

Education Report: Simplifying the qualifications system for vocational education

To:	Hon Chris Hipkins, Minister of Education
From:	Dr Grant Klinkum, Chief Executive Andy Jackson, Deputy Secretary, Ministry of Education
Date:	16 December 2020
Reference:	CR21435

Purpose

1. This joint paper reports to you on the outcomes of engagement with the sector and other stakeholders on simplifying the qualifications system and the design of vocational qualifications. We seek your feedback prior to the development of a consultation document for your consideration.
2. It is proposed to proactively release this briefing as part of the next appropriate publication of documents.

Recommendations

It is recommended you:

- i. **Note** that following the qualification system strategy session with you on 1 July 2020, NZQA has been engaging with a wide range of stakeholders on simplifying the qualifications system and the design of vocational qualifications
- ii. **Note** that there has been widespread support for simplifying the qualifications system from all stakeholders, including TITOs, employers, learners and providers
- iii. **Note** that the engagement has focused on high-level changes to the design of vocational qualifications and the related education products that
 - retains qualifications, skills standards and micro-credentials and:
 - removes programmes, training schemes and training packages and:
 - adds the concept of a 'national curriculum'.
- iv. **Note** that there has been in-principle support for many of these design changes particularly from TITOs and providers, including for reductions in the range of education products available

- v. **Note** that the overall objectives of both the current RoVE reforms and the potential further changes to the design of vocational qualifications that NZQA has engaged on, focus on:
 - a. ensuring consistency of graduates for employers and portability for learners if they change pathways or move between modes of delivery
 - b. driving collaboration between WDCs and providers as the main basis for how education products are developed
 - c. retaining flexibility, innovation and responsiveness.
 - vi. **Note** that further work is required to design a regulatory system that supports these broad objectives and strikes the right balance between them, including taking into account changes such as how the establishment of Te Pūkenga will change the dynamics of qualification delivery
 - vii. **Note** that we now need to consult formally on policy and operational options and on whether to proceed beyond the existing changes agreed in the RoVE process
 - viii. **Note** that further engagement is required with Māori stakeholders to understand how mātauranga Māori can be more strongly embedded into vocational qualifications, and connect these engagements with broader discussions in the sector around mātauranga Māori
 - ix. **Agree** to NZQA and MoE developing a consultation document for your consideration in early 2021 with a view to consultation in March - April 2021, under the RoVE programme branding, on simplifying the qualifications system and the design of vocational qualifications, including the choices of both:
 - a. implementing the arrangements as set out in the current legislation, or
 - b. further simplifying the qualifications system on the basis of the ideas NZQA has engaged on so far.
- Agree/Disagree**
- x. **Note** that this proposal may require Cabinet approval prior to consultation, as it involves the potential for legislative change alongside changes to NZQA rules that do not require legislative change, which can be made by you and the NZQA Board.

Background

3. While a strong focus of RoVE has been on the roles and functions of the new organisations and developing a unified funding system, these changes alone are insufficient to achieve the outcomes sought. The design of qualifications, and the related quality assurance, will play a critical part in the development of a unified, sustainable, collaborative, innovative vocational education system that meets the needs of industry and learners.
4. A clearer role for industry in qualification development and standard setting will provide certainty for both employers and learners about the value and consistency of what learners are learning. Providers, responsible for the design of teaching and learning and connected to their own communities, will adapt delivery to the different needs of learners and communities. Most importantly, it will be critical that industry and providers collaborate to share their expertise and remain agile to respond to changing needs.
5. The current legislation provides a ‘tight-loose-tight’ framework for industry (via Workforce Development Councils (WDCs)). WDCs have up-front control through developing qualifications and skills standards and endorsing provider programmes; learner outcomes are verified through moderation and capstone assessments. Training packages provide

WDCs an option to specify more about the resources and high-level content that providers would incorporate into their programmes.

6. Schools also use unit standards in a range of settings – to contribute towards NCEA and in secondary-tertiary partnerships such as Trades Academies. As unit standards are gradually replaced with more holistic skill standards, their use in school settings will also need to be considered, including alignment with the “fewer, larger standards” envisaged by the NCEA review.
7. NZQA’s early discussions with stakeholders about how the qualifications system is designed indicated that there are opportunities for simplification. At a workshop on 12 March 2020, stakeholders expressed a strong desire for a more agile and simple system, supported by a quality assurance framework that enables and supports high quality outcomes.
8. We discussed opportunities to simplify the system with you at a strategy session on 1 July 2020. At that meeting, you agreed to a careful engagement with key stakeholders to test the ideas.
9. This paper reports back on this engagement, and the refinements to the ideas discussed in July. In the paper, we compare the current design of qualifications through RoVE with the potential refinements (which would require some further legislative change, as part of a possible Education and Training Amendment Bill proposed for 2021 – Metis No 1244135 refers).

Discussion

Vocational qualifications should support learner mobility and consistent skills for employers, whilst retaining flexibility for regional needs

10. In our early thinking, we have been conscious of your key RoVE objectives, and the Government’s priorities for the education system as a whole.

Table 1: Government priorities and RoVE objectives

Government priorities	RoVE objectives
Learners at the centre	A unified collaborative, innovative and sustainable VET system which: <ul style="list-style-type: none"> • Delivers to the needs of Māori and under-served learners e.g. Pacific and disabled learners • Relevant to the changing needs of employers • Upholds and enhances Māori Crown partnerships
Barrier-free access	
Quality teaching and leadership	
Future of learning and work	
World class inclusive public education	

11. Simplification of the qualifications system supports your overall RoVE objectives, particularly:
 - portability of students’ learning when they move between work-based and provider-based learning and between providers
 - consistency of qualification content so that employers can be confident of what learners know and can do.
12. Achieving these objectives needs to take into account the goal that “the vocational system is collaborative, flexible, innovative and sustainable for all regions of New Zealand” and “integrates the vocational education system by creating clear roles and strong specialist functions and by avoiding conflicts of interest”. This latter principle supports the move from a

competitive to collaborative environment and relationships and underpins one intent of establishing WDCs and Te Pūkenga.

13. Te Pūkenga, in developing a national network of provision, is expected to review the diversity of provision undertaken by subsidiaries, which will contribute significantly to reducing the current variability in delivery.

The approach we are exploring builds on the RoVE architecture to simplify the design of vocational qualifications

14. While the roles of each of WDCs and providers are clear, there are further choices to be made about the nature and extent of collaboration between the two to achieve a unified system enabling portability for learners and consistency of outcomes for employers. The current approach focuses on the needs of industry through qualification and skills standards development, complemented by providers designing and delivering programmes to meet the needs of their learners and local industries. In simplifying the design of vocational qualifications, it is important that this inherent flexibility to recognise regional and learner needs is maintained.
15. Table 2 shows the key elements of the qualifications system before RoVE, under the current legislation, and with the possible refinements described above.

Table 2: Key elements of the VET qualification system under different approaches

Pre-RoVE	Current legislation	Possible refinement of current legislation
Qualifications	Qualifications	Qualifications
Unit standards	Skills standards	Skills standards
	Training Packages	National curriculum
Programmes	Programmes	
Training Schemes ¹	Training Schemes	
Micro-credentials	Micro-credentials	Micro-credentials

Initial engagement with stakeholders has further shaped our thinking

16. Since the strategy session in July, NZQA has met with a wide and diverse range of stakeholders, including people representing employers, providers, TITOs, and government agencies. We have engaged with Māori staff from across the tertiary education sector and learners.
17. Recently, we have been engaging intensively with academic, tutorial and quality assurance staff at each Te Pūkenga subsidiary to better understand the response of practitioners to the removal of programmes and introducing a ‘national curriculum’.
18. While our engagement has identified strong support for simplifying the qualifications system, the design of vocational qualifications and hence a simpler regulatory framework, further policy and operational work is required for implementation. Appendix 1 summarises the

¹ Training schemes, specified in the legislation, provided the initial regulatory base to enable micro-credentials. Training schemes are provider-specific and have allowed a wide range of short courses to be offered. It is suggested Training Schemes are no longer required, however provision will need to be made for national level micro-credentials that could be offered by a range of providers.

feedback received to date by stakeholder group. The key areas of feedback are outlined below.

Consistency of graduates and portability of learning

19. Industry and TITOs have been the most supportive of the requirement for skill standards to be the basis of all delivery and a 'national curriculum'. Providers and TITOs confirm that the current variation across programmes makes credit recognition and transfer difficult for learners.
20. Simplifying the design of vocational qualifications would make it easier for employers to engage with and influence delivery, leading to increased confidence in graduate outcomes.
21. For core VET (e.g. plumbing and gas fitting, electrical, building etc) there is a recognised need for nationwide consistency. However, there are a range of industries, particularly in the creative and performing arts, where innovation and individual creativity is critical. The design of vocational qualifications needs to be sufficiently flexible to accommodate the diversity of all industries and sectors covered by WDCs.

Skill standards

22. The policy intent is that all providers, including wānanga, offering workplace-based vocational education and training will be required to use WDC skill standards in their delivery to ensure graduate outcomes and enable learner mobility.
23. Skills standards are expected to be more comprehensive than current unit standards, including learning as well as assessment outcomes and a clear statement of the performance standard to be achieved.
24. We have worked with a range of TITOs to develop our thinking on skill standards. For example, with Competenz we developed a model for a skill standard on using and maintaining tools, which builds upon three current unit standards. These ideas need to be tested further with WDCs and for usability with providers.

'National curriculum'

25. NZQA has explored with several TITOs what a 'national curriculum', or its equivalent, could look like. This is also a focus of our current engagement with Te Pūkenga subsidiaries.
26. Before implementing any reforms, we would need to consider further the term 'national curriculum' as this has the potential to cause confusion in relation to the compulsory education system. The current terminology in the legislation – training package – has the disadvantage of implying a 'lesson in box' approach, which is not what is intended by the concept of a 'national curriculum'.
27. In replacing individual provider programmes, the 'national curriculum' would seek broad agreement on the skills, knowledge and attributes (reflected in the skills standards) that would be covered by each provider and could also include high level content. It is about the *what* not the *how* of teaching and learning.
28. A 'national curriculum' could assist Te Pūkenga as it rationalises its delivery to contribute to a consistent network of provision.
29. Each provider would use this 'national curriculum' to inform its specific teaching, learning and assessment approach. Introducing a collaboratively developed 'national curriculum' would remove the need for programmes and the endorsement of them by WDCs and approval by NZQA, hence simplifying the regulatory environment.
30. We envisage a 'national curriculum' would be dynamic. The relevant oversight body would update it as required e.g. annually to ensure it remains relevant and responsive to changing industry needs, without needing to review the qualification itself on such a frequent basis.
31. The key issue raised concerning a 'national curriculum' has been the degree of flexibility allowed. The two main aspects heard to date are:

a. Enabling innovation

Feedback, particularly from providers of qualifications such as creative and performing arts, emphasises the design of a 'national curriculum' would need to enable flexibility and innovation as the hallmarks of these disciplines. The industries in these fields tend to be diverse with many small employers operating in niche areas.

Options include reduced specificity in the 'national curriculum' for some creative fields of study, skill standards being less focused on specific arts and more on the creative process, and greater use of micro-credentials.

Some feedback has noted that collaboration provides opportunities to innovate and embed innovative practice across a wider base. The Engineering Board model is one example where collaboration has enabled innovation.

b. Meeting regional needs

A 'national curriculum' would need to be flexible enough to meet any specific regional needs. We are looking to better understand regional variation and its relationship to core industry skills adapted for different specialties within an industry, for example in fruit harvesting.

To date we have not heard specific examples of regional differences that could not be accommodated within the suggested approach to teaching, learning and assessment. However, this requires further testing through formal consultation.

A challenge for WDCs will be to determine the structure of qualifications with each industry to enable flexibility, specialisation, and address national and regional needs.

c. Time to market

Further discussion is needed on the collaborative process for developing a 'national curriculum'. In particular, the extent to which it might impact on time to market, given the potential time and costs associated with a widespread single collaboration between WDCs and multiple providers.

There are several ways collaboration can be managed with some examples identified later in the paper.

d. Cost

Private training establishments (PTEs) see both opportunities and issues in a 'national curriculum' approach. Developing programmes is expensive, and it may be easier and less costly for PTEs to be accredited to deliver qualifications with a specified 'national curriculum'.

PTEs are concerned that not having a programme of study could remove their point of difference in the market. From a system point of view, it could also reduce the extent to which PTEs can fill niche areas and offer an alternative if Te Pūkenga's provision is not performing in a particular vocational area.

Other issues

32. A range of other issues have been raised through our engagement, the two most commonly raised concerned:

a. Reflecting and incorporating mātauranga Māori in all qualifications

There is an opportunity to consider how best to increase the use of mātauranga Māori in NZQA-approved qualifications over time. This would vary by qualification, for example in a level 3 cooking qualification there could be a skill standard in preparing and serving food on a marae.

Feedback from providers is very supportive of including mātauranga Māori, while noting that it will take time to build the capability across the system to do this in a meaningful way.

We would need to engage with wānanga and other mātauranga Māori providers outside the vocational system, as well as with iwi. We would also wish to seek advice from Te Taumata Aronui and engage closely with the Kahui group of members of WDC interim establishment boards. We will provide you and Minister Davis with separate advice on opportunities in this area early in 2021.

b. Staircasing to degree qualifications

Providers have raised the question of how a simplified qualifications system at levels 3 to 6 of the framework would impact on pathways to degree level study. A number have formal arrangements with universities for their learners to progress from qualifications at levels 5 and 6 to higher level study including degrees. Changes to the way pathways are managed will be a consequence of any changes to the design of qualifications, including using skill standards at levels 1 to 6.

We seek a discussion with you about whether to consult on a refined model, or to continue with the design in current legislation

33. The basic shifts within the vocational qualifications system from RoVE are clear:
- industry leadership 'bookends' the system through approval of standards and qualifications up front, moderation of assessment and capstones
 - industry and providers collaborate on the design of programmes (through WDC endorsement of programmes and with the option of training packages)
 - providers retain flexibility about how they carry out teaching, learning and assessment.
34. There is an option to simplify the way the 'collaboration' layer works, by replacing the need for programmes (and optional training packages) with a 'national curriculum'. The 'national curriculum' would be developed collaboratively by WDCs and providers (led by WDCs). It would mean the bilateral relationship between the WDC and each provider would become a multilateral relationship. There are options for how this multilateral relationship could be managed. Examples include the equivalent of the Diplomas in Engineering Board, WDC Standing Committees or industry specific Boards. While Te Pūkenga would be expected to be a key partner, not all providers may want to be involved with some providers willing to use a national curriculum developed by others.
35. A key shift needed for the success of RoVE is the development of collaborative working relationships between providers and WDCs. This may prove challenging to providers who have been based in a competitive model with ITOs for a long time as well as the newly formed WDCs.
36. The relationship with WDCs will be different for wānanga, in recognition of their special characteristics. While work-based training must meet industry requirements, it is important that wānanga are able to operate within a kaupapa Māori pedagogy. Original RoVE decisions allow for wānanga to operate outside of WDC endorsement role, except where their programmes include an element of work-based learning. Whilst it is the policy intent that the wānanga would use skill standards, the extent to which this fits with their kaupapa

needs further discussion. Wānanga teaching, learning and assessment must be supported to continue to offer a unique approach to the content supported by mātauranga Māori.

37. In short, both the current legislative framework and the further ideas in this paper support collaboration between industry and providers, and a stronger voice for industry through qualifications and standard setting. The 'national curriculum' approach goes further in encouraging collaboration across providers (as well as with WDCs) and consistency in delivery. The 'national curriculum' approach would require further legislative change which could be progressed alongside other likely legislative amendments.
38. Either approach represents a significant shift from the previous competitive model, which separated industry and learner interests.
39. The consultation needs to elicit the best trade-off between consistency, learner pathways and provider flexibility (especially in light of the existing responsibilities of Te Pūkenga to consolidate programme design across the network).

Next steps

40. We seek a discussion with you about the opportunities set out in this paper. Whether the already agreed approach or the extended approach to the design of vocational qualifications is implemented, work needs to be undertaken for it to be fully developed before the regulatory environment can be determined.
41. If you are in broad agreement with the ideas discussed in this paper, we will refine the proposal, and report back to you with a draft consultation document in February.
42. Following your agreement, comprehensive consultation would be undertaken during March and April 2021.
43. Any required legislative amendments resulting from the vocational education-related work could be included in the proposed Education and Training Amendment Bill that would be introduced no earlier than October 2021.



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16 December 2020



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16 December 2020



Hon Chris Hipkins

Minister of Education

13 / 02 / 2021

CR21435 Appendix 1: Feedback from stakeholder engagement

Industry and employer perspectives

- NZQA tested its early thinking with industry and employers at the larger follow up meeting on 29 July and through meetings with the WDC Establishment groups. The ideas have received positive feedback. A 'national curriculum' would address these end-users' concerns about consistency in what learners know and can do
- They strongly support reducing the complexity in the system, in terms of the range of products and the layers in the system. This would make it easier for them to engage with qualification and skill standard development and to influence what is delivered once, at a national level.

Students

- NZQA primarily engaged with students through the New Zealand Union of Students' Associations (NZUSA) and directly with approximately 60 Māori trade students at a Te Pūkenga subsidiary. In general, students have a lesser understanding of the design and structure of the qualification system, so discussions centred on what currently works for them and what does not.
- NZUSA representatives' primary frustration is about the lack of portability of learning, and they shared many stories of students needing to redo their learning when they need to change pathways.
- Other NZUSA comments and concerns include:
 - tertiary education organisations (TEOs) are not incentivised to enrol learners in the best programme for the learner; they are incentivised by funding
 - the NZQF needs to be easier to use and understand
 - delivery issues such as insufficient contact time and inconsistent programme design
 - pastoral care is insufficient, particularly mental health support
 - not all lecturers are culturally competent
 - teachers are not well supported to deliver on-line.
- The Māori trade students spoke of needing to feel a sense of belonging and to form close relationships with their tutors. There were also examples of students having to redo learning. Other comments included:
 - Most students found the theory learning the hardest, particularly the assessments, and noted the need for support (e.g. extra time) for additional learning needs.
 - Employment is not always the main objective – for some, helping whānau and their local community are the most important outcomes e.g. building their parents a house or wanting to live sustainably off the land.
 - Some young women are choosing courses of study based on what is available locally, as family commitments and lack of transport limits their mobility to attend the main campus e.g. a young woman who had achieved UE but was enrolled in a Level 2 retail qualification.

Other Māori stakeholders

- Māori stakeholders (mainly staff working in the sector) expressed strong support in principle for qualifications incorporating mātauranga Māori and Te Ao Māori. There are a range of perspectives on how this might best be done e.g. through the content of a qualification (the what) and/or the delivery (the how or the context). Some shared examples of how they thought it could be done, such as a building and construction qualification including indigenous building techniques.
- For staff working in wānanga, there is some concern about using skill standards as these are in English.

Tertiary education organisations

- At the time of writing, NZQA has had face to face workshops with 12 of the Te Pūkenga subsidiaries. These workshops have included tutors and teaching staff as well as managers.

- Overall, participants support the direction of travel. Discussions have included references to successful examples of collaboration (such as the NZ Diploma in Engineering²) and the benefits of this approach – ‘doing it once and doing it well’.
- There has been discussion about meeting regional needs within this approach. Whilst there are a range of views about the extent to which there are regional variations, participants thought that these could be met through micro-credentials or optional skill standards.
- Discussions have also focused on the need for consistency – in some qualifications, such as the regulated trades, there will be a greater need for consistency and less room for local variation. In other qualifications, such as photography, there could be much less ‘national curriculum’ and a greater range of optional skill standards.
- Meeting the needs of local learners is essential and learning must be contextualised to be relevant to their needs
- There is high level of support for qualifications to include mātauranga Māori and reflect Te Tiriti.
- There has been a generally low level of awareness of the new legislative requirements for skill standards to be used, and there has been discussion about the impact of using skill standards in programmes at levels 1 to 6 on degree level pathways.
- Any changes in qualification design need to ensure second-tertiary pathways and articulation into degrees are maintained
- If a national curriculum is included in the qualification, qualifications will need to be reviewed more frequently than currently (from at least every five years to perhaps every three years).
- Te Pūkenga participants also expressed high levels of interest in:
 - how the WDCs will function, their capability and building a constructive collaborative relationship. Participants want to see that their pedagogical expertise is recognised and valued
 - how the unified funding stream will work, and the need to resource RPL practices
- The wānanga participated in NZQA’s two initial meetings and through a follow up meeting with Māori stakeholders. Section 483 of the Education Act specifies the WDC’s functions in relation to the wānanga. The extent to which the wānanga would use skill standards if their programmes include a component of work-based training needs further discussion with wānanga.
- NZQA has met with the two PTE peak bodies. In addition to many of the points above, PTE staff have a range of views, with some considering that the development of a ‘national curriculum’ could reduce the price of entry into the system (programme design is costly), making it easier to enter the market, others are concerned that this would mean that they would not be able to compete on the basis of their distinctive differences.

Transitional Industry Training Organisations (TITOs)

- TITOs have also participated in the two wider initial meetings and at five separate workshops exploring how skill standards might be designed to better meet industry and learner needs.
- TITO staff support the reduction in the range of product types available and a simpler quality assurance framework. Standards-based assessment and a common ‘national curriculum’ could enable greater consistency and address learner mobility issues. They provided many examples about learners needing to redo their learning when they move from a provider to work-based training e.g. “it’s easier to do CRT [credit recognition and transfer] for trainees from South Africa or Australia than it is for students within NZ”.

² The New Zealand Board of Engineering Diplomas was set up to oversee the effectiveness of the qualifications and the extent to which it meets employer and industry needs. The Board has developed and had approved a single programme that all TEOs intending to award the qualification are advised to seek accreditation to deliver.

- Any 'national curriculum' must be flexible enough to:
 - accommodate the range of employer needs (within a single qualification trainee may be assessed using some core and some different standards)
 - accommodate variations in the sequence of learning, as workplaces need to respond to customer demand and may not be able to sequence learning opportunities in the same way that a provider can.
- The workshops with standard setting staff at TITOs have tested our thinking on skill standards and explored the feasibility of developing a 'national curriculum' within a qualification. This work is progressing well and has been useful in informing NZQA thinking on skill standards more generally.

Other

- The two WDC establishment groups largely comprise TITO, provider and industry representatives and their responses were generally aligned to the views above. We have also discussed our thinking with the Health, Community and Social Services Interim Establishment Board (IEB), which is strongly supportive of the early thinking.