

## Aide-Memoire: WDC Establishment Plan Approval

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<b>To:</b>	Hon Chris Hipkins, Minister of Education
<b>From:</b>	Gillian Dudgeon, Deputy Chief Executive , Delivery
<b>Date:</b>	02 July 2021
<b>Reference:</b>	AM-21-00386

### Purpose

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1. This briefing provides you with an early overview of Workforce Development Council ('WDC', or 'Council') Establishment Plans, including the content, and the timeline and process for you to approve these plans.
2. We recommend that this briefing be proactively released.

### Background

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3. Six WDCs have been established to give industry greater leadership across vocational educational and training. Council members were appointed to WDCs in June 2021.
4. As set out in your *Delegation to fund Workforce Development Council Interim Establishment Boards and Workforce Development Councils*, each Council must approve an Establishment Plan no later than 90 days after the WDC is appointed. The TEC Reform of Vocational Education (RoVE) Programme must provide guidance on the expected content of these Establishment Plans and you will have final approval of Plans.
5. The purpose of an Establishment Plan is to focus a WDC on the activity required to set up as a fully operational entity. In their first year of activity the WDCs must work with industry to determine how they will deliver on their industries' needs. They must establish how they will carry out their legislated functions and begin to do so.
6. The path and timeline to being fully established will be different for each of the WDCs, reflecting that, among other things, they will each start from a different place in terms of their relationships with their industries.
7. Interim Establishment Boards have negotiated the content of the Establishment Plans on behalf of the WDCs with the support of the Rove Programme's WDC Establishment Unit. The Plans cover the vision and purpose of the WDC; their immediate priorities, establishment activities, timeline and budget; their approach to engagement with key sector organisations; and how they will support their industries in the immediate term in light of Covid-19. A detailed outline of the content we expect to be covered in the Establishment Plans is set out in the Appendix A to this briefing.

8. The Establishment Plans will not cover the terms and conditions of TEC’s funding, or TEC’s expectations of the WDC’s in relation to performance of their functions. These matters will be covered in a letter to each WDC Chair from the TEC’s Chief Executive and the TEC funding agreement, which the WDCs will need to formally accept.
9. We anticipate that WDCs will be motivated to prioritise their approval processes for their Establishment Plans so they can secure their funding as soon as possible.
10. Initial funding for each WDC is for the period 1 October 2021 through to 30 June 2022. Costs prior to this date are being paid by the Establishment Unit recognising that WDCs will not become operational until 4 October 2021.

## **Process and Timeline for Approving WDC Establishment plans**

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11. The sequence and indicative timeline for the approval of establishment plans is set out in the table below:

Month	Description	Approver
Mid-July	WDCs receive their individual establishment plans for approval and a draft copy of their funding agreement.	WDC Board
Mid-July onwards	WDCs approve their Establishment Plans and notify TEC of their approval.  TEC will provide a forward copy of each Establishment Plan to your office upon receipt to enable early consideration by Ministerial staff.	WDC Board
From 19 August	Endorse Establishment Plans if satisfied with content, and approve WDC funding, which will be conditional upon Ministerial approval of the Establishment Plan.	TEC Board
From late August	Approve Establishment Plans.	Minister
September/ October	Following approval of Establishment Plans by the Minister, final funding agreements signed by each WDC Chair and TEC Chief Executive.	TEC Chief Executive
September/ October	TEC to make first payments to WDCs, following receipt of signed Funding Agreement.	

12. Each WDC will meet as a Council for the first time in mid-July. This will be the first opportunity for the Councils to consider their Establishment Plans as a group. Ideally, each WDC will approve their Establishment Plan in July, however, this may not be the case. WDCs have up to 90 days from their appointment in June to approve their plan, however, we anticipate that they will approve plans sooner than this.
13. The TEC Board will consider and endorse each Establishment Plan before approving funding for that WDC. The approval of funding will be conditional upon you providing your final approval to the Establishment Plan. Once TEC receives notice that you have approved an Establishment Plan, the TEC will provide the respective funding agreement to the WDC for signature. Payment to the WDC will commence once TEC receives the WDC's signed funding agreement.



**Gillian Dudgeon**

Deputy Chief Executive, Delivery,  
Tertiary Education Commission

2 July 2021



**Hon Chris Hipkins**

Minister of Education

15 / 07 / 21

## Appendix A: Detailed content expected to be covered in WDC Establishment Plans

### Core Functions –

- Skills Leadership
- Qualification System Products
- Endorse Programmes
- Moderation Activities
- Brokerage and Advisory Services
- Advise the TEC

Additional functions (as per OIC – varies by WDC)

Vision/Purpose Statement

Priorities

Approach to Engagement

- Stakeholder Groups
- Establishment Communications (including comms milestones)
- Engagement Model (including timeline for developing engagement model)
- Engagement with Industry
- Partnership with Māori industry and iwi businesses
- Engagement and Collaboration with other WDCs
- Engagement with TEC
- Engagement with other parties across the wider VET system

Establishment Activities and Timeline

- WDC Deliverables to TEC
  - Engagement Model
  - Status Update on progress against Establishment Plan
  - Annual Plan for WDC funding 2022/23
  - Advice to TEC
  - Skills and Workforce Development Plan
- OIC Delivery requirements
  - Statement of Strategic Direction
  - Annual Report

Governance

- WDC Council - Key Milestones
- Cross WDC Committees

People

- Key Milestones
- Organisational Structure
- Phasing of staff
- Staff who transition from TITOs

ICT Roadmap

Locations and Properties

Support to Industry in light of COVID-19

Hāpaitia (Shared Services Centre)

Support to the WDCs by the EU

Budget Breakdown and budget assumptions

Risks and Issues log