



## Frequently Asked Questions – Plan Guidance

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This document gives answers to a number of frequently asked questions (FAQs) about the *Plan Guidance for 2017 & 2018* document, the Investment Approach, and the plan process more generally.

We will update these FAQs regularly throughout the plan process.

We welcome your feedback on Plan Guidance and the Investment Approach – [visit the Investment Approach page on TEC website](#) for ways to get in touch.

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### What is Plan Guidance?

Plan Guidance is the formal means by which we advise TEOs of the things we expect to see in their plans.

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### Who needs a plan?

Most of our funds are administered through plans so most organisations seeking funding from us are required to develop and submit a plan.<sup>1</sup>

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### Will any TEOs be exempt this time?

From 2016, we are proposing to exempt some private training establishments (PTEs) and community education providers (CEPs) which only receive a small amount of funding from us, from the need to prepare plan. This will lower some of the compliance costs for these organisations.

We are in the process of seeking feedback from the sector, schools and community organisations on this proposal. We'll be making decisions on this early in 2016.

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### Why is this Plan Guidance coming out early?

We're releasing this Plan Guidance a few months earlier than previously for two reasons:

1. to give TEOs more time to develop plans, and
2. to allow us time to work with the sector to iron out some of the details, particularly around changes we're looking to implement as part of the Investment Approach.

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### This Plan Guidance seems short on detail: where is it?

This Plan Guidance is deliberately light on detail – that is still to come.

We want the sector to start their plan development by thinking at a higher/strategic level.

We want to work with the sector to co-create what that detail looks like and will work in practice.

We will be producing more detail next year, which will provide more information around the tools, templates, content and criteria required to finalise plans.

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<sup>1</sup> A small number of funds are administered “off-plan” and have separate application and monitoring requirements. The [Fund Finder](#) on our website has more details

<p>What is staying the same in this plan round?</p>	<p>Our focus on the Tertiary Education Strategy (TES) has not changed.</p> <p>The later Guidance document(s) will be more familiar, including many of the tools and templates TEOs will need to use, and the <i>Gazette</i> notice.</p>
<p>What about the <i>Gazette</i> notice?</p>	<p>The <i>Gazette</i> notice is expected to be published by the end of March 2016. This notice will set out, in more detail, the content of plans and plan summaries, and the criteria which we'll use to assess plans.</p>
<p>What's happened to the TES?</p>	<p>Our focus on the TES is still paramount. We still have the same priorities but the way we work towards them will be different. Our expectations of TEOs in respect of the TES remain the same.</p>
<p>Do all TEOs need to contribute to all the priorities of the TES?</p>	<p>The tertiary system as a whole needs to give effect to the TES and all TEOs need to do their part. But we don't expect every TEO to necessarily contribute to all the TES priorities: much will depend on their mission and role, and how they are meeting the needs of their learners and the communities they serve.</p>
<p>On page 6 we talk about "partnering or merging with other providers". What does this mean?</p>	<p>This does not mean we want every TEO to merge or close. What we want to see is a system where providers are sustainable and are going to be around for the long game.</p> <p>We've seen mergers of some TEIs in recent history, and if this needs to happen again, then that is something that we made need to look at.</p>
<p>Are we going to be using EOTE data to shift funding (page 14)?</p>	<p>For this plan round, we will be using EOTE data as a "conversation starter" with TEOs. In extreme cases this could potentially lead to funding being shifted.</p> <p>However, it won't happen automatically nor will it be based solely on EOTE data.</p>
<p>What are the "strategic investment opportunities" we talk about on page 14?</p>	<p>One of the quick wins is to look at how we might invest better (and possibly more) in some key priority areas.</p> <p>For this plan round we are particularly looking at ways to best fund in three areas:</p> <ul style="list-style-type: none"> <li>&gt; Primary industries</li> <li>&gt; Northland with a focus on Māori</li> <li>&gt; South Auckland with a focus Pasifika.</li> </ul>
<p>What is the Investment Approach?</p>	<p>The Investment Approach is about getting better returns for government's investment in education.</p> <p>We want to achieve this by focusing on three goals:</p> <ul style="list-style-type: none"> <li>&gt; improving outcomes for learners</li> <li>&gt; improving economic and social outcomes for New Zealand, underpinned by</li> <li>&gt; more effective system stewardship on the part of the TEC.</li> </ul> <p>The key focus of the Investment Approach is on moving towards investing based on outcomes, rather than on inputs and outputs. It's also about using information to make decisions that benefit the learner, the sector and New Zealand.</p>
<p>What does the Investment Approach mean for 2017 and</p>	<p>As part of the Investment Approach we are focussing on implementing six "quick wins":</p> <ul style="list-style-type: none"> <li>&gt; shining a spotlight on fields of study with poor graduate employment outcomes</li> <li>&gt; identifying strategic investment opportunities in SAC Level 3+</li> </ul>

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2018?

- › technical improvements to education performance indicators
- › reducing compliance costs for PTEs and community education providers around plan requirements
- › creating greater value from Investment Managers working with the sector
- › flexible funding models, including competitive funding at Levels 1 & 2 and pilots for Levels 3 & 4.

The detail on how we will go about these is yet to be finalised. The focus for this Plan Guidance is on starting conversations, rather than presenting fully formed answers – we want feedback and help from a range of TEOs to help finalise our approach.

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When will the TEC be talking to TEOs about the “quick wins”?

Each of the “quick wins” has its own project. We will be talking to the sector from now until the early part of 2016. We will try to coordinate discussions across projects.

The results of these discussions will be used to feed into the detail – and we will continue to share this information and feedback with the sector as it comes in.

We will also update the Investment Approach section on the TEC website, so it’s worth regularly checking that page to see keep up to date.

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