



Education Report: Preparation for VET Ministers’ Group

To:	Hon Penny Simmonds, Minister for Tertiary Education and Skills		
Date:	19 April 2024	Priority:	Medium
Security Level:	In-Confidence	METIS No:	1327193
Drafter:	Lisa Sengelow	DDI:	04 463 7696
Key Contact:	Vic Johns	DDI:	9(2)(a)
Seen by the Communications Team:	No	Round Robin:	No

Purpose of Report

To seek your feedback about what content could be covered at the VET Ministers’ group (for which meetings are currently being scheduled), what material should be provided, and the approach to the meetings.

Alignment with Government priorities

The Ministerial group discussions will support you to deliver on the Government’s commitment that Te Pūkenga will be disestablished with control over polytechnics restored to the regions they serve.

Recommended Actions

The Ministry of Education recommends you:

- a. **Agree** to the proposed topics for the Ministers’ group meetings:
 - i. Context – understand the challenges and need for change
 - ii. ITPs – what will be sufficient to support Cabinet decisions to consult
 - iii. ITBs – the scope of what will be consulted on
 - iv. Funding – increase provider-based rates from 1 January 2025

9(2)(g)(i)

Agree / Disagree

- b. **Note** that we will work with other agencies to prepare annotated agendas to support the Ministers’ group meetings; the content will depend on the timing and number of meetings

Noted



Proactive Release:

- c. **Agree** that the Ministry of Education release this paper only after full Cabinet consideration of the issues, and as part of a communications strategy associated with Government announcements on the proposed vocational education and training (VET) changes.

Agree / Disagree



Vic Johns
Policy Director

Hon Penny Simmonds
Minister for Tertiary Education and Skills

19/04/2024

____/____/____

Context

1. At the agency meeting on 9 April, we discussed the establishment of a Ministers' group to support the VET reforms [METIS 1325733 refers].
2. We provided your office with a list of Ministers for you to consider inviting, based on their portfolios and interest in the VET system redesign [METIS 1326614 refers].
3. We understand that your office has sent the letters to the Ministers, and is working to schedule the first meeting, which we suggested could be in late April or early May, depending on Ministers' availability.
4. At the meeting on 9 April, you also asked for a meeting with officials to talk through what is required for the Ministers' group. In the interim, whilst the timing of that meeting is being resolved, this report sets out a proposed approach so we can begin preparing for the meetings.
5. We have also provided advice on the work Te Pūkenga is doing to prepare for its proposed disestablishment and to increase regional decision-making, and on the continued use of existing levers to support Te Pūkenga in this work until legislation enabling its disestablishment and other structural changes to the VET system is in place [METIS 1326769 refers].

Topics for the Ministers' group meetings

6. This section suggests topics to discuss at the Ministers' group. Since it is always difficult to schedule time with a group of Ministers, we have tried to keep the list short. The items are listed in the order we would suggest working through them with Ministers.

Topic	Objective	Matters to discuss
Context	Provide a common starting point for the Ministers' group	Refresh the group on the challenges facing the VET sector and the need to reach decisions to stabilise the sector. Provide a high-level timeline for change.
ITPs – case for change	Agree what to provide Cabinet for decisions on ITP network	Discuss the state of the ITP sector and the plan to reach stability; the competing risks of viability and regional need for provision; and the advice to be provided based on modelling and work within Te Pūkenga. Discuss the level of costing information that would give Ministers confidence to consult on changes to the ITP network.
ITBs - consultation	Agree the scope of consultation	Discuss whether to consult on the ITB model only or on other options as well.
Funding changes	Agree to propose an increase to provider-based rates from 1 January 2025	Explain the changes to the Unified Funding System in support of the structural reforms, and the priority to increase provider-based funding. Discuss impacts on learners and providers. Discuss the potential changes to funding for work-based learning and standard setting.

Logistics for the Ministers' group meetings

7. Following your feedback, we will work with the other Ministers' agencies to find out the issues that other Ministers are likely to raise, and if necessary adapt the topics for discussion.
8. The timing of the meeting(s) will determine what could be included at each meeting, and what kind of preparation is required. Our suggestion would be to seek at least two one-hour meetings between now and the first week of June. This will allow time to incorporate the group's thinking into a Cabinet paper to go for Ministerial consultation ahead of consideration at SOU in July. The timing of Ministerial consultation depends on what SOU meetings are available in July – currently the first scheduled meeting is 24 July, which requires that Ministerial consultation starts in late June.
9. If less time is available for Ministers to meet, we could work with other Ministers' agencies to set out the likely differences in view so that Ministers can get to the main issues more quickly.
10. In terms of material to support the meeting(s), we propose that we prepare an annotated agenda, with an annex to provide context information (based on the earlier Cabinet paper).

Next steps

11. This note provides a basic outline of how we can prepare for the Ministers' group meetings. Following your feedback, and when the Ministers' group meetings have been scheduled, we will draft an agenda and other meeting papers for your review.