

Aide-Memoire: RoVE programme closure and ongoing Vocational Education outcomes leadership

To:	Hon Jan Tinetti, Minister of Education
From:	Tim Fowler, Chief Executive
Date:	14 April 2023
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Purpose

1. This aide-memoire provides you with an update about the Reform of Vocational Education (RoVE) programme's progress towards its closure in June 2023. It also provides detailed information on the new Vocational Education and Training (VET) Outcomes Leadership model.
2. We recommend that this aide-memoire is proactively released in full.

The key changes driven by RoVE have been delivered on time and under-budget

3. The reform of vocational education is a fundamental overhaul of New Zealand's VET system. New organisations have been established, existing entities have had new roles and responsibilities added and there is overall now a different way of working.
4. Implementation of the reforms began in 2019 and the eight core changes have since been delivered on time, despite added challenges brought by the COVID-19 pandemic. This has required the co-operative efforts of employers, industry and communities, alongside TEC, MoE, NZQA, and MBIE.
5. Taumata Aronui was appointed in 2019 to provide independent advice on how tertiary education can better respond to the needs of Māori learners, communities, and employers, and help improve learner and community outcomes.
6. Te Pūkenga was the first key structural change and was formally established on 1 April 2020 with the 16 ITPs becoming subsidiaries of the new organisation.
7. The Construction and the Food and Fibre Centres of Vocational Excellence (CoVEs) have been operational since September 2020. They are currently funded by the TEC for five years through to 2025.
8. Permanent Regional Skills Leadership Groups (RSLGs) were inducted in August 2021 with the Ministry of Business, Innovation and Employment continuing to support and funds groups to act as independent advisory groups that are regionally led. TEC has now received their initial advice and Regional Workforce Plans.

9. The six Workforce Development Councils (WDCs) became operational on 4 October 2021 with responsibility for developing qualifications and setting standards also transferring from Transitional Industry Training Organisations (TITOs) and NZQA to the relevant WDC on this date. Advice on what WDCs see as priority areas for investment is now regularly fed into TEC and this forms a key component of TECs investment guidance.
10. Shifting the arranging training role of TITOs to providers was completed in October 2022. Overall, 90% of the affected learners transitioned to Te Pūkenga with the remaining learners split amongst ten established or newly created Private Training Establishments (PTEs).
11. The Unified Funding System has been implemented from January 2023 with a total of just over \$1 billion available for allocation.
12. NZQA have led the work to re-design vocational qualifications, qualification systems and quality assurance.
13. With all core changes to the system laid out in the July 2019 Cabinet paper now in place and operating, the RoVE programme is scheduled to close no later than 30 June 2023.

The RoVE programme is now working towards closure

14. The Unified Funding System is the final RoVE project open at TEC. It is expected to close prior to June once TEC core business assumes full responsibility for managing all future UFS investment processes.
15. The TEC is also now directly managing the development and rollout of a long-term technology solution to support the Unified Funding System as this extends beyond the life of the RoVE programme. This will modernise data collection methods and facilitate better use and sharing of information making it easier for the sector.
16. RoVE's final Treasury Gateway Review has been confirmed for the week of 29 May 2023. The Review teams' report will be provided to me on 2 June ahead of the final RoVE Programme Board meeting on 8 June.
17. Prior to formal closure the programme team will continue to support the integration of and ongoing collaboration within the new VET system. The ongoing relationships or applicable monitoring with/of WDCs, CoVEs and Te Pūkenga have already been integrated into TEC's core business.

Although the formal RoVE programme is closing ongoing oversight and leadership is required to ensure the reform goals are achieved...

18. Over the last four years the RoVE programme's governance and management groups have served as focal points for collaboration and issue resolution.
19. This will need to continue to achieve the desired system-level outcomes.
20. With this in mind, it was agreed that some form of ongoing oversight would be required to ensure the reform outcomes were achieved in outyears.
21. Considerable consultation was undertaken in developing the chosen leadership model. Interviews and workshops were undertaken with representatives from WDCs, including Te Kāhui Ahumahi (WDC's Māori members), RSLGs, Taumata Aronui, staff and student unions, Te Pūkenga, Wānanga, private training establishments (PTEs), and the education agencies.

22. The resulting VET outcomes leadership model centres on two core groups:

- An Outcomes Leadership Group representing the voice of the key beneficiaries (employers and learners) from the reformed vocational education system, and
- An Operational Leadership Group focused on ensuring the system is operating as designed and enabling VET entities to collaborate and deliver reform outcomes.

23. The model, implementation approach and estimated costs have been endorsed by the RoVE Programme Board and noted by the TEC Board at its most recent meeting.

... incorporating the beneficiaries of system change alongside senior leaders

24. The VET Outcomes Leadership model is shown in Appendix A. This is designed to retain system-level focus on delivering reform outcomes, ensure conversations happen with the people and groups system change is intended to benefit, and continue system collaboration at senior leadership levels.

25. It will support oversight of progress towards reform outcomes through reports and updates. These will include hard measures of VET system health and performance.

26. The Outcomes Leadership Group (OLG) is the independent voice for these beneficiaries, and will include members representing employers, industry, and learners. It will also include Māori industry/business and learners.

27. The OLG will help focus agencies to ensure the system delivers on intended outcomes. It will provide communication and connection between beneficiaries and system leadership and will be a channel for transparent reporting on system performance and delivery against outcomes.

28. The Operational Leadership Group (OpLG) is focused on enabling the VET system to operate as designed and for entities to work through operational issues together. It will lead and champion the achievement of the system level outcomes.

29. The OLG will meet approximately every six months. OpLG will be the operationally focused group that meets more frequently and is an extension of the successful RoVE Design Authority which was a clearing house for operational issues during the RoVE Programme.

Establishment and implementation of the leadership model is underway

30. Establishment of the Operational Leadership Group is underway and its first meeting will be prior to the end of June 2023. A number of members will transition from the existing RoVE Design Authority, with new members currently being sought to represent PTEs, Wānanga and RSLGs.

31. The Outcomes Leadership Group will come together in Q1 or Q2 2024 when the first robust outcome measurements will be available. A nomination and appointment process will be initiated in Q4 2023 with an induction process to precede the first meeting.

32. As the establishment process for the OLG extends beyond the life of the programme, remaining work to implement the model will be handed over to TEC prior to the formal closure of the RoVE programme.

33. We will keep you informed of the progress towards achieving the longer term RoVE outcomes.



Tim Fowler

Chief Executive

Tertiary Education Commission

14 April 2023



Hon Jan Tinetti

Minister of Education

 21 / 05 / 2023

Appendix A – VET Outcomes Leadership Model

