii) ensure that a qualification designed to be delivered within a year (being any 12-month period) is limited to a maximum of 1.0 EFTS, even if obtaining the qualification requires more than 120 credits (1,200 notional hours of learning, over 34 full-time teaching weeks), unless we have approved an exception to this limit; and
 - (iii) provide us with information on the three methods of calculating the EFTS value (being credits or points, learning hours, and full-time teaching weeks) when you enter qualification or Credential details on our STEO website.
- (b) For the purposes of DQ7+ Fund Funding, 1.0 EFTS equates to a programme of study or training that is 120 NZQCF credits (1,200 notional learning hours delivered over 34 teaching weeks).
- (c) If you submit for approval for DQ7+ Fund Funding a qualification that has two or more strands, you must propose an EFTS value for the qualification that is based on the strand that contains the highest number of credits that you are approved to deliver for the qualification. A strand is a specialisation within a qualification that represents a major component of the qualification and is at the level of the qualification. Strands are documented through strand-specific outcomes in the graduate profile.
- (d) For the purposes of this Condition and Condition 6.8, notional learning hours comprises learning activities leading towards achievement of programme or qualification learning outcomes (planned by you and communicated by you to the learner). Learning activities include but are not limited to:
- (i) lecturer and tutor contact hours, including workshops and tutorials; or
 - (ii) tests and assignments; or
 - (iii) supervised practical placements; or
 - (iv) study time; or
 - (v) self-directed learning activities that the learner is expected to engage with/ participate in; or
 - (vi) examination periods.

6.8 Limit on EFTS values for qualifications

You must not assign an EFTS value of more than 1.0 EFTS per year to a qualification for which you seek approval of DQ7+ 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.

6.9 Assigning delivery classifications

In accordance with your quality assurance approval from NZQA or the Committee on University Programmes (CUAP), whichever the case may be, you must accurately assign each of your courses:

- (a) a course EFTS factor; and
- (b) to a delivery classification listed in Table 1, “Delivery Classification Prescription” of Appendix 1 of the Funding Mechanism named *Determination of Design of Funding Mechanism: Delivery on the New Zealand Qualifications and Credentials Framework at levels 7 (degree) and above*.

6.10 Assigning courses to a Funding category

You must accurately assign each of your courses to a Funding category listed in Appendix 1 of the Funding Mechanism named *Determination of Design of Funding Mechanism: Delivery on the New Zealand Qualifications and Credentials Framework at levels 7 (degree) and above*.

6.11 Over-delivery

You must not deliver provision above 105% of your approved Funding allocation unless you have prior written approval from us.

7. Funding

7.1 Use of DQ7+ Fund Funding

- (a) You must ensure that DQ7+ Fund Funding is only used for the relevant programmes and activities at Level 7 and above on the NZQCF, which are specified in your approved Investment Plan (unless exempt) or equivalent arrangement. For the purposes of calculating the value of your approved DQ7+ Fund funded delivery, we use a metric comprising:
 - (i) the number of valid domestic enrolments measured in EFTS; and
 - (ii) the qualifications, and their component courses, in which learners are enrolled, and the assigned delivery classifications, Funding categories, and Funding rates of those qualifications and component courses.
- (b) You may only claim DQ7+ Fund Funding for a learner who:
 - (i) is and continues to be for the length of the Funding Period, a valid domestic enrolment as described in Condition 5.1(a); and
 - (ii) has completed 10% or one month of the course for which they have enrolled, whichever is the earlier. You must determine whether a learner has completed 10% or one month of a course by calculating the number of sequential calendar whole days (including weekends and public holidays) from the start date of the course, rounding up to the nearest whole day.

7.2 Use of DQ7+ Fund Funding for doctoral study

You must not claim DQ7+ Fund Funding for more than a maximum EFTS value of 4 EFTS per doctorate per learner for doctoral study at NZQCF Level 10. If a learner’s doctoral study exceeds the EFTS value of 4 EFTS, you must report the additional EFTS as non-funded delivery.⁴

⁴ We expect doctorate projects to be scoped for completion within two to three years and no more than four years.

7.3 Use of DQ7+ Fund Funding for overseas travel

- (a) You must not use DQ7+ Fund Funding to meet the costs of overseas travel for learners, or require learners to meet the cost of the travel by accessing the Student Loan Scheme, unless the overseas travel is academically essential. To determine whether overseas travel is academically essential, you must:
 - (i) submit an application to us at least two months before you advertise or publish any information about the course or accept enrolments; and
 - (ii) include a letter from the applicable quality assurance body, endorsing the essential nature of the travel component of the course; and
 - (iii) receive approval from us to include overseas travel as part of a course.
- (b) For the purposes of this Condition, the appropriate quality assurance body is NZQA if you are Te Pūkenga, a Wānanga or a PTE, and NZVCC if you are a University.
- (c) When determining whether or not overseas travel is academically essential, we will consider whether:
 - (i) the overseas travel is integrally linked to the stated outcomes of a course; and
 - (ii) the course is a compulsory requirement of a qualification and/or major; and
 - (iii) the academic outcomes for the course cannot be achieved in any other manner in New Zealand; and
 - (iv) the course or qualification is aligned to the Tertiary Education Strategy.

7.4 Provision of equipment, infrastructure and hardware

- (a) You must pay for the necessary equipment, infrastructure, and hardware required to deliver a particular course, qualification or Credential.
- (b) When providing essential equipment (including computers, diving hardware, and chainsaws), you must not:
 - (i) include the costs in any fee, compulsory course cost, or student service fee, charged to a learner; or
 - (ii) require a learner to meet the costs through the “course-related costs” component of the Student Loan Scheme as a Condition of the learner’s enrolment.
- (c) For the purposes of this Condition, “equipment, infrastructure, and hardware”:
 - (i) means items that can be used by successive intakes of learners; and
 - (ii) does not include personal items that are provided for individual learners’ use and that you do not retain for the next intake of learners.

8. Fees Free tertiary education

- (a) You must not charge a learner (that we have determined is eligible for Fees Free tertiary education) an amount of fees otherwise payable by the learner if we have advised you that we will:
 - (i) if you are a PTE, compensate you for that amount in respect of fees forgone as a result of this Condition; or
 - (ii) if you are not a PTE, pay you that amount in respect of fees on behalf of the learner.
- (b) You must work collaboratively with us to give effect to the Fees Free tertiary education initiative. In particular, you must provide information as required by us, to enable us to understand the EFTS consumption of eligible learners, and in relation to fees.
- (c) Any fees in excess of the amount payable by us under Condition 8(a) may be charged by you to the learner.

9. Fee limits

- (a) This Condition applies to fees charged by you for DQ7+ Fund funded courses or Micro-credentials.
- (b) The fees charged by you are subject to this Condition if you are the sole source of the item to which the fee relates.
- (c) For the purposes of this Condition, unless the context otherwise requires:
 - (i) **Course** means part of a programme of study that leads to the award of a qualification on the NZQCF, including a certificate, diploma, degree, or postgraduate qualification. For the avoidance of doubt, this includes a course that is part of a qualification where the learner is not enrolled in the qualification (for example, where a learner is only enrolled in the course or where the learner is undertaking the course as part of a Micro-credential or COP); and
 - (ii) **Micro-credential** means a quality-assured study or training that leads to an award but not to a qualification on the NZQCF; and
 - (iii) **Certificate of Proficiency** means a certificate awarded to a learner in recognition of achievement through assessment in a single course or a selection of courses from one or more approved qualifications. This does not include Certificates of Personal Interest; and
 - (iv) **Fees:**
 - A. means tuition fees;
 - B. means compulsory course costs that are charged to all learners enrolled in a course, which includes (but are not limited to) the following: any compulsory costs associated with enrolment, examinations (including reporting of credits to NZQA), field trips, and any compulsory purchase of equipment or books through you; and
 - C. excludes any administrative fees or charges (other than tuition fees of compulsory course costs) for additional services that are payable as a result of the specific circumstances of a learner, which includes (but are not limited to) the following: reassessment or remarking of examination results, examination relocation fees, fees associated with recognition of prior learning or fees associated with an application for selected entry programmes.

9.1 Annual Maximum Fee Movement (AMFM)

- (a) The AMFM sets the maximum percentage that you may increase your domestic tuition fees by each year for all DQ7+ Fund funded courses or Micro-credentials.
- (b) The AMFM for 2023 is 2.75%. You are therefore permitted to increase fees (GST exclusive) charged in 2022 to domestic learners for DQ7+ Fund funded courses or Micro-credentials by 2.75%.
- (c) If a course spans more than one calendar year, the applicable fee is the fee applying to the course in the calendar year in which the course started.
- (d) The fees to be used in calculating the AMFM are the highest fees charged to an intake of learners.

9.2 Substitute courses

The AMFM applies to any new courses or Micro-credentials established by you in substitution for an existing course or Micro-credential dealing with the same or similar subject matter, at a same or similar level on the NZQCF, for which DQ7+ Fund Funding can be used.

9.3 Calculating the AMFM

- (a) For the purposes of determining the fee to be used in calculating the AMFM, you must provide us with information about:
 - (i) the highest fee charged to a learner; and
 - (ii) the usual fee charged to a learner; and
 - (iii) any discounted fees charged to a learner.
- (b) If you discount your course fees for a calendar year, you must supply to us information about each discount.
- (c) You must report, in STEO, accurate information regarding the fees you are charging learners.

9.4 Zero fee or low fee courses

If the fees for a DQ7+ Fund funded course or Micro-credential were less than \$511.11 (incl GST) (or \$444.44 (ex GST)) per EFTS in 2022, then, for 2023, you may increase the fee for the course or Micro-credential:

- (a) to up to \$511.11 (incl GST) (or \$444.44 (ex GST)) per EFTS; or
- (b) by 2.75%,

whichever is the greater.

9.5 Exceptions to the AMFM

- (a) You may apply for an exception from the AMFM on the basis of exceptional circumstances. Any exception granted will not exceed an additional 2.75% over and above the permitted 2.75% increase.
- (b) In considering whether there are exceptional circumstances, we must only have regard to the following criteria:
 - (i) you are unable to support the course(s) or Micro-credential(s) while remaining financially viable; and
 - (ii) where the course is part of a qualification at Levels 3 to 8 on the NZQCF that has been delivered previously, the qualification has a cohort-based completion rate that meets or exceeds the median performance benchmark for that NZQCF group in the previous year; and
 - (iii) you can demonstrate that the course or Micro-credential is in some way unique or special (for example, there are no local alternatives); and
 - (iv) not allowing an exception will prevent you from making a significant contribution to the achievement of one or more of the Government's priorities, as set out in the current Tertiary Education Strategy.
- (c) We must only grant an exception if we are satisfied that you meet all of the criteria listed in Condition 9.5(b).
- (d) To apply for an exception, you must use the templates specified on our website and send the application to our Customer Contact Group by the date specified by us on our website. Any submissions from student bodies should be received no later than one week after receipt of your application.

9.6 Fee setting limits for new courses or Micro-credentials

- (a) The fees for a new course or Micro-credential established by you and funded under the DQ7+ Fund must be no more than the 75th percentile from the range of fees charged for similar courses or Micro-credentials. We will specify how similar courses or Micro-credentials will be determined.
- (b) Condition 9.6(a) does not apply to a new substitute course or Micro-credential as defined in Condition 9.2.

9.7 Exceptions to fee setting limits for new courses

- (a) You may apply for an exception from Condition 9.6(a) on the basis of exceptional circumstances.
- (b) In considering whether there are exceptional circumstances, we will only have regard to the following criteria:
 - (i) the course or Micro-credential would be financially unviable without a higher fee; and
 - (ii) where the course is part of a qualification at Levels 3 to 8 on the NZQCF that has been delivered previously, the qualification has a cohort-based completion rate that meets or exceeds the median performance benchmark for that NZQCF group in the previous year; and
 - (iii) you can demonstrate that the course or Micro-credential is in some way unique or special, for example, there are no or very few similar courses or Micro-credentials to compare fees with; and
 - (iv) the course or Micro-credential is aligned to Government priorities as set out in the Tertiary Education Strategy.
- (c) We must only grant an exception if we are satisfied that you meet all of the criteria listed in Condition 9.7(b).
- (d) If we grant an exception in respect of a new course or Micro-credential and we specify the fees for that course or Micro-credential that you may charge, you must not charge fees for that course or Micro-credential that are greater than the fees specified by us.

9.8 Fee capping limits for Micro-credentials

- (a) The fees you charge for a Micro-credential must be no more than \$60 (GST inclusive) per credit (excluding components made up of DQ7+ Fund funded courses that also lead to the award of a qualification).
- (b) Where a Micro-credential wholly or partly comprises DQ7+ Fund funded courses that also lead to the award of a qualification, the fees you charge for these courses must be equal to or less than the maximum fee permitted for the course under the AMFM under Condition 9.1 and the fee setting limits for new courses or Micro-credentials under Condition 9.6. The fees you charge for the components that are not part of existing courses must be no more than \$60 (GST inclusive) per credit.

9.9 Exceptions to fee capping limits for Micro-credentials

- (a) You may apply for an exception from Condition 9.8 on the basis of exceptional circumstances.
- (b) In considering whether there are exceptional circumstances, we must only have regard to the following criteria:
 - (i) you can demonstrate that the fee cap makes it financially unsustainable to offer the Micro-credential, in terms of the costs of delivering the Micro-credential and taking into account the total income that the Micro-credential would receive (including government Funding and fees), and that there are no satisfactory alternatives to limit costs; and
 - (ii) you must provide evidence that there is strong support from industry and/or employers to deliver the Micro-credential and that this clearly meets industry and/or employer needs.
- (c) We must only grant an exception if we are satisfied that you meet all of the criteria listed in Condition 9.9(b).
- (d) If we grant an exception in respect of a Micro-credential and we specify the fees for that Micro-credential that you may charge, you must not charge fees for that Micro-credential that are greater than the fees specified by us.

9.10 Refund for breach

If you breach Condition 9.1, 9.2, 9.4, 9.6 or 9.8, you must refund the learner the part of the fee that was overcharged. The refund must be given to the Ministry of Social Development (StudyLink), if the learner paid for the course using the Student Loan Scheme, or to the learner.

10. Student Services Fees

- (a) This Condition applies to all student services fees charged by you to Domestic Students in respect of whom you receive DQ7+ Fund Funding.
- (b) The objective of these requirements is to ensure:
 - (i) accountability in the use of fees for student services to learners;
 - (ii) involvement of learners in decisions in the charging and use of fees for student services;
 - (iii) fair arrangements for learners in different tertiary education settings (for example, work-based learners or learners in fees-free foundation education programmes).

10.1 Decision-making

You must establish and demonstrate adequate arrangements for decisions to be made jointly, or in consultation with the learners enrolled at your Organisation, or their representatives, on the following matters:

- (i) the maximum amount that learners will be charged for student services;
- (ii) the types of services to be delivered (within the permitted categories set out in Condition 10.6);
- (iii) the procurement of these services; and
- (iv) the method for authorising expenditure on these services.

10.2 Accounting for the use of student services fees

You must hold all student services fees in a separate bank account or ensure that all income and expenditure associated with the provision of such services is separately accounted for in your accounting system.

10.3 Reporting on student services fees

- (a) If your Organisation is:
 - (i) a TEI, you must provide information on all student services fees through your annual report; or
 - (ii) a PTE, you must provide information on all student services fees through a written report to learners.
- (b) If Condition 10.3(a) applies, you must include the following information in your annual report or written report to learners (as the case may be):
 - (i) a description of the services funded out of the student services fee;
 - (ii) a statement of the fee income and expenditure for each type of student service;
 - (iii) the student services fee amount charged per EFTS or academic year (or however it is calculated); and
 - (iv) a statement describing how you are complying with the accounting requirements specified above in Condition 10.2.

10.4 PTE written reports to learners

If your Organisation is a PTE required to prepare a written report to learners in accordance with Condition 10.3(a)(ii), you must provide us with a copy of the report. The report must be sent to:

Requirements for Student Services Fees Submissions
 Monitoring and Crown Ownership
 The Tertiary Education Commission
 PO Box 27048
 Wellington 6141
 Email: cssf@tec.govt.nz

10.5 Publishing information online

If you are charging student services fees, you must, as soon as reasonably practicable each year, publish the following information on your website:

- (a) basic student services fee information for the year, including the amount charged per EFTS (or however it is calculated) and a description of the student services fee supports;
- (b) a description of the current year's student services fee decision-making process – including a description of how the current fees and services offered were determined, how consultation with learners occurred, and what the decisions were; and
- (c) a description of how learners can be involved in student services fee decisions for the following year – ie, how you propose to consult with your learners and what issues might be considered.

10.6 Categories of student services

You may charge student services fees to support the delivery of the following categories of services:

- (a) Advocacy and legal advice – Advocating on behalf of individual learners and Groups of learners, and providing independent support to resolve problems. This includes advocacy and legal advice relating to accommodation;
- (b) Careers information, advice and guidance – Supporting learners’ transition into post-study employment;
- (c) Counselling services – Providing non-academic counselling and pastoral care, such as chaplains;
- (d) Employment information – Providing information about employment opportunities for learners while they are studying;
- (e) Financial support and advice – Providing hardship assistance and advice to learners on financial issues;
- (f) Health services – Providing health care and related welfare services;
- (g) Media – Supporting the production and dissemination of information by learners to learners, including newspapers, radio, television and internet-based media;
- (h) Childcare services – Providing affordable childcare services while parents are studying;
- (i) Clubs and societies – Supporting learner clubs and societies, including through the provision of administrative support and facilities for clubs and societies; and
- (j) Sports, recreation and cultural activities – Providing sports, recreation and cultural activities for learners.

11. Performance standards

You must meet any performance standards specified by us, including any performance standards specified in your Investment Plan.

12. Financial reporting

If your Organisation is a TEI, you must use the TEI Financial Monitoring electronic templates that we will provide to you and supply the following information to us:

- (a) your Annual Report prepared in accordance with section 306 of the Act (including your financial statements and statement of service performance prepared in accordance with the Crown Entities Act 2004); and
- (b) your three-year financial forecast; and
- (c) any other financial reports that we request.

13. Learner Success Plan reporting

If you are required to submit a Learner Success Plan in accordance with **Education (Proposed Investment Plans: Content and Submission; Assessment Criteria; and Plan Summaries) Notice 2022**, or as requested by us, you must submit any subsequent progress reports in the form, and on the date, specified by us.

14. Disclosure of data from Statistics New Zealand’s Integrated Data Infrastructure

- (a) It is a Condition of Funding that you consent, for the purposes of section 37A(a) of the Statistics Act 1975, to Statistics New Zealand disclosing information to the Ministry of Education and to us from its Integrated Data Infrastructure that identifies or may identify you.
- (b) The Statistics Act 1975 does not constrain the ongoing use or sharing of your TEO-level data once it is disclosed.

15. Benchmarking

If you are a TEI, you must participate as appropriate in benchmarking, including:

- (a) providing the vendor with financial and performance information as requested, in a timely manner; and
- (b) engaging with the vendor over follow-up questions and related quality assurance processes, in a timely manner; and
- (c) contributing to the cost of the agreement between us and the vendor, at a rate we determine.

16. Subcontracting

- (a) You must not subcontract any of the funded activities without the prior written approval of NZQA, where you are quality assured by NZQA; and without prior written consent from us.
- (b) You must:
 - (i) comply with any Conditions imposed by us on the consent to subcontract; and
 - (ii) ensure that the subcontracted party does not further subcontract any functions; and
 - (iii) remain accountable to us for the use of the DQ7+ Fund Funding.

17. Repayment of DQ7+ Fund 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.

18. Suspension, revocation or withdrawal of DQ7+ Fund Funding

If we suspend, revoke, or withdraw some or all of your DQ7+ Fund Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as a debt due to the Crown that is:

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

Equity Fund

Purpose of Fund	204
1. Organisation eligibility	204
2. Learner eligibility	205
3. Use of Equity Fund Funding	205
4. Performance expectation measures in relation to Māori and Pacific learners	205
5. Reporting requirements in respect of disabled learners	205
6. Supply of information	205
7. Repayment of Equity Fund Funding	206
8. Suspension, revocation or withdrawal of Equity Fund Funding	206

Equity Fund

Purpose of Fund

- (a) The purpose of Equity Funding for Māori and Pacific learners is to improve participation in, and achievement at, the higher levels of the tertiary education system (Level 7 (degree) and above on the New Zealand Qualifications and Credentials Framework (NZQCF)).
- (b) The purpose of Equity Funding for disabled learners is to improve participation in tertiary education and achievement of qualifications, as outlined in Condition 1.2(b).

The following Conditions apply, under section 426 of the Education and Training Act (the Act), to the *Equity Fund* Funding you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

Māori and Pacific learners

1.1 To receive Equity Fund Funding for Māori and Pacific learners you must continue to:

- (a) be one of the following:
 - (i) a tertiary education institution (TEI), namely:
 - A. a University; or
 - B. Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga); or
 - C. a Wānanga; or
 - (ii) a Private Training Establishment (PTE); and
- (b) receive *Delivery on the New Zealand Qualifications and Credentials Framework at levels 7 (degree) and above* (DQ7+) Fund Funding under the *Determination of Design of Funding Mechanism: Delivery on the New Zealand Qualifications and Credentials Framework at levels 7 (degree) and above*.

Disabled learners

1.2 To receive Equity Fund Funding for disabled learners, you must continue to:

- (a) be a TEI, namely:
 - (i) a University; or
 - (ii) Te Pūkenga; or
 - (iii) a Wānanga; and
- (b) receive DQ7+ Fund Funding under the *Determination of Design of Funding Mechanism: Delivery on the New Zealand Qualifications and Credentials Framework at levels 7 (degree) and above* or *Delivery on the New Zealand Qualifications and Credentials Framework at Levels 1 and 2* (DQ1-2) Fund Funding under the *Determination of Design of Funding Mechanism: Delivery on the New Zealand Qualifications and Credentials Framework at levels 1 and 2*.

2. Learner eligibility

Māori and Pacific learners

- 2.1** If you are an eligible Organisation under Condition 1.1(a) you must ensure that Equity Fund Funding for Māori and Pacific learners is only used in respect of learners who are eligible to be a valid domestic enrolment as defined in Condition 5.1 of the DQ7+ Fund Funding Conditions.

Disabled learners

- 2.2** If you are an eligible Organisation under Condition 1.2(a) you must ensure that Equity Fund Funding for disabled learners is only used in respect of learners who are, and continue to be, a valid domestic enrolment as defined in Condition 4.1 of the DQ1-2 Fund Funding Conditions or Condition 5.1 of the DQ7+ Fund Funding Conditions.

3. Use of Equity Fund Funding

You must not use the Equity Fund Funding for:

- (a) Funding capital works or items; or
- (b) Funding your compliance with statutory requirements, such as health and safety.

4. Performance expectation measures in relation to Māori and Pacific learners

If you receive Equity Fund Funding for Māori and Pacific learners, you must supply to us any information that we require in relation to Equity Fund Funding for Māori and Pacific learners, to measure your performance against any minimum performance standards set by us.

5. Reporting requirements in respect of disabled learners

- 5.1** If you receive Equity Fund Funding for disabled learners, you must comply with any reporting requirements we require in relation to Equity Fund Funding for disabled learners using the reporting template that we will provide to you.
- 5.2** You must submit any reports required under Condition 5.1 for the period 1 January to 31 December within 4 weeks of us notifying you that the template for this report has been uploaded to Workspace 2.

6. Supply of information

- 6.1** You must supply to us information about learners enrolled in a course, programme or Credential for whom you receive Equity Fund Funding, in accordance with the Single Data Return information requirements set out in Condition 2(a) of the DQ7+ Fund Funding Conditions or the DQ1-2 Fund Funding Conditions (as applicable).
- 6.2** For more information, please refer to the [SDR Manual and SDR Appendices](#).

7. Repayment of Equity Fund Funding

If you receive Equity 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:

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

8. Suspension, revocation or withdrawal of Equity Fund Funding

If we suspend, revoke or withdraw some or all of your Equity Fund Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used, or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as a debt due to the Crown that is:

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

Performance-Based Research Fund

Purpose of Fund	208
1. Organisation eligibility	209
2. Participation in all components of PBRF Funding	209
3. Provision of Evidence Portfolios	210
4. Staff eligibility	210
5. Submitting Evidence Portfolios	210
Research Degree Completion Component	211
6. Calculating RDCC	211
External Research Income	211
7. Sources of External Research Income	211
8. Repayment of PBRF Funding	211
9. Suspension, revocation or withdrawal of PBRF Funding	211
10. Definitions	212

Performance-Based Research Fund

Purpose of Fund

The purpose of the *Performance-Based Research Fund* (PBRF) is to increase the quality of research by rewarding and encouraging research excellence.

The primary objectives of the PBRF are to:

- (a) increase the quality of basic and applied research at Aotearoa New Zealand's degree-granting Tertiary Education Organisations (TEOs);
- (b) support world-leading research-led teaching and learning at degree and postgraduate levels;
- (c) assist Aotearoa New Zealand's TEOs to maintain and lift their competitive rankings relative to their international peers;
- (d) provide robust public information to stakeholders about research performance within and across TEOs; and
- (e) support a robust and inclusive system for developing and sustaining research excellence in Aotearoa New Zealand.

In doing so, the PBRF will also:

- (a) support the development of postgraduate learner researchers and new and emerging researchers;
- (b) support research activities that provide economic, social, cultural and environmental benefits to Aotearoa New Zealand, including the advancement of Mātauranga Māori; and
- (c) support technology and knowledge transfer to Aotearoa New Zealand businesses, iwi and communities.

The PBRF is guided by the following principles:

- (a) **Partnership:** the PBRF should reflect the bicultural nature of Aotearoa New Zealand and the special role and status of the Treaty of Waitangi/Te Tiriti o Waitangi;
- (b) **Equity:** different approaches and resources are needed to ensure that the measurement of research excellence leads to equitable outcomes;
- (c) **Inclusiveness:** the PBRF should encourage and recognise the full diversity of epistemologies, knowledges and methodologies to reflect Aotearoa New Zealand's people;
- (d) **Comprehensiveness:** the PBRF should appropriately measure the quality of the full range of original investigative activity that occurs within the sector, regardless of its type, form or place of output;
- (e) **Respect for academic traditions:** the PBRF should operate in a manner that is consistent with academic freedom and institutional autonomy;
- (f) **Consistency:** evaluations of quality made through the PBRF should be consistent across the different subject areas and in the calibration of quality ratings against international standards of excellence;

- (g) Continuity: changes to the PBRF process should only be made where they can bring demonstrable improvements that outweigh the cost of implementing them;
- (h) Differentiation: the PBRF should allow stakeholders and the government to differentiate between providers and their units on the basis of their relative quality;
- (i) Credibility: the methodology, format and processes employed in the PBRF must be credible to those being assessed;
- (j) Efficiency: administrative and compliance costs should be kept to the minimum, consistent with a robust and credible process;
- (k) Transparency: decisions and decision-making processes must be explained openly, except where there is a need to preserve confidentiality and privacy; and
- (l) Complementarity: the PBRF should be integrated with new and existing policies, such as Investment Plans, and quality assurance systems for degrees and degree providers.

The following Conditions apply, under section 426 of the Education and Training Act (the Act), to the PBRF Funding you receive for the Funding Period, in addition to the Base Funding Conditions set out in this Funding Conditions Catalogue, and the Conditions in the Act.

1. Organisation eligibility

You must continue to be a TEO that, for the length of the Funding Period:

- (a) is based in Aotearoa New Zealand; and
- (b) grants bachelor's degrees, master's degrees, or doctoral degrees; and
- (c) has an Investment Plan; and
- (d) receives Delivery on the New Zealand Qualifications and Credentials Framework at Levels 7 (degree) and above Fund Funding.

2. Participation in all components of PBRF Funding

- 2.1** If you participate in the Quality Evaluation (QE) component and the Quality Categories assigned to the Evidence Portfolios (EPs) result in a PBRF Funding allocation, you must participate in both the Research Degree Completion Component (RDCC) and External Research Income (ERI) components to receive PBRF Funding, even if the score for one or both of these components is zero, or likely to be zero.
- 2.2** If you participate in the QE component and the Quality Categories assigned to the EPs you submit when participating in the QE component do not result in a PBRF Funding allocation, you are not eligible to participate in the RDCC and ERI components of the PBRF.
- 2.3** In order to receive the PBRF Funding, you must have participated in the latest QE and each of the RDC and ERI components of the PBRF.

Quality Evaluation

Note: Conditions 3, 4 and 5 below are only applicable to years in which a Quality Evaluation takes place. Therefore, those Conditions do not apply for the 2023 academic year. They are included here because of the requirement in section 426(2)(a) of the Act to impose Conditions that the Minister of Education has determined TEC must attach to Funding in the Funding Mechanism.¹

3. Provision of Evidence Portfolios

You must provide an EP for each staff member at your Organisation that is eligible (as defined in Condition 4) for evaluation in the QE, that:

- (a) sets out information required by us on the eligible staff member's research performance; and
- (b) comprises an "Examples of Research Excellence" section and an "Other Examples of Research Excellence" section.

4. Staff eligibility

- 4.1** You must ensure that each staff member whose EP is included in the QE process is an eligible staff member. A staff member will be an eligible staff member if they are:
- (a) employed by you on the staff census date under a contract of salaried employment with a duration of at least one year; and
 - (b) employed at a minimum of 0.2 full-time equivalent (FTE) during the period of the contract of salaried employment; and
 - (c) required to make a substantive contribution to research and/or teaching degree-level programmes as part of their employment function (in accordance with the criteria specified by us²); and
 - (d) not based overseas (in accordance with the criteria specified by us).
- 4.2** For the avoidance of doubt, you must not submit an EP for a staff member that does not meet the above eligibility criteria.

5. Submitting Evidence Portfolios

- 5.1** You must indicate when an EP is being submitted in respect of an eligible staff member who:
- (a) is a new and emerging researcher (in accordance with the criteria specified by us); and/or
 - (b) identifies as Māori or Pacific (in accordance with the criteria specified by us).
- 5.2** If you consider that an EP is likely to be assigned a quality category of R or R(NE), you must not submit that EP.

¹ We will set out [further guidance](#) for 2026 QE on our website, in our Quality Evaluation 2026 Guidelines.

² The [Quality Evaluation 2026 Guidelines](#), including the criteria referred to in these Funding Conditions, will be made available on our website.

Research Degree Completion Component

6. Calculating RDCC

- 6.1** You must calculate completions of research-based postgraduate degrees in units of equivalent full-time students (EFTS), where one (1.0) EFTS unit is defined as the learner workload that would normally be carried out by a learner enrolled full-time in a single academic year.
- 6.2** You must submit completions of research-based postgraduate degrees through the Single Data Return (SDR) in the manner prescribed in the [PBRF User Manual](#).

External Research Income

7. Sources of External Research Income

- 7.1** You must, where applicable, report your eligible External Research Income (ERI) to us, broken down into the following sources:
- (a) Aotearoa New Zealand government contestable funds; and
 - (b) Aotearoa New Zealand public sector contract research; and
 - (c) Aotearoa New Zealand non-government income; and
 - (d) overseas research income.
- 7.2** For the purposes of this Condition, “External Research Income” includes income from public and private sources for research conducted by an eligible TEO (and/or a wholly owned subsidiary) and includes research income from competitive sources from within Vote Tertiary Education (excluding PBRF).

8. Repayment of PBRF Funding

- 8.1** If you receive PBRF 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:
- (a) is repayable on demand; and
 - (b) may be set-off against all or any Funding, or any sum of money payable by us to you.

9. Suspension, revocation or withdrawal of PBRF Funding

- 9.1** If we suspend, revoke or withdraw some or all of your PBRF Funding under clause 16 of Schedule 18 of the Act before some or all of that Funding has been used or contractually committed towards the purposes for which the Funding was provided, you must treat the unexpended or uncommitted portion of the Funding as debt due to the Crown that is:
- (a) repayable on demand; and
 - (b) may be set-off against all or any Funding, or any sum payable by us to you.

10. Definitions

For the purposes of these PBRF Funding Conditions, the following terms have the following meanings:

Category R represents a quantum of research activity and quality at a level which is insufficient for recognition for Funding purposes according to the QE process categories we use to categorise the quality of Evidence Portfolios.

Category R(NE) represents a quantum of research and quality by a new and emerging researcher at a level which is insufficient for recognition for Funding purposes according to the QE process categories we use to categorise the quality of Evidence Portfolios.

Excellence as a researcher includes all of the following activities:

- (a) the production and creation of leading-edge knowledge;
- (b) the application of that knowledge;
- (c) the dissemination of that knowledge to learners, industry, iwi and hapū, and the wider community; and
- (d) supporting current and potential colleagues (eg, postgraduate learners) in the creation, application and dissemination of knowledge.

Excellence will be measured by a combination of external peer review, Research Degree Completion Component and External Research Income indicators.

External Research Income and **ERI** mean a measure of income received by participating TEOs, including their relevant subsidiaries, for the purposes of conducting research (and in accordance with the criteria specified by us³). **Research** is original investigation undertaken in order to contribute to knowledge and understanding and, in the case of some disciplines, cultural innovation or aesthetic refinement. It typically involves enquiry of an experimental or critical nature driven by hypotheses or intellectual positions capable of rigorous assessment by experts in a given discipline. It is an independent, creative, cumulative and often long-term activity conducted by people with specialist knowledge about the theories, methods and information concerning their field of enquiry. Its findings must be open to scrutiny and formal evaluation by others in the field, and this may be achieved through publication or public presentation. In some disciplines, the investigation and its results may be embodied in the form of artistic works, designs or performances. Research includes contribution to the intellectual infrastructure of subjects and disciplines (eg, dictionaries and scholarly editions). It also includes the experimental development of design or construction solutions, as well as investigation that leads to new or substantially improved materials, devices, products or processes.

Research Degree Completion Component and **RDCC** mean a measure of the number of research-based postgraduate degrees that are completed within participating TEOs.

Quality Evaluation and **QE** mean a periodic peer assessment of the research contribution of individual teaching and research staff in participating TEOs.

³ This is provided for in the [PBRF User Manual](#).

Definitions and Interpretation

Definitions	214
Interpretation	217

Definitions and Interpretation

Definitions

In this Conditions Catalogue, unless the context otherwise requires:

Application for Funding means the documents submitted by you in relation to Off-Plan Funding or, if you are exempt under clause 9 of Schedule 18 of the Education and Training Act from the requirement to provide an Investment Plan, the documents submitted by you in relation to On-Plan Funding;

Certificate of Proficiency means a certificate awarded to a learner in recognition of achievement through assessment in a single course or a selection of courses from one or more approved qualifications. This does not include Certificates of Personal Interest;

Committee on University Academic Programmes (CUAP) means the New Zealand Vice-Chancellor’s Committee on University Academic Programmes;

Community Education Provider (CEP) means a Community Education Provider not quality assured by NZQA;

Component Part means part of a programme leading to a qualification or part of a Micro-credential, and includes single courses, limited credit programmes (LCP), and supplementary credit programmes (SCP);

Conditions means the Funding Conditions that apply to your Funding, including any statutory Funding Conditions set out in the Education and Training Act;

Credential or **Micro-credential** means study or training that—

- (a) leads to an award; but
- (b) does not, in and of itself, lead to an award of a qualification listed on the New Zealand Qualifications and Credentials Framework; and
- (c) has been quality assured by NZQA or the NZ Vice Chancellors Committee (as appropriate) or in line with the NZQA criteria for the approval of Micro-credentials;

Domestic Student means a Domestic Student as defined in section 10 of the Education and Training Act;

Education and Training Act (the Act) means the Education and Training Act 2020 or its amendments;

EFTL means either one equivalent full-time student unit or one standard training measure;

EFTS means equivalent full-time student;

ESOL means English for Speakers of Other Languages;

Family means partner or dependent children as defined by [New Zealand Immigration](#);

Fund means any Fund established by the Minister of Education pursuant to a Funding Mechanism;

Funding means any Funding provided by us to you in accordance with your Funding Confirmation Letter, subject to your compliance with the Conditions, and, if applicable, achieving the outcomes anticipated in your Investment Plan;

Funding Confirmation Letter means the letter we send you that outlines the Funding we will give you on which Conditions are imposed, TEO-specific Conditions imposed on your Funding, and any Minimum Requirements;

Funding Mechanism means a Funding Mechanism determined by the Minister of Education pursuant to section 419 of the Education and Training Act;

Funding Period means the relevant Funding Period for each Fund as set out in your Funding Confirmation Letter;

Group means three or more learners;

GST means tax charged under the Goods and Services Tax Act 1985;

Indicative Funding, Indicative On-Plan Funding and Indicative Off-Plan Funding means Funding outlined in the Key Particulars that we intend to pay you in subsequent years, subject to future separate approval by us;

Investment Plan means a plan submitted by you pursuant to clause 8 of Schedule 18 of the Education and Training Act that has been prepared and assessed in accordance with the requirements set out in clauses 4 to 6 and 10 to 12 of Schedule 18 and sections 424 and 425 of the Education and Training Act;

Key Particulars means the “Key Particulars” table in a Funding Confirmation Letter;

Minimum Requirements means the Minimum Requirements set out in your Funding Confirmation Letter, and any other Performance Commitments specified in your Application for Funding;

NSN means National Student Number;

NZQA means the New Zealand Qualifications Authority;

NZQCF means the New Zealand Qualifications and Credentials Framework;

NZVCC means the New Zealand Vice-Chancellors’ Committee;

Off-Plan Funding or Off-Plan Funds means, respectively, Funding paid by us to you under section 428 of the Education and Training Act, or from a Fund to which section 428 of the Education and Training Act applies;

On-Plan Funding or On-Plan Funds means, respectively, Funding paid by us to you pursuant to section 425 of the Education and Training Act, or from a Fund to which section 425 of the Education and Training Act applies;

Organisation means the Organisation to which a Funding Confirmation Letter is addressed, and “you” and “your” refer to the Organisation;

Performance Commitments means the Performance Commitments as outlined in your Investment Plan or Application for Funding. For the avoidance of doubt, if you have been exempted from providing an Investment Plan, this means all Minimum Requirements as outlined in your Funding Confirmation Letter;

Private Training Establishment (PTE) means a Private Training Establishment, being an establishment, other than an institution as defined by section 10 of the Education and Training Act, that provides post-school education or training, including vocational education and training;

REAP provider means a rural education activities programme provider;

SDR means the Single Data Return, which is the set of data items that are specifically required by the Ministry of Education and TEC for Funding, monitoring performance, publishing performance information, as well as statistical reporting purposes;

SDR Manual means the manual for TEOs and Student Management System Developers setting out the specifications of the Ministry of Education and TEC data requirements for the Single Data Returns for each academic year;

TEC Qualifications Register means the Qualifications Register within the Services for Tertiary Education Organisations (STEO) system;

Te Pūkenga means Te Pūkenga – New Zealand Institute of Skills and Technology covered by section 314 of the Education and Training Act. A reference to Te Pūkenga includes a Te Pūkenga subsidiary;

Te Pūkenga subsidiary means a Crown entity subsidiary of Te Pūkenga;

TEC means the Tertiary Education Commission, and all references to “we”, “our” and “us” are to TEC;

Tertiary Education Institution (TEI) means an institution as defined in section 10 of the Education and Training Act;

Tertiary Education Organisation (TEO) means a Tertiary Education Organisation as defined in section 10 of the Education and Training Act;

University means a University as defined in section 10 of the Education and Training Act;

Wānanga means a Wānanga as defined in section 10 of the Education and Training Act; and

Withdrawal is when a learner ceases to participate in a course, programme or Micro-credential (regardless of whether they have been refunded any fees), either by providing notice to the TEO that they wish to withdraw from participation, study and/or enrolment, or as a result of non-attendance or non-participation for any reason.

Withdraw and **Withdrawn** have corresponding meanings.

Interpretation

Unless the context otherwise requires:

- (a) headings are not to be used for interpretation;
- (b) the singular includes the plural and vice versa;
- (c) a reference to any legislation or policy includes a modification of that legislation or policy or, in the case of legislation, legislation enacted in substitution for that legislation and a regulation, order-in-council and other instrument from time to time issued or made under that legislation;
- (d) a reference to an Appendix is a reference to an appendix to the Funding Confirmation Letter;
- (e) a reference to a Schedule or Attachment is a reference to a schedule or attachment (as applicable) to the Funding Confirmation Letter;
- (f) whenever the words “includes” or “including” are used in a Condition, or in the Funding Confirmation Letter, they are deemed to be followed by the words “without limitation”; and
- (g) if there is any conflict between the terms of the Funding Confirmation Letter and the Conditions Catalogue, and any other documents, including your Investment Plan or Application for Funding, the terms of the Funding Confirmation Letter and the Conditions Catalogue will prevail.