

Changes in the policy and funding environment for ITPs

	First Major Shift - Education Act 1989 enacted, setting statutory framework for all tertiary education			Second Major Shift - TEAC established to map out new direction for tertiary education			Post reforms	
	1st round of reforms (1988-1990)	2nd round of reforms (1991-1992)	3rd round of reforms (1999)	1st round of reforms (2000-2001)	2nd round of reforms (2006-2008)	3rd round of reforms (2009-2010)	(2011-2015)	(2016-2018)
Governance	All tertiary education institutions given autonomy. Councils have governance role with chief executives responsible for management.			Wanganui and Wairarapa Polytechnics merge with Manawatu Polytechnic to become UCOL. Central Institute of Technology merges with Hutt Valley Polytechnic to become Weltec. Auckland Institute of Technology becomes Auckland University of Technology.	Crown Entities Act 2004 enacted. TEIs covered in some respects but with some provisions (i.e. forecast statements of service performance) covered instead through Plans under Education Act.	Changes were made to the governance model in polytechnics, reducing the size of councils and ensuring that at least half the members were appointed by the Minister for Tertiary Education. TEC Board approves small amount of funding to support feasibility studies for collaboration.	Changes made to the governance model in wānanga and universities – reducing council size and removing representation requirements. Telford Rural Polytechnic merges with Lincoln University. Tairāwhiti Polytechnic merges with EIT. Whitireia Polytechnic and WelTec form a strategic partnership with a shared council and management team.	Ara Institute of Canterbury established through merger of Aoraki Polytechnic and CPIT. Toi Ohomai Institute of Technology established through merger of BOPP and Waiariki Polytechnic.
Planning	TEIs free to enrol international students on a full cost recovery basis.	Student Loan Scheme created. Industry Training Act extends vocational training to a wider range of industries and occupations.		In 2001, the Tertiary Education Advisory Commission (TEAC) identified the significant challenges faced in the ITP sector. It considered that continuing regional delivery of vocational education by ITPs required substantial reconfiguration of the sector. This aspect of TEAC's report was not taken up by government. TEC established and first TES (2002/07) published Charters and Profiles were introduced. Charters were high-level statements of mission and purpose agreed by the Minister. Profiles were the associated programmes and activities congruent with Charter parameters that were agreed by the TEC.	Charters and Profiles were replaced by TEO plans agreed with the TEC that were envisaged to: <ul style="list-style-type: none"> cover the mix and level of services to be provided for 3 years provide agreed performance measures and capability development activities reflect the needs of their regions and other stakeholders as well as how the services will contribute to the government's priorities as reflected in the investment strategy. Agreement on 'market position' (mission & role) made by TEC rather than the Minister. Requirement to disclose and seek approval for sub-contracting arrangements in Investment Plans.	Constraints on ITPs operating 'out of region' were loosened. ITP explicit regional facilitation role was ceased. GFC boosted demand for tertiary education - leading to increased enrolments as employment opportunities decreased. TES 2010-15 prioritises increasing the number of young people achieving higher qualifications (particularly degrees). Trade Academies introduced. Youth Guarantee introduced.	Māori and Pasifika Trades Training (MPTT) programme is established via an innovative consortia approach. Plan durations were reduced to a maximum of 2 years (or one for some ITPs). International Education added to TES as a priority - and linked to the Government's International Education Leadership Statement.	Industry training reviewed and Act amended to simplify the role of ITOs and open them to competition for arranging training. Gradual decline in ITP enrolments due to: <ul style="list-style-type: none"> strong economic growth with more jobs available demographic changes more school leavers UE qualified and able to opt for university study.
Quality Assurance	Quality assurance responsibilities split between NZQA and the NZ Universities Vice Chancellor's Committee. Awarding of non-university degrees permitted.	NZQA establishes a unified qualifications framework.	In 1993, NZQA delegates QA authority to ITP New Zealand under Section 260 of the Education Act 1989. ITP Quality approves ITP programmes and accreditation of ITPs to deliver approved programmes.	In 2005, TEC undertook reviews of: <ul style="list-style-type: none"> AIJI non-degree programmes Dive courses Overlapping provision. 	The evaluative approach to quality assurance was established with EER as a key part of the process. TEC requirements to embed LLN into all foundation level provision.	NZQA assumed direct responsibility for quality assurance of Institutes of Technology and Polytechnics, taking the role from ITPNZ which had the responsibility through ITPQ since 1993. Targeted Review of Qualifications initiated and recommendations implemented. NZQF established and new operating arrangements governing certificate and diploma qualifications announced.	Policy for reviews of qualifications (under TROQ) released and reviews start. The main impact was that a number of the existing qualifications (pre-TROQ) had higher funding rates than the post-TROQ ones. For some ITPs the loss of revenue for basically the same qualification has been substantial. NZQA updates the NZQF. Introduction of TEC-focused reviews of SAC funding vs learning hours.	Immigration settings for international students tightened regarding post-study points and income requirements. QA English language requirements tightened as well.
Funding	Funding through bulk fund, using EFTS as a metric, with the amount of funding dependent on the number of EFTS in different funding categories. Principle of equal funding for similar courses underpinned the funding system. Standard tertiary fee created.	Standard tertiary fee abolished – TEIs given freedom to set own fees, including right to set fees with differences between levels of study and/or fields of study. Moving cap on number of EFTS funded was set. Limited funding made available for PTEs.	Moving cap lifted – funding in TEIs becomes demand driven. Funding of PTEs put on level footing with TEI tuition funding at qualification levels 3 and above. Removal of explicit Capital component in EFTS funding rates.	In 2002, limits were placed on growth in some areas of tertiary education delivered by PTEs. PBRF starts to be phased in. Bulk-funded payments based on TEO forecasts continue alongside Charters and Profiles, with funding based on student enrolments. Fees can be increased within limits, but later - growth limits were placed on TEIs. In 2004, Government moved to stem the cost of subdegree growth, especially in delivery of low quality and/or low relevance to the labour market. \$180 million reduced for ACE and short awards and further \$20 million for OSH courses. At the same time \$200 million reinvested back into the ITP sector through the Quality Reinvestment Fund to support institutional restructuring.	Funding designed to give greater certainty for providers, with up to 3 years of funding agreed through Plans. The funding mechanism had 2 components: <ul style="list-style-type: none"> Learner Achievement Component, which provided the government's contribution to the costs of teaching and learning and other costs driven by learner numbers TEO Component which provided the government's contribution to costs that support each provider to focus on its specific and distinctive role in the network of provision. Funding was linked to delivery as measured against the plan and continued to be funded in advance (monthly instalments) as a 'conditional' bulk fund.	The funding system and fee stabilisation mechanism were simplified. The TEOC was stopped, with all tuition subsidies again paid on the basis of student enrolments through SAC. Limits placed on access to student loans (i.e., an academic performance test) aimed at focusing loans on those most likely to succeed in and gain value from tertiary education and reducing the cost of the loan scheme. Removal of the Contestable Tertiary Capital Expenditure Fund.	Targeted increases to tuition subsidy rates Government goal of 500+ engineering graduates set. Funding increases for engineering and science higher level courses in Budgets 2012 & 2013. Labour market (pre-employment) training moved from MSD to TEC as part of MSD's Investment Approach. Competitive approach to funding at NZQF levels 1+2 introduced, with PTEs allowed to enter foundation education market. Tolerance band for under-delivery changed from 97% to 99%.	Budget 2017 targeted increases at degree-level and above for science, agriculture and horticulture, and veterinary science. Competitive purchase of L3/4 Agriculture, Horticulture, Viticulture.
Information					Common Educational Performance Indicators (EPIS) established for all TEOs - covering course and qualification completion, student retention and progression.	Provider performance data published and up to 5% of funding to be dependent on meeting performance thresholds. Intention to publish employment outcomes data at provider level signalled.		Post-study outcomes published for young people who complete a tertiary qualification. They look at differences in earnings and earnings premiums for graduates who complete qualifications at different levels and in different fields of study. They also look at destinations including what proportion of graduates are employed, in further study, overseas, or on a benefit.