



Our approach to calculating your 2024 allocation for Fees-Free

This document provides the 2024 methodology for the calculation of allocations for Fees-Free.

The information in this document provides a summary of how your Fees Free allocation for 2024 was calculated. For more details regarding your specific allocation, please contact customerservice@tec.govt.nz, with subject line “[Edumis] – Fees Free Allocation”, or your Relationship Manager.

Purpose of the funding:

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

- funding one year of Fees Free provider-based education (up to \$12,000), and
- two years of industry training, for eligible learners (up to \$12,000).

Fees Free funding is a learner-based fund. All funds will be paid for eligible learners.

How we calculated your allocation:

To determine the starting point for calculating your 2024 allocation we used the higher of your year-to-date September or October 2023 Fees Free value of delivery (as at 27 October 2023), as per your monthly Multiple Providers and Cap Limit Reports¹

We then made the following adjustments to your 2024 starting point allocation:

- Increase the allocation by [2.8% to reflect the Annual Maximum Fee Movement \(AMFM\)](#).

It is important to note that we will make frequent in-year adjustments to allocations throughout 2024 based on actuals reporting.

How we calculate allocations for new providers:

Where you do not have a history of Fees Free enrolments in 2023, you will receive an initial Fees Free funding allocation of zero, and 2024 payments will be made based on actual 2024 delivery volumes.

¹ If you did not submit a fees-free report in September, we have used delivery information from your October report and vice versa.

We do not allocate fees-free funding to TEOs only receiving DQ3-7 work-based learning funding:

We will not provide a Fees Free allocation to these TEOs due to the nature of reporting and payments. 2024 Fees Free payments will be made monthly based on validated Fees Free reporting data.

Approach for Mergers:

- Allocations for Te Pūkenga will be based on reported delivery data of its divisions.
- All PTE mergers will have associated delivery and 2024 allocations transferred to the remaining (or final) provider EDUMIS for 2024, for all mergers or acquisitions reported to the TEC by 1 October 2023.