



## Briefing Note: Cabinet paper Streamlining secondary-tertiary learning opportunities for 2019

<b>Addressee:</b>	Hon Chris Hipkins, Minister of Education		
<b>Security Level:</b>	In Confidence	<b>Date:</b>	3 August 2018
<b>Priority:</b>	Medium	<b>Metis:</b>	1143020
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<b>Approved by:</b>	Andy Jackson	<b>DDI:</b>	§ 9(2)(a)

### Purpose

- You are taking the Cabinet paper Streamlining secondary-tertiary learning opportunities for 2019 to the Cabinet Social Wellbeing Committee (SWC) on 8 August. This briefing note provides talking points to support your discussion.

### Talking points

- I am proposing to maintain the same level of secondary-tertiary learning opportunities for 2019, while reducing complexity for schools and tertiary education organisation (TEOs).
- This will involve combining two programmes that enable senior secondary school students to undertake vocationally-oriented courses with a TEO while still enrolled at school.
- Trades Academies are a key programme where learners work towards NCEA, and may also undertake some learning towards an industry-specific qualification.
- Trades Academy places are oversubscribed, with significant demand for places above current funding levels. There is at least one Trades Academy based in each region, with over 335 schools participating this year. Trades Academies are successful in supporting young people to achieve NCEA Level 2 and supporting pathways to employment.
- The DualPathways Pilot (the Pilot), established for 2017-18, has the same overall objectives as Trades Academies. This Pilot was preceded by a smaller scale Secondary-Tertiary Programme Pilot (2014-16).
- These pilots were intended to test a different funding and allocation approach to Trades Academies. However, neither of these pilots have had strong buy-in from schools and TEOs, and places have not been fully utilised to date.
- Therefore I am proposing to discontinue the Pilot at the end of 2018 and instead use \$7.5 million of funding currently set aside for the Pilot to meet some of the unmet demand for additional Trades Academy places in 2019.
- This would fund an additional 1,060 Trades Academy places a year, increasing the total number of funded Trades Academy places from 6,190 in 2018 to 7,250 per year from 2019 on an ongoing basis.

### **Alternative options considered**

- I considered whether Pilot funding could be returned to the centre. However, this would reduce access for senior secondary school students to secondary-tertiary dual enrolment learning options.
- I also considered whether funding could provide additional STAR or Gateway places instead. However, these initiatives provide different types of learning opportunities than the Pilot, for example, STAR typically involves more 'taster' type learning rather than a full-time secondary-tertiary learning pathway. Also these are mostly at Level 1 or 2, whereas most Pilot learning is at Level 3.
- Funding these alternative options would reduce access for senior secondary school students to full-time secondary-tertiary learning options, particularly at Level 3, where there continues to be strong demand.

### **Financial implications**

- The proposal requires two fiscally neutral adjustments: The consequential full-year increase of \$12.958 million per annum in the Secondary-Tertiary Interface appropriation in Vote Education (with half year transfers in 2018/19) would be offset by reductions in:
  - Youth Guarantee fees-free funding which funded the Pilot tertiary costs (\$7.5 million per annum ongoing), and
  - school resourcing funding, because participants' schooling is part-funded to schools through the Trades Academy funding model (\$5.458 million per annum ongoing).

### **Communications**

- Should you agree, I will communicate the decision as soon as possible, as students, schools and TEOs are wanting to know now what options will be available in 2019.
- There are a small number of TEOs and schools participating in the Pilot that are not also participating in a Trades Academy. They will be encouraged to become a delivery partner of one of the current Trades Academy Lead Providers.

### **Longer-term secondary-tertiary policy work**

- Longer term policy work on the future of secondary-tertiary programmes and initiatives is being undertaken alongside the pathways and transitions theme in the NCEA Review, and will be informed by the public consultation currently underway.



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03/08/2018