



## ITO sector update

Issue 2017-1  
24 March 2017



### We are on track to finalise 2016 data on 1 April 2017

This is a friendly reminder that you have until 31 March 2017 to ensure all your 2016 data is up to date and complete in the ITR.

A snapshot will be taken on 1 April. This snapshot will be used to calculate your 2016 funding and any recoveries, as well as your educational performance for the previous year. We expect to have the wash-up process completed by early April and final 2016 letters to you by mid-April. If you have any recoveries, these will be offset against your May 2017 payment.

### Over-enrolment offsets are likely be waived for apprentice STMs

We will be seeking approval to waive over-enrolment offsets for apprentice STMs for 2016. This will apply to any over-enrolment offset for enrolments in apprenticeship programmes that exceed 70 credits per year.

### Supplementary Plan Guidance should be on the website by the end of this month

We are about to release Supplementary Plan Guidance for ITOs submitting Investment Plans for 2018. We expect to be able to send you a link to this publication by the end of March. The Supplementary Plan Guidance for ITOs should be read in conjunction with the [Plan Guidance for 2017 and 2018](#) currently on our website.

### Applications for funding through the Joint Ventures and Amalgamations Project fund

To date, applications for JVAP funding have mostly been considered on an ad-hoc basis. Due to increasing demand for this funding, and the number of applications submitted, we propose a more structured application process like other TEC funding allocation processes.

We will consider current JVAP applications together with any new applications received by 13 April 2017. There will be a second opportunity for JVAP applications to be considered later in the year; most likely September 2017. Application dates for 2018 will be advised in July 2017.

### Funding for Modern Apprenticeships finishes at the end of 2017

Funding for Modern Apprenticeships will finish at the end of 2017. Following the introduction of New Zealand Apprenticeships in 2014, people enrolled in Modern Apprenticeships were allowed a further four years to complete their apprenticeships under the previous system.<sup>1</sup> Any Modern Apprentices who have not completed their programmes by the end of 2017 will no longer be eligible for funding as a Modern Apprentice. If you have any learners in this category, they need to be transferred to another funded training programme.

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<sup>1</sup> The criteria for the transition period are outlined in the funding mechanism for the Industry Training Fund.

### Verification of learner identity may be delegated to employers on a case-by-case basis

We are finalising the details to allow ITOs to apply to delegate the verification of learner identity to particular employers. It is likely only large employers with very robust employment practices will be approved. Even if we approve a delegation, the ITO will remain accountable for learner identity verification. However it should reduce compliance costs for both the ITO and the approved employer. The details will be published on our website and we will let you know once that has happened.

### Requirements for the verification of learner identity are also being reviewed

In addition to the work on delegating learner verification to employers, we are also reviewing the requirements for learner verification. Our aim is to align the ITO requirements with those applying to other tertiary education organisations. It is likely any change will not take effect until 2018 and that the requirements will then become a condition of funding. Currently the learner verification requirements are set out in legislative guidance only.

### Our manager Rachel Read is returning full time shortly

Rachel will soon be returning full time to TEC as manager of the ITO Investment Team, following a two-year secondment to the Associate Minister for Tertiary Education, Skills and Employment, Hon Louise Upston's office.

Rachel has been back at TEC part-time since February while she makes the transition from her role in Minister Upston's office.



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