



Office of Hon Steven Joyce

Minister for Economic Development
Minister for Regulatory Reform
Minister of Science and Innovation
Minister for Tertiary Education, Skills and Employment

Minister Responsible for Novopay
Associate Minister of Finance

07 OCT 2016

John Spencer
Chair
Tertiary Education Commission
PO Box 27-048
Wellington 6141

Dear John

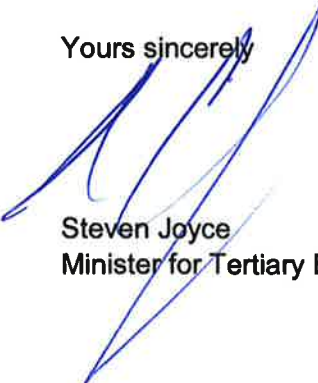
Determination of Design of Funding Mechanism: Wānanga Research Capability Fund

I am writing to advise you of a new determination of the design of the funding mechanism for the Wānanga Research Capability Fund, issued under section 159L of the Education Act 1989 (the Act).

The new determination of the design of the funding mechanism for the Wānanga Research Capability Fund is set out in the appendix to this letter. This determination covers the period 1 January 2017 to 31 December 2017. Renewing the Wānanga Research Capability Fund for an additional year will allow the wānanga to continue to build their research capability, at the same time as Government will be working with wānanga to identify solutions to address their research aspirations.

Under section 159O of the Act, it is the Commission's responsibility to develop the operational policy and practices needed to implement my determination of the design of the funding mechanism. I expect the Commission to allocate the fund in the same manner as previous years, by dividing it equally between the wānanga. I expect that the Commission will set appropriate measures as part of its Statement of Service Performance in order to report to me on its performance in giving effect to this determination.

Yours sincerely



Steven Joyce
Minister for Tertiary Education, Skills and Employment

DETERMINATION OF DESIGN OF FUNDING MECHANISM: WĀNANGA RESEARCH CAPABILITY FUND

PRELIMINARY PROVISIONS

Statutory authority

1. This determination, which is made under section 159L of the Education Act 1989 (the Act), specifies the design of the funding mechanism for the Wānanga Research Capability Fund (WRCF) (funding mechanism).

Purpose

2. The WRCF provides funding for building research capability within the wānanga sector, particularly within the area of wānanga specialisation (mātauranga Māori/Māori knowledge).

On-plan funding

3. The Tertiary Education Commission (TEC) must pay WRCF funding under section 159YA of the Act.

PART ONE: THE FUNDING MECHANISM

General parameters

Effective period dates

4. This funding mechanism is effective from 1 January 2017 to 31 December 2017.
5. The TEC may exercise any of its administrative functions as required to give effect to this funding mechanism outside those dates.

Available funding

6. The total amount of funding for allocation under this funding mechanism is \$1.5 million per annum (excl. GST).

Tertiary Education Organisation (TEO) eligibility

7. The TEC may only fund wānanga under this funding mechanism.

Allocation of funding

8. The TEC must develop criteria for allocating funding from the WRCF, and notify wānanga of the criteria.

PART TWO: FUNDING CONDITIONS

Conditions that the TEC must attach to funding

9. The TEC must impose the following specific conditions on funding provided to each wānanga under this funding mechanism.

Responsible use of funding

10. A wānanga that receives funding under this funding mechanism must use the funding:
 - a. lawfully, responsibly, and for the purposes for which the funding is provided; and
 - b. in a manner consistent with the appropriate use of public funds.

Recovery of over-funding

11. If a wānanga receives funding under this funding mechanism that is greater than it should have been, or that it was not entitled to receive, the wānanga must treat the amount of the over-funding as a debt due to the Crown that:
 - a. is repayable on demand; and
 - b. may be set-off against all or any funding, or any sum of money payable by the TEC to the wānanga.
12. The TEC must provide the wānanga with reasonable notice before exercising its right to demand repayment or set-off the debt against any or all funding.

Repayment of funding following revocation of funding approval

13. The TEC must attach to funding a condition that if, in accordance with section 159YG of the Act, the TEC suspends or revokes some or all of a wānanga's funding paid under this funding mechanism before that funding has been used or contractually committed towards the purposes for which that funding was provided, the wānanga must treat the unexpended or uncommitted portion of the funding as a debt due to the Crown that is:
 - a. repayable on demand; and
 - b. may be set-off against all or any funding, or any sum of money payable by the TEC to the wānanga.

TEC administrative responsibilities

14. If a wānanga receives funding under this funding mechanism that is less than it should have been, or that it was entitled to receive, the TEC must treat the amount of the under-funding as a credit and pay the amount of the under-funding as soon as reasonably practicable.