Te Tāhuhu o te Mātauranga
Ministry of Education

Report: Supporting research-based teaching outside of universities

To:	Hon Dr Shane Reti - Minister for Universities		
	Hon Penny Simmonds, Minister for Vocational Education		
Date:	3/07/2025	Deadline:	14/07/2025
Security Level:	In-Confidence	Priority:	High
From:	9(2)(a) Senior Policy Manager	Phone:	9(2)(a)
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Why are we sending this to you?

- We are seeking agreement to the high-level approach for funding research activity at non-university tertiary education organisations (TEOs).
- A companion report looks at the proposed general approach to the revised funding system for tertiary education research [METIS 1349184 refers].

What action do we need, by when?

- We propose an initial discussion with officials on Monday 7 July 2025 to inform the consultation draft of your Cabinet paper.
- Please return the signed paper by 14 July 2025.

Key facts, issues and questions

- The Education and Training Act 2020 requires that any degree or postgraduate qualification "is taught mainly by people engaged in research". Non-university TEOs deliver a significant amount of degree-level teaching and make up a relatively small but important part of the research system – they tend to produce applied research with a stronger focus on engagement with iwi, communities and industry and end-users.
- The citations-based metric proposed to be included in the Research Performance and Capability (RPC) funding cannot reliably measure the research performance of a small TEO. Without changes to accommodate research by non-university TEOs, the RPC will disproportionately reduce the revenue of non-university TEOs and make research-based teaching outside of the university sector less sustainable.
- We recommend exploring modifications to the RPC or developing a bespoke research funding mechanism for non-university TEOs to ensure continued support for research activity outside of universities.

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Alignment with Government priorities

1. A high-performing tertiary education system contributes to the Government's economic and social goals by delivering the skills, knowledge and innovation New Zealand needs to increase productivity and grow the economy.

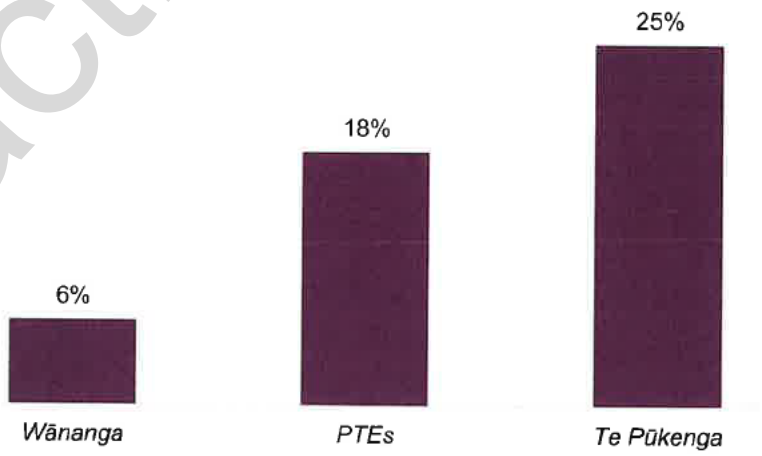
Background

2. You recently received advice on options for revising the Performance-Based Research Fund (PBRF) [METIS 1346352 refers]. You indicated that you supported the recommendation of the University Advisory Group (UAG) as the starting point for reforming the PBRF (retaining External Research Income (ERI) and Research Degree Completions (RDC) and replacing the Quality Evaluation (QE) with a citation-based metric).
3. This paper provides initial advice on one of the issues for further consideration signalled in the previous report: determining how funding to support research and research-led teaching is allocated to non-university tertiary education organisations (TEOs) i.e., polytechnics, Wānanga, and private training establishments (PTEs).

Nature of research activities in non-university TEOs

4. Section 454 of the Education and Training Act 2020 (the Act) requires that any degree or postgraduate qualification "is taught mainly by people engaged in research". This includes Bachelor's Degrees, Master's Degrees and Doctorates, as well as taught postgraduate qualifications such as Certificates and Diplomas.
5. In some cases, research activity might be separately required for specific institutional or professional accreditation. For example, to be accredited to offer a Registered Nurse programme (which is dominated by polytechnic provision) the provider must enable non-clinical staff to "be involved in research and scholarly activities" (Nursing Council, 2024).
6. In 2024, approximately 20 percent of students enrolled in degree-level or above provision across the system were at non-university TEOs, and 25 percent of these enrolments were in postgraduate qualifications (or 13 percent of total postgraduate enrolments).

Figure 1: Percentage of provision at degree-level and above at non-university TEOs in 2024[1]



[1] Sourced from provider-based enrolment data on Education Counts (https://www.educationcounts.govt.nz/statistics/tertiary-participation). Includes international and domestic student enrolments (not EFTS) and graduate diplomas/certificates.

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7. Non-university TEOs participating in the PBRF have much smaller research profiles. In the 2018 PBRF QE, approximately 680 FTE staff across non-university TEOs (541 at polytechnics, 40 at Wānanga and 97 at PTEs) submitted evidence portfolios (EPs), compared to 7,054 at universities.

8. Unlike most of the universities in New Zealand, which have a broad focus and so support research across a wide range of disciplines, non-university providers tend to concentrate on degree and postgraduate teaching (and associated research) in a more specialised set of disciplines at degree level (see **Annex 1**).

9. In most areas, polytechnic-based research has a strong applied and practice-related focus; it is an investigation to acquire new knowledge, directed towards a specific practical aim or objective. For example, the scholarship of teaching, design and visual arts, and computer science were responsible for the majority of polytechnic portfolios submitted to the last PBRF round.

10. Most PTEs specialise in a small number of fields. Degree-level provision (and, consequently, research) in this sector is therefore narrowly focused on those professional and vocational specialisations. For example, the New Zealand College of Chiropractic's research focuses on advancing the profession and strengthening understanding of the science of chiropractic care. Areas of research where PTEs are active include education, theology/religious studies, design and visual arts, and allied health studies.

11. While a comparatively small proportion of Wānanga delivery is at a degree-level or above, the Wānanga all aspire to increase their delivery at this level. Mātauranga Māori research – which involves research committed to reclaiming, enriching, and enhancing the Māori knowledge ecosystem – is central to Wānanga activities and intertwined with all teaching and learning. This aligns with their legislated role as kaitiaki of mātauranga Māori within the tertiary education sector (section 398D(c) of the Act).

Issues and opportunities

There are opportunities to strengthen the distinctive research contributions of non-university TEOs…

12. The introduction of the PBRF saw a reduction in research funding for the non-university sector compared to the previous research top-ups approach. Smart (2019)[2] notes that the allocation mechanisms used in the PBRF disadvantages non-university providers and that some eligible providers outside the university sector choose to not participate.[3] Replacing the PBRF provides an opportunity to develop an allocation mechanism that reflects and strengthens the quality of the research contributions of non-university TEOs.

13. As discussed above, research activity outside universities is generally focused on 'real-world problems' and/or applied research in New Zealand-specific contexts. It tends to have a stronger focus on engagement with industry and end-users and can have benefits for industry, teaching and learning, and communities. Basic and/or theoretical research designed purely to advance knowledge is much rarer here than in universities.

14. The prominence of the education field in QE portfolios for polytechnics and ITPs is an example of this, reflecting staff research into teaching practices that can directly improve outcomes for learners. Similarly, the regional focus of polytechnics and industry and

[2] Smart, W. (2019). Government funding for research-led teaching and research performance: An analysis of PBRF and research top-ups funding allocations. Wellington: Ministry of Education, retrieved from https://www.educationcounts.govt.nz/__data/assets/pdf_file/0008/195893/Research-funding-report-2019-final.pdf.

[3] This is, at least in part, because these providers have determined that the investment needed to participate (for example, the time and resource cost to develop EPs) is not worth the low potential returns.

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occupational connections of PTEs involved in research provide a strong basis for knowledge exchange with firms and communities.

15. For Wānanga, there is also an opportunity to maximise the contribution of mātauranga Māori, both in terms of research impact (e.g. through publications) and through novel science with meaningful, tangible outcomes for end-users.[4] Fully realising the potential of Māori knowledge, people, and resources will benefit all New Zealanders, and is also important for ensuring that the research, science, and innovation system has the greatest reach and impact for New Zealand and is well placed to meet complex and salient challenges.[5]

…and advance the Government's priorities…

16. Research-based teaching outside the university sector contributes to educational outcomes for learners by helping to develop the skills and capabilities expected from graduates of degree-level and above programmes, including critical thinking, problem-solving techniques, communication and collaboration skills. This, in turn, supports the development of a skilled workforce that can contribute to productivity and wellbeing.

17. There is an opportunity to support the growth of research-based teaching and research intensity outside of universities, particularly at the Wānanga who have a statutory role as kaitiaki of mātauranga and have been working towards increasing their research capacity and capability. Expanding degree-level and above provision is aligned with the Government's priority of raising the earnings potential of New Zealanders, as higher qualifications usually lead to higher incomes and better chances of employment.

18. The applied and regional focus of polytechnic and PTE research – including into their own teaching practices – provides potential contributions to productivity and regional economic development. This complements the broader focus of the university sector by supporting the development of local innovations, and skills and research ecosystems focused on regional priorities. This can support the pillars and actions of the Government's Going for Growth strategy, including the development of talent and working with the private sector to translate ideas and research into commercial enterprise. Minister Simmonds' redesign of the vocational education and training system to re-establish regional polytechnics facilitates this.

19. Similarly, the Wānanga promote innovation through the creation and dissemination of new knowledge that contributes to whānau, hapū and iwi prosperity and New Zealand's economic, social, cultural, and environmental development.[6]

…but the citations-based metric will disproportionately reduce funding for non-university TEOs

20. It is not possible to reliably measure the research performance of a small TEO using a citation-based metric. A citations metric needs to be weighted to take account of differences in research practice by field of research, and this weighting process introduces a very large statistical uncertainty into the count of citations where the research volume is low. This issue is compounded by the fact that research capability in non-university TEOs

[4] Hazel, Jo-Anne & Tunui, Peta-Maria (2024). *Te Tiriti o Waitangi Partnerships Enhances Research, Science and Innovation: National Science Challenges share their experiences*; Ruckstuhl, Katharina et al. (2019). Recognising and valuing Māori innovation in the high-tech sector: a capacity approach. *Journal of the Royal Society of New Zealand,* vol. 49.

[5] Sarki, S., Niemelä, J., Tinch, R., van den Hove, S., Watt, A., & Young, J. (2014). Balancing credibility, relevance and legitimacy: A critical assessment of trade-offs in science–policy interfaces. *Science and Public Policy*, 41(2), 194–206; Parkhurst, J. (2017). *The politics of evidence. From evidence-based policy to the good governance of evidence*. Routledge.

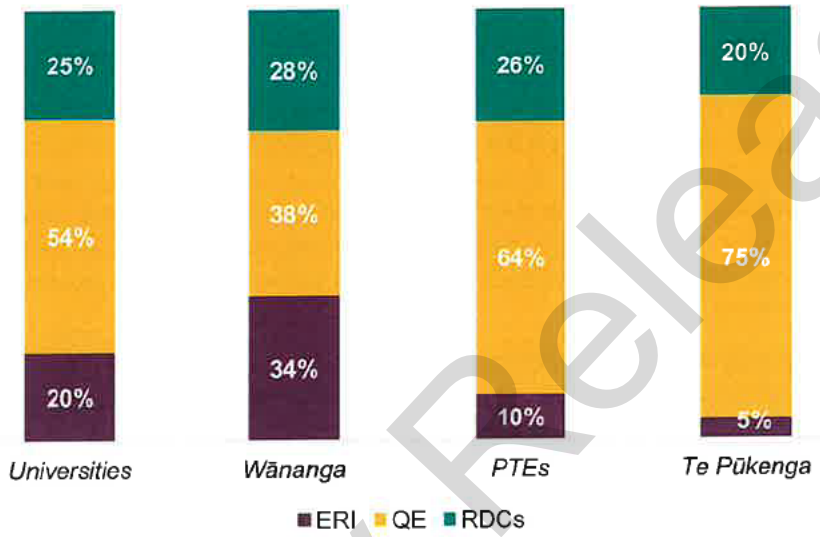
[6] Business and Economic Research Limited, 2014, *Wānanga Ringahora – The Economic Contribution of the Wānanga Sector*.

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is disproportionately focused on fields that would be poorly represented in a citations-based metric.

21. The decision to replace the QE component of PBRF with a metric-based component centred on citations as part of a new Research Performance and Capability (RPC) funding system will have a disproportionate impact on the funding received by non-university TEOs, given they generally receive a higher percentage of their PBRF funding from the QE component (as shown in Figure 2 below and reflected in **Annex 2**).

Figure 2: Percentage of PBRF allocation by component and by subsector[7] in 2024



22. The effect of the citations-based approach on the sector would be to further concentrate research funding in the universities and reduce the revenue of non-university TEOs. Over time, their research would become less sustainable and this, in turn, would make it more difficult for non-university TEOs to meet their statutory obligation to ensure their degree and postgraduate teaching is underpinned by research.

23. Further, reduced revenue will compromise the ability of Wānanga to fulfil their role as kaitiaki of mātauranga Māori and create a high risk of breaching the Crown's duty under Article 2 of Te Tiriti to actively protect the Wānanga as a system of teaching and learning and a repository of mātauranga Māori.[8]

Approaches for funding research-based teaching at non-university TEOs

24. Given the issues and opportunities outlined above, we are seeking your agreement to a broad direction of travel to include in the Cabinet paper and as the basis for future work. We consider there are three broad approaches you could take: make no changes to the RPC to accommodate for non-university TEOs, explore modifications to the RPC for non-university TEOs, or a develop bespoke research funding mechanism/s for non-university TEOs.

[7] The two Wānanga participating in the PBRF each have very different profiles and allocations: Te Whare Wānanga o Awanuiārangi gets 23% of its PBRF funding from the QE component, while Te Wānanga o Aotearoa gets 99.6%.

[8] Waitangi Tribunal. (2011). *Ko Aotearoa Tēnei: A report into claims concerning New Zealand law and policy affecting Māori culture and identity* (WAI 262); *The Wānanga Capital Establishment Report*, pp.48-50.

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Approach 1: No change to the metric component of the RPC

25. Under this approach, all TEOs would be within scope of the RPC. As the citations-based metric for the metric component cannot reliably calculate a field-weighted citation count for non-university TEOs, non-university TEOs would likely not receive any funding through the metric component.

26. This approach would significantly reduce research funding for non-university TEOs and there is a risk that, over time, non-university degree and postgraduate provision would be undermined. Given this, and the value of non-university research activity outlined above, we strongly advise against this option.

Approach 2: Explore modifications to the RPC for non-university TEOs

27. This approach involves exploring options for modifying the RPC so that it better captures and appropriately incentivises the kinds of research activity that is undertaken by non-university TEOs. This could involve some form of volume-based research top-ups (as were in place before the PBRF), and/or supplementary metrics (as discussed in METIS 1349184) that could be weighted higher for non-university TEOs to recognise the limited capability and capacity within these organisations to carry out research and participate in the RPC process.

28. We consider that this approach would likely be more straightforward than a bespoke research funding mechanism (approach 3), while still better supporting the role of ITPs, PTEs and Wānanga in comparison to approach 1.

29. This approach would enable the RPC to better account for the strengths and distinctive potential contribution of research in ITPs and PTEs, which is often more focused on achieving immediate change, such as research into particular region- and sector-specific economic and social priorities or teaching practices within tertiary providers, than on traditional academic measures (i.e. publications). Reflecting this through modifying the RPC for these TEOs can incentivise them to actively seek out opportunities for applying their expertise to local issues, rather than rewarding attempts to focus on traditional publication-focused approaches.

30. Depending on specific modifications, this approach can also acknowledge that a key rationale for supporting research outside the university sector is recognising the research-led teaching requirement for degree (and postgraduate) education. This is of particular relevance for the regional polytechnics who are moving out of Te Pūkenga, and for whom degrees may be an important contributor to institutional viability.

31. This approach would also better support Wānanga research activity compared to approach 1, although it would not necessarily provide the scope to design a specific system aimed at supporting their statutory role in relation to mātauranga Māori (unlike approach 3).

Approach 3: Bespoke research funding mechanism/s for non-university TEOs

32. This approach would involve designing a new fund that sits alongside the RPC and is only available to non-university TEOs that are delivering degree-level and above provision. There are different ways this could be set up, from a degree and postgraduate volume-based metric across all non-university TEOs (with the option to weight certain categories higher according to the Government's priorities) to separate components for each subsector that are tailored to their research specialities and capabilities.

33. While, for the Wānanga, this option would provide more scope to design a system that is specifically designed to support their statutory role in relation to Mātauranga Māori, there is a risk that a bespoke funding model is perceived as creating a two-tiered system that stigmatises non-university research. We know that Te Whare Wānanga o Awanuiārangi in

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particular will take issue with any approach that risks creating disparity of esteem between universities and Wānanga.

We recommend exploring either approach 2 or 3

34. We expect there will be trade-offs with either approach 2 or approach 3 (for example, the policy resourcing involved in its development and the cost for the TEC to implement and administer funding), although much will depend on the design of the fund/s including what metrics are used to calculate funding and how much funding is available. We consider that either approach will carry less risk and be more aligned with the Government's priorities for the tertiary education system than approach 1.

35. On balance, we recommend exploring approach 2 in the first instance. If there are issues developing supplementary/alternative metrics that are viable for non-university TEOs, then we may need to explore approach 3.

36. Under either approach 2 or 3, we will need to work closely with the ITPs, Wānanga and PTEs engaged in the PBRF in developing further policy advice on the design and implementation of your preferred approach to ensure it is workable. It will be particularly important to engage with the Wānanga to give effect to the Crown's good governance and good faith duties under Te Tiriti, and to align with the Te Tiriti provisions in the Act.

Next Steps

37. The consultation draft of your Cabinet paper on the response to the UAG's report currently includes a high-level delegation to both Ministers to make any necessary modifications to the RPC to accommodate non-university TEOs. We can adjust this content to reflect your feedback following an initial discussion with officials on Monday 7 July.

38. Following post-Cabinet announcements on the response to the UAG's report in August, we will undertake targeted consultation on the policy design of your preferred approach and come back with further advice by the end of the year. If you decide to pursue approach 3, this advice will include options for funding a bespoke funding mechanism.

Annexes

The following are annexed to this paper:

Annex 1: PBRF Evidence Portfolios by area and subsector

Annex 2: Allocation of QE component of PBRF in 2024

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Recommended Actions

The Ministry of Education recommends you:

a. **note** that non-university tertiary education organisations (TEOs) have a statutory requirement for degree-level and above provision to be taught mainly by people engaged in research.

Noted

b. **note** that due to their small scale, non-university TEOs would not be able to receive a valid score through a citations-based exercise in the Research Performance and Capability (RPC) funding.

Noted

c. **agree** to a high-level approach to funding research-based teaching at non-university TEOs:

i. **Approach 1 (not recommended) –** no change to the metric component of the RPC

Agree / Disagree

ii. **Approach 2 –** explore modifications to the RPC for non-university TEOs

Agree / Disagree

iii. **Approach 3 –** explore bespoke research funding mechanism for non-university TEOs

Agree / Disagree

d. **note** that subject to your decisions on recommendation (c), we will undertake targeted consultation on the policy design and implementation and provide you with further advice by the end of the year.

Noted

Proactive Release:

e. **agree** that the Ministry of Education release this paper once Cabinet has considered and approved your proposed approach, with any information needing to be withheld done so in line with the provisions of the Official Information Act 1982.

Agree / Disagree

9(2)(a)

Senior Policy Manager

Te Pou Kaupapahere

03/072025

Hon Dr Shane Reti

Minister for Universities

9/7/2025

Hon Penny Simmonds

Minister for Vocational Education

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Annex 1: PBRF Evidence Portfolios by area and subsector

Subject area	Te Pūkenga	PTEs	Universities	Wānanga
Accounting and Finance	11.27	1	212.64	
Agriculture and Other Applied Biological Sciences	5.81		200.03	
Anthropology and Archaeology			70	
Architecture, Design, Planning, Surveying	26.13		125.87	
Biomedical	4.96		484.83	
Chemistry	3		209.57	
Clinical Medicine	3.72		245.47	
Communications, Journalism and Media Studies	5	2	109.24	
Computer Science, Information Technology, Information Sciences	51.84	5	290.91	
Dentistry			47.87	
Design	18.9	7.64	87.04	
Earth Sciences			174.53	
Ecology, Evolution and Behaviour	19.18		243.12	
Economics	2.9	1	137.64	
Education	75.28	21.28	456.52	4
Engineering and Technology	36.58	3	556.56	
English Language and Literature			72.35	
Foreign Languages and Linguistics	3.8	1	123.52	
History, History of Art, Classics and Curatorial Studies	4.8		144.67	
Human Geography	2.47		73.65	
Law	1		190.51	
Management, Human Resources, Industrial Relations and Other Businesses	22.29	2.2	257.13	
Māori Knowledge and Development	15.05	1	133.7	29.33
Marketing and Tourism	17	3	163.36	
Molecular, Cellular and Whole Organism Biology	4.62		253.59	
Music, Literary Arts and Other Arts	22.25	0.31	115.3	1
Nursing	26.78		81.35	1
Other Health Studies (including Rehabilitation Therapies)	21.53	7.15	179.6	
Pacific Research	3.8	4	48.81	2
Pharmacy	1		45.57	
Philosophy	2.88	1	56.46	
Physics			130.97	
Political Science, International Relations and Public Policy	3.18	2	115.02	
Psychology	5.92		246.13	
Public Health	2.07		306.79	1
Pure and Applied Mathematics			124.23	
Religious Studies and Theology		16.6	24.22	
Sociology, Social Policy, Social Work, Criminology & Gender Studies	23.26	3.85	176.09	2
Sport and Exercise Science	18.46		68.13	

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Statistics			72.67	
Theatre and Dance, Film, Television and Multimedia	13.45	1	59.55	
Veterinary Studies and Large Animal Science	1		56.85	
Visual Arts and Crafts	60.41	13.1	82.52	1
Grand Total	1083.18	194.26	14109.16	82.66

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Annex 2: Allocation of QE component of PBRF in 2024

	TEO	% of total allocation from QE	Allocation of QE component by $	Total PBRF allocation
Universities	Lincoln University	46%	4,586,938	9,994,132
	University of Waikato	58%	8,496,002	14,543,646
	Auckland University of Technology (AUT)	58%	12,620,244	21,890,720
	University of Canterbury	54%	14,519,554	26,912,374
	Victoria University of Wellington	54%	19,355,547	35,947,112
	Massey University	58%	22,364,545	38,850,381
	University of Otago	58%	35,803,450	61,392,501
	University of Auckland	51%	47,982,634	94,806,954
	Subsector Total		**165,728,914**	
Polytechnics	Te Pūkenga[9]	75%	6,284,439	8,379,992
Wānanga	Te Whare Wānanga o Awanuiārangi	23%	153,311	678,365
	Te Wānanga o Aotearoa	100%	174,128	174,778
	Subsector Total		**327,439**	
PTEs	New Zealand Tertiary College Limited	100%	5,121	5,121
	ICL Education Limited	100%	26,221	26,221
	Good Shepherd College - Te Hepara Pai Charitable Trust	100%	30,729	30,729
	Soshi Gakuen New Zealand Incorporated	100%	33,903	33,955
	Bethlehem Institute Limited	57%	40,972	72,370
	Baptist Union of New Zealand	66%	60,433	91,596
	Laidlaw College Incorporated	67%	70,215	104,516
	Auckland Institute of Studies Limited	100%	87,065	87,065
	Media Design School Limited	98%	153,643	156,091
	The New Zealand Chiropractic Education Trust Board	67%	176,178	264,408
	Whitecliffe Enterprises Limited	40%	224,728	556,972
	Subsector Total		**909,208**	

[9] Prior to the 2020 reforms of vocational education, including in the 2018 QE round, ITPs participated in and received funding through the PBRF as individual institutions. Since their amalgamation, Te Pūkenga has both received PBRF funding and would have participated in the deferred 2025 evaluation as a single entity. Following the disestablishment of Te Pūkenga, polytechnics will again participate and be funded as individual institutions.

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