Timeline (top): Dec 18 | Jun 19 (B19) | Dec 19 | Jun 20 | Dec 20 | Jun 21

Structural Change

Mergers

Key considerations
- WelTec/Whitireia
- Unitec/MIT

Phases:
- Business Case
- Implementation planning
- Disestablishment and establishment
- Go live
- Consolidate new entity's teaching and support functions

Potential benefits
- Reduced inter-ITP competition and duplication in Auckland and Wellington
- Improved ability to rebuild financial wellbeing and capability of two rather than four institutions

Regional Access

Key considerations

(Indicative only; nature of entities tbc)
- Regional Access institution established as a Schedule 4A company and registered as a PTE. Cabinet and Governor General must approve establishment
- Candidates: TPP, WITT, NorthTec

Phases:
- Implementation planning and PTE registration
- Disestablishment
- Go live
- PTE delivery and accreditation

Potential benefits
- Significant reduction in cost structures
- Institutions focussed on access in remote areas rather than own delivery

Central Entity

Key considerations
- Initially: Middle office/academic support infrastructure (learning design, materials design, staff PD)
- Next: Middle office IT e.g. SMS, LMS
- Potential: back office services in longer run
- Question: sector leadership functions (e.g. national, international marketing; academic QA)?

Phases:
- Design
- Go live
- Establishment
- First Stage Implementation
- Second Stage Implementation

Potential benefits
- Consistent, high-quality learning design & materials across sector
- Reduced duplication across sector in middle office functions ($10m - $70m per annum)

Timeline (bottom): Oct 18 | Nov 18 | Dec 18 | Jan 19 | Feb 19 | Mar 19 | Apr 19 | May 19 | Jun 19 | Jul 19 | Aug 19 | Sep 19

VET Review (funding, ITO roles and CoVEs)

- Drafting VET system direction Cabinet paper
- Cabinet paper submitted
- Drafting Cabinet paper seeking approval for sector and public engagement
- Cabinet paper submitted
- Sector and public engagement
- Drafting Cabinet paper summarising engagement feedback and detailing changes to VET system
- Cabinet paper submitted

ITP Roadmap – design phase

- Mobilise project
- High-level solution design
- Budget bid finalised in bilaterals
- Detailed solution design
- Ongoing design as required
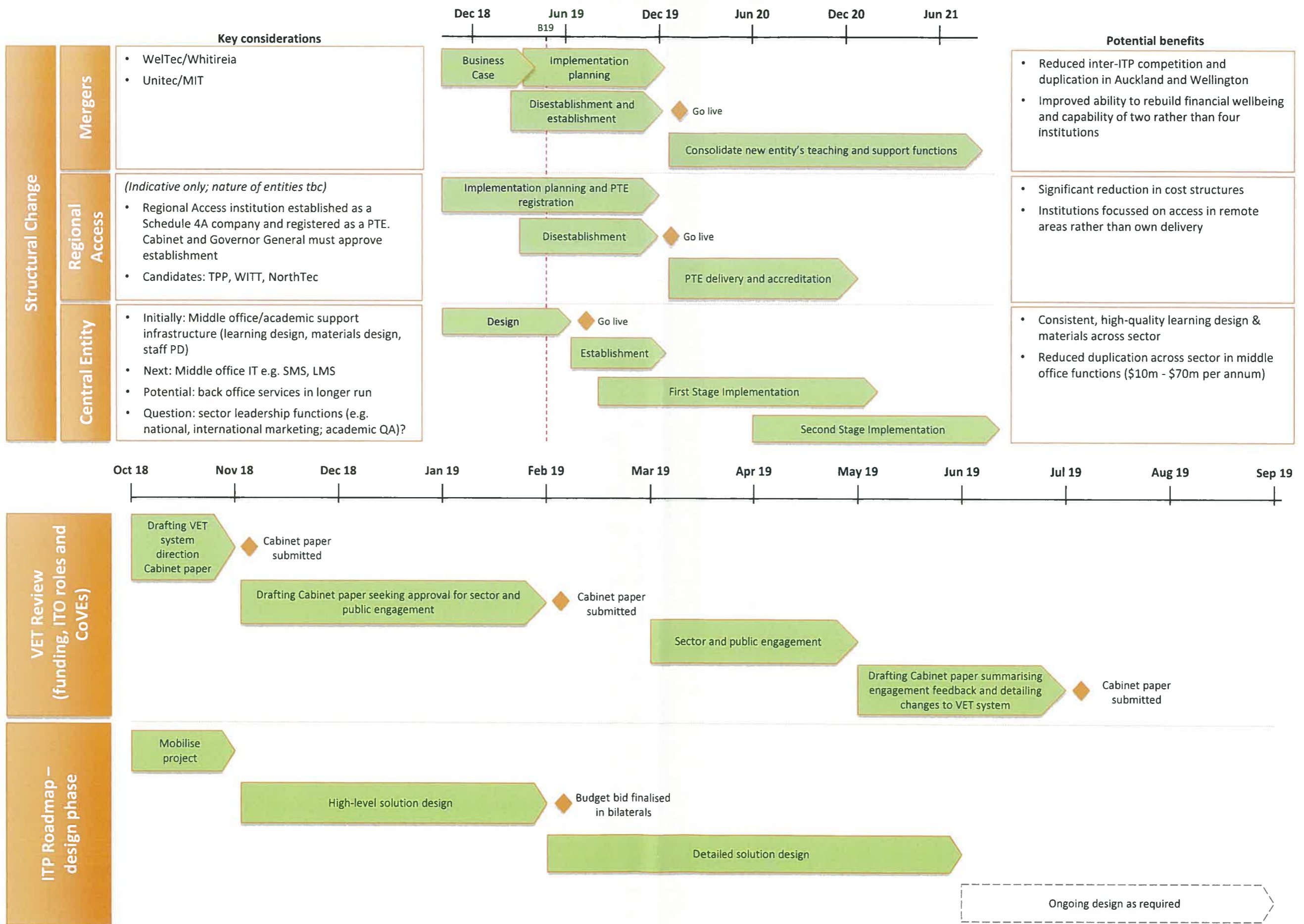
Option 1, structural change

Option 1 creates a VET system that would *necessitate* collaboration between industry training organisations (ITOs) and providers, where collaboration would be driven *from the centre*. ITOs would become standard-setting bodies (SSBs): their standard-setting role would be strengthened and they would lose their current arranging training function. SSBs and providers would have distinct and complementary roles, and they would not be able to perform their own roles without collaborating. This option would be achieved via an up-front redesign of the roles in the system through significant legislative and funding change. It could push reforms further than option 2, but comes with higher costs of change.
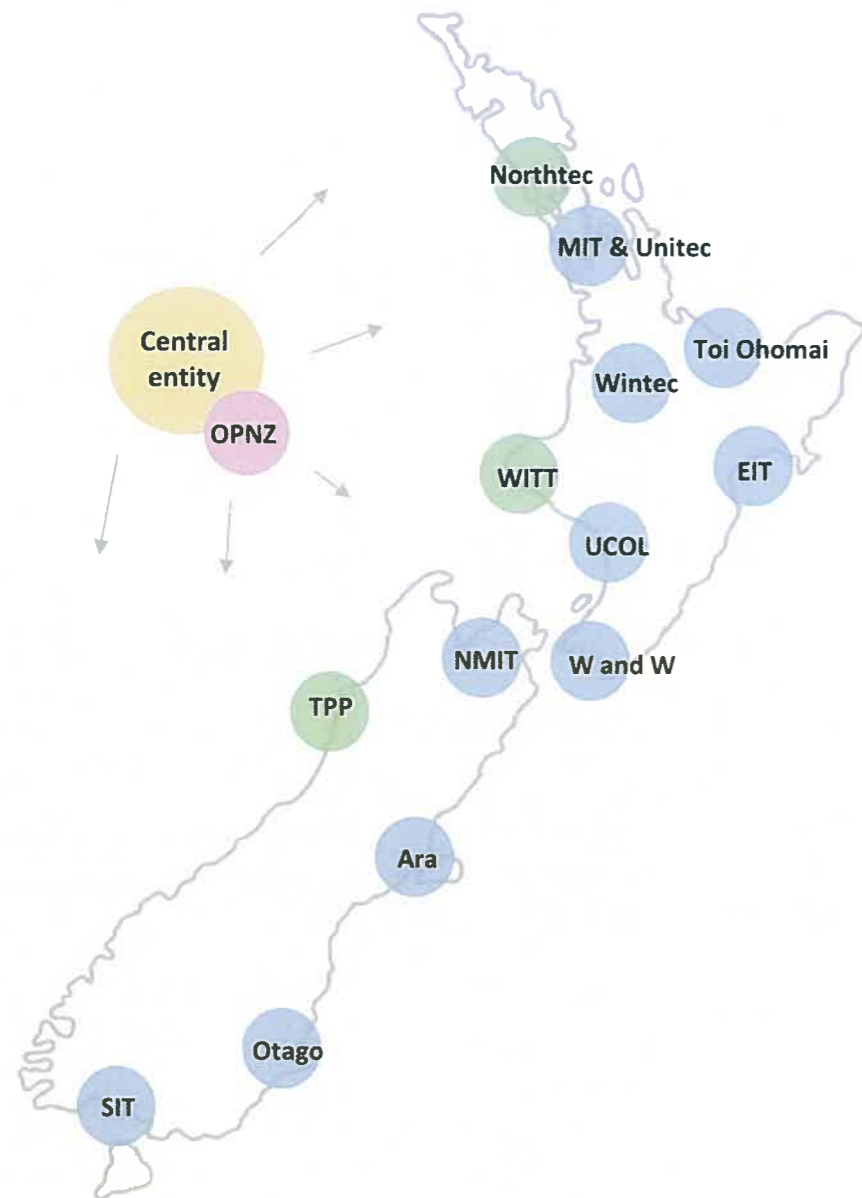
Notes:
- *Map does not change between Options 1 and 2.*
- *This A3 presents one of many possible variations for mapping ITP Roadmap 2020 proposals to Option 1 for changes to the VET system. We would need to consult with the sector and its stakeholders to identify the best design choices within these broad parameters.*
- *Map above does not show CoVEs. CoVEs could be multi-site virtual networks or bricks-and-mortar physical centres, or a mix of both; and could comprise a few large aggregated centres, or a large number of smaller, more targeted ones. The Ministry of Education is preparing advice for you on CoVEs.*

Programme Lead ITPs would:
- Deliver a wide range of sub-degree and undergraduate programmes to their region to enable learners to meet the standards set by industry (set tightly in the case of sub-degree delivery; less tightly for degree-level education) – covering provider-based delivery, work-integrated delivery, and support for employers to do high-quality on-job training, and using programmes developed by the relevant Programme Lead ITP
- **In their areas of programme leadership only,** and drawing on learning design expertise from the central entity:
  - Design qualifications at degree level and above (consulting with industry as per existing practice)
  - Design programmes for nationwide delivery by ITPs to deliver the qualifications designed either by themselves (at degree level and above) or by SSBs (at sub-degree level) – with the latter programmes being developed in close collaboration with SSBs*
  - Deliver postgraduate programmes nationwide, with out-of-region students travelling or studying by distance
- Host CoVEs (see note, bottom left) in line with their expertise and local industry relevance

Regional Access ITPs would:
- Broker and facilitate the delivery of education into their region from multiple providers, via a mix of block-course, fly-in-fly-out, blended and distance delivery modes, using subcontracting or partnership arrangements as best suited the situation, and covering provider-based delivery, work-integrated delivery, and support for employers to do high-quality on-job training
- Provide infrastructure and facilities to support a coherent and quality delivery experience for students
- Deliver directly to students themselves only where they have scale and expertise

Both Programme Delivery and Regional Access ITPs would:
- Liaise with local businesses, EDAs and iwi/hapū, as well as SSBs where relevant, to determine the right mix and content of delivery for their region
- Liaise with their local E2E service(s) to support learners to transition into and out of tertiary education, and to support local industry to grow a local talent pipeline to meet its needs
- Use core products and services provided by the ITP centralised entity, eg LMS, SMS, learning design, business processes
- Provide pastoral care to their own students
- As and when required, provide pastoral care, or other facilities such as library or internet access, to students studying by distance with OPNZ or at postgraduate level at another ITP

SSBs including ITOs would:
- Set standards and design sub-degree qualifications for providers (ITPs, PTEs, wānanga and potentially schools) to deliver to, including designing assessment resources for providers' use in developing their programmes
- Moderate assessments undertaken by providers
- Undertake or moderate capstone assessments when learners reach the end of their programme
- Forecast and communicate industry skill needs (qualitative and quantitative) with a focus at the national level, in partnership with MBIE, to feed into regional plans led by ITPs with EDAs, and also into TEC's investment decisions
- Potentially, provide skills leadership by coordinating industry efforts to identify and plan to address future skills needs

The distance specialist (OPNZ) would:
- Deliver a fully-online full-service distance offering, using programmes developed by Programme Lead ITPs
- Provide pastoral care to students – both directly and via partnership arrangements with other parties, including other ITPs

The ITP centralised entity would:
- Procure, host and manage sector-wide SMS and LMS platforms, and develop shared business processes
- Maintain a team of learning design experts who work with Programme Lead ITPs nationwide to design programmes
- Provide expertise and capability nationwide in learner analytics capability, asset management, and potentially Treaty relationship management
- Provide PLD frameworks and programmes for ITP staff
- Provide infrastructure and training to power up the "student voice"
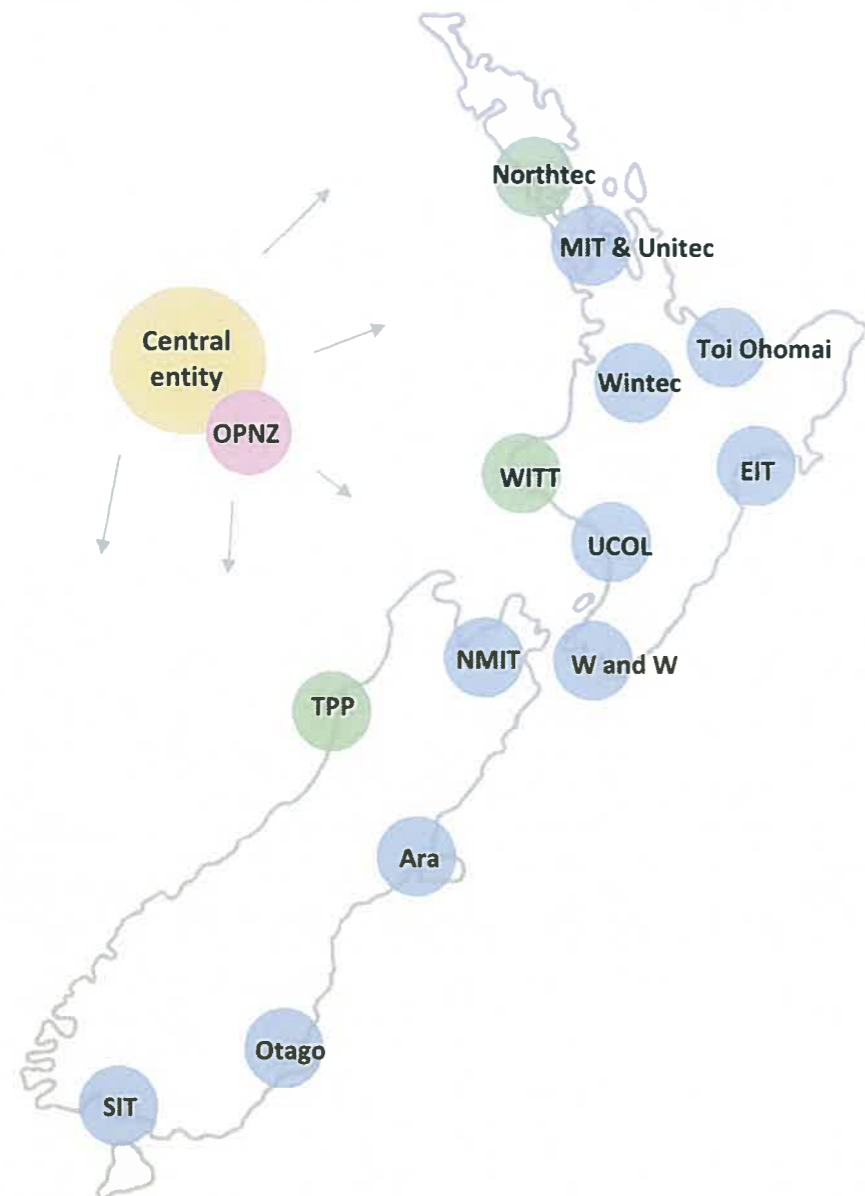- Potentially, lead collective international and domestic marketing for ITPs

E2E services would:
- Provide career and E2E integration services across schools, tertiary providers and employers in their region, in liaison with multiple local and national services
- Note: The key functions of an E2E service could be allocated across different parties in different ways in each region, according to the region's existing services, relationships and resources. ITP campuses might be good places to host services in many regions, and ITPs could also provide some E2E services.

* All programmes should be suitable for ODFL and blended delivery where relevant, as well as face-to-face

Option 2, funding reform

Option 2 creates a VET system that would *incentivise* collaboration between ITOs and providers, where collaboration would be driven *locally*. Higher funding rates for provision that combines the best of on- and off-job learning would be available for providers and ITOs that show they are collaborating. ITOs and providers would retain their current roles, and they could continue to perform their roles with minimal or no collaboration, but lower funding rates would disincentivise this. This option would be achieved through significant funding reform to create a common funding model for VET. This would have lower risks and costs of change than option 1, but might mean reform does not progress as far.

Central entity

OPNZ

Northtec

MIT & Unitec

Toi Ohomai

Wintec

WITT

EIT

UCOL

NMIT

W and W

TPP

Ara

Otago

SIT

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Programme Lead ITPs would:
- Deliver a wide range of sub-degree and undergraduate programmes to their region, to enable learners to meet the standards set by industry (set tightly in the case of sub-degree delivery; less tightly for degree-level education) – covering provider-based delivery and work-integrated delivery, and using programmes developed by the relevant Programme Lead ITP
- Increasingly, collaborate with ITOs to access a higher funding rate for delivery that combined the best of on- and off-job learning (if the higher funding rate was not available for work-integrated programmes designed and delivered solely by providers)
- **In their areas of programme leadership only**, and drawing on learning design expertise from the central entity:
  - Design qualifications at all levels
  - Design programmes at all levels for nationwide delivery*, increasingly collaborating with ITOs to access a higher funding rate for programmes that combined the best of on- and off-job learning (if the higher funding rate was not available for work-integrated programmes designed and delivered solely by providers)
  - Deliver postgraduate programmes nationwide, with out-of-region students travelling or studying by distance
- Host CoVEs (see note, bottom left) in line with their expertise and local industry relevance

Regional Access ITPs would:
- Broker and facilitate the delivery of education into their region from multiple providers, via a mix of block-course, fly-in-fly-out, blended and distance delivery modes, using subcontracting or partnership arrangements as best suited the situation, and prioritising delivery that combined the best of on- and off-job learning where possible (potentially in collaboration with ITOs)
- Provide infrastructure and facilities to support a coherent and quality delivery experience for students
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Both Programme Delivery and Regional Access ITPs would:
- Liaise with local businesses, EDAs and iwi/hapū, as well as ITOs where relevant, to determine the right mix and content of delivery for their region
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- Use core products and services provided by the ITP centralised entity, eg LMS, SMS, learning design, business processes
- Provide pastoral care to their own students
- As and when required, provide pastoral care, or other facilities such as library or internet access, to students studying by distance with OPNZ or at postgraduate level at another ITP

ITOs would:
- Set standards and design sub-degree qualifications for their own use, and for providers' optional use, including assessment resources if they saw fit – and moderating assessments against their standards where in use
- Design training resources to support employers to train employees, and arrange for providers to deliver to trainees, as now
- Increasingly, collaborate with providers to access a higher funding rate for programmes that combine the best of on- and off-job learning
- Forecast and communicate industry skill needs (qualitative and quantitative) with a focus at the national level, in partnership with MBIE, to feed into regional plans led by ITPs with EDAs, and also into TEC's investment decisions
- Potentially, provide skills leadership by coordinating industry efforts to identify and plan to address future skills needs

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