



## Education Report: Establishing Te Pūkenga as a Secondary-Tertiary Programme (Trades Academy) Lead Provider

<b>To:</b>	Hon Chris Hipkins, Minister of Education		
<b>Date:</b>	25 November 2021	<b>Priority:</b>	Medium
<b>Security Level:</b>	In Confidence	<b>METIS No:</b>	1277870
<b>Drafter:</b>	Rebecca Weir	<b>DDI:</b>	04 463 2878
<b>Key Contact:</b>	Kieran Forde	<b>DDI:</b>	04 463 7697
<b>Messaging seen by Communications team:</b>	No	<b>Round Robin:</b>	No

### Purpose of Report

Ten of the current Trades Academies are led by Te Pūkenga subsidiaries. In line with the establishment of Te Pūkenga we are working through a process to shift the legal and funding arrangements for these Trades Academies to Te Pūkenga. This report:

- outlines the three key steps required to establish and fund Te Pūkenga as a secondary-tertiary programme (Trades Academy) Lead Provider under Schedule 8 of the Education and Training Act 2020 (the Act), and
- seeks your agreement to “recognise” Te Pūkenga as a Lead Provider under the Act, via the publication of a Gazette Notice (Step One).

We recommend you agree to do this by 10 December, to allow time for a Gazette Notice to be published this year.

### Recommended Actions

The Ministry of Education recommends you:

- agree** to “recognise” Te Pūkenga as a secondary-tertiary programme Lead Provider under the Act, via publication of the attached Gazette Notice Agree/Disagree
- sign** the attached letter to Stephen Town, Chief Executive of Te Pūkenga, informing him of this decision Agree/Disagree
- agree** that the Ministry of Education release this briefing, following the publication of the attached Gazette Notice, with any redactions in line with the Official Information Act 1982. Agree / Disagree

  
Katrina Sutich  
Group Manager  
Tertiary Education

  
Hon Chris Hipkins  
Minister of Education

25/11/2021

8/12/21

## Background

- 1 Schedule 8 of the Education and Training Act 2020 sets out the legislative framework for an organisation to be established as a “Lead Provider” of a secondary-tertiary programme (the most common form being a Trades Academy).
- 2 Ten of the existing 23 Trades Academy programmes are led by nine Te Pūkenga subsidiaries<sup>1</sup> (outlined in Table One below). In 2021 these ten programmes are delivering around half of the funded places (5,086 out of 10,400 places).

**Table One: Secondary-tertiary programmes led by Te Pūkenga subsidiaries**

Lead Provider	Programme Name	2021 Places	2021 Lead Provider Funding (\$m)
Universal College of Learning Ltd	U-Skills Trades Academy	690	\$2.922
Ara Institute of Canterbury Ltd	Ara Trades Academy	570	\$2.917
Otago Polytechnic Ltd	Otago Secondary-Tertiary College	324	\$1.453
Eastern Institute of Technology Ltd	Hawke's Bay and Tairāwhiti School's Trades Academy	729	\$2.904
Western Institute of Technology at Taranaki Ltd	Taranaki Trades Academy	275	\$1.106
Waikato Institute of Technology Ltd	Waikato Trades Academy	830	\$3.136
Wellington Institute of Technology Ltd	Wellington Trades Academy	406	\$2.375
Manukau Institute of Technology Ltd	MIT School of Secondary-Tertiary Studies (Tertiary High School)	200	\$2.513
Manukau Institute of Technology Ltd	MIT Trades Academy	862	\$3.953
Southern Institute of Technology Ltd	Murihiku Trades Academy	200	\$0.765
<b>Total Places and Funding committed to Subsidiary Lead Providers<sup>2</sup></b>		<b>5,086</b>	<b>\$24.044</b>

- 3 Of the remaining Trades Academies 11 are led by schools (many of which have Te Pūkenga subsidiaries as delivery partners), one is led by the transitional Primary ITO, and one is led by a private training establishment.

### **Implications of RoVE changes on Trades Academies led by Te Pūkenga subsidiaries**

- 4 In line with the establishment of Te Pūkenga we are working through a process to shift the legal and funding arrangements from the nine subsidiaries to Te Pūkenga. It relates only to the 10 Trades Academies that are currently led by Te Pūkenga subsidiaries.
- 5 There are three main steps to work through to do this:
  - a. Step One: Ministerial recognition
  - b. Step Two: Secretary for Education approval
  - c. Step Three: Funding agreement.
- 6 This process needs to be completed before the end of 2022, but we are aiming to work through this sooner where possible.

<sup>1</sup> Manukau Institute of Technology (MIT) leads two programmes, the MIT Trades Academy and MIT School of Secondary-Tertiary Studies (Tertiary High School).

<sup>2</sup> Excludes programme funding which is paid directly to schools for secondary component delivery.

## Process to establish a secondary-tertiary programme Lead Provider

### Step One: Ministerial recognition of Te Pūkenga as the Lead Provider of a Secondary Tertiary Programme (current step)

- 8 Under clause 5, Schedule 8 of the Act the Minister of Education may “recognise” an eligible organisation as the Lead Provider of a secondary-tertiary programme, via the publication of a Gazette Notice. Te Pūkenga is an “institution” under the Act, so is eligible to become a Lead Provider.
- 9 Te Pūkenga has submitted an application to the Ministry to be a Lead Provider, with a provisional name of ‘Te Pūkenga Trades Academy’. The Ministry, in consultation with the Tertiary Education Commission (TEC), has assessed the application and is satisfied that Te Pūkenga is in a position to operate a Trades Academy. Therefore, we recommend that you agree to recognise Te Pūkenga as Lead Provider under the Act.
- 10 A Gazette Notice recognising Te Pūkenga as a Lead Provider is attached in Annex One for your approval. We recommend you sign the Gazette Notice, and we will work with your office to arrange for its publication in the NZ Gazette as soon as Te Pūkenga has been informed.
- 11 We have drafted a letter to the Chief Executive of Te Pūkenga for your signature, formally notifying him of Te Pūkenga’s recognition as a Lead Provider. We recommend you sign the letter, and it is sent straight away so Step One is completed this year and Step Two can get underway.

### Steps Two and Three: Secretary for Education approval and Funding Agreement

#### Step Two: Secretary for Education approval

- 12 Under clause 6, Schedule 8 of the Act, a Lead Provider may co-ordinate a secondary-tertiary programme if it has made arrangements for the safety, welfare and educational programme of participating students, as agreed by the Secretary for Education.
- 13 The current nine subsidiaries that are Lead Providers have policies in place that meet these requirements. We will work with Te Pūkenga and the relevant subsidiaries to shift responsibility for these to Te Pūkenga and seek approval to do this from the Secretary for Education.

#### Step Three: Funding Agreement

- 14 On completion of Step Two, TEC can put in place a single Trades Academy Funding Agreement with Te Pūkenga, rather than an arrangement where each of the nine subsidiaries has specifically defined funding commitments. Given the time of the year, Step Two will be progressed from early 2022, with the intention that the formal shift would take place during 2022 in time for 2023 funding.

### Related matters

- 15 The transitional Primary ITO is currently a Trades Academy Lead Provider. We will need to transition arrangements for this Trades Academy as part of the transition of its ‘arranging training’ function to provider(s). Planning is underway for this and will continue in early 2022.
- 16 The Ministry will also provide guidance to the school-led Trades Academies that currently have partnership arrangements with Te Pūkenga subsidiaries, to shift funding

arrangements to Te Pūkenga rather than the subsidiaries but noting that schools' day to day relationships will still sit at the local/regional campus level.

### Next Steps

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- 17 Should you agree to the attached Gazette Notice, we will work with your office to arrange for its publication at the next available date, following the communication of this decision to Te Pūkenga.
- 18 Following the attached letter being sent to the Te Pūkenga Chief Executive, the Ministry and TEC will continue to work with Te Pūkenga and the relevant subsidiaries on Steps Two and Three of the establishment processes.

### Annexes

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Annex One: Gazette Notice recognising Te Pūkenga as a secondary-tertiary programme Lead Provider

Annex Two: Letter to Chief Executive of Te Pūkenga