



Briefing Note: RoVE: Ensuring a new vocational education system supports disabled learners' success

To:	Hon Chris Hipkins, Minister of Education		
Date:	7 May 2019	Priority:	High
Security Level:	In Confidence	METIS No:	1188354
Drafter:	Lauren Bell	DDI:	s 9(2)(a)
Key Contact:	Vic Johns	DDI:	
Messaging seen by Communications team:	N/A	Round Robin:	No

Purpose

- This paper provides you with information on how the core institutional arrangements for a new vocational education system could be strengthened to better support disabled learners' success and be more responsive to their needs.
- We provide key areas in which we will undertake further policy analysis and design work, and where we could seek to further engage with disabled learners, their whānau, and key stakeholders in the disability sector on the design and development of the new system.

Summary

Disabled people are under-served by the vocational education system and have significantly poorer employment outcomes than the general population. An explicit focus on the access, success, and outcomes (both learning and employment outcomes) of disabled learners in a new vocational education system can assist in addressing these inequities.

The significant changes proposed under the Reform of Vocational Education (RoVE) present an important opportunity to ensure that the underlying design of this system can best support disabled learners' success.

This paper focuses on what we see as the necessary changes to the core institutional arrangements of the new system in order to strengthen its ability to better support, and be responsive to, disabled learners needs. In particular, the legislative and governance arrangements put in place in establishing the Industry Skills Bodies and the New Zealand Institute of Skills & Technology (NZIST).

We will seek to engage with disabled learners and stakeholders in the disability sector throughout the RoVE work. Some key areas that will be subject to further detailed design work include:

- the design of skills standards, qualifications, and programmes,
- a draft of the charter for the NZIST, and
- a unified funding system.

We will continue to engage with disabled learners, their whānau, and stakeholders in the disability sector, to ensure that their voices and perspectives are included throughout this ongoing work. As part of this, we will continue to work with the Office for Disability Issues (ODI).

This work has wide reaching interdependencies and implications, including broader work in the Ministry of Education (i.e. the Draft Disability and Learning Support Action Plan) and the Ministry of Social Development (i.e. settings to support disabled people in the labour market), as well as wider implications for the New Zealand Disability Strategy outcomes (NZDS; including, in particular, education and employment outcomes for disabled people).

More detailed advice on the RoVE is being provided in a series of Annotated Agendas, and we will seek to reflect the content in this paper as upcoming Cabinet papers are drafted.

Proactive release

Agree that this Briefing will be proactively released once information on related decisions has been made publicly available.

Agree / Disagree



Andy Jackson
Group Manager
Tertiary Education



Hon Chris Hipkins
Minister of Education

07/05/2019

20/5/19

Background

1. Disabled people¹ are under-served by the vocational education system and have significantly poorer employment outcomes than the general population. Compared to the general population, disabled people are less likely to be participating in the labour force, are more likely to be unemployed, and earn less. Also, the rate of disabled young people who are not in employment, education, or training (NEETs) is four times higher than for non-disabled young people².
2. Currently, data collected by education providers on disabled learners in tertiary education is poor, and no data is collected by industry training organisations (ITOs) on disabled learners. To address this – as a part of the Ministry’s and Tertiary Education Commission’s (TECs) broader, longer-term work – we intend to improve data collection and reporting processes regarding disabled learners across all of tertiary education. This is especially important if decision-making on issues regarding disabled peoples’ educational success and outcomes is to be informed by robust data and evidence.
3. An explicit focus on disabled learners’ success in the new vocational education system will be key in attempting to address the abovementioned inequities. The significant changes proposed under the RoVE present an opportunity to ensure that inclusiveness be a core design principle in the system, so that it can best support disabled learners’ success.
4. The three RoVE proposals would have implications for disabled learners, and include:
 - **Redefining the roles** of providers and ITOs, and extending the leadership role of industry and employers through Industry Skills Bodies (ISBs) and of regional communities through regional leadership groups (RLGs).
 - Creating a **single institution**, the New Zealand Institute of Skills & Technology (NZIST), by amalgamating our 16 institutes of technology and polytechnic (ITPs).
 - Creating a **unified funding system** to deliver funding for vocational education through a single funding system.

Stakeholders are telling us that change is needed

5. Earlier engagement with disabled people during the 2018 VET review highlighted concerns regarding transitioning into vocational education and navigating through the system and into employment.
6. Key themes from the RoVE consultation submissions in relation to disabled learners (based on analysis to date) are integrated into work below, and include:
 - The need for a **funding system** that better supports the success of disabled learners.
 - Improved **access** to, and **support** within (i.e. pastoral and financial), vocational education for disabled learners.
 - The need for more **engagement**, and opportunities for **partnership** and **co-design**, with disabled people and stakeholders in the disability sector on the ongoing RoVE work.
 - The importance of **carrying through existing programmes and initiatives** that work well for disabled learners into the new vocational education system.

¹ Disabled people, as defined in the New Zealand Disability Strategy, “are people who have long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others”. Of note, this is the definition used in the United Nations Convention on the Rights of Persons with Disabilities.

² Sourced from StatsNZ June 2018 quarterly report, *Labour market measures for disabled people*.

7. The RoVE presents an opportunity to create a system that is easier for disabled learners to navigate and provide support – across the whole system – that is better tailored to, and able to accommodate for, diverse learner needs.

The New Zealand Disability Strategy and Action Plan set outcomes for education and employment

8. The Office for Disability Issues' New Zealand Disability Strategy (NZDS; 2016-2026) has outcomes specific to education (*'we get an excellent education and achieve our potential throughout our lives'*) and employment and economic security (*'we have security in our economic situation and can achieve our full potential'*), as well as underlying principles and approaches that will be taken into account as the RoVE progresses.
9. The Disability Action Plan (DAP; 2014-2018) is the primary vehicle for implementing the NZDS. Outcome One of the DAP is to increase employment and economic opportunities for disabled people. This shared result focuses on building employers' confidence to employ disabled people and provide accessible workplaces, opportunities for work experiences, entrepreneurship, and education achievement and skill development.
10. Of note, the Ministry of Education has the lead on priority 1a of the DAP: to *improve transitions* of disabled people moving from school and from tertiary education into employment.

A vocational education system that better supports disabled learners' success

11. The system change proposed through the RoVE provides an opportunity to design a system that:
 - improves disabled learners' success and outcomes (including learning and employment outcomes), and
 - works closely, and in partnership, with disabled learners, their whānau, and key stakeholders in the disability sector.
12. Decisions around the legislative framework for the new vocational education system are being taken over the coming weeks, to inform Cabinet decisions in late June. More detailed design work will take place following Cabinet decisions, and will include opportunities for further sector engagement on a range of issues, including with disabled learners, their whānau, and stakeholders in the disability sector. These are outlined in further detail below.
13. It will be important that organisational structures, accountability settings, and the funding system take a coherent 'whole of system' approach to better support disabled learners' success – and learner inclusiveness within education more generally – rather than continuing with backend, add-on initiatives or piecemeal changes.
14. Shifting to an integrated VET system, where learners get more exposure to employment and work environments while studying, could help address disabled learners' issues within the existing system regarding inequitable access to employer networks. Disabled learners may not always have the connections and opportunities to gain employment, especially where employers may have preconceived negative attitudes towards, and perceived barriers around employing, disabled people. A shift to an integrated system should, over time, assist in addressing and breaking down these attitudes towards, and barriers for, disabled people.
15. Although disabled learners will benefit from an integrated system, it will also be crucial for the government to play a key role in actively supporting, encouraging, and incentivising employers to hire disabled people, and offer non-paid placements for work experience.

This will help ensure that disabled people can take part in industry training and have better employment opportunities and outcomes³.

Proposal One: Proposed changes to roles and functions of industry and providers

Role changes in relation to standards-setting, programmes, and qualifications

16. Our advice has outlined that while ISBs high-level functions are likely to be set in legislation, more detailed decisions in relation to skill standards, qualifications and programmes could be enabled by NZQA Rules. Moreover, it is expected that ISBs and NZQA would both have a role in managing the national consistency of programmes.
17. Ongoing work following Cabinet decisions in June will provide further opportunities for engagement with stakeholders in the disability sector in relation to work on the design of skill standards, qualifications, and programmes. This provides the opportunity to ensure the education needs of disabled learners are taken into account in the programme and qualifications design process. For example, part of the design of the new skills standards could include making sure new standards are both flexible and accessible for all learners, including disabled learners⁴.

Transition of arranging training function from ITOs to providers

18. It will be vital to ensure that providers taking on the arranging training function from ITOs are competent at supporting disabled learners, both in the classroom and workplace. Where good practice currently exists, we should look to embed this in the design of and transition to the new system. This could include working with key stakeholders, like Workbridge⁵, who have a good track record of successfully transitioning young disabled people in tertiary education into employment.
19. Moreover, the shift in expectations through the RoVE, where the provider has an obligation to get work placements for disabled learners, can help address the much needed culture shift of removing the negative attitudes, and barriers, that disabled people currently face regarding employment.

Proposal Two: NZIST and Regional Leadership Groups

20. Setting up a new institution provides an opportunity to ensure the institute has core expectations regarding disabled learners' success. The governance arrangements, the Charter and key steering documents (e.g. the Letter of Expectations) for the new NZIST that will be established through the legislative framework are key levers to set expectations that the new NZIST would be governed and operate in a way that supports disabled learners' success.
21. The information below outlines key opportunities that could be considered as part of the institutional arrangements and decisions in setting the legislative framework for the institution. These can also provide an opportunity to include the voices and perspectives of disabled learners, and key stakeholders in the disability sector, within the core design of the NZIST.

³ For instance feedback from an employer during the 2018 VET review consultation indicated that they actively want to hire and train disabled people, but that they struggle to get the support they need from government.

⁴ The NCEA review change package includes looking at how achievement standards can be designed to be accessible for all learners. There is an opportunity to learn from this work to ensure inclusive standard design and assessment in the new vocational education system.

⁵ Workbridge is a specialist employment service that gives employers access to disabled people. They have employer and tertiary institute partnerships in place, including with some polytechnics (namely, Ara and Wintec).

National Council

22. You have indicated your preference for a skills-based Council to proceed, as opposed to a representative council. Some options exist to include disabled peoples' voices and perspectives as part of decision-making at this level. For instance, you have indicated that when making appointments to the Council, the Minister should consider the diversity of New Zealand's population, including diversity of ethnicities, genders, socio-economic status. This could also be broadened to include the diversity of abilities, so that the considerations of diversity encompass disabled people. In addition, there should be an expectation that all Council members are competent in understanding the diversity of learner abilities and needs, including disabled learners.

NZIST Charter and key accountability documents

23. You have indicated that the legislative framework for the NZIST should take an enabling approach to the Charter and NZIST governance arrangements. Incentives could be put in place to encourage the NZIST to establish vehicles, across the organisation, for disabled people to be part of decision-making and governance at national and regional levels as appropriate. In which case, there would be an expectation that these vehicles be developed in consultation with relevant stakeholders.
24. For instance, the Charter and key steering documents (e.g. the Letter of Expectations) should detail equity requirements – in that the institute must be competent in, and responsive to, the diversity of all learners' abilities and needs (with explicit reference to disabled learners). Setting such expectations would help ensure that the new vocational education system is best positioned to support disabled learners' success and outcomes (including learning and employment outcomes). Further opportunities to ensure accountability to disabled learners in the new system will be considered as part of ongoing design and establishment of the NZIST.⁶

Carrying through what works for disabled learners and existing partnerships with disability organisations into the new system

25. There is some good practice in polytechnics, however it is not consistent across the entire system. Currently, online and blended learning⁷ is one of the important ways to get reach into communities and learner groups that wouldn't otherwise be able to participate in vocational education, which includes disabled learners⁸. Numerous submitters highlighted the importance of continuing online learning into the new system to accommodate the diverse needs of disabled learners, especially regarding barriers to access. We could look to existing models of online and blended learning that currently work well for disabled learners to ensure that the effective aspects of such programmes are not lost when transitioning to the new system.
26. It would be important to support the NZIST to meet expectations regarding strategic partnerships with key disability organisations, supporting the success of disabled learners during the implementation phase, and maintaining existing partnerships. For example, the current relationships that Workbridge has with local polytechnics (i.e. Ara and Wintec) will be important to maintain, and carry through, into the new system.

⁶ For example, in Australia tertiary education organisations are encouraged to submit disability action plans with their investment applications.

⁷ Blended learning includes a mixture of face-to-face and online learning.

⁸ Some disabled learners struggle to physically make it to class due to mobility and agility difficulties.

Regional Leadership Groups (RLGs) formation

27. RLGs are envisaged to sit outside of the NZIST and could be a wider regional labour market planning body that could co-ordinate and align employment, labour market, welfare, and training at the regional level. There is an opportunity, as part of ongoing work, to include engagement with key disability sector stakeholders at the regional level as part of labour market planning.

Proposal Three: Funding

28. Funding will influence key actors (including the NZIST and ISBs) in the new system and support them to give effect to priorities. In addition to those outlined above, funding offers another significant opportunity to ensure that the new vocational education system better supports disabled learners access to, support within, and outcomes from, vocational education.
29. During consultation, we heard that changes to funding are an opportunity to ensure a funding system better supports education provision that is responsive to a diversity of types and levels of needs, and works to remove barriers to access, sustained participation and completion, which may be related geography, socioeconomics, and/or prior education attainment or experience. There is an opportunity for policy development on a unified funding system to be informed by meaningful engagement with key stakeholders in the disability sector.
30. The new funding settings will be particularly important for supporting disabled learners' success, as the current funding settings in the tertiary sector are inadequate to support disabled learners (especially those with high-needs), as compared to the schooling sector. Annex One provides more information on the support available to disabled learners who are in Education (from schooling to tertiary) and on the broader financial support for disabled learners from the government.
31. More detail on the proposed funding model, including specific details on design principles for a funding mechanism that will support particular learner groups (e.g disabled learners), is being provided in an Annotated Agenda this week [METIS 1187912].

Further engagement on the RoVE proposals

32. There is an opportunity to engage on approaches to the RoVE with disabled people, including on the following:
 - the design of skill standards, qualifications, and programmes,
 - a draft of the charter for the NZIST, and
 - a unified funding system

Next Steps

33. The Ministry will continue to work with TEC and NZQA, and seek to test approaches to the RoVE proposals outlined in this briefing with disabled people and key stakeholders in the disability sector.

Annex One: Wider funding arrangements for disabled people in New Zealand

There is a range of support available to disabled people in New Zealand

Disabled people receive extra support from a range of government agencies, including the Ministries of Social Development (MSD), Health, and Education, the Accident Compensation Corporation (ACC), District Health Boards, and the New Zealand Transport Agency (NZTA). Government-funded disability-related support services include those for:

- personal support,
- equipment and modifications (e.g. wheelchairs, hearing aids, and housing/vehicle modifications),
- carer support,
- assistance to people who have accidental injuries,
- disability and learning support services in education,
- support with activities of daily living and to participate in the community, and
- other financial assistance (e.g. MSD's Disability Allowance).

Financial support for disabled learners is limited across the education sector

Existing funding for disabled learners in the education system is paid to, and managed by, schools and education providers.

The predominant funding mechanism for disabled learners at the schooling level is the Ongoing Resourcing Scheme (ORS). This capped funding is targeted at disabled learners with the highest level needs, and accommodates roughly 300 learners nationwide.

ORS funding does not follow students if they transition into tertiary education. Moreover, there is no equivalent to ORS available to disabled learners at the tertiary level. Instead, Tertiary education organisations (TEOs) receive money from the Government (via the Tertiary Education Commission; TEC) to contribute to the costs of supporting their disabled students. These amounts are relatively small, and we do not know if they are sufficient to cover all the costs of supporting disabled students (especially those with high needs).

The TEC expects all TEOs to provide support to make sure disabled students succeed in tertiary education, and provides funding for disabled learners through two key top up funds:

- 1) **Equity funding (students with disabilities)** helps cover the costs of providing extra support for students with disabilities at tertiary education institutes. It is a 'top-up' to the Student Achievement Component (SAC) funding, to help cover the costs of providing extra support for disabled students.

Equity funding is allocated at a set rate per SAC-funded EFTS agreed in the Plan of a TEI. It consists of a payment of \$28 per student per year, paid based on a percentage of total enrolled learners, independently of the actual figure of disabled learners' enrolled or their actual needs. It is expected to be used for disabled students, however, it is not intended to be the sole or primary source of funding used to support disabled students.

- 2) **Special Supplementary Grant - Special Education (SSG-SE)** is available to ITPs that already teach disabled students (they tend to be specific programmes or intakes aimed at disabled students). SSG-SE is intended to help cover the costs of providing extra support, such as additional tutor support, for disabled students at levels 1 and 2. In 2018, TEC allocated \$662,501 in SSG-SE to eight ITPs.

In addition to the abovementioned forms of specific funding for disabled learners, SAC levels 1 and 2 funding includes some supported learning provision.

It is up to TEOs to choose how to use government funding and other revenue to support students with disabilities. An example of the support offered to disabled tertiary students is disability resource services. Disability resource services assist students with disabilities by providing appropriate, disability-related study support services and specialist resources such as:

- practical support (e.g. Interpreters and Note takers),
- assistive technology (e.g. digital voice recorders and screen reading),
- information in alternate formats (e.g. electronic, enlarged, and Braille),
- special arrangements for exams (e.g. extra time, a separate room, and a writer), and
- advice and general information on disability-related issues for students.

Disabled learners can also access financial support through MSD

Several forms of **extra help** are available to disabled people through MSD, including:

- **Disability allowance (DA)** is a capped payment of up to \$64 weekly (not taxed), and is available to eligible people who have regular, ongoing costs because of a health condition or disability. It provides reimbursement of costs, such as visits to the doctor/hospital, medicines, extra clothing, or travel.
- **Support Funds** contribute to any additional costs a jobseeker or student has as a direct consequence of their disability, when undertaking the same job or training as a person without a disability. Two main support funds are available to help disabled people take part in employment, including Job Support and Training Support⁹. Job Support funding is limited to \$16,900 per person over a 52-week period. Training Support funding has a lifetime limit of \$15,600. Of note, these supports are intended as last resort funding, and so cannot be relied on at a structural/systematic level.
- **Transition Services**¹⁰ support a small number of disabled people each year. These services are for students aged between 16-21 years who are receiving (or have received) ORS funding and are in their last year at school or tertiary education. Approximately 300 people are assisted each year. The disability sector has challenged the targeting of funding to only those receiving ORS funding, as this excludes most disabled students.

Two key **main benefits** can be accessed by eligible unemployed disabled people through MSD, namely, Job Seeker Support and Supported Living Payment (SLP):

- **Job Seeker Support** – is available to eligible part-time learners, including those with a health condition or disability, until they find work; and
- **Supported Living Payment (SLP)** – a weekly payment to help people who have, or are caring for someone with, a health condition, injury, or disability. SLP is available to eligible disabled learners studying full- or part-time. It does not impact on their ability to get a Student Loan from StudyLink to help pay for course fees and any course-related costs.

⁹ Training support funding can be used to: pay for a support person to help a student continue with a training course, contribute to transport costs of getting to training and/or work experience, and pay for special equipment not covered by other funding sources.

¹⁰ These will, in time, be included as part of the individualised funding system – Mana Whaikaha.