

Submission to the Ministry of Education

This submission provides feedback to the consultation on ACE funding determination variations. It is intended to provide explanation of Adult and Community Education's location in the tertiary environment, context for understanding and specific points related to the use of National Student Numbers (NSN) and their potential impact for ACE providers and learners.

Introduction

The Minister's 2020 budget announcement resulted in a \$16m boost for ACE based on current levels of funding and the number of learners accessing Government-funded ACE, expected to benefit up to 11,300 New Zealanders. That year the ACE sector worked with 67,459 learners across 9,970 programmes at the peak of the pandemic outbreak. In 2021 the ACE sector reached 62,200 learners who engaged in 12,127 programmes¹. The tertiary funded ACE sector receives \$25.7m of the total \$3.207b government investment² for tertiary education.

ACE environmental scan

Each year ACE Aotearoa undertakes an environmental scan collecting data from the sector. The following can be seen in the data from 2021³:

- ACE makes a significant contribution to learners' lives and government tertiary education priorities in Aotearoa through extensive provision of foundation education.
- ACE learning environments and specific characteristics attract those who are unlikely to engage in other forms of tertiary education because formal learning in other sub-sectors would not meet their needs for short, affordable, easily accessible learning. ACE learning contexts are closely shaped to individual and community needs in unique and appropriate ways.
- ACE covers a very diverse and wide range of post-compulsory, usually non-certificated and informal, yet structured, courses or programmes that are driven by a learners' goals and typically delivered over a short period of time and limited hours. ACE provides individual, family/whānau, intergenerational and group learning.
- ACE programmes and activities are many and diverse, and can be viewed in terms of their contribution to: personal enrichment, foundation learning, cultural enrichment, professional or vocational enrichment. Overall, the contribution is to community enrichment and development.
- Typical learner demographics are highly varied, including learners who have had negative prior learning experiences, from low socio-economic backgrounds, have been long-time out of education and employment.
- The majority of ACE organisations do not receive funding from the Tertiary Education Commission (TEC) but receive funding from other government and philanthropic sources, community grants, businesses and from learners and organisations directly. These organisations are diverse and include mostly charitable trusts, not-for-profit organisations, and community groups. This is a highly competitive and volatile funding environment that offers little stability for future planning. ACE providers are often competing for small amounts of very limited funding against other non-educational yet equally valuable community services and initiatives.
- At the same time, non-government funded providers, and providers receiving funding from different sources, also deliver a vast range of other ACE-based programmes in response to community demand, interest and need.
- The lifespan of an ACE organisation is subject to its financial stability, it lives as long as the funding is available and its ability to deliver. Covid has impacted this significantly.

¹ [2021 ACE Aotearoa Annual Report](#)

² [Funding allocations | Tertiary Education Commission \(tec.govt.nz\)](#)

³ [2021 ACE Environmental Scan](#)

Our role

Adult and Community Education (ACE) Aotearoa Incorporated (ACE Aotearoa) is the lead body for the sector. ACE Aotearoa supports the sector to deliver centrally co-ordinated, structured learning. This in turn helps to strengthen and support effective ACE delivery and improve ACE learner outcomes, particularly for priority learner groups identified in the Tertiary Education Strategy.

ACE Aotearoa is funded by the Tertiary Education Commission⁴ to perform three key roles and achieve the following outcomes:

Role	Outcomes
Leadership	<ul style="list-style-type: none">• The contribution and impact of ACE provision to the broader tertiary education sector is better recognised and understood.• The impact of ACE provision is appropriately measured, communicated and leveraged across the tertiary education sector.
Capability	<ul style="list-style-type: none">• Sector capability and capacity is strengthened and developed through the creation of collaborative and strategic opportunities to build and share resources that benefit the ACE sector.
Co-ordination	<ul style="list-style-type: none">• The ACE sector is supported in meaningful ways to deliver learner success, maximising efficiency and effectiveness of the sector.

Identifying learner pathways and ACE value contribution

The ongoing challenges of working in a largely non-profit, community, voluntary sector, is infrastructure capability, capacity and sustainability. This has proposed challenges for the sector, with sparse ability to document ACE interventions and measure value contribution to learner outcomes. As previously mentioned, a number of ACE learners have had negative experiences in formal education, and additionally have had similar experiences in the social services system. For a complexity of reasons including financial, a number of ACE learners are not visible in the system, have low or no formal education qualifications, or have chosen not to be identified.

Albeit there is significant anecdotal evidence of positive learner transformation⁵. The ACE learner pathway document⁶ highlights typical learner profiles that story the ACE interventions and difference being made.

Learner stories measure the full impact on someone's life, their whanau, their community for example by

- **getting a driver licence**, often a first qualification that leads to increased confidence and employment opportunities
- **learning how to budget**, improving financial decision making for family and becoming debt free and improved mental wellbeing
- **learning te reo Māori**, increasing participation in personal and professional environments, and reconnection to whānau, hapu and iwi
- **improving literacy skills**, to support children's learning

Understanding intention of NSN and inviting further discussion to co-design a solution for ACE in a fit for purpose, scale to size way

The NSN is one way to show a learner pathway. The ACE sector, funded by government, has developed its own tools to support learner data collection. This includes the ACE Quality Assurance framework, and ACE Learner Outcomes tool.

⁴ ACE Aotearoa contract with TEC is \$1.2m p/a to 2023 (under three year contract)

⁵ [Learners stories in ACE quarterly newsletter](#)

⁶ [ACE Learner Pathways and Profiles](#)

Sector feedback has identified a number of issues with NSN, such as learner discretion, sector capability, increased administration and cost to administer.

At a practical level introducing NSN collection for many ACE providers would require significant time, investment in systems and capability development. The sector diversity demonstrates the range of ways providers prioritise, collect and analyse similar information outside of the NSN. More so for smaller providers that are not funded or funded by other means, the compliance mechanisms are proportion to requirement.

Within the sector diversity, the NSN is not commonly known and only visible to those who are tertiary funded. It does not entirely outline value to their learners for having one and is not always matched to the achievement of the learners goal.

And for some parts of the sector there is also the reality that for some learners the ability to produce personal identification and funds required to get an NSN will create more access barriers.

How we track learners now – ACE Learner Outcomes tool

For the larger ACE organisations that are tertiary funded, they have their own internal systems for tracking learners progress and in some instances, this includes use of NSN.

Separate to, the creation of the ACE Learner Outcomes tool was a sector response to developing a mechanism to gather data on learner outcomes, to identify the interventions and demonstrate what ACE learners gain from participating in ACE. The ACE Learner Outcomes tool is used by a number of ACE providers, mostly smaller organisations. The aggregated results show that overall, learners who participate in ACE courses, (irrespective of time of year, nature or location of course, or size of class) report an increase in each of confidence (in a range of situations), positive participation and hope for future (improved prospects of employment or further study). Each provider owns their data, and can analyse it in more detail. We currently have 52 providers and 6,484 learners registered and using the tool.

Key barrier is how ACE is funded

The current funding model for ACE is a predetermined approach. The investment process requires a proposed Mix of Provision (MoP) where providers make assumptions for programme offer, delivery hours, and anticipated learner enrolments, six months in advance. Often this changes as providers are meeting the needs of learners and their communities which happens in real time and is circumstantial, therefore often differs to the MoP. The Covid environment has further exacerbated and highlighted a shift and response to rapid change for ACE learners, dealing with financial, health, isolation and other issues.

Given the level of funding investment in the ACE sector, when compared with the rest of the tertiary sector, and our uniqueness there is potential for the funding model to be unique, reflecting the agility and flexibility of the sector as well as the comparatively tiny size of many of the provider organisations.

Taking an equity approach

ACE Aotearoa would like to propose exploration for a more fit for purpose, scale for size funding model that still meets government accountability as well as taking a treaty honouring, equity and inclusiveness approach to supporting the shared outcomes we are trying to achieve. This direction very much aligns with TEC Ōritetanga Learner Success model and focusses on system change. We are identifying that how the sector is currently funded is a significant barrier that disadvantages our most vulnerable learners.

We are proposing an equity approach to develop a funding framework that considers the ACE environment and context. A funding model that encourages commitment to quality learning services, alleviates fiscal stress and is relative to investment allocation and responsibility.

What an equity model could look like –

- an equity lens is applied to funding, decisions and planning
- funding and reporting systems are co-designed with local communities, prioritising equity, accessibility and ease of use
- increased access to multi-year funding
- capacity and capability are well resourced
- harness data and stories to enable and measure change

*We encourage funders to explore more innovative and relational ways of framing accountability and to consider ways to prioritise other drivers such as community impact, Treaty-honouring processes, equity and inclusiveness. It's worth comparing the language (and practices) of grants and accountability in the NFP sector with investment and return in the private sector. **Be the Change: Funding and Equity – Mātāwai Associates***

For example since 2019 MoE have shifted to bulk funding REAP Aotearoa to support rural communities in the early childhood and schools space, allowing REAPs to support and provide appropriate, fit for purpose responses to meet local community needs.

The MoE contract is held with REAP Aotearoa (the national body for the REAP collective) who are responsible for reporting to the MoE twice a year - the funding is allocated to each REAP based on a historical, population based allocation methods. Each REAP then uses this funding to meet local community needs which are many and varied, and, more importantly, relevant to each community (not a one size fits all approach).

The reporting includes identification of regional priorities, what has been done to meet these priorities (activities, initiatives, events) and the impact they have had including co-designed metrics which allow MoE to get sense of the reach and impact that is happening. Since shifting to this model, participation and engagement at a community level has increased and reporting is extremely helpful for both REAPs and MoE to prove how the contribution this funding is having on the government's learning priorities outcomes for the funding.

There is potential to strengthen ACE Aotearoa's role as an intermediary in the investment process and to take a more active role for smaller ACE organisations or those with limited capacity, similar to the larger national ACE organisations who have a national centralised infrastructure to support local ACE site provision. This would support the investment, compliance and accountability requirements to allow providers to focus on delivery of local learning services.

There is also the potential in the future for ACE Aotearoa and the ACE Sector Steering Group, to lead a conversation on NSN collection with the sector.

Next steps

We have commissioned the services of [ImpactLab](#) to explore the ACE return on investment by measuring the ACE interventions for learners and its true cost, and the difference being made. This will include contribution to broader outcomes outside of education, and lateral benefits to a learner's familial and community reach. It is intended that this research will provide evidenced information that can be used by ACE providers and Government to inform decisions for an improved investment model for the sector. The research methodology will map what the ACE sector does, document the theory of change, analyse existing quantitative data and literature, and use an algorithm that draws on both system level insights and grass roots knowledge to map social value. This work is due to start at the end of August to map out ACE theory of change and the sector's Return on Investment as we see this a one part of the picture to help increase visibility, along with our annual environmental scan.

In summary, we propose taking another approach to this and work with ACE Aotearoa and the ACE Sector Capability Steering Group on exploring a more equitable model of funding.

At this stage under the current funding structure we note the barriers with the introduction of NSN's for ACE providers. Without first addressing the inadequacies of the funding model there is a real risk that their introduction would negatively impact the outcomes for learners and communities, reduce participation (particularly for our society's most at risk individuals) and act as just another barrier to ACE organisations seeking the funding they need to maximise benefit for society.

Nā māua noa, nā

A handwritten signature in black ink, reading "JRupapera".

Jennifer (Jay) Rupapera
Tangata Whenua Co Chair

A handwritten signature in blue ink, reading "Kathryn Hazlewood".

Kathryn Hazlewood
Tangata Tiriti Co Chair