

Funding determinations for 2027 - Consultation on proposed changes

Feedback provided by ACE Aotearoa, with the ACE Sector Strategic Group (ASSG)

Introduction

The Ministry for Education has invited feedback on a range of proposed variations to current funding determinations issued under section 423 of the Education and Training Act 2020 (the Act).

ACE Aotearoa, with the ACE Sector Strategic Group (ASSG) and some member providers, has prepared its response on these changes, for consideration and inclusion, prior to the Minister's decision to proceed with the variations.

ACE Aotearoa appreciates engagement on the proposed variations to the 2027 funding determinations, and takes the opportunity with the current consultation to also open a broader discussion about the policy, funding, and system settings needed to strengthen Adult and Community Education in Aotearoa. Our feedback therefore addresses the proposed changes and identifies wider opportunities to better recognise ACE as an accessible, community-based pathway for foundation learning, workforce participation, and lifelong learning.

ACE Aotearoa and the ACE Sector Strategic Group (ASSG)

Adult and Community Education (ACE) Aotearoa is the lead organisation for the ACE sector in Aotearoa. It is a membership organisation representing the wider ACE sector, focused on strategic sector leadership, sector capability building and sector coordination.

ACE Aotearoa established the ASSG to serve as an authoritative commentator on emerging ACE issues and provide strategic oversight from a sector and stakeholder perspective, for the benefit of all ACE learners.

The current members of the ASSG are:

- ACE Aotearoa
- Centre for Pacific Languages
- English Language Partners NZ
- Literacy Aotearoa
- REAP Aotearoa NZ
- Te Ataarangi Trust
- Workers Education Association (WEA)
- The nominated member of the previous Community Learning Association in Secondary Schools (CLASS).

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Adult and Community Education (ACE) Provision

ACE is an essential, if under-recognised, partner of the tertiary education sector in Aotearoa. It is distinctive for its less formal provision of lifelong learning, and is delivered in many different contexts, encompassing significantly diverse providers, courses, and learners from across life-stages. ACE is described as “unique for its ability to reach and engage learners in ways that other parts of the education sector cannot” (Chauvel, 2019, p. 31).

As an ImpactLab report completed by English and Tanioka (2023) for ACE Aotearoa summarised:

“Adult and Community Education (ACE) is a process whereby adults choose to engage in a range of educational activities within the community. The practice fosters individual and group learning which promotes empowerment, equity, active citizenship, critical and social awareness and sustainable development. ACE occurs alongside the formal education system and is therefore accessible to all. It promotes a culture of lifelong learning. It happens in a wide range of contexts in both structured and spontaneous forms, all of which have their own value”.

In 2025, more than 90,000 learners engaged in Adult and Community Education programmes, demonstrating the scale of ACE’s reach and its role as an accessible pathway into further learning, employment, and community participation.

Introduction to Funding Determinations Proposed Changes

ACE Aotearoa thanks the Minister for Tertiary Education for this opportunity to provide feedback on the proposed variations to funding determinations. Before providing feedback to the specific funding determinations, we seek to request opportunity to meet with the Ministry of Education and the Tertiary Education Commission and discuss:

1. A complete refresh of ACE policy, funding, and system investment at a much greater scale. This would include:
 - Expansion of the definition of domestic student to include migrant workers, as contributing members of communities and legally in New Zealand on long-term work visas. This is particularly relevant in the rural sector which relies on migrant workers to meet workforce requirements.
 - Removal of the Mix of Provision requirement, in recognition of the responsive nature of ACE provision. The current funding priorities and parameters for the ACE in Communities fund are clear and therefore the mix and form of programmes offered and attended can be understood through end-of-year reporting requirements. An option could be to

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require a Mix of Provision for new ACE providers only, and accept that current providers who have a proven track record will work within the bounds of the funding priorities and their funding allocation. Regular reporting will ensure that TEC are able to monitor progress towards contracted targets, and where there are concerns, raise them at the time.

- Further discussion on how the outcomes of the ACE sector can be meaningfully recorded and tracked to show alignment with the Tertiary Education Strategy (TES). There is limited understanding within government settings of how ACE directly supports the Tertiary Education Strategy. ACE provides accessible, local, flexible, community-based learning that helps adults build foundation skills, re-engage with education, improve wellbeing, and progress toward further learning, employment, and participation in society. ACE programmes directly contribute to the achievement of the TES priorities, in particular, Achievement, Access and Participation and Integration and Collaboration, and to a lesser degree Economic Impact and Innovation.
2. Developing a Lifelong Learning Strategy for New Zealand to ensure that foundation education for all adults and communities is positioned as central, not peripheral, to New Zealand's economic future, workforce development, learner success, and community wellbeing. In 2027, such a strategy must treat digital capability as a core baseline literacy, rather than an optional add-on to foundation learning. This is increasingly urgent as government services, workplaces, banking, health, education, and community participation become digital by default. Adults need the confidence and skills to navigate online systems safely and independently. With approximately one in five New Zealand adults lacking the essential digital skills needed to participate fully in a default-digital society, this is an equity issue as well as an education and workforce issue.

Engaging in an ACE programme is often the circuit breaker needed for a learner to build confidence and learning skills to enable them to continue their learning journey in formal and higher-level tertiary education.

With more than 1.26 million adults in Aotearoa New Zealand experiencing foundation education needs that affect their employment and further education opportunities, the ACE sector is well positioned to provide first and subsequent successful foundation learning experiences. This situation has endured since 1995 and now requires serious government attention and investment.

While there may be no direct correlation between the existence of a national lifelong learning strategy and improved national foundation education figures, it is notable that Finland and Singapore, both of which have lifelong learning strategies, performed strongly in the recent PIACC results, including improvements since the previous report.

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Feedback on Funding Determinations

1. Adult and Community Education (ACE)

Learner eligibility

With regard to paragraph 15, we recommend removing paragraphs 15(b)(iii) and 15(b)(iv). We see no valid reason to require TEC, the school principal, or a person of equivalent authority to approve the inclusion of a full-time secondary school student who attends an ACE course outside of normal school hours. Often full-time secondary school students are wanting to attend an ACE programme to access learning they are not getting at school. The opportunity for these students to learn within vital intergenerational learning models can facilitate powerful benefits, such as a powerful psychological circuit-breaker for cross-generational shame (whakamā), relationship-centred experiences and social cohesion.

The experience of ACE providers is that the TEC approval can take months, causing the learner to lose the opportunity to attend.

Subcontracting

With regard to paragraph 27, where the TEC must develop criteria to determine when subcontracting activities that are part of an ACE programme funded under this funding mechanism require the prior written approval of the TEC, we recommend that the criteria, process, and expected approval timeframe are published. This may include clarity on extensions, in order to support providers' partnerships with an iwi or other trusted partnership, (refer to paragraph 29) who utilises specialised local hapū or other facilitators to provide locally agile, collaborative and collective impact.

While we note that the approval process is improving, delays in receiving approval can affect programme planning, enrolment, and delivery. Clear published criteria and expected timeframes would support providers to plan effectively and deliver programmes with confidence.

2. Delivery at Levels 1 and 2 on the New Zealand Qualifications and Credentials Framework

ACE Aotearoa has no feedback to provide on these changes.

3. Literacy and Numeracy Provision

While ACE Aotearoa has no feedback to provide on these changes, we would recommend:

- clarity regarding the ability to use self-paced asynchronous tools to independent digital agency
- an essential equipment grant for small providers to deploy devices and portable Wi-Fi to high-need learners, including learners situated in rural locations.

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4. Closing Comments

ACE Aotearoa appreciates the opportunity to provide feedback. As outlined above, ACE Aotearoa sees value in focused conversations with the Ministry of Education and the TEC about how the ACE sector can make new and additional contributions to the Government's current, and future, agenda.

In particular, we see value in scoping how the ACE sector can strengthen opportunities for New Zealand's future workforce, noting that by 2040 it is expected to be increasingly shaped by Māori, Pacific, and Asian communities — communities, including the disabled communities, that ACE providers already work alongside to support transformative, relevant and successful outcomes.

We welcome any questions or discussion regarding our feedback and additional comments.

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