



**Tertiary Education
Commission**
Te Amorangi Mātauranga Matua

Interim Statement of Intent

Tauākī Whakamaunga
Atu Mō Tēnei Wā

2025/26

Our purpose

Tō mātou pūtake

To shape a dynamic system that delivers lifelong learning and equips learners, communities and employers for success

Our vision

Tō mātou wawata

A resilient, prosperous New Zealand – where every person has the skills, knowledge and confidence to create a fulfilling life

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Foreword from the Board Chair and Chief Executive

Kupu Takamua nā te Heamana Poari me te Tumu Whakarae

We are proud to present the Tertiary Education Commission's (TEC's) interim Statement of Intent (SOI), which sets out our Tertiary Education Commission's interim one-year strategic intentions for the 2025/26 year.

We present this shorter-term SOI to ensure we will have all government direction developed prior to producing medium-term strategic intentions. At the time of preparing this document, in particular, the Government has initiated work on a new Tertiary Education Strategy (TES), and this will not be completed until later in the 2025 year. This is a fundamental document for us, on which we have a statutory requirement to deliver, and provides direction for key areas of our work. We will present a new SOI for a four-year period in 2026.

We have a significant role in the tertiary education and careers system

Tertiary education helps improve the lives of learners and contributes to a thriving economy and strong society. For learners, education creates access to opportunities and leads to lifelong benefits in health, wealth and life satisfaction. Well documented benefits for the public include a stronger civic society, the advancement of knowledge, and economic growth.

The TEC is the key agency for investment in tertiary education and the careers system, and has a key role in providing funding, information and guidance to tertiary education organisations and careers support to learners. We deliver our functions in a way that considers the impact on learner outcomes and ultimately assists in driving economic growth.

We are focused on the Government's priorities for the tertiary sector

The redesign of the vocational education and training system is a significant policy objective for the Government and is the highest priority for the TEC. Our immediate key focus areas include the disestablishment of Te Pūkenga and the Workforce Development Councils, the establishment of regional institutes of technology and polytechnics, and the establishment of Industry Skills Boards. This is no small task, and we will focus our efforts and resources to enable a smooth transition to the new vocational education system, minimising disruption for learners and providers.

We will also prioritise support for the Government's other priority initiatives, including any aspects of the University Advisory Group that ministers want to address. We will implement any changes that ministers recommend to improve the overall effectiveness and efficiency of the sector. The move of Fees Free policy from first-year to final-year study is well under way and will be implemented for the 2026 academic year.

We are the Government's key agency for investment in tertiary education

Our investment helps to ensure a network of tertiary provision that meets the needs of different learners and communities and provides New Zealand with the skills and qualifications we need. The sector is currently facing challenges, and in places is struggling to meet demand. We will continue to work with providers with growth-focused strategic investment to assist them with addressing these shortfalls. In the year ahead our focus will also be on continuing to invest in high performing and high priority provision. This will support economic growth, while keeping the momentum to improve educational outcomes for everyone, and supporting the vocational education and training sector as it transitions towards a stronger regional focus.

We will continue to deliver quality careers and information services

In the year ahead we will continue to deliver our careers functions to provide a publicly available careers information service, and facilitate and strengthen the connections between schools, employers and tertiary education organisations.

Our focus continues to be both on the careers system and careers information, including core initiatives such as Tahatū Career Navigator, our new online career planning tool. We are excited to launch Tahatū Career Navigator nationwide later in 2025.

Our leadership role brings together government agencies, business and employers, and communities and professional bodies to strengthen our careers system, and work together to build a more integrated, coordinated and high-quality system for all New Zealanders.

Our focus for the year ahead is on continuing to deliver positive change for the tertiary education and careers system

We are implementing ways to be more efficient and effective across our organisation, in line with the Government's fiscal saving requirements, and have realigned the organisation to ensure we continue to deliver our core functions and priorities well.

We cannot achieve our goals alone. Working with our partners, and stakeholders, communities and employers will continue to be a focus.

Lastly we'd like to recognise the people at the TEC who will support the delivery of the Government's priorities and functions set out in the SOI and our Statement of Performance Expectations.



Alan Bollard
Board Chair
Tertiary Education Commission



Tim Fowler
Chief Executive
Tertiary Education Commission

Statement of Responsibility

Tauākī Whakamaunga Atu

This interim Statement of Intent 2025/26 is produced in accordance with sections 138 to 149A of the Crown Entities Act 2004. It describes the strategic intentions and objectives of the Tertiary Education Commission Te Amorangi Mātauranga Matua. As required under section 141 of the Crown Entities Act, the Statement of Intent also outlines how the Tertiary Education Commission will manage its operations, functions and organisational capability to meet those objectives.

We certify that the information contained in this Statement of Intent 2025/26 is a fair and reasonable reflection of the Tertiary Education Commission's strategic and operating intentions.

Signed on behalf of the Board of the Tertiary Education Commission:



Alan Bollard
Board Chair

Tertiary Education Commission

11 June 2025



Dr Alastair MacCormick
Chair

Whatitata Whakau –
Risk and Assurance Committee
Tertiary Education Commission

11 June 2025

Who we are

Ko wai mātou

The Tertiary Education Commission is the Government's key agency for investment in tertiary education, training and careers services

The Tertiary Education Commission (TEC) is a Crown agency established under the Crown Entities Act 2004, and we are governed by a Board of Commissioners appointed by and responsible to you as Minister. As a Crown entity, we give effect to government policy.

We lead the Government's relationship with the tertiary education sector in New Zealand, and we have statutory responsibility for funding over 700 tertiary education organisations across New Zealand to provide all forms of post-secondary school education, including foundational education, vocational education, higher education and research.

We also monitor the performance of tertiary education organisations (TEOs) and provide information and advice to the Government about tertiary education. We are New Zealand's lead careers agency and provide occupational and educational information to build links between schools, tertiary providers, employers and communities, to ensure learners are ready for work and further study.

What we do

Ā mātou mahi

Our job is to shape the system by investing in tertiary education, creating connections, sharing information and insights, and leveraging partnerships. We do this to deliver lifelong learning and to equip learners, communities and employers for success.

Each year, we invest over \$3.8 billion in tertiary education and supporting the tertiary and careers system. We deliver quality career services and invest in education and research that equips New Zealanders to succeed in life.

Our statutory functions are set out in the Education and Training Act 2020. They are:

- › giving effect to the Government's Tertiary Education Strategy (TES) by funding tertiary education organisations, growing their capability and monitoring their performance.
- › collecting and providing information about study and work options.
- › providing information and services to help career seekers prepare to move to work or further study.
- › strengthening the connections from education to employment, and
- › advising the Minister on tertiary education organisations and sector performance and on the operational impact of policy.

Section 4 of the Education and Training Act 2020 states that the purpose of the Act is to establish and regulate an education system that honours Te Tiriti o Waitangi and supports Māori–Crown relationships. The Act sets a clearer and higher standard for Te Tiriti o Waitangi than previous social policy legislation. It provides a greater emphasis on the role of education agencies and the education sector as a whole in giving effect to Te Tiriti o Waitangi.

We work closely with others for better tertiary education and career outcomes

We are part of the wider education sector that works together to shape the system for better outcomes. We work across government agencies, industries and communities that help us deliver information and services to customers and providers. Key partners include: Ministry of Education; Ministry of Business, Innovation and Employment; Ministry of Social Development; Education New Zealand; and the New Zealand Qualifications Authority. Together we all contribute to a strong education system and improve the connections between learning and work.

We also work with public and private entities across Aotearoa New Zealand to ensure the tertiary education and careers system is responsive to regional and national needs. This includes the Career Development Association of New Zealand, Business New Zealand, chambers of commerce, economic development agencies, industry peak bodies, employers in regions across Aotearoa New Zealand and schools.

Our operating context

Tō mātou horopaki mahi whakahaere

We work in a complex operating environment, where we must both meet our full range of statutory obligations and deliver on the priorities and expectations of the government.

The tertiary education and careers system is key to unlocking productivity and economic growth

The tertiary education and careers system is a significant contributor to economic growth and increased living standards. It drives better economic and educational outcomes for people, communities and industry, creates new knowledge, and improves productivity.

High quality, accessible careers information supports New Zealanders to successfully prepare for the future by making good career decisions. The skills and knowledge people gain through tertiary education improves their chances of employment and increases their earnings.

There are challenges facing the tertiary sector

New Zealand has a high-performing tertiary education sector which is a key driver of the country's economic growth. Our universities are all ranked in the top three percent in the world, and the tertiary system overall is characterised by high calibre teachers, academics and researchers. New Zealand is an attractive destination for international students – which strengthens our connections with the global community.

Several challenges face the tertiary sector, which will need to be addressed if we are to retain a strong, financially sustainable tertiary system that drives New Zealand's economic growth and adds value to its society.

The tertiary sector faces financial challenges

The tertiary sector plays a vital role in driving economic growth. However, there are sustainability issues facing universities and other parts of the tertiary sector. A constrained fiscal environment has resulted in funding pressures to meet demand, and this has impacted the range of programmes and services being delivered.

The system needs to be more responsive to the needs of industry and employers

This is particularly true as the workforce and economy change. The world of work is changing, with an ageing and increasingly ethnically diverse workforce, increased automation and technological change, and different expectations of what work looks like from both employers and employees. In this environment, it is more important than ever that the tertiary education system is closely connected with industry and responsive to learners' needs, so learners gain the relevant, up-to-date skills and knowledge that employers need.

The tertiary education system does not deliver good results for everyone

Persistent educational disparities exist for our typically underserved learner groups and need to be addressed to better enable New Zealand's economic prosperity. The TEC is committed to supporting the sector to achieve significantly improved educational outcomes for all learners. To realise this goal, organisations must become learner-centric and fully invest in prioritising learner success. This requires tertiary providers to re-examine how and what they deliver and to take a whole-of-organisation approach to achieve equitable educational outcomes for their learners, and meet employment demand outcomes.

Our current strategic intentions

Ā mātou koronga rautaki o nāianeī

Government priorities and ministerial focus areas

The TEC is required by the Education and Training Act 2020 to give effect to the Tertiary Education Strategy (TES). A new TES is currently under development, and this is the key reason we are producing this interim Statement of Intent (SOI) for the one-year period of 1 July 2025 to 30 June 2026.

The purpose of the TES is to set out the long-term strategic direction for tertiary education, including economic, social and environmental goals, and the development aspirations of all population groups. The TEC will continue to meet its statutory obligation of giving effect to the current TES, through our core functions, until the new TES is published.

The new TES is a priority for the TEC, and once it is published, the TEC will produce a new SOI that sets out alignment to and delivery of the TES.

The Minister has provided us with direction in the Letter of Expectation 2025 – that delivering on the Government’s priorities while ensuring the effective and efficient delivery of core functions must be TEC’s highest priorities.

Our interim strategic intentions cover the breadth of work we will do to deliver on the Government’s priorities and expectations for the tertiary education and careers system, our goals and our statutory responsibilities.

Our Purpose

Our purpose is to shape a dynamic system that delivers lifelong learning and equips learners, employers and communities for success.

Our Vision

Our vision is a resilient, prosperous New Zealand – where every person has the skills, knowledge and confidence to create a fulfilling life.

Our Goals



An adaptable system

We have an adaptable tertiary education system that serves the needs of New Zealand now and in the future



Build the right skills to succeed

The careers system supports everyone to gain the skills, knowledge and pathways to succeed, so people, employers and communities can thrive



Improving educational outcomes

Education, training and career pathways support improving educational outcomes



Equip TEC for the future

Our Priorities for 2025/26

To deliver on our strategic intentions we have established our work programme priorities for 2025/26:

Delivering on the Government's priorities:

- › Redesign of the vocational education and training (VET) system
- › Final year Fees Free
- › Ministers' decisions on University Advisory Group
- › Integration and collaboration of universities with business and the broader science and research system.
- › Levers to drive access, participation and completion.

Delivering on our core business activities which reflect our statutory functions as set out in the Education and Training Act 2020:

- › Investment
- › TEO monitoring and risk management
- › Careers.

Our Values and Behaviours

Our values and behaviours reflect the essence of who we are, guide the way we work together and are pivotal to achieving our strategic intentions.

Work together
for success

Connect with people

Service matters

Do the right thing

An adaptable system

He pūnaha urutau



We have an adaptable tertiary education system that serves the needs of New Zealand now and in the future

The fundamentals of New Zealand’s tertiary education system are strong. New Zealanders can access high quality tertiary education and training around the country and online. Our sector comprises eight universities, Te Pūkenga the New Zealand Institute of Skills and Technology, three wānanga and 371 registered private training establishments.

We support an adaptable, resilient and connected system that meets the needs of New Zealand and New Zealanders, now and in the future. This means:

- › ensuring the system responds to the needs of all learners in New Zealand
- › ensuring learners, communities and employers can seamlessly navigate between different parts of the system to access what they need to succeed
- › ensuring the system generates transferrable knowledge that increases entrepreneurship, innovation and growth, and
- › making sure the system is resilient and fiscally sustainable, and partners with and responds to the current and future needs of learners, communities and employers.

Goal

An adaptable system

Priorities for 2025/26

- › Redesign of the vocational education and training (VET) system
- › Final-year Fees Free
- › University Advisory Group – Implementing Minister’s decisions
- › Supporting integration and collaboration of universities with business and the broader science and research system.

Contributing appropriations

Vote Tertiary Education:

- › Administration of and Support for the Tertiary Education and Careers Systems
- › Centres of Research Excellence
- › Industry Standards-Setting Functions
- › Support for Wānanga
- › Tertiary Education Commission – Final-year Fees Free
- › Tertiary Education Research and Research-Based Teaching
- › Tertiary Sector / Industry Collaboration Projects
- › Workforce Development Councils
- › Tertiary Tuition and Training (Multi-category appropriation)

We are implementing changes to the tertiary education system to deliver on Government priorities

The Government has made a number of policy commitments for change in the tertiary education sector, and we have established a programme of work to deliver on these commitments.

Successfully delivering these key changes quickly and effectively is a high priority for the TEC. The projects under the programme umbrella will change over time as new priorities arise and others are completed.

The redesign of the vocational education and training (VET) system is a significant policy objective for the government and is the highest priority for the TEC.

The VET changes constitute a system-level change in the tertiary education system, with the potential to affect hundreds of thousands of learners, thousands of employers and organisations, and dozens of tertiary education organisations. The changes fundamentally change the platform from which vocational education is delivered and clear the way for further improvements in subsequent years. Changes include establishing a network of standalone polytechnics, establishing Industry Skills Boards, disestablishing Workforce Development Councils and disestablishing Te Pūkenga. The broader programme also includes changes to the VET funding system to enable and support the new system.

The overarching goal is to ensure a smooth transition to the new VET system, minimising disruption for learners and providers. The TEC will prioritise resources to support the changes to the VET system.

Te Pūkenga, the New Zealand Institute of Skills and Technology, will be disestablished, paving the way for a new regional delivery model for institutes of technology and polytechnics (ITPs). This initiative aims to foster a more localised and responsive VET system.

The funding system will see adjustments to provider-based rates, the learner component, and work-based rates. These changes are intended to better align funding with the needs of learners and industries while maintaining cost neutrality. Streamlining the learner component criteria and reducing compliance costs by eliminating additional performance requirements are key aspects of this reform.

Workforce Development Councils (WDCs) will be replaced by Industry Skills Boards (ISBs), which will set standards based on industry needs and priorities. This new structure is designed to streamline the standard-setting process and ensure it is industry-informed.

In addition to the VET system changes, the government has other priority initiatives underway with the university system review, and Fees Free policy being moved from first-year to final-year study.

The University Advisory Group provided the government with advice on New Zealand's university system. Group members identified challenges and opportunities for improvement in the university sector, ways to best achieve equity for all learners, and the role of international education. Recommendations from the University Advisory Group are being considered by ministers, and any changes that ministers recommend will be implemented to improve the overall effectiveness and efficiency of the sector.

Final-year Fees Free is a cross-agency project to implement the government's policy to move Fees Free from covering a learner's first year of study to reimbursing their final year of fees once they complete their qualification.

We are continually improving our investment function to deliver value

We lead the Government's relationship with the tertiary education sector in New Zealand and have statutory responsibility for funding and monitoring tertiary education organisations.

With a finite amount of funding available, we have a carefully considered approach to allocating tertiary funding. Our investment helps TEOs respond to stakeholder needs and priorities, providing New Zealand with the skills and qualifications needed to maintain an appropriate network of provision and drive economic growth. We also use our investment levers to drive participation and completion, and achieve shifts in the research system. This helps to ensure a network of tertiary provision that meets the needs of different learners and communities, supporting TEOs to achieve the best outcomes for learners.

We engage with sector stakeholders to inform our priorities for targeted investment in vocational and higher education. We also work closely across government and with other sector stakeholders on our targeted higher education priorities.

We monitor tertiary education organisations to ensure stewardship of the system

The TEC is responsible on behalf of the Crown for monitoring the operation and long-term viability of New Zealand's public tertiary providers. These institutions are Crown entities and form the core of New Zealand's public tertiary education system. This means a risk to their operation or viability presents a fiscal risk to the Crown as well as a risk to New Zealand's public network of tertiary education. The TEC undertakes comprehensive monitoring of the financial performance and sustainability of these institutions.


In addition to our statutory monitoring role, we monitor all funded tertiary education organisations. Our monitoring ensures accountability for public funding and contributes to the TEC's stewardship of the overall tertiary system. It helps lift capability and ensures TEOs prioritise learner success, so that our investment supports better outcomes for learners and New Zealand.

Our monitoring functions allow us to respond to risks at both the TEO and system level and provide guidance to the sector to help strengthen performance, while ensuring we minimise compliance requirements on providers.

Many parts of the tertiary sector are facing sustained financial and operational challenges, and the TEC's monitoring work is crucial in not only understanding the overall system risk but also informing the Government's consideration of system changes.

How we will assess progress

Our priorities and core business activities are key contributors to the outcome **An adaptable system**. However, we operate in a dynamic environment with a number of external factors outside of our control. The following performance information illustrates progress towards the outcome to which our work contributes.

Goal – An adaptable system		
Measure	Metric	Desired trend
System accessibility, resilience, and connectedness	Collaboration behaviours between tertiary education organisations and with employers, iwi and communities on issues affecting sector performance	

More detail on how we assess our performance is also provided in our Statement of Performance Expectations. This is updated annually, with the most recent version available at [\[tec.govt.nz/corporate-publications\]](https://tec.govt.nz/corporate-publications).

Build the right skills to succeed

Te whai pūkenga tika kia angitu ai



The careers system supports everyone to gain the skills, knowledge and pathways to succeed, so people, employers and communities can thrive

The TEC has a legislative role to provide occupational and educational information, and to build linkages between schools, tertiary providers, employers and communities to ensure learners are ready for employment and further study.

The focus of our careers work is to equip New Zealanders with the skills and capabilities to make them career confident and resilient. For our learners and partners this means providing information, tools and support to inform and enable good educational and employment decisions.

The TEC is the system leader for careers. This role closely complements our investment in the tertiary education system and supports lifelong learning. We provide a suite of information and tools to support career decisions, ensuring linkages with our investment function, and partnering with agencies and communities to improve career outcomes.

Our leadership role brings together government agencies, business and employers, and communities and professional bodies to strengthen our careers system, and work together to build a more integrated, coordinated and high-quality system for all New Zealanders.

Our careers core functions include:

- › developing and providing publicly available careers information, including information about occupations and tertiary education and training
- › facilitating and strengthening the connections between schools, employers and tertiary education organisations, and
- › leading the implementation of the National Careers System Strategy Action Plan.

Goal	Build the right skills to succeed
Priorities for 2025/26	<ul style="list-style-type: none">› The National Careers System Strategy and Action Plan› Launch Tahatū Career Navigator nationwide› Facilitate and strengthen connections between schools, employers and tertiary education organisations.
Contributing appropriations	<p>Vote Tertiary Education:</p> <ul style="list-style-type: none">› Administration of and Support for the Tertiary Education and Careers Systems› Centres of Research Excellence› Industry Standards-Setting Functions› Support for Wānanga› Tertiary Education Research and Research-Based Teaching› Workforce Development Councils› Tertiary Scholarships and Awards› Tertiary Tuition and Training (Multi-category appropriation)

Cross-agency collaboration to deliver our National Careers System Strategy and Action Plan

The careers system has significant intersections across education, employment and social development systems. The TEC led the development of the National Careers System Strategy (NCSS) and its cross-agency Action Plan, engaging with a wide range of stakeholders from government, business and industry, peak and professional bodies, communities and iwi.

The NCSS and its Action Plan focus on achieving three goals:

1. To strengthen system leadership and connections
2. To improve the quality and availability of careers support for all New Zealanders, and
3. To ensure equitable access to quality careers information, advice and guidance.

Aligned to the NCSS Action Plan and its careers function, the TEC is also the lead agency for the careers action in the Employment Action Plan, which sets out a programme of actions for government agencies to support more New Zealanders into work and give them greater opportunities to realise their potential.

Endorsed by the Labour Market Ministers Group, a Careers System Steering Group has been established to drive actions to build an integrated careers system, while also supporting the deliverables in the Employment Action Plan. The steering group includes members from the Ministry of Education, Ministry of Business, Innovation and Employment, Ministry of Social Development (MSD), Te Puni Kōkiri, Ministry for Pacific Peoples and Ministry for Women, as well as two career peak bodies, the Careers and Transition Education Association and Career Development Association of New Zealand.

The National Careers System Strategy Action Plan and TEC careers products have also been included in MSD's "persistent disadvantage" work for Labour Market Ministers.

Tahatū Career Navigator is our new online career planning tool

Tahatū Career Navigator is a core initiative in our wider careers system strategy. It provides New Zealanders of all ages with trusted careers information, tools and resources to help them know, plan and confidently act on their career decisions. Tahatū Career Navigator brings together 800 career ideas, 4000+ qualifications and over 80 NCEA subjects to support people to navigate, plan and act on career choices.

The website has been piloted with schools, and will continue to be developed, before being rolled out to all New Zealanders by the end of 2025. The

launch to secondary schools will be accompanied by a range of activities to support teachers and career advisors to engage their students, and integrate our other career products into their career planning.

Tahatū Career Navigator will contribute to improving economic outcomes for individual learners, industries and communities by providing high quality, accessible careers information. It will help people identify, and know how to acquire, the skills, knowledge and attributes required for jobs and careers in specific industries, including traditional trades and strategic priority areas such as healthcare, service industries, information technology and community care.

We are inspiring young people with future career options

One of the TEC's statutory functions is to facilitate and strengthen connections between schools, employers and tertiary education organisations. Inspiring the Future is a TEC programme to connect school children with volunteer role models from the world of work through a fun and inspiring event. Research shows that when students meet workers and hear about their jobs and the pathways they took to get there, it inspires them to consider new possibilities for their futures.

The programme is accessed via an online platform [inspiringthefuture.org.nz], where volunteers register to be role models and schools can login to host events. Schools can select role models in their communities for in-person events or from anywhere in Aotearoa New Zealand for online events.

How we will assess progress

Our strategic priority and core business activities are key contributors to the outcome **Build the right skills to succeed**. However, we operate in a dynamic environment with a number of external factors outside of our control. The following performance information illustrates progress towards the outcome to which our work contributes.

Goal – Build the right skills to succeed		
Measure	Metric	Desired trend
The system ensures learners are ready for the future	Feedback from New Zealanders on the usefulness of careers information to assist with education and career related decision-making	▲
	Percentage of learners who experience positive post-study outcomes within the first one to three years of graduation	▲
The system provides employers and communities with the skills they need	Number of employers and learners involved in work-integrated learning	▲

More detail on how we assess our performance is also provided in our Statement of Performance Expectations. This is updated annually, with the most recent version available at [tec.govt.nz/corporate-publications].

Improving educational outcomes

He porihanga tuwhera me te ōritetanga



Our education, training and career pathways support equitable outcomes

While world-class in some respects, our tertiary education system does not deliver good outcomes for everyone, including in the university sector.

There are long-standing equity-of-outcome issues for groups within the system, including Māori, Pacific, those from lower socio-economic groups, and disabled learners, which will continue to be addressed.

Achieving significantly better outcomes is critical to meeting New Zealand's future skill needs. If we do nothing, there will be ripple effects for our economy – loss of human capital, decreased social mobility and increased social dependency.

Improving completions is not just good for New Zealand's economic prosperity; it makes financial sense for tertiary providers. Research indicates that, on average, 20 percent of people who are new to university education are not retained to their second year. This equates to an estimated financial loss to the universities of \$169 million in tuition subsidies and student fees. Given the financial issues currently facing many providers, there are compelling financial returns on investment in learner success initiatives, through increased learner retention and progression.

Internationally, tertiary education organisations and systems that have made material progress in improving achievement for all learners have used a “learner success” approach. Effective investment in learner outcomes requires an intentional, sustained and whole-of-organisation commitment to put learners at the centre.

Based on this overseas evidence, the TEC has developed and tested a Learner Success Framework for New Zealand in collaboration with the sector. Through our investment, monitoring and system-stewardship functions, we are supporting tertiary providers as they design and implement their learner-centric operating models. These approaches will deliver significantly more qualified workers into the labour market.

Goal	<div>Improving educational outcomes</div>
Priorities for 2025/26	<div><ul style="list-style-type: none">› Review levers to drive access, participation and completion› Large tertiary providers, including universities, continue to deliver on the commitments in their Learner Success Plans and Disability Action Plans.</div>
Contributing appropriations	<div><div>Vote Tertiary Education:</div><ul style="list-style-type: none">› Administration of and Support for the Tertiary Education and Careers Systems› Centres of Research Excellence› Industry Standards-Setting Functions› Support for Wānanga› Tertiary Education Commission – Final-year Fees Free› Tertiary Tuition and Training (Multi-category appropriation)</div>

The TEC's education, training and career pathways support improved learner outcomes and a more productive economy

To ensure all learners receive the support they need to succeed in education, the TEC works with TEOs to create education environments that are learner-centric and aim for all learners, especially our most underserved learners, to succeed.

We use a suite of levers to support the changes needed across the sector to enable learner success. Our four key levers are:

- › Investment – to provide the right incentives to all parts of the system to focus on the needs of learners
- › Monitoring – targeted and meaningful engagement that highlights the benefits of strong performance and consequences for poor tertiary education organisation performance
- › Careers information and tools – to redress the information imbalance in the system and allow learners and their whānau to make the best education choices, and
- › The TEC's internal capability – this continues to develop to ensure we lead by example and ensure the Crown, learners and their communities are getting good value for money from their tertiary education.

Learner success is part of the investment process. The TEC has recently made a requirement that all large tertiary providers, including universities, produce Learner Success Plans (LSPs) and Disability Action Plans (DAPs). These plans detail how organisations are addressing the needs of their underserved learners and how they are progressing towards their commitments to achieving parity of educational outcomes for their learners.

We use these plans to inform funding decisions and to actively monitor progress against commitments and hold organisations to account. Through these levers we are sending a strong signal that delivering improved educational outcomes for learners is fundamental to our investment.

How we will assess progress

Our strategic priority and core business activities are key contributors to the outcome **Improving educational outcomes**. However, we operate in a dynamic environment with a number of external factors outside of our control. The following performance information illustrates progress towards the outcome to which our work contributes.

Goal – Improving educational outcomes		
Measure	Metric	Desired trend
The movement of underserved groups' outcomes towards parity with everyone else	Tertiary education institutions (TEIs) show progress against their Learner Success Plans (LSPs) and Disability Action Plans (DAPs)	▲
	Year 1 retention rate parity between underserved learners and other learners in the tertiary system	▲
	Parity between educational outcomes of underserved learners and other learners in the tertiary system	▲

More detail on how we assess our performance is also provided in our Statement of Performance Expectations. This is updated annually, with the most recent version available at [tec.govt.nz/corporate-publications].

Organisational health and capability

Te hauora me te āheinga o te hinonga

To deliver on our strategic intentions it is essential that we have the right people, processes and technology

Alongside our three external goals described in our strategic intentions section, we have a fourth, internal-facing goal – **Equip TEC for the future**. This internal outcome underpins our three external goals.

As an organisation, we continually strive to increase our efficiency and effectiveness both internally and externally to provide value for money for New Zealand.

We have strong financial management

We operate in a manner consistent with section 51 of the Crown Entities Act 2004.

To ensure a financially sustainable future and the ability to deliver on our strategic intentions, we have a five-year Strategic Financial Plan.

The Plan:

- › outlines our approach to managing both our operating costs and capital expenditure, and
- › sets our internal budget parameters and forms the basis for our Statement of Performance Expectations.

Through our regular reviews we monitor and manage our core costs to ensure TEC remains sustainable and our investment in tertiary education organisations delivers on the Government's priorities.

We strive to provide an environment with equal employment opportunities

Our employment practices meet the responsibilities in the Crown Entities Act 2004 to be a good employer. We strive to provide an environment with equal employment opportunities for all current and potential employees and we want all our people to feel empowered, valued and supported.

We are reducing our gender pay gap

We aim to reduce the gender pay gap to under 10 percent by the end of 2025. We use the Public Service Commission formula to analyse our gender pay gap. This formula is the difference between the average salary for men and the average salary for women, as a percentage of the average salary for men. Our gender pay gap is 11.3 percent.

Actions taken to date include reviewing our policies:

- › procedures and guidance to managers to ensure there is no bias and discrimination
- › maintaining the collection of voluntary ethnicity data
- › commencing work with the Public Service Association (PSA) to develop a Career Progression and Development Framework and review our pay system
- › revising our flexible working policy and procedures; and
- › continuing to deliver Te Tiriti o Waitangi, te reo Māori and unconscious bias training.

We are inclusive and diverse

Diversity and inclusion is particularly important to us to ensure we can effectively deliver for all of our learners and partners. This includes helping our people better understand the diverse needs of New Zealanders, particularly Māori, Pacific, people who are socio-economically disadvantaged.

Internally, we also foster and celebrate the diversity that exists in TEC's workforce. One of the grounding principles of our People Plan – Mā Tātou, Mō Tātou is "Building a positive, diverse and inclusive organisational culture".

We are progressing with the delivery of our information system and data strategies

Central to our information system and data strategies is increased use of technology and data to improve our business operations. This is being balanced against the need to live within our means and find ways (for example, through combining technology systems) to reduce then overall cost of technology to TEC. Data provided by the sector is core to our operations, particularly our investment and monitoring activities. We are in the final stages of replacing our data-collection systems, which will provide a more sustainable long-term solution for us and the sector, as well as a simplified experience for users when they submit data.

We continue to work with and support the education sector where possible. We led the negotiation of the sector-wide Microsoft License agreement, which is due for renegotiation in 2026, and we have recently completed a very successful programme supporting tertiary education organisations to lift their overall cybersecurity maturity.

We use risk management to support effective decision-making

We work in a dynamic, changing environment, and risk management remains an integral part of our organisational governance at strategic, operational and project levels. Our approach to risk management is proactive and well embedded, focusing on:

- › fostering and encouraging a risk-intelligent culture where risk management is valued and seen as a key enabler to organisational success
- › providing relevant and appropriate information on key areas of risk exposure, and on the actions being taken to manage these risks, to support and inform decision-making and planning processes
- › ensuring our managers understand and consistently apply the risk-management steps to identify, discuss and articulate risks, and
- › supporting the pursuit of opportunities while appropriately balancing risk taking.

Our risk management framework aligns with the globally accepted International Standards Organisation (ISO) standard for Risk Management – the ISO 31000 Risk management – Principles and guidelines.

Our carbon reduction target has already been met

The Carbon Neutral Government Programme aims to accelerate emissions reduction in the public sector.

The TEC has reduced travel and our office footprint, along with introducing a flexible working policy to enable staff to work from home, further reducing our carbon emissions. This helped us meet both our 2025 and 2030 gross emission reduction targets in 2023/24.

Our emissions are independently audited annually by Toitū Envirocare.

We report annually on our service critical assets and contracts

Each year we identify service critical assets, such as our Data Exchange Platform, which is a core platform for collection and distribution (exchange) of tertiary education organisation funding data used in funding and monitoring tertiary education organisations. We report annually on relevant asset performance indicators for service critical assets in our Annual Report.

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