

Relating performance to the recognition of ITOs

Operational Policy Consultation Paper

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Name	Reference & Status	Distribution
Relating performance to the recognition of ITOs	OPERATIONAL POLICY CONSULTATION PAPER	Open for consultation Contact: Industrytrainingprogrammes@tec.govt.nz

Purpose

1. This paper has been prepared as part of the consultation relating to the operational policy for industry training.
2. The TEC invites feedback from the tertiary education sector on the questions presented in this paper and on any other relevant matters. Please use the separate Feedback Template to submit responses.

Aims

3. In undertaking this consultation, the TEC will be guided by the following aims:
 - *Minimising transaction and compliance costs:* the operational policy framework should take account of administrative and compliance costs, and where possible seek to reduce these.
 - *Maximising transparency and accountability:* the recipients of Government funding should be accountable for the results they generate, and related information should be available to interested parties.
 - *Minimising any perverse incentives:* the operational policy framework should be designed in such a way as to minimise and mitigate any perverse incentives.
 - *Maximising value for money:* the operational policy framework should ensure a strong focus on results and avoid arrangements that would lead to the funding of activities by government that would otherwise be funded by other parties.
 - *Providing an appropriate degree of dynamism for Industry Training Organisations (ITOs) based on performance:* the operational policy framework should provide suitable incentives for ITOs to manage and improve their own performance.
 - *Providing for consistent treatment of other forms of industry training:* the operational policy framework should take account of other forms of industry training and contribute, where possible, to a common approach.

Principles

4. The consultation on the operational policy governing industry training will be based on the following principles and considerations:
 - upholding the aims of the consultation process (outlined above);
 - learning from the implementation of the industry training system over the past 17 years;
 - drawing on relevant experience and expertise across the tertiary education sector;
 - exposing proposed changes to scrutiny;
 - providing sufficient information on the general approach that the TEC intends to take in relation to the matters discussed; and

- avoiding costly or time-consuming changes unless there are good reasons for believing they will bring significant improvements over time.

Scope

5. This paper seeks feedback from the sector on the development of operational policy relating to the matters that the Minister for Tertiary Education (the Minister) must have regard to under sections 6 and 7 of the Industry Training Act 1992 (the Act) when recognising organisations as ITOs. This paper has been prepared as part of the TEC's wider consultation on industry training operational policy.
6. The paper explores the possibility of developing core and consistent sources of evidence that may be used to inform the advice provided by the TEC to the Minister.
7. This paper focuses to a large extent on the arrangements relevant to organisations for which recognition (including provisionally) as an ITO is expiring. Nevertheless, this paper is intended to apply equally to any organisation seeking recognition as an ITO for the first time.
8. Similar sources of evidence to those explored below could be used when assessing applications for extensions of industry coverage from ITOs or for new Modern Apprenticeships Co-ordinators (MACs).
9. This process may lead to a number of tests that may be applied by the TEC when assessing applications from organisations seeking recognition as an ITO, extensions of industry coverage from ITOs, and for new MACs.
10. Recommendations to the Minister regarding these applications will remain judgement-based based on a holistic assessment of the applicant organisation (ie not limited to performance against these sources of evidence) and this paper does not limit or abridge this principle in any way.
11. A separate consultation paper is planned that will discuss the processes relating to the recognition of organisations as ITOs, and the obligations and expectations that arise from recognition (for example, in terms of industry coverage and the standard setting role of ITOs).

Method

12. To inform the approach of linking the recognition of organisations as ITOs to performance, this paper:
 - sets out the Government's objectives for tertiary education;
 - defines matters the Minister must take into regard;
 - describes a framework assessing sources of evidence;
 - examines current practice and issues arising from this practice; and
 - identifies possible additional sources of evidence.

13. The paper identifies possible linkages between specific matters the Minister must have regard and additional sources of evidence. These linkages should be treated as a guide only and should not imply that the source of evidence is limited only to the relevant section of the Act.

Government's objectives

14. The Government's objectives for tertiary education include raising the skills and knowledge of the current workforce to increase the productivity of individuals, and to underpin the ability of firms to innovate and adapt to competitive challenges. ITOs have an important role to play by providing, for example, opportunities for employees to complete nationally recognised qualifications, and creating effective pathways towards advanced trade qualifications at level four and above.
15. Cabinet also agreed in May this year to re-balance the tertiary education system by shifting away from the current emphasis on central steering and front-end planning and moving towards greater responsiveness to market signals [CAB Min (09) 15/13].
16. Cabinet agreed on the following mechanisms to achieve these shifts:
 - incentives to ensure that tertiary education primarily responds to demand from students and employers;¹
 - improve quality assurance measures, and back-end accountability; and
 - stronger links between funding and past performance.

Operational considerations

17. In seeking to identify sources of evidence appropriate to analysis of applications for the recognitions of organisations as ITOs, the following issues are pertinent:
 - some sources of evidence may be appropriate to the recognition of ITOs, while others are more relevant to investment decisions;
 - what is the best way to ensure a balance between the administrative, compliance and assessment costs to ITOs or the TEC; and
 - any mechanism should enable an appropriate level of contestability given the inherent monopoly rights embodied in the recognition of ITOs.

Background

18. Organisations are recognised as ITOs under the Industry Training Act 1992 (the Act). The role of the TEC is to compile the information required to assist the Minister for Tertiary Education (the Minister) in the decision-making process. The information requirements for making this decision are primarily evidence-based.

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¹ Cabinet also reaffirmed this commitment in October where it directed that there should be a '...focus on ensuring that the tertiary sector is better aligned to the needs of business.' (STR Min (09) 21/1 refers).

19. Under the Act, the Minister must be satisfied of an organisation's ability to meet the mandatory requirements of section 6 of the Act and must have regard to the considerations outlined in section 7.
20. Under the Act, when an organisation applies for recognition as an ITO, the Minister may:
 - grant the ITO full recognition under section 5 of the Act (this recognition expires 5 years after it is granted (s9(1)) - there is no lesser period provided for);
 - grant the ITO provisional recognition (s8) (from 1 day to three years)²; or
 - decline to recognise an ITO if not satisfied that it should be recognised under section 5 or 8 of the Act.³
21. At any time during the recognition period, the Minister may also issue a notice under section 9 of the Act that could lead to the cancellation of an organisation's recognition as an ITO. This can occur if he or she considers that the organisation's performance is inadequate because it is not meeting one or more of the mandatory requirements under section 6 of the Act.
22. The process of recognition of ITOs establishes a performance threshold for ITOs that is distinct from the TEC's decision to fund an ITO. It also provides a mechanism to assess the performance of ITOs in a manner appropriate to their role in the tertiary education system (as envisaged by the Act).
23. Recommendations made to the Minister by the TEC in relation to applications from organisations seeking recognition as an ITO are judgement-based. However, there may be merit in identifying core and consistent sources of evidence that would strengthen the evidence base of the TEC's recommendations to the Minister (appendix 1 refers).
24. The approach may also provide additional benefits such as:
 - providing greater certainty to ITOs that are performing well;
 - signalling to incumbent ITOs where there are performance issues;
 - signalling opportunities for new ITOs; and/or
 - signalling a degree of contestability in the coverage held by ITOs.
25. This consultation paper explores possible proxies for performance that are relevant to recognition. A separate consultation paper is planned that will

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² The Minister may grant an ITO provisional recognition where he or she is satisfied that by taking certain actions the organisation will be able to meet all the requirements of sections 6 and 7 of the Act and considers that it is appropriate that in the meantime the TEC should be able to fund the organisation.

³ The Minister may also grant an ITO full recognition under Section 5 of the Act for some industries, and provisional recognition under section 8 of the Act for other industries.

examine the process of recognition including the mechanism by which greater contestability would be enabled.⁴

26. There is some overlap between the proxies for performance that may be used for recognition purposes and those used for funding purposes. These measures are discussed in a companion consultation paper 'Reinvestment of Industry Training Fund under spend: rewarding past performance'.

Matters the Minister must have regard to

27. The recognition of an organisation as an ITO requires the Minister for Tertiary Education to be satisfied that the applicant meets the necessary legal criteria under the Act.
28. The TEC's role is to consider applications against the criteria and requirements of the Act and to make recommendations to the Minister. The TEC is required to consult with the New Zealand Qualifications Authority (NZQA) and to seek the views of relevant industry bodies and other parties.
29. In order for an organisation to be granted recognition, the Minister must be satisfied that the organisation can effectively and efficiently
- a) set for the industry in respect of which the industry wishes to be recognised skill standards that the qualifications authority is likely to be prepared to register;
 - b) develop arrangements for the delivery of industry training that will enable trainees to attain those standards and the monitoring and assessment of trainees attaining those standards;
 - c) provide leadership within the industry on matters relating to skill and training needs by:
 - identifying current and future skill needs;
 - developing strategic training plans; and
 - promoting training that will meet those needs of the employers and employees; and
 - d) develop arrangements for the collective representation of employees in the governance of the organisation.
30. Section 7 of the Act states that the Minister must have regard, before recognising an organisation, to:
- a) the extent to which the organisation represents and is funded by employers of people engaged in the industry in respect;
 - b) the organisation's knowledge of and likely responsiveness to the level of demand in that industry for industry training;
 - c) the organisation's resources of skill and knowledge generally;
 - d) the organisation's intentions in relation to the involvement of people employed in that industry in setting skill standards and providing leadership

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⁴ This paper will explore possible mechanisms to ensure that information about the performance of existing ITOs is available to interested parties prior to the expiry of their recognition by the Minister. Such a mechanism may signal opportunities for other organisations to seek the recognition for the relevant industry or industries.

on matters relating to current and future skill and training needs, developing strategic training plans and promoting training that will meet the needs of both employers and employees;

- e) the desirability of avoiding unnecessary duplication of effort in doing those things;
 - f) the extent to which the organisation intends that the industry training whose delivery is to be arranged should extend through a range of levels in the framework for national qualifications in post-school education and training developed by the NZQA;
 - g) whether the organisation has performed satisfactorily at other times; and
 - h) whether the organisation has taken reasonable steps to avoid fragmentation and to provide a clear and representative industry focus for each organisation.
31. The Minister may determine what weight should be placed on these matters and may take other matters into consideration when considering the recognition of an organisation as an ITO.
32. As part of the recognition process organisations are required to complete a Recognition Application Template. This document provides a structured base for evidence to be provided. The Recognition Application Template may be amended to reflect the outcomes of this consultation process.

Other processes

33. The considerations under sections 6 and 7 of the Act noted above apply equally to applications for extensions of industry coverage. As a result, any sources of evidence that are developed that apply to the recognition of organisations as ITOs may have wider applicability.
34. The feedback considered as part of this paper may also have implications for the TEC when entering into funding agreements with Modern Apprenticeships Co-ordinators. Under the Modern Apprenticeships Act 2000 (section 10), the TEC must '*...have regard to the desirability of avoiding unnecessary duplication of effort (in light of the existence of other funding arrangements).*'

Framework

35. This section sets out some concepts that are applicable to the identification of sources of evidence relevant to the recognition of organisations as ITOs. The following discussion draws heavily on the Institute of Chartered Accountants of New Zealand's Technical Practice Aid No.9 which relates to Service Performance Reporting.⁵ This document has been used to provide a framework to distinguish between inputs, outputs and outcomes in performance terms⁶. Defining these terms will help to ensure that the sources of evidence that are chosen are appropriate.

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⁵ See <http://handbook.brookers.co.nz/icanz/resources/TPA/TPA-9.pdf> for the complete document.

⁶ The Technical Aid also defines management systems, internal outputs, and processes as separate elements. For the purposes of this discussion, those elements have been combined into the input element.

36. The definitions of inputs, outputs and outcomes are set out below.

Element	Definition
Input	<p>Inputs are the resources used to produce the goods and services which are the outputs of the reporting organisation.</p> <p>This can also include the managements systems and processes of the organisation, as well as any goods or services</p>
Outputs	<p>Outputs are the goods and services provided by the reporting organisation.</p>
Outcomes	<p>Outcomes are the impacts on, or consequences for, the community resulting from the existence and operations of the reporting organisation.</p>

37. These definitions along with examples specific to the industry training context are discussed below.

Inputs

- 38. The technical aid provides some examples of inputs such as the labour, assets (such as buildings, motor vehicles and computer networks) and other resources, such as information, that are used in the processing of outputs.
- 39. In the context of the recognition of organisations as ITOs, it may be argued that consideration of inputs is most directly relevant to section 7(c) of the Act which requires the Minister to have regard to ‘...the organisation’s resources of skill and knowledge.’
- 40. Considering these inputs as part of section seven indicates the relative status of inputs in terms of the recognition process, ie that it is not a test under section 6 which describes those matters that the Minister *must be satisfied of*.

Outputs

- 41. The technical aid describes outputs as the final goods and services produced by the organisation. This is distinct from the impacts and consequences of those outputs, ie the outcomes.
- 42. In the industry training context, outputs might take the form of the number of trainees that complete industry training programmes, the rate of industry penetration, and the number of qualifications developed by the ITO that are registered on the National Qualifications Framework.

Outcomes

43. The technical aid describes outcomes as the impacts or results that are sought. In the industry training context, outcomes might take the form of improvements in workplace productivity, higher rates of employee retention, and higher salaries and wages for employees.

Relationship between outputs and outcomes

44. The distinction between outputs and outcomes is critical to understanding what sources of evidence may be appropriate. In very simple terms, outputs are “what” the organisation delivers, outcomes are “why” the outputs are delivered.
45. In identifying sources of evidence, it is important to distinguish between outputs and outcomes. This is because it is important to be able to assess whether a particular output is generating positive outcomes.
46. In the industry training context, the achievement of a particular outcome such as higher levels of productivity can be influenced by a range of factors such as technological change, organisational change, industry restructuring and resource reallocation, as well as economies of scale and scope.
47. Because of these mediating factors, any sources of evidence that attempt to attribute success to particular organisations in terms of outcomes would need to be carefully selected and well-understood to avoid the risk that the accountability of the organisation is diminished.
48. For this reason, this paper (and the other consultation papers being released at the same time) focus explicitly on outputs appropriate for ITOs.

Current arrangements, issues and possible additional sources of evidence

49. Appendix one sets out some of the information taken into account by the TEC when making recommendations to the Minister. It also identifies possible issues with the current sources of evidence used, and suggests possible opportunities to enhance the advice given to the Minister.
50. As noted above, the TEC’s advice to the Minister regarding applications from organisations for recognition as ITOs takes account of information from NZQA. For organisations that have been recognised as ITOs, the NZQA supplies a range of information which contributes significantly to the TEC’s analysis of any application for recognition.
51. This information includes verification that the ITO is:
- participating in accreditation exercises in accordance with its Accreditation and Moderation Action Plan;
 - reporting trainee results for the NZQA Record of Achievement;
 - reporting to NZQA on its national external moderation activities;
 - information relating to the number of standards and qualifications registered, and the number past their planned review date, and performance information about the quality assurance relating to the development and review of standards and qualifications; and
 - the result of organisation focused quality assurance undertaken by NZQA..

52. The TEC will be consulting separately on the relationship between the proposed External Evaluation and Review of ITOs, and the audit functions of the TEC. Wherever possible opportunities to simplify and streamline the processes for collecting evidence (eg avoiding duplication) will be pursued.
53. As noted above, this mechanism does not limit the TEC in terms of providing judgement-based advice to the Minister. This reflects the importance of maintaining a balance between developing systematic sources of evidence without placing undue weight upon any one source.
54. In considering the material presented in appendix one, respondents are asked to have regard to the questions set out in the relevant feedback template.

Consultation Feedback

55. The TEC invites and welcomes any comments from the tertiary education sector. Individuals as well as organisations are welcome to provide feedback on the direction and decisions outlined in the paper and on how these can be further developed.
56. In particular feedback is invited on opportunities to improve the possible sources of evidence identified in the appendix.
57. All feedback relating to this Consultation paper should be responded to using the feedback templates provided on the TEC website. Please only send a response using the feedback templates provided. Send any feedback to industrytrainingprogrammes@tec.govt.nz. All feedback should include the subject line “**ITO operational policy – feedback**” and be submitted no later than 5pm, 29 January 2010.

Questions for consultation

58. The areas where consultation feedback is sought are set out in the related feedback template.

APPENDIX ONE

Matter the Minister must have regard to

Section 6(a) of the Act requires the Minister is satisfied that an organisation can effectively and efficiently “...set for the industry in respect of which the organisation wishes to be recognised (or that industry or industries concerned) skill standards that the qualifications authority is likely to be prepared to register”.

Current source of evidence	Issues	Possible additional source(s) of evidence
<p>Currently evidenced by</p> <ul style="list-style-type: none">• a strategic plan for the development of standards and qualifications that meet the needs of their industry showing that industry support these.• information supplied by NZQA to the TEC including those matters described in paragraph 50 and 51.• credit achievement for trainees managed by the ITO (by volume and level).	<p>Possible issue(s) include(s):</p> <ul style="list-style-type: none">• insufficient information on the match between the qualifications developed by an ITO and industry need. <p>For example, the current sources of evidence tend to place considerable weight on the extent to which ITOs are developing skill standards relevant to the training that they in turn arrange.</p>	<p>This may include:</p> <ul style="list-style-type: none">• the qualifications (and/or unit standards) used by any student or learner in the tertiary sector expressed as a percentage of qualifications (and/or unit standards) developed, for example, an ITO with a low percentage may not be appropriately taking account of industry need for pre-employment training when developing qualifications.

Matter the Minister must have regard to

Section 6(b) of the Act requires the Minister is satisfied that an organisation can effectively and efficiently “...develop arrangements for the delivery of industry training that will enable trainees to attain those standards, including arrangements for the monitoring and assessment of trainees attaining those standards”.

Current source of evidence	Issues	Possible additional source(s) of evidence
<p>Currently evidenced by</p> <ul style="list-style-type: none"> information supplied by NZQA to the TEC including those matters described in paragraph 50 and 51. performance of the organisation including the key performance indicators agreed as part of the organisation’s investment plan. 	<p>Possible issue(s) include(s):</p> <ul style="list-style-type: none"> the lack of explicit link between activities the organisation is funded for (for example, the arrangement of industry training) and the recognition process. 	<p>This may include:</p> <ul style="list-style-type: none"> performance information relating to the current TES, investment priorities and the overall return on the government investment. <p>This may be measured by evidence relating to the retention rate of trainees, achievement by younger people, the rate of completions overall, participation and achievement by under-represented groups, the level of industry penetration and the level of industry cash contribution.</p> <p>The issues raised by these measures of performance are discussed in a separate consultation paper.</p>

Matter the Minister must have regard to

Section 6(c) of the Act requires the Minister is satisfied that an organisation can effectively and efficiently “...provide leadership within the industry on matters relating to skill and training needs by:

- identifying current and future skill needs; and
- developing strategic training plans (STPs) to assist the industry to meet those needs; and
- promoting training that will meet those needs of the employers and employees.”

Current source of evidence	Issues	Possible additional source(s) of evidence
<p>Currently evidenced by</p> <ul style="list-style-type: none"> • planning strategies such as Strategic Training Plans. • outcomes of industry planning forums. • results of initiatives funded through the TEOC Sector Leadership Component fund. • letters of support from industry. • sector advisory groups. 	<p>Possible issue(s) include(s):</p> <ul style="list-style-type: none"> • insufficient detail on the planning strategies of ITOs. • does not capture letters of dissatisfaction from employers and peak bodies. 	<p>This may include:</p> <ul style="list-style-type: none"> • the results of an independently audited randomised survey of employers and employees that identifies issues with the performance of the ITO; • evidence that the Strategic Training Plan has resulted in change within the relevant industries; • evidence from the applicant organisation that demonstrates a critical reflection on issues raised by industry and employees (including trainees).

Matter the Minister must have regard to

Section 6(d) of the Act requires the Minister is satisfied that an organisation can effectively and efficiently “...develop arrangements for the collective representation of employees in the governance of the organisation.”

Current source of evidence	Issues	Possible additional source(s) of evidence
Currently evidenced by <ul style="list-style-type: none">• a completed Collective Employee Representation Template.	No specific issues have been identified with this evidential requirement (there is provision within the existing operational policy to deal with situations where no union exists).	Not applicable

Matter the Minister must have regard to

Section 7(a) of the Act requires the Minister to regard “...*the extent to which the organisation represents, and is funded by employers of people engaged in the industry in respect of which the organisation wishes to be recognised.*”

Current source of evidence	Issues	Possible additional source(s) of evidence
<p>Currently evidenced by</p> <ul style="list-style-type: none"> • letters of support from business, peak bodies and industry associations. • the rate of industry cash contribution (ICC). • the penetration of an organisation into its industries. 	<p>Possible issue(s) include(s):</p> <ul style="list-style-type: none"> • the provision of templated letters of support do not provide particular insight into the performance of the applicant organisation. • little differentiation between employers with high and low engagement with the ITO or organisation size. • considerable variation in the rate of ICC between existing ITOs with no minimum threshold defined. • considerable variation in the rate of industry penetration between existing ITOs with no minimum threshold defined. 	<p>This may include:</p> <ul style="list-style-type: none"> • more comprehensive information relating to industry support that demonstrates a critical reflection on issues raised by industry (section 6(c) refers). • a minimum level of industry cash contribution which would indicate to the TEC that provisional recognition may be appropriate. • a minimum level of industry penetration which would indicate to the TEC that provisional recognition may be appropriate. • the use of Australian and New Zealand Standard Industrial Classification (ANZSIC) codes as an indicator of relative size of industry (ies).

Matter the Minister must have regard to

Section 7(b) of the Act requires the Minister to regard “...the organisation’s knowledge of, and likely responsiveness to the level of demand within that industry for industry training.”

Current source of evidence	Issues	Possible additional source(s) of evidence
<p>Currently evidenced by</p> <ul style="list-style-type: none">• level of performance against the contracted level of STMs.• completions of National Qualifications.• average credits per trainee.• evidence of sector advisory groups.	<p>No specific issues have been identified with this evidential requirement, however there is overlap with the indicators suggested for section 6(b).</p>	<p>See section (b) above.</p>

Matter the Minister must have regard to

Section 7(c) of the Act requires the Minister to regard “...*the organisation’s resources of skill and knowledge generally.*”

Current source of evidence	Issues	Possible additional source(s) of evidence
<p>Currently evidenced by</p> <ul style="list-style-type: none">• information supplied by NZQA to the TEC including those matters described in paragraph 50 and 51.	<p>Possible issue(s) include(s):</p> <ul style="list-style-type: none">• possible insufficient account taken of the financial position of ITOs (as measured through the PM-18).	<p>This may include:</p> <ul style="list-style-type: none">• evidence of prudent financial management including the maintenance of an <i>appropriate</i> level of reserves. <p>The possibility of developing guidelines on an appropriate level of reserves for ITOs including appropriate attribution mechanisms (ie in terms of identifying the source of reserves if appropriate) is the subject of a forthcoming consultation paper.</p> <p>The clarification of the relationship between the various audit activities undertaken by the TEC, Audit NZ and NZQA, and the development of appropriate financial indicators are the subject of forthcoming consultation papers.</p>

Matter the Minister must have regard to

Section 7(d) of the Act requires the Minister to regard “...*the organisation’s intentions in relation to the involvement of people employed in that industry in the doing of things referred to in section 6(a) to 6(c).*”

Current source of evidence	Issues	Possible additional source(s) of evidence
<p>Currently evidenced by</p> <ul style="list-style-type: none">• the development and implementation of strategic training plans.• a qualifications development plan that addresses future industry need.• any increased industry penetration by an ITO over the preceding period.	<p>Possible issue(s) include(s):</p> <ul style="list-style-type: none">• insufficient account being taken of the complexity of the industries the applicant organisation seeks to serve.	<p>This may include:</p> <ul style="list-style-type: none">• the development of indicators that seek to define a reasonable level of involvement by different ‘types’ of businesses (ie SMEs versus larger firms);• the development of thresholds of industry penetration below which provisional recognition may be indicated.

Matter the Minister must have regard to

Section 7(e) of the Act requires the Minister to regard “...*the organisation’s desirability of avoiding unnecessary duplication of effort.*”

Current source of evidence	Issues	Possible additional source(s) of evidence
<p>Currently evidenced by</p> <ul style="list-style-type: none">• collaborative agreements with ITOs in using unit standards, combined approaches to meet training needs and through letters of industry support• the relationship between fields, sub-fields and domains on the NQF, relevant to the industry (ies).	<p>Possible issue(s) include(s):</p> <ul style="list-style-type: none">• data tools such as the ITF tool enable the identification of situations where there is duplication of effort (or vice-versa).	<p>This may include:</p> <ul style="list-style-type: none">• the development of an indicator that provides a signal of situations where no duplication of effort arises. <p>In the context of the Modern Apprenticeships programme that might include setting a threshold under which duplication of effort is indicated. For example, a ratio that calculates the number of current Modern Apprentices against the number of employees aged 16-21 in a particular industry and region might indicate whether an additional Modern Apprenticeships Co-ordinator is warranted.</p>

Matter the Minister must have regard to

Section 7(f) of the Act requires the Minister to regard “...the extent to which the organisation intends that the industry training whose delivery is to be arranged should extend through a range of levels in the framework for national qualifications in post-school education and training developed by the qualifications authority.”

Current source of evidence	Issues	Possible additional source(s) of evidence
<p>Currently evidenced by</p> <ul style="list-style-type: none"> information supplied by NZQA to the TEC including those matters described in paragraph 50 and 51. 	<p>Possible issue(s) include(s):</p> <ul style="list-style-type: none"> no specific expectation that ITOs develop qualifications at the higher end of the NQF. 	<p>This may include:</p> <ul style="list-style-type: none"> the development of an indicator that shows the number of qualifications developed by an ITO by level on the NQF. <p>While a minimum expectation relating to a profile of qualifications by level may not be appropriate, it may be useful to determine some expectation in relation to existing qualifications on the NQF (ie including those developed by organisations other than ITOs).</p>

Matter the Minister must have regard to

Section 7(g) of the Act requires the Minister to regard “...*whether an organisation has performed satisfactorily at other times*”

Current source of evidence	Issues	Possible additional source(s) of evidence
Currently evidenced by <ul style="list-style-type: none">the factors listed elsewhere in this appendix, as a well as any other matters that may have arisen.	No specific issues have been identified with this evidential requirement.	Not applicable

Matter the Minister must have regard to

Section 7(h) of the Act requires the Minister to regard “...whether an organisation has taken reasonable steps to avoid fragmentation and to provide a clear and representative industry focus for each organisation

Current source of evidence	Issues	Possible additional source(s) of evidence
<p>Currently evidenced by</p> <ul style="list-style-type: none">• letters of support from industry.• analysis of the extent to which the evidence of support provided aligns with the proposed industry coverage of the organisation.	<p>The issues arising from this evidential requirement are discussed elsewhere.</p>	<p>See section 7(a) above.</p>