Education Report: Tertiary Education Strategy Update

To: Hon Chris Hipkins, Minister of Education

Date: 4 April 2019

Security Level: In Confidence

Drifter: Te Owaimotu Crawford

Key Contact: Ewan Delany

Messaging seen by Communications team: No

Priority: Medium

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Purpose of Report

The purpose of this paper is for you to:

Note that the timeframes for the development of the Tertiary Education Strategy have been revised – the final TES is to be published in late September 2019.

Agree to the approach officials are taking to develop a new Tertiary Education Strategy.

Summary

1 Timeframes for the finalisation of the new Tertiary Education Strategy (TES) have been revised, and now have an expected launch date in late September 2019.

2 Officials are working to ensure that the new TES reflects the overall vision for education and is aligned with other elements of the Education Work Programme, for example: the Reform of Vocational Education, Fees-Free, the Careers Systems Strategy and the Statement of National Education Learning Priorities. The TES will also reflect wider Government priorities for New Zealand.

3 Our engagement with stakeholders to date has highlighted themes similar to the system priorities you have previously discussed with officials.
Recommended Actions

The Ministry of Education recommends you:

a. **Note** that the timeframes for the development of the new TES have been revised, and we now intend to:
   i) consult on a draft TES in June/July
   ii) finalise a new TES by the end of September 2019.

   **Noted**

b. **Note** that in order for the new TES to be fully reflected in the next set of TEC Investment Plans in 2021, it needs to be published by the end of September.

   **Noted**

c. **Agree** to the approach officials are taking in developing the new tertiary education strategy

   **Agree/Disagree**

d. **Proactively release** this paper with redactions where appropriate for policy matters under consideration.

   **Release / Not release**

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Grant Klinkum  
Deputy Secretary  
Graduate Achievement, Vocations and Careers  
04/04/2019

Hon Chris Hipkins  
Minister of Education  
7/4/19
Background

1 In September 2018, the Ministry provided you with a proposed approach to the development of a new Tertiary Education Strategy (TES) [METIS 1144234 refers]. This report updates you on the progress made and seeks your agreement to officials continuing with the approach agreed last year.

The current TES is due to expire in December 2019

2 The TES is one of your key strategic tools in the education system. It sits within your overall education narrative.

3 A TES is required under s 159AA of the Education Act 1989 (the Act). Its purpose is to set out the Government’s long-term strategic direction and current and medium-term priorities for tertiary education. It must encompass social, economic and environmental goals, as well as the aspirations of Māori and other population groups.

4 The TES sets government priorities for tertiary education and has the potential to have significant influence in shaping behaviours across the sector. In particular, the Tertiary Education Commission’s (TEC) primary role is to give effect to the TES through its activities and Investment Plan system for funding tertiary education organisations (TEOs).

5 The TES provides TEOs with a single document that outlines Government’s direction and priorities, to which they must align their Investment Plans for funding from the TEC. It also provides significant opportunity for Government to:
   
   • Signal the system level policy shifts you wish to see in tertiary education
   • Advance your intention to re-set the Māori-Crown relationship in tertiary education
   • Continue and refine the broad national conversations about education
   • Gain buy-in to a shared vision for tertiary education, as part of the broader education sector, and commitments to action
   • Influence action across the sector over time.

The TES will focus on delivery of the outcomes of your education vision for the tertiary system

6 The TES will target behaviour change and action by TEOs towards the overall vision and outcomes for education in New Zealand can be reflected and supported in the context of the tertiary education system.

7 Developing a new TES represents a significant opportunity to implement systemic change within tertiary education, and to align the tertiary education system with the 30 year vision for education and wider Government priorities.

Alignment with the broader Education Work Programme

8 We will ensure the TES is carefully sequenced with work already underway as part of the Education Work Programme (EWP). The TES will incorporate decisions made as part of the Reform of Vocational Education (RoVE) and ongoing work embedding Fees-Free. The TES will be developed to align with other strategies within the EWP, including Ka Hikitia, the Pacific Education Plan, the Tomorrow’s Schools review and the Statement of National Education and Learning Priorities (NELP).
The NELP and TES will need to be linked closely as they set the Government’s priorities for the respective sectors. Officials plan to seek Cabinet’s agreement to public consultation on the draft NELP priorities in May 2019, with consultation then taking place in June and July 2019, and publication of the NELP in November 2019.

Cross-Government alignment

Officials are engaging with other Government agencies to ensure that the TES reflects Government’s overarching strategic priorities and is aligned with key high-priority work programmes being developed across Government agencies.

So far, we have engaged with parts of the Ministry of Business, Innovation and Employment with regard to skills and employment and are working to support the development of the Research, Science and Innovation Strategy as part of a cross-government working group. We have engaged with the Ministry of Social Development with regard to transitions into quality and sustainable employment. We have also engaged with the Ministries of Justice and Health, and relevant population agencies around the TES more generally.

There is significant opportunity to shift behaviours across the tertiary sector through the TES

The TES will have a specific purpose aligned with the overall vision for education. This will enable the TES to focus on influencing short and medium term behaviour change and actions by TEOs and government.

This will support clearer TEO alignment of activities to the TES and will also facilitate the shift in behaviours you are seeking.

The TES will also provide guidance for future policy work and support the TEC with investment decisions across the sector.

With this structure, we anticipate the TES to comprise a two page summary of the overall strategy along with a set of actions, followed by two pages addressing each of the system priorities – and associated actions – for tertiary education. We anticipate no more than four to five system priorities overall.

The TEC will need the TES to be finalised by September 2019 to be able to effectively carry out its functions relating to funding of providers

We are working closely with the agencies and organisations responsible for delivering actions outlined in the TES including the TEC and the New Zealand Qualifications Authority (NZQA).

The TEC is required to give effect to the TES in exercising its functions, including decisions regarding the funding of tertiary education providers. The NZQA must also have regard to the TES in exercising its functions. Officials are meeting regularly to ensure a cohesive government approach to the development of the TES, and confirm that this is carried through to the implementation phase.

The TEC receives and confirms investment plans from TEOs in early July and investment/funding for each plan is confirmed in September of each year. The TES will be needed to inform this process. Further on from that, the TEC anticipate that the 2020 Plan Guidance will be released by early December 2019, and the Toolkit by late February 2021.
The TES will be an early opportunity to guide the priorities of the proposed NZIST.

Revised timeframes for the development of a new TES

We anticipate that the new TES will be finalised for late September 2019, rather than July 2019 as signalled in the initial report on the TES development [METIS 1144234 refers]. This is largely due to reduced engagement on the TES as a result of overlapping with consultation on the Reform of Vocational Education (RoVE).

The table below outlines the revised timeframes for the development of the TES as well as the TEC investment timeframes:

<table>
<thead>
<tr>
<th>Year 2019</th>
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<tbody>
<tr>
<td><strong>May</strong></td>
</tr>
<tr>
<td>Draft TES to Minister for feedback</td>
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<tr>
<td>Draft evidence brief to accompany TES to Minister</td>
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<td><strong>Late May</strong></td>
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<tr>
<td>Revise draft TES based on Minister’s feedback</td>
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<tr>
<td>Cabinet consideration of RoVE policy proposals</td>
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<td><strong>Mid-June</strong></td>
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<tr>
<td>Cabinet approval of draft TES for public consultation</td>
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<td><strong>Mid-June</strong></td>
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<tr>
<td>Draft TES released for public consultation with supporting evidence brief</td>
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<tr>
<td><strong>Late June-July</strong></td>
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<tr>
<td>Six week public consultation</td>
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<td>Public and stakeholder specific forums across NZ and online</td>
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Given the consultation timeline and limited opportunities to go back to stakeholders before publishing a draft, officials suggest revisiting the timeline for plan guidance and seeking to have some conversations on plan guidance with providers while TES work continues.

Engagement on TES to date

You have agreed to take an inclusive, high-engagement approach to developing the new TES and to consult on a draft TES before it is agreed

Section 159AA(3) of the Act requires you to consult with stakeholders in the tertiary education sector that you consider ought to be consulted. Broad buy-in to the strategic direction articulated in the TES is critical to its success. In addition to the TEC, we have been engaging with your tertiary consultative group, including the following stakeholders, as part of the development of TES:

- Universities New Zealand (UNZ)
- Te Kāhui Amokura (DVCs and PVCs Māori)
- New Zealand Union of Students’ Associations (NZUSA)
- Te Mana Ākonga (TMA) – National Māori Students’ Association
- Tertiary Education Union (TEU)
- ACE Aotearoa
- Ako Aotearoa.
We have been mindful of not engaging with stakeholders directly affected by the RoVE as they have been engaged in the RoVE consultation process from 12 March 2019 – 5 April 2019. However, we know the whole tertiary education sector will expect to engage on this before a public consultation on a draft. We will work within parameters created by RoVE, NELP, Ka Hikitia, Pacific Education Plan and other work to find ways to accommodate this requirement.

The key themes we have heard from these groups include:

- **Access and achievement.** There are a number of barriers still prevalent in the tertiary education system that restrict learner participation and achievement in tertiary education. Our engagements to date have highlighted the cost of tuition, proximity and associated travel costs, whānau and work commitments as factors which continue to inhibit learner access, participation and achievement in tertiary education.

- **Lifelong learning and career pathways.** As technology changes the demand for skills, the tertiary education system will need to ensure access to opportunities to upskill and re-train. This will help ensure people can continue to participate in the economy and make the most of the opportunities as technology advances.

Tertiary education will need to be flexible and accessible for learners of all ages and will need to fit in with work and caring or whānau responsibilities. From our engagement current provision of careers advice is inconsistent and ineffective across the sector. There will be a significant need for consistent and ongoing access to quality career advice, mentoring and support throughout life (from ages 7 to 74) as the world of work changes (with increased automation) and as people remain in the workforce for longer. This will help ensure we support transitions as the economy inevitably changes. Learners may be in and out of the tertiary education system over the course of their lifetime and the tertiary system needs to be able to support this.

- **Student Voice.** Tertiary education stakeholders would like to see the TES enable and support greater student voice. The TEU and NZUSA have strong views that: students need effective ways to make themselves heard; voluntary student membership restricts student unions from getting the resourcing they need to develop student voice; and student life is too demanding which often means student voice is neglected.

- **Diversity.** The next 20 years will see New Zealand become increasingly diverse and it will be important to consider this diversity to future-proof the tertiary education system. There are many facets to diversity that need to be considered in developing a new TES. For example: Māori-Crown relationships; culturally responsive institutions (which will necessitate culturally competent staff); the decoupling of Māori and Pacific populations in the TES; whānau-centric models of practice; and pastoral care tailored specifically for Māori.

By and large, these themes align with the system priorities you have already discussed with officials of:

- **Life-long learning**, including hop-on and hop-off education that fits with learners’ work and caring responsibilities.

- **Career pathways**, including transitions from secondary into tertiary education and from education into work.
• **Equity**, particularly for Māori and Pacific learners and for those less socio-economically advantaged.

• **Future of work and technological advances**, including the implications for how and what the tertiary education sector delivers.

27 In addition to these priorities, you have also asked us to consider the role of Government in the provision of tertiary education.

We will also reflect what we have already heard

29 The Ministry has examined the perspectives that have emerged from the various conversations and engagements held as part of the EWP and we know that people have talked about a range of issues including:

• the importance of the teaching and learning environment, including flexible and individualised life-long learning pathways and project-based learning
• equal and balanced opportunities so that everyone can succeed
• the wider values and competences that underpin the education sector; and
• the importance of wellbeing, and meaningful connections between learners, providers and their communities
• that some learners still experience racism and bias in education which significantly inhibits their access and achievement.

Risks

30 There is a risk that it may be difficult to engage with some stakeholders, with a number of EWP consultation processes running in parallel. We will seek to join up with and gather intelligence from other consultation processes where possible.

31 Engagement on TES has been, at times, slowed due to the need for in-depth consultation with stakeholders on major reforms, for example RoVE and Tomorrow’s Schools. This means our engagement timeframes are now tight.
33 Our engagements to date have been successful in uncovering and confirming the potential priorities for the TES; a significant further investment in analysis and engagement is needed to establish a concrete set of actions underpinning the TES priorities.

34 Any further delays to the new TES development timeframes will also create a risk of the TEC being unable to deliver Plan Guidance this year. This will affect the ability of TEOs and the TEC to respond to the TES in the next set of Plans, or to a situation where there is no TES.

Financial Implications

35 The development of the TES, including costs associated with engagement, will be managed within the Ministry’s budget allocated for this work.

36 The direction set by a new TES may have financial implications. We will provide detailed analysis and estimations of any financial implications prior to finalising the TES.

Proactive Release

37 We recommend that you release this paper with redactions where appropriate for policy matters under consideration.