

**Tertiary Education
Commission**

Te Amorangi Mātauranga Matua



Supplementary Plan Guidance for investment from 2023

**including UFS Information and the National and
Regional Skills Priorities**

Supplementary Plan Guidance for investment from 2023

This Supplementary Plan Guidance provides additional information for tertiary education organisations (TEOs) submitting an Investment Plan (Plan) for funding from 2023. It follows Plan Guidance and the Investment briefs (published in February/March 2022). All these documents should be read alongside each other and be reflected in the content of a TEO's Plans.

UFS Information including the National and Regional Skills Priorities

This document also provides further information about the Unified Funding System (UFS) components.

The National and Regional Skills Priorities for the strategic component of UFS are included in this document.

Supplementary Plan Guidance

This Supplementary Plan Guidance provides information on:

- › our ongoing focus on learner success
 - › the role of Workforce Development Councils (WDCs) and Regional Skills Leadership Groups (RSLGs) in investment for 2023
 - › further information regarding our investment priorities
 - › additional funding requests for investment in 2023
 - › guidance for new providers
 - › Budget announcements.
-

It's time for transformational change for Māori, Pacific and other under-served learners

The landscape of tertiary education is changing, and we expect to see transformative change in the sector to support all learners to achieve.

2023 is a landmark year for tertiary education, with the introduction of the Unified Funding System (UFS), further steps towards realising the Reform of Vocational Education (RoVE) outcomes, and the beginning of skills standards, as well as the embedding of both the new [Education \(Pastoral Care of Tertiary and International Learners\) Code of Practice 2021](#) and the [Tertiary Education Strategy \(TES\)](#).

These changes and initiatives all have learner success at their centre, and we need to ensure that you, as TEOs, are undertaking the internal transformations needed to align with these new ways of operating. System-level equity is the key focus and an achievable goal for New Zealand. Equity is also a key RoVE outcome area and a necessary feature of a sustainable vocational education system that maximises the pipeline of skilled and competent workers to support industry and regional workforce needs.

System-level equity for all learners

For a number of years, the Tertiary Education Commission (TEC) has set targets for TEOs to improve rates of participation and achievement of priority learners. However, the learner success measures have not shifted in most areas. Our Investment Briefs show that disparities continue in [foundation](#), [vocational](#) and [higher](#) education. This level of disparity cannot persist, so we will continue to consider your learner outcomes as part of our funding decisions.

While we have seen many small-scale and bespoke initiatives that respond to specific needs or cohorts, the measurable outcomes haven't really changed. This is because the learner success approach requires an organisation-wide approach tailored to your TEO.

We expect to see evidence of change

For all TEOs we want to see a clear goal for achieving equity and year-on-year improvement in learner success measures until you achieve parity.

You need to understand who your learners are and how you need support them to achieve success. Through your Plan we are expecting to see you provide evidence of this understanding and how you are responding to your learners' needs.

Learner Success Plans support the development of your approach

The requirements for Learner Success Plans (LSPs) have been updated for this investment round. We are doing this to make LSPs more forward-looking, rather than a snapshot of here and now. We are asking TEOs to tell us about their plans to implement a learner-centric operating model to ensure equity of participation and achievement for all learners. We expect these plans to align with the Learner Success Framework and be informed by its seven capabilities, and we want to see specific milestones and goals.

This year we are expecting Learner Success Plans from all TEOs submitting a full Plan (including new providers). The [Learner Success Plan information sheet](#) provides background information about the Ōritetanga learner success approach.

Implementing a learner success operating model is a multi-year process. Your governing body needs to drive this change, with processes that enable and measure progress against your organisation's LSP.

We will engage with you throughout the period of your Plan to ensure your planned activities are occurring and to consider their effectiveness. When you next submit an LSP we want to see evaluation of the progress your organisation has made.

As part of our updated requirements or LSPs, we expect you to explain how your Plan will be governed and led. Your LSP should clearly:

- set out your vision for learner success
- show an understanding of current issues and problems that result in poor outcomes for learners, or a commitment to better understand these
- demonstrate a commitment to improving outcomes for all learners, in particular learners who are under-served, and
- set out a plan to implement a learner success approach, demonstrating clear links to the TEC's Learner Success Framework and how you will achieve your TEO equity goal.

We are working with WDCs and RSLGs

WDCs provide the industry voice in the vocational education system, while RSLGs provide a regional perspective.

WDCs and RSLGs have complementary roles. WDCs have an important role in the RoVE system as skills and workforce knowledge leaders for their specified industries. TEC receives advice from WDCs around our investment in vocational education and training.

RSLGs are independent advisory groups, locally based and regionally led. They identify and support better ways of meeting future skills and workforce needs in our regions and cities. RSLGs inform, coordinate and create links with local initiatives that impact their region's workforce supply, and also advise TEC.

Both WDCs and RSLGs are well placed to advise on skill needs from industry and regional perspectives.

We want to move towards WDC and RSLG priorities and advice being reflected in your Investment Plans. TEOs are critical in responding to this advice, through programmes and activities that deliver graduates with the skills industry and the regions need.

You should draw on the latest information from RSLGs and WDCs in planning your provision and programmes so they respond to the skill needs of the relevant industries and your region, in addition to your ongoing engagement with industry and community stakeholders and Māori iwi partners.

WDCs' skills leadership informs investment priorities for vocational education

In this Supplementary Plan Guidance, we are reflecting the latest WDCs' and RSLGs' advice to update and refine investment priorities.

In 2022 TEC will receive final advice from WDCs at the end of June. This advice will not be available in time to impact your Plan content; however, it can inform your operational activities throughout the year. We expect you to stay connected to WDCs' work to ensure your vocational programmes reflect this advice.

For information on the Workforce Plans (once published) and other relevant WDC priorities see the relevant WDC websites.



WAIHANGA ARA RAU
Construction and Infrastructure
Workforce Development Council

Waihanga Ara Rau (Construction and Infrastructure) Workforce Development Council represents industries including Construction, Concrete, Plumbing, Infrastructure, Water, Gas, Electricity, Telecommunication and Roading. Find out more at [Waihanga Ara Rau](#)



TOI MAI
Workforce Development Council

Toi Mai Workforce Development Council represents industries including Creative, Technology, Entertainment, Hairdressing and Barbering, Makeup Artistry, Skincare, Journalism, Radio and Television Broadcasting, Gambling, and Sports and Recreation. Find out more at [Toi Mai](#)



TOITŪ TE WAIORA
Community, Health, Education and Social Services
Workforce Development Council

Toitū te Waiora (Community, Health, Education and Social Services) Workforce Development Council represents industries including Care Services, Disability Services, Education and Education Support Services, Funeral Services, Health Services, Public Order Safety, Regulatory Services, Skin and Nail Therapy Services, Social Services and Urban Pest Control. Find out more at [Toitū te Waiora](#)



HANGA-ARO-RAU
Manufacturing, Engineering and Logistics
Workforce Development Council

Hanga-Aro-Rau (Manufacturing, Engineering and Logistics) Workforce Development Council represents industries including Manufacturing, Processing, Extractives and Drilling, Transport, Postal and Warehousing. Find out more at [Hanga-Aro-Rau](#)



MUKA TANGATA
People, Food and Fibre
Workforce Development Council

Muka Tangata (People, Food and Fibre) Workforce Development Council represents industries including Dairy, Sheep and Beef, other livestock, Arable, Horticulture, Fishing, Seafood Processing, Winemaking, Aquaculture, Livestock farming, Sports Turf Management, and Silviculture and Harvesting. Find out more at [Muka Tangata](#)



Ringa Hora (Services) Workforce Development Council represents industries including Advisory Services, Aviation, Cleaning Services, Business Services, Contact Centres, Financial Services, Hospitality, Local Government, Real Estate, Retail, Security Services, State Sector, and Tourism and Travel.

Find out more at [Ringa Hora](#)

WDCs have identified 5 shared principles for their advice

The six WDCs are working together on some strategic issues for vocational education and training as a whole. As part of their advice to TEC this year they have provided five principles they recommend TEC considers. They are included here in their words.

The Reform of Vocational Education (RoVE) has clear outcomes in mind for learners, providers, regions, employers and industry with an aim to deliver a vocational education system that is industry led, regionally responsive, and Te Tiriti partnered while ensuring vocational learning excellence. To achieve mutually beneficial outcomes for learners, employers, communities and industry we believe the following five principles should be considered to TEC Investment decisions across all sectors. We recommend that all initiatives funded under the UFS reflect one or more of these principles:

- *A collaborative approach in the development and delivery of vocational education;*
- *Progressively devolve oversight of the workforce development pipeline for industry, iwi/hapū, Māori businesses;*
- *A shift to more vocational education into the workplace;*
- *An improvement in equity of outcomes in vocational education provision; and*
- *Increased evidence and analysis supporting provision in vocational education.*

These principles were prepared by the six Workforce Development Councils with input from the Regional Workforce Development secretariats.

RSLGs provide regional insights into labour market needs

In this Supplementary Plan Guidance, we have added the latest advice from WDCs and RSLGs to the investment priorities.

We encourage you to stay connected to the work of RSLGs to ensure your programmes respond to local workforce needs. Please note the RSLG advice applies across all levels of tertiary education.

The easiest way to contact your local RSLG is through the relevant Ministry of Business, Innovation and Employment (MBIE) RSLG Secretariat. These are:

- **Northern** – Tai Tokerau, Tāmaki Makaurau, Waikato, Bay of Plenty
- **Central North Island** – Tairāwhiti, Hawke’s Bay, Taranaki, Manawatū–Whanganui
- **Raukawa** – Wellington, Nelson–Tasman, Marlborough, West Coast
- **Southern** – Canterbury, Otago, Southland Murihiku.

[Regional Workforce Plans](#) are available on the MBIE website. Regional Workforce Plans project labour supply needs to ensure the regions have the right skills and workforce planning to seize local economic opportunities.

[Local insights reports](#) are also available on the MBIE website. These reports provide a snapshot of the impacts of COVID-19 and identify the challenges and opportunities for the regional labour market. They include the contact details for each region’s secretariat staff (who hold the relationship with RSLG members).

The inclusion of WDC and RSLG advice is evolving

This is the first year that we have formally included WDC and RSLG advice in our investment priorities.

WDCs were stood up in October 2021 and are growing and developing throughout this year. We expect their advice will change and develop over time as they continue to consult with industry, employers, communities and iwi Māori.

TEC will receive further advice from WDCs and RSLGs at the end of June and this will help further guide our investment decisions in relation to the mix of vocational education and training.

Industry-skill and labour-market needs information will continue to develop

Preliminary advice from WDCs and RSLGs has highlighted a number of occupations and industries that have industry-skill and labour-market needs. TEC will work with WDCs and RSLGs to further explore what vocational education and training best supports these needs and which programmes specifically to target. We encourage you to work directly with your relevant WDCs and RSLGs in an ongoing way as part of your business-as-usual operations (refer to Appendix 1).

TEOs need to maintain awareness of the needs of the areas they serve

TEOs need to remain responsive to employers, industries, iwi, communities and learners. While WDCs and RSLGs provide insights to support this work, these do not replace the need for direct consultation and partnerships. We expect to see evidence in your Plan that you are aware of and responding to local/ regional issues that can be supported by tertiary education and training.

Our updated investment priorities for investment from 2023

We consider a range of priorities when making investment decisions.

Learner success			
Our overarching priority is learner success and ensuring the provision we fund supports this goal. This priority is also strongly supported by the WDCs and RSLGs.			
The TES	Broader priorities	Targeted priorities	WDC and RSLG advice
<p>The TES has a strong emphasis on creating learner-centric education environments, where all learners can succeed. TEOs will evidence how they meet the key expectations of the TES, through their Learner Success Plans that align to the Learner Success Framework. Beyond learner success, we want you to think about and prepare to respond to other aspects of the TES. There are no updates (from the Plan Guidance released in February 2022) to how these priorities will be applied to investment for 2023.</p>	<p>There are priorities that apply to our assessment of all provision. We will prioritise investment in programmes that show these characteristics. The content of broader priorities has been supported by the advice of WDCs and RSLGs. Where the advice highlighted something additional that was not included in the broader priorities table (published in Plan Guidance, February 2022) it has been included in the new WDC and RSLG priorities table.</p>	<p>The targeted priorities are specific industries and areas of provision where our government partners have identified:</p> <ul style="list-style-type: none"> • growth due to labour market demand, • a need for increases in diversity, and/or • opportunities for improvement in completion rates. <p>This table remains unchanged (from the Plan Guidance). Many of the targeted priorities have been confirmed by WDCs and RSLGs. As reflected in the WDC and RSLG priorities table, we are working with WDCs and RSLGs to identify specific programmes that will meet the industry and labour market needs they highlighted.</p>	<p>The advice TEC receives from WDCs and RSLGs helps to identify areas of training and education that TEC's investment should take into account. For this year there is advice about the elements and characteristics of programmes that we want to see. We are also seeing emerging specific direction on areas of growth, which will continue to be explored. We have included new tables for WDC- and RSLG-informed priorities which bring together themes from the advice we have received. These priorities will be applied to 2023 investment including any in-year additional funding requests.</p>
See the Tertiary Education Strategy	See page 37 of Plan Guidance	See page 39 of Plan Guidance	See pages 7–10 below
Learner success, the TES and the broader priorities guide TEC's investment at all levels across all TEOs .			
The targeted priorities are specific to the named areas. WDC advice relates to vocational education. RSLG advice covers all levels of tertiary education.			
The National and Regional Skill Priorities (NRSPs) for vocational education are included in this document from page 24. NRSPs relate to the strategic component of UFS funding only.			

What we heard from WDCs and RSLGs about priorities for investment in 2023

For 2023 investment we have highlighted a number of programme elements and characteristics that WDCs and RSLGs identified as important.

WDCs and RSLGs gave us strong messages about the importance of ensuring TEOs' programmes support under-served learners, especially Māori, Pacific and disabled learners. TEC has already signalled this priority strongly in Plan Guidance and we welcome this further endorsement from WDCs and RSLGs. We expect you to work on your Learner Success Plans to ensure you are developing organisational roadmaps for transformational change.

We also received endorsement for the content included in Plan Guidance around embedding various skills in programmes, including:

- **embedded te reo Māori** – te reo Māori embedded in non-language-specific programmes
- **embedded mātauranga Māori** – programmes which integrate mātauranga Māori into other disciplines
- **embedded carbon-neutral content** – programmes that support the skill development that will support New Zealand's environmental sustainability and move towards being carbon-neutral.

Many of our targeted priorities, such as apprenticeships, construction, food and fibre, and health, have been confirmed as priorities by WDCs and RSLGs.

WDC and RSLG advice will inform your activities all year round

Where appropriate we want to see your Investment Plans reflect the advice to TEC from WDCs and RSLGs in this Supplementary Plan Guidance. We recognise that your response may not be fully developed because of the timing of this advice. We do, however, encourage you to consider how this advice can be integrated into your ongoing operational planning and activities. These priorities will form part of our criteria for assessing any additional funding requests received for 2023 funding.

WDC and RSLG advice to date covers three key themes

The three themes from the initial WDC and RSLG advice are outlined below.

WDC advice focuses on vocational education which includes all work-based learning and provider-based learning at levels 2-7 non-degree. We encourage TEOs to view the WDC and RSLG informed investment priorities as critical to the vocational education system, but to also consider their relevance when designing and delivering programmes that pathway to and from the vocational education system.

RSLG advice covers all levels of the tertiary system. Where the advice is specifically outside the vocational education system the level is specified.

Theme 1 - Programmes need to have embedded content to meet industry needs

Feedback tells us that some learners lack key skills they need in the workplace. We need to ensure that the programmes delivered by TEOs provide the skills that workplaces need. The recommended embedded content for programmes listed below highlights skills we want to see embedded in programme content.

WDC and RSLG informed investment priorities – embedded content

<p>Embedded health and safety skills and content in programmes</p>	<p>We want to see vocational programmes that include embedded content to build the learner’s resilience and skills to manage their personal safety and wellbeing in their job. This extends to de-escalation strategies, risk management and conflict management training in public-facing roles, and content that deals with burn-out and personal mental health.</p> <p>In line with the funding conditions, programmes that are designed to equip a learner to primarily comply with health and safety or regulatory compliance requirements remain ineligible for funding, especially where they take on health and safety training responsibilities, as these remain the responsibility of an employer.</p>
<p>Embedded core/transferrable skills for work</p>	<p>We want to see core work skills built into vocational programmes, especially at lower levels, to ensure learners gain the skills to be fully work-ready. These skills include:</p> <ul style="list-style-type: none"> • problem solving • basic digital skills • team building/networking • effective communication and interpersonal skills • innovation/creative thinking.
<p>Embedded foundation skills</p>	<p>We know many vocational learners both in the workplace and in provider-based settings need to build and improve their foundation skills such as literacy and numeracy. We want to see programmes and approaches that actively identify and respond to these learning needs. We are particularly interested in how you will support literacy and numeracy skill development for rangatahi.</p>
<p>Embedded cultural capability</p>	<p>We want to see programmes that embed cultural capability skills and the understanding of Te Tiriti o Waitangi needed in New Zealand workplaces.</p>
<p>Embedded technical skills in line with the future of work</p>	<p>Many of New Zealand’s vocational roles are increasingly impacted by technical advances and consequently the technical knowledge required for learners is changing. We want to see programmes that include the technical knowledge needed for the roles and prepare learners for future changes.</p>

Theme 2 - Programme design and delivery need to be responsive and flexible

We want to see programme design and delivery that meet the needs of learners and workplaces. Shorter programmes are a great response to changing workplace needs and supporting learners to have relevant skills for their environments.

WDC and RSLG informed investment priorities – programme delivery and design	
Micro-credentials	We want to see micro-credentials developed and used in ways that support the immediate needs of learners, employers and industry and/or support the redeployment of workers displaced due to COVID-19.
Delivering and preparing for the new modes of learning	<p>2023 is the first year of the Unified Funding System and the end of the transition of work-based learning from Transitional Industry Training Organisations (TITOs) to providers.</p> <p>For providers who have received work-based learning from TITOs during 2021 and 2022 we want to see an emphasis on integrating and maximising the opportunities of work-based learning for your learners.</p> <p>For providers who are intending to move into work-based learning from 2024, we encourage you during 2023 to work on developing programmes that showcase the best elements of work-based learning. We encourage you to engage with industry, employers, communities and learners as well as WDCs and RSLGs to create exceptional programmes and supporting processes that will deliver outcomes for all.</p> <p>We also want to see online and distance learning options explored where this meets the needs of industry, employers and learners.</p>
More work-integration for degree plus learning	We hear that industry and employers want degree plus graduates with practical experience in their chosen fields. We encourage TEOs to increasingly consider ways to support learners to access placements and integrate on-the-job learning.
Provision that reaches our regions and rural area	<p>We want opportunities for people to study and access work-based learning in our regions, including rural areas. Ideally the provision offered in these areas directly relates to the workforce needs of the region, eg, tourism in Queenstown and viticulture in Marlborough.</p> <p>We want to ensure people who live and work in rural communities in the health and support and food and fibre sectors have opportunities to upskill through appropriate learning modes.</p>

Theme 3 - Initiatives, support and partnerships will help transform the system

There are certain groups of learners that may need targeted support or initiatives to meet their needs. We are interested in evidence of your work that specifically supports these learners.

WDC and RSLG-informed investment priorities – initiatives, support and partnerships	
Supporting transitions	<p>We want to see programmes that have good outcomes for transitioning school leavers into work and/or higher study, especially school leavers from our priority groups.</p> <p>We want to see programmes that support people to transition into new areas of work, especially in response to changing workplace needs due to COVID-19 and technology advances.</p>
Supporting pathways	<p>We want to see TEOs designing and delivering programmes that connect their learners to specific jobs and careers. This may include opportunities to move from general programmes into more targeted occupation-focused training, as well as opportunities that will support progression in the workplace.</p> <p>We want the advice, support and experience you offer learners to directly reflect the needs and wants of employers and industry. We want to ensure programmes are designed and support offered that targets under-served learners, including Māori, Pacific, disabled learners and rangatahi, who may struggle to navigate the system.</p>
Supporting rangatahi to engage and achieve	<p>We know that rangatahi sometimes need different kinds of engagement to succeed in education. This is especially true when they have disengaged from education earlier. We want you to share with us where your programmes and approaches are tailored to their needs.</p> <p>We want to hear about initiatives that have successful outcomes for this cohort.</p>
Supporting older people to remain engaged with work through learning	<p>Older people are important to our workforce and sometimes need targeted support and programmes, that either provide pathways into roles, or to helps them retain their roles and develop in them. This support includes career information and job application support as well as developing practical skills such as digital competency.</p> <p>We want to hear about initiatives that have successful outcomes for this cohort.</p>

<p>Participation and achievement for women</p>	<p>Women are underrepresented in many industries. We want to hear about the initiatives you are undertaking that result in increased enrolment and programme completions for women in male-dominated industries and the support you provide that makes these initiatives successful.</p>
<p>Programmes that address cost barriers for learners</p>	<p>We know that some learners experience more significant cost-related barriers to participation in tertiary education. We want to hear where your initiatives support these learners, for example with innovative ways to access technology and online learning.</p>
<p>Programmes that show partnerships with iwi Māori, and with Māori organisations and business</p>	<p>We want to understand how you build respectful relationships with Māori and iwi business, including collaborating with WDCs and RSLGs to ensure your approach and actions are aligned.</p> <p>We want to see how you have heard and acted on the voices and experiences of Māori to ensure your programmes are appropriate and meaningful to meet the present and future needs of Māori industry and iwi businesses.</p> <p>We encourage you to engage, partner and co-design programmes with iwi and Māori across the vocational education system.</p>

Adult Community Education (ACE) provides learning opportunities that meet community learning needs

Our priorities for ACE investment remain unchanged. The priorities of ACE funding are for programmes that:

- **improve employability**
 - courses focused on employability
 - life skills such as financial literacy
 - introductory 'taster' courses
- **promote social and cultural inclusion and participation**
 - languages, including te reo Māori, New Zealand Sign Language (including ESOL), Pacific languages (especially Realm languages) and Asian languages
 - courses supporting digital inclusion
- **raise foundation skills**
 - courses in literacy, numeracy and/or digital literacy
- **improve health and wellbeing**
 - courses such as parenting, mental health and resilience, or conflict resolution/anger management.

This applies to ACE in Schools, ACE in Communities and ACE in Tertiary Education Institutions (TEIs).

Additional funding will be managed differently for this round

The process for additional funding requests for 2023 is different to previous years and will depend on the fund.

Unified Funding System

We will not be considering additional funding requests until after the April 2023 Single Data Return. Additional funding request application forms will not be published on our website in 2022.

Student Achievement Component level 7 (degree) and above

We are taking a targeted approach to additional funding allocations, focusing on matching demand and growing high priority areas for high performing TEOs who are demonstrating good learner success outcomes. We will contact those TEOs that we consider meet the criteria. Additional funding request application forms will not be published on our website in 2022.

Other on-Plan Funds

- Adult and Community Education (ACE) Funds (ACE in Communities, ACE in Schools, and ACE in TEIs)
- Intensive Literacy and Numeracy Fund (ILN)
- Intensive Literacy and Numeracy ESOL Fund (ILN ESOL)
- TEO-led Workplace Literacy and Numeracy Fund (WLN TEO-led)
- Intensive Literacy and Numeracy Refugee English Fund
- Student Achievement Component Levels 1 and 2 Fund (SAC 1&2)
- Youth Guarantee Fund (YG).

You will be able to apply for additional funding for these funds for 2023. Additional funding request application forms will be published on our website. These need to be submitted at the same time as your 2023 Investment Plan documents, by 8 July 2022. Decisions about additional funding will be considered as part of the Plan assessment process.

Alternatively, you can apply to us in-year during 2023 for additional funding where you are able to provide evidence of demand above your current allocation (and flexible funding if relevant).

Alongside demand, any additional funding requests will be assessed against our investment priorities for 2023 as stated in [Plan Guidance](#) (pgs 33-42) and this Supplementary Plan Guidance (pgs 8-12).

Please note that ACE in Schools coordination funding needs to be requested through the additional funding form for 2023.

We welcome new providers for specific provision

For organisations seeking funding from the Unified Funding System or Student Achievement Component Level 7 and above, funding will only be considered where the delivery proposed by a new provider is of strategic importance. This means:

- offering provision in a field of study or training where there are current gaps, as identified in WDC or RSLG advice to TEC, which no existing providers can fill
- delivering to under-served learner groups that are not reached through existing provision by other providers
- delivering to one or more strategic priorities that require additional provision, such as health priorities¹
- provision agreed as part of iwi settlements.

You must contact us to discuss your situation before applying for on-Plan funding. When you contact us our Customer Contact Group will ask you some questions to ensure you meet the criteria above. If you do, you will be provided with a form to complete. Completing a new provider form does not guarantee you will be approved for funding. That decision will be made upon review of your application as a whole and all applicable evidence, in the context of other applications made and the funding available at the time.

All Plan documents need to be submitted through Workspace 2

We want to remind you that your Plan documents including your Strategic Intent, Learner Success Plan, Disability Action Plan, mix of provision (MoPs) and educational performance indicator commitments (EPICs) must be submitted through Workspace 2. You must not submit these documents by email as this can result in delays.

Any new providers will be advised directly how to submit documents.

¹ [2023 Plan Guidance](#), pp. 33–44.

2022 Budget announcements for tertiary education

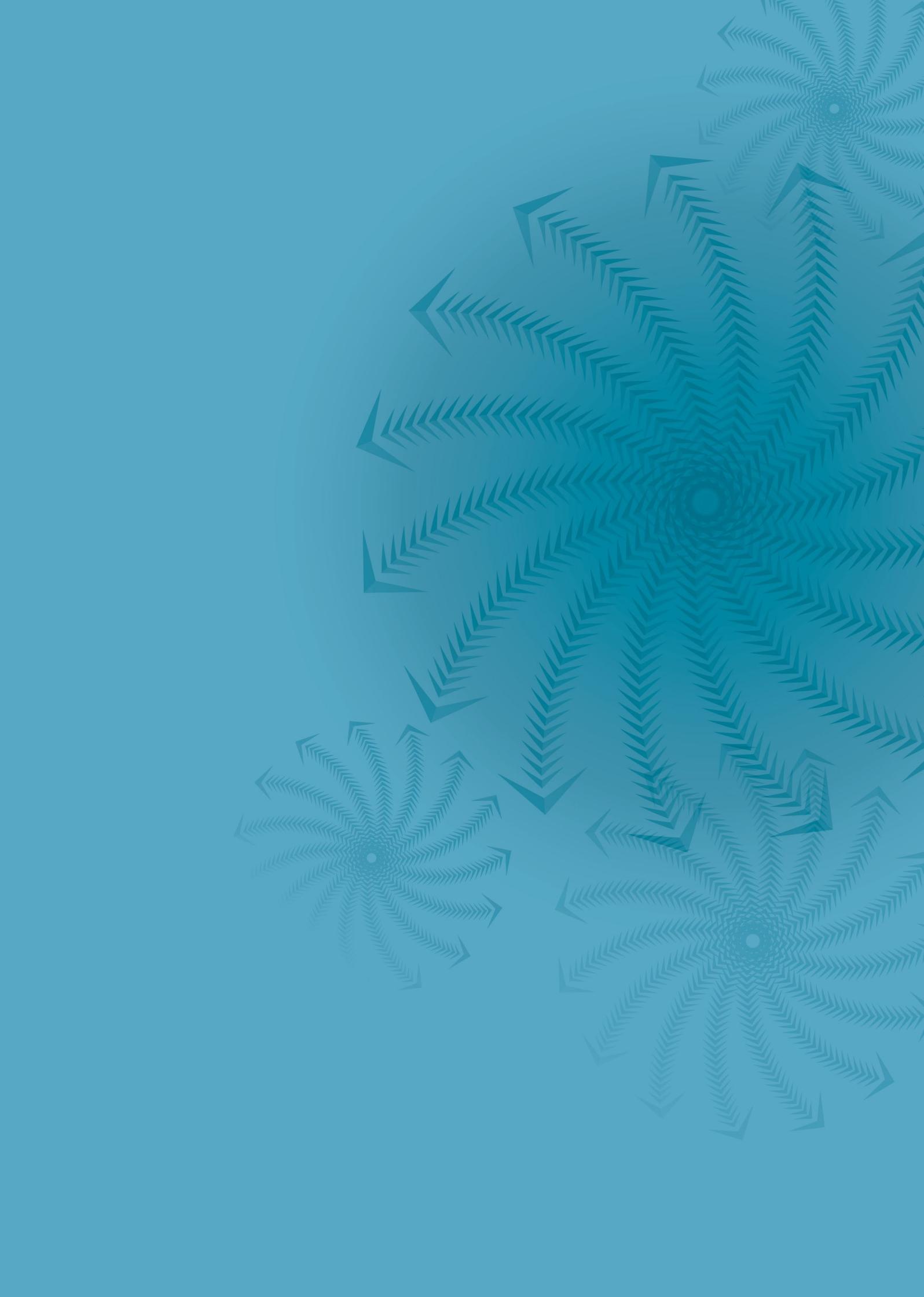
The Government has announced details of Budget 2022, which provides additional operating investment of \$350 million over four years and capital investment of \$40 million over two years for tertiary education.

This includes:

- \$267 million over four years for an across-the-board 2.75 percent increase to tertiary tuition and training subsidies. This investment recognises the support providers need to maintain quality and ensure their delivery remains relevant and responsive to learner, community and employer needs.
- \$112 million in funding for increased enrolments. This is made up of \$73 million of additional investment and \$40 million of 2021/22 funding being carried into 2022/23.
- a \$40 million capital injection for Te Pūkenga – New Zealand Institute of Skills and Technology to co-fund prioritised remediation and upgrades of infrastructure across its former Institutes of Technology and Polytechnics across 2022/23 and 2023/24.
- \$10 million of new operating funding to establish Te Tahua o Te Reo Kairangi, a new fund to support new or existing programmes delivering higher levels of te reo Māori proficiency. Further details on the design and implementation of Te Tahua o Te Reo Kairangi will be published in due course.

Additional funding is also being provided through Vote Social Development to meet demand for the Apprenticeship Boost and extend it to the end of 2023. The extension of Apprenticeship Boost was announced on Monday 9 May.

Alongside Budget 2022 announcements, the Tertiary Education Commission has published 2023 subsidy rates, including the rates for the Unified Funding System for vocational education, which implements the \$279.5 million announced for vocational education and training in Budget 2021. The rates and more detail can be found on the [Unified Funding System web page](#).



UFS Information including the National and Regional Skills Priorities

The Unified Funding System (UFS) will deliver an important part of the Reform of Vocational Education (RoVE).

The UFS supports a vocational education system that is ready for a fast-changing future of skills, learning and work. This unified system will:

- deliver to the unique needs of all learners, including those who have been traditionally under-served, such as Māori, Pacific peoples and disabled learners, particularly as Māori and Pacific peoples will form a growing part of the working-age population in the future
- be relevant to the changing needs of employers
- be collaborative, innovative and sustainable for all regions of New Zealand, and
- uphold and enhance Māori–Crown partnerships.

In the [Plan Guidance](#) we signalled the three components which comprised the new UFS to fund the delivery of vocational education and training (VET). The three components are the learner component, the delivery component and the strategic component. The components focus on learners, support employers and address national and regional skill priorities.

The learner component supports the achievement of all learners

The learner component increases funding based on the characteristics of your learners. This funding is targeted at supporting all learners, particularly those who traditionally have not been well served by the education system.

These priority learner groups are:

- > learners with low prior achievement
- > disabled learners
- > Māori learners
- > Pacific learners.

These groups are a *proxy* for learners who need additional support to be successful in VET by providing a straightforward way to allocate funding across the VET system. It is not the intention that learner component funding will only be used for learners in these four groups. Neither is it expected to be the only funding directed at learner support. In your Learner Success Plan (LSP), you will be expected to identify the unique needs of all your learners, make decisions about how to support them, and allocate funding accordingly.

The learner component performance element approach will start with a small number of TEOs

We will set performance expectations with incentive payments that will be paid to TEOs upon achieving agreed-upon milestones. Incentive payments will be 20 percent of each TEO's learner component allocation. We are taking a phased approach to implementing these incentive payments, with an initial focus in 2023 on a small number of TEOs that have significant levels of learner component funding.

If you are one of the TEOs taking part in the targeted implementation, we will have already contacted you to discuss how it will be included in your LSP.

We will help you understand how the performance expectations will be set and the process for accessing incentive payments. Your incentive payments will be called 'Learner Component – performance – Milestones' in your indicative allocation.

For investment in 2023, those who are not taking part in the targeted implementation will see performance payments called 'Learner Component – performance' in their indicative allocation but will receive the full amount of learner component performance element funding without needing to do anything additional. However, we will continue regular engagement and monitoring on your approach to ensuring all learners achieve.

For investment in 2024 the learner component performance element will be rolled out to all TEOs receiving UFS funding. As part of assessment and monitoring for this component, we want to see the specific steps you are taking to support all your learners.

As outlined within the Investment Brief for Vocational Education, we will expect to see trends where your general organisational improvements will flow through into learner-related metrics.

While we are not currently asking for educational performance indicator commitments (EPICs) on this beyond what you commit to as part of other Plan submission material, we will look to monitor improved outcomes, for example, for learners with low prior achievement (LPA) and disabled learners.

The delivery component provides volume-based funding

The delivery component is volume-based funding that supports education and training in providers and the workplace. This component makes up the bulk of the funding for the UFS.

Funding is determined by subject and mode of delivery. There are different rates to reflect the setting learners are in and the subject matter of their programme.

Funding rates by mode and subject-based funding category have been announced as part of the Budget in May 2022. You can find information on our [funding rates](#) on our website. These rates have been used to determine your indicative allocation for 2023.

For 2023 funding, we will continue to use Equivalent Full-time Students (EFTS) and Standard Training Measures (STMs) as the basis to calculate the delivery component.

Within your Plan, we will want to know the mode of delivery for your proposed provision, and this is required in your mix of provision (MoP). We will be monitoring educational performance indicators (EPIs) as usual, and both EPIC and EPI data is available through Ngā Kete.

The EPIs measure:

- course and credit completion rates
- qualification and programme completion rates
- cohort-based qualification and programme completion rates
- cohort-based learner retention, and
- learner progression to higher level study or employment.

In most cases you should collect and report data in the same way as you have done previously. However, there are a few exceptions to this; please refer to [the tools and data information](#) on our website.

2023 indicative allocations for the delivery component are based on 2019 and 2021 delivery

The UFS indicative allocations for 2023 investment have been calculated using 2019 and 2021 delivery data. If you believe that an adjustment is needed to accurately reflect your planned 2023 delivery you will need to follow a process to make changes.

Please note, this process is in place to reconsider your allocations where you believe the data this was based on is not accurate, or other information should have been considered in the calculation; this is not a process for requesting additional funding for UFS.

A template will be available in the template section of the [Plan Guidance and Toolkit](#) page on the TEC website. The template gives you an opportunity to submit information about your planned subjects and modes of delivery. We will review your submission and let you know of any changes to your allocation.

Apprenticeship reporting through the Industry Training Register (ITR)

For 2023, we will be maintaining the current definition of apprenticeships. We expect you to report on New Zealand Apprenticeships through the ITR in the same way as required for apprenticeships currently funded through the industry training fund.

Managed apprenticeships will cease at the end of 2022. Any work-based delivery will be funded at the work-based funding rate and we anticipate will be reported through the ITR, however we are still working through these reporting requirements and more information will be available at a later time. This provision can be recognised as a New Zealand Apprenticeship if it meets current criteria.

The strategic component supports response to key challenges

The strategic component provides non-volume-based funding to support providers' responses to key challenges and opportunities within the tertiary education system. It is expected to complement and support your organisation's overall strategic approach, including delivery and support for learners.

To do this, the strategic component has a few parts to it:

- funding to support Te Pūkenga to meet its charter obligations (outlined in schedule 13 of the Education and Training Act 2020), through the creation of a sustainable network of provision for vocational education
- funding to support innovative projects, initiatives, and provision that respond to National and Regional Skills Priorities as identified by Workforce Development Councils (WDCs) and Regional Skills Leadership Groups (RSLGs)
- supporting the costs of programme development and maintenance, including for extramural programmes, with a focus on innovative and flexible programmes. This funding is for the development and/or maintenance of programmes, meaning it can apply to new or existing programme/s
- transitions funding for Private Training Establishments (PTEs) (for 2023 and 2024 only).

For Te Pūkenga your strategic component is determined by your Investment Plan (on-Plan)

For Te Pūkenga, your strategic component funding is **on-Plan**, and how you intend to use this funding will form part of your Investment Plan. We will work with you as you seek to realise a sustainable national Network of Provision.

Funding to create a sustainable network of provision and respond to national and regional skills priorities

For funding relating to the creation of a sustainable network of provision, we expect you to include the following in your Plan:

- a clear guiding statement on the purpose of the funding for the Network of Provision, including your principles for funding
- an outline of activities that will be funded (in meaningful categories)
- performance measures related to the delivery and expected outcomes of this funding, and
- links between these expectations to the mix of provision (MoP), wider performance expectations, engagement and participation of learners and stakeholders and the link to your charter obligations.

Funding to support programme development and maintenance

As noted in the Plan guidance, you can apply for time-limited funding to develop or redevelop programmes. We are looking for:

- programmes, including extramural ones, that are innovative, flexible, and responsive to strategic priorities and changes in the tertiary education system. We want to encourage innovation and strategic programme development that is suitable for an evolving system. We are looking for programmes that align to and support the realisation of the TES and other key education strategic objectives.
- detail of how you will use the funding to develop and/or maintain the relevant programme/s, including what strategic outcomes you anticipate the resulting programme to deliver.

You should demonstrate how your Investment Plan in these areas is informed by:

- engaging and partnering with key stakeholders in the development of your proposals, and how you intend to implement these
- a clear reporting framework to best enable monitoring of your progress from development and maintenance to implementation of the relevant programme.

For wānanga your programme development and maintenance funding is determined through your Investment Plan (on-Plan)

As noted in the Plan guidance, you can apply for time-limited funding to develop or redevelop programmes. For wānanga, your proposal for programme development and maintenance funding is **on-Plan**, and how you intend to use this funding will form part of your Investment Plan. We expect you to outline in your Plan how you will use this funding to develop and maintain programmes, including extramural ones, that are innovative, flexible, and responsive to strategic priorities and changes in the tertiary education system. This outline should include information such as:

- how you will use the funding to develop and/or maintain the relevant programme/s, including alignment to and support of the realisation of the TES and other key education strategic objectives
- how you have engaged with key stakeholders and partners in the development of your proposal, and will continue to engage through implementation
- how you will report on this funding, including a clear reporting framework to best enable monitoring of your progress from development and maintenance to implementation of the relevant programme.

The strategic component for Private Training Establishments will be a separate process (off-Plan)

For PTEs, the process relating to strategic funding is **off-Plan** and will involve a competitive funding process. This will run later in the year, separately to the Investment Plan round, and will be application-based. We are aiming to provide you with more information on the strategic component funding process, including the timeline for applying to this year's contestable funding round, by the end of July 2022.

There are two types of funding available to apply for:

- responding to national and regional skills priorities
- supporting programme development and maintenance.

You can choose to apply for one or for both. You can work collaboratively, forming partnerships with others (such as other PTEs), both in the design and, if successful, the delivery of your proposed approach.

Below is some information about what we are looking for in relation to the two types of funding.

Responding to national and regional skills priorities

- This funding is for innovative projects, initiatives and provision that respond to the National and Regional Skills Priorities, developed from advice from WDCs and RSLGs. These Skills Priorities are set out below. We will publish them again when the strategic component contestable funding round opens.

- We are looking for projects, initiatives and provision that are forward-looking and seek to build the capabilities that future workforces need, as well as equipping learners with skills identified as priorities at a national and/or regional level, either generally or for a particular workforce.
- As part of your application, you will be given the opportunity to highlight which priorities (national and/or regional) your proposal relates to and how what you are proposing will meaningfully and usefully contribute to their realisation.
- In your application, you will need to demonstrate that you have engaged with key stakeholders in the development of your proposal.

Supporting programme development and maintenance

As noted in Plan Guidance, you can apply for time-limited funding to develop or redevelop programmes. When the separate round for this funding opens, we will expect your application to outline how you will use this funding to develop and maintain programmes, including extramural ones, that are innovative, flexible, and responsive to strategic priorities and changes in the tertiary education system. The application form will ask for relevant information, including:

- how you will use the funding to develop and/or maintain the relevant programme/s, including alignment to and support of the realisation of the TES and other key education strategic objectives
- how you have engaged with key stakeholders and partners in the development of your proposal, and will continue to engage through implementation
- how you will report on this funding, including a clear reporting framework to best enable monitoring of your progress from development and maintenance to implementation of the relevant programme.

If you are successful in your application, payments will be connected to milestones and deliverables, and we will ask you to outline these in your application. Ongoing monitoring and reporting will be crucial to ensuring the funding is having a positive impact and enabling the shifts we seek to achieve.

Some PTEs will be eligible for transitions funding

We recognise it may take time for some individual PTEs to transition from the previous funding system to the UFS, as some may need to introduce new programmes or delivery options. We are supporting this transition by providing eligible PTEs with transitions funding for 2023 and 2024.

Transitions funding is focused on enabling strategically important provision to adapt to the new incentives introduced by the UFS.

To be eligible for transitions funding, PTEs must meet the following criteria:

- a. A PTE faces a significant (at least 10 percent) fall in funding* for UFS provision, and
- b. is delivering either:
 - i. priority provision – (eg, primary industries, construction, engineering, early childhood education (ECE), hauora/whānau ora, healthcare) and/or
 - ii. niche provision – they are the only provider delivering a particular area of provision within the region or nationally.

* based on funding for Delivery and Learner Components only.

PTEs that are eligible for transitions funding for 2023 will have this funding communicated to them as part of their indicative allocations, released in June 2022. Transitions funding will be paid to eligible PTEs in 12 equal monthly instalments.

National and Regional Skills Priorities

Under the Unified Funding System's strategic component, funding is available for vocational education and training (VET) providers to respond to national and regional skills priorities. The national and regional priorities (NRSPs) for investment in 2023 are set out below. They have been developed with advice from [Workforce Development Councils](#) and summarised input from [Regional Skills Leadership Groups](#), so they reflect industry voice, together with regional perspectives, and present an overview of priority skills and sectors across today's Aotearoa New Zealand. The priorities are intended to be indicative of the high-level outcomes we are seeking to realise through this funding.

As a provider looking to engage and work with these priorities, you will want to take note of the national ones and identify the priorities that relate to your region. What region/s are you based in and serving? How can you incorporate and reflect these priorities in what you offer learners? How can you better equip your learners with the skills highlighted here? How could you engage and work with others differently to enhance skills outcomes for learners?

This is about rethinking learning to make sure we are equipping learners with the skills they need as part of the workforce of today and tomorrow.

Funding for the National and Regional Skills Priorities will be for Te Pūkenga and Private Training Establishments (PTEs); however, these processes will look different for the two groups.

For **Te Pūkenga**, these national and regional skill priorities will support you as you develop a sustainable network of provision across the country. You will want to reflect these priorities in your Investment Plan and include proposed work that specifically targets their realisation.

For **PTEs** wanting to apply for funding to respond to these priorities, your opportunity is coming soon. This process will be separate from your Investment Plan. We will be taking applications later in the year for proposals relating to projects, initiatives and provision that respond to the national and regional priorities. For now, review the priorities and start to generate and develop ideas. We are looking to provide you with further information on the application process for this funding by the end of July.

So, what might initiatives or projects responding to these priorities look like in reality?

As a provider you should consider what learner groups you are looking to support (eg, rangatahi, Māori, women) and their learning needs. You can refer to the Government's Employment Action Plans, which identify priority population groups, to help you as part of this process.²

You should think about how you could progressively build skills capability and provide quality learning that meets the needs of the learners. This may look like providing:

- lifelong learning with multiple exit points so learners can dip in and out
- stackable micro-credentials or staircasing
- learner pathways right through to the relevant diploma or certificate level.

² The seven Employment Action Plans seek to improve labour market outcomes for youth, disabled people, Māori, Pacific peoples, older workers (50+), former refugees, recent migrants and ethnic communities, and women.

You may want to think about working with other providers and other key stakeholders, industry, employers, and iwi, as you develop your thinking here. When you apply for funding, we will be expecting you to outline how your proposal addresses the needs of learners and the needs of industry.

You might also want to consider collaborating and partnering with those you engage, putting in a joint application together. Identifying new ways of working will support the system transformation we seek to realise through the NRSPs.

National skills priorities

The national skills priorities represent broad focus areas where we have received consistent advice across regions and sectors on current issues with innovative solutions.

Priority	Areas of focus
<p><i>Enhancing career pathways, upskilling, and mobility for employees</i></p>	<p>Employability skills and work readiness.</p> <p>Core essential and transferrable skills as part of wider learning – literacy, numeracy, problem-solving, team building, collaboration and communication – particularly for those most disadvantaged in the workforce.</p> <p>Learning solutions that are flexible and adaptable enough to respond to changing workforce, industry and learner needs, as well as rapid changes in skill requirements.</p> <p>Improved advanced pathways to enable employees to easily add to their skills base while in employment.</p> <p>Ways of supporting people to transition into new areas of work.</p> <p>Addressing skills mismatches where there is a disconnect between the skills industries need and the skills being taught in the vocational education and training system more broadly.</p> <p>Supporting rural communities and small-scale delivery to encourage and enable access to learning.</p>
<p><i>Enabling youth transitions from school through to training at work and/or tertiary study and into employment</i></p>	<p>Access to high quality careers advice, information and guidance services, together with easily navigable pathways into work and/or study.</p> <p>Ensuring delivery of employability and career skills within training.</p> <p>Supporting relationships and learning pathways in schools and into employment for youth.</p>
<p><i>Reinforcing employer capability and business resilience in emergent environments</i></p>	<p>Ensuring training provides knowledge and practical skills to support better business practices and enable operational sustainability.</p> <p>Assisting small and medium enterprises, including the self-employed, to develop skills in management, including good employment practices.</p>

	Building business capability to respond effectively to external uncertainty and changes (eg, COVID, political change), with the ability to pivot to take advantage of new opportunities.
<i>Grounding the system in Te Tiriti and responding to Māori aspirations</i>	<p>Learning that is grounded in Te Tiriti.</p> <p>Learning that supports capability development in te ao Māori and te reo Māori, recognising their status as taonga.</p> <p>Strengthening and integrating mātauranga Māori across all disciplines.</p> <p>Developing initiatives, projects and learning in partnership with iwi, hapū, Māori business and Māori governance groups, with the aim of responding to the needs of both Māori learners and employers.</p> <p>Enhancing equitable outcomes for all learners, supporting the aspirations of Māori learners, and improving outcomes for both learners and their whānau/family.</p> <p>Developing a greater understanding of Māori learner pathways, including barriers, and identifying and implementing solutions to those barriers.</p> <p>Working towards building a Māori workforce and the realisation of mō te Māori, mā te Māori.</p>
<i>Improving skills to support a focus on health and safety, including mental health and wellbeing</i>	<p>A focus on building the skills to focus on wellness, both in learning environments and in the workplace.</p> <p>Lifting capability of health and safety practitioners and specialists, including the use of supporting tools, such as risk management and mitigation.</p> <p>Ensuring that training enables industries to address serious health and safety challenges within industries, including mental health.</p> <p>Ensuring training has a focus on improving health and safety outcomes and encouraging leadership in health and safety.</p> <p><i>NB In line with the funding conditions, programmes that are designed primarily to equip a learner to comply with health and safety or regulatory compliance requirements remain ineligible for funding, especially where they take on health and safety training responsibilities that belong to an employer.</i></p>
<i>Improving, and building on, digital literacy to keep pace</i>	<p>Supporting accessibility and increasing digital literacy and upskilling in new technologies (technology for all), including an intentional literacy component as part of training.</p> <p>Building industry-specific technology capability.</p>

<p><i>with technological developments</i></p>	<p>Equipping learners with the appropriate skills for tech-in-tech roles, such as cyber security, software engineers, telecommunication technicians, ICT customer support, multimedia specialists, developer programmers, ICT business analysts, software developers and data analysts.</p> <p>Equipping learners with the new skills created by rapid digital transformation. This upskilling spans the spectrum of basic technology advances through to the development of specialised skills (eg, training in cybersecurity).</p> <p>Supporting key skills development for future roles, such as systems thinking, programming mindset, active learning, strong Science, Technology, Engineering and Mathematics (STEM) backgrounds, data-driven decision-making, and complex problem-solving with excellent communication skills.</p>
<p><i>Supporting climate change adaptation and the shift towards a carbon-neutral economy</i></p>	<p>Equipping learners with the skills and resilience needed to respond to climate change in their respective vocation and support New Zealand’s move towards being carbon-neutral.</p> <p>Equipping learners to support sector adaptation to climate change and the transition to a low-emissions and climate-resilient New Zealand.</p>

National skills priorities – regional focus areas

Regions	Focus sectors	Skills priorities						
		Enhancing career pathways, upskilling, and mobility for employees	Enabling youth transitions from school through to training at work and/or tertiary study and into employment	Reinforcing employer capability and business resilience in emergent environments	Grounding the system in Te Tiriti and responding to Māori aspirations	Improving skills to support a focus on health and safety, including mental health and wellbeing	Improving, and building on, digital literacy to keep pace with technological developments	Supporting climate change adaptation and the shift towards a carbon-neutral economy
Tai Tokerau	Construction and infrastructure Health – focus on nursing, allied/kaiāwhina Food and fibre – focus on horticulture							
Tāmaki Makaurau	Construction and infrastructure Health – nursing Hospitality Digital technology							
Waikato	Food and fibre – dairy Construction and infrastructure Manufacturing and engineering Freight and logistics Digital technology							
Bay of Plenty	High seasonal employment industries – Food and fibre Tourism, travel, accommodation and hospitality industries (especially in Rotorua) Freight and logistics Energy and renewables Manufacturing Digital technology							
Tairāwhiti	Advanced manufacturing Digital technology Vertical construction							
Hawke’s Bay	Construction Food and fibre – horticulture and meat processing							
Taranaki	Energy Food, fibre and whenua							
Manawatū–Whanganui	Health (kaiāwhina workforce)							

Wellington	Construction Infrastructure Digital technologies Health – kaiāwhina and nursing Visitor sector (hospitality and accommodation) Manufacturing							
Nelson– Tasman	Aquaculture Construction							
Marlborough	Aged residential care Aviation Aquaculture Wine Industry Building and construction							
Tai Poutini West Coast	Conservation and biodiversity Health and aged care Construction and infrastructure Hospitality Food and fibre Mining, engineering and energy Tourism							
Canterbury	Manufacturing Healthcare and social assistance – mental health Digital technology							
Otago	Tourism, travel, accommodation and hospitality industries Construction Healthcare and social assistance Food and fibre							
Southland Murihiku	Tourism and hospitality (especially Queenstown and Fiordland) Healthcare and social assistance Food and fibre Manufacturing and engineering							

North Island regional skills priorities		
Region	Skills priorities	Workforce priorities
Tai Tokerau	<p>Enhancing career pathways, upskilling, and mobility for employees</p> <p>Reinforcing employer capability and business resilience in emergent environments</p> <p>Supporting climate change adaptation and the shift towards a carbon-neutral economy</p> <p>Enabling youth transitions from school through to training at work and/or tertiary study and into employment – education to employment and employment to employment</p> <p>Equity – access to education and employment</p>	<p>Construction and infrastructure</p> <p>Health – focus on nursing, allied/kaiāwhina</p> <p>Food and fibre – focus on horticulture</p> <p>Priority population groups</p> <ul style="list-style-type: none"> • Māori • Taitamariki (Tai Tokerau dialect for rangatahi) • Wāhine
Tāmaki Makaurau	<p>Enhancing career pathways, upskilling, and mobility for employees</p> <p>Improving, and building on, digital literacy to keep pace with technological developments – digital upskilling for manufacturing sector workers, specifically for IT automation and augmented automation to ensure the future workforce fulfils industry demand</p> <p>Supporting climate change adaptation and the shift towards a carbon-neutral economy</p> <p>Enabling youth transitions from school through to training at work and/or tertiary study and into employment</p>	<p>Construction and infrastructure</p> <p>Health – nursing</p> <p>Hospitality</p> <p>Digital technology</p> <p>Priority population groups</p> <ul style="list-style-type: none"> • Māori • Pacific peoples • Disabled people • Rangatahi/youth

Waikato	<p>Grounding in Te Tiriti and responding to Māori aspirations to realise improved equity of outcomes</p> <p>Supporting climate change adaptation and the shift towards a carbon-neutral economy</p> <p>Improving, and building on, digital literacy to keep pace with technological developments – allow full participation in training and education opportunities</p> <p>Enabling youth transitions from school through to training at work and/or tertiary study and into employment</p>	<p>Food and fibre – dairy</p> <p>Construction and infrastructure</p> <p>Manufacturing and engineering</p> <p>Freight and logistics</p> <p>Digital technology</p> <p>Priority population groups</p> <ul style="list-style-type: none"> • Rangatahi/youth
Bay of Plenty	<p>Grounding in Te Tiriti and responding to Māori aspirations to realise improved equity of outcomes</p> <p>Improving, and building on, digital literacy to keep pace with technological developments – allow full participation in training and education opportunities</p> <p>Supporting climate change adaptation and the shift towards a carbon-neutral economy – circular economy, sustainable business and environment</p> <p>Enhancing career pathways, upskilling, and mobility for employees</p> <p>Reinforcing employer capability and business resilience in emergent environments</p> <p>Enabling youth transitions from school through to training at work and/or tertiary study and into employment</p>	<p>High seasonal employment industries – Food and fibre</p> <p>Tourism, travel, accommodation and hospitality industries (especially in Rotorua)</p> <p>Freight and logistics</p> <p>Energy and renewables</p> <p>Manufacturing</p> <p>Digital technology</p> <p>Priority population groups</p> <ul style="list-style-type: none"> • Māori • Migrant workers • Rangatahi/youth
Tairāwhiti	<p>Supporting climate change adaptation and the shift towards a carbon-neutral economy</p>	<p>Advanced manufacturing</p> <p>Digital technology</p>

	<p>Regional resilience – improved place-based training – eg, forestry training within region</p> <p>Delivery of foundational skills that work for the region</p> <p>Improving, and building on, digital literacy to keep pace with technological developments</p>	<p>Vertical construction</p> <p>Priority population groups</p> <ul style="list-style-type: none"> • Rangatahi/youth
Hawke’s Bay	<p>Enabling youth transitions from school through to training at work and/or tertiary study and into employment – including access to high quality careers advice, information and guidance services, together with easily navigable pathways into work and/or study</p> <p>Enhancing career pathways, upskilling, and mobility for employees – work-readiness – cultural consideration applied to all pre-employment programmes</p>	<p>Construction</p> <p>Food and fibre – horticulture and meat processing</p> <p>Priority population groups</p> <ul style="list-style-type: none"> • Wāhine in the workforce
Taranaki	<p>Improving, and building on, digital literacy to keep pace with technological developments</p> <p>Enhancing career pathways, upskilling, and mobility for employees – emphasis on transferrable skills across all sectors, including foundation skills, cultural capability, wellbeing and resilience; building stronger workplace and training cultures</p> <p>Enhancing career pathways, upskilling, and mobility for employees – building transferrable skills that can be applied in many environments</p> <p>Enabling youth transitions from school through to training at work and/or tertiary study and into employment</p>	<p>Energy</p> <p>Food, fibre and whenua</p> <p>Priority population groups</p> <ul style="list-style-type: none"> • Rangatahi/youth
Manawatū–Whanganui	<p>Enabling youth transitions from school through to training at work and/or tertiary study and into employment – including access to</p>	<p>Health (kaiāwhina workforce)</p> <p>Priority population groups</p> <ul style="list-style-type: none"> • Rangatahi/youth

	<p>high quality careers advice, information and guidance services, together with easily navigable pathways into work and/or study</p> <p>Improvements in coordinated place-based training for the kaiāwhina workforce across the rohe</p>	
Wellington	<p>Maximising the available workforce to meet regional demand</p> <p>Supporting employment initiatives for young people</p> <p>Building connections between employers, educators and workers</p> <p>Improving, and building on, digital literacy to keep pace with technological developments</p> <p>Supporting climate change adaptation and the shift towards a carbon-neutral economy</p>	<p>Construction</p> <p>Infrastructure</p> <p>Digital technologies</p> <p>Health – kaiāwhina and nursing</p> <p>Visitor sector (hospitality and accommodation)</p> <p>Manufacturing</p> <p>Priority Population Groups</p> <ul style="list-style-type: none"> • Māori • Older workers • Pacific peoples • Refugees, new migrants and ethnic communities • Women • Rangatahi/youth • Disabled people

South Island regional skills priorities		
Region	Skills priorities	Workforce priorities
Nelson–Tasman	<p>Enhancing career pathways, upskilling, and mobility for employees</p> <p>Awareness of regional opportunities for work and study</p> <p>Enabling youth transitions from school through to training at work and/or tertiary study and into employment – transitions from school to workforce and study</p> <p>Maximising the available workforce to meet regional demand</p> <p>Building connections between employers, educators and workers</p>	<p>Aquaculture</p> <p>Construction</p> <p>Priority population groups</p> <ul style="list-style-type: none"> Retaining older workers in the workforce – job shaping and flexible working conditions Retaining and supporting our rangatahi/young workers
Marlborough	<p>Enhancing career pathways, upskilling, and mobility for employees</p> <p>Enabling youth transitions from school through to training at work and/or tertiary study and into employment – connections between schools and industry; transitions from school to workforce and study</p> <p>Awareness of regional opportunities for work and study</p> <p>Grounding in Te Tiriti and responding to Māori aspirations to realise improved equity of outcomes – enabling equitable outcomes for Māori in education and the workforce</p>	<p>Aged residential care</p> <p>Aviation</p> <p>Aquaculture</p> <p>Wine Industry</p> <p>Building and construction</p> <p>Priority population groups</p> <ul style="list-style-type: none"> Rangatahi/youth Māori
Tai Poutini West Coast	<p>Enabling youth transitions from school through to training at work and/or tertiary study and into employment – supporting employment initiatives for young people</p> <p>Maximising the available workforce to meet regional demand</p>	<p>Conservation and biodiversity</p> <p>Health and aged care</p> <p>Construction and infrastructure</p>

	<p>Grounding in Te Tiriti and responding to Māori aspirations to realise improved equity of outcomes – ensuring Māori are supported to successfully participate in the labour market</p> <p>Building stronger connections between employers, educators, and workers</p>	<p>Hospitality</p> <p>Food and fibre</p> <p>Mining, engineering and energy</p> <p>Tourism</p> <p>Priority population groups</p> <ul style="list-style-type: none"> • Māori • Women • Rangatahi/youth • Older workers • Disabled people and people with health conditions
<p>Canterbury</p>	<p>Enhancing career pathways, upskilling, and mobility for employees</p> <p>Training pathways</p> <p>Developing new training pathways that provide ways of recognising prior learning, upskilling new or returning staff and support meeting immediate training needs in a cost-effective way, including apprenticeship schemes, module learning, micro-credentials and marae-based training</p> <p>Up-to-date training</p> <p>Stronger connections between training providers and industry to ensure training courses are up-to-date, use relevant tools and methods, build current worker capability and develop work-ready graduates</p>	<p>Manufacturing</p> <p>Healthcare and social assistance – nursing and mental health</p> <p>Digital technology</p> <p>Priority population groups</p> <ul style="list-style-type: none"> • Rangatahi/youth • Māori • Older workers • Pacific peoples • Refugees, new migrants and ethnic communities

	<p>Career advice support</p> <p>Enabling youth transitions from school through to training at work and/or tertiary study and into employment – providing more visibility of programmes and initiatives that promote the improvement of career development support of our rangatahi</p> <p>Improving, and building on, digital literacy to keep pace with technological developments – supporting and aligning programmes that look to increase diversity in the advanced digital workforce, specifically the Kanorau ioio/neurodivergent community</p> <p>Manufacturing</p> <p>Better visibility of existing vocational and tertiary learning pathways</p> <p>Providing new learning and upskilling opportunities for the sector</p> <p>Using new training paths and delivery methods and increasing access for more current and future employees</p>	<ul style="list-style-type: none"> • Women • Disabled people and people with health conditions
<p>Otago</p>	<p>Equitable access to and visibility of learning, development, and career support – supporting people in the region to access support to navigate transitions within education and into employment</p> <p>Grounding in Te Tiriti and responding to Māori aspirations to realise improved equity of outcomes</p> <p>Enhancing career pathways, upskilling, and mobility for employees – labour market participants positively responding to environmental, technological, social and economic changes</p>	<p>Tourism, Travel, Accommodation and Hospitality industries</p> <p>Construction</p> <p>Healthcare and Social Assistance</p> <p>Food and fibre</p> <p>Priority population groups</p> <ul style="list-style-type: none"> • Māori • Older workers • Pacific peoples

		<ul style="list-style-type: none"> • Refugees, new migrants and ethnic communities • Women • Disabled people and people with health conditions
Southland Murihiku	<p>Equitable access to and visibility of learning, development and career support</p> <p>Exploration of new or alternative modes of delivery, depending on the needs of the learner</p> <p>Supporting employer and learner uptake of apprenticeship programmes and other government-funded training options</p> <p>Grounding in Te Tiriti and responding to Māori aspirations to realise improved equity of outcomes</p> <p>Enabling youth transitions from school through to training at work and/or tertiary study and into employment – emphasis on initiatives to improve the career advice and practical support our rangatahi receive</p> <p>Enhancing career pathways, upskilling, and mobility for employees – ensuring strong collaboration across the regional leadership and community so all labour market planning and investment leads to high-quality, equitable impacts for the region – both now and in the future</p>	<p>Tourism and Hospitality (especially Queenstown and Fiordland)</p> <p>Healthcare and social assistance</p> <p>Food and fibre</p> <p>Manufacturing and engineering</p> <p>Priority population groups</p> <ul style="list-style-type: none"> • Rangatahi/youth • Māori • Older workers • Pacific peoples • Refugees, new migrants and ethnic communities • Women • Disabled people and people with health conditions

Appendices

Appendix 1 – Early advice from WDCs and RSLGs on labour industry skill and labour market needs

Identified industry skill and labour market needs include (but are not limited to):

Health workers including nurses (especially in Blenheim) and allied health workers, kaiāwhina and psychologists. Support workers including mental health and addiction, emergency response, social support, child and youth support, disability, home and community, and aged care. Podiatry. Māori health workers.

IT and digital skills including cyber security, software engineers, telecommunication technicians, ICT customer support, multimedia specialists, developer programmers, ICT business analysts, software developers, data analysts. Core digital skills (especially in rural areas and the manufacturing sector).

Travel, aviation and accommodation, tourism (especially in Bay of Plenty, Nelson–Tasman, Tai Poutini – West Coast and Otago), hospitality (especially in Tāmaki Makaurau and Otago).

Agriculture, aquaculture, forestry (especially in Tairāwhiti), horticulture, and primary processing, shearing, viticulture and wine-related roles (especially in Marlborough).

Plumbing, gas fitting and drain laying, construction and infrastructure, manufacturing.

New roles in the creative/cultural sector and recreation sector, skilled outdoor professionals, performing arts technicians, parks and recreation planners.

These identified needs are not yet prioritised for investment (unless mentioned elsewhere) but will be explored in upcoming months to see where investment in education and training will provide the impact desired.

Appendix 2 – On-Plan funds

We provide most of our funding through Investment Plans. The following funds are considered on-Plan (the funding is allocated through the Investment Plan process):

- SAC 1&2
- SAC 7+
- Youth Guarantee
- Intensive Literacy and Numeracy
- Intensive Literacy and Numeracy ESOL
- Intensive Literacy and numeracy – Refugee English
- Workplace Literacy and Numeracy – TEO-led
- ACE in Communities
- ACE in Schools.

UFS has both on-Plan and off-Plan elements.

	Te Pūkenga	PTE	Wānanga	Universities
UFS delivery component	On-Plan	On-Plan	On-Plan	On-Plan
UFS learner component	On-Plan	On-Plan	On-Plan	On-Plan
UFS strategic component	On-Plan	Off-Plan <i>contestable process</i>	On-Plan <i>PDMF only</i>	N/A

Regional workforce priorities – sectors and industries

