



Frequently Asked Questions for SAC 3 and 4 Competitive Funding Pilot

This factsheet provides information about the new competitive process for SAC funding at levels 3 and 4 on the New Zealand Qualifications Framework (NZQF) in the areas of agriculture, horticulture and viticulture.

Alongside the FAQs initially published you will find our responses to your questions asked through the SAC Levels 3 and 4 competitive pilot email address. Our responses have been grouped according to topic. Click on the topic title to take you to that section. We will update this factsheet regularly.

The information provided in these FAQs (eg, eligibility criteria and other requirements) is subject to the Minister's decisions on the Funding Mechanism for 2017 and 2018.

Previously updated questions are shaded grey.

Last updated 11 August 2016

Question sections

- **Background**
- **Application process**
- **Eligibility**

Background

9 June 2016	<i>Why are we announcing this competitive process now?</i>	<ul style="list-style-type: none"> › Cabinet agreed the new competitive process as part of Budget 2016, which has determined the timing of the announcement. › It was also signaled in the 2017 and 2018 Plan Guidance (released in November 2015) that we were looking to run a pilot competitive process in targeted areas at levels 3 and 4.
9 June 2016	<i>Why have the areas of agriculture, horticulture and viticulture been chosen?</i>	<ul style="list-style-type: none"> › Strategic investment focus: Training and education provision for the primary sector has been identified as one of our strategic investment opportunities within the Investment Approach. This work aims to identify how we can improve outcomes for students and primary industry employers. › Identified skill shortages in this area: There are currently nine occupations on the Government’s immediate skills shortage list with associated level 3 and 4 agriculture, horticulture and viticulture qualifications. The Ministry for Primary Industries (MPI) <i>People Powered Report</i> signaled the need for an additional 25,000 people over the next 25 years. We need to look at ways we can boost the number of students who are studying in these areas. › Improve pathways from level 3 to level 4: There are low levels of progression evident across provision in the primary industry sector. Not only do we need students in these areas, we also need to look at ways to encourage learners to achieve at higher levels.
9 June 2016	<i>What provision is included in the pilot?</i>	<ul style="list-style-type: none"> › All SAC-funded provision at levels 3 and 4 on the NZQF within the fields of agriculture, horticulture or viticulture (identified using New Zealand Standard Classification of Education (NZSCED) narrow fields 0501 and 0503) will be allocated through the new competitive process.
9 June 2016	<i>Will the process be run like SAC levels 1 and 2?</i>	<ul style="list-style-type: none"> › Yes – the process for this new SAC levels 3 and 4 competitive pilot will follow a similar process to that undertaken for the SAC levels 1 and 2 competitive process.
9 June 2016	<i>Why has \$35 million been chosen?</i>	<ul style="list-style-type: none"> › Over the last five years, the value of delivery in SAC funded agriculture, horticulture and viticulture at levels 3 and 4 has ranged between \$27 and \$35 million dollars per annum.
9 June 2016	<i>Where is the funding coming from?</i>	<ul style="list-style-type: none"> › This is not new funding – it has been reprioritised from within the current SAC (levels 3 and above) appropriation.
14 June 2016 (workshop)	<i>Is forestry provision included in the Pilot?</i>	<ul style="list-style-type: none"> › No, it is not. Forestry provision is classified under a different NZSCED field.
14 June 2016 (workshop)	<i>Will provision funded through the pilot be ‘fees-free’?</i>	<ul style="list-style-type: none"> › No. Provision within the SAC 3 and 4 competitive pilot will not be fees-free.

14 June 2016 (workshop)	<i>How does it align with MPTT provision? Can you put the two together?</i>	<ul style="list-style-type: none"> › The relationship between provision funded through the pilot and that delivered through the Maori and Pasifika Trades Training (MPTT) initiative will be covered in the Request for Funding Applications document.
14 June 2016 (workshop)	<i>If we are not successful, can we move funding to another area?</i>	<ul style="list-style-type: none"> › Investment in all other SAC levels 3 and above provision (outside of the scope of the pilot) will be managed as part of the usual investment round process. Funding agreed through the competitive process cannot be changed unless there is prior approval from us.
14 June 2016 (workshop)	<i>If we are not successful, will our students be given the opportunity to finish their qualification in 2017?</i>	<ul style="list-style-type: none"> › This will be covered in the Request for Funding Applications document.
14 June 2016 (workshop)	<i>Why is there a competitive process when providers are currently getting good results? Is it just about getting a cheaper price?</i>	<ul style="list-style-type: none"> › These areas of provision have been identified as areas of national importance and we want to direct funding to higher quality delivery that delivers on learner outcomes. › As with the SAC levels 1 and 2 competitive process, it is about the balance of quality delivery and value for money. A good return on investment does not mean we buy the cheapest provision.
14 June 2016 (workshop)	<i>How will the SAC 3 and 4 competitive pilot take into account the differences in mode of delivery (e.g. residential vs extramural) and the relative costs incurred?</i>	<ul style="list-style-type: none"> › We will identify and purchase SAC delivery at levels 3 and 4 that represents the best value for money possible. “Value for money” is determined by both price and quality. › TEOs can only nominate one price per EFTS for each qualification, regardless of delivery site or mode of delivery. TEOs will need to take all factors into account when determining the price of qualifications in the proposed Mix of Provision.
07 July 2016	<i>Can the TEC send the briefing notes that were used out at a meeting with providers and TEC?</i>	<ul style="list-style-type: none"> › There were no briefing notes about the pilot provided at the Primary Industries workshop. There was a summary of the public announcement, then an opportunity for us to collect questions from sector representatives. › These questions and answers have been included in this FAQs factsheet to ensure that all applicants have access to the same information.
07 July 2016	<i>When will the application information be available?</i>	<ul style="list-style-type: none"> › The RFA and application documents are now available on the SAC levels 3 and 4 (competitive) pilot page on our website.

07 July 2016	<i>Where can I find the list of occupations with associated level 3 and 4 agriculture, horticulture and viticulture qualifications that you refer to in your FAQ?</i>	<ul style="list-style-type: none"> › The nine occupations with specific levels 3 and 4 qualifications can be found on the Immediate Skills Shortage List on the Immigration New Zealand website.
07 July 2016	<i>Can other provision within the NZSCED broad field of agriculture that are in-keeping with the intent of the initiative, eg, Organic Primary Production, be included within the scope of the competitive pilot?</i>	<ul style="list-style-type: none"> › No. Only provision within the two focus areas will be included within the competitive pilot (NZSCED narrow fields 0501 and 0503). › <i>Amendment: NZ2681 Organic Primary Production has now been reclassified by NZQA in 0501.</i>
19 July 2016	<i>We received a reduced indicative allocation due to the new SAC levels 3 and 4 competitive process – how were indicative allocations calculated?</i>	<ul style="list-style-type: none"> › For TEOs who deliver qualifications within the two focus areas of the pilot, the 2017 indicative allocations did not include funding for this provision. › The value of this reduction was calculated based on a number of factors, including past delivery volumes, changes to funding rates, and past performance. › If you have any questions regarding funding allocations outside of the competitive pilot or regarding the current investment round, please contact your Investment Manager, or the Sector Helpdesk on 0800 601 301, sectorhelpdesk@tec.govt.nz
19 July 2016	<i>If students are enrolled into a programme commencing in 2016 but finishing in 2017, will there be a mechanism for them to complete their training if the provider is not awarded SAC 3 and 4 funding for this qualification in the process?</i>	<ul style="list-style-type: none"> › Please see the section on grandparenting in the RFA (page 9).
11 Aug 2016	<i>Could you advise whether we need to use a [different] funding source code for students enrolled into programmes on the SAC levels 3 and 4 competitive pilot?</i>	<ul style="list-style-type: none"> › Yes, we expect to use a separate Source of Funding code for provision funded through the pilot. › Further advice on this will be provided once funding has been confirmed.
11 Aug 2016	<i>Can training schemes (with NZSCED of 0501 or 0503 and over 40 credits) be [funded through] the pilot?</i>	<ul style="list-style-type: none"> › Training schemes as per the definition on the NZQA website are not eligible. Proposed provision must meet the qualification requirements outlined on page 11 of the RFA.

11 Aug 2016

We are currently enrolling students in programmes that commence in 2016 and will complete in 2017 or 2018. Should we include this provision in our Application for Proposal Mix of Provision?

- › Please see section 2 in the RFA (page 9) for information regarding grand-parenting arrangements for delivery of qualifications that start in 2016 and are due to complete in 2017.
 - › Where a TEO wishes to deliver a programme of learning comprising more than one qualification, we recommend that TEOs include in their application any qualifications within the pilot focus areas that they wish to deliver in 2017 and 2018.
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Application process

9 June 2016	<i>When will I know if I have been successful?</i>	<ul style="list-style-type: none"> › We expect to let TEOs know if they have been successful in September or October 2016.
9 June 2016	<i>If I am not successful, will I lose my funding?</i>	<ul style="list-style-type: none"> › Yes, if your funding has been for provision at levels 3 and 4 in the NZSCEDs referred to above. Any funding allocations for these two NZSCEDs will be made through the competitive pilot.
9 June 2016	<i>If I am not successful, can I still deliver in the areas of agricultural, horticulture and viticulture?</i>	<ul style="list-style-type: none"> › Yes, at levels other than levels 3 and 4 on the NZQF. Provision of agricultural, horticulture and viticulture at other levels will be managed as part of the usual investment round.
9 June 2016	<i>Should I include this provision in the Mix of Provision for my proposed 2017 and 2018 Investment Plan?</i>	<ul style="list-style-type: none"> › No. Where an applicant is successful through the competitive process, the approved provision will be included in the final Investment Plan (or via funding letter for TEOs exempt from submitting a Plan). › TEOs will not get 2017 indicative allocations for provision in these areas.
9 June 2016	<i>What will happen in the full \$35 million is not allocated via the competitive round?</i>	<ul style="list-style-type: none"> › Any SAC funds that remain unallocated following the competitive process will be allocated as part of the usual investment round process.
20 June 2016	<i>What are the selection criteria for the competitive process?</i>	<ul style="list-style-type: none"> › The RFA document will set out the quality dimensions and process for assessing applications.
19 July 2016	<i>Does the information in Part B of the application need to specify proposed volumes for each qualification by delivery site?</i>	<ul style="list-style-type: none"> › Yes, all applicants need to include proposed volumes (number of EFTS) by delivery site for each qualification included in Part B: Application for Proposed Mix of Provision.
19 July 2016	<i>We have a blended delivery approach that includes online learning, webinars, and face-to-face block courses (not specific to one delivery site). How should we capture this 'blended delivery' within delivery site information in the Part B: Application of Proposed Mix of Provision?</i>	<ul style="list-style-type: none"> › For this type of provision where the majority of provision is via a distance learning model, we recommend it is classified as 'extramural' for the purposes of the SAC levels 3 and 4 competitive pilot. › If you wish to provide further information on the nature of the proposed provision, we recommend you include details in the comments column of Part B: Application of Proposed Mix of Provision.

11 Aug 2016 *We wish to apply for a qualification but it's not included in the dropdown list in Part B: Application of Proposed Mix of Provision?*

- › We have now updated the list of qualifications available in the Part B template, these include:
 - NZ2677 – NZ Certificate in Horticulture
 - NZ2684 – NZ Certificate in Land Based Sustainability Practice
 - NZ2685 – NZ Certificate in Sustainable Primary Production
 - ST5132 – Certificate in Landscape Design
 - TF0848 – Telford Certificate in Organic Horticulture
 - TF0964 – Telford Certificate in Farming Practices
 - TF0923 – Telford Certificate in Farm Management
- › If you can't find a qualification that you think should be on the dropdown list, please email SAC3-4competitivepilot@tec.govt.nz

11 Aug 2016 *Part B: Application of Proposed Mix of Provision template, asks for fees charged GST inclusive but the cost per learner is GST exclusive. Is this correct?*

- › Yes, we wish to understand the total potential cost to the Government per qualification.
- › The fees column should note that the total fees paid by the student and eligible to be covered by a StudyLink student loan. This includes tuition and student services components.
- › It does not include anything covered by the course related costs.

Eligibility

20 June 2016	<i>Will TEOs have the opportunity to gain programme approval prior to finalisation of funding?</i>	<ul style="list-style-type: none"> TEOS must have NZQA programme approval by 30 November 2016.
14 June (workshop)	<i>Given the changes to qualifications arising from the TroQ, will NZQA be able to keep up with the increased workload?</i>	<ul style="list-style-type: none"> We expect TEOs to work closely with NZQA throughout the approval process. NZQA anticipates being able to meet all approval processing timeframes.
20 June 2016	<i>I am not funded directly by we; am I eligible to apply?</i>	<ul style="list-style-type: none"> No. To be eligible to apply for funding through the SAC levels 3 and 4 competitive pilot, TEOs must meet all the eligibility criteria set out on our website – this includes having been directly funded by us to deliver Youth Guarantee or SAC-funded provision in 2015.
14 June 2016 (workshop)	<i>What about qualifications that will expire [through the Targeted Review of Qualifications (TroQ) process]?</i>	<ul style="list-style-type: none"> Qualifications that expire before 1 January 2017 will not be funded through the competitive process. TEOs funded through the competitive process are expected to transition to New Zealand Qualifications as soon as practically possible. We expect the majority of SAC levels 3 and 4 qualifications offered from 2018 will be New Zealand qualifications.
07 July 2016	<i>Does the SAC levels 3 and 4 competitive pilot include equine provision?</i>	<ul style="list-style-type: none"> Yes, if the qualification is coded within the NZSCED 0501 and 0503 narrow fields.
07 July 2016	<i>Is level 5 provision included within the levels 3 and 4 competitive pilot?</i>	<ul style="list-style-type: none"> No. The SAC levels 3 and 4 competitive pilot will fund qualifications at levels 3 and 4 only. Investment in all other SAC levels 3 and above provision (outside of the scope of the pilot) will be managed as part of the usual investment round process. Courses at levels 3 and 4 that are credited toward qualifications at level 5 or above will continue to be funded via other funding mechanisms.
07 July 2016	<i>Are level 4 agriculture qualifications with a large workplace experience component eligible for funding through the pilot?</i>	<ul style="list-style-type: none"> As part of the assessment of applications we will consider what provision is appropriately funded from SAC, and what would be better suited for delivery through industry training. We may then seek further information from applicants on the proposed provision before funding recommendations are finalised. In the interim, we recommend that TEOs apply for any provision in scope of the pilot.
19 July 2016	<i>Is there a minimum number of EFTS required per qualification or application?</i>	<ul style="list-style-type: none"> No, there is no minimum EFTS or number of enrolments required per qualification or per application. Applications of all sizes will be considered for funding.

19 July 2016	<i>What qualifications have been included in the dropdown list provided in Part B: Application of Proposed Mix of Provision?</i>	<ul style="list-style-type: none"> › The dropdown list provided in Part B: Application of Proposed Mix of Provision includes: <ul style="list-style-type: none"> – all level 3 or 4 qualifications within the pilot focus areas (NZSCED 0501 and 0503) that had been delivered in the past two years, except those expiring before 1/01/2017 and – all New Zealand certificates at levels 3 and 4 which are listed on the NZQF in the pilot focus areas.
19 July 2016	<i>Does the SAC levels 3 and 4 competitive pilot include Rongoa Maori [traditional medicine] provision?</i>	<ul style="list-style-type: none"> › No, unless it is a part of a qualification classified within the NZSCED fields of 0501 and 0503. Funding for qualifications outside the scope of the pilot will be allocated through the usual investment round process.
19 July 2016	<i>Will TEC fund courses (unit standards) that are within scope of the competitive pilot if the qualification is outside the scope?</i>	<ul style="list-style-type: none"> › No. The SAC levels 3 and 4 competitive pilot will fund qualifications at levels 3 and 4 only. Investment in all other SAC levels 3 and above provision (outside of the scope of the pilot) will be managed as part of the usual investment round process. › Courses at levels 3 and 4 that are credited toward qualifications at level 5 or above will continue to be funded via other funding mechanisms.
19 July 2016	<i>Following the TroQ will the National Certificate in Rural Servicing (level 3) be replaced with a New Zealand Certificate under a different NZSCED classification?</i>	<ul style="list-style-type: none"> › We understand that the National Certificate in Rural Servicing (level 3) is not being replaced at this stage, and will continue to be classified within NZSCED 0501.



We ensure New Zealand's future success.