



NEW ZEALAND QUALIFICATIONS AUTHORITY  
MANA TOHU MĀTAURANGA O AOTEAROA

QUALIFY FOR THE FUTURE WORLD  
KIA NOHO TAKATŪ KI TŌ ĀMUA AO!

# Guidelines for applying for registration as a private training establishment

**Version 3.0**  
**March 2019**

**NZQA**  
**125 The Terrace**  
**PO Box 160**  
**Wellington 6140**

## Contents

Introduction .....	4
1. How to apply for registration.....	5
1.1 Evaluation of applications .....	5
1.2 Application costs .....	5
1.3 Other applications during the first year as a PTE.....	5
1.4 The validation visit .....	6
1.5 Lapsing PTE registration .....	6
2. Guidance for applicants.....	7
2.1 Name and contact details.....	7
2.2 Applicants must be a body corporate .....	7
2.3 Statement of education the PTE proposes to provide.....	8
2.4 Names of governing members .....	9
2.5 Each governing member is a fit and proper person .....	10
2.6 Governing member conflicts of interests.....	10
2.7 Adequate staff, equipment, and premises.....	12
2.8 Acceptable financial management practices and performance .....	13
2.9 Information for prospective students.....	14
2.10 Quality management system.....	15
2.11 The Education (Pastoral Care of International Students) Code of Practice 2016.....	17
2.12 Student fee protection .....	18
3. Guidance for other applications.....	20
3.1 Application(s) for at least one approved programme or training scheme .....	20
3.2 Application(s) for consent to assess .....	21

## Introduction

This document provides guidance to organisations applying for initial registration as a private training establishment (PTE), as outlined in Part 18 of the Education Act 1989 (the Act).

### Statutory requirements

An organisation must apply for PTE registration if they want to:

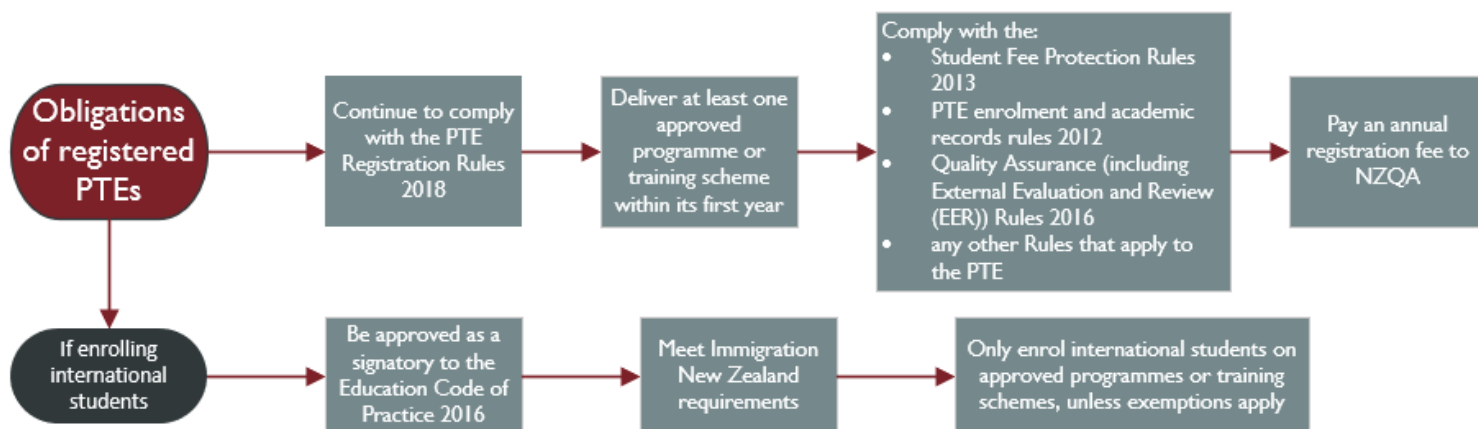
- enrol international students (under section 232A of the Act). To enrol international students the PTE must also be approved as a signatory to The Education (Pastoral Care of International Students) Code of Practice 2016
- seek funding from the Tertiary Education Commission (under section 159Y of the Act)
- apply to NZQA for accreditation to deliver programmes of study leading towards qualifications listed on the New Zealand Qualifications Framework (NZQF) (under section 250 of the Act).

NZQA must be satisfied that a PTE meets the criteria set out in section 233(1) of the Act before granting an application for registration.

### Obligations

Along with the benefits of registration, such as being able to enrol international students, a registered PTE has obligations that are listed in figure 1 below.

Figure 1: Obligations of registered private training establishments



# 1. How to apply for registration

Applicants for registration as a PTE must use the application form available on the NZQA website.

The PTE registration application process is outlined below:

1. Download from the NZQA website: the PTE Registration Rules 2018, the guidelines for registration as a PTE and the PTE registration application form.
2. Complete the registration application and attach supporting documentation.
3. Consider what other applications you will need to submit in the first year of registration.
4. Submit application(s) to NZQA for evaluation.

## 1.1 Evaluation of applications

NZQA uses an evaluative approach in considering applications for registration as a PTE.

Each application is assessed on a case-by-case basis against the requirements of the Act and the Private Training Establishment Registration Rules 2018.

When evaluating an application for registration, NZQA may request further information from the applicant:

- If a small number of key documents are missing or incomplete, NZQA will advise the applicant and require them to resubmit the information within an agreed timeframe.
- If a large amount of the required information is not submitted, NZQA may decline the application without a request for further information.

### *Costs for site visits*

NZQA will make a site visit to verify the application details. These visits are charged at \$190 per hour plus GST per person.

The applicant must also cover NZQA travel costs and any expenses that occur during the visit.

### *Timeframe for evaluation*

NZQA sets a timeframe of six months to complete the registration process.

### *Outcomes of evaluation*

Potential outcomes for an application for PTE registration are:

- *registration approved*, where evidence shows that all requirements have been met, or
- *registration declined*, noting any requirements that have not been met.

## 1.2 Application costs

Applicants are charged the full cost of NZQA evaluation at the rate of \$190 per hour plus GST.

The total cost, in part, depends on the quality and comprehensiveness of information that is provided in the first instance by the applicant.

## 1.3 Other applications during the first year as a PTE

Within 12 months of being granted registration, a new PTE must, under section 234 of the Act, deliver an approved programme it is accredited to provide, or an approved training scheme.

In succeeding years, the PTE must continue to deliver an approved programme or training scheme with no gaps of more than one year, otherwise its registration will lapse.

To meet this requirement, within its first year of existence a new PTE will need to apply for programme approval and accreditation, or training scheme approval. The PTE must begin providing that programme or training scheme within its first year of registration.

Applications for consent to assess against unit or achievement standards may also be required to deliver the programme or training scheme.

Some applicants for PTE registration will be ready to make these applications at the same time as they apply for registration. Simultaneous applications can reduce any potential duplication of information required by NZQA. PTE registration must be approved before any other application approvals can be finalised.

#### **1.4 The validation visit**

NZQA makes a validation visit to the PTE approximately six months after registration or when students are enrolled.

The purpose of the validation visit is to check that the PTE is meeting registration requirements by operating as it has 'promised' in the application. At the time of registration many organisations will not be fully operational.

If the PTE does not have any enrolled students six months after registration, NZQA can agree to delay the validation visit.

##### *Cost of the validation visit*

The validation visit is charged at \$190 per hour plus GST per person.

The applicant must also cover NZQA travel costs and any expenses that occur during the visit.

#### **1.5 Lapsing PTE registration**

The registration of a PTE will lapse for any of the following reasons:

- if the PTE has not delivered any approved programmes or training schemes for more than one year (under section 234 of the Act)
- if the PTE fails to pay required fees to NZQA after receiving two reminder notices within three months (under section 234(3) of the Act)
- if the PTE ceases to be a body corporate (under section 234(2A) of the Act).

Further guidance about the lapsing of PTE registration is available on NZQA's website.

## 2. Guidance for applicants

This section should be read in conjunction with the application form, which is available on the NZQA website.

### 2.1 Name and contact details

Applicants should ensure that the contact person named in the application is available to answer any requests for information or clarification from NZQA.

### 2.2 Applicants must be a body corporate

#### **Section 232D(1) of the Act**

An applicant that is a body corporate may apply to NZQA for registration as a PTE.

A body corporate can be a limited liability company, an incorporated society or a charitable trust. It cannot be a family trust.

Applicants must provide the full name and the corporate body number of the entity applying to become a PTE.

NZQA expects that the primary focus of a PTE is education, although a PTE may be a subsidiary of a wider organisation with business interests beyond education. To keep accountabilities clear, applicants should separate the educational activities of the wider organisation into a discrete body corporate that will become the PTE. It must be clear to NZQA where the responsibility lies for PTE activities.

If the PTE is not a separate entity, NZQA may look into the activities of and people involved in the wider organisation.

#### *Name of the PTE*

The PTE's name should not be misleading, such as using a name that is very similar to the name of another institution.

The name must not contain any of the terms protected under section 292 of the Act. It is an offence to use the terms 'university', 'college of education', 'polytechnic', or 'institute of technology' without Ministerial consent.

#### *Evidence of the body corporate*

The following evidence must be included:

- A company registration certificate, certificate of incorporation or other document recognising the applicant's legal status as a body corporate.
- If the body corporate has been incorporated for more than one year, the most recent Annual Return to the Registrar of Companies or the Registrar of Societies must accompany the application.
- If the body is a limited liability company, the application must include details of any changes to the company's capital structure, shareholding, directors or secretary that may have taken place since the most recent return was filed.

#### *Using a trading name*

If the PTE intends to use a trading name other than the name of its legal entity, it must disclose this to NZQA at the time of registration.

The Companies Act 1993 requires companies to clearly state their legal name in all documentation. NZQA expects that a PTE will ensure that its registered PTE name (not just its trading name) is

transparent in all its documentation (e.g. website, brochures, manuals, offers of place, student handbook, employment agreements etc).

## 2.3 Statement of education the PTE proposes to provide

### Section 232D(2)(a)(i) and (ii) of the Act

The application must include a written statement setting out:

- the kinds of education the establishment proposes to provide
- the outcomes it seeks to achieve through the provision of those kinds of education.

### Rule 4.1(c)

The written statement must include a description of how the PTE will meet the needs of:

- its intended students
- its relevant communities (including whānau, hapū, iwi, or hāpori Māori)
- other key stakeholders (including any relevant academic, employer, industry, runānga, marae, professional and other bodies).

The written statement must meet the requirements of the Rule and the Act.

#### *Proposed kinds and outcomes of education*

The kinds and outcomes of education that a PTE might provide are wide-ranging. Examples include vocational education and training, academic education, professional preparation, community volunteer training, corporate training and English language training. These examples are indicative, and PTEs are not limited to any specific type of education. Many PTEs have multiple educational focuses.

PTEs can deliver programmes at any level of the NZQF. PTEs may enrol domestic or international students (once they become a Signatory to the Code), or both.

PTEs must deliver at least one programme or training scheme that is approved by NZQA. PTEs may also deliver some education or training that is not approved by NZQA. The applicant must clearly identify which parts of its education and training will be programmes or training schemes approved by NZQA. The applicant must also be clear about which qualifications it will award, and the requirements that must be met to award the qualifications.

#### *Meeting student and stakeholder needs*

Once registered, a PTE has to demonstrate it is meeting students' needs and taking a holistic approach to students' well-being (under Rules 5.1.3 and 5.1.5). It will also have to demonstrate that it is meeting the needs of relevant communities and key stakeholders.

Applications should include realistic evidence about the actual needs of students, and the relevant community and key stakeholders, this may include market research about student and community needs, but other types of research and community consultation are equally valid.

NZQA expects to see that the applicant has undertaken significant engagement with Māori on Māori needs and aspirations, especially where a high proportion of the intended students are, or will be, Māori.

#### *Evidence to include in the application*

The following evidence must be included:

- A written statement of the kinds of education the PTE proposes to provide and the outcomes it seeks to achieve:
  - a profile of the PTE's intended students, relevant communities and key stakeholders



- a description of how the PTE will meet the needs of students, relevant communities and key stakeholders through the education and training it will provide
- the process used to identify needs, including who the PTE has consulted with, and how they consulted them
- how the PTE will continue to seek advice and input from stakeholders over time (for example, through establishing programme advisory groups).
- A business plan for implementing the kinds of education the PTE proposes to provide. This must include a list of the programmes and/or training schemes it intends to deliver and how it intends to:
  - develop the academic programmes or training schemes it will provide (with timeframes)
  - meet Rule 5.1.8 Assessment and moderation, which requires the PTE to operate a coherent assessment and moderation system
  - resource the programmes/training schemes and commence delivery through adequate staff, equipment and premises, and acceptable financial management practices and performance.

## 2.4 Names of governing members

### Rule 4.1(a)

Applicants must provide a list of the names of the governing members of the PTE.

#### Section 233A of the Act

The definition of a governing member is

- any director
- any member occupying a position equivalent to that of a director
- if the establishment is a trust, any trustee
- if the establishment is a partnership, any partner
- any senior manager, defined as either the chief executive officer or person occupying an equivalent position; or any member of staff in charge of academic issues, marketing, administration, finance, student fee trust funds or student services
- any shareholder with a controlling interest in the establishment.

#### Section 232E of the Act

(1) NZQA may require evidence of the identity of the governing member of a PTE.

(2) NZQA may interview a governing member to verify his or her identity.

Each application must include documentation verifying the identity of all governing members.

With regard to section 233A (f) of the Act, a shareholder with a controlling interest is defined as a governing member that owns, or otherwise controls (such as through another entity) fifty per cent or more of the issued capital of a PTE that is a company, and the member is able to control the exercise of fifty per cent or more of the total shareholder or trustee votes. This includes being able to appoint members to the governing body that exercises the voting power.

Evidence to include in the application

The following evidence must be included:

- An organisational chart for the PTE showing position held and with each governing member's name (including 'also known as' names) and contact details.
- For each person listed as a governing member, a verified copy of their passport or birth certificate. If the documents are not in English or Te Reo Māori, the applicant must provide a verified translation.

## 2.5 Each governing member is a fit and proper person

### Section 232D(d) of the Act

The application must contain a statutory declaration from each governing member in respect of the matters described in section 233A (1) (a) to (g), which include a declaration the member is a fit and proper person for that position.

### Section 233(1)(a)-(g), and section 233A(1)(a)-(h) of the Act

NZQA must be satisfied that every governing member is a fit and proper person for that position, according to the criteria set out in section 233A, which are:

- a. the person's experience in the provision of education services (for example, any previous involvement in a registered private training establishment)
- b. whether the person was a governing member of a registered private training establishment that was closed, sold due to insolvency, or taken over
- c. whether the person has been convicted of any offence involving fraud, violence, or dishonesty, or any offence under this Act or section 352 of the Immigration Act 2009
- d. whether the person is a defendant in proceedings in respect of an offence described in paragraph (c)
- e. whether the person was adjudicated bankrupt under the Insolvency Act 2006 or the Insolvency Act 1967
- f. whether the person is prohibited from being a director or promoter of, or from being concerned or taking part in the management of, a company under any of sections 382, 383, 385, and 386A of the Companies Act 1993
- g. whether the person has failed to disclose any material conflict of interest as required under section 232D(2)(c)(i); and
- h. any other matter that NZQA considers relevant.

### 233A(2) of the Act

If the applicant has had direct involvement in the provision of education services that have failed, the Authority must give the applicant an opportunity to explain why the risk of this occurring again is unlikely.

### *Evidence to include in the application*

The following evidence must be included:

For each proposed governing member of a proposed PTE, the application must include:

- a complete statutory declaration that provides information NZQA can use to assess if a proposed governing member is a fit and proper person as well as a complete conflicts of interest statutory declaration. Use the Statutory declaration as a fit and proper person and of conflicts of interests form available on the NZQA website
- a position description
- a curriculum vitae describing the person's experience in the provision of education services, and
- where relevant, an explanation of why the risk of reoccurrence of PTE failure is unlikely.

## 2.6 Governing member conflicts of interests

### Section 232D(c) of the Act

For each governing member, the applicant must supply a statutory declaration of:

- any material conflicts of interest arising from the members' role as a governing member
- any interests the member has in organisations in the education or immigration sectors that provide goods or services to tertiary students.

### **Section 232D(e) of the Act**

The application must describe the arrangements that the PTE has in place to manage conflicts of interest that may arise; and be in a form and contain any other information that NZQA requires.

### **Section 233(1)(b)-(d) of the Act**

NZQA must be satisfied that

- the applicant must have in place effective arrangements for managing any conflicts of interest that exist or may arise
- no governing member has a material conflict of interest that NZQA considers is or is likely to be unmanageable
- no governing member has an interest of a kind described in 232D(c)(ii) (any interests the member has in organisations in the education or immigration sectors that provide goods or services to tertiary students) that NZQA considers is, or is likely to be, unmanageable.

### **Rule 4.1(b)**

The applicant must supply a list of any material conflicts of interest of the PTE, and of any interests of the PTE, or of its body corporate owner(s), in organisations in the education or immigration sector that provide goods or services to tertiary students.

#### *Governing members must disclose any conflicts of interest*

If the applicant fails to disclose any conflicts of interest, or provides misleading information, this could be a ground for refusal of a PTE Registration application under 233(4) of the Act.

A 'material' conflict of interest is an interest which, in view of the circumstances, could reasonably be expected to affect independence or impartiality of a governing person.

Examples of situations where interests must be disclosed include, but are not limited to,:

- The governing member has loaned money to the PTE.
- A close relative of the governing member has entered into a significant contract with the PTE.
- A company owned by the governing member is the PTE's landlord.
- The governing member is a shareholder or director in an immigration consultancy that offers immigration services to prospective students of the PTE.

NZQA will evaluate each declaration on a case-by-case basis, taking into account the nature of the conflict of interest and the arrangements that the applicant intends to put in place to manage it. NZQA must be satisfied of the effectiveness of the PTE's arrangements to manage conflicts of interest.

NZQA advises governing members to take a conservative approach and if in doubt make a disclosure.

#### *Disclosing interests in the education or immigration sector*

Governing members must also disclose any interest they have in organisations in the education or immigration sector that provide goods or services to tertiary students. For example, a governing member might own accommodation that is rented by students, or a business that sells specialist equipment to students.

The reason for disclosure in such situations is the higher likelihood of a conflict of interest between the governing member or the PTE, and the interests of students.

Evidence to include in the application

The following evidence must be included.

For each proposed governing member of a proposed PTE, the application must include a completed statutory declaration from each governing member.

This must:

- provide information NZQA can use to assess if a proposed governing member is a fit and proper person
- disclose any material conflicts of interest and any interests in organisations in the education or immigration sector that provide goods or services to tertiary students
- detail any arrangements to manage any conflicts of interest.

## 2.7 Adequate staff, equipment, and premises

### **Section 233(1)(e) of the Act**

NZQA must be satisfied that the PTE has, or will have at the relevant time, adequate staff, equipment and premises to provide its programmes or training schemes.

### **Rule 4.1(d),(e)**

In addition to the requirements under section 233 of the Act, the following further information is required:

- An organisation chart of the staff positions (whether employees or contracted staff) and the names of the staff currently in, or appointed to, those positions:
- Copies of the curriculum vitae and position descriptions of senior managers, who are defined, in section 232(1) of the Act, as the chief executive officer or person occupying an equivalent position; and members of staff in charge of academic issues, marketing, administration, finance, student fee trust funds, or student services.

NZQA recognises that an applicant for registration may not yet have secured all of its staff, equipment and premises.

Nonetheless, NZQA must be satisfied that the PTE will have, at the time delivery commences:

- adequate staff with the necessary knowledge, skills and experience covering relevant education and training expertise, academic subjects, educational delivery, assessment and moderation, student support, educational administration (including financial expertise), and educational management and governance
- adequate equipment, including any necessary information technology resources, educational resources and workshop tools to safely deliver its programmes or training schemes
- adequate premises, including off-site locations, to provide its programmes or training schemes.

### *Health and safety practices*

Health and safety practices should provide NZQA with assurance that equipment used by students and teachers at all teaching sites will be safe to use and used safely.

As a minimum, PTEs will need to meet obligations under the Health and Safety at Work Act 2015.

### *Different types of delivery sites*

NZQA differentiates between permanent and temporary sites/premises which are defined as follows:

#### Permanent delivery site

A delivery site is considered to be permanent when a TEO has a regular and ongoing presence at the site.

#### Temporary delivery site

A temporary delivery site refers to a site which a TEO uses on an infrequent or irregular short-term basis. Short-term use refers to a period up to a maximum of 26 weeks.

Evidence to include in the application

The following evidence must be included:

- The organisation chart of staff positions
- The curriculum vitae and position descriptions of senior managers
- Lists of resources and equipment needed to adequately and appropriately provide the PTE's training schemes or programmes
- Where the resources are not already in place, an acquisition plan with a budget
- Details of all permanent sites/premises which will be used for delivery, including:
  - location
  - a site or building map, or a description, that indicates the size of each classroom/workshop learning venue and numbers of students each would accommodate
  - a description of the facilities, including staff and student facilities, such as the number and gender of toilets, student common room and kitchen, offices and staff space available, and including facilities for secure storage of student records
  - evidence that the new site will comply with the statutory requirements relating to its use. This evidence must include relevant policies and procedures, a health and safety check of the site, confirmation from the relevant authority that the zoning is appropriate for an educational organisation, and, if applicable, the Building Warrant of Fitness
  - evidence that the PTE has or will have a right to occupy or use the premises or other teaching and administration sites before instruction commences i.e. a copy of the lease or tenure agreement OR a copy of the ownership papers
- The location of any temporary sites/premises that will be used for delivery.

## 2.8 *Acceptable financial management practices and performance*

### **Section 233(1)(f)(i)-(ii) of the Act**

NZQA must be satisfied that the PTE:

- in the case of an establishment that is already operational, has acceptable financial management practices and performance (for example, is able to pay its staff, taxes, and creditors); and
- in the case of an establishment that is not yet operational, is likely to have acceptable financial management practices and performance (for example, is likely to be able to pay its staff, taxes, and creditors).

NZQA needs to be satisfied the applicant has a sound financial basis and is likely to be financially stable. The evidence of its financial basis must reflect the business plan required in the application.

NZQA will analyse the applicant's financial structure and resources to determine its ongoing financial viability.

In particular, NZQA will look to see whether the applicant:

- has the capacity to meet ongoing business development and quality assurance costs
- has any arrangements, including shareholder arrangements, which may adversely affect its ongoing viability.

The applicant's debt/equity ratio must provide an adequate level of confidence in its ongoing financial sustainability.

Its annual budget should be in alignment with its available resources, including staff input, and support the proposed education provision and administration.

There should be evidence that either the PTE will generate sufficient income through its education activities to meet its financial commitments and ensure its financial viability, or it will be able to call on other sources of funding that are in line with its proposed type of education and outcomes.

Evidence to include in the application

The following evidence must be included:

- A three-year financial forecast, with clear explanations of the basis for the figures in the forecast. Forecasts should be forwarded in electronic format (spread-sheet).
- If already operational, the applicant must also supply its most recent Annual Report and a full set of financial statements including, as appropriate, its
  - annual operating budget
  - statement of financial position
  - financial performance and cash-flows
  - forecasts for both the existing organisation and the new organisation that incorporates the PTE.
- Where applicable, a statement from a funding body.

## 2.9 Information for prospective students

### Section 233(1)(h)(i)-(iii) of the Act

NZQA must be satisfied that before accepting the enrolment of any prospective student, the PTE provides or will provide that student with a written statement of:

- the total costs and other financial commitments associated with the programme or training scheme for which the student seeks enrolment
- any material conflicts of interest of any of the governing members of the establishment
- any interests a governing member has in organisations in the education or immigration sector that provide goods and services to tertiary students.

### Section 234B(a)-(c) of the Act

Every PTE must ensure that all printed and other information made available to prospective students has full details of:

- the total fees for each programme or training scheme, including fees for class or lecture materials, any NZQA external examination fees, books, special clothing, safety equipment, tools, and any other items that are or may be provided to students enrolled for that programme or training scheme, and including any student association membership fees
- the class or lecture materials, books, any external examination timetables, special clothing, safety equipment, tools, and other items that are or may be required by the PTE to be bought or provided by students enrolled for each programme or training scheme.

Every PTE must, before accepting the enrolment of any prospective student, give the student a written statement of:

- the total costs and other financial commitments associated with the programme or training scheme
- the cost of fees for student services provided by the PTE
- any material conflicts of interest of any of the governing members of the PTE and any interests the member has in organisations in the education or immigration sector that provide goods or services to tertiary students

Every PTE must give prospective students a written statement of his or her entitlements under sections 235 (domestic students) and 235A of the Act (international students), in the event that the student withdraws from a programme or training scheme.

Section 234B of the Act lists items of information that must be made available to prospective students. It is the PTE's responsibility to ensure that all prospective students have easy and ready access to information that is complete and clearly written. It is not sufficient, for example, for the information to be available only on request.

Prospective students need to have access to clear information on the costs of study to enable them to make an informed choice. They must also be informed about any conflicts of interest of governing members.

Entitlements to fee refunds are different for domestic and international students see below.

The applicant should note that once they commence operation, Rule 5.1.4 under maintaining registration will require the PTE to provide students with:

- enrolment information, including entry and selection criteria
- any NZQA compliance notices or conditions.

Evidence to include in the application

The following evidence must be included:

- The PTE's written statement to prospective students, such as an offer of enrolment or an enrolment contract, that shows:
  - detailed costs and financial commitments for prospective students, as specified in sections 233(1)(h) and 234B of the Act (as above)
  - entry and selection criteria for relevant programmes
  - where applicable, material conflicts of interest of governing members and the PTE's interests in other organisations providing goods and services to tertiary students
  - fee refund entitlements if students withdraw from the programme or training scheme.

## 2.10 Quality management system

### **Rule 4.1(f)(i)-(viii)**

The applicant must supply a copy of the PTE's quality management system that applies across all aspects of its business and as a minimum must include policies and procedures for:

- organisational self-assessment, for the purposes of EER
- decision-making, financial delegations, and financial controls
- personnel recruitment and management
- information management, including systems for the collection, recording and transfer of student records, and financial, statistical and other information that the PTE must supply to, or keep available for, government agencies
- enrolment procedures
- management of risks
- student complaints, student discipline and appeals, ensuring the policies and procedures are fair and equitable
- compliance with the Student Fee Protection Rules 2013 (see Guidance on requirement 12 below).

NZQA needs to be satisfied that the applicant has a comprehensive and appropriate quality management system that shows how the PTE will operate. Its design should be appropriate to the size, nature and complexity of the PTE.

The quality management system should also set out how the policies and procedures are developed, documented, approved, implemented and reviewed to ensure they remain current.

Policies and procedures can be supported by attachments, such as forms, templates, flowcharts and training manuals.

Evidence to include in the application

The following policies and procedures must be included as evidence:



- self-assessment and participation in external evaluation and review by NZQA, in accordance with the Quality Assurance (including External Evaluation and Review (EER)) Rules 2016
- developing education programmes/training schemes, including consultation with stakeholders and meeting NZQA's programme approval and accreditation requirements
- key business decisions
- financial delegations, including which staff positions in the PTE can make which types of financial decisions
- financial controls, such as internal financial audit and audit by a chartered accountant to meet the requirements of the Companies Office
- personnel recruitment and on-going personnel management. These must ensure the PTE will have and maintain adequate staff with the necessary knowledge, skills and experience covering:
  - relevant education and training expertise
  - academic subjects
  - educational delivery
  - assessment and moderation
  - student support
  - educational administration including financial expertise
  - education management and governance
- enrolment and academic records, in accordance with the PTE Enrolment and Academic Records Rules 2012, including information on how it will record assessment results and, where applicable, report these to students' New Zealand Record of Achievement.
- for PTEs funded by TEC, its electronic student management system, which must be compatible with the Single Data Return (see TEC website).

### *Enrolment*

Include policies and procedures for managing student admission and all possible types of enrolment that cover the following steps (as applicable):

1. The PTE provides prospective students with the information detailed in section 234B of the Act and Rule 5.1.4 of the Reg Rules.
2. The student applies to the PTE for admission and enrolment (separately or together) or arranges to apply through another party (e.g. an employer).
3. The PTE verifies the student's identity, and whether they are a domestic or international student.
4. The PTE confirms the student's eligibility to study, including that they meet the relevant programme entry criteria (admission).
5. The PTE offers to enrol the student.
6. The student accepts the offer (enrolment contract).
7. The PTE records the enrolment.
8. The PTE invoices the student, or the appropriate party, for tuition fees.
9. The student or appropriate party pays tuition fees or arranges for them to be paid, preferably directly into the PTE's student fee protection trust account.
10. The PTE records and issues a receipt for payment of fees.
11. The PTE ensures that any subsequent changes to enrolment, including date changes, withdrawal and refunds, are recorded and signed by both parties.

### *Maintaining academic quality*

The PTE will have obligations as an education provider to maintain its academic quality and to moderate its assessments to ensure they are valid and consistent. The outcomes of qualifications awarded by the PTE will need to be consistent with those delivered by other providers.

Public information about the PTE must be accurate, clear and not misleading.



### *Management of risk*

Include policies and procedures to identify and manage risks to the PTE's educational and business activities.

Options for mitigating the likelihood and consequences of risks must be identified and should cover:

- quality
- location
- compliance with relevant legislation
- the health and safety of people at its premises, including its students.

### *Student complaints, student discipline and appeals*

Include policies and procedures that identify the steps that staff must take when a student makes a complaint, and how the PTE will manage student discipline and appeals.

This should cover possible responses to a complaint, such as an investigation, reasonable timeframes, and a process to inform the student of the outcome of the complaint.

The PTE must also have policies and procedures that cover student discipline, including:

- student conduct
- checking the authenticity of student work
- investigating and dealing with plagiarism
- the processes students can follow when they appeal disciplinary decisions.

### *Student fee protection*

Include policies and procedures that meet the requirements of sections 235A(1)(c) and 235B of the Act, and the Student Fee Protection Rules 2013.

The PTE's student fee protection policies and procedures must cover, as a minimum:

- student withdrawal before, during, and after the relevant refund period
- closure of the PTE or its programmes or training schemes
- international students whose visa is declined
- the fee protection mechanisms used by the PTE and any exemptions from fee protection that apply to the PTE.

For further information about student fee protection see below.

## **2.11 The Education (Pastoral Care of International Students) Code of Practice 2016**

### **Sections 232A and 238D-G of the Act**

If the PTE intends to enrol international students, it must become a signatory to the Education (Pastoral Care of International Students) Code of Practice 2016 (the Code).

All providers that enrol international students, including PTEs, must pay the Export Education Levy (the Levy).

Information about the Levy is on the Ministry of Education website.

The Education (Pastoral Care of International Students) Code of Practice 2016 was established under section 238F of the Act.

The Code provides a framework for all education providers to ensure the PTE maintains a high standard of care and well-being for international students while students live and study in New Zealand.

NZQA is the officially designated Code administrator.

More information about the Code is available on the NZQA website.

## 2.12 Student fee protection

### Sections 234 and 235 of the Act

To be registered, a PTE must meet NZQA's Student Fee Protection Rules 2013.

The applicant needs to be familiar with NZQA's Student Fee Protection Rules 2013. The Rules are on the NZQA website.

These Rules and the Act protect the interests of domestic and international students, especially if a PTE closes or stops offering a programme or training scheme students have enrolled in.

#### *Student fee protection coverage*

Student fee protection covers all payments made to a PTE by, or on behalf of, a student, including fees that a student has paid to an agent of the PTE.

This includes payments made for:

- tuition fees (including commissions and course-related costs)
- accommodation
- travel and health insurance
- living expenses
- any other financial commitments associated with the student's course.

#### *Exemption from Student Fee Protection*

The Student Funds Trust Deposit Exemption Rules 2016 came into effect on 13 February 2016. These Rules exempt courses (i.e. programmes and training schemes) where the total student fee is \$500 or less (including GST) from the requirement to deposit student fees with an independent trustee.

#### *No student fee charged*

Student fee protection is not needed if a student or a group of students' fees are free, fully funded by the government, or fully funded through business-to-business contractual arrangements.

If either of these situations apply, a PTE can request a letter from NZQA confirming this arrangement.

If the PTE's circumstances subsequently change so that it requires a student fee protection mechanism, the PTE must immediately inform NZQA.

#### *Refund of fees*

The Student Fee Protection Rules 2013 and the Act stipulate a statutory refund period. During this period a student can withdraw from a programme or training scheme and be refunded a proportion of their fees. The statutory refund period varies depending on the length of the programme or training scheme, and whether the student is international or domestic.

Even after the statutory refund period, a pro-rata portion of student fees is protected in the event of a 'course closure'. A 'course closure' occurs if the PTE closes or stops delivering a programme.

#### *Fee protection arrangements*

The initial refund period can be covered by either a standard trust or static trust account.

After this period, PTEs can use a number of options. These options are detailed in Appendix B of the Student Fee Protection Rules 2013 and include:

- trust accounts (standard or static)
- bank bonds

- insurance (student-based insurance)
- deferred payment
- company or parent body guarantees.

PTEs may use the option most suitable for their circumstances, provided NZQA gives prior approval.

PTEs may use only an approved student fee protection supplier. The Student Fee Protection Rules define who may be appointed as a trustee of the Student Fee Protection account.

#### *Information provided to students*

There are minimum requirements for the information PTEs provide to students about fee protection. See section 13.6 of the Student Fee Protection Rules for these requirements.

#### *Approval by NZQA*

The fee protection arrangements must be accepted in writing by NZQA. NZQA will review the proposed arrangement and confirm whether or not it has been approved.

The approved arrangements must be in place before the PTE accepts any fees from students.

Evidence to include in the application

The following evidence must be included:

- Details of the student fee protection mechanisms that the applicant has selected including student fee protection notification form
- Confirmation from any student fee protection trustee that they will accept the appointment as a trustee, in the event that PTE registration is granted by NZQA.

### 3. Guidance for other applications

An applicant may choose to submit other applications at the same time as applying for PTE registration.

Those applications will not be fully evaluated until the PTE registration has been approved.

#### 3.1 *Application(s) for at least one approved programme or training scheme*

##### **Section 234 of the Act**

A registered PTE must deliver at least one approved programme that it is accredited to provide, or one approved training scheme. It must continue to do so with no gap of more than a year, or its registration will lapse.

##### **Section 232A(1)-(2) of the Act**

A PTE must not enrol an international student in a programme, or a training scheme (unless the training scheme is less than 3 months and exempt), unless it is approved by NZQA.

The exemptions to training scheme approval are for:

- recreational training schemes
- corporate training, but not including corporate training schemes designed for the purpose of meeting regulatory requirements for occupational registration, occupational licensing, or health and safety in the workplace
- training schemes of less than a credit value of 10 credits, but not including training schemes designed for the purpose of meeting regulatory requirements for occupational registration, occupational licensing, or health and safety in the workplace.

The criteria for the training scheme exemptions are outlined in the NZQA Gazette Notice No. 7255 and are available on the NZQA website.

##### **Section 292A of the Act**

All tertiary education providers must hold the appropriate accreditation to deliver an approved programme and award qualifications listed on the NZQF.

##### **Section 159N of the Act**

Every tertiary education funding mechanism must meet the quality assurance requirements under the Act. Therefore, programme approval and accreditation or training scheme approval, depending on what is appropriate, are a condition of funding by the Tertiary Education Commission.

Information and links about PTE funding and performance are on the TEC website.

A programme leads to a qualification listed on the NZQF.

A training scheme leads to an award other than a qualification listed on the NZQF.

PTEs that need to apply for programme approval and/or accreditation or training scheme approval can submit applications online.

There is also a step-by-step guide to the application process and guidelines on the NZQA website.

## 3.2 Application(s) for consent to assess

### Section 252 of the Act

Where a PTE proposes to assess its students against unit or achievement standards listed on the Directory of Assessment Standards, it must apply for NZQA consent to assess the relevant standards.

Applying for consent to assess requires education providers to demonstrate that they are able to:

- design study or training, particularly related to the standards in the application
- develop or access assessment resources
- meet the consent and moderation requirements for the particular standards, which include undertaking internal moderation and engaging in the national external moderation system of the relevant standard setting body
- carry out self-assessment and participate in external evaluation and review
- report assessment results to NZQA
- pay the credit reporting fees due, by the end of the month following the month of the invoice from NZQA.

PTEs must accurately report credits for students within three months of assessment, unless NZQA has approved a different reporting timeframe for the holder of the consent.

For externally assessed achievement standards, PTEs must meet the requirements of the Assessment Rules and Procedures for Tertiary Education Organisations in relation to assessment against externally assessed achievement standards (see the NZQA website).

Detailed information about applying for consent to assess and guidelines are available on the consent to assess pages on the NZQA website.

#### *Requirements in the associated Consent and Moderation Requirements (CMR)*

The PTE must also check the CMR document covering the standards it is applying for.

This document sets out specific requirements for involvement of industry training organisations and/or NZQA, and details of external moderation.

For more information about CMRs see the NZQA website.