

**Tertiary
Education
Commission**
Te Amorangi
Mātauranga Matua



Guide for WDCs when drafting
Operational Plans
for 2022/23

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OHU MAHI
Workforce
Development
Councils



Introduction to the Guide



Foreword from Gillian Dudgeon

Ko ngā pae tawhiti, whāia kia tata. Ko ngā pae tata, whakamaua kia tina
The potential for tomorrow depends on what we do today

Congratulations on formally standing up the Workforce Development Councils. The last few months have no doubt been extremely busy, as you build the capability of your organisation and initiate key relationships.

Workforce Development Councils, alongside Te Pūkenga and other providers, Regional Skills Leadership Groups (RSLGs), Te Taumata Aronui, and Centres for Vocational Excellence (CoVEs) are the key entities in the reformed vocational education ecosystem. Together, supported by government, and with the help of the Unified Funding System, these entities will work together as a system to deliver strong outcomes for learners, employers, communities and Aotearoa New Zealand.

While it is hard to believe that we are already looking ahead to year two for Workforce Development Councils, we want to start working with you now as you start setting your aspirations for 2022/23; and give you as much guidance and support as we can as you start your planning for your second year of operation.

Your Operational Plan for 2022/23 will demonstrate how you are building on the decisions you made during the establishment phase and continuing to build the capability of your organisation as you move fully into your delivery phase.

This Guide includes specific details of what TEC will be looking for in your Operational Plan. Overall, I expect your Plan to present a clear organisation-wide narrative, demonstrating a sharp focus on how you will contribute to a unified vocational education system that gives industry the lead in ensuring New Zealand's workforce is fit for today's needs and tomorrow's expectations, delivering more relevant skills and addressing serious skills shortages.

This Guide also sets out the strategic documents and frameworks that underpin the RoVE system. Together they set the strategic context within which WDCs operate. TEC will be looking for a clear line between these strategies and the work you outline in your Plan, so we can be confident that you are aware of how the activity of your WDC will contribute to the achievement of the RoVE outcomes and other government strategies for education.

I encourage you to work with your TEC Partnership Manager over the coming months as you develop your Operational Plan. They will be able to answer any questions you have regarding our expectations of the information your plan must contain, and advise you on how we will assess the plans and work with you throughout this process.

Thank you for continuing to work closely with us as we all respond to the exciting challenges and opportunities that come with making major changes to the way in which vocational education and training is organised, funded and delivered.

Gillian Dudgeon,
Deputy Chief Executive, Delivery
Tertiary Education Commission





About this Guide - Purpose and Overview

Purpose of Operational Plans

Operational Plans (Plans) are Workforce Development Council (WDC) owned documents. The Board and Chief Executive of each WDC is responsible for the development and approval of the Plan for their WDC.

The Operational Plan for 2022/23 follows on from the Establishment Plan developed by each WDC for the 2021/2022 financial year. The Plan should outline the TEC funded work the WDC proposes to undertake between 1 July 2022 and 30 June 2023.

TEC will use these Plans to understand the activity the WDC plans to carry out in the relevant year. The Plans will also inform TEC about each WDC's strategy, priorities and actions. These Plans will help the TEC Board of Commissioners make decisions on funding for WDCs in 2022/23.

TEC is the Crown's monitoring agency for WDCs. TEC will use Operational Plans to inform our monitoring and engagement activities with WDCs during 2022/23 and provide advice to the Minister of Education and others on activities and progress.

WDC Operational Plans will be published to provide industry and the public visibility of the work of your WDC. We will work with you on the location of and process for this publication.

Developing the Plans

This Guide provides WDCs with an outline of the information TEC requires in their Operational Plan for 2022/23. WDCs can provide additional information if they wish.

WDCs can choose how to present the information in their Plan. Or if preferred, a template Operational Plan is included with this Guide.

Each WDC will determine for itself how best to develop its Operational Plan. However, TEC expects you to actively consult your industries, so their advice and guidance can help identify and shape your priorities and areas of focus for 2022/23. TEC also expects collaboration between WDCs, particularly where there is overlap in industry coverage. This will enable efficiencies, avoid duplication of effort and provide those industries with a clear line of accountability and responsibility.

TEC Partnership Managers will be the key contact for WDCs as they work on their Operational Plan. Partnership Managers can provide insight into TEC's expectations on the information we are expecting to see. They will also liaise with WDCs as the Plans are assessed by TEC so that any discussions on the content can occur in a timely way before the Plans are submitted to the TEC Board of Commissioners in May 2022.

Timeline

A draft version of your Operational Plan should be submitted to the TEC on or before the **31 March 2022**.

A final version of your Operational Plan should be submitted to the TEC on or before the **29 April 2022**.

TEC will confirm the decision on your Operational Plan no later than **31 May 2022**, and we will then work with you to enter into a Funding Agreement for the funding for your WDC for 2022/23.

The provisions of your Plan will come into effect, and TEC will commence funding the activities in the Plan on **1 July 2022**.

Developing Performance Measures – for inclusion in your Funding Agreement

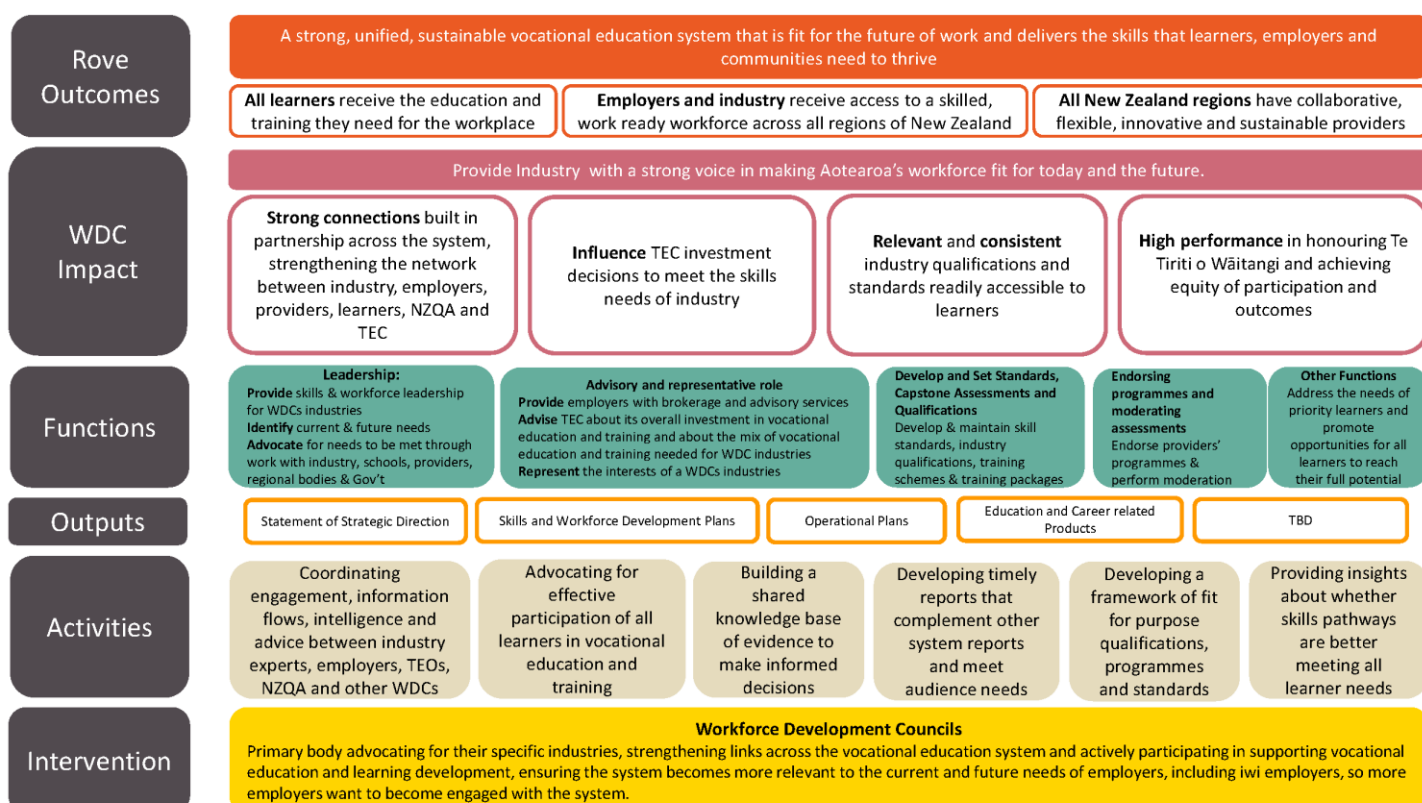
During the Establishment Phase, our TEC Partnership Managers will be working with you to finalise your Intervention Logic Map (ILM), for inclusion in the Operational Plan. The ILM will help you identify and prioritise the Function and Impact measures you propose to monitor and report on to TEC during 2022/23.

TEC will be looking for clear alignment between your ILM and the Performance Measures you will be monitoring and reporting on in 2022/23.

Your TEC Partnership Manager will work with you as you shape measures that demonstrate your positive impact on your industries, particularly Māori industries and iwi businesses. TEC will look for evidence of increased confidence among your industries in your direction and performance. TEC will also want to understand how you ensure any new skill standard or qualification developed in 2022/23 has met the expectations of your industries and covers the competencies required by learners to meet graduate outcomes; and how you are completing programme endorsements in a timely manner that is satisfactory to providers.

You are welcome to include draft Performance Measures when you submit your Operational Plan, but the definitive agreed measures will be recorded in your Funding Agreement for 2022/23.

Draft ILM from your 2021/2022 Funding Agreement



The purpose of the WDC Intervention Logic Map is to articulate the outcomes a WDC is aiming to achieve and specify how it will do this.

The Intervention Logic Map is intended to provide a consistent framework that each WDC can then tailor based on their unique context. It has been designed to allow enough flexibility to cater for the range of specific functions and impacts that will be delivered by various WDCs while being clear and specific enough to demonstrate how each WDC contributes to the RoVE outcomes. In addition, it provides a consistent basis upon which to compare the performance of each WDC.



Strategic Context for WDC Operations

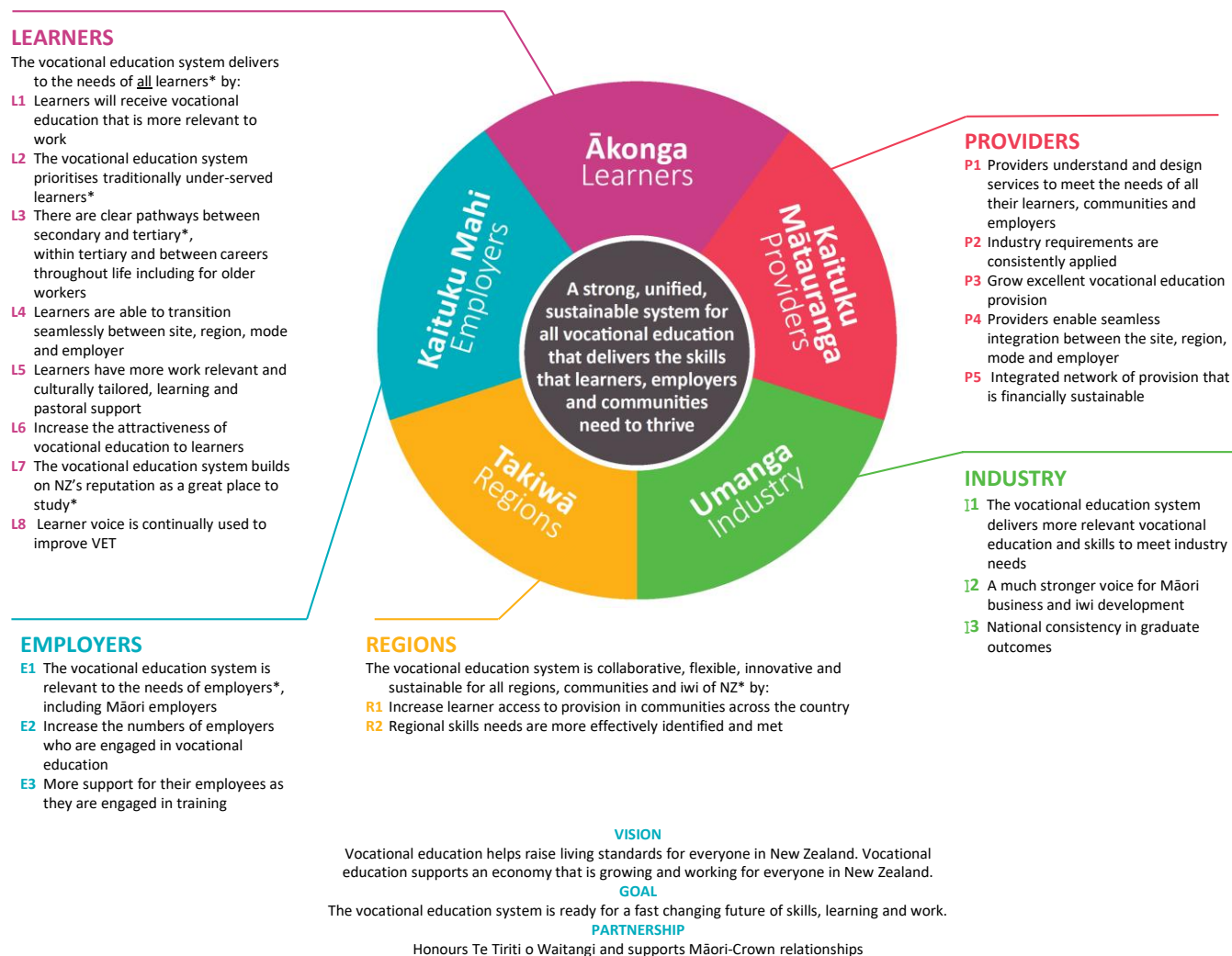
RoVE Purpose and Vision Statement

The changes being introduced through RoVE aim to create a unified vocational education system that is ready for a fast-changing future of skills, learning and work. We are all working together to enable a new system that:

- offers a strong network of provision for all regions;
- provides work-based learning adaptable to a variety of needs;
- is responsive to and effective for a diverse range of learners; and
- strongly supports, and is supported by industry.

Below is a diagram that outlines specific outcomes Industry, Providers, Learners, Regions and Employers can expect from the new system. WDCs will directly contribute to the successful achievement of a number of those outcomes.

Outcomes for RoVE Te Pūnaha Mātauranga Ahumahi



Te Tiriti o Waitangi and Partnership

The Education and Training Act 2020 establishes an expectation that the New Zealand education system is one that honours Te Tiriti o Waitangi and supports Māori-Crown relationships.

The Order in Council for each WDC requires that when that Council performs its legislative duties, it must act in a manner that contributes to an education system that honours Te Tiriti o Waitangi and supports Māori-Crown relationships.

The Orders in Council also state that WDCs must act in a manner that seeks to contribute to an education system that:

- provides opportunities for all people in the specified industries to reach their full potential and capabilities, including those who have been traditionally underserved by the education system; and
- helps ensure fair and equitable outcomes for all.

As part of their contribution to honouring Te Tiriti o Waitangi, WDCs will need to consider the Tertiary Education Strategy and Ka Hikitia - Ka Hāpaitia, the Māori Education Strategy.

Government Priorities for Vocational Education and Training

Use the following documents to understand the strategies that should underpin the activities of your organisation across the relevant areas of operation.

The Tertiary Education Strategy on the Ministry of Education's website
education.govt.nz/our-work/overall-strategies-and-policies/the-statement-of-national-education-and-learning-priorities-nelp-and-the-tertiary-education-strategy-tes/

Ka Hikitia – Ka Hāpaitia, the Māori Education Strategy
education.govt.nz/our-work/overall-strategies-and-policies/ka-hikitia-ka-hapaitia/

The Action Plan for Pacific Education 2020-2030
education.govt.nz/our-work/overall-strategies-and-policies/action-plan-for-pacific-education-2020-2030/

Regional Skills Leadership Groups on MBIE's website
mbie.govt.nz/business-and-employment/employment-and-skills/regional-skills-leadership-groups/





Overview of what TEC will look for in WDC Plans

TEC will look at how your Operational Plan aligns to:

- the WDC functions and duties set out in the Education and Training Act 2020;
- the functions and duties set out in your Order in Council;
- the achievement of the RoVE outcomes that WDCs can influence; and
- Government priorities for the vocational education and training sector.

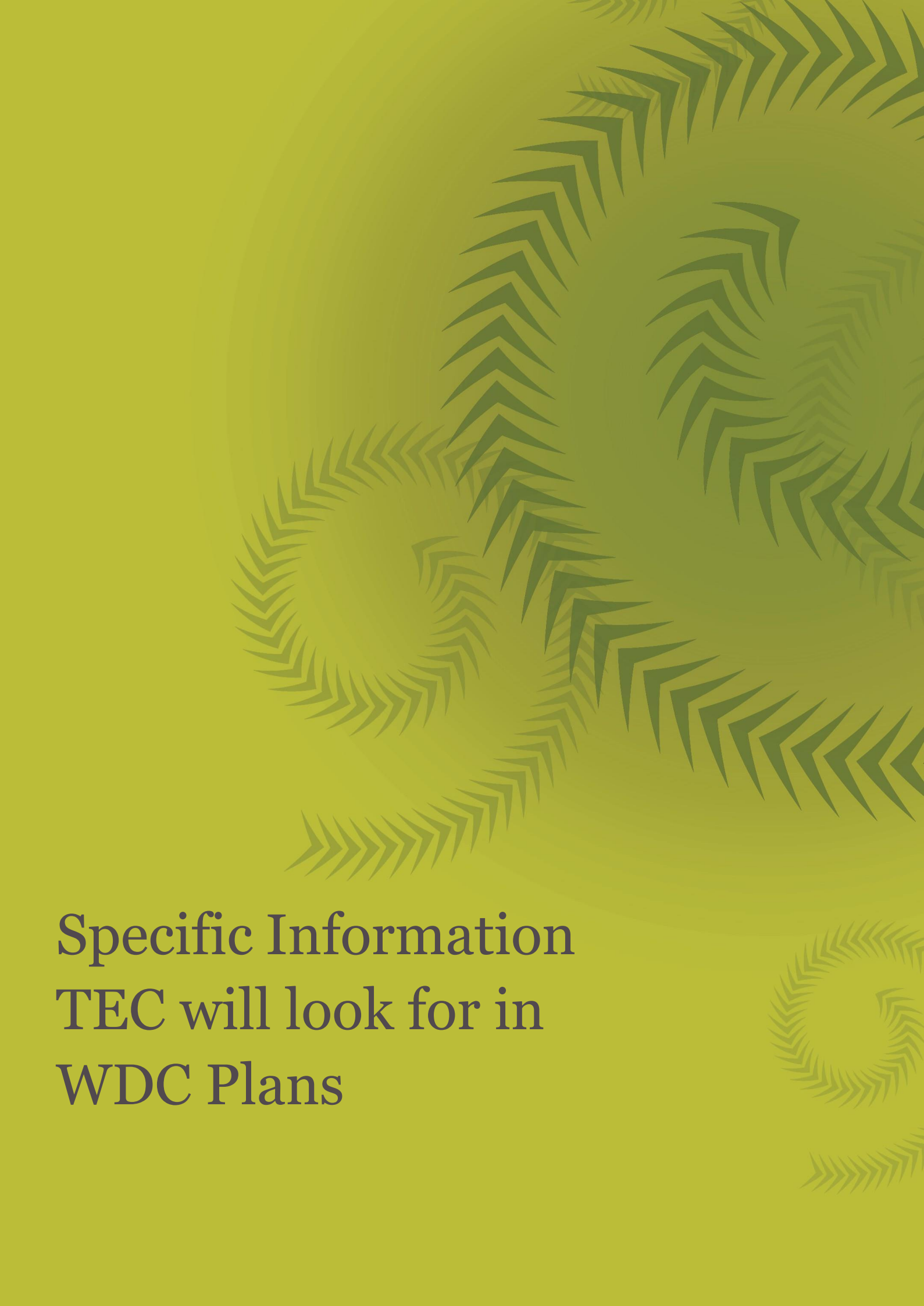
TEC will be looking for evidence that:

- the priorities and activities you identify can be realistically achieved within the allocated budget;
- you plan to respond meaningfully to regional, national and global workforce trends and needs for your specific industries;
- you have collaborated with Industry to develop the proposals in your Plan;
- you understand your role within the vocational education system;
- you understand how to use your role to improve the system for those who use the system;
- you have the governance, management and organisational capacity and capability to deliver on your Plan; and
- you are collaborating with other WDCs on matters of common interest.

With regard to Te Tiriti o Waitangi, we want to understand how you are giving effect to the requirements in your Order in Council and building on the commitments outlined in your Establishment Plan.

TEC will be looking for evidence that:

- your WDC is performing its functions in a manner that contributes to an education system that honours Te Tiriti o Waitangi and supports Māori-Crown relations. This should be reflected through your governance, management, planning, strategies, behaviours, actions, services, reporting and resourcing;
- you are empowering your staff to develop their competency and capability around Te Tiriti o Waitangi and Māori-Crown partnerships to help shift towards a more equitable system, which in turn will improve the effectiveness of your WDC to achieve outcomes for Māori industry and iwi businesses;
- where there are common industry groups or bodies, you are collaborating with other WDCs to build respectful relationships with Māori and iwi business leaders and ensure strategies and actions are aligned to reflect their best interests; and
- your WDC has heard and acted on the voices and experiences of Māori to ensure your work is appropriate and meaningful to Māori industry and iwi businesses.



Specific Information
TEC will look for in
WDC Plans

Your WDC's Purpose and Priorities

This helps us to understand the decisions and drivers for your proposed work programme and your capability as an organisation to deliver on that programme.

What you should include

Your WDC's purpose, role and vision for 2022/23.

Your Strategy, or progress toward developing one.

The most important things for your WDC to achieve in 2022/23.

How your WDC is building its capacity and capability to deliver its work programme.

How your Council will support your work.

Potential challenges or issues you foresee in achieving your priorities.

TEC will be looking for evidence that:

- helps us understand your culture and core values as a WDC and how these shape your organisation and its work;
- you are developing a clear strategy as an organisation, which is supported by your industries and your Council;
- you have set new priorities for 2022/23 and they align to WDCs' functions and duties from the Act, your Statement of Strategic Direction and Te Tiriti o Waitangi;
- you understand the purpose and role of WDCs in the vocational education system; and
- your WDC is moving in a direction that is aligned to achieving the RoVE outcomes.

Operating and Governing your WDC

Going into your second year of operation, you will transition from your establishment phase to your operational phase, focused on delivery. Your organisation needs to have the capability and capacity that enables you to deliver your mandated functions and duties.

What you should include

A high level organisational structure, outlining key roles with FTE numbers. Include information about any vacant roles and your plan for filling these.

A description of any establishment activities not completed in 2021/22 that you will complete in 2022/23.

Key operational and reporting milestones for your WDC in 2022/23. Please include all reporting requirements, both to TEC and other parties. The following reports will be required by TEC in 2022/23:

- a mid-year progress report;
- a final progress report for the year;
- your WDC's advice to TEC on its overall investment in vocational education and training;
- your WDC's advice to TEC on the mix of vocational education and training; and
- a revised Operational Plan for 2023/24.

We will give you specific dates for the delivery of these reports in your Funding Agreement for 2022/23.

TEC will be looking for evidence that:

- you are maturing from your establishment phase into a delivery focused entity, with the capacity and capability to deliver.

Engagement and Key Relationships

The most important relationship WDCs will need to foster in 2022/23 is with your industries.

Holding the trust and confidence of your industries is the key to your success as a WDC.

There will be other relationships that are important to build and we want to be sure that you have turned your mind to these, even if you haven't fully established these relationships yet.

This section helps us know that you have or are building the right relationships to enable you to deliver your functions and duties.

What you should include

A summary of your engagement plan that identifies the key entities in the vocational and education system, your plan for engaging with them in 2022/23, acknowledging your specific industries are priority, and the outcomes sought from the engagements.

A description of how and why you will collaborate with other WDCs.

TEC will be looking for evidence that:

- you know who your key system entities are and understand their expectations of your WDC;
- there is active engagement between your WDC and your industries and you consult with them thoroughly on all relevant matters, including the development of your Operational Plan;
- primary relationships have been prioritised and you have a plan to develop other relationships (within the capacity of your organisation);
- you have developed a specific approach for working with Māori industry and iwi businesses;

- you understand the purpose and role of WDCs in the vocational education system and have identified how to work with other organisations to achieve the RoVE outcomes; and
- you are collaborating with other WDCs.

Delivery of your legislative functions

TEC funds you to deliver the functions set out in the Education and Training Act 2020 and in your Order in Council. How you deliver those functions is up to you, but TEC needs to provide assurance to the Government that these functions are being performed in a timely manner, to an appropriate standard, in a cost effective way.

What you should include for each function

Function
Key Activities including deliverables, metrics and milestones
Approx. FTE allocated in 2022/23

Please also include information about any other significant activities that will be carried out under the responsibility of your WDC, including the resource to be allocated to this.

TEC will be looking for evidence that:

- you understand what needs to be done for each function or activity and have a plan to do it;
- your projected delivery is consistent with other WDCs of comparable size and maturity; and
- your work programme is achievable and sustainable.

Financial Management and Risk

TEC is the Crown's monitoring agency for WDCs. TEC is required to monitor your financial viability to ensure that you can operate your WDC, deliver

your functions and achieve your priorities, within the funding available to you. TEC needs to ensure your operations are sustainable in the long term.

What you should include

A description of your finance function and the support that it offers to your WDC, including roles and responsibilities.

A summary of the financial policies and procedures that you have established or are in the process of establishing, including those relating to assurance activities.

The key financial controls and systems you have established to manage your funding.

Your operating budget for 2022/23.

Details on any re-forecasting from your budget in 2021/22 to 2022/23, including the core cost drivers, assumptions and constraints. This should include brief commentary on any significant change to the assumptions that underpinned your 2021/22 budget.

Details on the key financial risks captured in your risk register and how you propose to manage those risks in 2022/23.

The operational risk register for your WDC.

TEC will be looking for evidence that:

- you are actively managing your funding to ensure you are able to meet your priorities; and
- you have good financial systems and controls in place.





Template for your Plan

Operational Plan for [name] WDC for 2022/23



Foreword from WDC Chair



Overview



Strategic Context, including Investment Logic Map



WDC's Purpose and Priorities



WDC's Governance and Operating Context



Engagement and Key Relationships

Delivery of your legislative functions

Function	Activities including deliverables, metrics and milestones	FTE allocated to this function in 2022/23

Financial Management and Risk