



## Consultation of significant plan amendments (SPAs) and replacement plans (RPs)

Responses to questions raised at October information sessions.

**Are SPAs and RPs just for Investment Plans or are Learner Success Plans and Disability Action Plans included?**

A significant plan amendment can include changes to a TEO's Learner Success Plan (LSP) or Disability Action Plan (DAP). For example, a SPA can include a change to the milestones in a TEO's LSP.

**How is the New Zealand Qualifications Authority (NZQA) involved in setting TEC priority funding, ie, NZQA approve new courses/ programmes that must meet certain criteria, but TEC doesn't necessarily include these in its funding priorities?**

NZQA and TEC have different roles. NZQA provides quality assurance over qualifications and programmes. TEC determines what qualifications and programmes are appropriate for public funding. A programme can meet NZQA's quality assurance requirements but not meet TEC's priorities for funding. For many of TEC's funds, NZQA approval is a necessary requirement but **not always sufficient**.

**When a new programme is developed for delivery, NZQA approves the programme. Why does TEC not always agree to increase EFTS funding and instead require TEOs to deliver these programmes within their existing EFTS funding?**

A programme or micro-credential may be approved by NZQA. However, TEC may not consider the programme or micro-credential an investment priority and therefore we may not provide additional funding for it. In those cases where TEC has approved delivery but not additional funding, the TEO can decide to reallocate its current funding to new programmes or micro-credential.

Once a TEO's Investment Plan (including the MoP) is approved, any further increase in funding needs to be approved through an Additional Funding Request process.

<b>In relation to the SPA criteria, when do we need approval from TEC to make changes to LSPs and/or DAPs?</b>	Once the final criteria have been Gazetted. If you intend to make changes to your milestones in your LSP or DAP, please talk to your Relationship Manager or our Customer Contact Group about whether a SPA would be required.
<b>Does the SPA criteria allow a TEO to make changes between levels and across funds?</b>	<p>A TEO can make changes across levels within a fund unless such changes are covered by funding conditions (eg, over-delivery of level 3 Youth Guarantee is not permitted).</p> <p>TEOs are allocated funding by fund type based on agreed MoPs. The SPA criteria refers to changes within a fund. If a TEO wants more funding for one fund (whether or not the TEO is prepared to have a similar reduction in another fund) the TEO would need to make an additional funding request.</p> <p>The criteria for SPAs relate to changes within a TEO's approved allocation for each fund. Any approval of financial changes to an investment plan follows a different process.</p>
<b>Do tertiary education institutions (TEIs) need to submit a replacement plan if there are changes to their governance arrangements eg, they have a new vice chancellor or chief executive?</b>	We do not envisage that a TEI would need to submit a replacement plan in this situation.
<b>Do TEOs have to consult with stakeholders if they are proposing changes which meet the SPA or RP criteria?</b>	A TEO that proposes a SPA or RP must consult with people or bodies that the TEO thinks is appropriate and any people or bodies the TEC asks the TEO to consult with.
<b>Do the criteria exclude situations beyond a TEO's control eg, pandemics etc?</b>	Generally, if a situation is significant enough, TEC would provide appropriate direction at the time.
<b>If a TEO wanted to shut down a faculty or create a new faculty, is there criteria for this?</b>	Based on the proposed criteria, TEIs would need to seek TEC approval to introduce programmes or activities in a new faculty (and/or field of study).
Note, the reference to 'faculty' only relates to TEIs.	<p>The proposed criteria do not specifically address a TEO wanting to shut down a faculty, but a TEI would be required to seek TEC approval to:</p> <ul style="list-style-type: none"> <li>› stop the provision of programmes or activities that are a TEC priority, or</li> <li>› stop the provision of programmes or activities where the TEI is the only TEO in New Zealand providing those programmes or activities.</li> </ul>

<b>Would TEC be likely to decline a proposed SPA if a TEO proposed changes that meant it would no longer deliver priority provision due to a restructure?</b>	We understand that TEOs are autonomous entities and need to make financially sound decisions. TEC's role is to understand what the implications of any changes might have on the network of provision and ensure, as much as possible, that provision that is needed in New Zealand is available for learners to study.
<b>Will SPAs and RPs need to be approved by TEC's Board?</b>	Most SPAs will not need to be approved by the TEC Board as they do not involve changes to funding allocations. RPs for larger TEOs are likely to require TEC Board approval.
<b>TEOs are required to publish a Plan summary. Will TEOs be required to publish SPAs as well?</b>	TEOs will need to ensure their Plan summary adequately reflects any SPAs.
<b>Will TEC publish a summary of what SPA changes it approves or declines in a year so that TEOs can see what is happening across the network of provision?</b>	TEC will consider whether it will publish SPAs and RPs that it approves or declines.
<b>What will be the process be for submitting a SPA or RP?</b>	TEC is looking to streamline the processing of SPAs to make consistent decisions faster. However, until we advise otherwise, the process remains the same. Contact your Relationship Manager or the Customer Contact Group in the first instance.
<b>Will there be a threshold for additional funding that is considered a SPA or RP?</b>	<p>At this stage, the proposed SPA criteria only focus on changes a TEO wants to make within its approved allocation.</p> <p>We already have a clear process in place for Additional Funding Requests. Tertiary providers are familiar with this and it's working well.</p> <p>We will look at whether there are other situations outside of a TEO's control, that create funding changes and should be dealt with more readily.</p>
<b>When will the SPA and RP criteria come into effect?</b>	<p>We are aiming to Gazette and publish the final criteria in the first quarter of 2025.</p> <p>We have received legal advice clarifying that the Gazette notice for SPAs does not require 28 days' notice before taking effect. However, we will consider further whether to provide a notice period.</p>