



ITO sector update

Issue 2017-2
17 August 2017



Make sure data is up to date in the ITR by 31 August 2017

Please note that we will be taking a snapshot of your data in the ITR on 1 September 2017.

It is important that your data is accurate and up-to-date, as this snapshot will inform our conversations with you about any necessary Plan amendments for 2017 as well as provide input into potential funding in 2018. As you know, we over-allocated the Industry Training Fund this year. As some industries are experiencing growth, it is important that everyone is accurate with their allocations so that any growth can be supported.

Your Investment Managers will contact you in early September to discuss possible Plan amendments for 2017.

2018 Investment Plan Process

Thank you all for submitting your Investment Plans on time. We are currently assessing your Plans and your Investment Managers will be in contact with you over the next few weeks to discuss any areas where we might require further information. Any revised Investment Plans, including changes to your mix of provision templates, need to be submitted by 4 September. Funding decisions will be made by the TEC Board in October, so we expect to inform you of final funding decisions by mid-October.

Complex arrangements for New Zealand Apprenticeships are expected to continue

The review of complex arrangements for New Zealand Apprenticeships (including interim arrangements) has been completed. We understand complex arrangements will become a permanent feature and details will be outlined in the industry training funding mechanism from 2018.

Please note this decision has not been publicly announced. We are giving you a heads up so you can continue to enrol learners in these programmes.

For that reason we will not publish this sector update on our website until we publish the funding mechanism.

Changes are being made to the Strategic Leadership Fund from 2018

The Strategic Leadership Fund is changing to more explicitly align this funding to supporting the New Zealand Qualifications Framework. The fund will be uncoupled from the Industry Training Fund and will be allocated under a new funding mechanism. We will therefore not be making any recommendations on Strategic Leadership Funding through the 2018 ITO Investment Plan process. There will be a separate process for allocating this fund.

Further information, including the timing for this new process, will be available once we have worked through the details with the Ministry of Education. As with the complex arrangements for New Zealand Apprenticeships, this change has not been publicly announced.

We want to better understand training for volunteers

As part of our requirement to manage funding to ensure best value for money, we will be looking at our current investment in volunteer training. Your Investment Manager will talk to you over the next month about any volunteers you currently support, the type of training they undertake and the industry they volunteer for.

We expect volunteer status to be accurately reported in the ITR. We will use the ITR data to determine the volume and performance of volunteers and to help inform our recommendations on the level of investment in these learners.

Don't forget that the Modern Apprenticeship scheme is ending this year

Just a reminder that the Modern Apprenticeship scheme finishes at the end of 2017. Any Modern Apprentices that are yet to complete their apprenticeship programme and want to continue will need to transition to another programme of training. This might be a New Zealand Apprenticeship, or simply an industry training-funded programme.

We expect ITOs to support these learners to complete their qualifications. This transition provides an opportunity for each ITO to review the progress and achievement of each affected apprentice.

Action Plan to reach 50,000 apprentices

Ministers recently considered the draft NZA Action Plan. We are now undertaking targeted consultation with industry associations, apprenticeship group training schemes and a number of other key stakeholders. The action plan is intended as a framework to help organisations develop their own action plans. Once the Action Plan is finalised it will be formally released. We are very pleased to see the number of initiatives outlined in your Investment Plans that support increased enrolments in Apprenticeships.



We ensure New Zealand's future success.