

## Aide-Memoire: RoVE Update – COVID 19 Impacts

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<b>To:</b>	Hon Chris Hipkins, Minister of Education
<b>From:</b>	Gillian Dudgeon
<b>Date:</b>	8 April 2020
<b>Reference:</b>	AM-20-00213

### Updating you on the Reform of Vocational Education (RoVE) Programme and impacts of COVID-19

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1. This aide-memoire updates you on the impact of COVID-19 on the overall RoVE programme and its individual projects.
2. The overall programme status remains as amber, as at this stage we are not yet adjusting deliverables' content, quality or deadlines. However, work is actively underway to consider changes needed to the RoVE programme in light of COVID-19 and identify aspects of the RoVE programme that may be accelerated or revised to better support Government priorities. Your guidance has been noted around opportunities to take a greater leadership role in the design and implementation.
3. This paper will be considered for proactive release as part of any future RoVE releases with any redactions in line with the provisions of the Official Information Act 1982.

### RoVE engagement and communications to be guided by stakeholders and COVID-19

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4. Stakeholder engagement is key to RoVE success. Engagement and communication activities are currently guided by sector needs and availability. These are quite disparate between individual stakeholders, groups of stakeholders, and sectors. Some stakeholders have provided feedback that they are keen to see work on RoVE to continue, for example the WDC Design Group and ITO CEs.
5. A report on RoVE engagement activity for the first quarter of this year is underway. This will include an overview of stakeholder feedback during this time.
6. New engagement or consultation activity is paused. Some planned engagement work will continue as detailed in the project updates below.

## Ensuring the RoVE programme remains fit for purpose

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7. Work is underway to ensure that RoVE remains fit for purpose in light of COVID-19 and supports government priorities during the Level 4 alert period, subsequent phases of the COVID-19 pandemic response, and to support economic recovery over the longer-term.
8. As a foundation, the outcomes and aspirations of RoVE remain valid and represent the aiming point. From this, and based on known government priorities to support economic and social recovery, and emerging modelling on implications of Covid-19, the RoVE team is considering which projects and elements of projects could be accelerated or adjusted. Any changes will need to link with, and enable, broader Ministry of Education and Tertiary Education Commission (TEC) thinking of implications on, and direction for, vocational and tertiary education that you will be advised of in due course.
9. Planning work has begun on:
  - Acceleration of establishing Workforce Development Councils (WDCs) initially focussing on priority industries and options to create an industry voice sooner
  - Mechanisms that could support industry training organisations (ITOs) and New Zealand Institute of Skills and Technology (NZIST) working together sooner
  - Opportunities for the Unified funding system (UFS) work stream to support new ideas, without compromising the overall direction.
10. Early consideration of this work will reflect the advice that you will shortly be receiving from officials on a package of spending initiatives aimed at supporting vocational education through the economic recover post COVID-19.
11. Engagement and support of Te Taumata Aronui and stakeholders, remains crucial.

## Stocktake of Actions

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12. **You have approved six New Zealand Qualification Authority (NZQA) amended rule changes**, which enable NZIST and WDCs to carry out their functions where mandated by NZQA's rules. The rules were due to come into effect when the Act came into force on 1 April 2020. The amended rules were not able to come into effect by 1 April and NZQA will revise the commencement date in each rule set. The Rules should now be in place by 1 May. There is little issue with the slight delay.
13. A draft **letter of expectation for NZIST has been developed and** shared with the Chair of the NZIST, noting that it will need to be updated to incorporate specific expectations as a result of planned responses to COVID-19.
14. **We can still deliver UFS from 2023.** However, how we implement UFS will need to be considered in light of what we can achieve over the next 6-9 months with the COVID-19 restrictions. We submitted a paper to you on 3 March 2020 and a number aspects are now out of date, given the COVID situation. We are currently reviewing the work programme (further detail on this is noted in paragraphs 30 to 33), and will come back to you with any next steps and decisions on UFS matters in due course. The UFS team will also contribute to Budget advice on interim funding proposals and any opportunities to accelerate elements of the UFS.

15. A **Gateway Review** is part of the overall programme quality assurance framework, but has been deferred due to COVID-19 as it is unlikely to function effectively in a virtual environment. Advice from Treasury has yet to be received on this.

## **The NZIST is fully operational from 1 April**

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16. The Establishment Board has transitioned to the NZIST Council and met on 1 April. Academic Board member recommendations, delegations and terms of reference will be considered at the next meeting on 9 April, and the Head Office budget is to be developed and approved by end of April.
17. Institutes of technology and polytechnics (ITPs) are now subsidiaries of NZIST. Subsidiary Boards have been appointed and announced, and commencement day meetings were held 2 and 3 April 2020, with immediate reporting requirements to be identified and reporting plan developed.
18. Cabinet approved immediate funding requirements for NZIST on 30 March 2020. Officials will submit draft a further paper for you to take to an appropriate Cabinet Committee later in 2020 seeking additional funding for the Institute and proposing other investments to progress RoVE.
19. NZIST meetings continue online, and establishment documentation (e.g., first NZIST Council Meeting Resolutions and first Board Meeting Resolutions) has been completed electronically; legal guidance has been provided to relevant parties.
20. NZIST engagements with ITPs and ITOs have been reduced to only those necessary for Subsidiary and NZIST Council stand up; no other engagement and consultation will proceed until COVID-19 response level is reduced to Level 2 or below.
21. The new name, and related branding, for the institution is on hold. A recommendation for the new headquarters location is also on hold.
22. TEC has engaged with the NZIST Council Chair and interim Chief Executive in drafting monitoring arrangements and continues to work collaboratively with NZIST. Risk Assessment Criteria (RAC) are also ready for consultation with the NZIST Council.

## **Workforce Development Councils design work continues**

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23. On 3 April, Design Group members met for the first time. They indicated their desire and capacity to continue. Impacts on further workshops have not yet been assessed and will be dependent on ability to put in place effective engagement mechanisms to enable collaboration to continue online.
24. Design artefacts need to be completed for use by the WDC Establishment Boards, the timing of which were from September 2020, but may be accelerated as part of the current re-planning.
25. Similarly, meetings will proceed with the Construction and Infrastructure, and the Primary Industries working groups. Engagement challenges mean an industry mandate may not be possible for establishing new working groups.

26. Establishment of the Manufacturing, Engineering, Logistics and Technology (MELT) WDC working group has stalled as key stakeholders advise they have higher priorities due to COVID 19.
27. The WDC Establishment “Working Group guidebook” and supporting templates are complete and independent governance guidance has been received. These will support the development of all WDCs.

## **ITO Transition continues with close engagement with ITO leaders**

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28. On 27 March, the Programme met online with ITO CEs to discuss COVID-19 impacts and update them on RoVE intentions. Officials confirmed funding arrangements for 2020 and our efforts to front foot this were favourably received. CEs have indicated a desire to progress RoVE where possible and value a channel to help TEC understand the impact of the COVID-19 restrictions on their industries.
29. The first version of the ITO Transition Plan guidance and template is complete, and approved by the Director RoVE. It will be sent to ITOs for final review.

## **The Unified Funding System project is assessing COVID-19 impacts on the landscape and timelines**

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30. The project team is continuing to progress the next stage of policy advice, with a particular focus on the design of the learner component, and new funding categories to take into account mode of delivery as well as subject. This work is informed by the first two technical workshops with tertiary education sector experts which explored current and future delivery models for online, work-based and work-integrated learning, held on March 9 and 10. Our immediate priority is to undertake as much desk-based analysis as possible, and then to document it in a way that can be shared and tested with key experts in the sector, via email in the first instance, and potential use of short meetings by video conference.
31. Two planned workshops to consider funding category classifications and cost structures for different modes, scheduled for 1 April and 16 April 2020 were cancelled, in line with the COVID-19 restrictions. We also cancelled a 7 April 2020 Funding Reference Group meeting, but plan to send out some background materials (including insights from the March workshops, and the results of recent ITP costs analysis) for review and feedback.
32. A new communication and engagement plan is being developed which will take account of current COVID-19 environment. This will include revisiting how we work with our Funding Reference Group over the next few months to test key thinking (including whether all existing members remain able to participate); and how best to obtain further input from key sector experts into detailed funding category design. We recognise that some sector experts who were invited to planned workshops may no longer be available, or may have reduced capacity to contribute.
33. We continue to review our wider UFS work-programme to respond to COVID-19 and roll-out the implementation of the UFS from 2023. For example, the sequential approach to the work programme set out in our 3 March advice may need to be amended, if for example, it becomes apparent that sector-wide data collection in 2021 is no longer feasible. We will advise you on work programme implications and any alternative options to enable 2023 implementation in future advice.

## **Work on the Primary, and Construction sector Centres of Vocational Excellence (CoVEs) continues.**

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34. The project status continues to progress well during the COVID-19 restrictions.
35. The Request for Proposal (RfP) processes for the pilot primary and construction CoVEs is continuing, with evaluation panels working online. However, delays are possible if the restrictions continues beyond mid-April. This work is being considered as part of the on-going assessment of the programme.

## **Regional Skills Leadership Groups (RSLGs) will support the COVID-19 response**

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36. Labour market ministers see RSLGs as supporting the COVID-19 response and forming an important component of the RoVE system. Work has been accelerated and we understand that MBIE is preparing a paper on three waves of establishing RSLGs:
  - Five regions with existing arrangements - responsibilities to be conferred in April.
  - Further eight regions by mid-May.
  - Two regions that will require more time – the West Coast and Otago.

## **Te Taumata Aronui is assessing options for continued meetings**

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37. Officials met with the Chair on 17 March and the project is currently assessing options for progressing the next meeting scheduled for early May.
38. An out of cycle meeting to specifically discuss responses post-covid in the tertiary system is being arranged with officials for next week.

## **The Waitangi Tribunal claims may be delayed due to COVID-19**

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39. The claims are unlikely to be reactivated in the short-medium term because the Tribunal is not sitting during the COVID-19 restrictions.

## **Programme update**

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40. Ahead of these COVID-19 impacts, the programme had initiated re-planning for the next phase of RoVE, which commences in July 2020. This includes a revised plan for the programme and refreshed project definition of outputs and timelines. Several projects are closing with the successful establishment of the NZIST, and some new work is getting underway including developing an operational level system blueprint for how all component parts of the tertiary vocational system will work together to achieve reform outcomes. Planned recruitment for change delivery capability continues as this will be a key competence.

41. These actions will help ensure that the RoVE programme remains appropriate and attuned to the current environment and best positioned to respond as an enabler for positive response.



**Gillian Dudgeon**

Deputy Chief Executive, Delivery directorate  
Tertiary Education Commission  
9 April 2020



**Hon Chris Hipkins**

Minister of Education

19 / 04 / 2020

We need to accept that a high level of industry engagement in the establishment of WDCs at this time may be difficult to achieve as they are distracted by more immediate priorities, but the government's focus on retraining and redeployment makes the role of WDCs more urgent, so we will need to proceed onwards regardless. We must not allow the COVID shutdown to slow momentum, in fact it needs to drive faster progress so we can ramp up skill development post-COVID.