



2013

Tertiary Education Performance Report





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INTRODUCTION

The Tertiary Education Commission (TEC) is pleased to publish the *2013 Tertiary Education Performance Report*.

The primary role of the TEC is to give effect to the Government's Tertiary Education Strategy. Creating visibility by publishing comparative performance information is an important part of maintaining the accountability of the tertiary education sector.

Responsiveness, effectiveness and financial performance are three important dimensions of the performance of tertiary education organisations and are presented through both financial and educational lenses in this report.

The report presents a snapshot of key aspects of performance for universities, wānanga and institutes of technology and polytechnics, across the sectors and the tertiary sector as a whole. It is not intended to provide a comprehensive picture of performance.

GLOSSARY

Academic Quality Agency for New Zealand Universities (AQA): An independent body established and owned by Universities New Zealand (formerly the New Zealand Vice-Chancellors' Committee); reviews academic quality monitoring systems and advises on good practice and quality-assurance issues; until 31 December 2012, this was known as the New Zealand Universities Academic Audit Unit (NZUAAU)

Centres of Research Excellence (CoREs): Primarily, but not exclusively, inter-institutional networks of researchers working together on a commonly agreed work programme; each hosted by a university and generally comprising a number of partner organisations, including other universities, Crown Research Institutes and wānanga

Crown Research Institutes (CRIs): Crown-owned companies that carry out scientific research for the benefit of New Zealand

Education Act 1989: The Act, and its subsequent amendments, that reformed the administration of education in New Zealand

Educational performance indicators (EPIs): The key measures that the Tertiary Education Commission (TEC) uses to assess the annual contribution each tertiary organisation makes towards the priorities set out in the *Tertiary Education Strategy 2010-15*

Tertiary education organisations (TEOs) funded through the Student Achievement Component (SAC) have four EPIs:

1. Successful course completion is measured by the EFTS-weighted successful course completion rate (where EFTS means 'equivalent full-time students'). This is the successfully completed enrolments in courses at a TEO each year, as a proportion of the total enrolments in courses, weighted by the EFTS value of the enrolments.
2. Student retention is measured by the student completion (or continuation) rate. This is the number of re-enrolments or qualification completions at a TEO each year compared with the number of students present at the TEO in the previous year.
3. Qualification completion is measured by the EFTS-weighted qualification completion rate. This is the number of qualifications completed at a TEO each year (weighted by the EFTS value of each qualification), as a proportion of the total enrolments in qualifications (weighted by the EFTS value of the enrolments).
4. Student progression is measured by the completion progression rate. This is a rate of re-enrolment in a higher-level qualification in the following year for students who have completed a qualification. As progression into higher study is more important from lower-level programmes, TEC's published EPI figures on progression report the rate of learners who progress after completing a qualification at either New Zealand Qualifications Framework Level 1, 2, 3 or 4.

Industry training organisations (ITOs) have two EPIs related to credit and programme completion:

1. Credit completion represents the credits achieved by trainees at an ITO, as a proportion of the total number of credits trainees are expected to complete in a given period at each ITO.
2. Programme completion measures the number of programmes completed by trainees, as a proportion of the total number of credits that trainees are expected to complete in a given period at each ITO, weighted by the nominal credit value of the completed programme.



Equivalent full-time students (EFTS): The main unit of measure of the consumption of education (with one student enrolled in a standard programme of study full-time for the full year equating to 1.0 EFTS); also the basic unit of measure of tertiary teaching input for Student Achievement Component funding

External evaluation and review (EER): The New Zealand Qualifications Authority's periodic process that independently reviews the educational performance and self-assessment capabilities of institutes of technology and polytechnics, wānanga and private training establishments; focuses on the valued outcomes of tertiary education instead of a traditional audit approach that measures inputs and processes

Financial performance: A standard set of measures and summary information comparing performance in a consistent manner for each tertiary education institution (TEI). Information is sourced primarily from TEI annual reports and supplemented by financial monitoring templates provided to the TEC where data is not reported by a TEI or where TEIs do not have a consistent definition of a particular financial item across the sector

Financial Performance Metrics

In addition to the Summary Financial Statement information outlined below, key financial performance metrics are provided in the section Performance of the Tertiary Education Sector – At a Glance. These are consistent with the TEC financial monitoring framework ([www.tec.govt.nz/Documents/Reports and other documents/Financial-monitoring-framework.pdf](http://www.tec.govt.nz/Documents/Reports%20and%20other%20documents/Financial-monitoring-framework.pdf)). The key performance metrics are:

Net surplus (after unusual and non-recurring items): Net surplus/deficit after unusual and non-recurring items to total income

Net cashflow from operations: Cash inflow (receipts) from operations to cash outflow (payments) from operations

Liquid funds: Liquid resources less short-term overdrafts to cash outflow (payments) from operations

Three-year average return on property, plant, equipment and intangibles: The ratio of earnings before interest paid and earned, taxation, depreciation, amortisation and unusual and non-recurring items (EBITDA) to end-of-year property, plant and equipment, plus intangible assets

Summary Financial Statements

Total revenue: Total revenue is reported revenue inclusive of gains in jointly controlled entities. Revenue is broken down into:

Total government revenue: Total government revenue as reflected in TEI financial monitoring templates provided to the TEC consisting of: government tuition funding plus Performance-Based Research Fund income, TEC-funded research capability and initiatives and other government funding

Domestic student fees: Domestic student fees as reported in TEI annual reports and supplemented by financial monitoring templates provided to the TEC where data is not reported

International student fees: International student fees as reported in TEI annual reports and supplemented by financial monitoring templates provided to the TEC where data is not reported

Other income (including research): Other income consists of all revenue not counted in the preceding three categories



Total expenses: Total expenses are reported expenses inclusive of losses in jointly controlled entities but excluding unusual and non-recurring items and income tax. Reported separately within expenses is:

Personnel: Personnel is employee salaries, wages and other employment benefits as reported in TEI annual reports, including the identified salaries, wages and other employment benefits component of expense items requiring separate disclosure

Net surplus (after unusual and non-recurring items): Net surplus/deficit for the period after income tax as reported in TEI annual reports and excludes any other comprehensive income

Unusual and non-recurring items are revenue and expenses arising from events considered significant in themselves and that, if included, could materially distort reported results. In 2010 and 2011 this was limited to revenue and expenses from the Canterbury earthquakes

Assets

Assets are total assets as reported in TEI annual reports. Reported separately within assets is:

Plant, property, equipment and intangibles: Plant, property, equipment and intangibles are non-current assets, including land, buildings and capital asset work in progress, as reported in TEI annual reports

Equity (net assets): Total equity as reported in TEI annual reports, including retained earnings and revaluation reserves

Net cashflow from operations: Cash inflow (receipts) from operations less cash outflow (payments) from operations, as reported in TEI annual reports

Purchase of plant, property, equipment and intangibles: Cash outflow for the purchase of plant, property and equipment plus the cash outflow for intangible assets, as reported in TEI annual reports

Non-financial measures

Full-time equivalent staff (FTE): A unit that measures the number of employed persons based on the proportion of hours worked compared with a full-time position; makes staffing numbers comparable despite employees working differing numbers of hours per week

Staffing FTE: Total staff FTEs as reported in TEI annual reports, supplemented by TEI financial monitoring templates provided to the TEC where data is not reported. Data may vary from single data return (SDR) submissions received

Total EFTS to Total Staff FTE: Total EFTS as reported in TEI annual reports divided by staffing FTE. Data may vary from SDR submissions received

Total EFTS to Teaching Staff (Academic and Tutorial Staff FTE): Total EFTS as reported in TEI annual reports divided by teaching staff data, as reflected in TEI financial monitoring templates provided to the TEC

Foundation-Focused Training Opportunities (FFTO): Programmes targeting learners at the highest risk of long-term unemployment, with explicit focus on improving literacy and numeracy skills; refocuses the Training Opportunities fund, with the TEC and Ministry of Social Development allocating funding through a split arrangement from 2011



Funding categories: There are various TEC-administered funds across a number of appropriations; summarised for simplicity in four categories:

Capability: Funds that contribute to capability across the sector or enhance the capability of a specific tertiary education organisation. For example:

- Partnerships for Excellence – The University of Auckland Starpath Project
- ITO Sector Leadership
- National Centre for Tertiary Teaching Excellence (Ako Aotearoa), and
- Tertiary education institution merger support.

Research: Funds that contribute to research:

- Performance-Based Research Fund, and
- Centres of Research Excellence.

Scholarships and Learners: Tertiary scholarships paid directly to, or for the benefit of, specific students and learners. For example:

- Tertiary Teaching Awards, and
- Medical Intern Grants.

Teaching and Learning: Funds that specifically contribute to the provision of education and connected funding streams. For example:

- Student Achievement Component (SAC)
- Youth Guarantee
- Industry Training Fund
- Modern Apprenticeships and Modern Apprenticeship Brokerage
- Adult and Community Education
- Secondary-Tertiary Interface
- Intensive Literacy and Numeracy and Workplace Literacy
- Foundation-Focused Training Opportunities
- Equity loading, and
- Educator Study Grants – Adult Literacy Educators.

Industry cash contribution rate: Industries' contribution to industry training organisations (ITOs); an indicator that employers and industry value the training the ITO sector arranges; calculated as the proportion of total ITO income contributed by employers and industry for achieving credits and national qualifications

Investment Plan: The funding agreement between each tertiary education organisation (TEO) and the TEC covering the organisation's operational and capital spending; outlines each organisation's mix of education and training, as well as performance standards and outcomes; links each organisation's education provision and performance to the desired outcomes of the Government, learners, businesses and communities; 'overdelivery' (enrolment of more than 103 percent of the agreed level of funded EFTS) prompts engagement with the TEC to reach a satisfactory reduction in delivery; 'underdelivery' (enrolment of less than 97 percent of the agreed level of funded EFTS) may require the return of unused funding

Ministry of Education: The Government's lead advisor on the New Zealand education system

Modern Apprenticeships (MA): A work-based education initiative for young people, available in 36 industries, that leads to a nationally recognised qualification



New Zealand Qualifications Authority (NZQA): The Crown entity charged with ensuring New Zealand qualifications are robust and credible nationally and internationally

New Zealand Qualifications Framework (NZQF): The comprehensive list of all quality-assured qualifications in New Zealand, ranked from least complex (Level 1) to most complex (Level 10); established in July 2010

New Zealand Standard Classification of Education (NZSCED): The subject-based classification system for courses and qualifications at universities, institutes of technology and polytechnics, wānanga and private training establishments

New Zealand Universities Academic Audit Unit (NZUAAU): An independent body established and owned by Universities New Zealand (formerly the New Zealand Vice-Chancellors' Committee); reviews academic quality monitoring systems and advises on good practice and quality-assurance issues; from 1 January 2013 renamed to Academic Quality Agency for New Zealand Universities (AQA)

Partnerships for Excellence (Pfx): A fund that enables the Crown to match private-sector investments in significant new initiatives in the public tertiary education sector, in line with the Tertiary Education Strategy

Performance-Based Research Fund (PBRF): The TEC-administered fund to encourage and reward excellent research in the tertiary education sector; entails assessing the research performance of tertiary education organisations and then funding them accordingly; based on the three elements of quality evaluation, research degree completions and external research income

Performance-linked funding: The system introduced in 2010 to encourage all tertiary education organisations to reach an acceptable standard of educational performance; from 2012 it links five percent of providers' funding to their performance in educational performance indicators in the previous year

Performance commitments: The targets agreed between the TEC and an individual tertiary education organisation (TEO) that are used to measure and evaluate the TEO's performance; agreed on an individual organisation basis in Investment Plans, so commitments vary among TEOs

Provider-based delivery: Tertiary education that occurs on-campus rather than in the workplace

Single Data Return (SDR): A set of data required by the Ministry of Education and the TEC for funding, monitoring performance against Investment Plans, publishing performance information, as well as statistical reporting purposes; required of all tertiary education organisations (TEOs) that receive Student Achievement Component funding or have students with student loans or allowances

Standard Training Measure (STM): The main unit of measurement of the consumption of training (with one STM equalling the amount of training required to achieve 120 register credits or equivalent in an approved structured training programme); also the basic unit of measurement of input for industry training funding

Student Achievement Component (SAC): The Government's contribution to the direct costs of teaching, learning and other costs driven by student numbers within approved Investment Plans; the largest funding pool supporting the delivery of tertiary education

StudyLink: The service of the Ministry of Social Development that provides financial support to students



Tertiary education institutions (TEIs): Public institutions (Crown entities) that receive public funding to deliver tertiary education in accordance with their specific roles, as defined in the Education Act 1989, comprising New Zealand's eight universities, 18 institutes of technology and polytechnics and three wānanga

Tertiary education organisations (TEOs): Bodies that provide tertiary education-related services, comprising universities, institutes of technology and polytechnics, wānanga, private training establishments, industry training organisations and other TEC-funded organisations, such as schools and community providers that deliver tertiary education and training

Tertiary Education Strategy 2010–15 (TES): The Government's high-level set of strategic priorities and associated strategies for tertiary education, as required by legislation

University Quality Audits: Five-yearly whole-of-institution audits carried out by the Academic Quality Agency for New Zealand Universities (AQA); focus on the ability of institutional processes to support each university's achievement of its specified outputs and outcomes

Youth Guarantee: An initiative announced in Budget 2009 that focuses on improving the educational achievements of targeted 16- and 17-year-olds by enabling them to participate in a range of vocational courses free of charge

Youth Training: A targeted, TEC-funded programme primarily for learners under 18 years of age who have left school with few or no qualifications; aimed at the acquisition of foundation skills that enable them to move into sustainable employment and/or higher levels of tertiary education

LIST OF KEY ABBREVIATIONS

AQA	Academic Quality Agency for New Zealand Universities (previously NZUAAU)
CAM	Capital Asset Management
CoRE	Centre of Research Excellence
CRI	Crown Research Institute
EER	External evaluation and review
EFTS	Equivalent full-time student(s)
EPIs	Educational performance indicators
ERI	External research income
FFTO	Foundation-Focused Training Opportunities
FTE	Full-time equivalent (as in staff)
ITF	Industry Training Fund
ITO	Industry training organisation
ITP	Institute of technology and polytechnic
MA	Modern Apprenticeships
MSD	Ministry of Social Development
NCEA	National Certificate of Educational Achievement
NZQA	New Zealand Qualifications Authority
NZQF	New Zealand Qualifications Framework
NZSCED	New Zealand Standard Classification for Education
NZUAAU	New Zealand Universities Academic Audit Unit (AQA from 1 January 2013)
PBRF	Performance-Based Research Fund
PTE	Private training establishment
REAP	Rural Education Activities Programme
SAC	Student Achievement Component
SDR	Single Data Return
STM	Standard Training Measure
STP	Secondary–Tertiary Programme
TEC	Tertiary Education Commission
TEI	Tertiary education institution
TEO	Tertiary education organisation
TES	Tertiary Education Strategy



PURPOSE OF THE *TERTIARY EDUCATION PERFORMANCE REPORT*

The Tertiary Education Commission (TEC) has a statutory responsibility to report to the Minister for Tertiary Education, Skills and Employment on the performance of the tertiary sector.

The *2013 Tertiary Education Performance Report* draws together educational, financial and governance information on the tertiary sector and on individual universities, institutes of technology and polytechnics, and wānanga. This report provides a snapshot of selected indicators for each of these institutions. Organisations' own websites provide a more comprehensive picture of their individual performance.

The Tertiary Education Sector

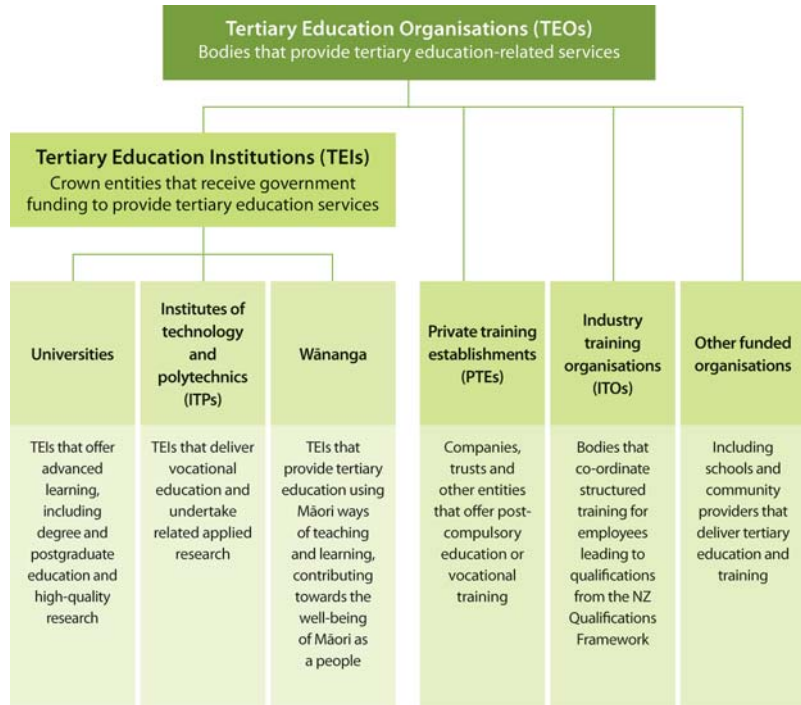
New Zealand's economic and social well-being relies in part on a high-quality and responsive tertiary education system. Its most important role is to help New Zealanders develop the right skills to meet the new and changing challenges of the 21st century.

Tertiary education in New Zealand includes all post-school education, from adult and community education, literacy and numeracy skills and industry training (including Modern Apprenticeships) to certificates and diplomas, Bachelor-level degrees and postgraduate qualifications. These are delivered or arranged by many types of tertiary education organisations (TEOs):

- universities
- institutes of technology and polytechnics (ITPs)
- private training establishments (PTEs)
- wānanga
- industry training organisations (ITOs), and
- other funded organisations.

Of these the universities, ITPs and wānanga are Crown entities and are known as tertiary education institutions (TEIs).

Figure 1: Tertiary education organisations



The Government has named four strategic drivers of its policy to improve New Zealand’s economic performance and support sustainable growth. These are:

- responsibly managing the Government’s finances
- building a more productive and competitive economy
- delivering better public services within tight fiscal constraints, and
- supporting the rebuilding of Christchurch.

The tertiary sector addresses these strategic imperatives in several ways. It plays a key role in enhancing skills across the spectrum, from foundation-level learning through to the most advanced training and qualifications. Effective and efficient tertiary institutions contribute to a well performing public sector. The research and skills developed in tertiary education support innovation and growth in New Zealand industry.

The Government sets out its long-term strategic direction for tertiary education in the Tertiary Education Strategy (TES) issued by the Minister for Tertiary Education, Skills and Employment. The Government’s vision is for a world-leading education system that equips New Zealanders with the knowledge, skills and values to be successful citizens in the 21st century. To achieve this the Government expects the tertiary education system to:

- provide learning opportunities for New Zealanders of all backgrounds to gain world-class skills and knowledge
- raise the skills and knowledge of the current and future workforce to meet labour market demand and social needs
- produce high-quality research to build New Zealand’s knowledge base and respond to the needs of the economy, and
- enable Māori to enjoy education success as Māori.



During 2013 the TEC worked with the Ministry of Education to develop the *Tertiary Education Strategy 2014–19*, which is in effect from 2014 onwards.

In 2013, the tertiary sector was responding to the *Tertiary Education Strategy 2010–15*, which sets out the Government's long-term strategic direction for tertiary education. To get the best return on this investment, the Government has articulated six priorities:

- delivering skills for industry
- getting at-risk young people into a career
- boosting achievement of Māori and Pasifika
- improving adult literacy and numeracy
- strengthening research-based institutions, and
- growing international linkages.

Most TEOs are required to have an Investment Plan with the TEC that describes how they will achieve Government priorities set out in the Tertiary Education Strategy, including specific targets for each of these priorities. Investment Plans also describe a TEO's mission and role in the tertiary sector and all the tertiary education programmes and activities it undertakes.

In addition to the TEC a range of other government agencies are also concerned with tertiary education. These include the Ministry of Education, the New Zealand Qualifications Authority (NZQA), Careers New Zealand, the Ministry of Social Development, Inland Revenue Te Tari Taake and the Ministry of Business, Innovation and Employment. More information can be found on the TEC website: www.tec.govt.nz.

Role of the Tertiary Education Commission

The TEC is a Crown entity with the principal role of funding the tertiary education sector and giving effect to the TES. It does this by:

- influencing performance by focusing on outcomes
- focusing on investment in areas that earn the greatest return, and
- using information to enable students to make better education choices, encourage innovation and ensure that TEOs are publicly accountable for taxpayer funding and outcomes achieved.

The TEC's legislative functions are set out in section 159F of the Education Act 1989 and include allocating funding to TEOs and providing advice on matters affecting tertiary education to the Minister for Tertiary Education, Skills and Employment.

The TEC's other major functions, as set out in the Education Act, are to develop and implement funding mechanisms and to monitor the performance of organisations that receive funding from the TEC.

Tertiary education funding for 2013

This report focuses primarily on the outputs funded by the Student Achievement Component (SAC) appropriation, which is the Government's direct contribution to teaching and learning, and accounts for 70 percent of Crown funding for TEIs. It is also allocated to PTEs and Rural Education Activities Programmes (REAPs). Allocations are based on volume of delivery, measured in units of equivalent full-time students (EFTS), which are agreed between the TEC and providers in each organisation's Investment Plan.

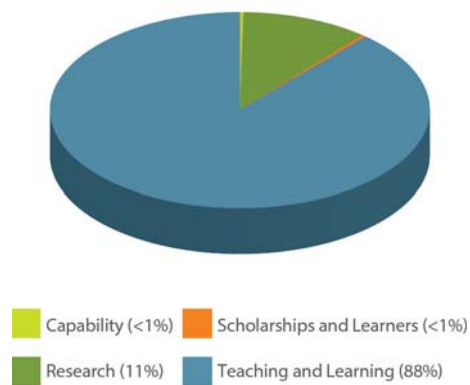
Additionally this report provides information on Youth Guarantee, the fees-free tertiary fund administered by the TEC, which aims to increase the educational achievement of 16- and 17-year-olds not currently engaged in education, and to improve transitions between school, tertiary education and employment. The TEC has funded fees-free Youth Guarantee delivery at Levels 1–3 on the New Zealand Qualifications Framework (NZQF) in PTEs, ITPs and wānanga since 2010. From 2013, allocations for Youth Guarantee are also based on volume of delivery using EFTS. This funding plays an important role in the achievement of the Better Public Service target of 85 percent of 18-year-olds achieving National Certificate of Educational Achievement (NCEA) Level 2 or equivalent by 2017.

The report also provides information on the Industry Training Fund (ITF), which is allocated to ITOs for the arrangement of employment-based training linked to national qualifications, predominantly at NZQF Levels 1 to 4, including Modern Apprenticeships. The volume of this training is measured using Standard Training Measures (STMs).

TEC-allocated funding is split into the following four categories:

- Teaching and Learning funding – contributes to the provision of education and connected funding streams.
- Research funding – contributes to research through initiatives such as the Performance-Based Research Fund (PBRF) and Centres of Research Excellence (CoREs)
- Scholarships and Learners funding – is paid directly to, or for the benefit of, specific students and learners, and
- Capability funding – contributes to capability across the tertiary sector or is specifically aimed at enhancing the capability of a given TEO

Figure 2: Tertiary Education Commission-allocated funding, 2013



In 2013 the TEC allocated \$2.73 billion in Government funding to invest in the services offered by TEOs that arranged and delivered tertiary education and training.



Table 1: TEC funding for 2013

Providers	2012		2013	
	\$(000)	%	\$(000)	%
Universities	\$1,422,948	53%	\$1,454,133	53%
Institutes of technology and polytechnics	\$620,896	23%	\$594,014	22%
Wānanga	\$169,248	6%	\$169,566	6%
Industry training organisations	\$136,377	5%	\$157,434	6%
Private training establishments	\$311,377	12%	\$324,655	12%
Other funded organisations	\$31,970	1%	\$31,991	1%
Grand Total	\$2,692,816	100%	\$2,731,794	100%

OPERATING ENVIRONMENT

To progress the *Tertiary Education Strategy (2010–15)* and obtain value from its investment, the Government's initiatives in 2013 were aimed at strengthening educational and financial performance and focused on:

- targeting priority groups
- improving sector performance
- supporting high-quality research that helps drive innovation.

The following pages summarise the TEC's activities and initiatives that focus on those outcomes and strengthening sector capability.

Targeting priority groups

Māori performance initiatives

Progress was made for Māori learners from 2012 to 2013, including increased enrolments at Bachelor and postgraduate levels, however, the TEC remains focused on boosting Māori participation and achievement.

One of the TEC's levers links investment to TEOs' stretch performance commitments to improve participation and achievement for Māori learners, particularly at NZQF Levels 4 or above and in fields that show strong outcomes for Māori. The TEC will continue to expect TEOs to show how they intend to support Māori learner success through their Investment Plans.

In 2013 the TEC continued to develop a whole-of-system approach to implementing the Māori Education Strategy, *Ka Hikitia Accelerating Success 2013 – 2017*; the Māori Language in Education Strategy, *Tau Mai Te Reo*; and *He Kai Kei Aku Ringa: The Crown-Māori Economic Growth Strategy* to ensure a comprehensive approach to enabling Māori learner success. The TEC will continue to work closely with other education and economic development agencies on how its information, influence and investment drivers can boost Māori learner participation and achievement.

Building on the success of the Māori and Pasifika Trades Training initiatives piloted in 2012, the TEC continued to work with other government agencies in 2013 to enable more Māori aged 18-34 years to obtain meaningful trades apprenticeships and qualifications.

In 2013 the TEC published a literature review on success indicators for Māori learners, *Doing Better for Māori in Tertiary Settings*. The TEC will explore the research gaps identified in the report and further update its evidence base with research on how to make the tertiary system more effective for Māori learners.

Pasifika performance initiatives

In 2013 the TEC continued to concentrate on improving the quality of education provision for Pasifika learners and began to embed its action points in the cross-sector Implementation Plan accompanying the *Pasifika Education Plan 2013–2017*.

To better understand Pasifika in tertiary settings, the TEC commissioned a literature review to develop a strengths-based approach to guide TEOs to support better outcomes for Pasifika learners. Throughout 2013 the TEC engaged proactively with TEOs to emphasise its expectation of parity of achievement for Pasifika learners at all levels of study or training, and increased participation.



The TEC also worked with the Ministry of Education and other government agencies to:

- finalise the *Tertiary Education Strategy (2014–19)*, which highlights the need to improve outcomes for Pasifika learners
- develop the Māori and Pasifika Trades Training initiative to enable more Māori and Pasifika learners to obtain meaningful trades apprenticeships and qualifications, and
- deliver a Pasifika literacy and numeracy programme that will enable TEOs to build their capability for delivering foundation-level programmes to Pasifika learners.

Literacy, language and numeracy

The TEC's Adult Literacy and Numeracy Implementation Strategy published in 2012 outlined major areas of future work, including further development of the Assessment Tool and addressing Māori and Pasifika literacy and numeracy needs. The primary focus for 2013 was the Assessment Tool workstream.

The TEC requires all foundation-level provision to have embedded literacy and numeracy. The Assessment Tool is a key mechanism of good practice, as it enables tutors to understand their learners' needs, deliver tailored interventions, and measure progress.

Data for courses funded by SAC and Youth Guarantee shows that 46 percent of all foundation-level learners took their initial numeracy assessment, while 25 percent took their required progress numeracy assessment. Tool use was higher for evaluating literacy, with 56 percent of learners undergoing their required initial assessment and 29 percent undergoing their required progress assessment.

Youth Guarantee-funded courses had higher usage of the Assessment Tool than SAC-funded courses, and Assessment Tool usage was highest in the PTE sector.

The TEC will continue to ensure the sector uses the Assessment Tool according to government requirements for all foundation-level provision. In 2013 the TEC worked to improve how it uses Assessment Tool data through mutual understanding and agreement with tertiary providers on TEC-held data. Work on statistically significant learner gain indicators also started in late 2013 and is due to be completed in 2015.

Improving pathways

Youth Guarantee

2013 continued to be a transitional year for TEOs that provided Youth Training prior to its merger into Youth Guarantee in 2012. Further change in 2013 included the shift to an EFTS-based funding model; delivery of full qualifications for the first time; and the inaugural use of the Single Data Return (SDR) for Youth Guarantee for some TEOs. In mid-2013 further policy changes were announced for the 2014 calendar year, extending the age eligibility of Youth Guarantee students up to 19-year-olds and allocating up to \$1.3 million for a secondary-tertiary dual enrolment pilot.

Between 2012 and 2013 the number of learners accessing Youth Guarantee-funded programmes increased markedly (from 8,901 to 9,953). Māori and Pasifika participation levels remained high in 2013 at 46 percent and 18 percent of all enrolments respectively. Data shows that many TEOs performed well, despite the transitional challenges, with aggregate course completion rates of 72 percent at wānanga, 70 percent at ITPs and 57 percent at PTEs, and qualification completion rates of 62 percent at wānanga, 60 percent at ITPs and 49 percent at PTEs. Owing



to the transitional changes, 2013 results are not comparable with previous years' delivery.

Secondary-tertiary programmes

Established in 2011 Secondary-Tertiary Programmes (STP) are a thriving component of the secondary-tertiary interface within the Youth Guarantee initiative.

Delivered primarily through trades academies (TAs), STPs provide opportunities for senior secondary school students to achieve credits simultaneously towards NCEA Level 2 and one or more tertiary qualifications. Most TA programmes are two years but individual models range from one year full-time to part-time programmes of one or more days per week, to block programmes delivered during school holidays.

In 2013 the TEC continued to administer funding for 10 TEO-based TAs, as well as Manukau Institute of Technology's School of Secondary-Tertiary Studies. The TEC funded 2,287 places in 2013, up from 1,806 the previous year.

Trade Academies' performance highlights the success of this initiative. Of all the students who completed their TA programme in 2013:

- 87 percent achieved or exceeded the targeted attendance rate of 80 percent
- 86 percent of those who left with a reported destination transitioned into either further education or employment
- 79 percent attained Level 2 NCEA by the end of 2013
- 64 percent had gained 80 percent or more of programme-specific credits, and
- 83 percent of those leaving the programme at the end of 2013 had undertaken one or more literacy and/or numeracy assessments.

Changes to foundation learning

Budget 2012 established a separate funding pool for foundation-level tertiary education to be competitively funded (Levels 1–2 on the NZQF). As a result of the 2012 competitive process for this provision, the TEC funded 25 TEOs (18 PTEs, six ITPs and one wānanga) to deliver programmes for 5,401 EFTS totalling \$37 million per year for 2013 and 2014.

The allocation process enabled more places for learners to be made available (1,700 additional EFTS), with the competitive aspect driving both quality and greater value for money. Overall, 5,391 of the 5,401 EFTS allocated for 2013 were delivered (99.8%). Performance information for 2013 indicates that students at TEOs funded through the competitive process achieved overall better results than similar provision funded through the normal Investment Plan process: 80 percent course completion rates through competitive funding, compared to 77 percent course completion rates in non-competitive funding.

The Government announced a further competitive allocation round to be run in 2014, with up to \$70 million available to fund foundation-level delivery in each year for 2015 and 2016. In anticipation, the TEC consulted with TEOs during 2013 to assess the 2012 competitive process and to apply lessons learned in planning the 2014 round. More information on the competitive process and the TEC's lessons learnt document can be found on the TEC website.



Improving system performance

Performance-linked funding

Performance-linked funding is one of the TEC's approaches intended to improve both educational outcomes for students and employers and value for taxpayers. Effective from 2012, a maximum of five percent of a TEO's total SAC funding is at risk of being recovered, based on its educational performance in the previous year. The TEC's performance-linked funding calculator enables TEOs to model the impact of performance-linked funding. In light of the significant changes taking place in the ITO sector, the introduction of performance-linked funding has been delayed for ITOs until 2014.

In 2013, \$2.79 million in performance-linked funding adjustments were made to the December 2013 payments of 73 TEOs. This was a decrease on the \$2.96 million adjustment applied in 2012.

Capital Asset Management

The aim of Capital Asset Management (CAM) is to deliver services in the most cost-effective manner through the management of assets for present and future customers.

Cabinet Office Circular: Capital Asset Management in Departments and Crown Entities: Expectations CO (10)2 sets out the Government's expectations for asset management in departments and Crown agencies, including TElS.

As at 31 December 2013, TElS collectively owned or managed assets with a net book value of around \$8.3 billion. This made TElS' assets, collectively, the fourth-largest social-asset portfolio across Government. The majority of assets were held by universities (\$6.25 billion), followed by ITPs (\$1.83 billion) and wānanga (\$0.27 billion). Land and buildings, the largest asset category, accounted for \$6.9 billion of the total net asset base.

The value and importance of these assets to the social, cultural and economic well-being of New Zealand reinforces the need for TElS to set high standards in managing their assets.

In 2013 the TEC worked closely with tertiary education sector bodies and individual TElS to further embed the integrated CAM Monitoring Framework. This framework articulates how the TEC will monitor CAM and provide any necessary advice and guidance to TElS.

Further CAM-related achievements from 2013 included:

- TElS developed and provided information to the TEC on their long-term capital intentions to help improve monitoring and inform decision-making, and
- TElS completed either an independent review or self-assessment of their CAM capability, with the sector producing an average capability score of 47. This provides a baseline for further improvement in asset management capability across the system, with an average target score of 63.

Industry training initiatives

Mergers

The performance of the ITO sector in 2013 showed a significant improvement in educational outcomes for trainees when compared to previous years. ITOs continued to respond to the Government's priority to simplify and strengthen the sector by seeking further merger and amalgamation opportunities. At the start of

2013 there were 20 recognised ITOs. During 2013 mergers reduced the number to 13. Further details about the mergers are provided in a separate section on ITOs.

New Zealand Apprenticeships

In early 2013 the Government announced from 1 January 2014 New Zealand Apprenticeships (NZ Apprenticeships) would be introduced to combine all apprenticeships into a single nationwide scheme. NZ Apprenticeships allow all apprentices, regardless of age, to receive the same level of Government support. The scheme has a strong theoretical component and provides high-quality vocational pathways, setting up people of all ages for a career in their chosen industry.

The Apprenticeship Reboot

The Apprenticeship Reboot initiative was launched in March 2013 with the aim of raising the profile of apprenticeships and opportunities for careers in trades. This made approximately 12,000 apprenticeship trainees eligible to receive the Government's payment of \$1,000 (or \$2,000 for priority trades), with employers eligible to receive the same payment. Owing to the success of the initiative in encouraging apprenticeships, it was extended until 31 December 2014.

The Direct Funding Scheme

Introduced to encourage competition and drive innovation, the Direct Funding Scheme allows employers to be directly funded for training their employees. Following a competitive process in late 2013, a small number of employers and organisations will test implementation in 2014 before the scheme is rolled out more widely. An evaluation of the scheme is running alongside its implementation to inform future funding rounds and any changes to operational policy.

High-quality research that helps drive innovation

Performance-Based Research Fund

The Performance-Based Research Fund (PBRF) is a TEC-administered fund designed to encourage and reward excellent research in the tertiary education sector. The PBRF is allocated by assessing the research performance of TEOs and then funding them accordingly. PBRF funding is based on three components: quality evaluation, research degree completions and external research income.

The quality evaluation is a peer-review process that determines the quality of research in TEOs at the level of individual researchers. This measure accounts for 60 percent of the funding pool and provides the basis of funding for six-years, following each quality evaluation. TEOs that do not participate in the quality evaluation cannot access funding through the two other measures.

In 2013 the TEC presented the final report on the 2012 quality evaluation, which again confirmed the concentration of research excellence in universities. The results also demonstrated that the sector's measured research quality has increased since both the 2003 and 2006 quality evaluations.

The finalised figures showed that between 2003 and 2012 the number of staff whose evidence portfolios (EPs) were assigned a funded quality category grew by 41.5 percent (from 4,458.82 to 6,312.18). Likewise, the number of funded EPs rose by 991.55 between 2003 and 2006 and by a further 861.81 between 2006 and 2012, totalling 1,853.36 additional funded EPs from 2003 to 2012.



In the 2012 quality evaluation, the distribution of funded quality categories assigned to EPs was as follows:

- 834.83 (13.2%) received an 'A'
- 2,531.92 (40.1%) received a 'B'
- 2,020.24 (32.0%) received a 'C', and
- 925.19 (14.7%) received a 'C(NE)' for new and emerging researchers.

The EPs of 53.3 percent of PBRF-eligible staff were assigned an 'A' or a 'B' in 2012, up from 48.9 percent in 2006 and 48.1 percent in 2003.

The Ministry of Education conducted a review of the PBRF in 2013, with the findings to be agreed by the Government in 2014. The recommended changes are expected to:

- clarify the PBRF's objectives
- better value user-perspectives of research quality and engagement in user-oriented research
- simplify the PBRF Quality Evaluation to reduce transaction costs
- better support the sustainability of the tertiary education research workforce, and
- strengthen reporting on research performance.

The TEC will work with the sector on implementing the agreed changes. All of the changes will be implemented prior to the next quality evaluation in 2018.

GOVERNANCE IN THE TERTIARY SECTOR

Governance framework

Tertiary education institutions (TEIs) are governed by autonomous councils whose roles and functions are set out in the Education Act 1989.

Effective councils provide clear strategic leadership in addition to setting and monitoring the achievement of challenging targets. They have well informed members who have a good understanding of stakeholders, know the institution's strengths and areas for improvement and challenge the management team about the institution's performance. Effective councils also regularly self-review or reflect on their performance.

University and wānanga councils have between 12 and 20 members. The councils of institutes of technology and polytechnics (ITPs), which were reconstituted in 2010, consist of eight members. The Minister for Tertiary Education, Skills and Employment (the Minister) appoints four members to each TEI council and also appoints the Chair and Deputy Chair of ITP councils. Other members are appointed by each council in accordance with the council's constitution or statute.

The terms of office for university and wānanga council members are normally four years. Appointments to ITP councils are for up to four years but a shorter term of two or three years may be used by the Minister to help councils in succession planning. Members are able to remain in office until reappointed or replaced, so council members may serve beyond the end of their term of office.

Role of the Tertiary Education Commission in governance

The Tertiary Education Commission's (TEC's) role is to monitor and evaluate the governance capability of TEI councils. It advises the Minister on governance matters, including Ministerial appointments and provides information and support for councils to enhance their governance capability.

The TEC also supplies information and advice to the Ministry of Education to support its policy work on the legislative framework for TEI councils. In 2013 the TEC provided information in relation to the proposed changes to university and wānanga governance.

Governance capability

Governance in the ITP sector

The 2010 governance reform of ITPs was intended to enhance the governance capability of the organisations, strengthen their leadership and improve institutional performance. To achieve this, the reform focused on increasing the skills bases of councils and reduced their size.

Evaluating governance changes

In 2011 the TEC initiated a research programme to evaluate the impact of the governance changes in the ITP sector. An initial review was undertaken to evaluate the implementation and transition of the reconstituted councils, as well as any immediate short-term outcomes. The evaluation found the governance changes had stimulated a positive shift in the effectiveness of councils (www.tec.govt.nz/Funding/Monitoring-and-reporting/Evaluation-of-changes-to-governance).



Phase two of the research programme began in 2013 to assess the medium-term outcomes of the reforms and establish whether the council structural change is contributing to improved institutional performance. This phase includes documenting significant council-led initiatives, three of which are available on the TEC website.

Cross-council appointments

Cross-council appointments, where a member of one TEI council is also appointed a member of another council, are intended to promote collaboration and cooperation across the sector. When several Ministerial appointments to the councils of Lincoln University and the University of Canterbury fell due in 2013, the Minister used the opportunity to make the following three appointments on both councils:

- Dr John Wood, the Chancellor of the University of Canterbury, became a Ministerial appointee to Lincoln University council
- Tony Hall, the Pro-Chancellor of Lincoln University and a council appointee, became a Ministerial appointee to the University of Canterbury council, and
- Bruce Gemmell, the Christchurch-based managing partner of an international consultancy, became a Ministerial appointee to both councils.

Governance in the university and wānanga sectors

As part of its policy advisory role, the Ministry of Education advises the Minister about potential changes to the legislative framework for TEI governance. In 2013 this involved public consultation on reducing council size and other proposed changes to the governance arrangements of universities and wānanga. The results of the consultation were incorporated into proposed legislative changes included in the Education Amendment Bill (No 2) introduced into Parliament in early 2014.

Changes to council constitutions

From time to time, councils request amendments to their constitutions and these are put in place by agreement with the Minister. Changes may be needed to take account of legislation or, in the case of universities or wānanga, to amend the council's representation. In 2013 the TEC provided advice to the Minister on requests for constitutional change from Victoria University of Wellington council, Massey University council and the University of Otago council.

Council appointment activity for 2013

The TEC is responsible for both advising the Minister on appointments and reappointments and managing the process. To help with the selection of candidates for Ministerial appointment, the TEC has a framework that provides criteria reflecting both the statutory functions of councils and the Minister's priorities. Further information on the appointments process is available on the TEC website.

There are 112 Ministerial appointees across 28 councils. Each year, when the terms of office of Ministerial appointees expire, the Minister considers whether to reappoint or make new appointments. The Minister takes into account the performance of the institution, the skills and experience represented on the council and, in the case of reappointments, the length of term served.

In 2013, the Minister made 64 appointments, 36 were reappointments. Twenty-six new appointments were made and the Minister appointed two council-appointed members as Deputy Chair of their respective councils.

University council appointments

During 2013 nine new Ministerial appointments were made to university councils and six Ministerial appointees were reappointed.

The new Ministerial appointees were:

- Neville Jordan and Neil Paviour-Smith as members of the Victoria University of Wellington council
- Mike Pohio as a member of the University of Waikato council
- Colin Harvey ONZM as a member of the Massey University council
- Dr John Wood, Sir Graeme Harrison and Bruce Gemmell as members of the Lincoln University council, and
- Tony Hall and Bruce Gemmell to the University of Canterbury council.

Institutes of technology and polytechnic council appointments

The Minister appointed eight new candidates to ITP councils in 2013, including Peter Winder as Chair of the Manukau Institute of Technology, and made two council-appointed members Deputy Chair of their respective institutions. In all, the Minister appointed four new Deputy Chairs as shown below.

Table 2: New Ministerial appointees to ITP councils in 2013

Council	Name of new Ministerial appointee	Position
Bay of Plenty Polytechnic	Julie Chadwick	Member
Eastern Institute of Technology	Michael Morgan	Deputy Chair (council-appointed member)
Eastern Institute of Technology	Jacoby Poulian	Member
Manukau Institute of Technology	Peter Winder	Chair
Open Polytechnic	Murray Bain	Deputy Chair
Open Polytechnic	Helen Robinson	Member
Unitec Institute of Technology	Dianne Kidd	Deputy Chair (council-appointed member)
WelTec-Whitireia	Dr Deborah Hume	Member
Waikato Institute of Technology	Steve Tucker	Deputy Chair
Waikato Institute of Technology	Pam Roa	Member

The Minister reappointed 27 council members during 2013. Seven of the reappointments were as Chair or Deputy Chair. Reappointments included: Jenn Bestwick as Chair of the Christchurch Polytechnic Institute of Technology; Vern Dark as Chair of NorthTec; Sarah Brown as Chair of the Southern Institute of Technology; and Graeme McNally as Chair of Tai Poutini Polytechnic. Susie Johnstone was reappointed as Deputy Chair of Otago Polytechnic; Andy Rowe as Deputy Chair of Nelson Marlborough Institute of Technology; and Dr Neil Barns as Deputy Chair of the Waiariki Institute of Technology.



Wānanga council appointments

During 2013 nine Ministerial appointments were made to the councils of the three wānanga, including three reappointments. The new Ministerial appointees were:

- Daphne Luke and Anne Carter as members of Te Wānanga o Raukawa council
- Karl Wixon and Rea Wikaira as members of Te Wānanga o Aotearoa council, and
- Rauru Kirikiri and Tuihana Pook as members of Te Whare Wānanga o Awanuiārangī council.

Former Ministerial appointees

Fifteen Ministerial appointees stepped down in 2013, including the following four who resigned:

- Kaye Turner, Chair of the Manukau Institute of Technology council
- Martin Clements, Lincoln University council
- Kate Radburn, Eastern Institute of Technology council, and
- Miles McConway, Te Whare Wānanga o Awanuiārangī council.

Eleven Ministerial appointees completed their terms of office and continued to serve until a new appointment was made:

- Dr Russell Ballard, Massey University council
- Jennifer Vernon, University of Waikato council
- Brian Gargiulo and Linda Tame, Lincoln University council
- Wendy Ritchie and Dr Kiki Maoate, University of Canterbury council
- Suzanne Snively and Dennis Sharman, WelTec-Whitireia combined council
- June McCabe and Deidre Dale, Te Wānanga o Aotearoa council, and
- Terri Eggleton, Te Whare Wānanga o Awanuiārangī council.

Diversity in governance

The Government has committed to increasing diversity in leadership roles to realise the well documented and internationally accepted benefits of diversity in board and council appointments. To assess progress against the Government's priorities for board participation, the TEC monitors the demographics of councils and reports annually to the Ministry of Women's Affairs on gender representation.

As at December 2013, 34 percent of all appointees to TEI councils were women. Further opportunities to contribute to meeting the State sector boards and committees target for women's participation will be available over the coming years.

In relation to Māori on TEI councils, overall participation was 23 percent, with 73 out of 319 members being Māori, based on self-declared ethnicity information as shown in the table below.

Table 3: Female and Māori members of all TEI councils, both Ministerial and non-Ministerial appointees, as at December 2013

	Female	Māori
University councils	28% (38)	4% (6)
Institutes of technology and polytechnics councils	38% (50)	18% (24)
Wānanga councils	38% (19)	86% (43)
Total	34% (107)	23% (73)



2013 PERFORMANCE

New Zealand's tertiary education system includes over 700 tertiary education organisations (TEOs). In 2013 the Government provided more than \$2.73 billion in direct funding to approximately 400 TEOs.

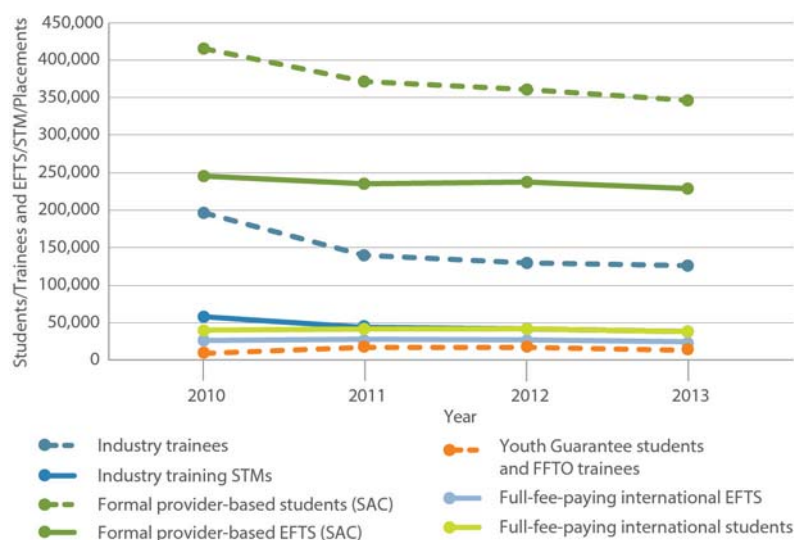
During 2013, the TEOs comprised:

- three types of tertiary education institutions (TEIs):
 - eight universities
 - 18 institutes of technology and polytechnics (ITPs)
 - three wānanga
- 20 industry training organisations (ITOs) (with 13 remaining at year end)
- 700 registered private training organisations (PTEs), around half of which receive funding from the Tertiary Education Commission (TEC).

Tertiary enrolments

Measured as equivalent full-time students (EFTS), enrolments in formal, provider-based tertiary study¹ decreased by two percent in 2013 and by three percent in terms of the number of students enrolled.

Figure 3: Total student numbers, industry trainees and international students, 2010–13



Notes:

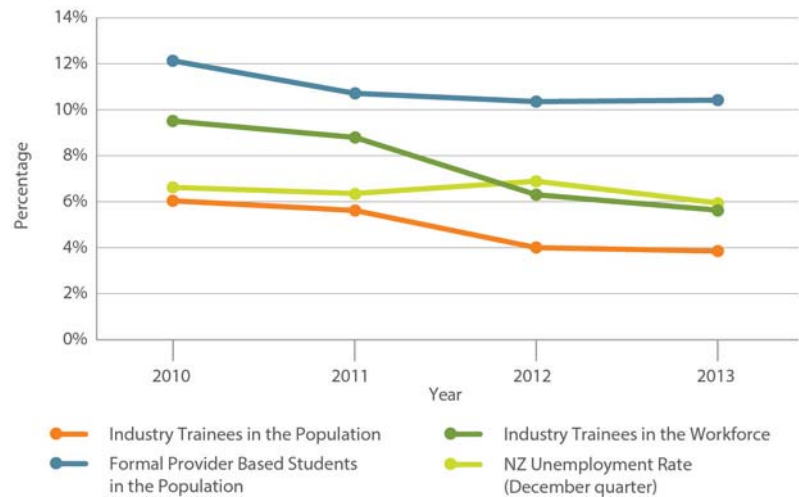
1. The 2011 ITO results are the first to be produced using data from the Industry Training Register (ITR) and they are not strictly comparable to previous years. More information on the impact of the ITR can be found on the TEC website.
2. FFTO Data relates to trainees with a placement start-date during the year. Individuals who enrolled in more than one programme will be counted in each programme.

Overall, 410,912 students, or 277,604 EFTS (this figure excludes industry training) were enrolled in formal qualifications at TEOs in 2013. Of these, 232,340 EFTS (349,803 students), were Student Achievement Component (SAC) enrolments, 9,202 were Foundation-Focused Training Opportunity (FFTO) funded placements, 28,510 EFTS (41,943 students) were international full-fee paying students, and 7,541 EFTS (9,953 students) were enrolled in the Youth Guarantee programme.

In 2013, there were also 129,307 trainees (42,087 Standard Training Measures) engaged in industry-based training, including 15,810 in Modern Apprenticeships.

1. Formal, provider-based enrolments are students (excluding industry trainees) enrolled at a tertiary education organisation and undertaking study that contributes towards a qualification. All EFTS and student enrolments refer only to Student Achievement Component (SAC) funding unless otherwise stated.

Figure 4: Proportion of students and industry trainees in the population and workforce, 2010–13



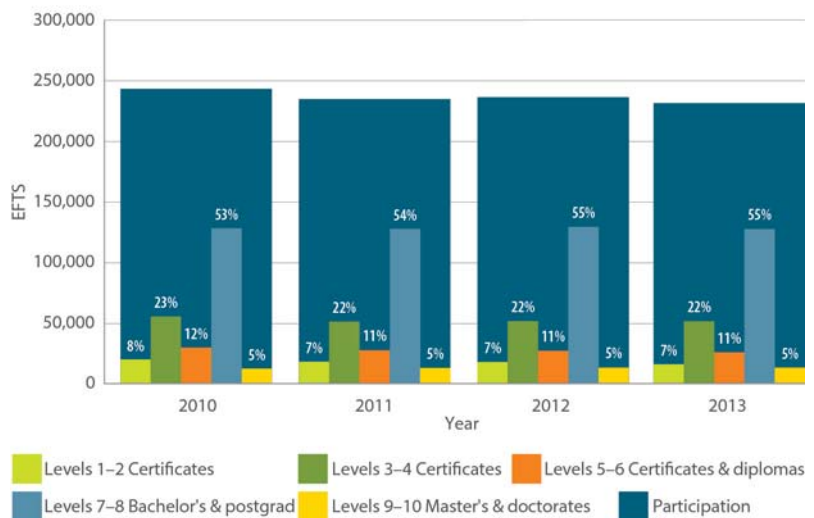
Notes:

1. Population and workforce based calculations uses figures retrieved from Statistics New Zealand.
2. The 2011 ITO results are the first to be produced using data from the Industry Training Register (ITR) and they are not strictly comparable to previous years. More information on the impact of the ITR can be found on the TEC website.

Of those aged 15 years and over in the New Zealand population, 10.4 percent were engaged in formal provider-based education and 3.8 percent were engaged in industry training (see figure 4). Industry trainees accounted for 5.7 percent of the workforce. Overall, participation rates changed fractionally in 2013, with a 0.6 percent drop in the number of industry trainees in the workforce.

Since 2009 domestic formal provider-based enrolments have shifted towards degree-level courses and above, however, following some significant shifts in 2012, proportions across the New Zealand Qualifications Framework (NZQF) levels remained similar in 2013 compared with the previous year.

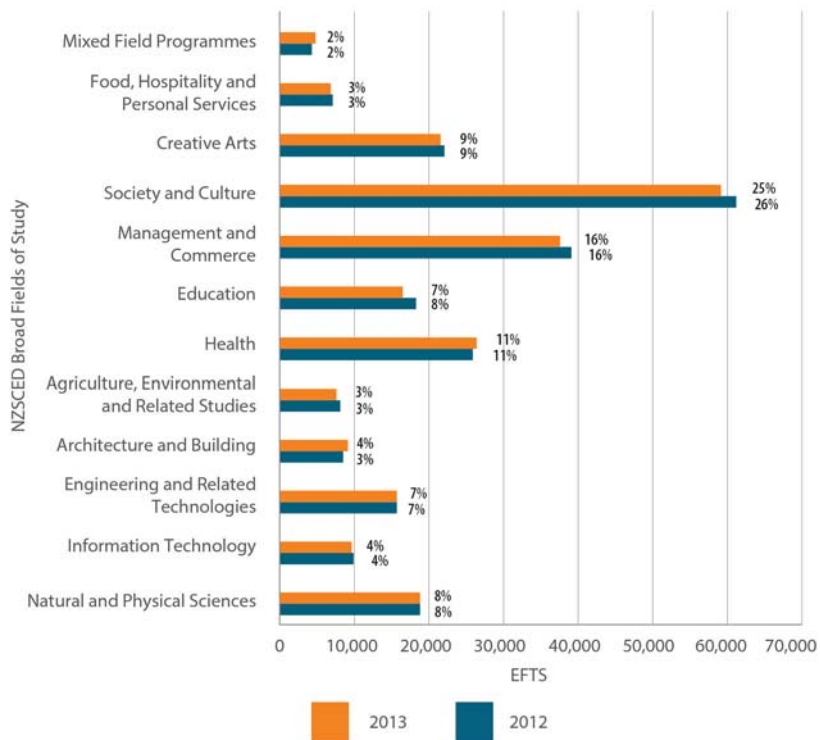
Figure 5: Participation by NZQF level, 2010–13





In 2013 the majority of delivery was at Levels 7–8 (55%), followed by Levels 3–4 (22%), Levels 5–6 (11%), Levels 1–2 (7%) and Levels 9–10 (5%) (see figure 5). The largest proportion of enrolments was in Society and Culture (26%), followed by Management and Commerce (16%), and Health (11%) (see figure 6).

Figure 6: Enrolments by subject, 2012 and 2013

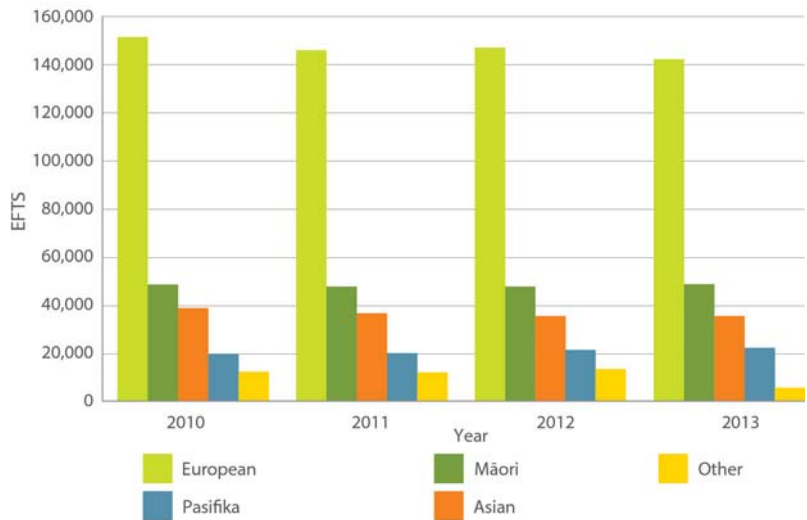


The majority of delivery was at Levels 7–8 (55%)

Attendance across 2013 enrolments was made up of 88 percent intramural (students physically present in scheduled teaching sessions) and 12 percent extramural (where students are not required to regularly attend courses on campus), including students living overseas. This is a one percentage point drop in the proportion of extramural enrolments, compared with 2012.

The enrolment mix across the ethnicities showed the proportion of Māori increased slightly (from 20% in 2012 to 21% in 2013), while the proportion of European students decreased fractionally (from 62% to 61%) (see figure 7).

Figure 7: Enrolments by ethnicity 2010–13



Note:
Total may exceed total EFTS or 100% as some students identify with more than one ethnicity.

Performance against TES priorities

In 2013 the tertiary education sector continued to improve its performance against the priorities set out in the Tertiary Education Strategy (TES).

This section outlines important aspects of the sector’s performance against the seven TES priority areas. Owing to the availability of performance measures, the performance sections for each sector focus on the performance of the TES priorities for the youth, Māori and Pasifika student groups.

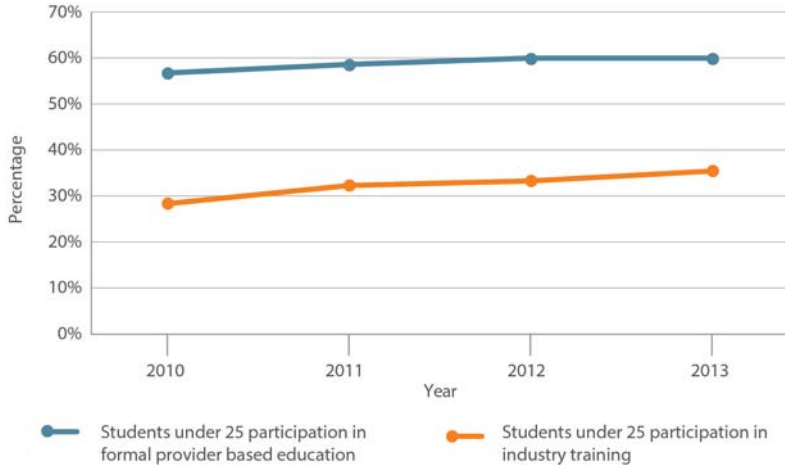
TES Priority: Increasing the number of young people achieving qualifications at Level 4 and above, particularly degrees

Overall in 2013 participation and the educational performance of young people (those under 25 years of age) remained at similar levels compared with 2012. The volume of youth enrolments decreased by one percent compared with 2012 (1,216 EFTS) and remained the same percentage (59%) of all formal provider-based enrolments. As a proportion of total industry trainees, under-25-year-olds went up compared with the previous year and accounted for 35 percent (from 33 percent in 2012) (see figure 8).

In 2013, 79 percent of total youth enrolments were in programmes at Level 5 and above and there was a slight increase in the percentage of youth enrolments at Levels 7–8 from 2012 (67% to 68% in 2013).



Figure 8: Participation by students under 25 years, 2010–13

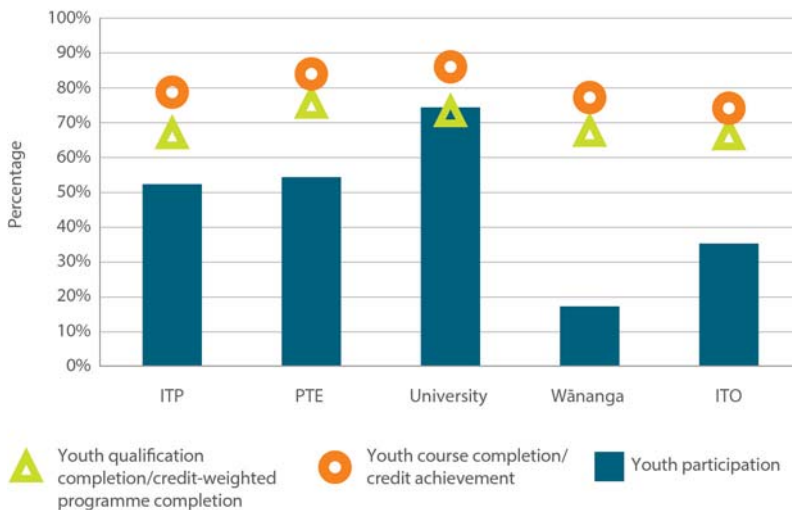


Note:

The 2011 ITO results are the first to be produced using data from the Industry Training Register (ITR) and they are not strictly comparable to previous years. More information on the impact of the ITR can be found on the TEC website.

The overall educational performance of youth continued to improve across all tertiary sectors in 2013. Youth educational performance remained the strongest compared with the total student cohort. Across the sectors the average youth course completion rate was the highest at universities and the qualification completion rate was the highest at PTEs, which was also the case in 2012 (see figure 9). These variances across sectors reflect the characteristics of qualifications offered by each sector, for instance, PTE-sector enrolments are generally for qualifications that take a much shorter time to complete than university degrees.

Figure 9: Participation and achievement by students under 25 years, 2013



Youth accounted for 35 percent of all industry trainees in 2013, of which 48 percent were engaged in training at Levels 4 and above. Achievement by this group was higher than the overall youth cohort in industry training, with 78 percent credit completion and 74 percent qualification completion in Level 4 and above programmes.

Overall educational performance of youth continued to improve across all tertiary sectors in 2013

Māori educational performance continued to improve across the tertiary sector in 2013

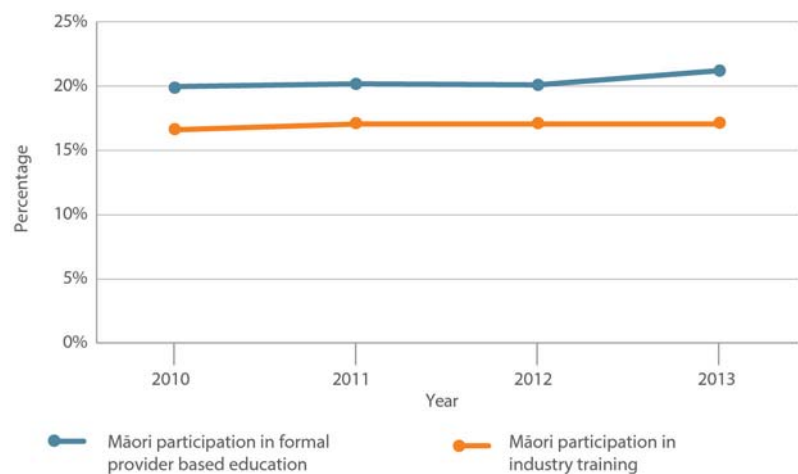
In 2013 youth engaged in targeted programmes comprised 7,541 Youth Guarantee EFTS (9,953 students) and 3,687 FFTO trainees aged under 25. For Youth Guarantee students, the course completions rate was 61 percent and the qualification completion rate was 52 percent. For those completing FFTO, 38 percent went on to further education and 42 percent to employment in 2013.

TES Priority: Increasing the number of Māori students enjoying success at higher levels

In 2013 Māori enrolments in formal provider-based education increased by 380 EFTS and accounted for 21 percent of all students (from 20 percent in 2012). Māori also accounted for 18 percent of total industry trainees in 2013 (from 17 percent in 2012) (see figure 10).

The spread of Māori enrolments continued to dominate across Levels 3–4 (38%) and Levels 7–8 (34%). The continued emphasis across degree-level and above was evidenced with a 155 EFTS increase in Level 7 and above in 2013.

Figure 10: Participation by Māori students, 2010–13



Note:

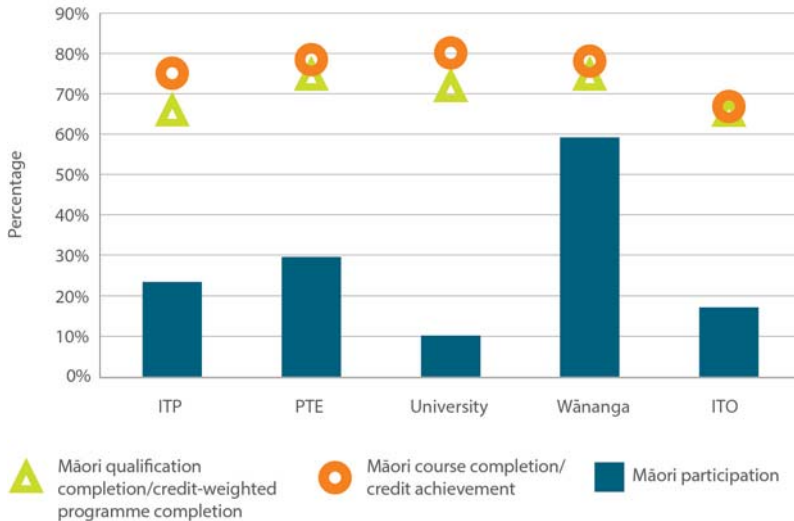
The 2011 ITO results are the first to be produced using data from the Industry Training Register (ITR) and they are not strictly comparable to previous years. More information on the impact of the ITR can be found on the TEC website.

Māori educational performance continued to improve across the tertiary sector in 2013. As in the previous year the course completion rate was the highest at universities and the qualification completion rate the highest at PTEs.

Māori trainees engaged in industry training at Level 4 and above accounted for 32 percent of the total Māori trainees. Achievement for this group was stronger than for all other Māori trainees, with 72 percent credit completion and 77 percent qualification completion (see figure 11).



Figure 11: Participation and achievement by Māori students, 2013

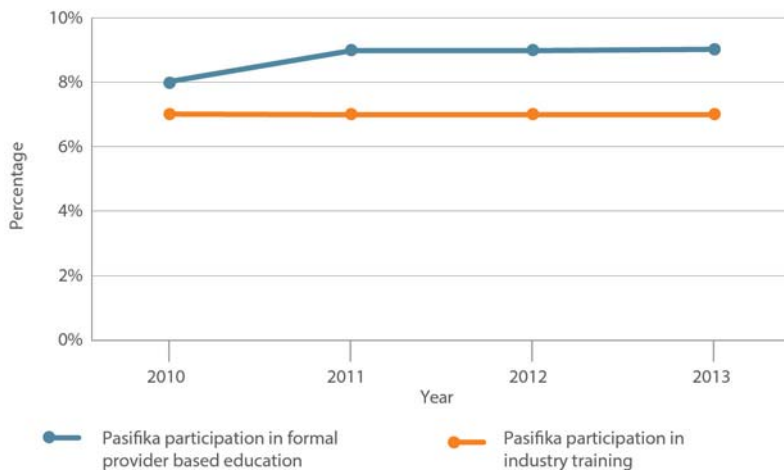


TES Priority: Increasing the number of Pasifika students achieving at higher levels

Pasifika enrolments increased in 2013 by 504 EFTS, while the proportion of Pasifika formal provider-based students remained the same as in 2012 (9%). Pasifika students accounted for seven percent of total industry trainees in 2013 (see figure 12).

Pasifika enrolments increased at Levels 7–8 to account for 43 percent of Pasifika enrolments (from 42% in 2012) but maintained a spread similar to 2012 across other levels.

Figure 12: Participation by Pasifika students, 2010–13



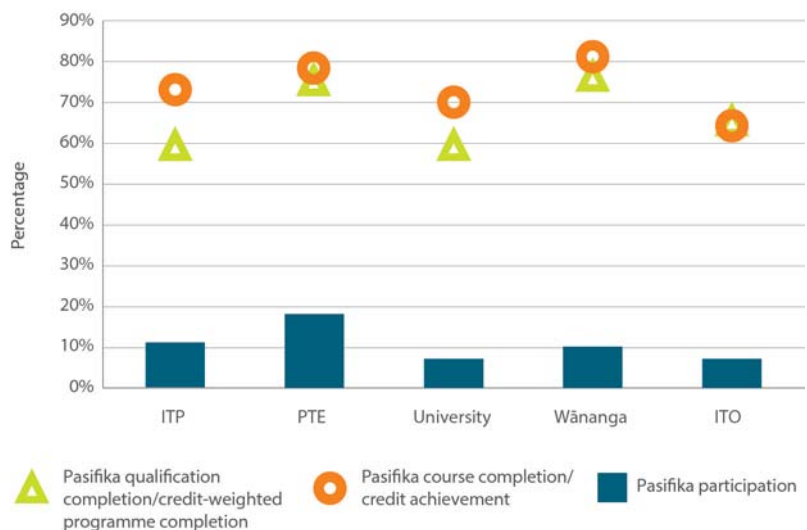
Note:

The 2011 ITO results are the first to be produced using data from the Industry Training Register (ITR) and they are not strictly comparable to previous years. More information on the impact of the ITR can be found on the TEC website.

In line with other TES priority groups, the educational performance for Pasifika students generally improved in 2013 across all sectors. The strongest performance was across the wānanga sector, with 81 percent course completion and 76 percent qualification completion.

Pasifika trainees engaged in industry training at Level 4 and above accounted for 24 percent of total Pasifika enrolments but demonstrated strong achievement, with 69 percent credit completion and 74 percent qualification completion across programmes at Level 4 and above (see figure 13).

Figure 13: Participation and achievement by Pasifika students, 2013



TES Priority: Increasing the number of young people moving successfully from school into tertiary education

Youth Guarantee is a fees-free programme aimed at increasing the educational achievement and qualifications of those 16- and 17-year-olds not engaged in education. In 2013 all former Youth Training TEOs shifted to an EFTS-based funding model using the Single Data Return (SDR), which allows for comparability of performance and participation for all Youth Guarantee providers. In 2013 the number of learners accessing Youth Guarantee-funded programmes increased from 8,901 in 2012 to 9,953 (7,541 EFTS). Māori and Pasifika participation remained high, compared with SAC-funded delivery, at 46 percent and 18 percent respectively. Performance for the Youth Guarantee fund shows course completion by subsector had PTEs at 57 percent, ITPs at 70 percent and wānanga at 72 percent. The qualification completion rate shows PTEs at 49 percent, ITPs at 60 percent and wānanga at 62 percent.

In addition, Trades Academies continued to provide opportunities for senior secondary school students to simultaneously achieve credits towards National Certificate of Educational Achievement (NCEA) Level 2 and one or more tertiary qualifications. In 2013 the TEC continued to administer funding for the 10 TEO-based Trades Academies, as well as Manukau Institute of Technology’s School of Secondary-Tertiary Studies. In 2013 the number of funded places grew to 2,287, from 1,806 in 2012.

TES Priority: Improving literacy, numeracy and skills outcomes from Levels 1–3 study

In 2013 the National Centre of Literacy and Numeracy for Adults/Tukua Kia Rere continued to work with the TEC to support TEOs in improving the literacy and numeracy outcomes of learners. The TEC will continue to ensure the tertiary sector uses the Assessment Tool according to Government requirements for all foundation-level provision.



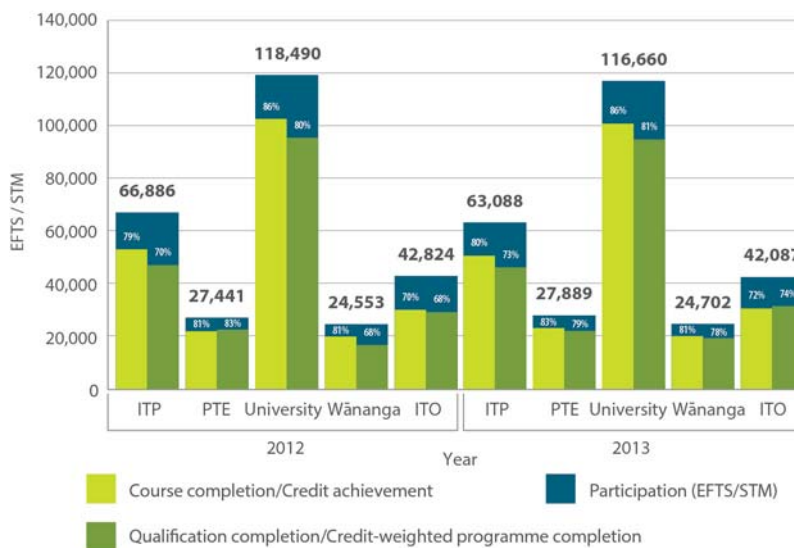
Forty-six percent of all foundation-level learners required to take an initial numeracy assessment did so and 25 percent of learners required to take a progress numeracy assessment did so. Fifty-six percent of all learners required to take an initial reading assessment did so and 29 percent of learners required to take a progress reading assessment did so.

Youth Guarantee-funded courses had higher usage of the Assessment Tool than SAC-funded courses and Assessment Tool usage was highest in the PTE sector.

TES Priority: Improving the educational and financial performance of providers²

In 2013 providers continued to focus on lifting educational performance for all learners. In general, performance improved or remained on par with the previous year (see figure 14). Course completion and student progression rates remained steady compared with 2012, while qualification completion and student retention rates increased in 2013.

Figure 14: Participation and achievement, 2012 and 2013



Total revenue for TEIs was \$4.63 billion in 2013, an increase of \$48.6 million (1.6%) since 2012. This was largely due to increases in domestic and international student fees and other revenue.

TEIs recorded a net surplus after unusual and non-recurring items of \$231.6 million (or 5.0%) for the financial year ended 31 December 2013 (see table 4). This is an increase of \$130.7 million over the 2012 result of \$100.9 million³.

Youth Guarantee-funded courses had higher usage of the Assessment Tool than SAC-funded courses

- The figures are presented at a consolidated group level and reflect submissions received up to July 2013. For a more detailed breakdown of TEI financial performance, please refer to the TEC's website.
- This figure differs to that reported in 2012 primarily due to a TEI restating its 2012 result.

Table 4: Overview of financial performance for all TEIs

Key performance metrics	2011	2012	2013	TEC minimum guidelines
Net surplus (after unusual and non-recurring items)	4.3%	2.2%	5.0%	3.0%
Net cashflow from operations	116.2%	115.1%	114.7%	111.0%
Liquid funds	20.5%	23.1%	18.8%	8.0%
3-Year average return on property, plant equipment and intangibles	6.8%	7.1%	6.9%	4.5%
Summary financial statements (NZ\$000)	2011	2012	2013	% of 2013 category
Revenue				
Total government revenue	\$2,202,070	\$2,229,525	\$2,224,592	48%
Domestic student fees	\$818,688	\$850,807	\$861,396	19%
International student fees	\$379,015	\$403,875	\$424,489	9%
Other income (including research)	\$1,077,830	\$1,078,209	\$1,115,834	24%
Total revenue	\$4,477,602	\$4,562,416	\$4,626,311	100%
Assets				
Property plant equipment and intangibles	\$7,892,976	\$8,066,566	\$8,398,532	85%
Other assets	\$1,359,601	\$1,412,361	\$1,493,722	15%
Total Assets	\$9,252,577	\$9,478,927	\$9,892,254	100%
Equity (net assets)	\$7,816,453	\$7,906,183	\$8,346,039	

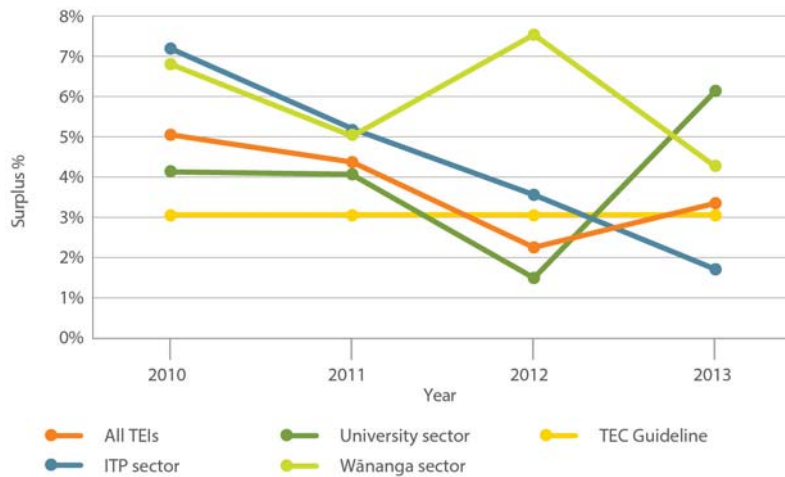
The 2013 measures take into account net unusual income items of \$78.1 million. Canterbury-based TEIs contributed \$83.5 million of unusual income items to this result, while the ITP sub-sector saw unusual expense items of \$6.1 million.

The sector-wide surplus before unusual items was \$153.5 million or 3.3%, a reduction of \$5.4 million (3.4%) since 2012. The sector-wide result both before and after unusual items remained above the TEC recommended target of three percent of total income.

Total assets increased by \$413 million, taking the total asset base of the sector to \$9.9 billion. This was driven by an increase in the value of property, plant, equipment and intangibles of \$332.0 million.



Figure 15: TEI surplus (after unusual and non-recurring items)



TES Priority: Strengthening research outcomes

The number of postgraduate enrolments across the tertiary sector increased fractionally by one percentage point compared with 2012 and accounted for 12 percent (27,592 EFTS) of all formal provider-based enrolments.

Under the Performance-Based Research Fund (PBRF), research and degree completions increased from 3,825 in 2012 to 3,974 in 2013 and external research income decreased from \$410.2 million to \$396.3 million.

The Government's investment in Centres of Research Excellence (CoREs) continued to strengthen research outcomes in 2013, with CoREs continuing to conduct collaborative strategically focused research, which contributes to national capability development and knowledge transfer.

The Ministry of Education completed its review of CoREs policy in 2013. The review found CoREs policy supports high-quality research in a tertiary context, with positive social and economic benefits to New Zealand. As a result of the review, a new performance monitoring framework is being developed by the Ministry of Education and the TEC to show the contribution CoREs are making.

Future focus of the tertiary sector

The future focus of the tertiary system continues to be on improving outcomes for all learners, with particular emphasis on participation and achievement for Māori and Pasifika learners. TEOs will also continue to be more responsive to population shifts, changes in demand and performance and learners' and employers' needs in different regions.

For TEOs and the tertiary system, the focus remains on contributing to the economy and to skills development, learners navigating the system, increasing knowledge transfer and improvements in governance and management.

The number of postgraduate enrolments across the tertiary sector increased

Universities

Universities are a vital part of modern society. They are important for teaching, research and the advancement of society as a whole. Universities engage with a range of stakeholders to promote learning and to disseminate and apply knowledge. With a focus on research excellence, universities play an important role in the economic transformation and development of New Zealand.

Universities are repositories of knowledge and expertise. They focus on advanced learning, with the principal aim of developing intellectual independence and strengthening research outcomes. New Zealand universities' teaching and research foster international connectedness and provide global learning opportunities for local and overseas students.

Eight universities across New Zealand deliver an extensive range of degree and postgraduate programmes and some sub-degree programmes.

The Tertiary Education Strategy (TES) defines the core roles and Government expectations for universities as:

Core roles	Government expectations
<ul style="list-style-type: none"> Undertake research that adds to the store of knowledge Provide a wide range of research-led degree and post-graduate education that is of an international standard Act as sources of critical thinking and intellectual talent 	<ul style="list-style-type: none"> Enable a wide range of students to successfully complete degree and post-graduate qualifications Undertake internationally recognised original research Create and share new knowledge that contributes to New Zealand's economic and social development and environmental management

Universities contribute to TES priorities by:

- increasing the number of young people (aged under 25) achieving qualifications at Level 4 and above of the New Zealand Qualifications Framework (NZQF), particularly degrees
- increasing the number of Māori students enjoying success at higher levels
- increasing the number of Pasifika students achieving at higher levels
- increasing the number of young people moving successfully from school into tertiary education, and
- strengthening research outcomes.

Universities' Investment Plans for 2013-14 aim to fulfil these roles and expectations, with special emphasis on lifting course and qualification completions and other achievement rates, especially among the TES priority groups of Māori, Pasifika and those aged under 25 years.

University highlights

In 2013 university sector highlights included:

- increased overall student achievement, with increases in the sector's qualification completion and student retention rates
- increased Pasifika participation from six percent to seven percent



- improved Māori achievement, with increases in successful qualification completion and student retention rates
- increased postgraduate research degree completions, with more Masters and PhDs completed
- increased enrolments at postgraduate level.

University performance

Universities received the highest proportion of the Government's total spending on tertiary education organisations: \$1.45 billion or 53 percent in 2013. Overall, the university sector continued to strengthen its performance in 2013. Improved overall successful qualification completion and student retention rates translated to improvements across youth, Māori and Pasifika student groups. Research performance, as measured by the allocation of the Performance-Based Research Fund (PBRF), again exceeded other sectors, with 97 percent going to universities.

Operating environment

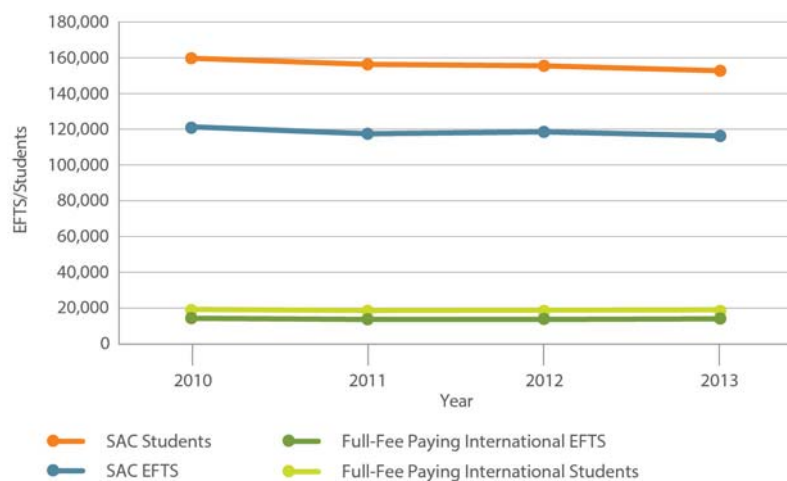
Key factors affecting the universities' operating environment and delivering to 2013 Investment Plan commitments, included:

- the continuing impact of the Canterbury earthquakes on infrastructure and enrolments at the University of Canterbury, Lincoln University and the University of Otago
- an overall decline in enrolments, driven by increased management of enrolments within agreed levels of delivery at some universities, reduced enrolments at the University of Canterbury and Lincoln University, owing to the Canterbury earthquakes, and lower demand across the sector compared with the 2011-12 Investment Plan period.

Participation

In 2013 universities provided tertiary education to 153,014 students or 116,660 equivalent full-time students (EFTS). There were 10,787 full-fee paying international EFTS (15,678 students) enrolled across the university sector,⁴ and 2,482 international PhD EFTS (3,027 international students) enrolled under the domestic fees policy (see figure 16).

Figure 16: University enrolments, 2010–2013



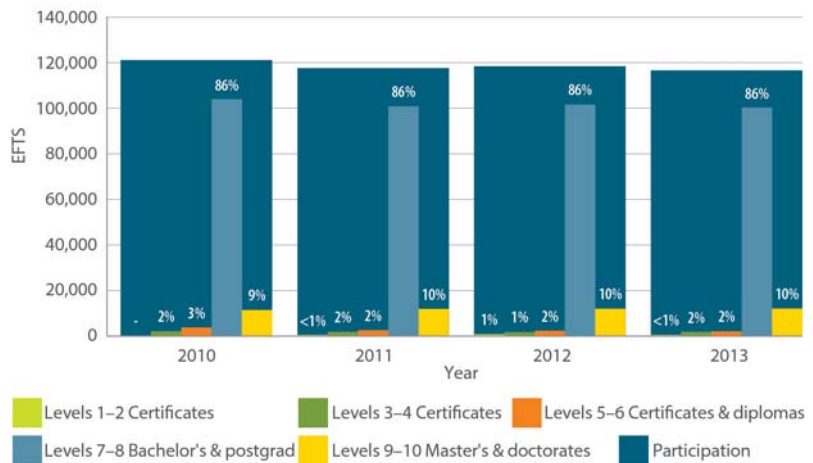
**Universities
provided tertiary
education to
153,014 students
or 116,660 EFTS**

4. This is the number of international EFTS that were required to pay full fees and excludes PhD students or postgraduate students on scholarships who are not required to pay fees.

Pasifika enrolments increased to seven percent of the university population

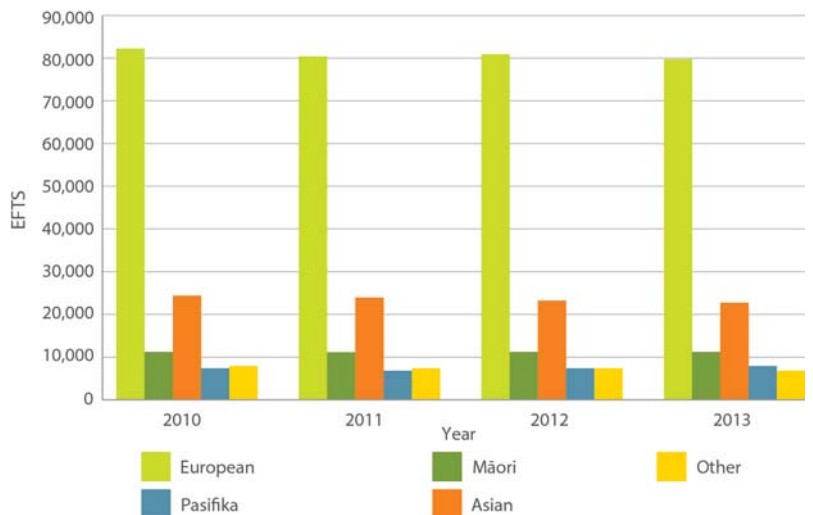
While 2013 saw a drop in overall enrolments (1,830 EFTS, 2,516 students) university participation continued to reflect the focus towards graduate-level study with 79 percent of all degree level and above enrolments contributed by the university sector. Participation across the qualifications showed increases in enrolments across Level 3–4 (103 EFTS) and Levels 9–10 (16 EFTS) and decreases at Levels 5–6 and 7–8 (see figure 17). Enrolments at Levels 1–2 also decreased, by 319 EFTS, as a result of Lincoln University strategically withdrawing from delivering at lower levels.

Figure 17: University enrolments by NZQF level, 2010–13



Across the ethnicities Māori enrolments remained at 10 percent of total university enrolments. Pasifika students increased to seven percent of the university population, with the volume of Pasifika enrolments increasing by 323 EFTS.

Figure 18: University enrolments by ethnicity, 2010–13

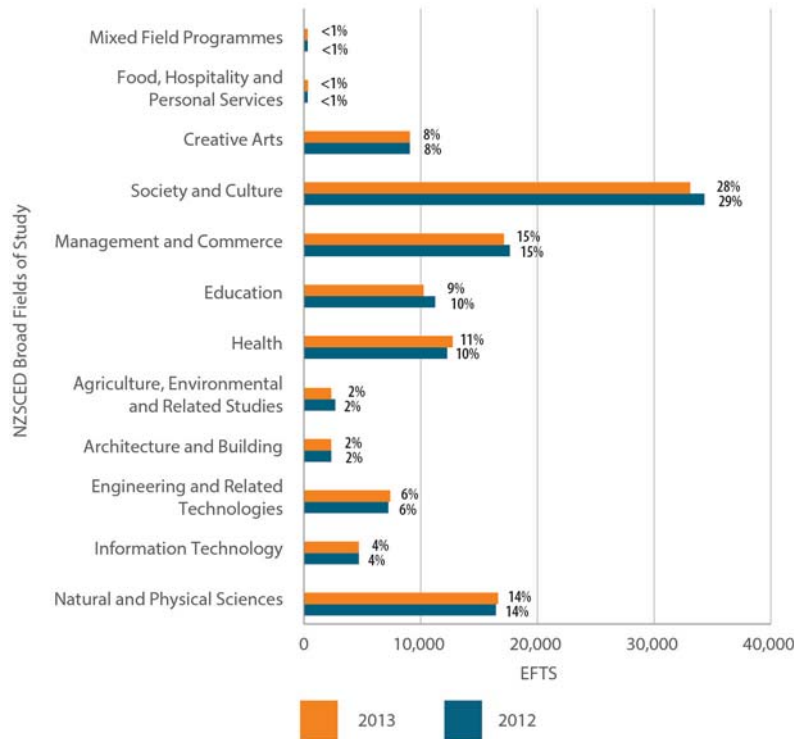


Note: Total may exceed total EFTS or 100 percent, as some students identify with more than one ethnicity.



The mix of enrolments across the subject areas remained steady in 2013. Society and Culture (28%), Management and Commerce (15%), and Natural and Physical Sciences (14%) were the fields of study with the largest proportions of enrolments. The largest increases were in Health (by 424 EFTS), and Natural and Physical Sciences (by 276 EFTS).

Figure 19: University enrolments by subject, 2012 and 2013



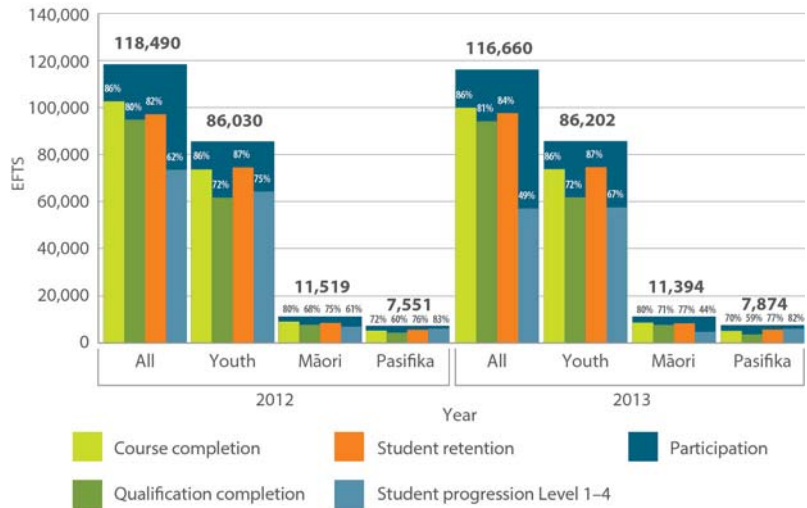
Performance against TES priorities

Average educational performance by the universities improved in terms of qualification completion (from 80% in 2012 to 81% in 2013) and student retention (from 82% to 84%). Course completion remained at the same level (86%) as in the previous two years, which was the highest rate of any sector. Student progression within Levels 1–4 decreased from 62 percent in 2012 to 49 percent in 2013 but this can be attributed to the withdrawal of Lincoln University from delivery at Levels 1–2.

Achievement by all students and the TES priority groups remained steady compared with the previous year. In general, course completion rates remained at similar levels to the previous year while student retention and qualification completion rates increased across each group (see figure 20).

Universities continued to attract the largest share of students under 25 years of age, accounting for 74 percent of all university enrolments

Figure 20: University participation and achievement, 2012 and 2013

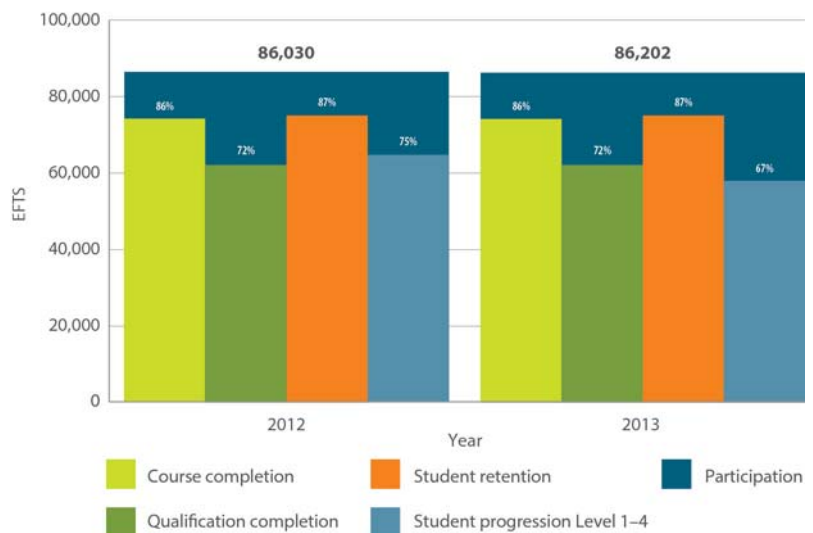


TES Priority: Increasing the number of young people (aged under 25) achieving qualifications at Level 4 and above, particularly degrees

In 2013 universities continued to attract the largest share of students under 25 years of age, accounting for 74 percent of all university enrolments. Almost all youth enrolments were at degree level and above (97%), with proportions mainly unchanged over the past two years (see figure 21).

Overall, the number of youth enrolments increased in 2013 (by 172 EFTS) and continued to emphasise the higher-level enrolment trend for youth across universities. Enrolment across degree- and postgraduate-level study increased in 2013 (Level 7 and above up by 395 EFTS) and, in line with expectations, the number of enrolments decreased at Levels 1-2 (by 135 EFTS) and Levels 5-6 (by 178 EFTS). However, there was a small increase in participation at Levels 3-4 of 91 EFTS.

Figure 21: University participation and achievement by students under 25 years, 2012 and 2013



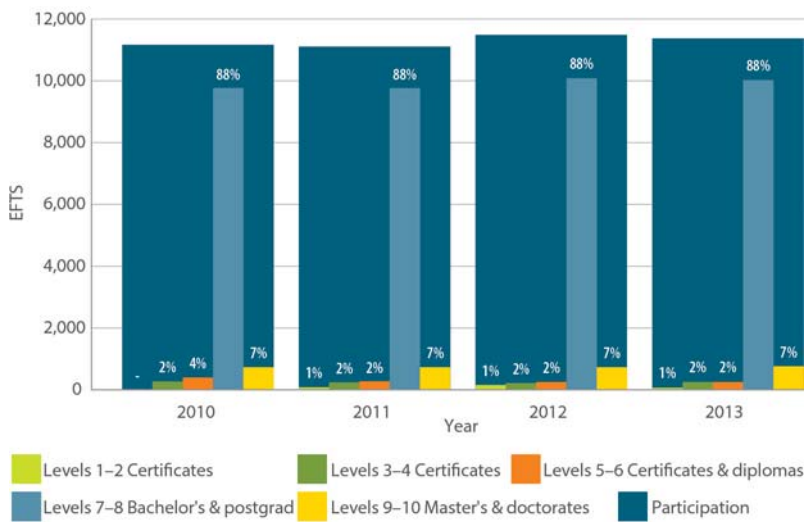


Youth achievement remained steady in 2013, with increases for course completions, qualification completions and student retention remaining at 2012 levels. Student progression decreased from 2012 levels (75%) to 67 percent. Youth achievement at Level 4 and above across the sector also either improved or remained steady across each of the educational performance indicators (EPIs).

TES Priority: Increasing the number of Māori students enjoying success at higher levels

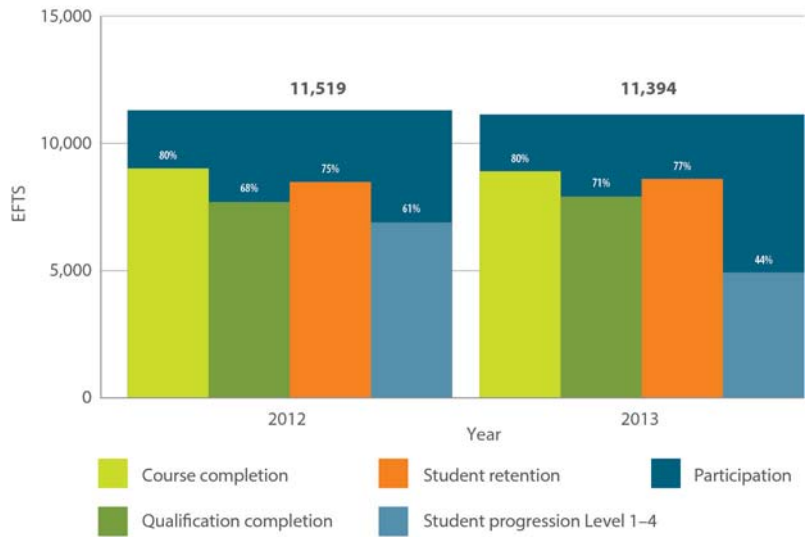
In 2013 Māori enrolments continued to account for 10 percent of all university enrolments, while the volume dropped slightly by 125 EFTS. The distribution of Māori enrolments saw an increase in the number of enrolments at Levels 3–6 of 34 EFTS and a decrease at Levels 1–2 (87 EFTS) and Levels 7–8 (73 EFTS).

Figure 22: University enrolments by NZQF level by Māori students, 2010–13



Educational achievement by Māori students continued to strengthen in 2013, while remaining below the university sector averages for all students and under-25-year-olds. There were increases for qualification completion rates (from 68% in 2012 to 71% in 2013) and student retention (from 75% to 77%). Course completions remained at the same level (80%) as in the previous year, while student progression decreased (from 61% in 2012 to 44% in 2013).

Figure 23: University participation and achievement by Māori students, 2012 and 2013

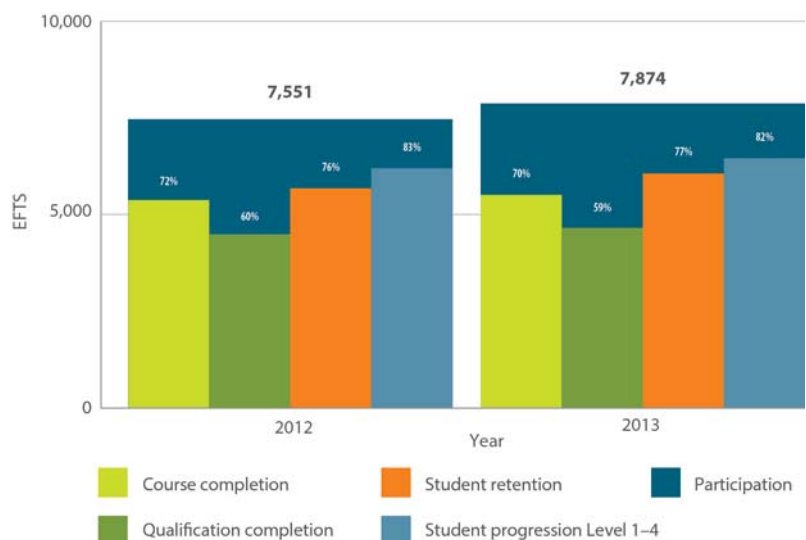


TES Priority: Increasing the number of Pasifika students achieving at higher levels

Pasifika student enrolments increased in 2013 (by 323 EFTS) increasing the rate of participation to seven percent of total enrolments. The distribution of Pasifika students across the levels of study remained similar to 2012, with the majority of the increase evident at Levels 7–8, which accounted for 87 percent of all Pasifika enrolments.

Average Pasifika educational achievement showed a slight change from 2012. While course and qualification completion and student progression showed a slight decrease, Pasifika student retention slightly increased (from 76 per cent to 77 per cent).

Figure 24: University participation and achievement by Pasifika students, 2012 and 2013





TES Priority: Strengthening research outcomes

Funding for the PBRF is allocated according to three elements: quality evaluation, research degree completions and external research income. Universities received 97 percent of the available PBRF funding in 2013.

The university sector achieved 3,789 research degree completions, which was 95 percent of the total 3,974. The sector generated \$396.6 million in external research income in 2013, more than 99 percent of the total.

Financial performance

In 2013 total revenue increased by \$78.6 million, driven by increases in Government funding (\$18.2 million) and student fees (\$38.5 million). The university sector net surplus after unusual items increased significantly, by \$158 million, owing to unusual income items for the University of Canterbury and Lincoln University of \$83.2 million, compared to unusual expenditure items in 2012 of \$60 million.

Total operating expenses increased by \$56 million, reflecting increases in non-personnel expenditure. Across the sector total assets increased by \$305 million (4.3%) largely owing to increases in the value of property, plant and equipment.

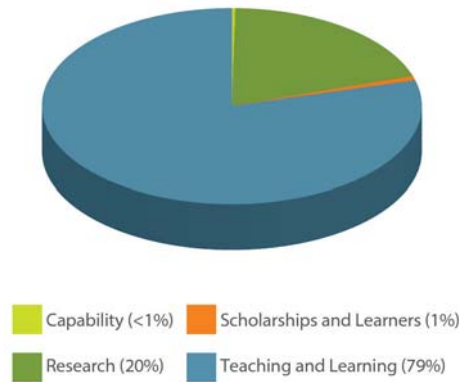
The university sector achieved 3,789 research degree completions, which was 95 percent of the total 3,974

Table 5: Overview of university sector financial performance

Key performance metrics	2011	2012	2013	TEC minimum guidelines
Net surplus (after unusual and non-recurring items)	4.0%	1.4%	6.1%	3.0%
Net cashflow from operations	116.7%	115.7%	116.2%	111.0%
Liquid funds	12.4%	18.1%	12.2%	8.0%
Three-year average return on property, plant, equipment and intangibles	6.5%	6.9%	7.1%	4.5%
Summary financial statements (NZ\$000)	2011	2012	2013	% of 2013 category
Revenue:				
Total Government revenue	\$1,403,568	\$1,412,886	\$1,448,545	43%
Domestic student fees	\$565,257	\$591,567	\$613,145	18%
International student fees	\$287,723	\$306,700	\$323,667	10%
Other income (including research)	\$967,744	\$967,601	\$984,462	29%
Total revenue	\$3,224,291	\$3,278,754	\$3,369,819	
Assets:				
Property, plant, equipment and intangibles	\$6,200,180	\$6,269,649	\$6,489,803	87%
Other assets	\$836,252	\$888,747	\$973,879	13%
Total assets	\$7,036,432	\$7,158,396	\$7,463,682	100%
Equity (net assets)	\$5,851,794	\$5,888,794	\$6,249,047	

Universities received around half of total Government funding for tertiary education organisations in 2013 (\$1.4 billion, 53%). Of the Government funding allocated by the TEC, 79 percent (\$1.1 billion) was for Teaching and Learning and 19 percent (\$276.2 million) was for Research.

Figure 25: Total university government funding by type, 2013



Future focus for universities

In 2014 universities expect to focus on the following key areas to support TES priorities:

- Māori and Pasifika learners participating and achieving at all levels at least on par with other learners
- excellence and distinctiveness of institutional mission, and
- being active and successful in knowledge transfer from research activities and linkages with industry.



Institutes of technology and polytechnics

Institutes of technology and polytechnics (ITPs) are key providers of vocational education in New Zealand. The Government expects ITPs to enable students (including students with low literacy, language and numeracy skills) to complete relevant qualifications that meet industry needs and/or lead to higher levels of learning.

In 2013 the Government funded 18 ITPs across New Zealand to deliver technical, vocational and professional education, and to undertake research, particularly applied and technological research.

The Tertiary Education Strategy (TES) defines the core roles and Government expectations of ITPs as:

Core roles	Government expectations
<ul style="list-style-type: none"> Deliver vocational education that provides skills for employment Undertake applied research that supports vocational learning and technology transfer Assist progression to higher levels of learning or work through foundation education 	<ul style="list-style-type: none"> Enable a wide range of students to complete industry-relevant certificate, diploma and applied degree qualifications Enable local access to appropriate tertiary education Support students with low literacy, language and numeracy skills to improve these skills and progress to higher levels of learning Work with industry to ensure that vocational learning meets industry needs

In addition to these core roles and expectations, ITPs advance TES priorities according to the needs of their catchment areas. For smaller ITPs this often involves helping learners to move on to higher levels of learning at other institutions. Others deliver higher levels of learning and undertake applied vocational research.

The Government expects ITPs to respond to the needs of their local catchments, with particular focus on the priority groups identified in the TES (Māori, Pasifika and those aged under 25 years). ITPs contribute to TES priorities through:

- increasing the number of young people (aged under 25) achieving qualifications at Level 4 and above on the New Zealand Qualifications Framework (NZQF), especially degrees
- increasing the number of Māori students enjoying success at higher levels
- increasing the number of Pasifika students achieving at higher levels
- increasing the number of young people moving successfully from school into tertiary education, and
- improving literacy, language and numeracy and skills outcomes from study at NZQF Levels 1–3.

In 2013 ITPs received \$594 million – 22 percent of total Government funding for tertiary education organisations



In 2013, the trend for increasing enrolments in higher levels of study continued across the ITP sector

ITP highlights

In 2013 ITP sector highlights included:

- delivery of priority trades and engineering provision
- improved educational performance, both overall and among the TES priority groups
- increased provision in areas of demand, such as engineering, architecture and building and health-related qualifications
- delivery of the fees-free Pasifika Trades Training initiative. As part of this initiative, ITPs partnered with Pasifika community leaders to promote trades training and to recruit learners, and
- better efforts to match supply and demand, including through enhanced industry links and focus on employment outcomes.

ITP performance

The ITP sector received \$594 million of the Tertiary Education Commission (TEC) funding in 2013 (22% of the total). The sector performed strongly on some key measures:

- improved delivery to TES priority groups
- an increased performance against the educational performance indicators (EPIs)
- an increased number of students who moved into higher levels of study, and
- evidence of increased responsiveness to the TES priority groups.

Operating environment

The ITP sector faced several challenges in 2013, including:

- developing Investment Plans that align with the TES priorities and with the TEC's expectations and achieving the objectives set out in Investment Plans
- maintaining continuous improvements in vocational education and training delivery within the context of a capped funding environment, and
- responding to the competitive process for Level 1 and Level 2 provision and to the results of that process.

In addition, some ITPs faced ongoing challenges from the impact of the Canterbury earthquakes.

Participation

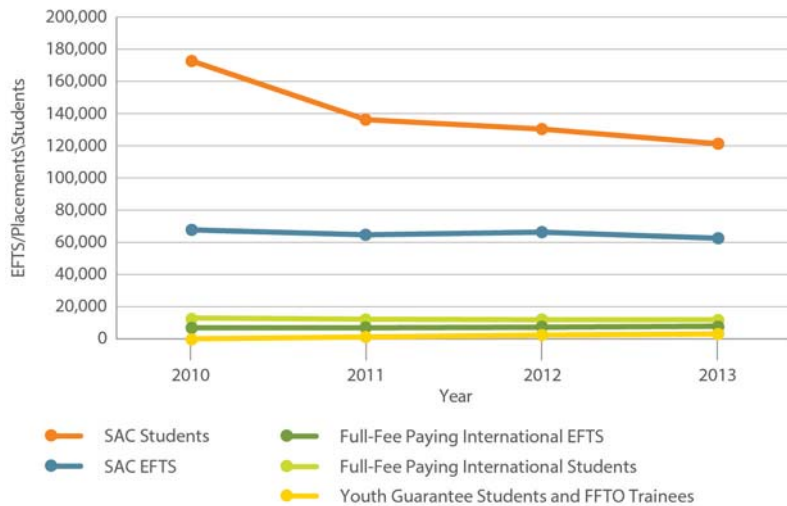
ITPs provided tertiary education to 121,861 students in 2013, comprising 63,088 equivalent full-time students (EFTS) eligible for funding through the Student Achievement Component (SAC) (see figure 26).⁵ The ITP sector delivered six percent fewer overall EFTS compared with 2012. Over the same period the ITP sector also had 1,983 EFTS (2,630 students) enrolled in Youth Guarantee programmes, 553 Foundation-Focused Training Opportunities (FFTO) placements⁶ and 7,595 full-fee-paying foreign international EFTS (12,258 students). International enrolments decreased by two percent (122 EFTS) compared with 2012.

5. SAC-eligible EFTS refers to the total number of EFTS delivered, which may differ from the number of the TEC-funded EFTS; reasons include funding caps that mean EFTS delivered above cap are not funded.

6. As of 31 December 2013 the Foundation-Focused Training Opportunities (FFTO) fund was disestablished.



Figure 26: ITP enrolments, 2010–13



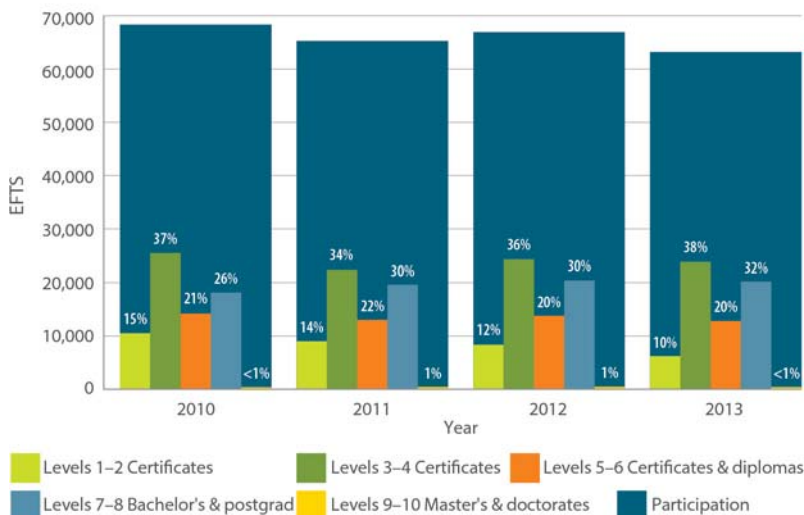
Note:

Foundation-Focused Training Opportunities data relates to trainees with a placement start date during the year. Individuals who enrolled in more than one programme will be counted in each programme. As of 2012 Youth Training was combined with Youth Guarantee.

The ITP sector delivered the largest share (38%) of its SAC-eligible EFTS at Levels 3–4, followed by Levels 7–8 (32%) and Levels 5–6 (20%) (see figure 27). In 2013 the trend for increasing enrolments in higher levels of study continued across the ITP sector, with consistent increases over previous years. Participation at Levels 7–8 increased by two percentage points, however, participation at Levels 9–10 dropped slightly to less than one percent of total provision.

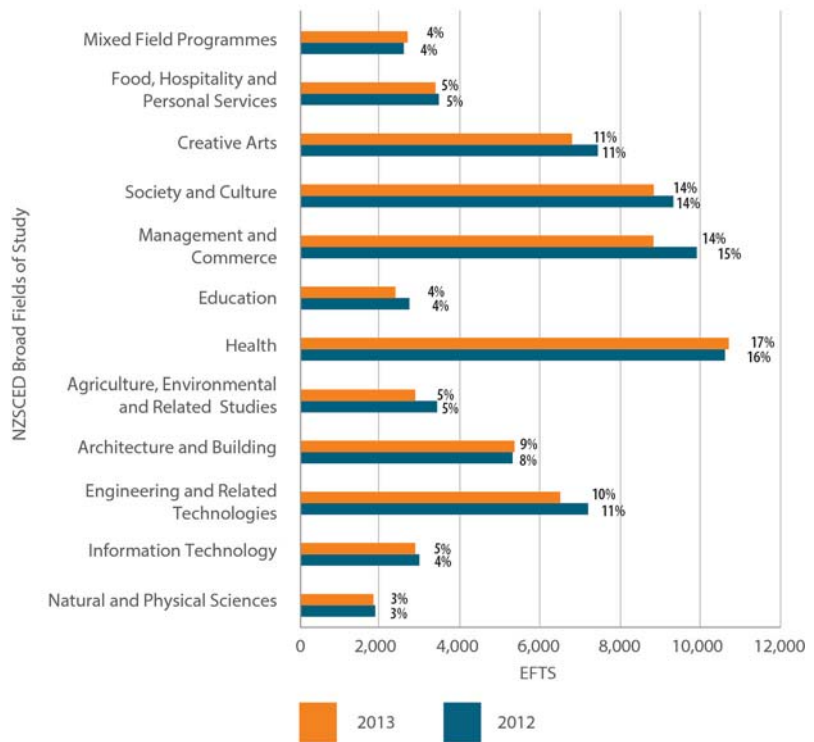
The volume of provision at Levels 1–2 has continued to reduce over the past seven years, with a particularly steep drop in 2013 of 35 percent (2,127 EFTS) compared with 2012. This reduction is directly related to the competitive tendering process for provision at these levels, which opened this funding up to Private Training Establishments (PTEs) from 2013 onwards.

Figure 27: ITP enrolments by NZQF level, 2010–13



Overall, the distribution of students by field of study did not change significantly compared with 2012 (see figure 28). Across 2013, enrolments continued to increase in Health (17%) making it the largest field of study. While Management and Commerce (14%) remained the second largest field of study it has continued to decline since 2008, with a sharp drop in 2013 (13 percent or 1,105 EFTS). Engineering and Related Technologies (663 EFTS), and Creative Arts (643 EFTS) also decreased.

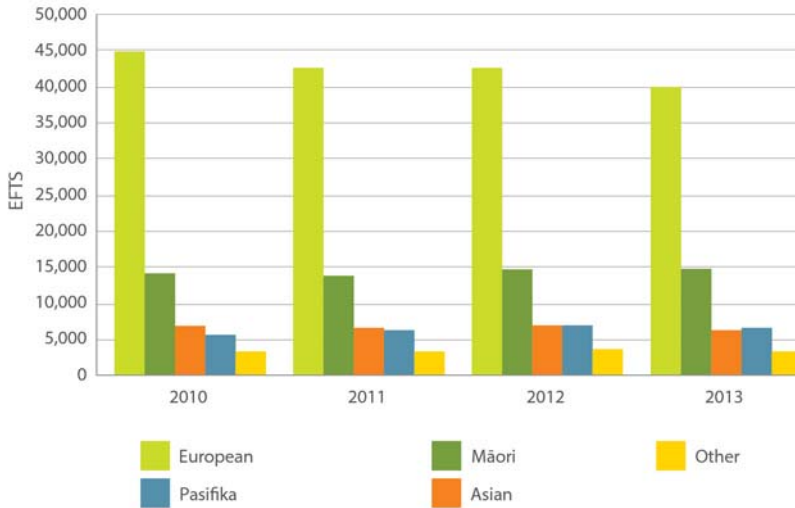
Figure 28: ITP enrolments by subject, 2012 and 2013



In 2013 the volume of enrolments decreased in the ITP sector for each of the ethnic groups, reflecting an overall drop in enrolments (see figure 29). Māori enrolments accounted for 23 percent (up from 22% in 2012) and Pasifika enrolments increased to 11 percent of total ITP enrolments (from 8% in 2012). Enrolments of Asian students decreased in volume (by 426 EFTS) but remained at 10 percent of total enrolments, while the same was true for European enrolments, which dropped by 2,430 EFTS but stayed at 64 percent of total participation across ITPs.



Figure 29: ITP enrolments by ethnicity, 2010–13



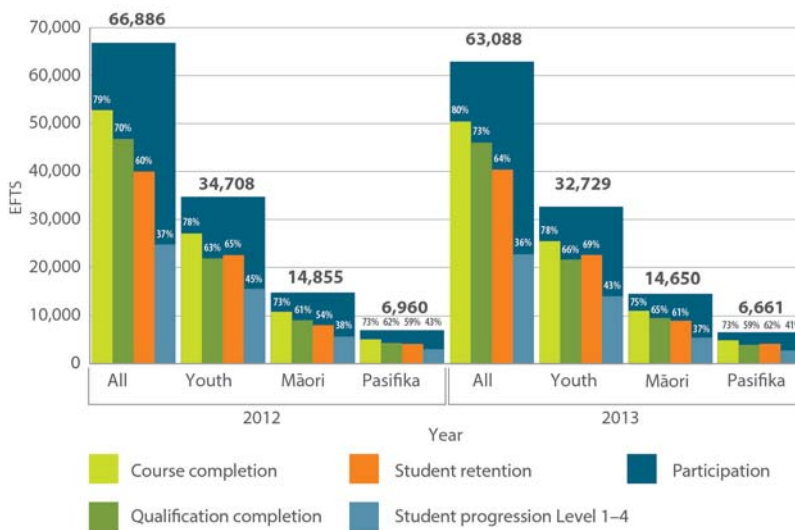
Note:

Total may exceed total equivalent full-time students or 100 percent as some students identify with more than one ethnicity.

Performance against TES priorities

Overall, the ITP sector continued to improve its performance against most of the EPIs in 2013 (see figure 30). The following section highlights important aspects of performance among the TES priority groups, as well as research and financial performance.

Figure 30: ITP participation and achievement, 2012 and 2013



TES Priority: Increasing the number of young people achieving qualifications at Level 4 and above, particularly degrees

In 2013, participation of under-25-year-olds remained the same as the previous year (see figure 31). Under-25-year-olds accounted for 52 percent of all enrolments across the ITP sector, although the volume of enrolments dropped by 1,979 EFTS. Despite this drop the number of youth enrolments in higher-level study continued to increase (up by 193 EFTS) across Levels 7–10 and accounted for 17 percent of Youth enrolments (up from 16% in 2012).

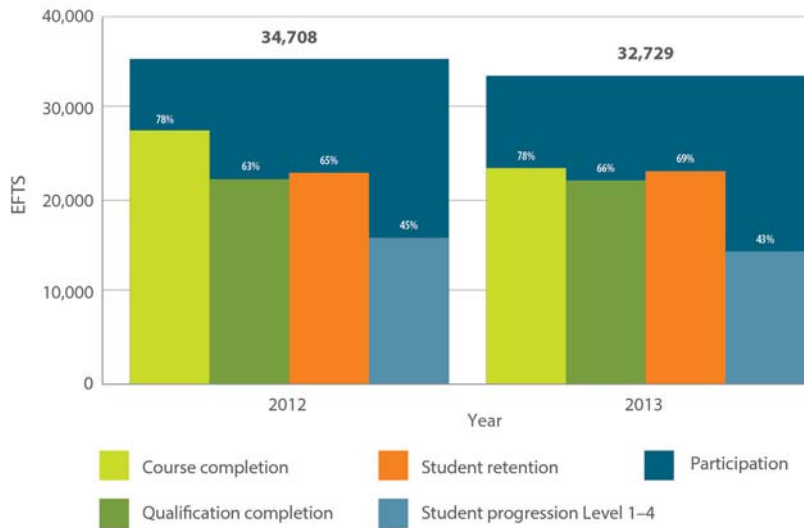
Performance against the educational performance indicators improved amongst students aged under 25 years, Māori and Pasifika at ITPs

Youth participation increased in targeted programmes thanks to the expansion of the Youth Guarantee fund

Youth achievement at ITPs generally improved across EPIs in 2013 with the exception of student progression. Course completion remained at 78 percent, while qualification completion increased (from 51% in 2012 to 66% in 2013) as did student retention (from 64% to 69%). Student progression within Levels 1–4 went down by two percentage points compared with 2012 (down from 45% in 2012 to 43% in 2013).

In general, youth achievement remained at similar levels compared with the previous year, with the most notable increases in qualification completion across all levels of study. Achievement remained particularly strong at Levels 7–8 sitting well above the overall rates on each EPI measure for all youth.

Figure 31: ITP participation and achievement by students under 25 years, 2012 and 2013



In 2013 youth participation increased in targeted programmes due to the expansion of the Youth Guarantee fund, with 1,983 EFTS (2,630 students) up from 1,990 enrolments in 2012. Educational performance results for Youth Guarantee show 70 percent successful course completion, 60 percent successful qualification completion, 66 percent student retention and 43 percent student progression. From 2013 Youth Guarantee is reported through the Single Data Return (SDR) and aligns with the reporting for SAC-funded enrolments and uses the same EPIs. This means that the performance measures used in previous years are no longer comparable and 2013 forms the baseline year.

TES Priority: Increasing the number of Māori students enjoying success at higher levels

Māori enrolments decreased slightly in terms of volume in 2013 but increased as a proportion of total enrolments to account for 23 percent (from 22% in 2012) of enrolments. Māori enrolments remained at similar proportions across each level of study. Overall, educational achievement for Māori students improved with increases in course completion (from 73% in 2012 to 75% in 2013), qualification completion (from 50% to 65%) and student retention (from 52% to 61%). Student progression within Levels 1–4 dropped fractionally (from 38% in 2012 to 37% in 2013). Māori achievement in 2013 remained below the averages of all ITP students, including under-25-year-olds.



Figure 32: ITP participation and achievement by Māori students, 2012 and 2013

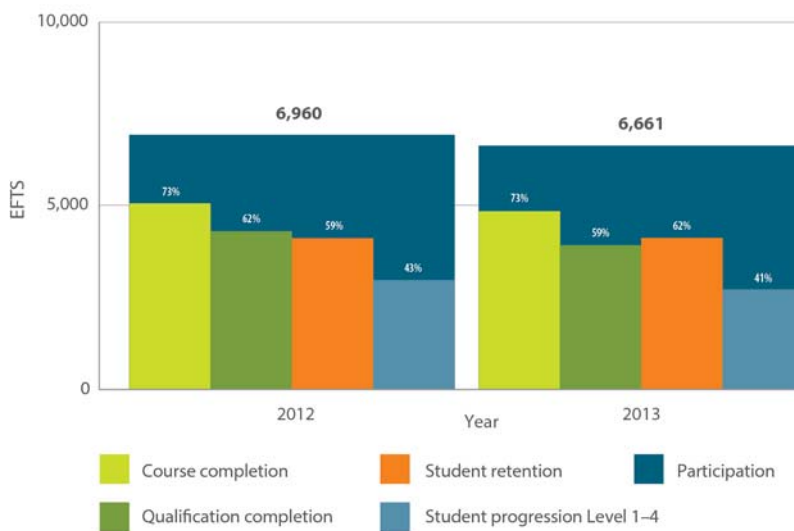


TES Priority: Increasing the number of Pasifika students achieving at higher levels

Pasifika enrolments increased (10% in 2012 to 11% in 2013) in proportion while dropping by 299 EFTS in 2013. The enrolments change reflects the shift in Pasifika students towards degree level and higher programmes (from 26% in 2012 to 29% in 2013). As in 2012 the majority of Pasifika students studied at Levels 3-4 (44% or 2,916 EFTS), followed by Levels 7-8 (29% or 1,801 EFTS).

Educational performance by Pasifika students improved for student retention (from 59% to 62%) while course completion remained unchanged at 73 percent. Qualification completion and student progression dropped by three and two percentage points respectively (see figure 33).

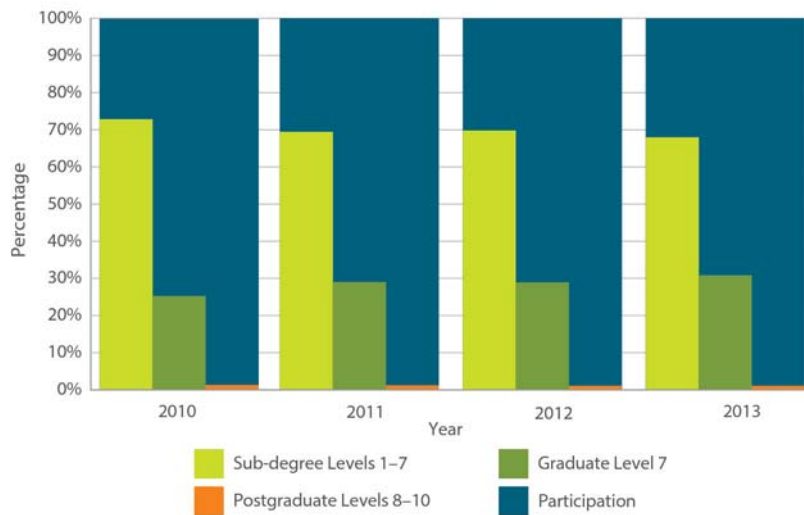
Figure 33: ITP participation and achievement by Pasifika students, 2012 and 2013



TES Priority: Strengthening research outcomes

ITPs undertake research that supports vocational learning and work with business and industry to transfer technology to the economy. Across the ITP sector the share and volume of postgraduate enrolments has generally increased in recent years, however, it dropped slightly in 2013 and accounted for one percent (792 EFTS down from 898 EFTS in 2012) of all ITP enrolments (see figure 34).

Figure 34: ITP enrolments by qualification grouping, 2010–2013



Funding for the Performance-Based Research Fund (PBRF) is allocated according to three elements: quality evaluation, research degree completions and external research income. ITPs again received two percent of the available PBRF funding in 2013, while accounting for 173 research degree completions and generating \$2.3 million in external research income.

Financial performance

Between 2012 and 2013 the ITP sector had a significant decline in financial performance, with net surplus after unusual items falling by \$20.8 million (1.66%) to \$17.5 million. A reduction in Government funding (\$42.8 million) and domestic student fees (\$10.9 million) was partly offset by increased international fees and other income, which led to total revenue falling by \$29.4 million.

Operating expenditure decreased by \$20.8 million as the sector sought to offset revenue reductions. Total assets increased by \$100 million, driven by increases in the value of property, plant, equipment and intangibles.

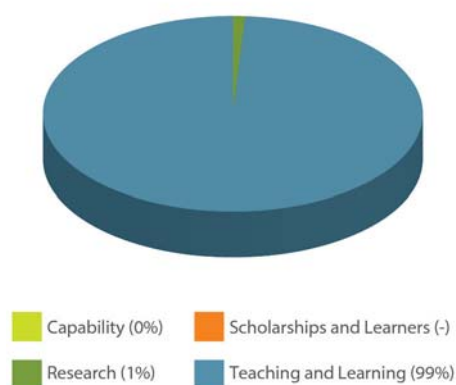


Table 6: Overview of ITP sector financial performance

Key Performance Metrics	2011	2012	2013	TEC Minimum Guidelines
Net surplus (after unusual and non-recurring items)	5.1%	3.5%	1.7%	3.0%
Net cashflow from operations	115.2%	113.2%	111.1%	111.0%
Liquid funds	34.2%	26.8%	27.0%	8.0%
3-Year average return on property, plant equipment and intangibles	7.9%	7.2%	5.7%	4.5%
Summary Financial Statements (NZ\$000)	2011	2012	2013	% of 2013 Category
Revenue				
Total government revenue	\$628,620	\$647,273	\$606,095	57%
Domestic student fees	\$239,799	\$247,928	\$237,003	22%
International student fees	\$90,872	\$96,494	\$99,808	9%
Other income (including research)	\$93,171	\$93,377	\$115,621	11%
Total revenue	\$1,052,462	\$1,085,072	\$1,058,527	100%
Assets				
Property plant equipment and intangibles	\$1,564,761	\$1,658,441	\$1,761,414	83%
Other assets	\$432,805	\$362,708	\$359,872	17%
Total Assets	\$1,997,566	\$2,021,149	\$2,121,286	100%
Equity (net assets)				
	\$1,717,862	\$1,760,894	\$1,831,976	

Almost all the TEC-allocated funding for ITPs in 2013 went towards Teaching and Learning (\$587.8 million or 99% of the total). The rest was allocated to Research (\$6.1 million) (see figure 35).

Figure 35: Total ITP Government funding by type, 2013





Future focus for ITPs

ITPs will continue to focus on four key areas in 2013 and beyond to support the TES priorities:

- further enhancing delivery to the TES priority groups: Youth (including those not in education, employment or training) Māori and Pasifika
- enhancing links with industry and achieving better employment outcomes for learners
- increasing collaboration to improve provision to learners and achieve better value for money, and
- enhanced performance in international education.



Wānanga

Wānanga deliver education through multiple sites, often using community resources to support teaching and learning. While the wānanga sector is smaller than the institutes of technology and polytechnics (ITPs) and university sectors, it contributes significantly to the tertiary sector via its distinctive approach to teaching and learning, the areas in which it works and the groups with whom it works.

Wānanga attract many first-time tertiary learners, both Māori and non-Māori, at foundation-level study. They are expected to support these learners on to higher levels of study.

The wānanga sector delivers education from over 600 sites throughout New Zealand, including approximately 150 marae-based sites. While each wānanga is unique, they are expected to contribute to the tertiary education sector and to support the priorities in the Tertiary Education Strategy (TES). Wānanga also play an important role in re-engaging learners in education.

The TES defines the core roles and Government expectations for wānanga as:

Core roles	Government expectations
<ul style="list-style-type: none"> • Provide quality education in accordance with kaupapa Māori philosophies, principles and approaches • Undertake teaching and research that advance and disseminate knowledge, develop intellectual independence, and assist the application of knowledge regarding āhuatanga Māori and tikanga Māori • Contribute to the survival and well-being of Māori as a people 	<ul style="list-style-type: none"> • Create and share new Māori knowledge that contributes to whānau, hapū and iwi prosperity, and to New Zealand's economic, social, cultural and environmental development • Make an increasing contribution to sector-wide leadership, through advancing mātauranga Māori at all qualification levels and across all fields of study • Enable students to complete a range of sub-degree, degree and post-graduate qualifications, with clear study paths to higher levels of learning through a Māori paradigm

Wānanga advance the Government's TES priorities by:

- increasing the number of young people (aged under 25) achieving qualifications at Level 4 and above of the New Zealand Qualifications Framework (NZQF), particularly degrees
- increasing the number of Māori students enjoying success at higher levels
- increasing the number of Pasifika students achieving at higher levels
- increasing the number of young people moving successfully from school into tertiary education, and
- improving literacy, language and numeracy and skills outcomes from study at NZQF Levels 1–3.



The wānanga sector improved its performance on all of the educational performance indicators compared with 2012

Wānanga highlights

In 2013 highlights across the wānanga sector included:

- improved overall educational performance for all students, including TES priority groups
- significant improvement in qualification completion rates for all students, including TES priority groups
- continued development of collaborative arrangements with other tertiary education organisations (TEOs) and industry-enabling pathways to help student progression
- further development of linkages with secondary schooling to help transitions to tertiary education, and
- completion of major capital projects to enhance and grow wānanga delivery.

Wānanga performance

In 2013 the wānanga sector received \$158.6 million in Government funding (6% of all Government funding for tertiary education organisations) and continued to make a significant contribution to tertiary education, particularly for Māori and Pasifika learners. The wānanga sector improved its performance on all of the educational performance indicators (EPs) compared with 2012. The wānanga sector's financial performance declined slightly in 2013 compared with the previous year.

Operating environment

Key challenges for wānanga during 2013 included continuing to:

- respond to the TES, including improving outcomes for priority learner groups (Māori, Pasifika and under-25-year-olds), and
- increase participation by Māori in tertiary education, in particular, at higher levels (Level 4 and above) of learning, and under-25-year-olds.

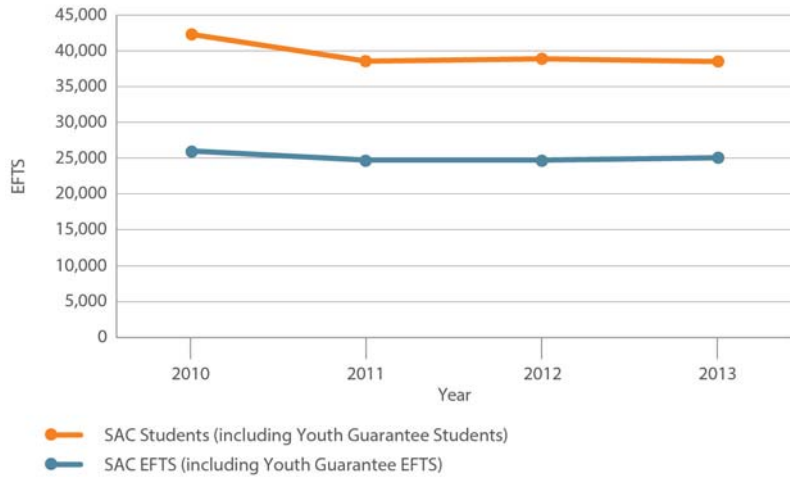
Participation

In 2013 wānanga delivered 10 percent of provision across the tertiary sector, which equates to 24,702 equivalent full-time students (EFTS) or 38,481 students (see figure 36). Wānanga also enrolled 318 Youth Guarantee EFTS (398 students) in 2013.⁷

7. Te Wānanga o Aotearoa was the only wānanga offering Youth Guarantee places in 2013.

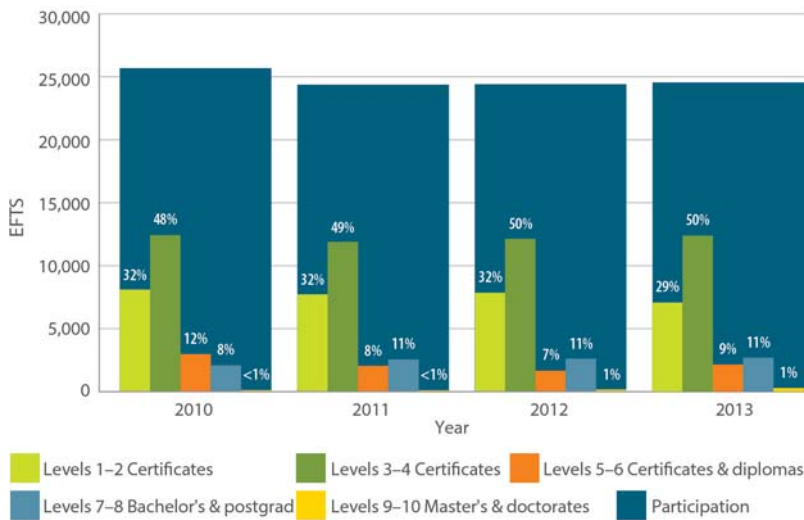


Figure 36: Wānanga enrolments, 2010–13



The mix of delivery across the levels of study remained the same in 2013. The majority of wānanga delivery was at Levels 3–4 (50%) and Levels 1–2 (29%) (see figure 37). Wānanga increased their delivery across all levels except Levels 1–2 (down by 786 EFTS), which can be attributed to the introduction of competitive Levels 1–2. Enrolments across Levels 3–6 increased by 753 EFTS, while Level 7 and above increased by 182 EFTS.

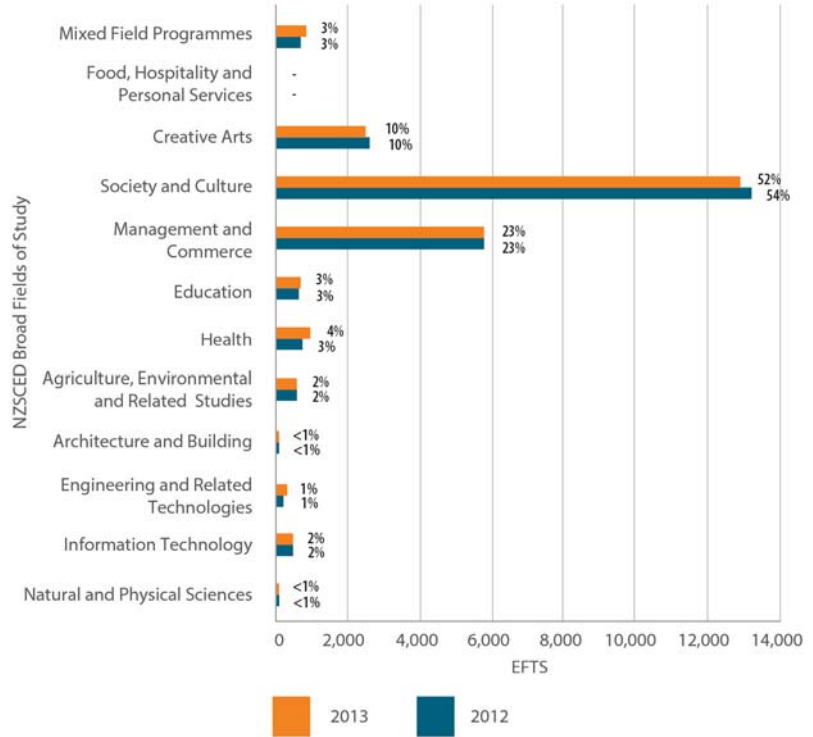
Figure 37: Wānanga enrolments by NZQF level, 2010–13



In 2013 the largest proportion of EFTS in the wānanga sector was in Society and Culture (52%), followed by Management and Commerce (23%), and Creative Arts (10%). Society and Culture dropped slightly (by 2%, 304 EFTS) on the previous year, while Health increased (by 1%, 205 EFTS) (see figure 38).

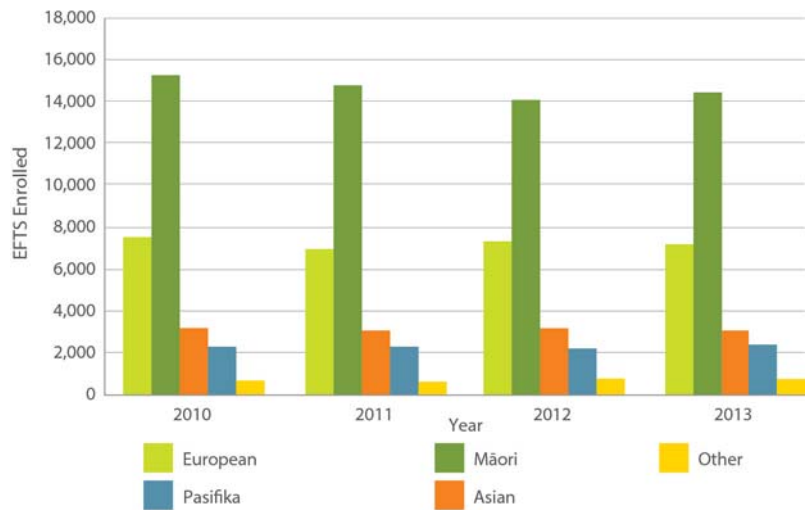
Increased enrolments of Māori and Pasifika students in wānanga

Figure 38: Wānanga enrolments by subject, 2012 and 2013



The number of Māori EFTS enrolled at wānanga increased in 2013 by 392 EFTS and the number of Pasifika enrolled increased by 127 EFTS.

Figure 39: Wānanga enrolments by ethnicity, 2010–13



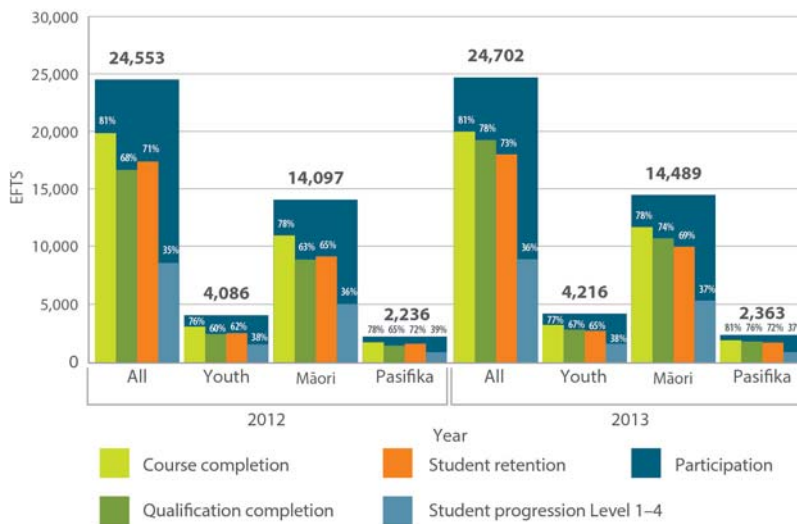
Note: Total may exceed total EFTS or 100 percent as some students identify with more than one ethnicity.



Performance against TES priorities

Overall, achievement improved across the wānanga in 2013 for all students including the TES priority groups (see figure 40).

Figure 40: Wānanga participation and achievement, 2012 and 2013

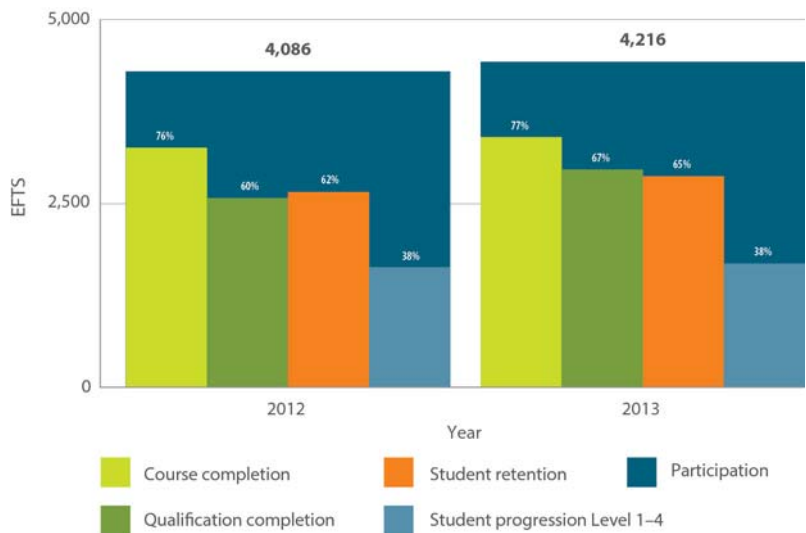


TES Priority: Increasing the number of young people achieving qualifications at Level 4 and above, particularly degrees

Students under the age of 25 accounted for 17 percent of all 2013 wānanga enrolments, an increase of 130 EFTS compared with 2012. Course completions improved among this group (from 76% to 77%) as did qualification completions (from 60% to 67%), student retention (from 62% to 65%) and student progression (steady at 38%) (see figure 41). In 2013, the wānanga sector enrolled 398 students in Youth Guarantee programmes, which target young people with low prior educational attainment.

Youth Guarantee students in the wānanga sector achieved 72 percent in course completions and 62 percent in qualification completions in 2013.

Figure 41: Wānanga participation and achievement by students under 25 years, 2012 and 2013



Youth achievement at Level 4 and above continued to increase or remain steady, with course completion at 77 percent in 2013 as it was in 2012, qualification completion up from 55 percent in 2012 to 63 percent in 2013, student retention up from 64 percent in 2012 to 66 percent in 2013 and student progression steady at 38 percent in 2013 as it was in 2012.

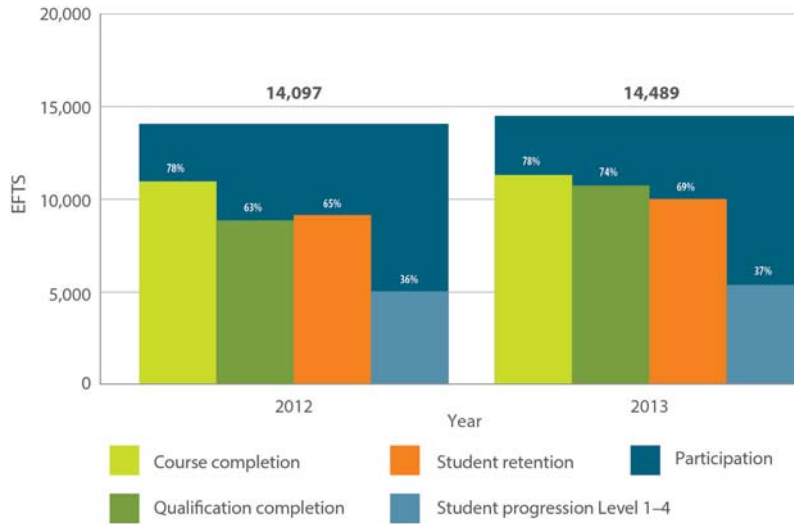
TES Priority: Increasing the number of Māori students enjoying success at higher levels

The number of Māori enrolments increased by 392 EFTS or two percentage points compared with 2012 (see figure 42). Nearly half of all Māori enrolments were at Levels 3-4 (46%). There was a decrease in participation at Levels 1-2 (by 255 EFTS) but an increase in participation at Levels 5-6 (438 EFTS) and Levels 9-10 (106 EFTS).

Achievement continued to improve for Māori, with qualification completion up from 63 percent in 2012 to 74 percent in 2013, student retention up from 65 percent in 2012 to 67 percent in 2013 and student progression up from 65 percent in 2012 to 67 percent in 2013. Course completion remained steady at the 2012 level (78%).



Figure 42: Wānanga participation and achievement by Māori students, 2012 and 2013

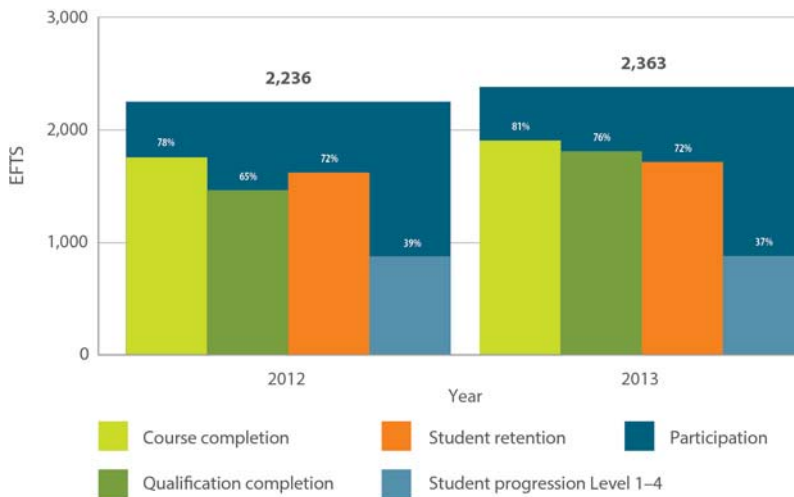


TES Priority: Increasing the number of Pasifika students achieving at higher levels

In 2013 Pasifika participation increased by one percentage point (127 EFTS), accounting for 10 percent of total enrolments (see figure 43). The distribution of Pasifika students across the levels of study also remained similar to 2012, with slight decreases at Levels 1–2.

On average, Pasifika achievement was higher in the wananga sector in comparison to other sectors. Pasifika course completions improved in 2013 (from 78% to 81%) as did qualification completions (from 65% to 76%) while student retention remained steady and there was some slippage in student progression.

Figure 43: Wānanga participation and achievement by Pasifika students, 2012 and 2013



Pasifika course and qualification completions improved

The volume of postgraduate enrolments across the wānanga sector increased

TES Priority: Strengthening research outcomes

Wānanga undertake research that advances and disseminates knowledge, develops intellectual independence and helps the application of āhuatanga Māori and tikanga Māori.

The volume of postgraduate enrolments across the wānanga sector increased in 2013, accounting for one percent (321 EFTS) of all wānanga enrolments. Funding for the Performance-Based Research Fund (PBRF) is allocated according to three elements: quality evaluation, research degree completions and external research income. Wānanga received 0.2 percent of the available PBRF funding in 2012, while accounting for 24 research degree completions and generating \$0.27 million in external research income.

Financial performance

In 2013 the wānanga sector saw a decline in profitability, with the net surplus reducing by \$6.7 million to \$8.4 million. The sector remained above the Tertiary Education Commission (TEC) low risk guideline, with a net surplus of 4.23 percent. Despite an increase in Government funding and international revenue total revenue fell by \$0.6 million largely driven by a reduction in other income primarily relating to reduced interest revenue. Operating expenditure increased by \$3.5 million, primarily driven by increased personnel expenditure. Total assets increased by \$7.9 million, driven by increases in the value of property, plant, equipment and intangibles.

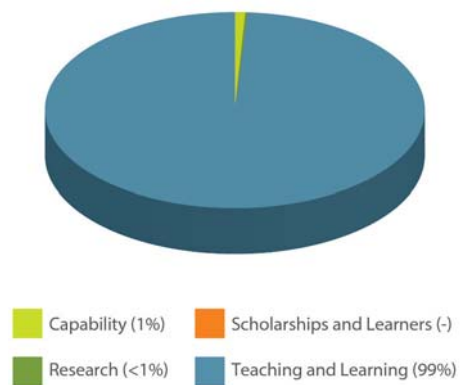
Table 7: Overview of wānanga sector financial performance

Key Performance Metrics	2011	2012	2013	TEC Minimum Guidelines
Net surplus (after unusual and non-recurring items)	5.0%	7.5%	4.2%	3.0%
Net cashflow from operations	114.7%	114.3%	109.3%	111.0%
Liquid funds	80.5%	84.3%	81.6%	8.0%
3-Year average return on property, plant equipment and intangibles	11.3%	14.6%	9.3%	4.5%
Summary Financial Statements (NZ\$000)	2011	2012	2013	% of 2013 Category
Revenue				
Total government revenue	\$169,882	\$169,366	\$169,953	86%
Domestic student fees	\$13,632	\$11,312	\$11,248	6%
International student fees	\$420	\$681	\$1,014	1%
Other income (including research)	\$16,915	\$17,231	\$15,751	8%
Total revenue	\$200,849	\$198,590	\$197,966	100%
Assets				
Property plant equipment and intangibles	\$128,035	\$138,476	\$147,316	48%
Other assets	\$90,544	\$160,906	\$159,971	52%
Total Assets	\$218,579	\$299,382	\$307,287	100%
Equity (net assets)	\$246,796	\$256,495	\$265,016	



In 2013 the TEC allocated \$169.6 million in Government funding to wānanga. The majority went to Teaching and Learning (\$167.8 million) and the remainder to Capability (\$1.5 million), and Research (\$318,066) (see figure 44).

Figure 44: Total wānanga Government funding by type, 2013



Future focus for wānanga

Wānanga will be required to focus on the following key areas in 2014 and beyond to support TES priorities:

- continuing to raise achievement rates for all students, including TES priority groups
- continuing to provide pathways to enable students to progress from foundation through to higher levels of learning and employment, and
- aligning educational delivery with regional and national economic needs, including Māori economic development.

In 2013 PTEs received \$324.7 million – 12 percent of total Government funding for tertiary education organisations

Private training establishments

The private training establishment (PTE) sector plays an important role in responding to industry need for graduates with specific skills. It offers education that is not provided by other tertiary sectors, mostly in specific vocational niches at certificate and diploma level.

PTEs are operated by a range of companies, trusts and other entities and offer post-school education or vocational training.

They are diverse in their scale of operation, location, ethnic makeup, culture and areas of educational expertise. Because of this, they respond to the varying needs of learners, industries, employers, Māori and Pasifika people, and other communities and stakeholders.

In 2013, 339 PTEs across New Zealand received over \$324.7 million of Government funding. The Tertiary Education Commission (TEC) allocated funding to the sector mainly through the Student Achievement Component (SAC), Youth Guarantee, and Foundation-Focused Training Opportunities (FFTO) funds.

Youth Guarantee programmes aim to improve the educational achievement of targeted young people by enabling them to participate in a variety of vocational courses free of charge. In 2013 these programmes focused on enabling young people under the age of 18 to obtain a New Zealand Qualifications Framework (NZQF) qualification and engage in further education and training. From 2014, 18- and 19-year-olds with low or no qualifications are also eligible to participate in Youth Guarantee programmes.

The Tertiary Education Strategy (TES) defines the core roles and Government expectations of PTEs as:

Core roles	Government expectations
<ul style="list-style-type: none"> • Offer flexible and responsive education programmes • Focus on specific areas of study 	<ul style="list-style-type: none"> • Enable students to complete high-quality qualifications that lead to employment or higher-level education • Deliver tailored learning opportunities, such as marae and iwi-based provision and Pasifika learning environments • Provide specialised qualifications and training

PTEs contribute to the Government's TES priorities by:

- increasing the number of young people (aged under 25) achieving qualifications at Level 4 and above in the New Zealand Qualifications Framework (NZQF), particularly degrees
- increasing the number of Māori students enjoying success at higher levels
- increasing the number of Pasifika students achieving at higher levels
- increasing the number of young people moving successfully from school into tertiary education, and
- improving literacy, language and numeracy and skills outcomes from NZQF Levels 1–3 study.



PTE highlights

In 2012, 18 PTEs successfully applied for competitive SAC Level 1 and 2 funding for 2013 and 2014. Approximately \$12 million was shifted from the institutes of technology and polytechnics (ITP) sector to the PTE sector through this competitive process. The sector began delivering this fees-free provision, which leads to NZQF qualifications, in 2013.

The differential between SAC Level 3 and above funding rates for PTEs and Tertiary Education Institutions (TEIs) was reduced from 2013 (from 2014 the funding rates have been equalised).

To ensure the Ministry of Social Development's (MSD's) spending on strategies to reduce benefit dependency is effective, well targeted and delivers the right outcomes to support the Government's welfare reform strategy, FFTO (funded through Vote: Social Development and administered by the TEC on behalf of MSD), ceased at the end of 2013. The change affected 108 PTEs (plus three schools and seven ITPs).

To maintain regional levels of foundation education provision in 2014 comparable with 2013, additional funding was available through MSD's Training For Work provision and by the TEC through Intensive Literacy and Numeracy (ILN), ILN English for Speakers of Other Languages (ESOL) and Youth Guarantee provision.

The TEC implemented a pilot assessment of the financial viability of the TEC's largest-funded PTEs and, following this, consulted with the sector on draft prudential financial standards.

PTE performance

PTEs received \$324.7 million (12% of all Government funding for TEOs) in 2013, with almost all going towards teaching and learning. The PTE sector continued to improve against the educational performance indicators (EPIs).

Operating environment

Key factors that affected the operating environment of the sector in 2013 included:

- the need to respond to new Investment Plans that focused on meeting the requirements of the TES, including for educational performance, participation of priority groups (Māori, Pasifika and under-25-year-olds) on a par with regional population demographics and achievement of these groups on a par with all learners
- for Youth Guarantee provision, the need to successfully transition from occupancy-based funding to qualification-based, equivalent full-time students-(EFTS)-calculated funding and published EPIs, and
- building/reducing individual PTE capacity and capability in line with SAC Levels 1 and 2, ILN, ILN ESOL and Youth Guarantee funding changes and/or closure of FFTO.

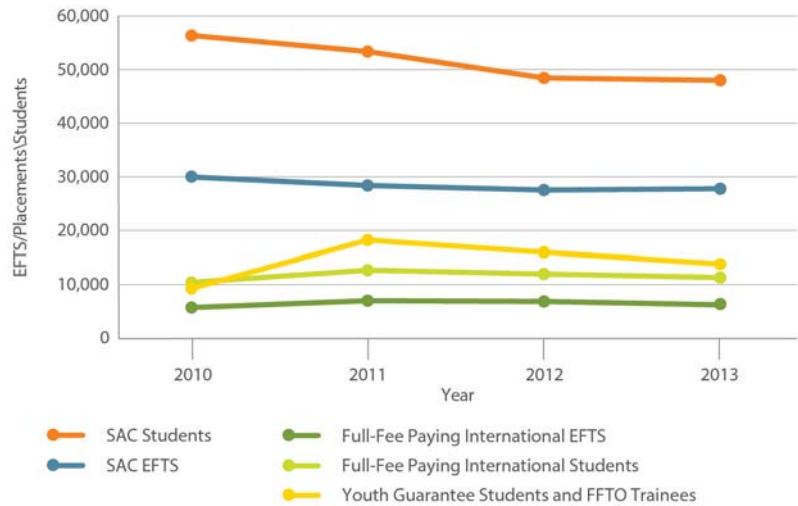
Participation

In 2013 the PTE sector provided a variety of tertiary education, from foundation education at Levels 1–2 to degree and postgraduate study at Levels 7–10. PTEs enrolled 48,070 students, which equates to 27,889 SAC-eligible EFTS. In addition to SAC-eligible enrolments, there were 7,037 Youth Guarantee students, 8,550 FFTO students and 6,602 full-fee paying foreign EFTS enrolled across the PTE sector (see figure 45).

PTEs overall improved their results on the educational performance indicators

There was a large increase in participation at Levels 1–2

Figure 45: PTE enrolments, 2010–13

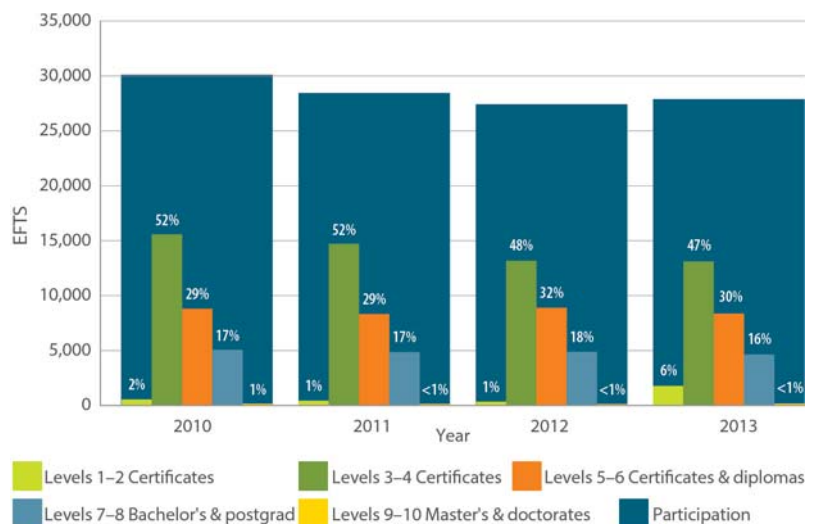


Note:

Youth Training and Foundation-Focused Training Opportunities data relate to trainees with a placement start-date during the year. Individuals who enrolled in more than one programme will be counted in each programme.

The largest proportion of education delivered across the PTE sector in 2013 was at Levels 3–4 (47%), followed by Levels 5–6 (30%) and Levels 7–8 (16%). There was a large increase at Levels 1–2 (a five percentage point increase on 2012 levels and 1,442 EFTS) primarily owing to the introduction of the SAC competitive Levels 1–2 process, which opened up SAC funding to PTEs that were previously ineligible while enrolments at all other Levels saw a slight decrease.

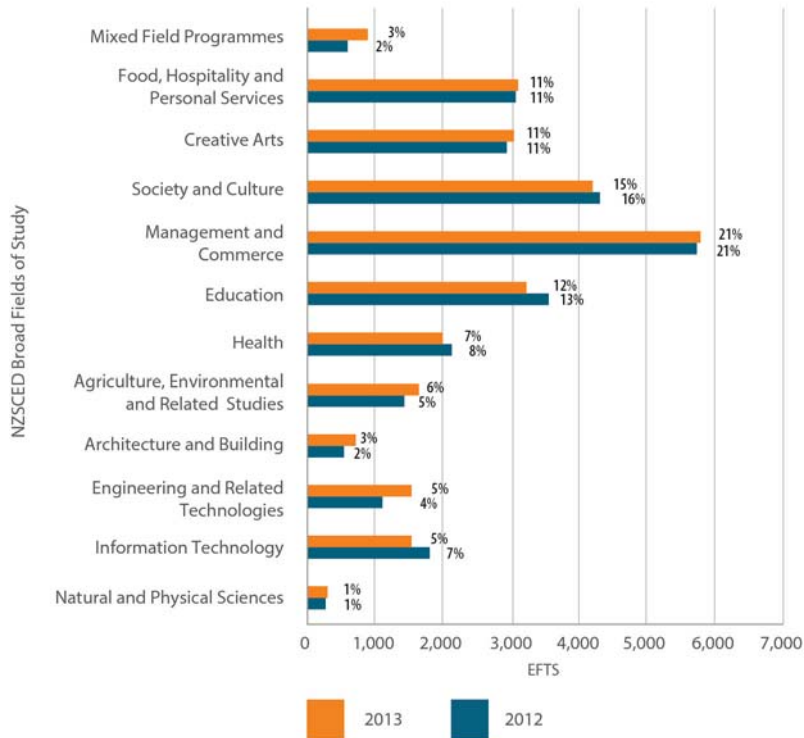
Figure 46: PTE enrolment by NZQF level, 2010–13



The majority of delivery in the PTE sector was in Management and Commerce (21%), Society and Culture (15%), Education (12%) and Food, Hospitality and Personal Services, and Creative Arts (both at 11%) (see figure 47). Most PTE enrolments were intramural (84%).



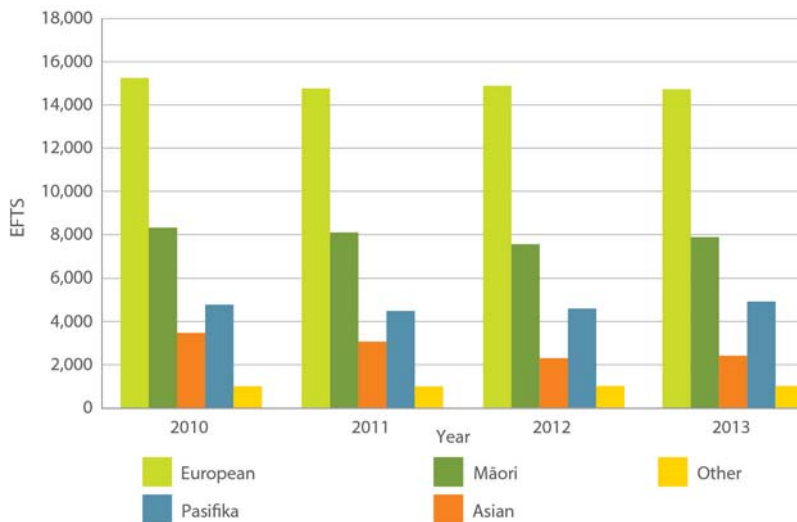
Figure 47: PTE enrolment by subject, 2012 and 2013



Under Youth Guarantee and FFO programmes, the PTE sector delivered foundation education at Levels 1–3, mainly in the Auckland, Waikato, Wellington and Canterbury regions.

PTEs attracted a relatively high proportion of Māori and Pasifika students, highlighting the sector’s responsiveness to the Government’s emphasis on these TES-priority groups (see figure 48).

Figure 48: PTE enrolment by ethnicity, 2010–13



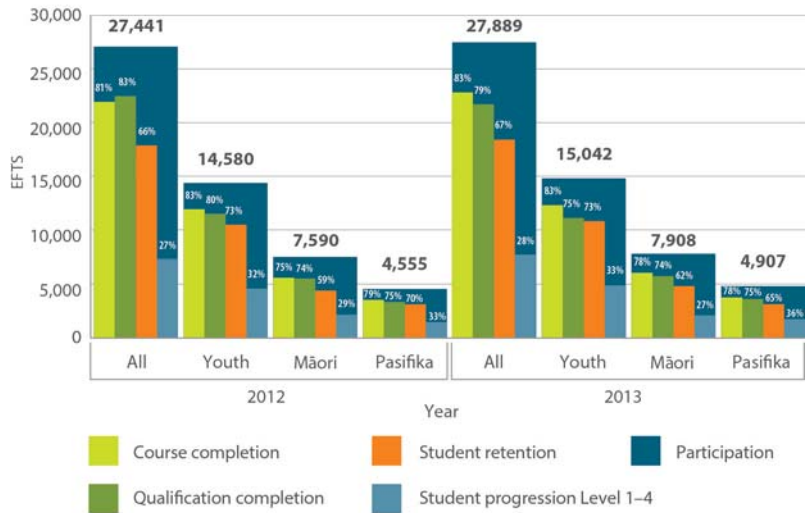
Note: Total may exceed total equivalent full-time students or 100 percent as some students identify with more than one ethnicity.

Participation across the PTE sector increased in 2013, including the participation for TES priority groups

Performance against TES priorities

The following section briefly highlights key aspects of the sector's performance against the TES. Unless otherwise stated, all enrolment and achievement measures refer to SAC-eligible EFTS only.

Figure 49: PTE participation and achievement, 2012–13



Participation across the PTE sector increased in 2013, including the participation for TES priority groups. Overall, in terms of educational achievement, the PTE sector improved its performance in 2013. Course completion, student retention and student progression each improved, while qualification completions dropped by four percentage points compared with the previous year.

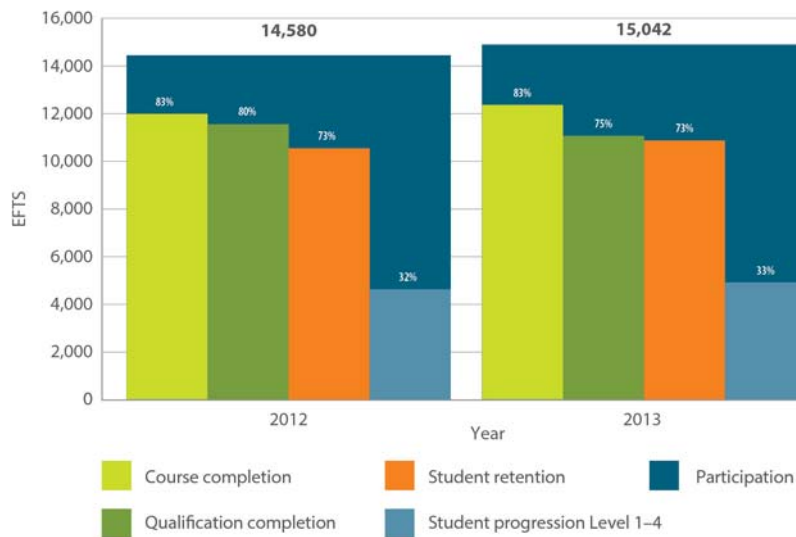
TES Priority: Increasing the number of young people achieving qualifications at Level 4 and above, particularly degrees

Participation by under-25-year-olds increased by one percentage point compared with 2012 and made up 54 percent of total enrolments (see figure 50). Delivery for youth was primarily across Levels 3–6 (82%) and Levels 7–8 (13%).

Course completions and student retention for youth remained at 2012 levels, while student progression increased by one percentage point to 33 percent. There was a decrease of five percentage points to 75 percent for qualification completions.



Figure 50: PTE participation and achievement by students under 25 years, 2012 and 2013



Youth participation in higher level programmes decreased from 2012, largely owing to the decreased enrolments across Levels 5–6 (from 4,914 EFTS in 2012 to 4,667 EFTS in 2013). The increase in youth was driven by an increase at Levels 1–2 which went up by 707 EFTS owing to the introduction of competitive delivery at Levels 1–2 and the opening up of delivery to PTEs at this level.

In 2013 the PTE sector also had 5,196 Youth Guarantee EFTS (7,037 students). Course completions for Youth Guarantee provision in 2013 were 57 percent, while qualification completions were 49 percent. Across the PTE sector, there were also 7,026 FFTO placements, of which 19 percent progressed to further education and 28 percent to employment.

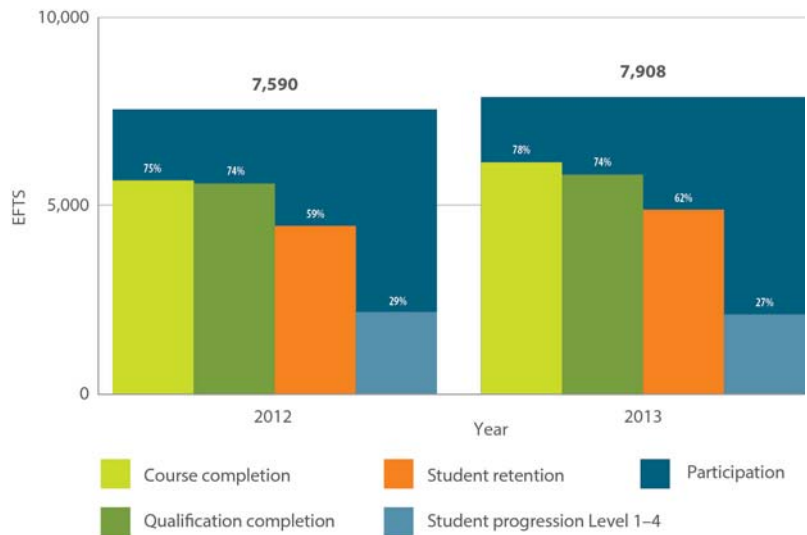
TES Priority: Increasing the number of Māori students enjoying success at higher levels

In 2013 Māori made up 29 percent of total PTE enrolments, a one percentage point increase from the previous two years. The volume of Māori enrolments increased by 318 EFTS, mainly across Levels 1–2.

Educational performance for Māori showed an increase in course completions (from 75% in 2012 to 78% in 2013) and student retention (from 59% to 62%) but a decrease in student progression. Qualification completions remained steady at 2012 levels of 74 percent (see figure 51).

Youth, Māori and Pasifika students' educational performance improved in 2013 across the PTE sector

Figure 51: PTE participation and achievement by Māori students, 2012 and 2013

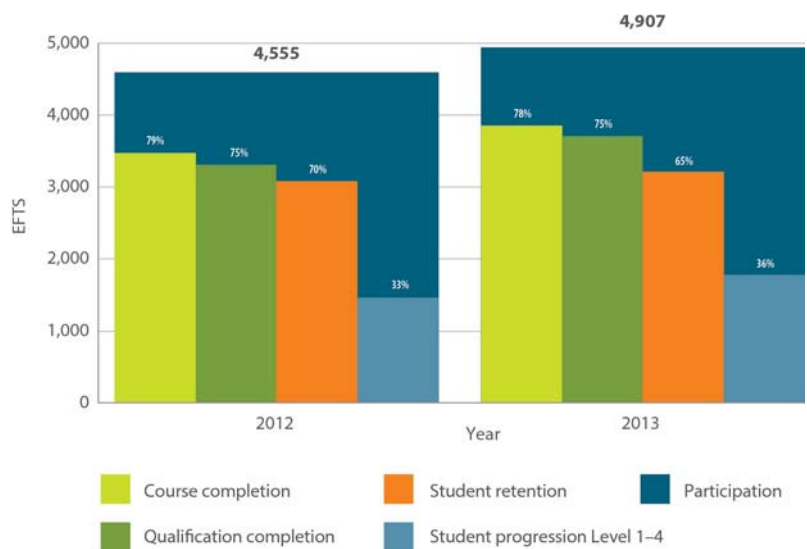


TES Priority: Increasing the number of Pasifika students achieving at higher levels

Pasifika enrolments continued to increase in 2013 to account for 18 percent of total PTE enrolments, with an increase of 352 EFTS. Pasifika enrolments shifted away from Levels 5 and above (down 98 EFTS), towards Levels 1-3 (up 459 EFTS).

The educational performance for Pasifika showed an increase in student progression (34% in 2012 to 36% in 2013) while qualification completions remained steady at 75 percent. There was a slight decrease within course completions of one percentage point and a decrease from 70 percent in 2012 to 65 percent in 2013 for student retention (see figure 52).

Figure 52: PTE participation and achievement by Pasifika students, 2012 and 2013



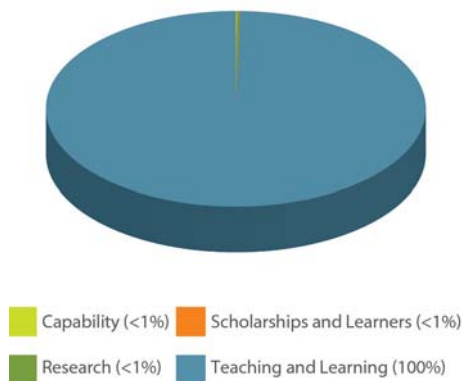


Financial performance

The New Zealand Qualifications Authority is the government agency responsible for monitoring the financial viability of individual PTEs. The TEC engages with PTEs but does not systematically collect financial information.

In 2013 the sector received \$324.7 million in Government funding from the TEC, with almost all the funds allocated for teaching and learning (\$310.4 million) (see figure 53).

Figure 53: Total PTE Government funding by type, 2013



Future focus for PTEs

The PTE sector will continue to play an important role in:

- improving learner achievement to produce graduates who contribute to New Zealand's economic and social development
- raising the educational achievement and skill levels of young, Māori and Pasifika learners, and
- supporting learner transitions to higher-level tertiary study or employment.

Industry training organisations

Industry training organisations (ITOs) coordinate structured on- and off-job training for employees, enabling them to gain qualifications on the New Zealand Qualifications Framework (NZQF) while earning money. ITOs are independent entities recognised by the Government and supported by industry.

In 2013 the Tertiary Education Commission (TEC) funded 20 ITOs through the Industry Training Fund and Modern Apprenticeship Fund. During 2013 mergers reduced the number of funded ITOs to 13 by the year end.

ITOs are formally recognised under the Industry Training and Apprenticeships Act 1992. They are partially funded by the Crown via the TEC through Investment Plans but also receive financial support from their industry members. ITOs differ from other tertiary education organisations in that they do not deliver industry training themselves, instead, they:

- set skill standards, which are registered by the New Zealand Qualifications Authority (NZQA), for their particular industry or industries, and
- arrange for industry training to be delivered and for skill standards to be met, including arrangements for monitoring and assessing trainees.

The Tertiary Education Strategy (TES) defines the core roles and Government expectations of ITOs as:

Core roles	Government expectations
<ul style="list-style-type: none"> • Design national qualifications and run moderation systems to ensure fair, valid and consistent assessment against national standards • Arrange for the delivery of industry training that enables trainees to attain these standards 	<ul style="list-style-type: none"> • Work with industry to ensure that vocational learning meets industry needs • Enable working New Zealanders to complete nationally recognised qualifications • Create clear pathways towards advanced trade qualifications at Level 4 and above • Build and maintain strong support from the industries they serve

ITOs contribute to advancing the Government's TES priorities by:

- increasing the number of young people (aged under 25) achieving qualifications at NZQF Level 4 and above
- increasing the number of Māori students enjoying success at higher levels
- increasing the number of Pasifika students achieving at higher levels
- increasing the number of young people moving successfully from school into tertiary education, and
- improving literacy, language and numeracy and skills outcomes from Levels 1–3 study.



ITO highlights

- A review of industry training was completed at the end of 2012; the purpose was to provide advice on possible directions to improve the value of the Government's investment in industry training. Cabinet decision-making and operational design took place in 2013, with implementation from 2014. Changes include the introduction of New Zealand Apprenticeships, which require higher levels of training than Modern Apprenticeships but are open to trainees of all ages; the ability to directly fund employers to arrange and deliver training; and the removal of the skills leadership role of ITOs.
- A mergers programme, designed to result in fewer and more capable ITOs, continued to reduce the number of ITOs funded from 20 at the beginning of 2013 to 13 by year end. The mergers were:
 - The Forestry Industry Training and Education Council of New Zealand (FITEC) into the New Zealand Engineering, Food and Manufacturing ITO (Competenz)
 - Plastics and Materials Processing ITO (PaMPITO) into Competenz
 - Communications and Media ITO (CMITO) into Competenz
 - Infracore into Infrastructure ITO to form Connexis
 - New Zealand ITO into Primary ITO
 - Joinery ITO into the Building and Construction ITO (BCITO), and
 - The New Zealand Flooring and Decorating ITO into BCITO.

ITO performance

In 2013 the Government spent \$157.4 million across the ITO sector to arrange training and apprenticeships across New Zealand. The number of industry trainees continued to decline in 2013. There was an increase in credit achievement and programme completion compared with 2012.

Operating environment

The 2013 year was focused on consolidating the sector through further mergers and lifting educational and financial performance.

The main challenges and factors influencing ITOs included:

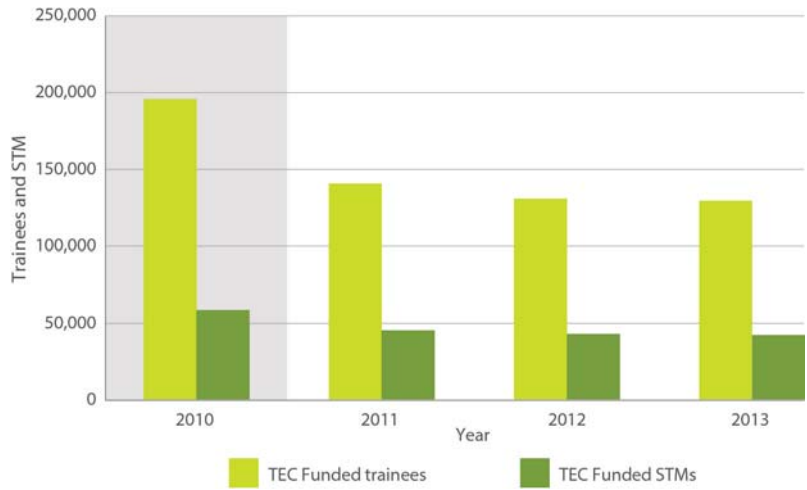
- continued Government focus on a strengthened and simplified sector with fewer, stronger ITOs
- new operational policy, to be implemented from 2014, following the outcomes of the Ministry of Education-led review of industry training, which included higher performance expectations
- new criteria for Apprenticeships (from 2014) and recognition of apprentices and apprentice-type training through the Apprenticeship Reboot Scheme, and
- introduction of the direct funding scheme where employers can be funded independently of ITOs.

Participation

The number of trainees participating in industry training in 2013 was 129,307 (42,087 standard training measures (STMs)), down slightly against 2012. The decrease was attributable in part to the impact of numerous mergers, as well as a lower uptake of training in line with lower employment rates (see figure 54).

In 2013, ITOs received \$157.4 million in Government funding – six percent of its total spending on tertiary education organisations

Figure 54: ITO enrolments by trainees and STM, 2010–13

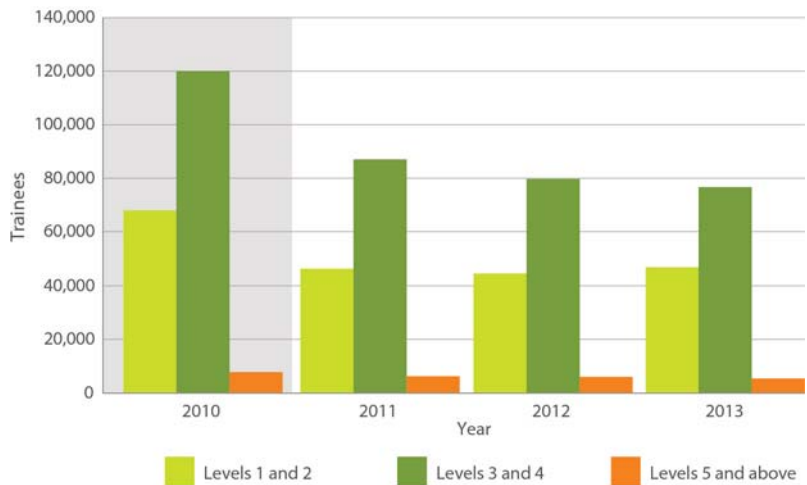


Notes:

1. All figures include Industry Training Fund and Modern Apprenticeship-funded places.
2. In figures 54-56, the 2011 ITO results are the first to be produced using data from the Industry Training Register (ITR) and are not strictly comparable with previous years, as such, all data before 2011 in the graphs has been greyed. More information on the impact of the ITR can be found on the TEC website.

In 2013 the majority of ITO training was at Levels 3–4 (59%). While there was a decrease in trainees across all levels, the spread of training by level remained similar to previous years (see figure 55).

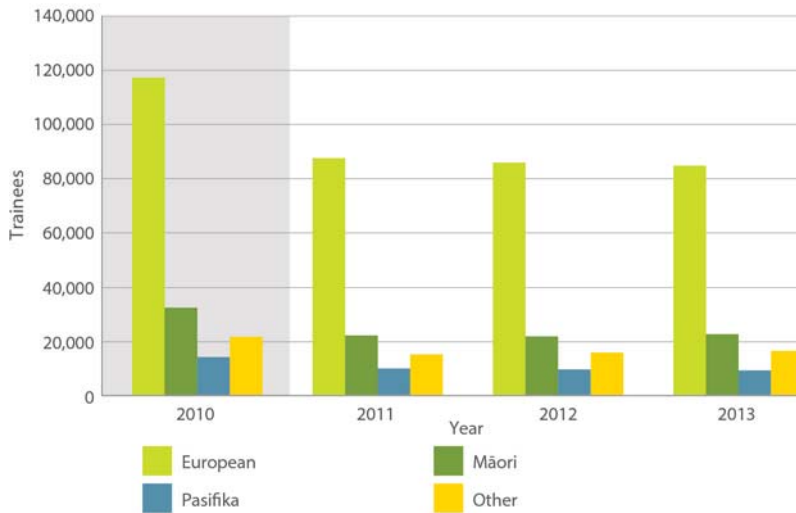
Figure 55: ITO trainees by NZQF level, 2010–13



Participation by ethnicity remained relatively steady for all groups. The volume of Māori enrolments increased slightly and accounted for 18 percent of all enrolments (from 17% in 2012). Pasifika enrolments dropped compared with 2012 but continued to account for seven percent of total enrolments in 2013.



Figure 56: ITO trainees by ethnicity, 2010–13



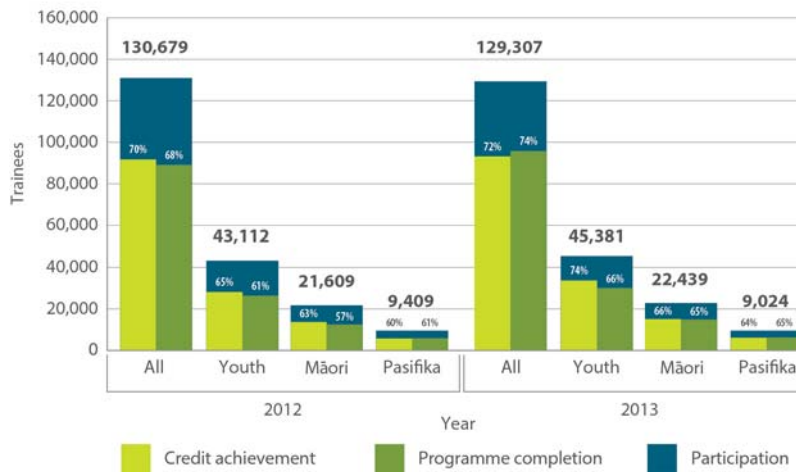
Note:

From 2011 trainees can identify with up to three ethnicities and may be reported more than once across ethnicities.

Performance against TES priorities

The ITO sector has committed to improving trainees' credit achievement and programme completion with improvements noted across youth, Māori and Pasifika students groups in 2013 (see figure 57).

Figure 57: ITO participation and achievement, 2012 and 2013

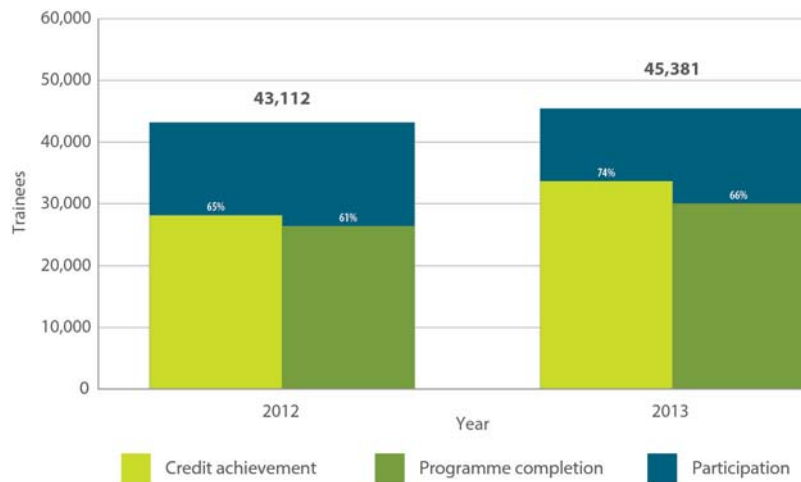


TES Priority: Increasing the number of young people (aged under 25) achieving qualifications at Level 4 and above, particularly degrees

Trainees under 25 years of age accounted for 35 percent of total ITO enrolments in 2013. Youth achieved 74 percent for credit achievement and 66 percent for programme completions. While youth participation in industry training marginally increased as a proportion of all trainees, youth achievement in industry training improved over the same period (see figure 58).

Māori and Pasifika trainee achievement improved

Figure 58: Participation and achievement by ITO trainees under 25 years, 2012 and 2013



Note:
All figures include Industry Training Fund and Modern Apprenticeship-funded places.

In 2013 youth participation at Level 4 and above accounted for 48 percent of total youth in industry training (27,713 trainees). Achievement across this group was higher than for the overall youth cohort in industry training, with youth achievement at Level 4 and above at 78 percent for credit achievement and 74 percent for programme completions.

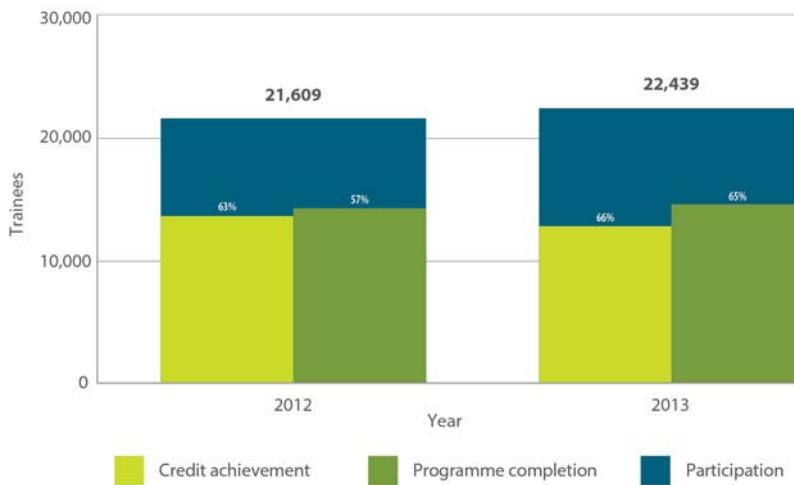
TES Priority: Increasing the number of Māori students enjoying success at higher levels

Māori made up 18 percent (up from 17% in 2012) of the ITO sector’s trainees in 2013. Māori educational performance improved compared with 2012: credit achievement increased from 63 percent in 2012 to 66 percent in 2013 and programme completion increased from 57 percent to 65 percent.

In 2013 a third of Māori trainees participated at Level 4 and above in industry training (32%; 7,223 trainees) and this group demonstrated higher educational achievement than the overall Māori trainee cohort. Māori trainees achieved 72 percent credit achievement and 77 percent programme completion for Level 4 and above programmes.



Figure 59: Participation and achievement by Māori ITO trainees, 2012 and 2013



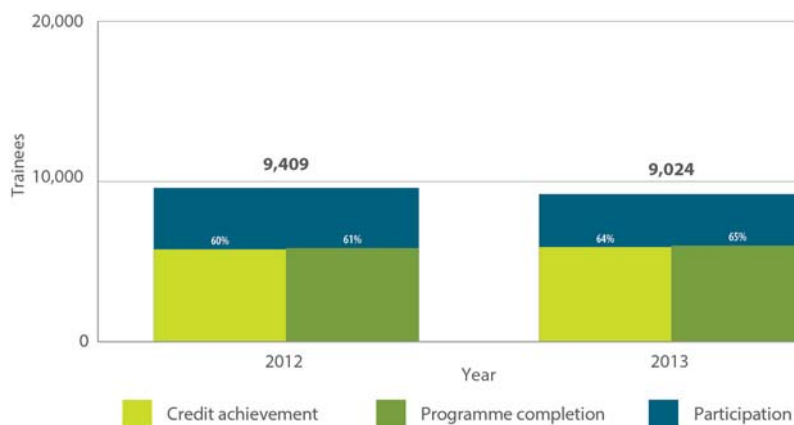
Note:
All figures include Industry Training Fund and Modern Apprenticeship-funded places.

TES Priority: Increasing the number of Pasifika students achieving at higher levels

Pasifika accounted for 7 percent of all industry trainees in 2013. Pasifika trainees' educational performance improved, with 65 percent programme completion (from 61% in 2012) and credit achievement of 64 percent (from 60% in 2012).

A very small proportion of Pasifika trainees engaged in Level 4 and above programmes in 2013 (10%, 2,117 trainees). This group demonstrated strong educational performance, with 69 percent credit achievement and 70 percent programme completion across Level 4 and above programmes.

Figure 60: Participation and achievement by Pasifika ITO trainees, 2012 and 2013



In 2013 educational performance by industry trainees improved for Māori and Pasifika

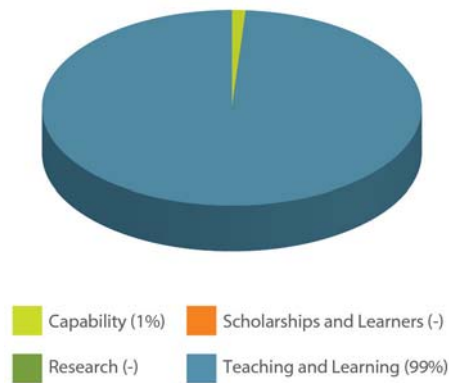
Industry contributed \$100.8 million – equivalent to 48 percent of total ITO funding – towards training arranged by ITOs in 2013

Financial performance

The industry cash contribution rate is a measure of the extent to which employers and industry value the training ITOs arrange. In 2013 industry support rose to \$100.8 million, an increase of about two percentage points compared with 2012. Industry cash contribution accounted for 48 percent of total ITO funding and sits well above the 30 percent target set by the TEC.

The TEC allocated \$157.4 million in Government funding to ITOs in 2013. The majority went to Teaching and Learning (\$155.6 million) and the remainder to Capability (\$1.8 million) (see figure 61).

Figure 61: Total ITO Government funding by type, 2013



Future focus for ITOs

The focus for ITOs in the 2014 and 2015 investment planning cycle is on improving performance and arranging for delivery of relevant high-quality training. This includes ensuring apprenticeship programmes are aligned with the New Zealand Apprenticeship criteria. An ‘apprenticeship reboot subsidy’, to encourage uptake of apprenticeships, came into effect in March 2013 and is payable to apprentices who sign up until the end of 2014.

New performance measures will require ITOs to closely monitor all trainees to ensure they are working towards achieving a minimum of 10 credits each year.

FINANCIAL PERFORMANCE OF TEIs – AT A GLANCE



2011

Net surplus (after unusual and non-recurring items)
Net cashflow from operations
Liquid funds
Return on property, plant equipment & intangibles

2012

Net surplus (after unusual and non-recurring items)
Net cashflow from operations
Liquid funds
Return on property, plant equipment & intangibles

2013

Net surplus (after unusual and non-recurring items)
Net cashflow from operations
Liquid funds
Return on property, plant equipment & intangibles

TEC Minimum Guidelines	3.0%	111.0%	8.0%	4.5%	3.0%	111.0%	8.0%	4.5%	3.0%	111.0%	8.0%	4.5%
Universities	4.0%	116.7%	12.4%	6.5%	1.4%	115.7%	18.1%	6.9%	6.1%	116.2%	12.2%	7.1%
University of Auckland	3.5%	116.9%	1.5%	7.7%	3.1%	115.0%	5.6%	7.8%	3.0%	118.3%	3.4%	8.0%
University of Otago	4.6%	117.9%	22.5%	5.4%	5.2%	116.0%	49.2%	6.3%	7.2%	115.2%	17.4%	7.2%
Massey University	1.7%	117.1%	22.8%	5.0%	2.2%	114.3%	19.9%	5.3%	1.9%	115.9%	20.4%	5.4%
Victoria University of Wellington	4.3%	119.6%	9.5%	7.0%	5.4%	117.5%	4.9%	7.7%	4.9%	117.5%	6.4%	7.9%
Auckland University of Technology	3.3%	122.0%	1.6%	9.1%	7.1%	121.4%	3.7%	8.2%	4.5%	123.6%	3.1%	9.1%
University of Canterbury	9.9%	112.2%	25.8%	5.9%	(22.7%)	116.6%	28.2%	8.0%	27.1%	109.4%	33.5%	5.2%
University of Waikato	3.9%	113.6%	10.8%	7.3%	2.6%	115.3%	10.9%	7.3%	4.2%	112.0%	10.6%	7.6%
Lincoln University	0.5%	104.1%	22.8%	3.3%	(3.0%)	105.3%	14.1%	2.1%	3.0%	108.9%	12.7%	4.2%
Institutes of Technology and Polytechnics	5.1%	115.2%	34.2%	7.9%	3.5%	113.2%	26.8%	7.2%	1.7%	111.1%	27.0%	5.7%
Unitec	3.3%	111.5%	2.5%	7.4%	2.6%	113.9%	1.8%	7.5%	1.3%	113.0%	5.4%	5.2%
MIT	3.1%	111.8%	43.2%	5.4%	5.3%	114.5%	7.0%	6.2%	0.4%	113.6%	2.0%	3.8%
Open Polytechnic	6.4%	118.3%	64.8%	22.1%	7.0%	122.0%	77.8%	27.5%	4.6%	114.9%	85.8%	18.8%
CPIT	6.7%	115.9%	48.6%	5.7%	4.9%	116.6%	60.4%	5.0%	10.7%	110.8%	62.6%	8.0%
Wintec	3.9%	114.5%	2.6%	7.0%	4.1%	115.2%	1.7%	7.3%	3.5%	110.9%	2.0%	6.1%
Otago Polytechnic	6.0%	117.3%	3.6%	9.5%	6.1%	117.3%	7.3%	9.5%	3.2%	113.8%	8.7%	7.8%
SIT	6.5%	116.0%	79.0%	9.0%	6.9%	120.5%	74.3%	8.0%	3.0%	116.3%	56.0%	6.1%
EIT	10.9%	122.1%	39.1%	10.5%	2.0%	113.2%	32.2%	5.6%	0.2%	112.0%	31.7%	4.1%
UCOL	4.2%	117.4%	33.8%	6.1%	0.1%	111.4%	9.3%	6.4%	3.3%	110.3%	14.7%	5.5%
Wairiki Institute of Technology	10.4%	128.5%	56.7%	13.6%	2.6%	105.6%	33.4%	7.4%	(0.9%)	111.8%	38.3%	7.3%
WelTec	5.3%	112.8%	35.5%	10.3%	(0.6%)	111.3%	24.6%	8.6%	(5.3%)	107.3%	24.6%	6.1%
Bay of Plenty Polytechnic	5.4%	118.6%	16.2%	7.7%	4.2%	118.3%	7.8%	7.3%	3.7%	118.4%	16.9%	7.1%
NorthTec	3.0%	112.2%	28.4%	7.8%	3.5%	110.1%	29.0%	8.5%	1.7%	107.8%	30.5%	6.0%
Whitireia Community Polytechnic	4.4%	109.9%	26.7%	8.2%	0.0%	107.6%	5.3%	6.4%	(2.8%)	106.6%	5.3%	5.3%
NMIT	8.9%	128.2%	66.8%	9.8%	4.5%	95.8%	52.7%	5.6%	0.8%	88.8%	30.2%	3.4%
Tai Poutini Polytechnic	(0.2%)	106.6%	19.3%	10.1%	2.2%	108.0%	23.5%	13.4%	0.1%	107.7%	23.4%	10.5%
WITT	5.5%	112.7%	31.2%	11.5%	5.5%	112.8%	33.7%	10.4%	(2.8%)	115.5%	39.1%	8.1%
Aoraki Polytechnic	(6.7%)	100.3%	111.4%	(4.7%)	0.1%	117.5%	139.5%	0.9%	(18.3%)	109.4%	174.2%	(11.4%)
Wānanga	5.0%	114.7%	80.5%	11.3%	7.5%	114.3%	84.3%	14.6%	4.2%	109.3%	81.6%	9.3%
Te Wānanga o Aotearoa	4.8%	112.8%	33.4%	13.4%	5.2%	110.2%	41.2%	14.3%	2.7%	106.8%	36.6%	9.4%
Te Wānanga o Raukawa	3.4%	115.0%	404.8%	(0.7%)	4.7%	108.9%	510.1%	4.5%	2.7%	105.6%	497.3%	(4.5%)
Te Whare Wānanga o Awanuiārangi	7.1%	125.0%	95.7%	13.0%	19.9%	143.1%	72.7%	20.5%	12.9%	126.4%	90.4%	16.2%

EDUCATIONAL PERFORMANCE OF THE TERTIARY EDUCATION SECTOR – AT A GLANCE



Participation

EFTS/STMs
% share to each sector's total
Students < 25yrs
Māori
Pasifika

Course Completions

All
Students < 25yrs
Māori
Pasifika

Qualification Completions

All
Students < 25yrs
Māori
Pasifika

	EFTS/STMs	% share to each sector's total	Students < 25yrs	Māori	Pasifika	All	Students < 25yrs	Māori	Pasifika	All	Students < 25yrs	Māori	Pasifika
Universities	116,660	100%	73%	10%	7%	86%	86%	80%	72%	80%	72%	71%	60%
University of Auckland	29,380	25%	78%	8%	10%	88%	88%	83%	74%	81%	72%	73%	64%
University of Otago	17,238	15%	83%	9%	3%	89%	89%	84%	76%	86%	78%	73%	74%
Massey University	16,100	14%	56%	11%	4%	80%	81%	70%	52%	78%	70%	60%	34%
Victoria University of Wellington	15,595	13%	80%	10%	5%	86%	86%	80%	71%	76%	69%	68%	52%
Auckland University of Technology	15,632	13%	71%	10%	15%	84%	83%	80%	71%	79%	65%	69%	65%
University of Canterbury	11,249	10%	76%	7%	2%	87%	87%	80%	70%	88%	78%	68%	51%
University of Waikato	8,726	7%	69%	21%	6%	85%	84%	80%	65%	84%	73%	81%	45%
Lincoln University	2,740	2%	66%	9%	1%	83%	86%	73%	59%	80%	72%	67%	28%
Institutes of Technology and Polytechnics	63,088	100%	52%	23%	11%	80%	78%	75%	73%	73%	66%	65%	59%
Unitec	7,859	12%	59%	11%	17%	82%	78%	75%	71%	65%	57%	56%	47%
MIT	6,011	10%	50%	16%	35%	80%	75%	73%	73%	68%	60%	62%	60%
Open Polytechnic	5,167	8%	23%	17%	10%	80%	76%	74%	68%	79%	64%	67%	67%
CPIT	5,156	8%	61%	11%	3%	84%	83%	75%	70%	74%	68%	66%	67%
Wintec	4,819	8%	61%	24%	6%	78%	76%	70%	71%	78%	69%	60%	60%
Otago Polytechnic	3,492	6%	63%	12%	4%	82%	81%	78%	69%	83%	71%	72%	75%
SIT	3,476	6%	42%	15%	2%	77%	77%	66%	67%	71%	71%	59%	71%
EIT	3,426	5%	50%	43%	5%	80%	78%	75%	73%	74%	64%	66%	55%
UCOL	3,013	5%	62%	30%	5%	76%	74%	67%	67%	65%	60%	54%	55%
Wairiki Institute of Technology	2,826	4%	53%	60%	7%	79%	77%	75%	73%	75%	67%	69%	54%
WelTec	2,782	4%	63%	17%	11%	82%	80%	75%	77%	76%	68%	66%	69%
Bay of Plenty Polytechnic	2,759	4%	58%	31%	4%	81%	80%	78%	71%	70%	67%	68%	60%
NorthTec	2,756	4%	39%	57%	4%	80%	75%	76%	76%	62%	54%	58%	46%
Whitireia Community Polytechnic	2,701	4%	50%	21%	20%	84%	81%	79%	79%	82%	79%	74%	70%
NMIT	2,078	3%	46%	16%	5%	78%	78%	67%	66%	83%	80%	71%	54%
Tai Poutini Polytechnic	1,977	3%	46%	28%	15%	81%	80%	80%	78%	72%	69%	70%	62%
WITT	1,603	3%	47%	44%	4%	81%	75%	84%	78%	79%	70%	79%	72%
Aoraki Polytechnic	1,187	2%	59%	15%	3%	75%	74%	64%	58%	69%	67%	55%	53%
Wānanga	24,702	100%	17%	59%	10%	81%	77%	78%	81%	78%	67%	74%	65%
Te Wānanga o Aotearoa	20,362	82%	15%	51%	11%	82%	75%	78%	81%	80%	69%	77%	77%
Te Whare Wānanga o Awanuiārangi	3,013	12%	29%	92%	7%	86%	85%	85%	87%	68%	58%	67%	70%
Te Wānanga o Raukawa	1,327	5%	27%	94%	2%	67%	70%	67%	53%	69%	76%	71%	41%
Private Training Establishments	27,889	100%	54%	29%	18%	83%	83%	78%	78%	79%	75%	74%	75%
Industry Training Organisations	42,087	100%	35%	18%	7%	72%	74%	66%	64%	74%	66%	65%	65%
All TEOs	274,426		46%	28%	11%	80%	80%	75%	74%	77%	69%	69%	65%

Universities

TEC Funding (paid to this sector in 2013 excl GST): \$1,454,133,167 (54%)

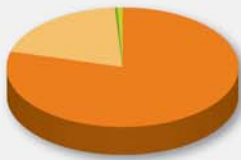


ENROLMENTS (SAC ELIGIBLE)

STUDENTS: 153,014

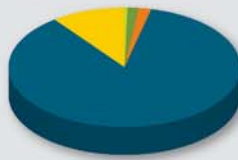
EFTS: 116,660

TEC FUNDING CATEGORIES



- Teaching and Learning
- Research
- Capability
- Scholarship/Learner

DELIVERY BY LEVEL



- Level 1-2
- Level 3-4
- Level 5-6
- Level 7-8
- Level 9-10

DELIVERY BY SUBJECT



- Society and Culture
- Management and Commerce
- Natural and Physical Sciences
- Health
- Education
- Creative Arts
- Other

Institutes of Technology and Polytechnics

TEC Funding (paid to this sector in 2013 excl GST): \$594,014,307 (22%)

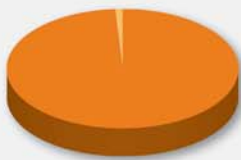


ENROLMENTS (SAC ELIGIBLE)

STUDENTS: 121,861

EFTS: 63,088

TEC FUNDING CATEGORIES



- Teaching and Learning
- Research
- Capability
- Scholarship/Learner

DELIVERY BY LEVEL



- Level 1-2
- Level 3-4
- Level 5-6
- Level 7-8
- Level 9-10

DELIVERY BY SUBJECT



- Health
- Management and Commerce
- Society and Culture
- Creative Arts
- Engineering/Related Tech
- Architecture and Building
- Other

Wānanga

TEC Funding (paid to this sector in 2013 excl GST): \$169,566,170 (6%)

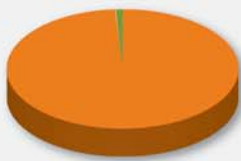


ENROLMENTS (SAC ELIGIBLE)

STUDENTS: 38,481

EFTS: 24,702

TEC FUNDING CATEGORIES



- Teaching and Learning
- Research
- Capability
- Scholarship/Learner

DELIVERY BY LEVEL



- Level 1-2
- Level 3-4
- Level 5-6
- Level 7-8
- Level 9-10

DELIVERY BY SUBJECT



- Society and Culture
- Management and Commerce
- Creative Arts
- Health
- Mixed Field Programmes
- Education
- Other

Private Training Establishments

TEC Funding (paid to this sector in 2013 excl GST): \$324,655,079 (12%)

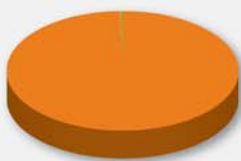


ENROLMENTS (SAC ELIGIBLE)

STUDENTS: 48,070

EFTS: 27,889

TEC FUNDING CATEGORIES



- Teaching and Learning
- Research
- Capability
- Scholarship/Learner

DELIVERY BY LEVEL



- Level 1-2
- Level 3-4
- Level 5-6
- Level 7-8
- Level 9-10

DELIVERY BY SUBJECT



- Management and Commerce
- Society and Culture
- Education
- Food, Hospitality and Personal Services
- Creative Arts
- Health
- Other

Industry Training Organisations

TEC Funding (paid to this sector in 2013 excl GST): \$157,434,027 (6%)

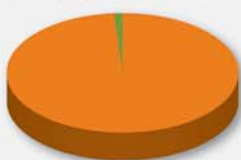


ENROLMENTS

TRAINEES: 129,307

STMs: 42,087

TEC FUNDING CATEGORIES



- Teaching and Learning
- Research
- Capability
- Scholarship/Learner

DELIVERY BY LEVEL



- Level 1-2
- Level 3-4
- Levels 5 and Above

TERTIARY EDUCATION INSTITUTIONS' 2013 PERFORMANCE

**Council Chancellor/Chair
Vice-Chancellor/Chief Executive**

Campus Locations



NZQA EER/AQA

Information sourced from NZQA on ITP and Wānanga External Evaluation Reviews and from AQA (formerly NZUAAU) on University Cycle 4 – Whole of Institution Academic Audit.

Each of the two-page profiles that follow provides a high-level overview of the 2013 performance of the named tertiary education institution (TEI).

Unless otherwise stated, all enrolment and achievement information covers **only** participation funded by Student Achievement Component (SAC) funding. SAC is the largest source of government funding to tertiary education organisations for the delivery of teaching and learning. SAC-funded education typically does not account for all of a given institution's tertiary education delivery, as it may also earn revenue from non-government funded domestic and international students.

In some instances, numbers contained in this report have been rounded and may differ from those published on the TEC website.

For the sake of brevity, many terms and titles in these two-page profiles are abbreviated without explanation. All of these are in the List of Abbreviations and many are also defined in the Glossary (both at the front of this volume).

Responsiveness

This section of each TEI's two-page profile shows how the institution is delivering tertiary education in response to the needs of its stakeholders and the *Tertiary Education Strategy (2010–15) (TES)*.

The content of this section comes from the institution's Investment Plan and its Single Data Return submission, as well as information gathered through TEC's engagement with the TEI. Except where stated, all references to equivalent full-time students (EFTS), enrolments and students relate to SAC-funded places only.

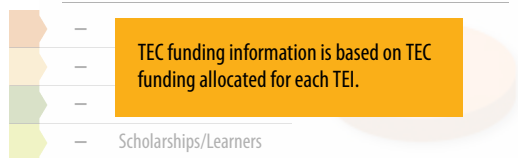
Effectiveness

This section of the profiles assesses the effectiveness of the education delivered by each TEI as measured by the TEC and the institution's respective quality-assurance body. Effectiveness is assessed using four education performance indicators (EPIs), which are not intended on their own to give a comprehensive picture of an organisation's overall performance. From 2013 onwards, performance of students funded by the Youth Guarantee fund will also be reported on as part of the overall educational performance

Quality-assurance results for universities are assessed by the Academic Quality Agency for New Zealand Universities (AQA), which changed its name in January 2013 from the New Zealand Universities Academic Audit Unit (NZUAAU). The New Zealand Qualifications Authority (NZQA) audits the quality of the education provided at other tertiary organisations:

- AQA supports universities in achieving excellence in research and teaching through regular institutional audit and by promoting quality-enhancement practices across the sector. AQA carries out audits of New Zealand universities every five years. The current cycle of audits focuses on the whole of the institution and runs from 2008 to 2013. Visit the AQA website www.aqa.ac.nz for more information.
- NZQA is responsible for ensuring that other (ie. non-university) tertiary education organisations (TEOs) continue to comply with statutory policies and criteria after initial course approval, accreditation and/or registration is granted. NZQA's periodic external evaluation and review provides an independent view of the educational performance and self-assessment capability of each TEO. Visit the NZQA website www.nzqa.govt.nz for more information.

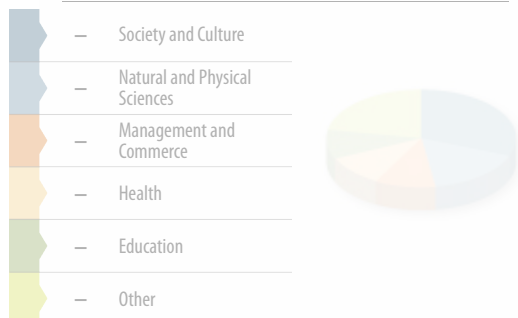
Funding by TEC



Delivery by Level



Delivery by Subject





Financial performance

This section covers the institution's organisational capability as monitored by the TEC, and in particular its financial performance and any research funded under the Performance-Based Research Fund (PBRF). Any significant changes that may affect the performance of the governing body of each TEI is also discussed in this section.

All information presented comes from data submitted by the TEI. The financial performance data includes non-government funded activity and is based on the summary of audited financial results provided by each TEI in a standard template, as well as the audited financials in the institution's 2013 Annual Report.

TES Priorities

Participation (SAC)		
2013 Performance	AUT	University sector
Students under 25		
Māori		
Pasifika		

Course Completion (SAC)		
2013 Performance	AUT	University sector
All Students		
Māori		
Pasifika		

Qualification Completion (SAC)		
2013 Performance	AUT	University sector
All		
Students under 25		
Māori		
Pasifika		

Overview of Educational Performance				
Enrolments	% of University sector	2011	2012	2013
Student Achievement Component (SAC) EFTS				
SAC Students				
Educational Performance Indicators - SAC	University sector	2011	2012	2013
Successful Course Completion				
Qualification Completion				
Student Retention				
Student Progression (L1-4)				

EPIs are as published on the TEC website. Rates are for formal SAC funded EFTS only.

Overview of Financial Performance*				
Summary Financial Statements (\$'000)	2011	2012	2013	
Revenue				
Total government revenue				
Domestic student fees				
International student fees				
Other income (including research)				
Total revenue				
Expenses				
Personnel				
Total expenses				
Net surplus (after unusual and non-recurring)				
Assets				
Property plant equipment and intangibles				
Total Assets				
Equity (net assets)				
Cashflow				
Net cashflow from operations				
Purchase of plant property equipment and intangibles				
Other				
Staffing FTE				
Total EFTS to Total Staff FTE ratio				
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)				

All information presented comes from data submitted by the TEI. The financial performance data includes non-government funded activity and is based on the summary of audited financial results provided by each TEI in a standard template, as well as the audited financials in the institution's 2013 Annual Report.

AUCKLAND UNIVERSITY OF TECHNOLOGY

Chancellor: John Maasland
Vice-Chancellor: Derek McCormack

- **Main Campus**
Auckland City
- **Other Campus Locations**
North Shore (Auckland),
South Campus (Auckland),
AUT Millennium Campus (Auckland)



AQA Academic Audit

Whole institution audit timeline: 2015
Audit Report: September 2011

Funding by TEC

- 91.8% Teaching and Learning
- 0.0% Capability
- 8.1% Research
- 0.0% Scholarships/Learners



Delivery by Level

- 0.0% Level 1–2
- 4.5% Level 3–4
- 4.5% Level 5–6
- 84.6% Level 7–8
- 6.3% Level 9–10



Delivery by Subject

- 24.9% Management and Commerce
- 22.0% Health
- 15.6% Society and Culture
- 14.7% Creative Arts
- 5.8% Education
- 17.0% Other



In 2013 the Auckland University of Technology (AUT) continued to improve its overall educational performance, and remained in a healthy financial position.

Responsiveness

In its 2013 annual report Chancellor John Maasland highlighted a number of AUT's achievements, including the expansion at its Auckland South campus and the Government's commitment to fund further expansion to cater for 4,000 EFTS by 2020. He also underscored the improvement of AUT's rankings in the Quacquarelli Symonds (QS) World University Rankings to the 471-480 band, as well as AUT's strengthening and broadening collaborations with industry, particularly companies involved in Information Technology and Engineering, and the awarding of four Honorary Doctorates to individuals in recognition of contributions and excellence in their fields.

Vice-Chancellor Derek McCormack also recognised a number of AUT's achievements, including the opening of the Sir Paul Reeves Building in the city campus, expanded provision at the Auckland South campus, along with the solid relationships AUT has built with the Manukau community. In 2013, AUT offered its first interNZ scholarships to enable nine of its exceptional graduates to gain work experience in the United States through partnership with the New York-based Friends of AUT Foundation. Through investment and partnerships created through the establishment of the AUT Millennium Campus, AUT achieved the top ranking for research in sport and exercise science following the 2012 Performance-Based Research Fund (PBRF) Quality Evaluation. AUT staff also notably undertook the world's largest clinical study of problem gambling treatments, funded by the Ministry of Health.

AUT's enrolments remained virtually unchanged from the previous year. The majority of AUT's delivery was focused at Levels 7–8 (85%), with the remainder spread across Levels 9–10 (6%), Levels 3–4 (5%) and Levels 5–6 (4%). The main fields of study were Management and Commerce (25%), Health (22%), Society and Culture (15%), and Creative Arts (15%).

Participation at AUT was on par with the university sector average for Māori and well above average for Pasifika, while under-25-year-olds remained just below the sector average. Compared with 2012, participation increased for each of the TES priority groups (Māori, Pasifika and under-25-year-olds). AUT had 3,085 full-fee paying international EFTS (4,195 students).

Effectiveness

AUT achieved increases for two of the education performance indicators (EPIs) (qualification completion and student retention), while its course completion remained on par with the previous year and student progression dropped slightly. AUT performed above the university sector average for student progression but just below average for the other three EPIs.

Performance by the TES priority groups was generally above the university sector averages for Māori and Pasifika but below average for under-25-year-olds. Achievement across the measures generally improved on 2012 levels for these groups, with the exception of course completion, which was unchanged from the previous year.



Financial performance

AUT produced a net surplus in 2013 that is \$7.4m lower than the 2012 result. This is primarily due to changes in the size of the consolidated share of jointly-controlled entities. Excluding AUT's share of surpluses from jointly-controlled entities, the 2013 result was down \$0.3 million and largely unchanged from 2012.

From 2012 to 2013 AUT's total revenue increased by \$14.4 million (4.6%), while total expenditure rose by \$14.7 million (4.9%). Total assets grew by \$60.9 million (10.1%), mainly as a result of land and building revaluations and changes to the way in which student fees are accounted for. In 2013 AUT had one significant subsidiary investment: a 50 percent share of the AUT Millennium Trust currently valued at \$18.5 million.



TES Priorities

Participation (SAC)		
2013 Performance	AUT	University sector
Students under 25	71%	74%
Māori	10%	10%
Pasifika	15%	7%

Course Completion (SAC)		
2013 Performance	AUT	University sector
All	84%	86%
Students under 25	83%	86%
Māori	80%	80%
Pasifika	71%	70%

Qualification Completion (SAC)		
2013 Performance	AUT	University sector
All	79%	81%
Students under 25	65%	72%
Māori	69%	71%
Pasifika	65%	59%

Overview of Educational Performance				
Enrolments	2013 % of University sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	13%	15,056	15,622	15,632
SAC Students	14%	20,621	21,010	21,280
Educational Performance Indicators - SAC	University sector	2011	2012	2013
Successful Course Completion	86%	83%	84%	84%
Qualification Completion	81%	66%	74%	79%
Student Retention	84%	79%	82%	83%
Student Progression L1-4	49%	80%	85%	83%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$141,620	\$142,002	\$150,053
Domestic student fees	\$69,387	\$70,337	\$79,927
International student fees	\$47,050	\$53,600	\$58,492
Other income (including research)	\$43,134	\$47,687	\$39,537
Total revenue	\$301,191	\$313,626	\$328,009
Expenses			
Personnel	\$183,794	\$192,059	\$194,199
Total expenses	\$291,841	\$299,598	\$314,284
Net surplus (after unusual and non-recurring items)	\$10,087	\$22,150	\$14,799
Assets			
Property plant equipment and intangibles	\$498,418	\$558,303	\$584,603
Total Assets	\$530,844	\$604,155	\$665,036
Equity (net assets)	\$368,144	\$402,140	\$447,744
Cashflow			
Net cashflow from operations	\$55,424	\$55,740	\$63,191
Purchase of plant property equipment and intangibles	\$57,574	\$69,088	\$41,482
Other			
Staffing FTE	2,063	2,106	2,143
Total EFTS to Total Staff FTE ratio	9 : 1	9 : 1	9 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	17 : 1	18 : 1	18 : 1

LINCOLN UNIVERSITY

Chancellor: Tom C. Lambie
Vice-Chancellor: Dr Andrew West

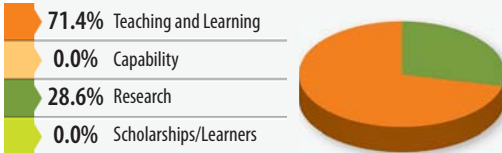
- **Main Campus**
Christchurch - Lincoln
- **Other Campus Locations**
Balclutha - Telford



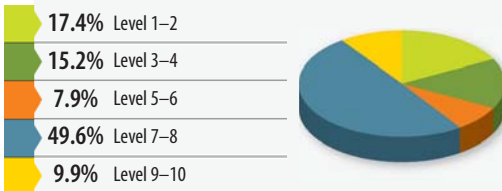
AQA Academic Audit

Whole institution audit timeline: 2016
Audit Report: October 2012

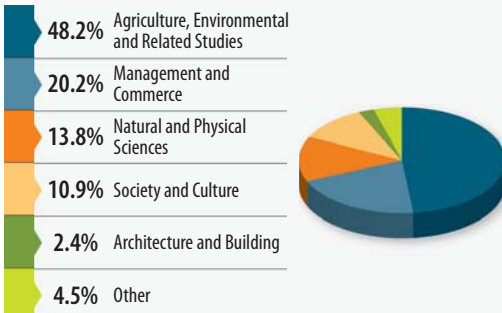
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 the educational performance of Lincoln University (Lincoln) continued to improve on the previous year. Lincoln's financial performance improved on 2012 to a stable position.

Responsiveness

In the 2013 Annual Report, Chancellor Tom Lambie highlighted a number of Lincoln's achievements for the year, including the announcement of the Lincoln Hub initiative and completion of the university's master plan for its campus development. He also cited the agreement of a partnership to support the sustainable development of the Ngāi Tahu farming portfolio in Eyrewell, North Canterbury. The Chancellor further noted that ongoing recovery from the Canterbury earthquakes continues to require a high level of effort and resourcing, particularly in relation to the replacement of physical infrastructure and efforts to grow enrolments to meet the capability needs of the land-based sectors.

Initiatives to reinforce the institution's land-based specialisation, as highlighted by Vice-Chancellor Dr Andrew West, saw Lincoln focus its portfolio of Bachelor's degrees entirely on land-based majors and programmes from 2013, which reduced these programmes from 44 to 24 (a 43% decrease). A further achievement was Lincoln entering the Quacquarelli Symonds (QS) World University Rankings as one of the world's top 500 universities.

Lincoln's enrolments decreased by 12 percent (342 EFTS). This decrease was primarily at Levels 1-2, which is in line with its strategic priorities. The majority of Lincoln's delivery was at Levels 7-8 (50%), followed by Levels 1-2 (17%) and Levels 3-4 (15%). Lincoln's main fields of study were Agriculture, Environmental and Related Studies (48%), Management and Commerce (20%), and Natural and Physical Sciences (14%).

Participation for under-25-year-olds increased by three percentage points to account for 66 percent of total enrolments while Pasifika remained unchanged for 2012. Māori participation decreased slightly to account for nine percent of all enrolments. Lincoln had 487 full-fee paying international EFTS (648 students).

Effectiveness

Lincoln continued its increase on course and qualification completions. Lincoln's high proportion of Levels 1-4 programmes and their nature, limits the applicability of comparison with other universities. As such a more fitting comparison is at Levels 7-10 where performance was above the university sector averages.

Performance of the TES priority groups (Māori, Pasifika and under-25-year-olds) improved on several indicators in 2013. Under-25-year-olds performed better, with rates matching sector averages for both completion education performance indicators (EPIs). Qualification completions continued to increase on 2012 levels for both Māori and under-25-year-olds.



Financial performance

Lincoln had a net operating deficit of \$0.4 million before unusual items, an improvement of \$3.8 million (3.5%) from 2012. Lincoln continued to be impacted by the effects of the Canterbury earthquakes, with net earthquake-related income of \$3.6 million (compared with \$0.3 million in 2012). This improved the overall result to a \$3.6 million surplus.

Lincoln's total revenue increased by \$4.0 million from 2012 to 2013, while total expenditure rose by \$0.6 million as a result of small increases in most expenditure categories. Total assets increased by \$10.0 million from 2012 to 2013, to a total of \$260 million.

In 2013 three cross-council appointments were made between Lincoln and the University of Canterbury (Canterbury) to promote a closer working relationship. The appointees to Lincoln were Dr John Wood (the current Chancellor of Canterbury) and Bruce Gemmell, while Tony Hall (the Pro-Chancellor of Lincoln) was appointed to the Canterbury council.



TES Priorities

Participation (SAC)		
2013 Performance	Lincoln University	University sector
Students under 25	66%	74%
Māori	9%	10%
Pasifika	1%	7%

Course Completion (SAC)		
2013 Performance	Lincoln University	University sector
All	83%	86%
Students under 25	86%	86%
Māori	73%	80%
Pasifika	59%	70%

Qualification Completion (SAC)		
2013 Performance	Lincoln University	University sector
All	80%	81%
Students under 25	72%	72%
Māori	67%	71%
Pasifika	28%	59%

Overview of Educational Performance				
Enrolments	2013 % of University sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	2%	2,797	3,082	2,740
SAC Students		5,404	6,680	5,710
Educational Performance Indicators - SAC	University sector	2011	2012	2013
Successful Course Completion	86%	82%	80%	83%
Qualification Completion	81%	65%	66%	80%
Student Retention	84%	55%	62%	59%
Student Progression L1-4	49%	20%	31%	25%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$41,101	\$44,867	\$41,050
Domestic student fees	\$8,459	\$8,924	\$8,902
International student fees	\$10,616	\$10,416	\$11,333
Other income (including research)	\$51,023	\$48,819	\$55,722
Total revenue	\$111,199	\$113,026	\$117,007
Expenses			
Personnel	\$58,973	\$59,972	\$61,196
Total expenses	\$112,138	\$116,800	\$117,389
Net surplus (after unusual and non-recurring items)	\$509	-\$3,401	\$3,564
Assets			
Property plant equipment and intangibles	\$187,272	\$194,546	\$201,360
Total Assets	\$251,505	\$250,012	\$260,036
Equity (net assets)	\$216,079	\$211,145	\$223,398
Cashflow			
Net cashflow from operations	\$4,375	\$5,762	\$9,708
Purchase of plant property equipment and intangibles	\$7,958	\$15,806	\$10,696
Other			
Staffing FTE	681	666	730
Total EFTS to Total Staff FTE ratio	5 : 1	6 : 1	5 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	14 : 1	15 : 1	16 : 1

MASSEY UNIVERSITY

Chancellor: Mr Chris Kelly
Vice-Chancellor: Hon Steve Maharey

- Main Campus**
Palmerston North
- Other Campus Locations**
North Shore, Auckland, Wellington



AQA Academic Audit

Whole institution audit timeline: November 2013
Audit Report: March 2014

Funding by TEC

- 77.3%** Teaching and Learning
- 1.7%** Capability
- 20.9%** Research
- 0.1%** Scholarships/Learners



Delivery by Level

- 0.0%** Level 1–2
- 0.2%** Level 3–4
- 4.9%** Level 5–6
- 83.7%** Level 7–8
- 11.2%** Level 9–10



Delivery by Subject

- 21.3%** Management and Commerce
- 20.5%** Society and Culture
- 16.0%** Creative Arts
- 10.4%** Health
- 9.9%** Natural and Physical Sciences
- 20.9%** Other



In 2013 Massey University (Massey) continued to improve on its educational performance from the previous year and remained in a sound financial position, with similar results to 2012.

Responsiveness

The outgoing Chancellor, Dr Russell Ballard, highlighted a number of Massey's achievements in its 2013 Annual Report, which included the continuing development of its Wellington and Albany campuses, particularly its Student Accommodation Village, new science laboratories and world-class College of Creative Design. He further cited the creation of a College of Health across all campuses and upgrading of the veterinary sciences facilities at the Palmerston North campus. Massey also prepared to launch its new strategic plan, 'Shaping the Nation and Taking the Best to the World', outlining its vision for 2014-2025.

Vice-Chancellor Hon Steve Maharey also recognised a number of Massey's achievements in 2013, including the launch of the College of Health and an Institute of Education, the first New Zealand university to offer open online courses in partnership with the online learning platform Open2Study in three disciplines (Agriculture, Emergency Management and Māori Studies), and the refurbishment and seismic strengthening of heritage buildings. Other highlights included hosting the Finance 2013 event with the Auckland Chamber of Commerce and partnering with other organisations to hold the Central Districts' Field Days in Fielding, where Massey showcased its agricultural and agri-food business research. Of further note was the launch of the second stage of Food HQ, a partnership with AgResearch, Plant and Food Research, the Riddet Institute and the Bio-Commerce Centre, aiming to provide research and expertise to meet the Government's annual target of \$60 billion in national food exports by 2025.

Massey's enrolments fell by five percent (778 EFTS). Its delivery was primarily focused at Levels 7–8 (84%) and Levels 9–10 (11%), with provision concentrated in Management and Commerce (21%), Society and Culture (21%), and Creative Arts (16%).

Māori and Pasifika participation accounts for 11 percent and four percent of total Massey enrolments respectively. Participation of under-25-year-olds reflects Massey's high proportion of extramural and part-time enrolments, which tend to comprise students over 25 years. Massey had 2,312 full-fee paying international EFTS (3,329 students).

Effectiveness

Massey's comparatively high volume of extramural enrolments (around 50% of students) continued to affect its performance against the educational performance indicators (EPIs) compared to other New Zealand universities. In 2013, the university made gains on the previous year with further increases in qualification completion (from 72% in 2012 to 75% in 2013) and in student progression (from 22% in 2012 to 58% in 2013).

Educational performance of all the TES priority groups (Māori, Pasifika and under-25-year-olds) showed slight improvements with increases in qualification completions for under-25-year-olds (from 63% in 2012 to 70% in 2013) and Māori (from 57% in 2012 to 60% in 2013).



Financial performance

Overall, Massey's 2013 result was largely consistent with 2012. Net surplus declined by \$1.2 million (13.0%) on its 2012 result.

Despite reductions in research revenue of \$6.6 million, increased Government funding (\$3.6 million) allowed Massey to limit reductions in total revenue to \$0.9 million (0.2%) between 2012 and 2013. Total expenditure increased marginally by \$0.3 million (0.1%).

In 2013 Dr Russell Ballard stepped down as Chancellor and as a Ministerial appointee, roles he had held for five and eight years respectively. Dr Ballard remains as a council-appointed member to the university council. Colin Harvey was appointed to replace him as a Ministerial appointee. The council also elected Chris Kelly as Chancellor in December 2013 and Michael Ahie as Pro-Chancellor. The Hon Steve Maharey was re-appointed Vice-Chancellor for a further five-year term.



TES Priorities

Participation (SAC)		
2013 Performance	Massey University	University sector
Students under 25	56%	74%
Māori	11%	10%
Pasifika	4%	7%

Course Completion (SAC)		
2013 Performance	Massey University	University sector
All	80%	86%
Students under 25	81%	86%
Māori	70%	80%
Pasifika	52%	70%

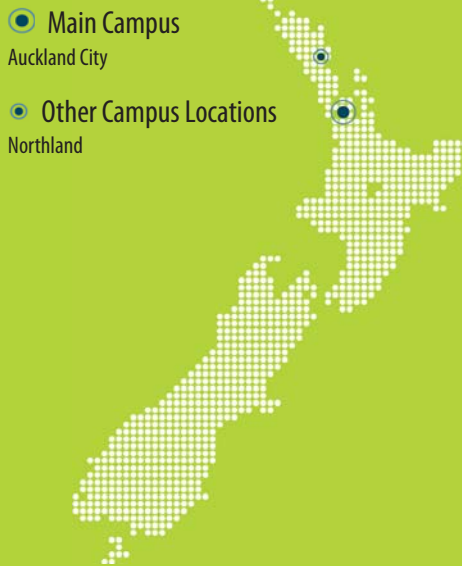
Qualification Completion (SAC)		
2013 Performance	Massey University	University sector
All	78%	81%
Students under 25	70%	72%
Māori	60%	71%
Pasifika	34%	59%

Overview of Educational Performance				
Enrolments	2013 % of University sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	14%	16,798	16,878	16,100
SAC Students	18%	30,334	29,548	28,263
Educational Performance Indicators - SAC	University sector	2011	2012	2013
Successful Course Completion	86%	80%	80%	80%
Qualification Completion	81%	49%	72%	78%
Student Retention	84%	67%	72%	75%
Student Progression L1-4	49%	26%	22%	58%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$182,089	\$181,904	\$185,462
Domestic student fees	\$91,878	\$98,798	\$97,431
International student fees	\$37,419	\$42,220	\$47,630
Other income (including research)	\$123,363	\$123,125	\$114,603
Total revenue	\$434,749	\$446,047	\$445,126
Expenses			
Personnel	\$249,612	\$256,686	\$254,861
Total expenses	\$427,161	\$436,453	\$436,776
Net surplus (after unusual and non-recurring items)	\$7,588	\$9,594	\$8,350
Assets			
Property plant equipment and intangibles	\$947,889	\$949,782	\$955,414
Total Assets	\$1,098,158	\$1,091,206	\$1,101,315
Equity (net assets)			
	\$943,407	\$941,689	\$949,464
Cashflow			
Net cashflow from operations	\$64,120	\$55,803	\$62,183
Purchase of plant property equipment and intangibles	\$55,744	\$55,412	\$53,891
Other			
Staffing FTE	2,982	2,972	2,993
Total EFTS to Total Staff FTE ratio	6 : 1	7 : 1	6 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	16 : 1	17 : 1	17 : 1

THE UNIVERSITY OF AUCKLAND

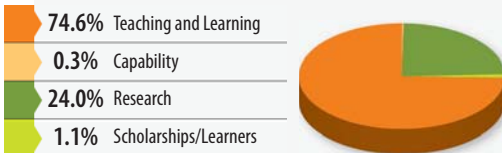
Chancellor: Dr Ian Parton
Vice-Chancellor: Professor Stuart McCutcheon



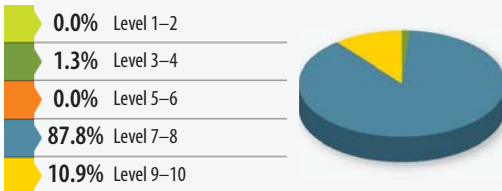
AQA Academic Audit

Whole institution audit timeline: July 2014
Audit Report: Anticipated release October 2014

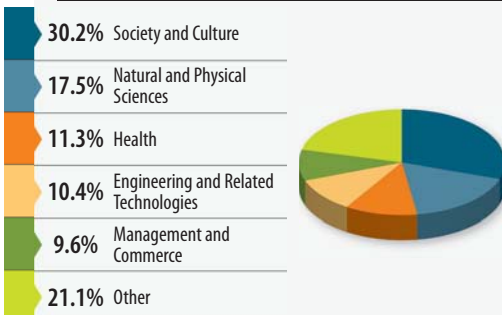
Funding by TEC



Delivery by Level



Delivery by Subject



The University of Auckland (Auckland) continued to be a strong overall performer in 2013. It remained in a sound financial position and was well placed to advance the TES priorities.

Responsiveness

As noted by Chancellor Dr Ian Parton in Auckland's 2013 Annual Report, a number of the university's academic staff received prestigious awards, including three National Tertiary Teaching Excellence Awards; the Prime Minister's Science Prize; the Callaghan Medal for Science Communication; the Thomson Medal for an outstanding contribution to the commercialisation of scientific research; the Pickering Medal for innovation in acoustic design; and the Royal Society's Rutherford Medal.

Another highlight was the purchase of the former Lion Breweries site in Newmarket as a basis for a new campus, to be integrated with the existing City and Grafton campuses. The resulting consolidated city-based campus will provide better support for students wishing to study conjoint degrees and interdisciplinary research.

Vice-Chancellor Professor Stuart McCutcheon recognised Auckland retaining its position in the top 100 universities in the 2013 Quacquarelli Symonds (QS) World University Rankings, with a number of individual subject areas ranked in the top 30 (Accounting and Finance, Psychology, Law, Education and Linguistics), and a further 13 ranked in the top 50. Auckland also maintained its recent trend of increasing the numbers of students achieving top grades. It further responded to strong demand from Māori and Pasifika students for access to programmes designed to support their successful transitions to university, and to progress towards equity in participation and achievement for priority learners.

Auckland increased its domestic enrolments by one percent (290 EFTS) and concentrated its delivery at Levels 7–8 (88%) and Levels 9–10 (11%). The main fields of study were Society and Culture (30%), Natural and Physical Sciences (18%), and Health (11%).

Participation for under-25-year-olds and Pasifika students was above the 2013 university sector average, with the latter up one percentage point from 2012. Auckland had 3,245 full fee-paying international EFTS (4,206 students) and this increased the proportion of international students to 13.2 percent of its student body.

Effectiveness

Auckland achieved above or on par with the university sector averages for each of the four educational performance indicators (EPIs) in 2013. Student retention and progression measures both increased from 2012.

Performance by the TES priority groups (Māori, Pasifika and under-25-year-olds) was above the university sector averages in 2013. Student retention and progression EPIs also improved on 2012 levels for each of the three TES priority groups.



Financial performance

In 2013 Auckland had a net surplus of \$29.5 million (3.0%), which is largely comparable with the 2012 result (\$29.1 million (3.1%)). Total revenue increased by \$42.1 million (4.5%) between 2012 and 2013. Increases in Government revenue (\$18.9 million) and student tuition fees (\$15.3 million) were offset by increases in personnel expenditure (\$10.7 million); operating expenditure (\$20.0 million); and depreciation and amortisation (\$11.2 million).

Total assets increased by \$174 million from 2012 to 2013, owing to \$60.7 million of property held for sale and an increase in the value of property, plant and equipment of \$113 million, owing to acquisitions, and revaluations of existing property.

Auckland has one subsidiary, Auckland UniServices Limited (AUSL), which materially impacts on the financial statements of Auckland in that AUSL contributes \$87.2 million in research revenue to the consolidated result.



TES Priorities

Participation (SAC)		
2013 Performance	Auckland	University sector
Students under 25	78%	74%
Māori	8%	10%
Pasifika	10%	7%

Course Completion (SAC)		
2013 Performance	Auckland	University sector
All	88%	86%
Students under 25	88%	86%
Māori	83%	80%
Pasifika	74%	70%

Qualification Completion (SAC)		
2013 Performance	Auckland	University sector
All	81%	81%
Students under 25	72%	72%
Māori	73%	71%
Pasifika	64%	59%

Overview of Educational Performance				
Enrolments	2013 % of University sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	25%	28,865	29,090	29,380
SAC Students	24%	36,254	36,236	36,575
Educational Performance Indicators - SAC	University sector	2011	2012	2013
Successful Course Completion	86%	88%	89%	88%
Qualification Completion	81%	88%	84%	81%
Student Retention	84%	87%	88%	89%
Student Progression L1-4	49%	90%	85%	94%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$369,525	\$369,905	\$388,839
Domestic student fees	\$136,016	\$143,411	\$150,911
International student fees	\$70,564	\$80,101	\$87,885
Other income (including research)	\$356,883	\$337,991	\$345,836
Total revenue	\$932,988	\$931,408	\$973,471
Expenses			
Personnel	\$545,004	\$557,297	\$568,007
Total expenses	\$900,722	\$902,046	\$943,784
Net surplus (after unusual and non-recurring items)	\$32,266	\$29,094	\$29,461
Assets			
Property plant equipment and intangibles	\$1,581,329	\$1,613,677	\$1,724,178
Total Assets	\$1,678,509	\$1,750,888	\$1,924,899
Equity (net assets)	\$1,372,010	\$1,404,905	\$1,543,523
Cashflow			
Net cashflow from operations	\$130,038	\$120,831	\$148,546
Purchase of plant property equipment and intangibles	\$220,957	\$134,486	\$117,618
Other			
Staffing FTE	4,784	5,019	4,909
Total EFTS to Total Staff FTE ratio	7 : 1	7 : 1	7 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	16 : 1	17 : 1	18 : 1

UNIVERSITY OF CANTERBURY

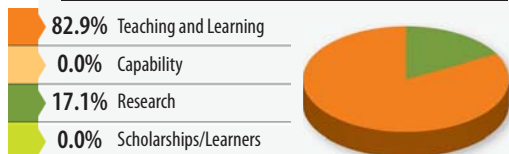
Chancellor: Dr John Wood
Vice-Chancellor: Dr Rod Carr

● Main Campus
 Christchurch

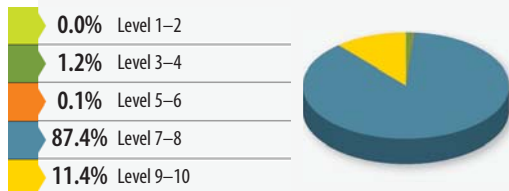
AQA Academic Audit

Whole institution audit timeline: November 2014
 Audit Report: August 2010

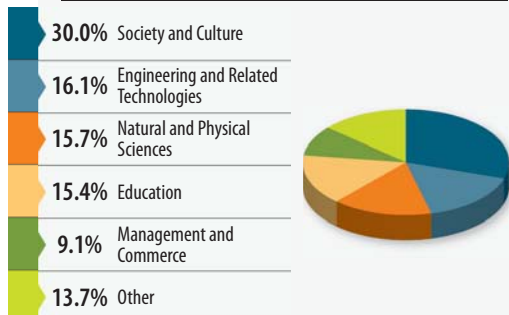
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 the University of Canterbury (Canterbury) continued its strong educational performance. Despite ongoing impacts of the earthquakes, it remained in a sound financial position.

Responsiveness

In Canterbury's 2013 Annual Report Chancellor Dr John Wood's major highlights included the completion of a number of building projects (the James Hight Library, the Ilam Homestead and the Central Lecture Theatres) along with the announcement of the Government contribution of up to \$260 million to redevelop the science and engineering facilities. Other achievements included the implementation of Canterbury's Māori Development Strategy, in conjunction with local iwi, and the advancement of the Ngāi Tahu Research Centre to support Canterbury's leadership in indigenous scholarship.

Vice-Chancellor Dr Rod Carr recognised a number of achievements for 2013, including the roll-out of a graduate profile and the Canterbury Navigator initiative to ensure students have relevant work experience before graduating. Other highlights were the launch of the Canterbury International College, in partnership with Navitas, to triple international student numbers in 10 years and the introduction of a domestic recruitment initiative, Canterbury Explore, enabling Year 13 secondary school students to experience Canterbury first hand.

Canterbury's enrolments fell by eight percent (932 EFTS). The majority of provision was at Levels 7–8 (88%) and Levels 9–10 (11%); concentrated in Society and Culture (30%), Engineering and Related Technologies (16%), and Natural and Physical Sciences (16%).

Participation of Māori (7%) and Pasifika (2%) students remained relatively unchanged over the previous four years. Participation of under-25-year-olds (76%) was above the university sector average and increased by one percentage point from 2012. Canterbury had 794 full-fee paying international EFTS (1,004 students).

Effectiveness

Canterbury was the top-performing university across two of the educational performance indicators (EPIs) (qualification completion and student progression) and also achieved above the sector average for all four indicators.

Performance for the TES priority groups saw under-25-year-olds above the university sector average for all indicators, Māori performed above average for each EPI except qualification completions, while Pasifika performed below the sector average for all except course completions.

Financial performance

Canterbury had an operating deficit of \$3.0 million, a \$3.2 million improvement on the \$6.2 million deficit of 2012. Total operating revenue decreased by \$11.8 million (4.0%) from 2012 to 2013, while total operating expenditure decreased by \$15.0 million (5.0%).

The significant impacts of the Canterbury earthquakes continue to impact Canterbury's financial results, with \$79.3 million in earthquake and other related adjustments improving the overall result to a surplus of \$76.3 million. This represents an improvement of \$142.9 million on the deficit from the earthquake and other adjustments of \$66.6 million in 2012.



Total assets increased by \$79.2 million, driven by increases in the value of property, plant and equipment (\$36.0 million) and capital works in progress (\$25.6 million). In addition to the \$79.3 million surplus, Government capital contributions and insurance settlement reserves increased the total equity by a further \$27.5 million.

There were two Ministerial appointments to the council in 2013: Tony Hall, the Pro-Chancellor of Lincoln University and Bruce Gemmell, who was also appointed to the Lincoln University council. These appointments, and the appointment of Dr John Wood, the Chancellor of Canterbury, to Lincoln University's council, were aimed at promoting closer working relationships.



TES Priorities

Participation (SAC)		
2013 Performance	Canterbury	University sector
Students under 25	76%	74%
Māori	7%	10%
Pasifika	2%	7%

Course Completion (SAC)		
2013 Performance	Canterbury	University sector
All	87%	86%
Students under 25	87%	86%
Māori	80%	80%
Pasifika	70%	70%

Qualification Completion (SAC)		
2013 Performance	Canterbury	University sector
All	88%	81%
Students under 25	78%	72%
Māori	68%	71%
Pasifika	51%	59%

Overview of Educational Performance				
Enrolments	2013 % of University sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	9%	12,523	12,181	11,249
SAC Students	9%	15,028	14,520	13,648
Educational Performance Indicators - SAC	University sector	2011	2012	2013
Successful Course Completion	86%	88%	87%	87%
Qualification Completion	81%	76%	85%	88%
Student Retention	84%	81%	87%	86%
Student Progression L1-4	49%	88%	86%	95%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$152,624	\$151,521	\$151,562
Domestic student fees	\$58,809	\$60,171	\$57,478
International student fees	\$19,403	\$18,568	\$18,371
Other income (including research)	\$59,880	\$62,982	\$54,078
Total revenue	\$290,716	\$293,242	\$281,489
Expenses			
Personnel	\$172,119	\$175,293	\$161,823
Total expenses	\$283,371	\$299,471	\$284,458
Net surplus (after unusual and non-recurring items)	\$28,841	-\$66,600	\$76,328
Assets			
Property plant equipment and intangibles	\$634,494	\$586,618	\$646,447
Total Assets	\$744,806	\$688,355	\$671,411
Equity (net assets)	\$584,711	\$522,099	\$604,205
Cashflow			
Net cashflow from operations	\$33,296	\$44,264	\$24,913
Purchase of plant property equipment and intangibles	\$89,892	\$71,362	\$90,545
Other			
Staffing FTE	1,870	1,956	1,907
Total EFTS to Total Staff FTE ratio	7 : 1	7 : 1	6 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	19 : 1	18 : 1	17 : 1

THE UNIVERSITY OF OTAGO

Chancellor: John Ward
Vice-Chancellor: Professor Harlene Hayne

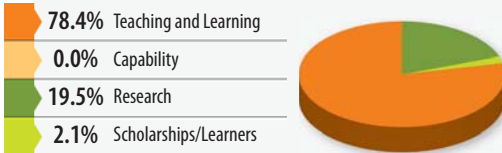
- Main Campus**
Dunedin
- Other Campus Locations**
Christchurch, Wellington,
Invercargill, Auckland



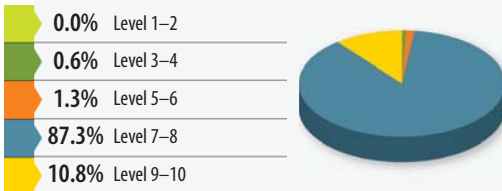
AQA Academic Audit

Whole institution audit timeline: 2016
Audit Report: March 2012

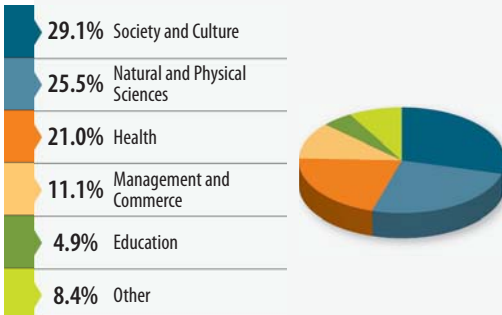
Funding by TEC



Delivery by Level



Delivery by Subject



The University of Otago (Otago) continued to be a strong educational performer in 2013 and remained in a healthy financial position.

Responsiveness

In the 2013 Annual Report, Chancellor John Ward highlighted a number of Otago's achievements. These included the ongoing direct economic impact Otago makes to the New Zealand and Dunedin economy and the re-signing of Otago's Memorandum of Understanding with Ngāi Tahu demonstrating the degree to which it has embedded Ngāi Tahu goals into its research and teaching activities.

Vice-Chancellor Professor Harlene Hayne recognised a number of additional achievements, including continuing to rank in the top one to three percent of the world's 10,000 universities. She also cites the success of the strategic decision to lift the academic calibre of Otago's student cohort in 2011 and the increase in Māori students to 9.2 percent of the domestic roll in 2013.

A further highlight was the University council's approval of Otago's 'Strategic Direction to 2020', which encourages its researchers to use their talents and resources to help solve some of the social, economic and environmental problems facing New Zealand. Particular success was realised by one of Otago's biomedical spin-out companies, Pacific Edge Limited, whose share value increased markedly during 2013 in the wake of contracts with two major United States health providers.

Otago's enrolments declined by one percent (164 EFTS). Its provision was primarily focused at Levels 7–8 (87%) and Levels 9–10 (11%), with delivery concentrated in Society and Culture (29%), Natural and Physical Sciences (26%), and Health (21%).

Participation for Māori and Pasifika accounted for 9 percent and 3 percent respectively of Otago's enrolments. Participation for under-25-year-olds (83%) was well above the university sector average (74%). Otago had 1,523 full-fee paying international EFTS (1,856 students).

Effectiveness

Otago was the top-performing university in two educational performance indicators (EPIs) (course completions and student retention) and achieved above the sector averages for all four EPIs.

The TES priority groups (Māori, Pasifika and under-25-year-olds) performed above the sector averages, with particular success in course and qualification completions. Pasifika qualification completions increased markedly (from 66% in 2012 to 74% in 2013).



Financial performance

In 2013 Otago had a net surplus, exceeding the 2012 result by \$13.8 million (43.3%). This was in part owing to one-off, non-cash gains (\$14.2 million) recognised during the 2013 year, including \$10.8 million in insurance proceeds relating to the Canterbury earthquakes. The University of Otago Foundation Trust and Hocken Collections Trust are consolidated in the Otago group result. The Otago Trusts contributed \$4.8 million in donations to the underlying group result (compared with \$2.8 million in 2012).

Total revenue increased by \$14.2 million (2.3%) from 2012 to 2013. Excluding the gains outlined above, the overall increase in revenue was a more conservative \$0.9 million. Total expenditure increased by a modest \$0.3 million as a result of cost savings across almost all expense categories. Total assets increased by \$47.3 million to \$1.7 billion between 2012 and 2013.



TES Priorities

Participation (SAC)		
2013 Performance	Otago	University sector
Students under 25	83%	74%
Māori	9%	10%
Pasifika	3%	7%

Course Completion (SAC)		
2013 Performance	Otago	University sector
All	89%	86%
Students under 25	89%	86%
Māori	84%	80%
Pasifika	76%	70%

Qualification Completion (SAC)		
2013 Performance	Otago	University sector
All	86%	81%
Students under 25	78%	72%
Māori	73%	71%
Pasifika	74%	59%

Overview of Educational Performance				
Enrolments	2013 % of University sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	15%	17,653	17,402	17,238
SAC Students	12%	19,354	19,108	18,907
Educational Performance Indicators - SAC	University sector	2011	2012	2013
Successful Course Completion	86%	89%	89%	89%
Qualification Completion	81%	81%	88%	86%
Student Retention	84%	88%	90%	90%
Student Progression L1-4	49%	-	92%	92%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$265,249	\$268,371	\$270,916
Domestic student fees	\$91,035	\$94,226	\$97,247
International student fees	\$46,000	\$45,377	\$44,013
Other income (including research)	\$190,110	\$213,754	\$223,773
Total revenue	\$592,394	\$621,728	\$635,949
Expenses			
Personnel	\$344,692	\$360,793	\$359,759
Total expenses	\$564,954	\$589,658	\$590,003
Net surplus (after unusual and non-recurring items)	\$27,440	\$32,070	\$45,946
Assets			
Property plant equipment and intangibles	\$1,312,678	\$1,321,602	\$1,327,277
Total Assets	\$1,581,101	\$1,613,644	\$1,660,994
Equity (net assets)	\$1,411,376	\$1,445,831	\$1,491,777
Cashflow			
Net cashflow from operations	\$91,858	\$83,225	\$81,702
Purchase of plant property equipment and intangibles	\$70,511	\$67,916	\$57,155
Other			
Staffing FTE	3,749	3,755	3,752
Total EFTS to Total Staff FTE ratio	5 : 1	5 : 1	5 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	16 : 1	16 : 1	15 : 1

THE UNIVERSITY OF WAIKATO

Chancellor: Rt. Hon Jim Bolger
Vice-Chancellor: Professor Roy Crawford

- Main Campus
Hamilton
- Other Campus Locations
Tauranga

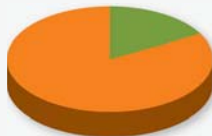


AQA Academic Audit

Whole institution audit timeline: 2015
 Audit Report: November 2010

Funding by TEC

- 83.0% Teaching and Learning
- 0.0% Capability
- 17.0% Research
- 0.1% Scholarships/Learners



Delivery by Level

- 0.0% Level 1–2
- 0.0% Level 3–4
- 0.9% Level 5–6
- 88.3% Level 7–8
- 10.8% Level 9–10



Delivery by Subject

- 35.2% Society and Culture
- 20.9% Education
- 16.7% Management and Commerce
- 10.8% Natural and Physical Sciences
- 6.4% Creative Arts
- 10.0% Other



The University of Waikato (Waikato) continued to be a strong educational performer and improved its financial performance to consolidate its healthy overall position in 2013.

Responsiveness

In the 2013 Annual Report Chancellor Rt. Hon Jim Bolger highlighted a number of Waikato's achievements, including its ranking among the Times Higher Education top 50 universities under 50 years old and its inclusion in the top two percent of all universities worldwide. He also cited Waikato's continued success in fostering strong relationships with communities, iwi, and other nations, and in making vital research contributions to national and international challenges in climate change, sustainability, education and technology. Waikato looks forward to celebrating its fiftieth anniversary in 2014.

Vice-Chancellor Professor Roy Crawford recognised a number of additional achievements, including reaching participation targets while enrolments softened across the tertiary sector, and positive results in the International Student Barometer Survey.

A further highlight was the adoption of a new strategy to build on its successful foundations and become more imaginative, innovative and entrepreneurial. Evidence of Waikato adapting to a rapidly changing environment can be seen in its launch of New Zealand's first Master's degree in Cyber Security.

Waikato's enrolments decreased by one percent (50 EFTS). Its provision was primarily focused at Levels 7–8 (88%) and Levels 9–10 (11%), with delivery concentrated in Society and Culture (35%), Education (21%), and Management and Commerce (17%).

TES priority group participation (Māori, Pasifika and under-25-year-olds) was similar to the previous year. Māori participation totalled 21 percent and was well above the university sector average (10%) and remained the highest amongst the universities. Pasifika participation was the same as in 2012 at six percent. Waikato had 1,324 full-fee paying international EFTS (1,682 students).

Effectiveness

All Waikato's educational performance indicators (EPIs) were slightly above the sector average, except course completion, which was one percentage point below the university sector average and dropped by the same amount compared with 2012.

Performance of the TES priority groups was above or on par with sector averages for Māori and under-25-year-olds but below for Pasifika across both completion measures. Qualification completions for Māori improved significantly (from 68% in 2012 to 81% in 2013), and were notably higher than the university sector average for Māori of 71 percent.



Financial performance

In 2013 Waikato had a net surplus that exceeded its 2012 result by \$3.9 million. This was owing in part to Waikato recording a write down of \$2.3 million in the value of capitalised development projects held for commercialisation in 2012.

Total revenue increased by \$8.0 million (3.6%) from 2012 to 2013, while total expenditure increased by \$4.3 million (2.0%).

Depreciation and amortisation costs reduced by \$2.1 million to normal levels after a one-off impairment in the value of capitalised development projects held for commercialisation in 2012. Total assets increased by \$8.2 million (1.9%).



TES Priorities

Participation (SAC)		
2013 Performance	Waikato	University sector
Students under 25	69%	74%
Māori	21%	10%
Pasifika	6%	7%

Course Completion (SAC)		
2013 Performance	Waikato	University sector
All	85%	86%
Students under 25	84%	86%
Māori	80%	80%
Pasifika	65%	70%

Qualification Completion (SAC)		
2013 Performance	Waikato	University sector
All	84%	81%
Students under 25	73%	72%
Māori	81%	71%
Pasifika	45%	59%

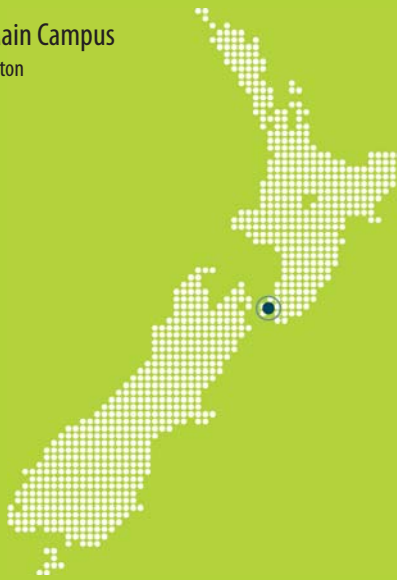
Overview of Educational Performance				
Enrolments	2013 % of University sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	7%	8,660	8,776	8,726
SAC Students	7%	10,924	11,117	11,029
Educational Performance Indicators - SAC	University sector	2011	2012	2013
Successful Course Completion	86%	87%	86%	85%
Qualification Completion	81%	78%	82%	84%
Student Retention	84%	84%	86%	85%
Student Progression L1-4	49%	85%	0%	50%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$97,642	\$98,005	\$101,623
Domestic student fees	\$40,590	\$42,714	\$44,182
International student fees	\$26,663	\$26,100	\$26,197
Other income (including research)	\$59,362	\$56,096	\$58,864
Total revenue	\$224,257	\$222,915	\$230,866
Expenses			
Personnel	\$128,656	\$126,518	\$128,287
Total expenses	\$215,518	\$217,048	\$221,319
Net surplus (after unusual and non-recurring items)	\$8,805	\$5,831	\$9,694
Assets			
Property plant equipment and intangibles	\$357,947	\$364,349	\$368,683
Total Assets	\$404,929	\$414,857	\$423,036
Equity (net assets)	\$337,109	\$342,947	\$353,285
Cashflow			
Net cashflow from operations	\$26,646	\$29,035	\$24,158
Purchase of plant property equipment and intangibles	\$29,085	\$29,068	\$24,301
Other			
Staffing FTE	1,543	1,513	1,543
Total EFTS to Total Staff FTE ratio	7 : 1	7 : 1	7 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	18 : 1	18 : 1	19 : 1

VICTORIA UNIVERSITY OF WELLINGTON

Chancellor: Ian McKinnon
Vice-Chancellor: Professor Pat Walsh to February 2014; Professor Grant Guilford from March 2014

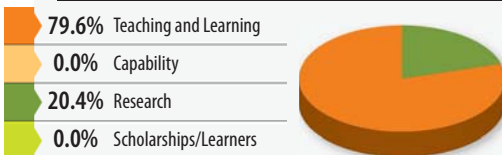
● Main Campus
 Wellington



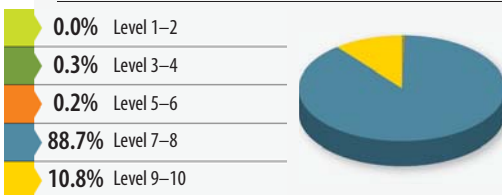
AQA Academic Audit

Whole institution audit timeline: August 2014
 Audit Report: November 2009

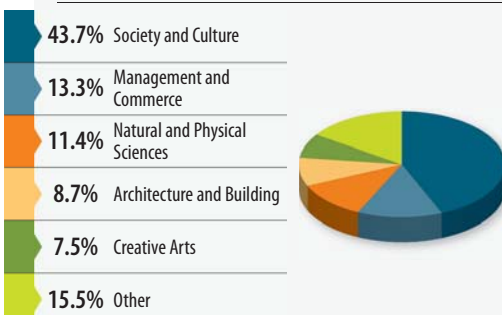
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 Victoria University of Wellington (Victoria) continued to perform well educationally and remained in a healthy financial position.

Responsiveness

In the 2013 Annual Report Chancellor Ian McKinnon highlighted a number of Victoria’s achievements, including the completion of the Victoria Hub, a three-storey building and courtyard providing students with social spaces, comfortable study areas, a bookshop, café and pharmacy. He also cited Victoria’s overall top ranking in the Performance-Based Research Fund (PBRF) Quality Evaluation in 2012; the 31 Marsden grants (\$11.2 million) awarded to academics at Victoria; and the success of former graduate Eleanor Catton who received the Man Booker Prize for literature. Of further note was Victoria’s increased number of international relationships developed during the year, strengthened in part through its hosting of a number of international conferences. Victoria also continued its work towards an inclusive environment for staff and students with the introduction of Equity and Diversity Staff Excellence Awards to recognise the work of individuals in this field.

Outgoing Vice-Chancellor Professor Pat Walsh recognised a number of additional achievements, including the attainment of first or second place in 25 subject areas in the 2012 PBRF Quality Evaluation, as well as Professor of Criminology John Pratt receiving the Mason Durie Medal for advancing social science, and academic staff winning three of the 10 Rutherford Discovery Fellowships. He further flagged Victoria’s university-wide focus on digital technologies to engage students and prepare them for success in the modern world.

Victoria’s enrolments increased by one percent (137 EFTS) compared with 2012, which was the first time in five years total EFTS had increased. The majority of Victoria’s delivery was at Levels 7–8 (89%), followed by Levels 9–10 (11%), with provision concentrated in Society and Culture (44%), Management and Commerce (13%), and Natural and Physical Sciences (11%).

Participation across the TES priority groups showed youth accounting for 80 percent of total enrolments, while Māori and Pasifika accounted for 10 percent and five percent respectively. Victoria had 1,538 full-fee paying international EFTS (2,093 students).

Effectiveness

Victoria was above or on par with the university sector average for all educational performance indicators (EPIs), with the exception of qualification completion. Victoria also improved its rate of student retention by six percentage points on the previous year.

Performance of the TES priority groups (Māori, Pasifika and under-25-year-olds) was above the sector average for all EPIs except student progression for Pasifika and qualification completions for all three groups.



Financial performance

Victoria had a net surplus of \$17.6 million, which was \$1.2 million (6.2%) lower than its 2012 result. This was primarily owing to cost increases exceeding revenue gains.

Total revenue grew by \$8.7 million (2.5%) from 2012 to 2013 as a result of increases in government revenue and student fees. In this same period expenditure increased by \$9.9 million (2.5%), mostly in operating and occupancy costs.

Total assets increased by a net \$11.7 million (1.6%) between 2012 and 2013, with notable increases in cash, cash equivalents and investment balances (\$7.5 million); the value of trade and other receivables (\$4.8 million); and intangible assets (\$2.0 million).

In 2013 the university council appointed Professor Grant Guilford, Dean of the Faculty of Sciences at the University of Auckland, to take over from Professor Pat Walsh as Vice-Chancellor on 1 March 2014.



TES Priorities

Participation (SAC)		
2013 Performance	Victoria	University sector
Students under 25	80%	74%
Māori	10%	10%
Pasifika	5%	7%

Course Completion (SAC)		
2013 Performance	Victoria	University sector
All	86%	86%
Students under 25	86%	86%
Māori	80%	80%
Pasifika	71%	70%

Qualification Completion (SAC)		
2013 Performance	Victoria	University sector
All	76%	81%
Students under 25	69%	72%
Māori	68%	71%
Pasifika	52%	59%

Overview of Educational Performance				
Enrolments	2013 % of University sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	13%	15,578	15,459	15,595
SAC Students	12%	20,404	19,029	19,326
Educational Performance Indicators - SAC	University sector	2011	2012	2013
Successful Course Completion	86%	85%	86%	86%
Qualification Completion	81%	77%	77%	76%
Student Retention	84%	81%	81%	86%
Student Progression L1-4	49%	88%	83%	75%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$153,718	\$156,311	\$159,040
Domestic student fees	\$69,083	\$72,986	\$77,067
International student fees	\$30,008	\$30,318	\$29,746
Other income (including research)	\$83,989	\$89,548	\$92,049
Total revenue	\$336,798	\$349,163	\$357,902
Expenses			
Personnel	\$185,878	\$184,733	\$185,101
Total expenses	\$322,357	\$330,393	\$340,276
Net surplus (after unusual and non-recurring items)	\$14,514	\$18,780	\$17,613
Assets			
Property plant equipment and intangibles	\$680,153	\$680,772	\$681,841
Total Assets	\$746,580	\$745,279	\$756,955
Equity (net assets)	\$618,958	\$618,038	\$635,651
Cashflow			
Net cashflow from operations	\$55,038	\$51,975	\$52,809
Purchase of plant property equipment and intangibles	\$56,497	\$56,243	\$38,735
Other			
Staffing FTE	1,974	1,824	1,883
Total EFTS to Total Staff FTE ratio	9 : 1	9 : 1	9 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	19 : 1	23 : 1	22 : 1

AORAKI POLYTECHNIC

Chair: Janie Annear from May 2014
(Kevin Cosgrove to April 2014)
Chief Executive: Alex Cabrera (Acting)

Main Campus

Timaru

Other Campus Locations

Ashburton, Oamaru, Christchurch,
Dunedin



NZQA EER

Educational Performance: Confident
Self-assessment: Confident

In 2013 Aoraki Polytechnic (Aoraki) shifted its delivery towards higher-level qualifications but continued to perform below sector averages on most educational performance indicators. Aoraki also had a challenging year financially following a significant reduction in enrolments.

Responsiveness

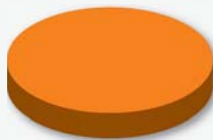
In a combined report, Chair Kevin Cosgrove and Chief Executive Alex Cabrera highlighted a number of Aoraki's achievements for 2013. Of particular note was the development of a strategic business case and new organisational structure, as well as the polytechnic's continued implementation of a new finance system and strengthening key collaborations with other institutions. Aoraki also undertook a major assessment of the agricultural sector's educational needs.

Aoraki's total EFTS volume dropped significantly, by 53 percent (634 EFTS) on the previous year. The majority of this reduction (339 EFTS) was across Levels 1–2, which decreased by eight percentage points compared with 2012. The largest share of Aoraki's total delivery was at Levels 3–4 (47%), with the remainder at Levels 1–2 (28%) and Levels 5–6 (25%). The main fields of study were Food, Hospitality and Personal Services (24%), Agriculture, Environmental and Related Studies (14%), and Society and Culture (12%).

Compared with Aoraki's TES priority group (Māori, Pasifika and under-25-year-olds) participation for 2012, the 2013 rates increased for under-25-year-olds (five percentage points), remained unchanged for Māori (15%) and dropped for Pasifika (two percentage points). Participation of under-25-year-olds was above the ITP sector average and, rates for Māori and Pasifika were above the region's demographic. Aoraki had 37 Youth Guarantee EFTS (38 students) and 12 full-fee paying international EFTS (41 students).

Funding by TEC

100%	Teaching and Learning
0.0%	Capability
0.0%	Research
0.0%	Scholarships/Learners



Delivery by Level

27.4%	Level 1–2
47.3%	Level 3–4
25.2%	Level 5–6
0.0%	Level 7–8
0.0%	Level 9–10



Delivery by Subject

23.6%	Food, Hospitality and Personal Services
14.2%	Agriculture, Environmental and Related Studies
12.0%	Society and Culture
11.3%	Creative Arts
11.3%	Management and Commerce
27.6%	Other



Effectiveness

Aoraki was above the ITP sector average for student retention, with an increase of eight percentage points compared with 2012. Aoraki's course and qualification completion decreased compared with 2012 (four and eight percentage points respectively). Student progression remained at the same level as the previous year. Aoraki's decline on some measures may be the result of a shift in provision toward higher-level qualifications away from short courses, following a steep drop in delivery at Levels 1–2.

Performance by the TES priority groups fell in 2013 compared with the previous year. The TES priority groups were all below the ITP sector average for course completion but above for student retention. Qualification completion was above the ITP sector average for under-25-year-olds but below the averages for Māori and Pasifika, both of which dropped on 2012 levels.



Financial performance

In 2013 Aoraki had a net deficit of \$3.1 million (-18.3%) compared to a \$0.2 million surplus in 2012 (a decline of \$3.1 million). Total revenue fell by \$6.9 million primarily owing to a \$6.4 million reduction in government funding due to a decrease in enrollments. Total expenditure reduced by \$3.8 million, mainly owing to reduced salary and wage costs (\$2.6 million). Total assets remained significant, at \$56.9 million, despite decreasing by \$0.6 million from 2012 to 2013.

Graeme McNally and Craig O'Connor were both reappointed by the Minister for Tertiary Education, Skills and Employment in 2013, for two-year terms.



TES Priorities

Participation (SAC)		
2013 Performance	Aoraki Polytechnic	ITP sector
Students under 25	59%	52%
Māori	15%	23%
Pasifika	3%	11%

Course Completion (SAC)		
2013 Performance	Aoraki Polytechnic	ITP sector
All	75%	80%
Students under 25	74%	78%
Māori	64%	75%
Pasifika	58%	73%

Qualification Completion (SAC)		
2013 Performance	Aoraki Polytechnic	ITP sector
All	69%	73%
Students under 25	67%	66%
Māori	55%	65%
Pasifika	53%	59%

Of the tertiary-aged population in the Aoraki region, 6% identified as Māori, 2% as Pasifika, and 18% as under the age of 25 years (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	2%	1,994	1,821	1,187
SAC Students	2%	4,798	4,248	2,454
Youth Guarantee (YG) EFTS	2%	-	-	37
YG Students	1%	-	-	38
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	80%	78%	75%
Qualification Completion	73%	68%	77%	69%
Student Retention	64%	48%	67%	72%
Student Progression L1-4	36%	17%	21%	21%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			81%
Qualification Completion	60%			83%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$17,344	\$16,575	\$10,114
Domestic student fees	\$3,402	\$3,234	\$2,868
International student fees	\$347	\$417	\$166
Other income (including research)	\$3,547	\$3,438	\$3,651
Total revenue	\$24,640	\$23,664	\$16,798
Expenses			
Personnel	\$12,865	\$12,343	\$9,733
Total expenses	\$26,300	\$23,638	\$19,869
Net surplus (after unusual and non-recurring items)	-\$1,660	\$26	-\$3,071
Assets			
Property plant equipment and intangibles	\$27,261	\$26,268	\$24,908
Total Assets	\$56,383	\$57,509	\$56,887
Equity (net assets)	\$53,505	\$53,387	\$50,351
Cashflow			
Net cashflow from operations	\$64	\$3,711	\$1,659
Purchase of plant property equipment and intangibles	\$2,391	\$1,118	\$385
Other			
Staffing FTE	185	175	150
Total EFTS to Total Staff FTE ratio	12 : 1	12 : 1	9 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	19 : 1	22 : 1	17 : 1

BAY OF PLENTY POLYTECHNIC

Chair: Ian Turner
Chief Executive: Dr Alan Hampton

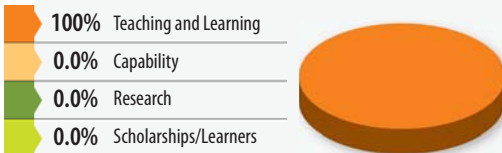
- **Main Campus**
Tauranga (Windermere)
- **Other Campus Locations**
Tauranga City (Bongard Centre)



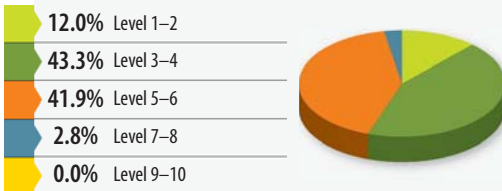
NZQA EER

Educational Performance: Highly Confident
Self-assessment: Confident

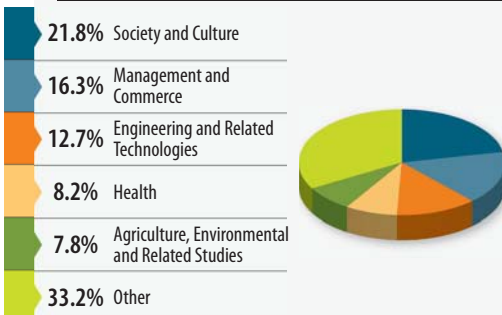
Funding by TEC



Delivery by Level



Delivery by Subject



Bay of Plenty Polytechnic (BoPP) continued to be a solid performer both educationally and financially in 2013 and remained well placed to advance the TES priorities for 2014.

Responsiveness

Chair Ian Turner recognised a number of BoPP's achievements in the 2013 Annual Report, including the adoption of a new student management system, as well as software for user services and financial systems, and the polytechnic's provision of a Tertiary Teaching programme to help staff communicate more effectively. He also cited BoPP's development of a strong international strategy and its continued collaborations with other institutions, which saw it develop programmes with Waiariki Institute of Technology (Waiariki) and the University of Waikato. BoPP also worked with the Bay of Plenty Tertiary Education Partnership to secure funding for the proposed Tertiary Partnership Campus in Tauranga.

Chief Executive Dr Alan Hampton highlighted further achievements, including the development of exciting and innovative programmes and distinctive and important applied research undertaken with industry. BoPP was also successful in securing funding to establish a Trades Academy, which, in collaboration with Waiariki and regional secondary schools, completes a regional network of Trades Academy hubs in the region.

BoPP's delivery decreased by two percent (43 EFTS), compared with 2012. As in previous years, the majority of BoPP's delivery was concentrated at Levels 3–4 (43%) and Levels 5–6 (42%), with 12 percent at Levels 1–2. Provision at Levels 7–8 continued to increase, accounting for three percent (77 EFTS) of total enrolments (up from 1% in 2012). BoPP's main fields of study were Society and Culture (22%), Management and Commerce (16%), and Engineering and Related Technologies (13%).

BoPP maintained strong Māori and under-25-year-old participation, with both above the ITP sector average. Pasifika participation rose one percentage point on 2012 and was above the demographics of the region. BoPP had 99 Youth Guarantee EFTS (113 students) and 62 full-fee paying international EFTS (111 students).

Effectiveness

BoPP's performance against the educational performance indicators (EPIs) was generally on par with or above the sector average. Course completion remained above the sector average as did BoPP's student retention rates, which notably increased by five percentage points compared with the previous year.

The performance of TES priority groups (Māori, Pasifika and under-25-year-olds) was above the ITP sector average for each of the EPIs, with the exceptions of student progression for Māori and under-25-year-olds, and Pasifika course completion. As well as being above the ITP sector averages in 2013, student retention increased for Māori, Pasifika and under-25-year-olds compared with 2012.



Financial performance

In 2013 BoPP had a net surplus of \$1.5 million, \$0.3 million (15.9%) lower than in 2012. This was primarily owing to unusual income of \$2.0 million in 2012, which contributed approximately \$1.0 million to the 2012 net surplus but was not received in 2013. When this is removed, the 2013 result is significantly better than in 2012.

Between 2012 and 2013, BoPP's total revenue decreased by \$2.2 million (5.2%) while total expenditure decreased by \$1.9 million (4.6%). Total assets reduced slightly, by \$1.5 million (1.5%).

Julie Chadwick was appointed to the BoPP council in May 2013 by the Minister for Tertiary Education, Skills and Employment.



TES Priorities

Participation (SAC)		
2013 Performance	BoPP	ITP sector
Students under 25	58%	52%
Māori	31%	23%
Pasifika	4%	11%

Course Completion (SAC)		
2013 Performance	BoPP	ITP sector
All	81%	80%
Students under 25	80%	78%
Māori	78%	75%
Pasifika	71%	73%

Qualification Completion (SAC)		
2013 Performance	BoPP	ITP sector
All	70%	73%
Students under 25	67%	66%
Māori	68%	65%
Pasifika	60%	59%

Of the tertiary-aged population in the BoPP region, 16% identified as Māori, 2% as Pasifika, and 18% as under the age of 25 years (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	4%	2,787	2,802	2,759
SAC Students	3%	4,152	4,269	4,358
Youth Guarantee (YG) EFTS	5%	-	-	99
YG Students	4%	-	-	113
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	80%	83%	81%
Qualification Completion	73%	69%	72%	70%
Student Retention	64%	58%	73%	76%
Student Progression L1-4	36%	24%	38%	32%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			72%
Qualification Completion	60%			68%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$25,877	\$26,722	\$25,084
Domestic student fees	\$11,401	\$11,098	\$10,797
International student fees	\$1,091	\$964	\$993
Other income (including research)	\$4,669	\$4,692	\$4,392
Total revenue	\$43,038	\$43,476	\$41,266
Expenses			
Personnel	\$25,391	\$26,024	\$24,732
Total expenses	\$40,726	\$41,638	\$39,720
Net surplus (after unusual and non-recurring items)	\$2,312	\$1,838	\$1,546
Assets			
Property plant equipment and intangibles	\$82,173	\$90,964	\$89,259
Total Assets	\$96,800	\$101,621	\$100,095
Equity (net assets)	\$83,276	\$89,208	\$90,778
Cashflow			
Net cashflow from operations	\$6,721	\$6,633	\$6,539
Purchase of plant property equipment and intangibles	\$5,309	\$9,778	\$3,425
Other			
Staffing FTE	381	388	368
Total EFTS to Total Staff FTE ratio	9 : 1	8 : 1	8 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	17 : 1	17 : 1	17 : 1

CHRISTCHURCH POLYTECHNIC INSTITUTE OF TECHNOLOGY

Chair: Jenn Bestwick
Chief Executive: Kay Giles

- **Main Campus**
Christchurch City
- **Other Campus Locations**
Waltham (Christchurch)



NZQA EER

Educational Performance: Highly Confident
Self-assessment: Confident

In 2013 Christchurch Polytechnic Institute of Technology (CPIT) continued to perform well in both educational and financial terms. CPIT remains well placed to advance the TES priorities in 2014.

Responsiveness

In the 2013 Annual Report Chair Jenn Bestwick highlighted a number of CPIT's achievements, including its success in securing a Government commitment of \$18.9 million to expand its Trades Innovation Campus and the polytechnic's launch of a \$120 million Campus Master Plan to rebuild and refurbish buildings on both campuses by 2022. CPIT also continued to collaborate with industry partners to train more people for the rebuild of Christchurch and deliver other work-ready graduates and worked closely with the anchor projects of the new city, particularly the Health Precinct, to drive progress.

Chief Executive Kay Giles identified a number of additional achievements, including the launch of its Technology-Enhanced Learning Strategy, a Learning Spaces pilot, and Women in Trades initiative, with fee-free scholarships for 2014. Of further note was CPIT's creation of the Eke Takaroa kaupapa to support the success of Māori students from 2014, while Pasifika student success was put centre stage with the Lead Your Future project. 2013 also saw CPIT become a founding member of the Global Education Skills Alliance (GESA).

CPIT's enrolments increased by two percent (111 EFTS) compared with 2012. Delivery remained primarily at Levels 7–8 (47%), with the balance mostly at Levels 3–4 (24%) and Levels 5–6 (21%). Delivery at Levels 1–2 was down five percentage points on 2012 but went up three percentage points at Levels 3–4. The main fields of study were Health (22%), Creative Arts (15%), Architecture and Building (14%), and Management and Commerce (14%).

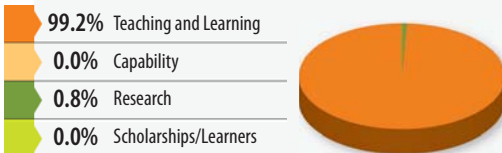
Participation of under-25-year-olds at CPIT was above the ITP sector average in 2013 and also rose by one percentage point on the previous year. Māori and Pasifika participation rates increased compared with 2012 and reflect a higher proportion than the regional demographics. CPIT had 141 Youth Guarantee EFTS (207 students) and 555 full-fee paying international EFTS (936 students).

Effectiveness

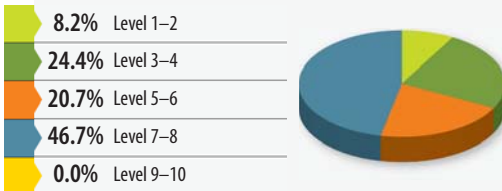
CPIT achieved above the ITP sector averages for all four of the education performance indicators (EPIs). CPIT notably maintained the highest course completion rate in the sector at 84 percent. Performance improved for both course completion and student retention (each up by one percentage point on 2012).

While performance against the EPIs for Māori and Pasifika was generally above or on par with the sector averages, both groups had decreases on their 2012 rates across all EPIs, with the exception of student retention. Performance by under-25-year-olds was above the sector average in each of the four EPIs and improved or remained on par with the previous year for all but student progression.

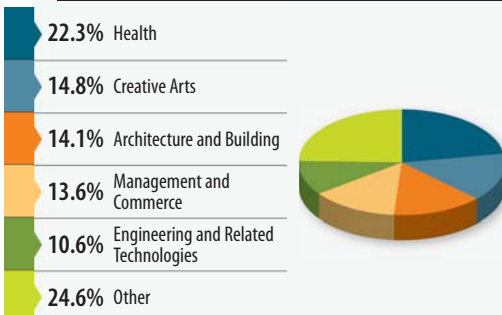
Funding by TEC



Delivery by Level



Delivery by Subject





Financial performance

In 2013 CPIT had a net surplus of \$10.4 million (10.7%), which exceeded the 2012 result by \$6.0 million. This was partly owing to the reversal of a \$2.4 million accrual relating to expected 2012 TEC funding recoveries that did not materialise. Total revenue increased by \$8.0 million (8.9%), with increases in Government funding (\$5.4 million) and student tuition fees (\$1.2 million). Meanwhile, total expenditure decreased by \$2.5 million (3.0%).

While CPIT continues to be impacted by the ongoing effects of the Canterbury earthquakes, the net impact on the 2013 result was minimal, with insurance proceeds of \$6.8 million only marginally exceeding earthquake-related expenditure of \$6.5 million.

Jenn Bestwick, who has served on the polytechnic council since 2005, was reappointed as Chair by the Minister for Tertiary Education, Skills and Employment.



TES Priorities

Participation (SAC)		
2013 Performance	CPIT	ITP sector
Students under 25	61%	52%
Māori	11%	23%
Pasifika	3%	11%

Course Completion (SAC)		
2013 Performance	CPIT	ITP sector
All	84%	80%
Students under 25	83%	78%
Māori	75%	75%
Pasifika	70%	73%

Qualification Completion (SAC)		
2013 Performance	CPIT	ITP sector
All	74%	73%
Students under 25	68%	66%
Māori	66%	65%
Pasifika	67%	59%

Of the tertiary-aged population in the CPIT region, 7% identified as Māori, 2% as Pasifika and 21% as under the age of 25 years (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	8%	4,502	5,045	5,156
SAC Students	8%	8,725	9,854	10,185
Youth Guarantee (YG) EFTS	7%	-	-	141
YG Students	8%	-	-	207
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	85%	83%	84%
Qualification Completion	73%	71%	75%	74%
Student Retention	64%	53%	66%	65%
Student Progression L1-4	36%	30%	48%	46%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			56%
Qualification Completion	60%			39%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$52,045	\$51,525	\$56,963
Domestic student fees	\$18,686	\$20,294	\$21,410
International student fees	\$7,292	\$7,218	\$7,409
Other income (including research)	\$6,815	\$10,050	\$11,263
Total revenue	\$84,838	\$89,087	\$97,045
Expenses			
Personnel	\$51,376	\$53,065	\$55,515
Total expenses	\$78,799	\$84,441	\$86,976
Net surplus (after unusual and non-recurring items)	\$5,720	\$4,324	\$10,361
Assets			
Property plant equipment and intangibles	\$190,656	\$188,641	\$186,315
Total Assets	\$233,649	\$239,633	\$253,788
Equity (net assets)	\$215,332	\$219,411	\$235,689
Cashflow			
Net cashflow from operations	\$11,757	\$13,142	\$9,409
Purchase of plant property equipment and intangibles	\$5,483	\$4,579	\$6,534
Other			
Staffing FTE	757	776	780
Total EFTS to Total Staff FTE ratio	7 : 1	8 : 1	8 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	14 : 1	15 : 1	17 : 1

EASTERN INSTITUTE OF TECHNOLOGY

Chair: David Pearson
Chief Executive: Chris Collins

- Main Campus**
Taradale, Gisborne
- Other Campus Locations**
Hastings, Waipukurau, Maraenui,
Wairoa, Ruatoria, Tokomaru Bay

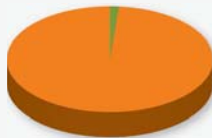


NZQA EER

Educational Performance: Highly Confident
Self-assessment: Confident

Funding by TEC

- 98.6% Teaching and Learning
- 0.0% Capability
- 1.4% Research
- 0.0% Scholarships/Learners



Delivery by Level

- 16.3% Level 1–2
- 33.2% Level 3–4
- 13.1% Level 5–6
- 36.8% Level 7–8
- 0.5% Level 9–10



Delivery by Subject

- 22.2% Health
- 14.1% Management and Commerce
- 11.4% Agriculture, Environmental and Related Studies
- 10.6% Society and Culture
- 10.0% Creative Arts
- 31.7% Other



Eastern Institute of Technology (EIT) performed strongly overall in 2013 and remains well placed to advance the TES priorities in 2014 and beyond.

Responsiveness

In the 2013 EIT Annual Report, Chair David Pearson highlighted a number of key milestones in the merger of Tairāwhiti Polytechnic (Tairāwhiti) and EIT into an integrated and effective institution with strong regional support. He also commented on an end-of-year surplus that exceeded expectations, from the work of the Future Sustainability project to address financial viability and the impacts of funding changes.

Chief Executive Chris Collins identified a number of EIT’s achievements, including its ranking as one of the top two ITPs in the 2012 Performance-Based Research Fund (PBRF) evaluation round and its new Masters programmes in Health, and in Information Technology as well as its practice-based primary teacher training degree programme.

He noted the majority of EIT’s delivery was at degree level, reflecting the strength of its ‘in-region’-applied degree portfolio and vocational relevance, including EIT’s new plumbing, gas-fitting and scaffolding programmes to support the Government’s Priority Trades initiative. EIT’s Trades Academy, partnering with most secondary schools in the regions, performed strongly and was recognised in the Prime Minister’s education excellence awards in 2014.

EIT’s enrolments decreased by six percent (223 EFTS), primarily at Levels 1–2 which were down by eight percentage points on 2012 (to account for 16% of all enrolments in 2013). The largest shares of delivery were at Levels 7–8 (37%) and Levels 3–4 (33%), while the main fields of study were Health (22%), Management and Commerce (14%), Agriculture, Environmental and Related Studies (11%), and Society and Culture (11%).

Māori participation remained strong at 43 percent, well above the ITP sector average and above demographics for the regions. Participation for Pasifika and under-25-year-olds was consistent with the regions’ demographics. EIT had 204 Youth Guarantee EFTS (283 students) and 198 full-fee paying international EFTS (339 students).

Effectiveness

EIT was equal to or above the ITP sector average across all four of the educational performance indicators (EPIs). Increases were also achieved for course completion, qualification completion, and student retention (up by one, five and nine percentage points respectively) compared with 2012.

Māori performance was equal to or above the ITP sector average across all four of the EPIs. This group’s improved rates of course completion, qualification completion and student retention on 2012 levels were achieved on a high proportion of Māori participation. Pasifika performance generally improved compared with 2012; it was on par with the sector average for course completion and above average for student progression.

Under-25-year-olds were equal to or above the ITP sector average for all EPIs except qualification completion. This group improved on its 2012 EPIs on all four counts, with an eight percentage point increase for student retention.



Financial performance

In 2013 EIT had a net surplus of \$0.1 million, which was \$1.0 million lower than the 2012 result. Total revenue decreased by \$1.5 million (2.6%) from 2012 to 2013. This was mainly owing to reduced Government funding of \$2.3 million and EIT not receiving funding during 2013 relating to its 2011 merger with Tairāwhiti. Total expenditure decreased marginally (\$0.5 million or 0.9%), chiefly as a result of reduced merger-related costs, offsetting modest increases in operating expenditure.

Between 2012 and 2013 total assets increased by \$12.2 million (9.6%) as a result of \$12.7 million in land and building revaluations in 2013.

Kate Radburn, a Ministerial appointee and Deputy Chair, resigned from the council in 2013. Jacoby Poulain was appointed by the Minister for Tertiary Education, Skills and Employment to fill this vacancy, and Michael Morgan, an existing council-appointed member, was appointed Deputy Chair for the remainder of his term.



TES Priorities

Participation (SAC)		
2013 Performance	EIT	ITP sector
Students under 25	50%	52%
Māori	43%	23%
Pasifika	5%	11%

Course Completion (SAC)		
2013 Performance	EIT	ITP sector
All	80%	80%
Students under 25	78%	78%
Māori	75%	75%
Pasifika	73%	73%

Qualification Completion (SAC)		
2013 Performance	EIT	ITP sector
All	74%	73%
Students under 25	64%	66%
Māori	66%	65%
Pasifika	55%	59%

Of the tertiary-aged population in the EIT region, 27% identified as Māori, 4% as Pasifika and 20% as under the age of 25 years (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	5%	3,596	3,649	3,426
SAC Students	5%	6,848	6,415	5,952
Youth Guarantee (YG) EFTS	10%	-	-	204
YG Students	11%	-	-	283
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	78%	79%	80%
Qualification Completion	73%	58%	69%	74%
Student Retention	64%	48%	61%	68%
Student Progression L1-4	36%	42%	43%	41%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			75%
Qualification Completion	60%			70%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$41,032	\$38,747	\$36,404
Domestic student fees	\$11,524	\$11,519	\$11,709
International student fees	\$3,049	\$2,580	\$2,890
Other income (including research)	\$5,087	\$4,566	\$4,895
Total revenue	\$60,692	\$57,412	\$55,898
Expenses			
Personnel	\$32,499	\$35,073	\$35,415
Total expenses	\$54,058	\$56,272	\$55,785
Net surplus (after unusual and non-recurring items)	\$6,634	\$1,140	\$113
Assets			
Property plant equipment and intangibles	\$105,236	\$108,199	\$120,810
Total Assets	\$127,241	\$126,887	\$139,093
Equity (net assets)	\$117,455	\$117,626	\$130,405
Cashflow			
Net cashflow from operations	\$11,066	\$6,659	\$6,012
Purchase of plant property equipment and intangibles	\$6,406	\$9,969	\$6,426
Other			
Staffing FTE	523	546	531
Total EFTS to Total Staff FTE ratio	9 : 1	8 : 1	8 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	15 : 1	14 : 1	15 : 1

MANUKAU INSTITUTE OF TECHNOLOGY

Chair: Peter Winder (Kaye Turner to April 2013)
Chief Executive: Dr Peter Brothers

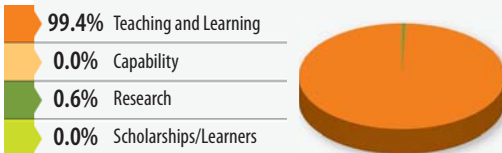
- Main Campus**
Manukau City (Auckland)
- Other Campus Locations**
Newmarket, Auckland City,
Pukekohe, Highbrook



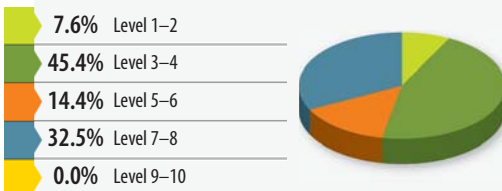
NZQA EER

Educational Performance: Highly Confident
Self-assessment: Highly Confident

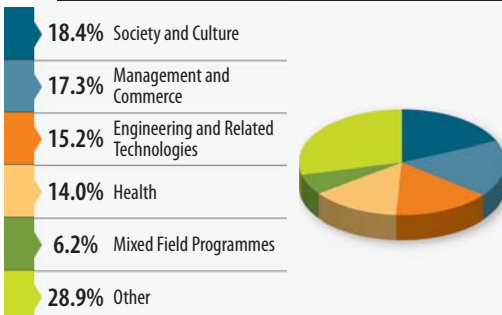
Funding by TEC



Delivery By Level



Delivery By Subject



In 2013 Manukau Institute of Technology (MIT) continued to perform well educationally. The Mainzeal collapse has negatively affected MIT's financial performance and presents challenges for it going forward.

Responsiveness

In the 2013 Annual Report Chair Peter Winder reported that the collapse of Mainzeal delayed the completion of the new Manukau Tertiary Campus but noted MIT still achieved an operating surplus in 2013 and ensured academic standards were maintained, along with student success. However, the Mainzeal collapse has serious widespread repercussions for MIT, not least the requirements of additional borrowing of approximately \$25 million and for all other capital expenditure to be put on hold.

Other developments of note included the signing of two Memoranda of Understanding: one with Auckland Council for the Southern Initiative that enhances cadetship opportunities for students and the other with Christchurch Polytechnic Institute of Technology and Skills Organisation to offer business education to industry. The Faculty of Nursing and Health Studies received a generous bequest of \$270,000, which enabled it to offer financial hardship scholarships. The TEC funding also provided 78 scholarships for Pasifika students to take up trades training.

Chief Executive Dr Peter Brothers also recognised a number of MIT's achievements in 2013, including its creative writing lecturer, Eleanor Catton, being awarded the 2013 Man Booker prize for her novel, *The Luminaries*. Further highlights were the success of MIT's 2013 graduates, 82 percent employed or in further study, and MIT's establishment of a subsidiary, Enterprise MIT, from the purchase of the Mahurangi Technical Institute private training establishment.

MIT's enrolments decreased by seven percent (391 EFTS), compared with 2012. This reduction was primarily at Levels 1–2 (5 percentage points or 395 EFTS) and Levels 5–6 (3 percentage points or 164 EFTS). The majority of MIT's delivery was at Levels 3–4 (45%) and Levels 7–8 (33%), where enrolments increased slightly compared with the previous year. The main fields of study were Society and Culture (19%), Management and Commerce (17%), and Engineering and Related Technologies (15%).

Pasifika participation remained strong, well above the ITP sector average and up one percentage point on the previous year. Participation by under-25-year-olds remained just below the ITP sector average. Māori participation remained consistent with regional demography. MIT had 361 Youth Guarantee EFTS (511 students) and 514 full-fee paying international EFTS (811 students).

Effectiveness

With the exception of qualification completion, MIT was above or equal to the ITP sector average for each of the education performance indicators (EPIs). MIT increased its qualification completion and student retention rates compared with 2012.

Performance for Pasifika was above or equal to the ITP sector averages for each EPI. Māori and under-25-year-olds were generally slightly below sector averages but both groups improved their student progression compared with 2012.



Financial performance

In 2013 MIT had a net surplus after unusual items of \$0.4 million, \$5.4 million lower than the 2012 result primarily owing to \$3.8 million in one-off costs related to the Mainzeal receivership. If this is excluded, the difference between the 2012 and 2013 result is approximately \$1.6 million, driven by revenue reductions.

Total revenue decreased by \$1.7 million (1.5%) from 2012 to 2013, while total expenditure (excluding the Mainzeal cost) remained reasonably similar to 2012. Despite a reduction in cash and cash equivalents (\$4.9 million) total assets grew by \$22.1 million, largely as a result of an increase in the value of property, plant and equipment, owing to the construction in progress at the Manukau campus.

The Chair, Kaye Turner, resigned from the council in 2013. Peter Winder was appointed to fill this vacancy by the Minister for Tertiary Education, Skills and Employment as a member and Chair until April 2017.



TES Priorities

Participation (SAC)		
2013 Performance	MIT	ITP sector
Students under 25	50%	52%
Māori	16%	23%
Pasifika	35%	11%

Course Completion (SAC)		
2013 Performance	MIT	ITP sector
All	80%	80%
Students under 25	75%	78%
Māori	73%	75%
Pasifika	73%	73%

Qualification Completion (SAC)		
2013 Performance	MIT	ITP sector
All	68%	73%
Students under 25	60%	66%
Māori	62%	65%
Pasifika	60%	59%

Of the tertiary-aged population in the MIT region, 9% identified as Māori, 12% as Pasifika and 22% as under the age of 25 years (based on Census 2013).

Overview of Educational Performance

Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	9%	6,124	6,402	6,011
SAC Students	8%	11,542	11,301	10,360
Youth Guarantee (YG) EFTS	18%	-	-	361
YG Students	19%	-	-	511
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	82%	80%	80%
Qualification Completion	73%	61%	67%	68%
Student Retention	64%	61%	65%	65%
Student Progression L1-4	36%	44%	50%	47%
Educational Performance Indicators - YG	ITP sector	2011	2012	2013
Successful Course Completion	70%	-	-	71%
Qualification Completion	60%	-	-	64%

Overview of Financial Performance*

Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$64,530	\$71,107	\$58,157
Domestic student fees	\$23,936	\$24,882	\$24,879
International student fees	\$6,385	\$6,916	\$7,489
Other income (including research)	\$12,228	\$6,560	\$17,248
Total revenue	\$107,079	\$109,465	\$107,773
Expenses			
Personnel	\$67,894	\$64,948	\$64,716
Total expenses	\$103,786	\$103,630	\$107,373
Net surplus (after unusual and non-recurring items)	\$3,293	\$5,835	\$400
Assets			
Property plant equipment and intangibles	\$169,563	\$221,392	\$251,739
Total Assets	\$216,129	\$236,236	\$258,348
Equity (net assets)	\$193,688	\$215,286	\$216,935
Cashflow			
Net cashflow from operations	\$11,302	\$14,231	\$13,144
Purchase of plant property equipment and intangibles	\$15,372	\$46,289	\$32,942
Other			
Staffing FTE	838	787	775
Total EFTS to Total Staff FTE ratio	9 : 1	10 : 1	10 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	19 : 1	22 : 1	22 : 1

NELSON MARLBOROUGH INSTITUTE OF TECHNOLOGY

Chair: Ross Butler
Chief Executive: Tony Gray

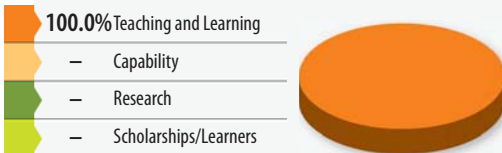
- **Main Campus**
Nelson
- **Other Campus Locations**
Blenheim



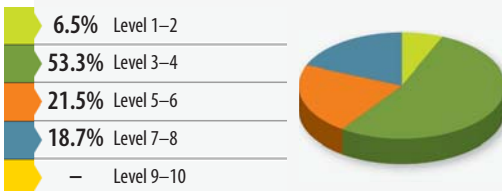
NZQA EER

Educational Performance: Highly Confident
Self-assessment: Confident

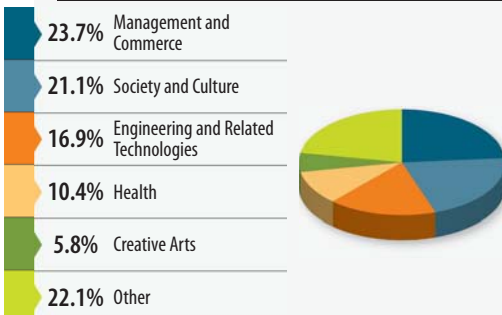
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 the educational performance of Nelson Marlborough Institute of Technology (NMIT) generally improved on the previous year. Financially, NMIT was below the TEC guidelines on a number of measures.

Responsiveness

In the 2013 Annual Report Chair Ross Butler recognised a number of NMIT's achievements, which saw nearly 7,000 students in some form of study across the region and a record number of graduates. NMIT notably grew its Trades Academy volumes from 16.2 EFTS in 2012 to 40.8 in 2013. The Chair also highlighted NMIT's major investment in a new Applied Technology building and its refurbishment of other campus facilities.

Chief Executive Tony Gray cited further achievements for 2013, including continued scrutiny of NMIT's effectiveness and efficiency with the adoption of a new student management system and lean business systems, as well as accreditation for its quality management system. Of note also was the further development of NMIT's internationalisation strategy and relationship with China.

NMIT's enrolments fell by 18 percent (368 EFTS) compared with 2012. The majority of the reduction occurred at Levels 5-6 (302 EFTS), mainly due to NMIT ceasing to offer Pilot Training, and Levels 1-2 (162 EFTS). NMIT's provision remained mainly at Levels 3-4 (53%), accounting for just over half of all delivery, with Levels 5-6 (22%) and Levels 7-8 (19%) accounting for most of the remainder. The main fields of study were Management and Commerce (24%), Society and Culture (21%), and Engineering and Related Technologies (17%).

Compared with 2012, participation of the TES priority groups (Māori, Pasifika and under-25-year-olds) increased for Māori, remained at five percent for Pasifika and decreased slightly for under-25-year-olds. Participation levels for each group reflected the region's demographics. NMIT had 59 Youth Guarantee EFTS (63 students) and 440 full-fee paying international EFTS (741 students).

Effectiveness

NMIT achieved a qualification completion rate of 83 percent (10 percentage points above the ITP sector average). Course completion and student progression each went up by one percentage point on 2012 levels, while qualification completion rose by 14 percentage points.

Compared with 2012, under-25-year-olds improved or retained the same rates across each educational performance indicator (EPI), while Māori improved for qualification completion and student progression.



Financial performance

In 2013 NMIT had a net surplus of \$0.3 million, \$1.9 million (87.6%) lower than the 2012 net surplus. NMIT's total revenue decreased by \$13.8 million (27.9%) from 2012 to 2013. This was mainly owing to a reduction in student tuition fees of \$10.3 million (46.7%), mainly domestic fees (\$9.5 million).

The primary reason for NMIT's decline in student fees is the fact that aviation training (previously subcontracted to other providers) is no longer offered. A corresponding reduction in subcontracting-related expenditure of \$10.2 million was the main reason NMIT's total expenditure reduced by \$11.9 million (25.1%) between 2012 and 2013.

Total assets dropped from \$103.9 million in 2012 to \$97.7 million in 2013 as a result of its reduction in short-term investments. This was partly owing to utilising previously invested student fees in advance of receiving \$4.9 million.

Andy Rowe was reappointed by the Minister for Tertiary Education, Skills and Employment as Deputy Chair and member for a further three-year term.

TES Priorities

Participation (SAC)		
2013 Performance	NMIT	ITP sector
Students under 25	46%	52%
Māori	16%	23%
Pasifika	5%	11%

Course Completion (SAC)		
2013 Performance	NMIT	ITP sector
All	78%	80%
Students under 25	78%	78%
Māori	67%	75%
Pasifika	66%	73%

Qualification Completion (SAC)		
2013 Performance	NMIT	ITP sector
All	83%	73%
Students under 25	80%	66%
Māori	71%	65%
Pasifika	54%	59%

Of the tertiary-aged population in the NMIT region, 9% identified as Māori, less than 2% as Pasifika, and 16% as under the age of 25 years (based on Census 2013).



Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	3%	2,474	2,445	2,078
SAC Students	3%	4,772	4,634	4,176
Youth Guarantee (YG) EFTS	3%	-	-	59
YG Students	2%	-	-	63
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	79%	77%	78%
Qualification Completion	73%	64%	69%	83%
Student Retention	64%	57%	65%	62%
Student Progression L1-4	36%	25%	29%	30%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			70%
Qualification Completion	60%			64%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$22,598	\$22,242	\$18,703
Domestic student fees	\$19,778	\$17,887	\$8,369
International student fees	\$4,535	\$4,261	\$3,447
Other income (including research)	\$5,643	\$5,250	\$5,296
Total revenue	\$52,554	\$49,640	\$35,815
Expenses			
Personnel	\$16,407	\$17,325	\$16,987
Total expenses	\$47,872	\$47,422	\$35,541
Net surplus (after unusual and non-recurring items)	\$4,682	\$2,218	\$274
Assets			
Property plant equipment and intangibles	\$75,244	\$77,870	\$84,292
Total Assets	\$108,250	\$103,926	\$97,682
Equity (net assets)	\$87,417	\$90,731	\$91,005
Cashflow			
Net cashflow from operations	\$12,513	-\$1,857	-\$3,853
Purchase of plant property equipment and intangibles	\$4,220	\$4,780	\$8,954
Other			
Staffing FTE	209	239	230
Total EFTS to Total Staff FTE ratio	16 : 1	14 : 1	12 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	35 : 1	29 : 1	23 : 1

NORTHTEC

Chair: Vern Dark
Chief Executive: Paul Binney

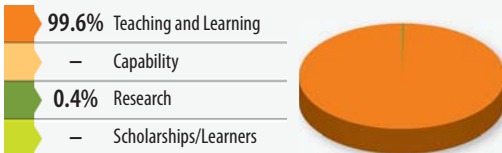
- Main Campus**
Whangarei
- Other Campus Locations**
Rawene, Kaitaia,
Kaikohe (Far North)



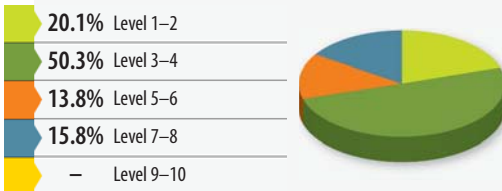
NZQA EER

Educational Performance: Confident
Self-assessment: Confident

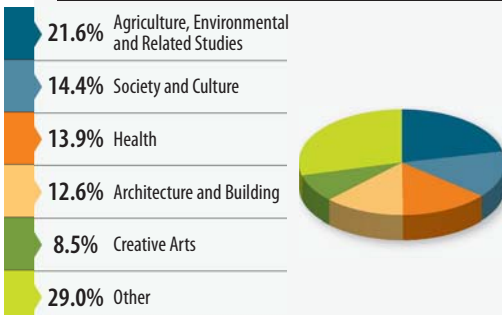
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 NorthTec generally improved its educational performance compared with the previous year, with room for improvement in qualification completions and in further advancing TES priority group (Māori, Pasifika and under-25-year-olds) performance. NorthTec remained in a sound financial position.

Responsiveness

In the 2013 Annual Report Chair Vern Dark highlighted a number of NorthTec's achievements, including maintaining existing levels and improved levels of academic performance and its enhanced relationships with stakeholders and partners, particularly Māori. He further cited the introduction of Lean Thinking at NorthTec to improve internal efficiencies, with the initial focus on its enquiry and enrolment function, resulting in improved responsiveness. Of note also was the decision to develop NorthTec's Raumanga campus as the tertiary hub for the North.

Chief Executive Paul Binney recognised a number of additional achievements, including an increased focus on improving the learning experience for students and NorthTec's greater cooperation with Te Taitokerau Trades Academy and school-tertiary academies. He also cited the adoption of a more robust international recruitment framework and the development of a central Auckland campus focused on international students.

NorthTec's enrolments went down by two percent (58 EFTS), compared with 2012. The majority of the decrease was at Levels 3-4 (133 EFTS), down one percentage point on 2012 volumes but still accounting for half of all enrolments in 2013. The rest of NorthTec's delivery was spread across Levels 1-2 (20%), Levels 7-8 (16%) and Levels 5-6 (14%). The main fields of study were Agriculture, Environmental and Related Studies (22%), Health (14%), and Society and Culture (14%).

Māori participation increased for the fifth consecutive year, accounting for 57 percent of all enrolments (up from 40% in 2009). Participation rates for Pasifika and under-25-year-olds each increased by one percentage point on 2012 levels and remained in line with the region's demography. NorthTec had 160 Youth Guarantee EFTS (198 students) and 60 full-fee paying international EFTS (129 students).

Effectiveness

Compared with 2012 NorthTec improved on each of the educational performance indicators (EPIs), excluding qualification completion, which slipped fractionally.

Achievement of the TES priority groups showed rates for under-25-year-olds remained at similar levels to 2012, with the exception of student retention, which rose by seven percentage points. Pasifika achieved a strong increase for course completion (from 68% in 2012 to 76% in 2013) but fell against student retention and qualification completion (six percentage points to 46%).

Financial performance

In 2013 NorthTec had a net surplus of \$0.6 million, \$0.7 million (50%) lower than in 2012. This was primarily owing to falling revenue failing to be offset by cost savings. Between 2012 and 2013 NorthTec's total revenue decreased by \$1.2 million (3.1%), while total expenditure decreased by \$0.5 million (1.3%).



Net assets increased by \$1.2 million between 2012 and 2013, largely driven by the revaluation of land and buildings, which increased by \$0.6 million. The development of the Auckland International Campus also increased the value of work in progress by \$0.2 million.

In 2008 NorthTec received an \$8.5 million suspensory loan from the Crown, which was repayable if NorthTec failed to meet specified equity conversion conditions. NorthTec converted the final tranche of the loan (\$1.9 million) to equity during 2013. NorthTec's application for the transfer of the Crown-titled land and/or buildings at its Raumanga, Kaitaia and Rawene sites and the disposal, with the retention of the net proceeds, of its Dargaville campus, remained under consideration pending progress with Treaty of Waitangi Settlement negotiations.

Vern Dark was reappointed by the Minister for Tertiary Education, Skills and Employment as Chair for a further two-year term.



TES Priorities

Participation (SAC)		
2013 Performance	NorthTec	ITP sector
Students under 25	39%	52%
Māori	57%	23%
Pasifika	4%	11%

Course Completion (SAC)		
2013 Performance	NorthTec	ITP sector
All	80%	80%
Students under 25	75%	78%
Māori	76%	75%
Pasifika	76%	73%

Qualification Completion (SAC)		
2013 Performance	NorthTec	ITP sector
All	62%	73%
Students under 25	54%	66%
Māori	58%	65%
Pasifika	46%	59%

Of the tertiary-aged population in the NorthTec region, 29% identified as Māori, 2% as Pasifika and 18% as under the age of 25 years (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	4%	2,757	2,814	2,756
SAC Students	3%	4,997	4,517	4,348
Youth Guarantee (YG) EFTS	8%	-	-	160
YG Students	8%	-	-	198
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	79%	79%	80%
Qualification Completion	73%	64%	64%	62%
Student Retention	64%	53%	64%	68%
Student Progression L1-4	36%	27%	32%	34%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			57%
Qualification Completion	60%			48%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$27,372	\$27,500	\$26,768
Domestic student fees	\$6,481	\$6,494	\$6,573
International student fees	\$852	\$1,493	\$1,081
Other income (including research)	\$1,296	\$1,599	\$1,497
Total revenue	\$36,001	\$37,086	\$35,919
Expenses			
Personnel	\$20,209	\$21,733	\$22,428
Total expenses	\$34,921	\$35,796	\$35,319
Net surplus (after unusual and non-recurring items)	\$1,080	\$1,290	\$600
Assets			
Property plant equipment and intangibles	\$38,587	\$38,980	\$39,694
Total Assets	\$48,894	\$49,558	\$50,743
Equity (net assets)	\$44,848	\$46,138	\$47,385
Cashflow			
Net cashflow from operations	\$3,953	\$3,351	\$2,601
Purchase of plant property equipment and intangibles	\$3,378	\$2,769	\$2,097
Other			
Staffing FTE	326	347	365
Total EFTS to Total Staff FTE ratio	10 : 1	10 : 1	10 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	17 : 1	17 : 1	17 : 1

OPEN POLYTECHNIC OF NEW ZEALAND

Chair: Graeme Hall until April 2014; currently Murray Bain
Chief Executive: Dr Caroline Seelig

Main Campus

Lower Hutt

Other Campus Locations

The Open Polytechnic of New Zealand delivers courses by distance learning throughout New Zealand.

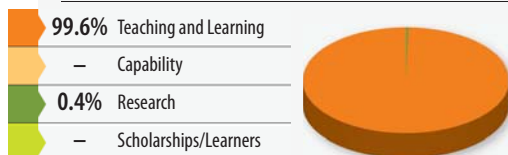


NZQA EER

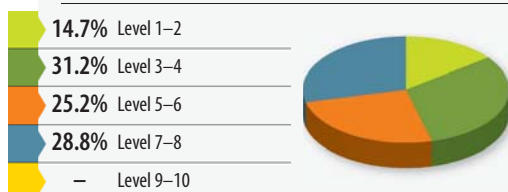
Educational Performance: Confident

Self-assessment: Confident

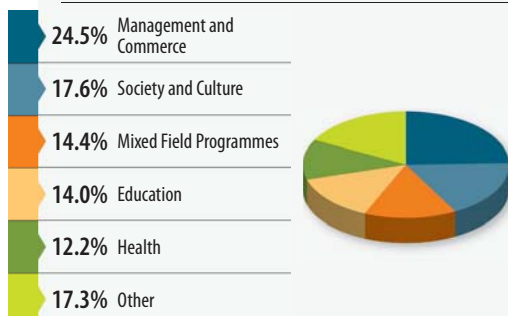
Funding by TEC



Delivery by Level



Delivery by Subject



The Open Polytechnic of New Zealand (OPNZ) generally improved its educational performance compared with the previous year and was above the ITP sector averages on some indicators. Financially, OPNZ remained in a sound position.

Responsiveness

In the 2013 Annual Report Chair Graeme Hall reported a number of OPNZ's achievements, including strong educational performance placing OPNZ in the upper quartile for the sector in both course and qualification completion rates. He also noted its efforts to build workforce capability, with the majority of OPNZ graduates reporting career growth and/or financial reward post study. He further highlighted the appointment of new members to council with strong governance and technology backgrounds.

Chief Executive Dr Caroline Seelig recognised a number of additional achievements, including high levels of student satisfaction and marked improvement in the educational achievement of Māori and Pasifika priority groups. Of note also was OPNZ's strong response to national upskilling needs, by developing new qualifications, such as the New Zealand Diploma in Engineering (Mechanical Strands) and the Bachelor of Information Technology (offered in 2014). OPNZ also delivered National Certificate of Educational Achievement (NCEA) Levels 1 and 2 programmes in collaboration with the Department of Corrections.

OPNZ completed a number of projects designed to enhance the student experience, including the establishment of a permanent video team to provide more video content, an online study plan tool and a new My Open Polytechnic app (launched in 2014).

Compared with 2012, enrolments at OPNZ were down by eight percent (399 EFTS). This reduction occurred primarily at Levels 3–4 which accounted for 31 percent of enrolments (33% in 2012). The remainder of delivery was at Levels 7–8 (29%), Levels 5–6 (25%) and Levels 1–2 (15%). The main fields of study were Management and Commerce (25%), Society and Culture (18%), Mixed Field Programmes (14%), and Education (14%).

Participation for Māori nevertheless rose significantly in 2013 (three percentage points on 2012 to reach 17%). Under-25-year-olds remained at the same participation rate as the previous year (23%). Pasifika slipped slightly from 2012 to fall one percentage point to 10 percent. Participation of Pasifika and under-25-year-olds was in line with the national tertiary-aged population. OPNZ had 39 full-fee paying international EFTS (187 students).

Effectiveness

Educational delivery by OPNZ was above or equal to the ITP sector averages for course and qualification completions. OPNZ reported increases on 2012 rates across three of the educational performance indicators (EPIs): student retention was up 13 percentage points, student progression seven percentage points and qualification completion was up one percentage point.

Compared with 2012, Māori made strong increases in student retention (12 percentage points), student progression (eight percentage points) and course completion (five percentage points).

Financial performance

In 2013 OPNZ had a net surplus of \$2.6 million (4.6%), which was \$1.7 million (39.0%) lower than in 2012. This is largely explained by cost savings not fully offsetting reductions in total revenue.



Total revenue decreased by \$4.3 million (6.4%) from 2012 to 2013, owing to a \$4.3 million reduction in government funding. Total expenditure decreased by \$2.6 million (4.5%), predominantly through savings of \$2.5 million in course and delivery costs from lower than expected student numbers.

Total assets increased by \$3.2 million between 2012 and 2013, mainly relating to short-term investments (\$2.4 million) and receivables (\$1.5 million).

The clearances required for the transfer of Crown-titled land and buildings managed by OPNZ at its Lower Hutt campus into its ownership proceeded during 2013.

Two new Ministerial appointments were made in 2013, including Murray Bain as a member and Deputy Chair and Helen Robinson as a member. Murray Bain was later appointed as Chair after Graeme Hall's term as Chair ended in April 2014.



TES Priorities

Participation (SAC)		
2013 Performance	Open Polytechnic	ITP sector
Students under 25	23%	52%
Māori	17%	23%
Pasifika	10%	11%

Course Completion (SAC)		
2013 Performance	Open Polytechnic	ITP sector
All	80%	80%
Students under 25	76%	78%
Māori	74%	75%
Pasifika	68%	73%

Qualification Completion (SAC)		
2013 Performance	Open Polytechnic	ITP sector
All	79%	73%
Students under 25	64%	66%
Māori	67%	65%
Pasifika	67%	59%

Of the tertiary-aged population in New Zealand, 13% identified as Māori and 21% as under the age of 25 years. Pasifika population figures were less than 6% (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	8%	5,477	5,565	5,167
SAC Students	22%	34,950	30,279	28,287
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	73%	80%	80%
Qualification Completion	73%	59%	78%	79%
Student Retention	64%	30%	40%	50%
Student Progression L1-4	36%	18%	25%	32%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$40,558	\$43,614	\$37,816
Domestic student fees	\$16,046	\$16,260	\$15,702
International student fees	\$182	\$220	\$359
Other income (including research)	\$1,716	\$1,823	\$3,782
Total revenue	\$58,502	\$61,917	\$57,659
Expenses			
Personnel	\$28,466	\$27,909	\$28,622
Total expenses	\$54,765	\$57,579	\$55,013
Net surplus (after unusual and non-recurring items)	\$3,737	\$4,338	\$2,646
Assets			
Property plant equipment and intangibles	\$31,561	\$29,298	\$34,010
Total Assets	\$74,785	\$79,169	\$82,411
Equity (net assets)	\$58,129	\$62,467	\$65,513
Cashflow			
Net cashflow from operations	\$9,352	\$11,111	\$7,264
Purchase of plant property equipment and intangibles	\$4,150	\$4,888	\$4,744
Other			
Staffing FTE	393	397	394
Total EFTS to Total Staff FTE ratio	15 : 1	16 : 1	14 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	54 : 1	57 : 1	52 : 1

OTAGO POLYTECHNIC

Chair: Kathy Grant
Chief Executive: Phil Ker

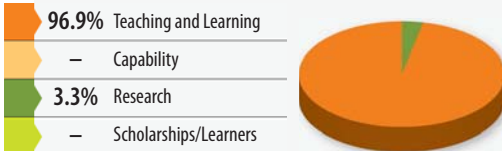
- Main Campus**
Dunedin
- Other Campus Locations**
Cromwell, Auckland



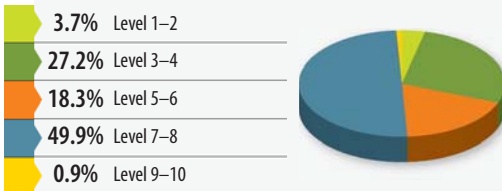
NZQA EER

Educational Performance: Highly Confident
Self-assessment: Highly Confident

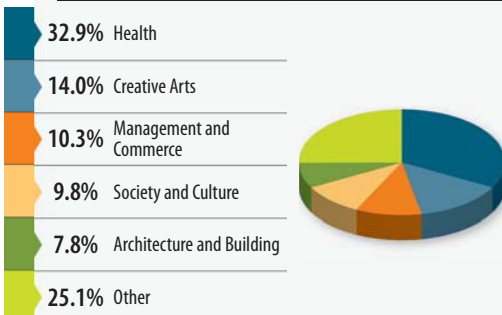
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 Otago Polytechnic continued to be a strong educational performer and was above the ITP sector average on all indicators. Financially, Otago remained in a sound position.

Responsiveness

A joint report from the Council Chair, Kathy Grant and Chief Executive, Phil Ker recognised a number of Otago Polytechnic's achievements for 2013. These included: exceeding international enrolment targets at the new Auckland International Campus and achieving high overall enrolments (against the sector trend); excelling in the Australasian AUSSE survey for student engagement; maintaining Performance-Based Research Fund (PBRF) research standings at second in the ITP sector for research earnings and third for research quality; and additional investment in knowledge transfer business, which supports research and development in industry and practical problem-solving through Centres of Research Excellence.

Further highlights included growing the 'open learning' business, including assessment of prior learning and new professional practice qualifications and the official launch in Vancouver of the Otago Polytechnic led Open Educational Resources (OERu) initiative. This initiative involves over 20 international partners and aims to bring online credentialled learning to the world free of tuition fees. A flourishing Kai Tahu relationship resulted in an updated Memorandum of Understanding re-signed with the four local runaka and progress in institutional responsiveness to Māori.

Otago Polytechnic's enrolments increased by one percent (47 EFTS) compared with 2012. The majority of the increase was at Levels 5–6 (18% of total delivery compared with 16% in 2012). The largest share of Otago Polytechnic's enrolments remained at Levels 7–8 (50%), Levels 3–4 (27%) and Levels 5–6 (18%). The main fields of study were Health (33%), Creative Arts (14%), Management and Commerce (10%), and Society and Culture (10%).

Participation remained well above the ITP sector average for under-25-year-olds at 63%, Pasifika participation was in line with the regional demographic and Māori participation was well above. Otago Polytechnic had 74 Youth Guarantee EFTS (98 students) and 360 full-fee paying international EFTS (564 students).

Effectiveness

Otago Polytechnic again performed strongly against the educational performance indicators (EPIs) where it was above the ITP sector average across all measures, performing particularly strongly against sector averages for completions and progression. Improvements on 2012 results were achieved across three of the four EPIs, with all but course completions increasing.

Performance for the TES priority groups (Māori, Pasifika and under-25-year-olds) was above the ITP sector averages on all measures, with the exception of Pasifika course completions. In almost all cases performance also improved compared with the previous year.



Financial performance

In 2013 Otago Polytechnic had a net surplus of \$2.1 million, which was lower than the 2012 result by \$1.6 million (44.3%) owing to a deliberate increase in spending to raise capability. Total revenue has increased by \$3.2 million (5.3%) from 2012 to 2013, mainly as a result of an increase in total student tuition fees. Total expenditure increased by \$4.8 million (8.5%) mainly as a result of increased personnel expenditure (\$1.9 million) and occupancy and operating expenditure (\$2.2 million).

Total assets increased marginally by \$3 million between 2012 and 2013. In 2008 Otago Polytechnic received a \$5.985 million suspensory loan from the Crown. This loan is repayable if Otago Polytechnic fails to meet the specified equity conversion conditions. Between 2010 and 2013, \$3.8 million had been converted to equity in separate tranches.

Susie Johnstone was reappointed by the Minister for Tertiary Education, Skills and Employment as Deputy Chair.

TES Priorities

Participation (SAC)		
2013 Performance	Otago Polytechnic	ITP sector
Students under 25	63%	52%
Māori	12%	23%
Pasifika	4%	11%

Course Completion (SAC)		
2013 Performance	Otago Polytechnic	ITP sector
All	82%	80%
Students under 25	81%	78%
Māori	78%	75%
Pasifika	69%	73%

Qualification Completion (SAC)		
2013 Performance	Otago Polytechnic	ITP sector
All	83%	73%
Students under 25	71%	66%
Māori	72%	65%
Pasifika	75%	59%

Of the tertiary-aged population in the Otago Polytechnic region, 7% identified as Māori, Pasifika as 2% and 26% as under the age of 25 years (based on Census 2013).



Overview of Educational Performance					
Enrolments	2013 % of ITP sector	2011	2012	2013	
Student Achievement Component (SAC) EFTS	5%	3,314	3,445	3,492	
SAC Students	4%	4,977	4,824	4,724	
Youth Guarantee (YG) EFTS	4%	-	-	74	
YG Students	4%	-	-	98	
Educational Performance Indicators - SAC		ITP sector	2011	2012	2013
Successful Course Completion	80%	83%	83%	82%	
Qualification Completion	73%	74%	78%	83%	
Student Retention	64%	54%	67%	70%	
Student Progression L1-4	36%	37%	41%	47%	
Educational Performance Indicators - YG		ITP sector	2011	2012	2013
Successful Course Completion	70%			70%	
Qualification Completion	60%			64%	

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$31,465	\$33,425	\$33,995
Domestic student fees	\$15,106	\$16,134	\$16,039
International student fees	\$2,467	\$3,422	\$5,526
Other income (including research)	\$6,900	\$7,441	\$8,075
Total revenue	\$55,938	\$60,422	\$63,635
Expenses			
Personnel	\$33,403	\$36,262	\$38,147
Total expenses	\$52,840	\$56,986	\$61,831
Net surplus (after unusual and non-recurring items)	\$3,342	\$3,704	\$2,064
Assets			
Property plant equipment and intangibles	\$81,248	\$83,288	\$86,679
Total Assets	\$92,400	\$96,144	\$99,960
Equity (net assets)	\$84,063	\$87,767	\$89,831
Cashflow			
Net cashflow from operations	\$8,131	\$9,000	\$7,857
Purchase of plant property equipment and intangibles	\$6,630	\$7,103	\$6,867
Other			
Staffing FTE	437	461	489
Total EFTS to Total Staff FTE ratio	8 : 1	8 : 1	8 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	19 : 1	19 : 1	19 : 1

SOUTHERN INSTITUTE OF TECHNOLOGY

Chair: Sarah Brown (to 30 April 2015)

Chief Executive: Penny Simmonds

Main Campus

Invercargill

Other Campus Locations

Gore, Christchurch, Queenstown



NZQA EER

Educational Performance: Confident

Self-assessment: Confident

In 2013 the Southern Institute of Technology (SIT) continued to improve its educational performance compared with the previous year but remained below sector averages for three indicators. SIT remained in a sound financial position.

Responsiveness

In the 2013 Annual Report Chair Sarah Brown highlighted a number of SIT's achievements, including its new Bachelor of Commerce programme, which is attracting students from around the country as well as overseas. SIT's sound financial performance is enabling its successful Zero Fees initiative to continue into the foreseeable future, while its increased volume of international students in 2013 is providing lasting benefits to the Southland community, both economically and culturally.

Chief Executive Penny Simmonds recognised a number of additional achievements for SIT, including significant improvement in course and qualification completion rates and continued strong enrolments in allied trades and construction programmes in Invercargill and Queenstown as well as Gore (for the first time). In 2013 SIT completed additional student living accommodation in Invercargill and Queenstown and the introduction of an Allied Trades Training programme into Invercargill Prison.

SIT's enrolments decreased by three percent (105 EFTS) on 2012 volumes. The distribution of delivery at SIT shifted in 2013, with Levels 3–4 dropping sharply (from 44% in 2012 to 35% in 2013), while Levels 5–6 increased (from 31% in 2012 to 36% in 2013). The main fields of study were Health (21%), Management and Commerce (18%), and Society and Culture (18%).

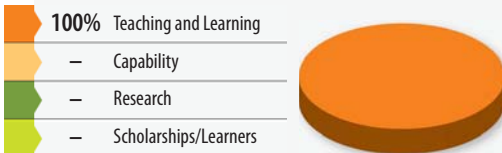
Participation for Māori went up compared with the previous year but dropped fractionally for both the Pasifika and under-25-year-old groups. Participation of these three TES priority groups reflected the region's demographics. SIT had 60 Youth Guarantee EFTS (74 students) and 551 full-fee paying international EFTS (852 students).

Effectiveness

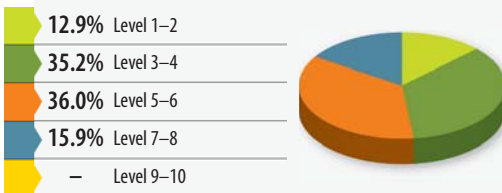
Between 2012 and 2013, SIT achieved increases across three of the four educational performance indicators (EPIs).

Under-25-year-olds generally maintained or improved their achievement rates in each of the EPIs, with above average performance in qualification completion at 71 percent. Māori were above the ITP sector average for student progression (56%) but below on the other three measures. Pasifika were notably 12 percentage points above the sector average for qualification completion (59%) but below on the other measures.

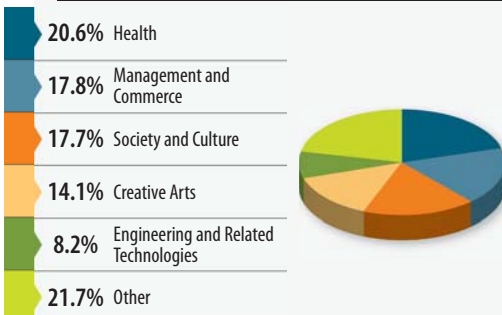
Funding by TEC



Delivery by Level



Delivery by Subject





Financial performance

In 2013 SIT had a net surplus of \$1.4 million (3.0%), down \$1.7 million (56.0%) on its 2012 result. This was primarily owing to increases in expenditure (\$1.7 million or 4.1%) and a slight decline in total revenue, less than \$100,000 between 2012 and 2013.

Total assets rose by \$6.6 million (6.7%) in the same period, driven by increases in property, plant and equipment, and intangible assets of \$11.8 million, largely from expansions to the Gore campus and student accommodation. This also contributed to SIT's \$1.0 million increase in depreciation costs.

Sarah Brown was reappointed Chair until the end of her term as a council-appointed member in 2015.



TES Priorities

Participation (SAC)		
2013 Performance	SIT	ITP sector
Students under 25	42%	52%
Māori	15%	23%
Pasifika	2%	11%

Course Completion (SAC)		
2013 Performance	SIT	ITP sector
All	77%	80%
Students under 25	77%	78%
Māori	66%	75%
Pasifika	67%	73%

Qualification Completion (SAC)		
2013 Performance	SIT	ITP sector
All	71%	73%
Students under 25	71%	66%
Māori	59%	65%
Pasifika	71%	59%

Of the tertiary-aged population in the SIT region, 11% identified as Māori and 19% as under the age of 25 years. Pasifika population figures were less than 2% (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	5%	3,582	3,581	3,476
SAC Students	5%	6,474	6,878	6,519
Youth Guarantee (YG) EFTS	3%	-	-	60
YG Students	3%	-	-	74
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	70%	72%	77%
Qualification Completion	73%	55%	64%	71%
Student Retention	64%	38%	59%	58%
Student Progression L1-4	36%	40%	40%	37%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			75%
Qualification Completion	60%			62%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$30,514	\$31,302	\$32,121
Domestic student fees	\$6,303	\$6,763	\$4,939
International student fees	\$3,601	\$3,919	\$4,595
Other income (including research)	\$4,373	\$3,234	\$3,503
Total revenue	\$44,791	\$45,218	\$45,158
Expenses			
Personnel	\$18,625	\$19,479	\$20,250
Total expenses	\$41,862	\$42,108	\$43,795
Net surplus (after unusual and non-recurring items)	\$2,929	\$3,110	\$1,363
Assets			
Property plant equipment and intangibles	\$59,817	\$66,363	\$78,200
Total Assets	\$94,061	\$97,668	\$104,222
Equity (net assets)	\$88,017	\$91,150	\$96,133
Cashflow			
Net cashflow from operations	\$6,162	\$7,843	\$6,286
Purchase of plant property equipment and intangibles	\$4,735	\$10,126	\$13,250
Other			
Staffing FTE	317	332	332
Total EFTS to Total Staff FTE ratio	14 : 1	14 : 1	14 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	28 : 1	28 : 1	28 : 1

TAI POUTINI POLYTECHNIC

Chair: Graeme McNally
Chief Executive: Allan Sargison

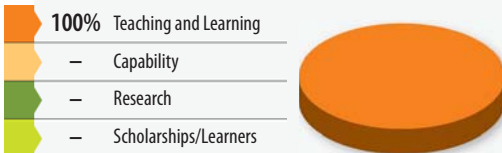
- Main Campus**
Greymouth
- Other Campus Locations**
Reefton, Hamilton, Westport,
Auckland, Christchurch, Invercargill,
Wanaka



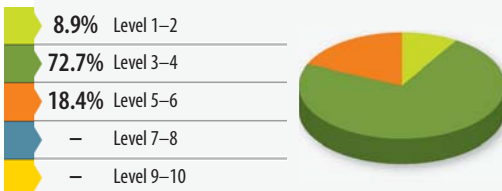
NZQA EER

Educational Performance: Confident
Self-assessment: Confident

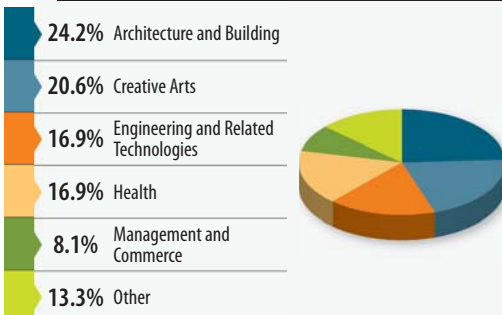
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 Tai Poutini Polytechnic (Tai Poutini) reported strong performance for TES priority groups and remained above the ITP sector average for course completion, but was below on other educational indicators. Financially, Tai Poutini remained in a sound position.

Responsiveness

In the 2013 Annual Report Chair Graeme McNally recognised a number of Tai Poutini’s achievements, which saw the polytechnic expand tertiary education and training opportunities to contribute positively to the West Coast economy and commit to an engineering workshop in Westport.

Tai Poutini also strengthened its responsiveness to initial and continuing training needs of allied trades, including courses that recovered full costs. Of further note was Tai Poutini’s implementation of a strategy to increase international activity and its substantial progress in ensuring performance is consistent with tribal benchmarks for ITPs. The Chair also reported that the diversity and location of provision creates unique educational and financial challenges.

Chief Executive Allan Sargison highlighted a number of additional achievements for Tai Poutini, including its success in achieving a projected increase in Priority and Pasifika Trades (510 EFTS for Priority Trades, of which 49 EFTS were for the mining industry), as well as growth in Trades Academy delivery from 89 to 168 students, and a 12 percent increase in Level 3 delivery. He also reported a lower than anticipated intake to support the Stronger Christchurch Infrastructure Rebuild was a factor in poor performance by Tai Poutini’s Industry Training faculty.

Enrolments decreased by two percent (46 EFTS) on 2012 and were focused on Levels 1–2. Nearly three-quarters of Tai Poutini’s delivery was at Levels 3–4 (73%), with the remainder spread across Levels 5–6 (18%) and Levels 1–2 (9%). The main fields of study were Architecture and Building (24%), Creative Arts (21%), Engineering and Related Technologies (17%), and Health (17%).

Participation for each of the TES priority groups (Māori, Pasifika and under-25-year-olds) increased between 2012 and 2013 (by one, two, and three percentage points respectively). Māori and Pasifika participation remained above the ITP sector averages, while under-25-year-olds were below but consistent with demographics for the region. Tai Poutini had 40 Youth Guarantee EFTS (58 students) and 63 full-fee paying international EFTS (335 students).

Effectiveness

Achievement improved on the previous year for qualification completions (from 67% in 2012 to 72% in 2013) and student retention (from 43% in 2012 to 52% in 2013).

Performance by the TES priority groups was strong, with all above the ITP sector averages on every indicator except student progression. Achievement also improved for Māori on all measures compared with 2012.



Financial performance

Tai Poutini had a net surplus of \$0.03 million (0.1%), \$0.5 million lower than the 2012 result owing to significantly increased expenditure in 2013.

Total revenue increased by \$1 million (4.1%) from 2012 to 2013, while total expenditure rose by \$1.5 million (6.3%) owing to increases in other expenditure of (\$0.5 million) and salary and wages costs (\$0.9 million). Net assets and total equity remained largely unchanged in the same period, with movement of under \$0.1 million for both.

In 2013 Graeme McNally, who also serves on the Aoraki Polytechnic council, was reappointed as Chair by the Minister for Tertiary Education, Skills and Employment.



TES Priorities

Participation (SAC)		
2013 Performance	Tai Poutini Polytechnic	ITP sector
Students under 25	46%	52%
Māori	28%	23%
Pasifika	15%	11%

Course Completion (SAC)		
2013 Performance	Tai Poutini Polytechnic	ITP sector
All	81%	80%
Students under 25	80%	78%
Māori	80%	75%
Pasifika	78%	73%

Qualification Completion (SAC)		
2013 Performance	Tai Poutini Polytechnic	ITP sector
All	72%	73%
Students under 25	69%	66%
Māori	70%	65%
Pasifika	62%	59%

Of the tertiary-aged population in the Tai Poutini region, 9% identified as Māori and 17% as under the age of 25 years. Pasifika population figures were less than 1% (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	3%	1,974	2,023	1,977
SAC Students	3%	5,365	5,098	4,394
Youth Guarantee (YG) EFTS	2%	-	-	40
YG Students	2%	-	-	58
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	79%	81%	81%
Qualification Completion	73%	57%	67%	72%
Student Retention	64%	36%	45%	52%
Student Progression L1-4	36%	17%	21%	19%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			87%
Qualification Completion	60%			73%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$17,797	\$17,944	\$18,661
Domestic student fees	\$4,097	\$4,604	\$4,876
International student fees	\$0	\$85	\$75
Other income (including research)	\$2,454	\$1,734	\$1,756
Total revenue	\$24,348	\$24,367	\$25,368
Expenses			
Personnel	\$15,300	\$13,493	\$14,417
Total expenses	\$24,394	\$23,831	\$25,334
Net surplus (after unusual and non-recurring items)	-\$46	\$536	\$34
Assets			
Property plant equipment and intangibles	\$15,425	\$14,799	\$14,417
Total Assets	\$21,586	\$22,110	\$22,001
Equity (net assets)	\$18,636	\$19,166	\$19,202
Cashflow			
Net cashflow from operations	\$1,491	\$1,764	\$1,829
Purchase of plant property equipment and intangibles	\$1,067	\$920	\$1,458
Other			
Staffing FTE	211	172	170
Total EFTS to Total Staff FTE ratio	11 : 1	14 : 1	15 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	17 : 1	27 : 1	29 : 1

UNITEC INSTITUTE OF TECHNOLOGY

Chair: Ted van Arkel; Dr Lee Mathias from May 2014
Chief Executive: Dr Rick Ede

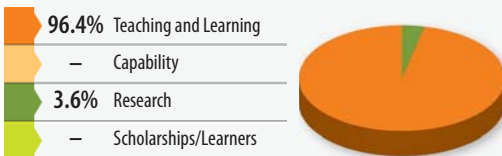
- Main Campus**
Mt Albert, Auckland
- Other Campus Locations**
Newmarket (Auckland), Waitakere (Auckland), Albany (Auckland)



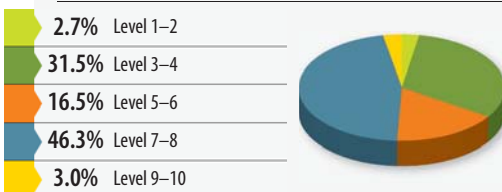
NZQA EER

Educational Performance: Highly Confident
Self-assessment: Confident

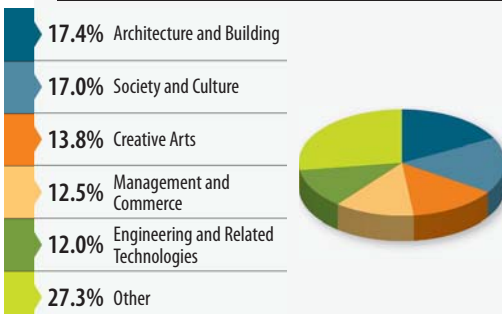
Funding by TEC



Delivery by Level



Delivery by Subject



Unitec Institute of Technology (Unitec) continued to be a strong educational performer in 2013, and remained in a sound financial position.

Responsiveness

In a combined report, the outgoing Chair, Ted van Arkel, and the Chief Executive, Dr Rick Ede, highlighted a number of Unitec's achievements for 2013. These included joint ventures with educational providers in India and Japan, with an 8.9 percent increase in revenue from international students that partially offset a seven percent decrease in domestic EFTS as the job market picked up.

2013 also saw the official opening of the IBM Delivery Centre on Unitec's Mt Albert campus by the Prime Minister, and employment opportunities for more than 200 students. Unitec participated in the Auckland Construction and Infrastructure Industry Workforce Roadmap forum alongside industry leaders, institutes of technology and polytechnics and industry training organisations.

Of further note was the graduation of 300 Pasifika students in autumn, the highest number at one ceremony. Unitec also had property and technology strategies approved by its council to develop the Mt Albert campus and radically change its infrastructure and delivery capability.

Unitec's enrolments declined by eight percent (624 EFTS), with the bulk of this decrease at Levels 1-2 and Levels 5-6. Unitec's delivery was primarily at Levels 7-8 (46%), Levels 3-4 (32%), and Levels 5-6 (16%). The main fields of study were Architecture and Building (17%), Society and Culture (17%), and Creative Arts (13%).

Participation was above the ITP sector average for under-25-year-olds and Pasifika and increased compared with the previous year for the first group. Unitec had 103 Youth Guarantee EFTS (172 students) and 1,631 full-fee paying international EFTS (2,692 students).

Effectiveness

Unitec was above the ITP sector averages for each of the educational performance indicators (EPIs), except qualification completion. Compared with the previous year, achievement notably improved across all measures, except student progression.

Performance for the TES priority groups (Māori, Pasifika and under-25-year-olds) was also equal to or above the ITP sector averages for all but the two completion measures for Pasifika. Achievement generally improved for the TES priority groups compared with the previous year. Rates increased across all four EPIs for Māori and for all measures except student progression for under-25-year-olds.

Financial performance

In 2013 Unitec had a net surplus of \$2.0 million (1.3%), a reduction of \$1.9 million from 2012. Total revenue decreased by \$4.0 million (2.6%) from 2012 to 2013 and can be attributed to the reduction in Government funding by \$6.1 million. Increases in both domestic and international student fees (\$0.5 million and \$2.0 million respectively) as well as interest income (\$0.2 million) helped offset the reductions in government funding. Total expenditure decreased by \$2.1 million (1.4%), mainly owing to cost reductions across the board. This is despite restructuring costs (\$2.1 million) contributing to an overall increase in personnel expenditure of \$0.9 million.



Total assets increased by \$39.5 million (16.7%) from 2012, owing to \$33.7 million in land and building property revaluations and higher cash balances (\$5.0 million) from increased pre-paid student fees. The property revaluations also contributed to an increase in total equity of \$35.7 million.

Unitec applied to transfer the Crown-titled assets it manages at its Mt Albert campus into its own title. These assets form approximately 45 percent by value of the land and building assets it manages. The application remained under consideration at year end.

In 2013, Dianne Kidd, who has served as a council-appointed member since 2011, was appointed as Deputy Chair for the remainder of her term.



TES Priorities

Participation (SAC)		
2013 Performance	Unitec	ITP sector
Students under 25	59%	52%
Māori	11%	23%
Pasifika	17%	11%

Course Completion (SAC)		
2013 Performance	Unitec	ITP sector
All	82%	80%
Students under 25	78%	78%
Māori	75%	75%
Pasifika	71%	73%

Qualification Completion (SAC)		
2013 Performance	Unitec	ITP sector
All	65%	73%
Students under 25	57%	66%
Māori	56%	65%
Pasifika	47%	59%

Of the tertiary-aged population in the Unitec region, 9% identified as Māori, 12% as Pasifika and 22% as under the age of 25 years (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	12%	8,319	8,483	7,859
SAC Students	9%	13,470	13,072	12,019
Youth Guarantee (YG) EFTS	5%	-	-	103
YG Students	7%	-	-	172
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	78%	79%	82%
Qualification Completion	73%	57%	64%	65%
Student Retention	64%	59%	69%	72%
Student Progression L1-4	36%	37%	41%	38%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			70%
Qualification Completion	60%			49%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$79,167	\$81,322	\$75,224
Domestic student fees	\$33,309	\$34,089	\$34,659
International student fees	\$20,299	\$21,743	\$23,715
Other income (including research)	\$10,957	\$14,820	\$14,350
Total revenue	\$143,732	\$151,974	\$147,948
Expenses			
Personnel	\$86,824	\$92,434	\$93,354
Total expenses	\$139,007	\$148,075	\$145,991
Net surplus (after unusual and non-recurring items)	\$4,725	\$3,899	\$1,957
Assets			
Property plant equipment and intangibles	\$227,627	\$229,016	\$262,585
Total Assets	\$236,961	\$236,550	\$276,126
Equity (net assets)	\$201,230	\$205,129	\$240,838
Cashflow			
Net cashflow from operations	\$15,791	\$19,719	\$18,399
Purchase of plant property equipment and intangibles	\$18,247	\$11,797	\$11,523
Other			
Staffing FTE	1,181	1,185	1,194
Total EFTS to Total Staff FTE ratio	9 : 1	9 : 1	9 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	17 : 1	18 : 1	17 : 1

UNIVERSAL COLLEGE OF LEARNING

Chair: Trevor Goodwin until May 2014; currently Malcolm Inglis
Chief Executive: Paul McElroy

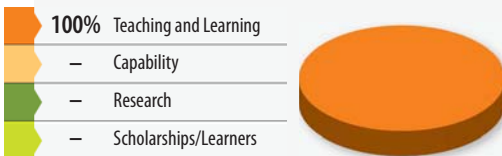
- Main Campus**
Palmerston North
- Other Campus Locations**
Whanganui, Masterton



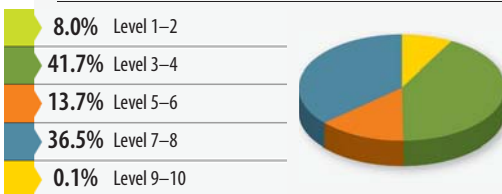
NZQA EER

Educational Performance: Confident
Self-assessment: Confident

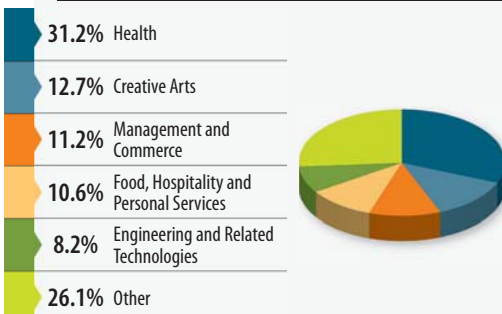
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 the educational performance of Universal College of Learning (UCOL) generally improved compared with the previous year.

Responsiveness

The Chair, Trevor Goodwin and the Chief Executive, Paul McElroy, together with Acting Chief Executive, Clare Crawley, highlighted a number of UCOL's achievements in the 2013 Annual Report. These included initiatives to lift educational performance and financial sustainability, with High-Performing Teaching Teams and Te Atakura projects to improve learner outcomes. UCOL also formed collaborative relationships for the benefit of students with neighbouring ITPs (Western Institute of Technology at Taranaki and Eastern Institute of Technology). Of further note was UCOL's progress in addressing Government priorities and community expectations, particularly regarding the arts in Whanganui. This led to the establishment of a Joint Taskforce and subsequent Joint Taskforce Monitoring Group with the Whanganui District Council.

UCOL's enrolments decreased by five percent (138 EFTS) on the previous year. This decline occurred primarily at Levels 1-2 (from 11% in 2012 to 8% in 2013), with the majority of UCOL's delivery remaining at Levels 3-4 (42%) Levels 7-8 (36%) and Levels 5-6 (14%). The main fields of study were Health (31%), Creative Arts (13%), Management and Commerce (11%), and Food, Hospitality and Personal Services (11%).

Participation of the TES priority groups (Māori, Pasifika and under-25-year-olds) was well above the 2013 ITP sector average for Māori (seven percentage points higher on 30%) as it was for under-25-year-olds (10 percentage points higher on 62%). Participation was in line with the region's demography. UCOL had 93 Youth Guarantee EFTS (112 students) and 247 full-fee paying international EFTS (429 students).

Effectiveness

UCOL performed above the ITP sector averages for student retention and student progression. While UCOL's course and qualification completion rates maintained or improved on 2012 levels.

Performance for the TES priority groups improved across each of the educational performance indicators (EPIs) for Māori and generally improved for Pasifika and under-25-year-olds.

Financial performance

In 2013 UCOL again had a break-even result, similar to 2012. This was primarily owing to ongoing costs in integration and change management; the safer UCOL building project of \$0.6 million (compared with \$2.1 million in 2012); and deficits incurred with respect to UCOL's \$1.0 million share in the Le Cordon Bleu (LCB) joint venture (up from \$0.9 million in 2012).

If these items are removed, UCOL produced an underlying operational surplus of \$1.6 million (3.3%) in 2013, compared to a 2012 surplus of \$3.1 million (a decline of \$1.4 million or 47.0% over the period). This is owing to revenue reductions failing to be offset by cost savings.





UCOL's total revenue decreased by \$3.8 million (7.1%) from 2012 to 2013, while total expenditure decreased by \$2.3 million (4.6%). Total assets reduced by \$8.5 million (6.5%) over the period as a result of the impairment of buildings (which reduced the value of these assets by \$10.1 million); a \$1.0 million write down in the value of the LCB joint venture investment; and a \$1.1 million reduction in receivables and sundry assets. An increase in cash and cash equivalent balances of \$2.0 million partially offset these reductions.


Bernard (Ben) Vanderkolk, who has served as a Ministerial appointee on the Massey University council since 2011, was appointed by the Minister for Tertiary Education, Skills and Employment as a member of council.



TES Priorities

 Participation (SAC)		
2013 Performance	UCOL	ITP sector
Students under 25	62%	52%
Māori	30%	23%
Pasifika	5%	11%

 Course Completion (SAC)		
2013 Performance	UCOL	ITP sector
All	76%	80%
Students under 25	74%	78%
Māori	67%	75%
Pasifika	67%	73%

 Qualification Completion (SAC)		
2013 Performance	UCOL	ITP sector
All	65%	73%
Students under 25	60%	66%
Māori	54%	65%
Pasifika	55%	59%

Of the tertiary-aged population in the UCOL region, 18% identified as Māori, 3% as Pasifika, and 22% as under the age of 25 years (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	5%	3,204	3,151	3,013
SAC Students	3%	4,594	4,242	4,020
Youth Guarantee (YG) EFTS	5%	-	-	93
YG Students	4%	-	-	112
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	71%	73%	76%
Qualification Completion	73%	65%	65%	65%
Student Retention	64%	55%	65%	68%
Student Progression L1-4	36%	35%	43%	43%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			73%
Qualification Completion	60%			64%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$31,527	\$31,744	\$28,669
Domestic student fees	\$14,118	\$13,504	\$14,131
International student fees	\$3,544	\$3,293	\$2,636
Other income (including research)	\$3,169	\$4,585	\$3,938
Total revenue	\$52,358	\$53,126	\$49,374
Expenses			
Personnel	\$27,960	\$28,383	\$27,399
Total expenses	\$48,964	\$50,051	\$47,748
Net surplus (after unusual and non-recurring items)	\$2,195	\$56	\$1,626
Assets			
Property plant equipment and intangibles	\$121,951	\$119,772	\$106,885
Total Assets	\$149,143	\$131,007	\$122,515
Equity (net assets)	\$124,224	\$109,246	\$99,870
Cashflow			
Net cashflow from operations	\$7,932	\$5,475	\$4,569
Purchase of plant property equipment and intangibles	\$5,885	\$17,866	\$2,272
Other			
Staffing FTE	433	447	436
Total EFTS to Total Staff FTE ratio	9 : 1	8 : 1	8 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	18 : 1	16 : 1	16 : 1

WAIARIKI INSTITUTE OF TECHNOLOGY

Chair: Graeme Nahkies
Chief Executive: Professor Margaret Noble

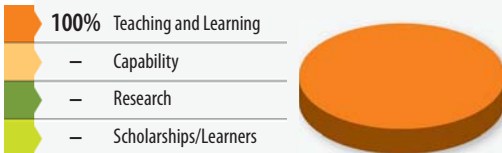
- **Main Campus**
Rotorua (Mokoia)
- **Other Campus Locations**
Taupo, Tokoroa, Whakatane, Waipa



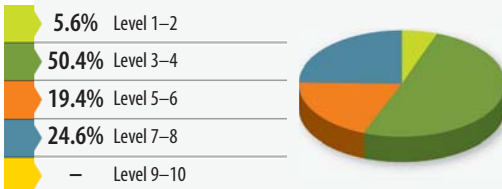
NZQA EER

Educational Performance: Confident
Self-assessment: Confident

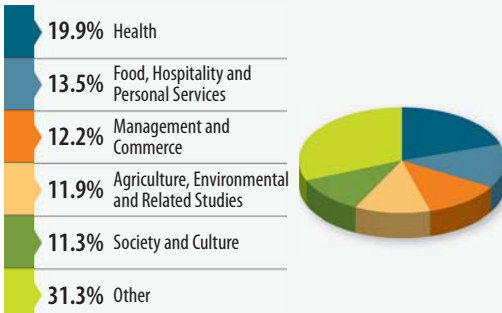
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 the educational performance of Waiariki Institute of Technology (Waiariki) improved compared with the previous year, achieving above the sector average on some indicators. Waiariki remained in a sound financial position.

Responsiveness

In a combined report Chair Graeme Nahkies and Chief Executive Professor Margaret Noble highlighted a number of Waiariki's achievements for 2013, including approval of a strategic plan for 2013-2017 positioning Waiariki as a distinctly bicultural tertiary learning provider.

Key focus areas include engagement with Māori, a commitment to learning and teaching, youth engagement and community outreach, research and enterprise, regional development and internationalisation and the creation of a Careers and Employability Centre supported by a memorandum of understanding with Careers New Zealand.

Other highlights for 2013 included approval for Waiariki's first postgraduate suite of programmes in Applied Management and its receipt of the Bay of Plenty ExportNZ Exporter of the Year Award. Collaborative and community outreach initiatives included Waiariki's new partnership with Te Wānanga o Aotearoa to co-locate in Tokoroa and create a tertiary learning hub; its participation in the Bay of Plenty Tertiary Education Partnership; and its broader range of collaborative activities with the Bay of Plenty Polytechnic.

Waiariki's enrolments decreased by four percent (111 EFTS) compared with 2012. Most of Waiariki's delivery was at Levels 3-4 (50%), Levels 7-8 (25%) and Levels 5-6 (19%). The main fields of study were Health (20%), Food, Hospitality and Personal Services (14%), Management and Commerce (12%), and Agriculture, Environment and Related Studies (12%).

Waiariki continued to have the highest level of Māori participation in the ITP sector (60%) and remained above the sector average for under-25-year-olds. Participation of Pasifika was above regional demographics. Waiariki had 69 Youth Guarantee EFTS (106 students) and 608 full-fee paying international EFTS (919 students).

Effectiveness

Waiariki's performance improved compared with the previous year across all four of the educational performance indicators (EPIs).

Educational achievement for Māori was above the ITP sector average in all measures except student progression. Compared with the previous year, under-25-year-olds and Māori improved in all the EPIs. Pasifika were on par with the sector average for course completion and above for student retention but below for student progression and qualification completion; achievement improved on the previous year, with the exception of qualification completion.



Financial performance

In 2013 total expenditure reduced by \$0.9 million and total revenue reduced by \$2.5 million, driven by an expected reduction in international student numbers and associated fees. Waiariki had a net deficit of \$0.4 million, a reduction of \$1.8 million from 2012, which included a one-off unusual cost of \$1.0 million in restructuring costs.

Total assets increased by \$5.4 million, driven in part by \$3.0 million in land and building property revaluations.

Dr Neil Barns was reappointed by the Minister for Tertiary Education, Skills and Employment as Deputy Chair for a further four-year term.



TES Priorities

Participation (SAC)		
2013 Performance	Waiariki	ITP sector
Students under 25	53%	52%
Māori	60%	23%
Pasifika	7%	11%

Course Completion (SAC)		
2013 Performance	Waiariki	ITP sector
All	79%	80%
Students under 25	77%	78%
Māori	75%	75%
Pasifika	73%	73%

Qualification Completion (SAC)		
2013 Performance	Waiariki	ITP sector
All	75%	73%
Students under 25	67%	66%
Māori	69%	65%
Pasifika	54%	59%

Of the tertiary-aged population in the Waiariki region, 34% identified as Māori, 4% as Pasifika and 20% as under the age of 25 years (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	4%	2,663	2,937	2,826
SAC Students	3%	4,106	4,226	4,110
Youth Guarantee (YG) EFTS	4%	-	-	69
YG Students	4%	-	-	106
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	73%	77%	79%
Qualification Completion	73%	55%	68%	75%
Student Retention	64%	54%	63%	67%
Student Progression L1-4	36%	29%	29%	33%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			72%
Qualification Completion	60%			54%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$25,900	\$28,292	\$27,445
Domestic student fees	\$9,229	\$9,198	\$10,044
International student fees	\$9,798	\$10,656	\$8,515
Other income (including research)	\$3,778	\$4,025	\$4,663
Total revenue	\$48,705	\$52,171	\$50,667
Expenses			
Personnel	\$28,556	\$33,254	\$32,290
Total expenses	\$43,629	\$50,791	\$49,662
Net surplus (after unusual and non-recurring items)	\$5,076	\$1,380	-\$440
Assets			
Property plant equipment and intangibles	\$51,826	\$56,896	\$59,083
Total Assets	\$76,356	\$75,500	\$80,971
Equity (net assets)	\$65,336	\$66,716	\$69,275
Cashflow			
Net cashflow from operations	\$11,157	\$2,597	\$5,442
Purchase of plant property equipment and intangibles	\$7,926	\$9,172	\$3,128
Other			
Staffing FTE	394	459	444
Total EFTS to Total Staff FTE ratio	9 : 1	9 : 1	9 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	17 : 1	17 : 1	16 : 1

WAIKATO INSTITUTE OF TECHNOLOGY

Chair: Mary Cave-Palmer
Chief Executive: Mark Flowers

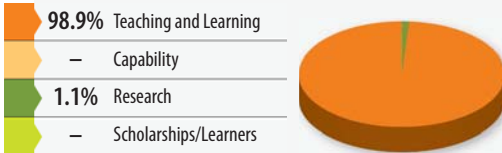
- Main Campus**
Hamilton (City), Rotokauri
- Other Campus Locations**
Thames, Te Kuiti, Otorohanga, Hamilton Gardens



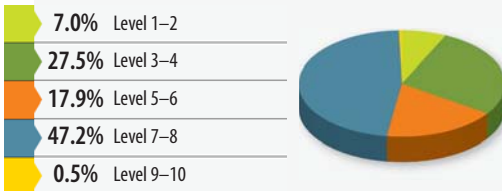
NZQA EER

Educational Performance: Highly Confident
Self-assessment: Confident

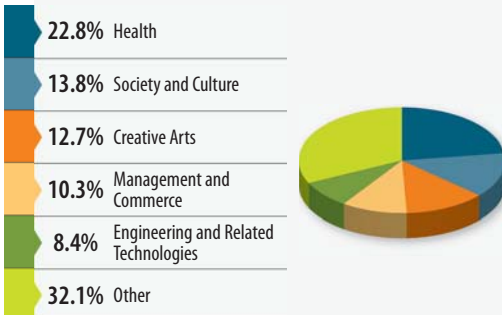
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013, Waikato Institute of Technology (Wintec) was generally above the ITP sector average in terms of educational performance, which improved on the previous year. Wintec remained in a healthy financial position.

Responsiveness

In the 2013 Annual Report Chair Mary Cave-Palmer and Chief Executive Mark Flowers highlighted a number of Wintec's achievements. These included an expanded international focus, with a joint bid with a reputable Spanish education provider to operate vocational colleges in the Kingdom of Saudi Arabia; progress towards establishing an international offshore campus; and a partnership with two polytechnics in China. Wintec generated approximately \$10 million in revenue from international students in 2013, with a seven percent increase in international student numbers (predominantly from China, India and Saudi Arabia).

Of note also was Wintec's receipt of the supreme award at the 2013 Microsoft Innovation Awards for use of cloud-based technologies and its increased interaction between researchers and industry, which saw 57 percent of Wintec's research involve industry collaboration.

Further supporting this was the establishment of research facilities for agri-technology and industrial design and the start of construction on the \$25 million engineering and trades facility at the Rotokauri campus. In addition to improved academic performance and student outcomes, Wintec also celebrated the completion of its city campus Media Arts building refurbishment in 2013.

Wintec's enrolments decreased by four percent (189 EFTS) compared with the previous year. The majority of this decline occurred at Levels 7-8 and Levels 1-2, which subsequently accounted for 47 percent and seven percent of all delivery in 2013 respectively. The rest of the provision was at Levels 3-4 (27%) and Levels 5-6 (18%). The main fields of study were Health (23%), Society and Culture (14%), and Creative Arts (13%).

Participation of Māori was again strong (24%) and above the ITP sector average, as was participation of under-25-year-olds (61%). Participation for Pasifika was above the regional demography. Wintec had 118 Youth Guarantee EFTS (166 students) and 674 full-fee paying international EFTS (923 students).

Effectiveness

Wintec was above or equal to the ITP sector average for all educational performance indicators (EPIs) except course completion. Overall, each of these measures increased compared with the previous year, again with the exception of course completion, which dropped fractionally. As in 2012, Wintec reported the highest rate in the ITP sector for student progression within Levels 1 to 4.

Performance for the TES priority groups (Māori, Pasifika and under-25-year-olds) was above the ITP sector average, with the exceptions of qualification completion for Māori and course completion for all three groups. Achievement for Māori improved or was on a par with rates from the previous year, a trend also holding true for Pasifika, excluding student progression. Under-25-year-olds were above the sector averages for each of the EPIs with the exception of course completion.



Financial performance

Wintec produced a net surplus in 2013 of \$3.2 million (3.5%), which was \$0.4 million (11.6%) lower than its 2012 result and primarily due to increases in expenditure exceeding revenue gains. Wintec's total revenue increased by \$3.1 million (3.5%) from 2012 to 2013 while total expenditure increased by \$3.5 million (4.2%), mainly as a result of increased personnel expenditure of \$3.2 million.

Total assets increased by \$12.9 million, driven by increases in the value of property, plant and equipment (\$12.7 million), and increased building work in progress. Total equity rose by \$5.4 million, due to an increase in retained earnings and an increase in property revaluation reserves of \$2.2 million.

In 2013 Steve Tucker, who has served as a Ministerial appointee since 2003, was appointed as Deputy Chair until the end of his term as a member in 2014.



TES Priorities

Participation (SAC)		
2013 Performance	Wintec	ITP sector
Students under 25	63%	52%
Māori	17%	23%
Pasifika	11%	11%

Course Completion (SAC)		
2013 Performance	Wintec	ITP sector
All	82%	80%
Students under 25	80%	78%
Māori	75%	75%
Pasifika	77%	73%

Qualification Completion (SAC)		
2013 Performance	Wintec	ITP sector
All	76%	73%
Students under 25	68%	66%
Māori	66%	65%
Pasifika	69%	59%

Of the tertiary-aged population in the Wintec region, 18% identified as Māori, 3% as Pasifika and 22% as under the age of 25 years (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	7%	4,943	5,008	4,819
SAC Students	6%	7,681	7,562	7,635
Youth Guarantee (YG) EFTS	6%	-	-	118
YG Students	6%	-	-	166
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	80%	79%	78%
Qualification Completion	73%	64%	69%	78%
Student Retention	64%	58%	71%	70%
Student Progression L1-4	36%	45%	55%	58%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			66%
Qualification Completion	60%			43%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$46,714	\$46,931	\$47,200
Domestic student fees	\$18,752	\$20,687	\$19,691
International student fees	\$7,545	\$8,990	\$10,112
Other income (including research)	\$10,351	\$11,109	\$13,787
Total revenue	\$83,362	\$87,717	\$90,790
Expenses			
Personnel	\$47,584	\$48,467	\$51,682
Total expenses	\$80,093	\$84,101	\$87,594
Net surplus (after unusual and non-recurring items)	\$3,269	\$3,616	\$3,196
Assets			
Property plant equipment and intangibles	\$138,474	\$141,629	\$155,943
Total Assets	\$159,394	\$158,150	\$171,019
Equity (net assets)	\$119,975	\$122,525	\$127,926
Cashflow			
Net cashflow from operations	\$10,598	\$11,661	\$8,991
Purchase of plant property equipment and intangibles	\$15,060	\$10,833	\$19,787
Other			
Staffing FTE	616	640	669
Total EFTS to Total Staff FTE ratio	11 : 1	10 : 1	10 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	20 : 1	19 : 1	17 : 1

WELLINGTON INSTITUTE OF TECHNOLOGY

Chair: Hon Roger Sowry
Chief Executive: Dr Linda Sissons

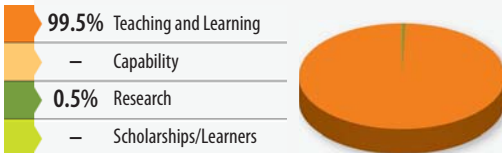
- **Main Campus**
Petone (Wellington)
- **Other Campus Locations**
Auckland, Christchurch



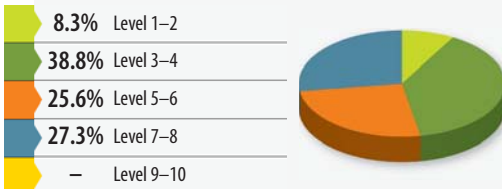
NZQA EER

Educational Performance: Highly Confident
Self-assessment: Confident

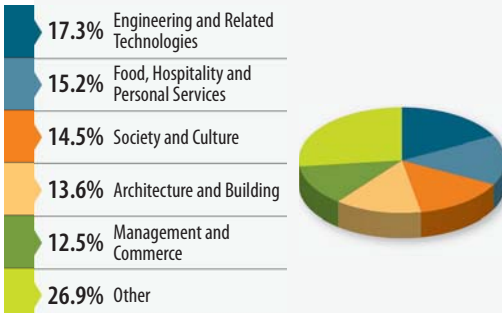
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 Wellington Institute of Technology (WelTec) was again a strong performer educationally, sitting above the ITP sector average on each indicator. WelTec also remained in a sound financial position.

Responsiveness

In the 2013 Annual Report Council Chair Hon Roger Sowry highlighted a number of WelTec's achievements, including the completion of student accommodation in the Wellington CBD to attract international and out-of-region domestic students; the establishment of a Regional School of Construction to consolidate most trades delivery; and seismic strengthening of the Student Hub in Petone and the Church Street campus. WelTec also adopted new technology services to improve connectivity for tutors and students. Through 'the Choice Protocol', a WelTec and Whitireia Polytechnic (Whitireia) strategic partnership since 2012, both institutions made significant gains for their organisations and students.

WelTec further celebrated 79 percent of its graduates getting jobs or progressing on to further study in 2013, attributing part of this success to its brokering service with employers locally and nationally.

Chief Executive Dr Linda Sissons recognised a number of additional achievements, including the development of Foundation Studies programmes at Levels 3-4, which provided maths and science skills to enable learners to progress into engineering programmes at diploma and degree levels. She also cited the training of 655 students at WelTec's School of Hospitality and more than 130 students at Le Cordon Bleu (LCB) in its first year of operation. Other highlights included WelTec's generation of nearly \$150,000 from its first entry into the Performance-Based Research Fund evaluation; international students increasing by nine percent on 2012 numbers; and strengthened relationships with industry training organisations.

WelTec's enrolments decreased by 9 percent (257 EFTS) on the previous year. This reduction occurred mainly at Levels 1-2, which accounted for eight percent of total delivery in 2013, down from 13 percent in 2012. The bulk of WelTec's delivery was at Levels 3-4 (39%), Levels 7-8 (26%) and Levels 5-6 (27%), with provision concentrated in Engineering and Related Technologies (17%), Food, Hospitality and Personal Services (15%), Society and Culture (14%), and Architecture and Building (14%).

Participation was above the ITP sector average for under-25-year-olds and on par for Pasifika (11%). Māori participation (17%) was just below the regional demographic rate. WelTec had 117 Youth Guarantee EFTS (136 students) and 371 full-fee paying international EFTS (524 students).

Effectiveness

WelTec was above the ITP sector average for all four of the educational performance indicators (EPIs) and achieved increases on the previous year for both qualification completion and student retention.

Achievement for Māori, Pasifika and under-25-year-olds was above or equal to the ITP sector averages for all three groups across all EPIs except student progression. Qualification completion and student retention showed strong gains for each priority group on 2012 rates, while course completion and student progression remained at similar levels.



Financial performance

In 2013 WelTec had a net deficit of \$2.8 million or (-5.3%), down \$2.5 million on the 2012 result. This was primarily owing to a reduction in total revenue of \$2.2 million (4.0%), which was not offset by expenditure savings. Also contributing to the deficit were non-operating expense items of \$1.7 million, which relate to redundancy costs (\$0.4 million), expenses relating to the Student First initiative (\$0.5 million) and the impairment of joint venture investments (\$0.9 million). Total expenditure remained relatively similar to the previous year at \$53.1 million.

Associate entities had a significant impact during 2013, with net losses totalling \$0.8 million. Total assets decreased by \$2.7 million (3.1%) from 2012 to 2013, mainly as a result of the \$1.6 million reduction in the value of investment in associate and jointly-controlled entities.

In light of the planned reduction of the WelTec-Whitireia combined council to eight members on 1 January 2014, one new Ministerial appointment was made (Dr Deborah Hume).



TES Priorities

Participation (SAC)		
2013 Performance	WelTec	ITP sector
Students under 25	63%	52%
Māori	17%	23%
Pasifika	11%	11%

Course Completion (SAC)		
2013 Performance	WelTec	ITP sector
All	82%	80%
Students under 25	80%	78%
Māori	75%	75%
Pasifika	77%	73%

Qualification Completion (SAC)		
2013 Performance	WelTec	ITP sector
All	76%	73%
Students under 25	68%	66%
Māori	66%	65%
Pasifika	69%	59%

Of the tertiary-aged population in the WelTec region, 11% identified as Māori, 7% as Pasifika and 22% as under the age of 25 years (based on Census 2013).

Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	4%	3,122	3,039	2,782
SAC Students	3%	4,988	4,547	3,988
Youth Guarantee (YG) EFTS	6%	-	-	117
YG Students	5%	-	-	136
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	77%	82%	82%
Qualification Completion	73%	64%	71%	76%
Student Retention	64%	64%	67%	72%
Student Progression L1-4	36%	40%	38%	37%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			79%
Qualification Completion	60%			73%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$32,278	\$33,017	\$28,537
Domestic student fees	\$10,704	\$12,043	\$11,663
International student fees	\$3,775	\$5,095	\$5,768
Other income (including research)	\$5,829	\$4,793	\$6,764
Total revenue	\$52,586	\$54,948	\$52,732
Expenses			
Personnel	\$29,882	\$31,120	\$30,658
Total expenses	\$50,756	\$53,764	\$53,066
Net surplus (after unusual and non-recurring items)	\$2,765	-\$315	-\$2,798
Assets			
Property plant equipment and intangibles	\$60,640	\$64,815	\$65,672
Total Assets	\$87,703	\$86,962	\$84,305
Equity (net assets)	\$73,224	\$72,770	\$71,409
Cashflow			
Net cashflow from operations	\$5,857	\$5,633	\$3,594
Purchase of plant property equipment and intangibles	\$4,511	\$9,514	\$3,809
Other			
Staffing FTE	402	444	425
Total EFTS to Total Staff FTE ratio	12 : 1	10 : 1	10 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	23 : 1	20 : 1	18 : 1

WESTERN INSTITUTE OF TECHNOLOGY AT TARANAKI

Chair: Mary Bourke
Chief Executive: Richard Handley to April 2013;
 Barbara George from October 2013

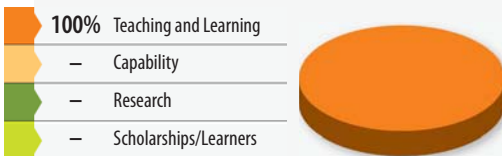
Main Campus
 New Plymouth



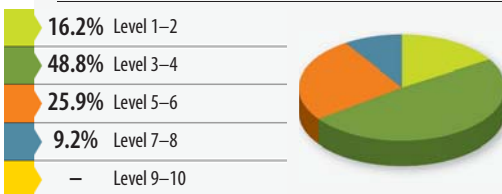
NZQA EER

Educational Performance: Highly Confident
Self-assessment: Confident

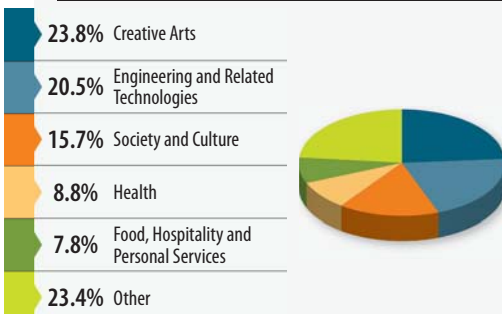
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 Western Institute of Technology at Taranaki (WITT) performed well educationally, sitting above the ITP sector average on three indicators. WITT also remained in a sound financial position, though not as strong as in 2012.

Responsiveness

In a combined report, Chair Mary Bourke and Chief Executive Barbara George highlighted a number of WITT's achievements for 2013, including the adoption of a new strategic plan and vision for WITT to be the leading facilitator of tertiary outcomes in Taranaki. The vision is underpinned by five strategic goals: forming three matataki or flagship enterprises (Engineering, Oil and Gas; Māori Development; and Marine Development); developing critical alliances within the region and nationally, particularly with other ITPs; supporting a vibrant campus; championing state-of-the-art learning; and promoting pathways to employment or higher education.

WITT saw significant growth in its Engineering, Oil and Gas matataki in 2013, with several new courses taught in partnership with industry. A significant achievement was the successful Nursing Council audit of its new bicultural Bachelor of Nursing and the high number of graduates obtaining employment with the Taranaki District Health Board.

WITT's enrolments decreased by 11 percent (183 EFTS) on 2012 numbers. This decline was spread relatively evenly across enrolments. Enrolments were mainly concentrated at Levels 3-4 (49%), Levels 5-6 (26%) and Levels 1-2 (16%). The main fields of study were Creative Arts (24%), Engineering and Related Technologies (20%), and Society and Culture (16%).

Māori participation remained well above the ITP sector average and in line with the previous year. Participation rates of Pasifika and under-25-year-olds remained consistent with regional demography. WITT had 57 Youth Guarantee EFTS (75 students) and 64 full-fee paying international EFTS (144 students).

Effectiveness

WITT achieved above the ITP sector average for three of the four educational performance indicators (EPIs). Performance for course completion, qualification completion and student retention all improved compared with the previous year, while student progression slipped one percentage point.

Performance for the TES priority groups (Māori, Pasifika and under-25-year-olds) was above the ITP sector average for Māori and Pasifika across all four EPIs, while under-25-year-olds achieved higher than sector averages in qualification completion and student retention. Compared with 2012, each of the three priority groups generally improved in course completion, qualification completion and student retention.



Financial performance

In 2013 WITT had a net deficit after unusual items of \$0.6 million, compared to \$1.3 million in 2012. This was owing in part to an income tax expense of \$1.4 million in relation to WITT's subsidiary (the New Zealand Institute of Highway Technology). If this item is disregarded the underlying 2013 operating result before unusual items was a surplus of \$0.7 million. This decline, of \$0.6 million compared to 2012, was chiefly owing to revenue reductions.

From 2012 to 2013 WITT's total revenue decreased by \$0.5 million (2.3%), while total expenditure increased slightly (by less than \$0.1 million). Total assets increased by \$1.4 million, primarily owing to increases in the balance of cash and cash equivalent assets.

WITT's application for the transfer of its New Plymouth campus into its own title remained under consideration throughout 2013, awaiting the outcome of Treaty of Waitangi settlement negotiations.

TES Priorities

Participation (SAC)		
2013 Performance	WITT	ITP sector
Students under 25	47%	52%
Māori	44%	23%
Pasifika	4%	11%

Course Completion (SAC)		
2013 Performance	WITT	ITP sector
All	81%	80%
Students under 25	75%	78%
Māori	84%	75%
Pasifika	78%	73%

Qualification Completion (SAC)		
2013 Performance	WITT	ITP sector
All	79%	73%
Students under 25	70%	66%
Māori	79%	65%
Pasifika	72%	59%

Of the tertiary-aged population in the WITT region, 16% identified as Māori and 19% as under the age of 25 years. Pasifika population figures were less than 1% (based on Census 2013).



Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	2%	1,685	1,786	1,603
SAC Students	2%	2,721	2,919	2,759
Youth Guarantee (YG) EFTS	3%	-	-	57
YG Students	3%	-	-	75
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	76%	79%	81%
Qualification Completion	73%	70%	72%	79%
Student Retention	64%	75%	72%	77%
Student Progression L1-4	36%	13%	37%	36%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			68%
Qualification Completion	60%			62%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$15,444	\$16,046	\$14,557
Domestic student fees	\$4,938	\$5,278	\$6,217
International student fees	\$1,200	\$1,051	\$701
Other income (including research)	\$1,973	\$1,945	\$2,297
Total revenue	\$23,555	\$24,320	\$23,772
Expenses			
Personnel	\$12,015	\$12,691	\$13,203
Total expenses	\$22,263	\$22,988	\$23,071
Net surplus (after unusual and non-recurring items)	\$1,292	\$1,332	-\$660
Assets			
Property plant equipment and intangibles	\$24,798	\$26,878	\$27,288
Total Assets	\$32,620	\$35,132	\$36,504
Equity (net assets)	\$25,994	\$29,055	\$28,396
Cashflow			
Net cashflow from operations	\$2,622	\$2,761	\$3,248
Purchase of plant property equipment and intangibles	\$2,685	\$1,974	\$2,266
Other			
Staffing FTE	155	159	170
Total EFTS to Total Staff FTE ratio	13 : 1	13 : 1	11 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	23 : 1	23 : 1	21 : 1

WHITIREIA COMMUNITY POLYTECHNIC

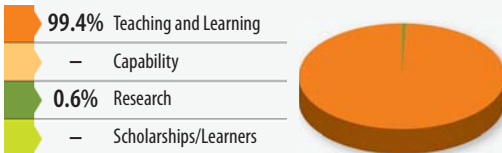
Chair: Hon Roger Sowry
Chief Executive: Don Campbell

- Main Campus**
Porirua
- Other Campus Locations**
Wellington, Kapiti, Auckland

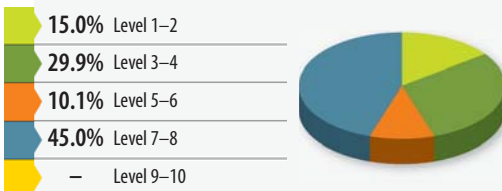
NZQA EER

Educational Performance: Highly Confident
Self-assessment: Confident

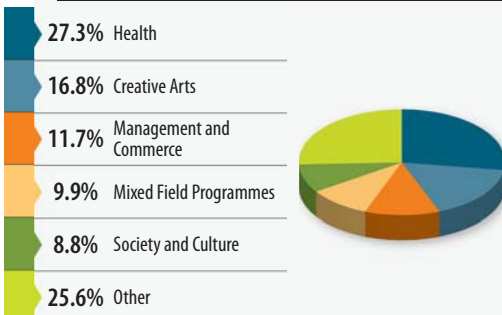
Funding by TEC



Delivery by Level



Delivery by Subject



Whitireia Community Polytechnic (Whitireia) continued its strong educational performance in 2013 and remained in a sound financial position, though not as strong as in the previous year.

Responsiveness

In the 2013 Annual Report Council Chair Hon Roger Sowry highlighted a number of Whitireia's achievements, including the opening of Wikitoria Katene, a \$17 million fully self-financed state-of-the-art health education facility and the establishment of Te Komiti Poutokomanawa, a Ngāti Toa advisory group to strengthen strategic dialogue in the Wellington region with local iwi. He also cited Whitireia's advancement of nine key projects in partnership with Wellington Institute of Technology (WelTec), including branding, campus developments, domestic and international marketing and Centres of Research Excellence. Of particular note was the savings on procurement of close to \$1.0 million realised through W², the Whitireia-WelTec shared services unit.

Chief Executive Don Campbell recognised a number of additional achievements, including the launch of a postgraduate diploma and certificate in information technology and the introduction of Pasifika Trades scholarships for students studying carpentry, electrical, horticulture, landscaping, civil engineering and plumbing programmes, with strong support from the Pacific Churches Ministers' Group. Whitireia also celebrated selection as an industry partner by Immigration New Zealand to streamline visa processing, and its establishment of new partner institutions in Sri Lanka, the Philippines and South Korea, with students recruited from these countries for Whitireia programmes in 2014.

Between 2012 and 2013 Whitireia's enrolments decreased by seven percent (190 EFTS). The majority of Whitireia's delivery was at Levels 7-8 (45%), Levels 3-4 (30%) and Levels 1-2 (15%), with provision concentrated in Health (27%), Creative Arts (17%), and Management and Commerce (12%).

Participation rates for under-25-year-olds and Māori each increased by one percentage point compared with 2012. Pasifika students accounted for 20 percent of Whitireia's enrolments, almost double the sector average. Whitireia had 190 Youth Guarantee EFTS (223 students) and 1,151 full-fee paying international EFTS (1,698 students).

Effectiveness

Whitireia was above the ITP sector average for three of the four educational performance indicators (EPIs) and achieved the highest equal course completion rate at 84 percent. With the exception of student progression, each EPI at Whitireia increased compared with the previous year.

Performance by the TES priority groups (Māori, Pasifika and under-25-year-olds) was above the ITP sector averages in all but student progression for Māori and Pasifika. Compared with 2012, achievement by Māori and under-25-year-olds improved against each EPI, with course completion rates of 81 percent and 79 percent respectively and qualification completion rates 79 percent and 74 percent respectively. Pasifika rates increased for course completion (79%) and student retention (73%).



Financial performance

In 2013 Whitireia had a net deficit of \$1.7 million (-2.8%), compared with a break-even result in 2012. This was owing to non-operating expenditure of \$1.6 million increasing the underlying net deficit.

Whitireia has significant investments in subsidiary and associated entities, including a 50 percent share of the Computer Power Plus joint venture, which generated income of \$4.9 million and contributed income of \$0.2 million to Whitireia's operating result.

The terms of two long-serving council appointees, Suzanne Snively ONZM and Dennis Sharman, expired in 2013. In light of the planned reduction of the WelTec-Whitireia combined council to eight members on 1 January 2014, a new Ministerial appointment was made (Dr Deborah Hume).



TES Priorities

Participation (SAC)		
2013 Performance	Whitireia	ITP sector
Students under 25	50%	52%
Māori	21%	23%
Pasifika	20%	11%

Course Completion (SAC)		
2013 Performance	Whitireia	ITP sector
All	84%	80%
Students under 25	81%	78%
Māori	79%	75%
Pasifika	79%	73%

Qualification Completion (SAC)		
2013 Performance	Whitireia	ITP sector
All	82%	73%
Students under 25	79%	66%
Māori	74%	65%
Pasifika	70%	59%

Of the tertiary-aged population in the Whitireia region, 11% identified as Māori, 7% as Pasifika and 22% as under the age of 25 years (based on Census).

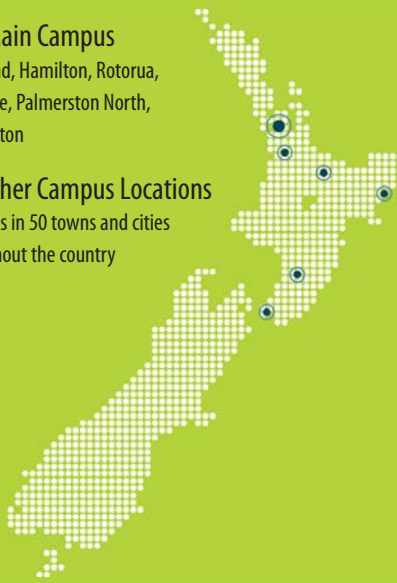
Overview of Educational Performance				
Enrolments	2013 % of ITP sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	4%	2,725	2,891	2,701
SAC Students	3%	4,230	4,187	3,875
Youth Guarantee (YG) EFTS	10%	-	-	190
YG Students	8%	-	-	223
Educational Performance Indicators - SAC	ITP sector	2011	2012	2013
Successful Course Completion	80%	80%	83%	84%
Qualification Completion	73%	68%	78%	82%
Student Retention	64%	64%	70%	75%
Student Progression L1-4	36%	35%	36%	35%
Educational Performance Indicators - YG	ITP sector			2013
Successful Course Completion	70%			68%
Qualification Completion	60%			65%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$26,458	\$29,514	\$29,677
Domestic student fees	\$11,989	\$13,960	\$12,437
International student fees	\$14,910	\$14,171	\$14,331
Other income (including research)	\$5,139	\$5,126	\$4,465
Total revenue	\$58,496	\$62,771	\$60,910
Expenses			
Personnel	\$30,460	\$32,848	\$32,286
Total expenses	\$55,916	\$61,523	\$61,237
Net surplus (after unusual and non-recurring items)	\$2,580	\$18	-\$1,688
Assets			
Property plant equipment and intangibles	\$62,674	\$73,373	\$73,635
Total Assets	\$85,211	\$87,386	\$84,615
Equity (net assets)	\$63,513	\$63,116	\$61,035
Cashflow			
Net cashflow from operations	\$5,129	\$4,216	\$4,018
Purchase of plant property equipment and intangibles	\$9,840	\$14,945	\$5,260
Other			
Staffing FTE	446	473	449
Total EFTS to Total Staff FTE ratio	10 : 1	11 : 1	11 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	17 : 1	20 : 1	20 : 1

TE WĀNANGA O AOTEAROA

Chair: Richard Batley
Chief Executive: Bentham Ohia to June 2013;
 Jim Mather from October 2013
 (Co-delegate CEOs are Hinerangi Raumati-Tu'ua
 and Turi Ngatai)

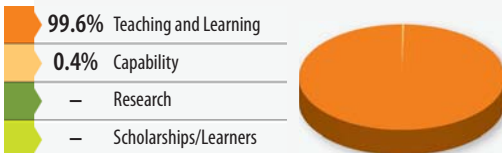
- Main Campus**
 Auckland, Hamilton, Rotorua,
 Gisborne, Palmerston North,
 Wellington
- Other Campus Locations**
 120 sites in 50 towns and cities
 throughout the country



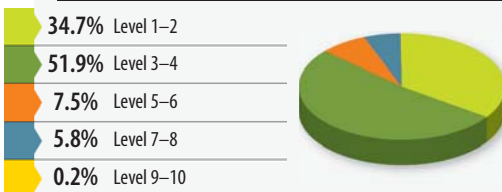
NZQA EER

Educational Performance: Highly Confident
Self-assessment: Confident

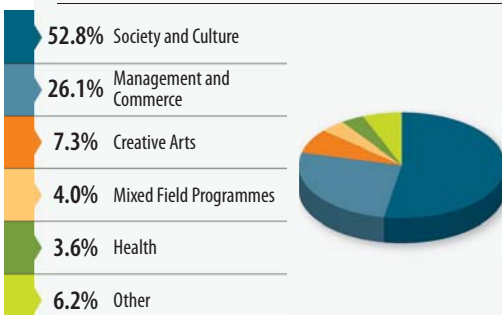
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 Te Wānanga o Aotearoa continued to be a strong educational performer and remained in a healthy financial position.

Responsiveness

In the 2013 Annual Report for Te Wānanga o Aotearoa, Te Heamana (Chair) Richard Batley highlighted a number of achievements, including being in surplus for the seventh consecutive year and the efforts of kaimahi (staff) behind the strong educational and financial results. He also cited the appointment of a new Chief Executive and acknowledged the service of the former Chief Executive, Bentham Ohia. Of further note was the completion of the second phase of the governance review to develop a smaller but more effective and agile model, to be implemented in 2014/15.

Te Taiurungi (Chief Executive) Jim Mather recognised a number of additional achievements at Te Wānanga o Aotearoa, including its success in meeting and exceeding the Tertiary Education Commission (TEC) targets for overall course completion and qualification completion rates and kaimahi supporting 31,808 tauira (students) to achieve educational aspirations. Te Wānanga o Aotearoa implemented an organisational refinement and transformation programme to be completed over a two-year period from 2014.

Enrolments at Te Wānanga o Aotearoa remained stable, increasing by 49 EFTS on 2012 volumes. While the majority of delivery remained at Levels 3–4 (52%) and Levels 1–2 (35%), provision at Levels 1–4 dropped overall by 433 EFTS, owing mainly to a decrease at Levels 1–2 following the introduction of competitive delivery at this level. At the same time, enrolments at Levels 5–10 notably increased by 481 EFTS. More than half of the delivery was in Society and Culture (53%), the next largest was in Management and Commerce (26%), and then Creative Arts (7%).

In 2013, 51 percent of students at Te Wānanga o Aotearoa were Māori, 11 percent were Pasifika and 15 percent were under-25-year-olds. Participation by these three TES priority groups each increased by one percentage point on 2012 levels. Te Wānanga o Aotearoa had 318 Youth Guarantee-funded EFTS (398 students).

Effectiveness

Te Wānanga o Aotearoa's education delivery was equal to or above wānanga sector averages for each of the four educational performance indicators (EPIs). Compared with 2012 it also improved its performance across all EPIs, with a 10 percentage point increase in its qualification completion rate.

Performance by TES priority groups was either above or on par with the wānanga sector averages, except for under-25-year-olds in the course completion and student progression measures. Māori improved on all four EPIs compared with 2012, while Pasifika and under-25-year-olds improved or remained the same on all but student progression.



Financial performance

In 2013 Te Wānanga o Aotearoa had a net surplus of \$4.0 million, which was \$3.9 million (49.3%) lower than in 2012. Total revenue decreased by \$0.6 million (0.4%) from 2012 to 2013, while total expenditure rose by \$3.3 million (2.3%), primarily owing to increased personnel expenditure.

Between 2012 and 2013 total assets increased by \$2.7 million, mainly from increases in the value of property, plant and equipment.



TES Priorities

Participation (SAC)		
2013 Performance	Aotearoa	Wānanga sector
Students under 25	15%	17%
Māori	51%	59%
Pasifika	11%	10%

Course Completion (SAC)		
2013 Performance	Aotearoa	Wānanga sector
All	82%	81%
Students under 25	75%	77%
Māori	78%	78%
Pasifika	81%	81%

Qualification Completion (SAC)		
2013 Performance	Aotearoa	Wānanga sector
All	80%	78%
Students under 25	69%	67%
Māori	77%	74%
Pasifika	77%	76%

The difference in size and offerings between the wānanga is significant and this may skew the wānanga-sector averages for comparative purposes.

Overview of Educational Performance				
Enrolments	2013 % of Wānanga sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	83%	20,280	20,313	20,362
SAC Students	82%	32,308	32,372	31,808
Youth Guarantee (YG) EFTS	100%	-	-	318
YG Students	100%	-	-	398
Educational Performance Indicators - SAC	Wānanga sector	2011	2012	2013
Successful Course Completion	81%	79%	81%	82%
Qualification Completion	78%	71%	70%	80%
Student Retention	73%	70%	73%	76%
Student Progression L1-4	36%	33%	35%	36%
Educational Performance Indicators - YG	Wānanga sector	2013		
Successful Course Completion	72%			72%
Qualification Completion	62%			62%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$134,330	\$134,988	\$133,943
Domestic student fees	\$5,866	\$5,216	\$5,598
International student fees	\$420	\$681	\$902
Other income (including research)	\$10,388	\$11,454	\$11,292
Total revenue	\$151,004	\$152,339	\$151,735
Expenses			
Personnel	\$81,529	\$85,296	\$88,326
Total expenses	\$143,718	\$144,392	\$147,706
Net surplus (after unusual and non-recurring items)	\$7,286	\$7,947	\$4,029
Assets			
Property plant equipment and intangibles	\$86,529	\$86,223	\$97,623
Total Assets	\$151,359	\$155,627	\$158,304
Equity (net assets)	\$133,778	\$138,764	\$142,793
Cashflow			
Net cashflow from operations	\$16,892	\$13,975	\$9,674
Purchase of plant property equipment and intangibles	\$16,892	\$15,173	\$14,651
Other			
Staffing FTE	1,098	1,086	1,250
Total EFTS to Total Staff FTE ratio	19 : 1	19 : 1	17 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	44 : 1	36 : 1	27 : 1

TE WĀNANGA O RAUKAWA

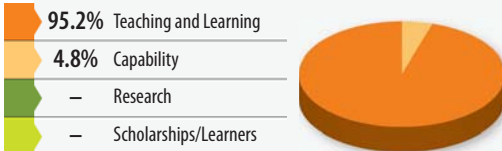
Chair: Robin Hapi
Chief Executive: Mereana Selby

Main Campus
 Otaki

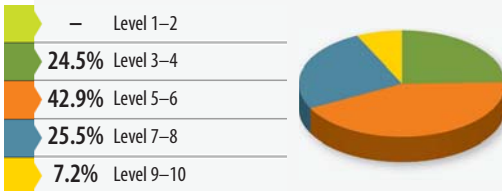
NZQA EER

Educational Performance: Confident
Self-assessment: Confident

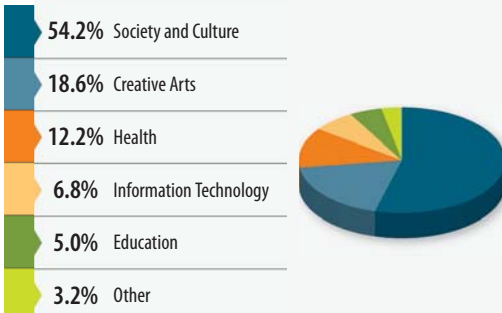
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 Te Wānanga o Raukawa (TWR) continued to improve its educational performance, although it was consistently below sector averages, and remained in a sound financial position.

Responsiveness

In TWR's 2013 Annual Report, Te Amokapua/the Chair of Te Mana Whakahaere, Robin Hapi, highlighted a number of achievements, including the establishment of Te Wānanga o Raukawa Foundation, which will consider ways it can support TWR. Of further importance was the reassurance that the new governance structure for wānanga will retain involvement of the founding iwi and appointment of the Chair.

In 2013 TWR graduated the largest cohort of students in recent times, including a record number of 39 tāhuhu (Masters) degrees conferred, most of which were written in Te Reo Māori. TWR improved against educational achievement measures, with acknowledgement of staff efforts to raise sights of students to pursue higher academic honours. TWR made further advancements in improving financial management, protecting capital assets, enhancing relationships and planning to strengthen its role as a major contributor toward outcomes to ensure the survival of Māori as a people.

Te Tumuaki (Chief Executive) Mereana Selby recognised a number of additional achievements, including higher than expected enrolments in certificate-level programmes and the popularity of its online Te Reo language course, which attracted non-Māori and Māori. She also noted TWR's continued engagement with Whitireia Polytechnic, by providing a site for the delivery of a Whitireia carpentry programme resulting in the building of a four bedroom house.

TWR's enrolments remained stable, decreasing by just six EFTS on 2012 volumes. Delivery was spread across Levels 5–6 (43%), Levels 7–8 (25%), and Levels 3–4 (24%), with provision concentrated in Society and Culture (54%), Creative Arts (19%), and Health (12%). Nearly all students (94%) identified as Māori, reflecting TWR's focus on increasing the number of Māori receiving tertiary education. TWR's participation for under-25-year-olds (27%) was well above the wānanga sector average of 17 percent and up one percentage point from 2012.

Effectiveness

Between 2012 and 2013 TWR improved in both the course and qualification completion educational performance indicators (EPIs), with a 15 percent increase in qualification completion rate. TWR nevertheless remained below the wānanga sector average for all EPIs.

Performance by Māori at TWR was below the wānanga sector average across all four indicators, while under-25-year-olds achieved above average qualification completion and student progression rates. Compared with 2012 Māori and under-25-year-olds showed significant improvement in both course and qualification completion indicators.



Financial performance

In 2013 TWoR had a net surplus of \$0.4 million (2.7%), which was \$0.36 million lower than in 2012. This was primarily owing to cost savings failing to fully offset revenue reductions.

Total revenue decreased by \$0.9 million (5.5%) while total expenditure fell by \$0.6 million (3.5%). Total assets grew by \$0.9 million between 2012 and 2013, largely from increases in cash and cash equivalents.

In 2013 Robin Hapi stood down as a Ministerial appointee but remains as a council-appointed member, continues as Chair and is the Purutanga Mauri nominee for Te Mana Whakahaere. Two new Ministerial appointments were made, with Daphne Luke and Anne Carter both appointed for four-year terms.



TES Priorities

Participation (SAC)		
2013 Performance	Raukawa	Wānanga sector
Students under 25	27%	17%
Māori	94%	59%
Pasifika	2%	10%

Course Completion (SAC)		
2013 Performance	Raukawa	Wānanga sector
All	67%	81%
Students under 25	70%	77%
Māori	67%	78%
Pasifika	53%	81%

Qualification Completion (SAC)		
2013 Performance	Raukawa	Wānanga sector
All	69%	78%
Students under 25	76%	67%
Māori	71%	74%
Pasifika	41%	76%

The difference in size and offerings between the wānanga is significant and this may skew the wānanga-sector averages for comparative purposes.

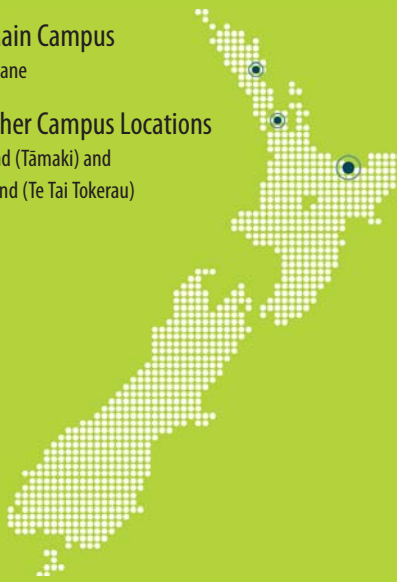
Overview of Educational Performance				
Enrolments	2013 % of Wānanga sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	5%	1,463	1,334	1,327
SAC Students	6%	1,895	2,259	2,420
Educational Performance Indicators - SAC	Wānanga sector	2011	2012	2013
Successful Course Completion	81%	58%	61%	67%
Qualification Completion	78%	56%	54%	69%
Student Retention	73%	58%	69%	55%
Student Progression L1-4	36%	37%	45%	33%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$11,496	\$10,794	\$10,610
Domestic student fees	\$5,712	\$3,607	\$2,617
International student fees	\$0	\$0	\$0
Other income (including research)	\$3,231	\$2,653	\$2,896
Total revenue	\$20,439	\$17,054	\$16,123
Expenses			
Personnel	\$10,956	\$10,255	\$10,113
Total expenses	\$19,745	\$16,253	\$15,682
Net surplus (after unusual and non-recurring items)	\$694	\$801	\$441
Assets			
Property plant equipment and intangibles	\$18,479	\$17,988	\$17,034
Total Assets	\$19,745	\$92,006	\$92,990
Equity (net assets)	\$69,393	\$70,193	\$70,634
Cashflow			
Net cashflow from operations	\$2,757	\$1,273	\$834
Purchase of plant property equipment and intangibles	\$8,217	\$2,638	\$181
Other			
Staffing FTE	202	187	187
Total EFTS to Total Staff FTE ratio	7 : 1	7 : 1	7 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	24 : 1	25 : 1	24 : 1

TE WHARE WĀNANGA O AWANUIĀRANGI

Chair: Dist. Prof. Sir Sidney Mead (Hirini Moko)
Chief Executive: Dist. Prof. Graham Hingangaroa Smith

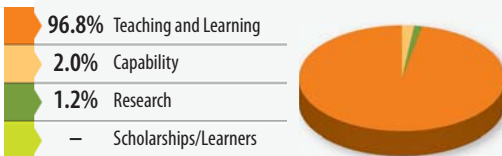
- **Main Campus**
Whakatane
- **Other Campus Locations**
Auckland (Tāmaki) and
Northland (Te Tai Tokerau)



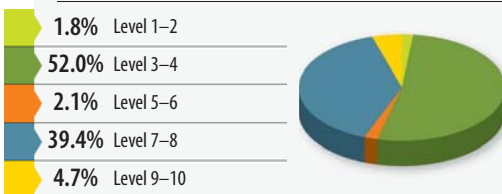
NZQA EER

Educational Performance: Highly Confident
Self-assessment: Confident

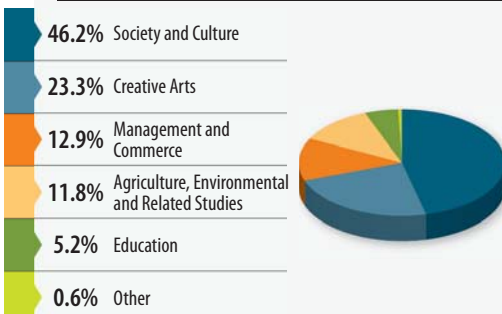
Funding by TEC



Delivery by Level



Delivery by Subject



In 2013 the educational performance of Te Whare Wānanga o Awanuiārangī (TWWoA) improved compared with the previous year. Financially, TWWoA remained in a healthy position.

Responsiveness

Te Amokapua o Te Mana Whakahaere (council Chair), Distinguished Professor Sir Sidney Mead, highlighted a number of TWWoA's achievements for 2013 in its Annual Report, including the graduation of 2,203 students, the awarding of two Honorary Doctorates, three PhDs and 16 Masters degrees. He also cited the placement of two pou, called Toi-kai-rakau and Whatonga, representing important ancestors of the region, at the main entrance of TWWoA's new buildings. Following the opening and full occupation of these facilities, good progress was made towards embedding new management systems and upskilling staff, an increasing number of whom now hold Doctorates and Masters degrees.

Te Tumuaki (Chief Executive) Distinguished Professor Graham Smith, recognised a number of additional achievements, including TWWoA's strong financial position for the sixth year in a row, the beginning of the relaunch of the Nursing and Health Sciences degree in the Bay of Plenty and plans for a new Māori and Indigenous Management Studies degree. He further noted TWWoA's successful year through the accomplishments and efforts of its council, staff and students, as well as the positive relationships established with the Crown, iwi and community interests. A key priority is focusing on the unique characteristics of the wānanga; maintaining mātauranga Māori both generally and within the context of tikanga and ahuatanga Māori.

TWWoA's enrolments continued to increase, with a four percent (107 EFTS) increase on 2012 volumes. Most of its delivery was focused at Levels 3–4 (52%) and Levels 7–8 (39%), with provision concentrated in Society and Culture (46%), Creative Arts (23%), and Management and Commerce (13%).

Participation by Māori (92%) remained stable and at similar levels to previous years. Participation by under-25-year-olds (29%) was also well above the wānanga sector average (17%). Pasifika participation notably increased to seven percent (up from 4% in 2012).

Effectiveness

TWWoA performed above the wānanga sector averages for course completion and student progression. While qualification completion and student retention were below the sector averages, TWWoA improved on both measures compared with 2012.

Performance by the TES priority groups (Māori, Pasifika and under-25-year-olds) mirrored the wānanga's overall performance in 2013, with all above the sector averages for course completions and student progression. Compared with the previous year, performance improved for each of the educational performance indicators (EPIs) for Māori and improved for all but student progression for Pasifika and under-25-year-olds.



Financial performance

In 2013 TWWoA had a net operating surplus of \$3.9 million (12.9%), \$2.4 million lower than its surplus in 2012.

Total expenditure rose by \$0.8 million (2.9%) as a result of increases in personnel expenditure and depreciation expenses.

In November 2013 TWWoA's single subsidiary, McAlister Holdings Limited, was removed from the Register of Companies. The \$2.4 million dividend was paid in 2012. The assets of McAlister Holdings were transferred to the TWWoA parent.

Between 2012 and 2013 TWWoA's total assets increased by \$4.2 million.



TES Priorities

Participation (SAC)		
2013 Performance	Awanuiārangi	Wānanga sector
Students under 25	29%	17%
Māori	92%	59%
Pasifika	7%	10%

Course Completion (SAC)		
2013 Performance	Awanuiārangi	Wānanga sector
All	86%	81%
Students under 25	85%	77%
Māori	85%	78%
Pasifika	87%	81%

Qualification Completion (SAC)		
2013 Performance	Awanuiārangi	Wānanga sector
All	68%	78%
Students under 25	58%	67%
Māori	67%	74%
Pasifika	70%	76%

The difference in size and offerings between the wānanga is significant and this may skew the wānanga-sector averages for comparative purposes.

Overview of Educational Performance				
Enrolments	2013 % of Wānanga sector	2011	2012	2013
Student Achievement Component (SAC) EFTS	12%	2,786	2,906	3,013
SAC Students	13%	4,947	4,990	5,004
Educational Performance Indicators - SAC	Wānanga sector	2011	2012	2013
Successful Course Completion	81%	91%	88%	86%
Qualification Completion	78%	49%	64%	68%
Student Retention	73%	53%	57%	59%
Student Progression L1-4	36%	44%	36%	38%

Overview of Financial Performance*			
Summary Financial Statements (\$000)	2011	2012	2013
Revenue			
Total government revenue	\$24,056	\$23,584	\$25,400
Domestic student fees	\$2,054	\$2,489	\$3,033
International student fees	\$0	\$0	\$112
Other income (including research)	\$3,296	\$5,724	\$1,563
Total revenue	\$29,406	\$31,797	\$30,108
Expenses			
Personnel	\$12,217	\$11,175	\$11,330
Total expenses	\$27,284	\$25,462	\$26,212
Net surplus (after unusual and non-recurring items)	\$2,075	\$6,335	\$3,896
Assets			
Property plant equipment and intangibles	\$23,027	\$34,265	\$32,659
Total Assets	\$47,475	\$51,749	\$55,993
Equity (net assets)	\$43,625	\$47,538	\$51,589
Cashflow			
Net cashflow from operations	\$6,057	\$9,585	\$6,302
Purchase of plant property equipment and intangibles	\$9,158	\$19,362	\$784
Other			
Staffing FTE	174	151	148
Total EFTS to Total Staff FTE ratio	19 : 1	23 : 1	24 : 1
Total EFTS to Teaching Staff FTE ratio (academic & tutorial)	41 : 1	48 : 1	49 : 1

