

Event backgrounder: Ministerial visit to Toi Ohomai Institute of Technology on Wednesday, 29 August 2018

To:	Hon Chris Hipkins, Minister of Education
From:	Manager ITP Investment, Operations Directorate
Date:	22 August 2018
Reference:	E/18/00572

Purpose

1. You are scheduled to visit Toi Ohomai Institute of Technology (Toi) on Wednesday 29 August 2018.
2. General information about Toi is attached as Appendix 1. This A3 summary sheet includes a short narrative; delivery enrolment, site and demographic data; financials; and educational performance indicator (EPI) information.
3. Biographies of the Council Chair and Chief Executive of Toi are attached as Appendix 2.
4. Toi's Student Achievement Component (SAC) and Youth Guarantee (YG) funding compared with delivery for 2017 is included in Appendix 3.
5. Toi's funding for 2018 is included in Appendix 4.
6. We recommend that this event backgrounder is proactively released with information about Toi's risk rating on the TEC's financial monitoring framework withheld.

ITP Roadmap

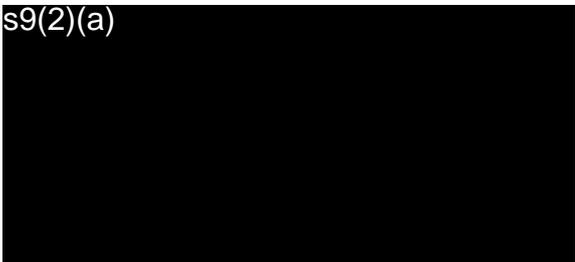
7. The ITP Roadmap 2020 project team is continuing to engage with the ITP sector and other stakeholders to develop the advice we'll provide to you on options for a sustainable future ITP network. Our most recent engagements are:
 - i. Regional engagement visits, which will be complete by 24 August
 - ii. Four focus group sessions with Māori and Pasifika stakeholders.
8. On 9 and 10 August 2018 we brought together around 30 people from across the ITP sector and wider stakeholders in a co-design workshop to explore and identify a small number of coherent models for the future ITP network. The models will be added into TEC's analytical mix for our advice to you in September. We will be discussing the outcomes of these workshops with you, and how our advice is shaping up, at the ITP Roadmap 2020 strategy session on 28 August.

Regional ITP Roadmap engagement at Toi

9. The ITP Roadmap team had a valuable set of meetings at Toi on 4 July. Key themes from the discussion included:

- The benefits from the merger of Bay of Plenty Polytechnic and Waiariki Institute of Technology, the costs (e.g. of integrating systems), and Toi's priorities going forward;
- The importance of partnering with stakeholders across Toi's large rohe (region), including iwi, to extend outreach and delivery sites;
- The challenges some policy settings pose to the ability to serve the needs of people in the region, particularly settings associated with Youth Guarantee and secondary-tertiary programmes; and
- Toi's aim of being the exemplar for a high-performing bicultural organisation.

s9(2)(a)



Acting Manager, ITP Investment
Operations Directorate
Tertiary Education Commission

22 August 2018

Hon Chris Hipkins

Minister of Education

___ / ___ / ___

Appendix 1: Toi summary sheet (A3)

(refer accompanying A3)

Appendix 2: Biographies of key Toi people

Catherine Cooney, Chair of Toi Council



Catherine Cooney has a background in professional and corporate leadership, executive level health management, workforce development, quality systems and accreditation, nursing and community development. She has 40 years' experience in the health sector and from 2001–2012 was the Chief Executive of Lakes District Health Board. Ms Cooney is Director of Kowhai Health Associates and Joint-Chair of Healthy Families Rotorua. She is a Justice of the Peace (JP) and former President of the Rotorua and Districts JP Association.

Dr Leon de Wet Fourie, Chief Executive of Toi



Dr de Wet Fourie worked at Unitec Institute of Technology (Unitec) prior to becoming Chief Executive at Toi. At Unitec he simultaneously held the positions of Executive Dean Faculty of Creative Industries and Business, Executive Dean Faculty of Technology and Built Environment, and Northern Campus Director until 2015, before becoming Deputy Chief Executive. Previously he held the position of Executive Dean, Faculty of Management Sciences and Campus Director, Educity, at Vaal University of Technology in South Africa. He also held various executive positions at Tshwane University of Technology from 1995 - 2006.

Appendix 3: Toi's SAC and YG funding compared to delivery in 2017

Note: Not all identified under-delivery is subject to recovery, as a recovery threshold applies for some funds.

Edumis	Provider Name	Fund	Values		
			Total 2017 Funding	\$ Delivered	(Under)/Over Delivered Total
6025	Toi	Student Achievement Component Levels 1 and 2 (Competitive)	\$3,675,426	\$2,164,935	(\$1,510,491)
		Student Achievement Component Levels 1 and 2 (Non-competitive)	\$187,250	\$201,833	\$14,583
		Student Achievement Component Levels 3 and 4 (Competitive)	\$1,782,107	\$745,248	(\$1,036,859)
		Student Achievement Component Levels 3 and above	\$39,624,425	\$36,666,657	(\$2,957,768)
		Youth Guarantee	\$2,845,250	\$1,537,239	(\$1,308,011)
		Youth Guarantee (Dual Pathway)	\$457,390	\$484,622	\$27,232
			\$48,571,848	\$41,800,534	(\$6,771,314)

Appendix 4: Toi's funding for 2018

On-plan Funds <i>Funding Period: 1 January 2018 - 31 December 2018</i>	2018 Funding (ex GST)
Adult and Community Education (TEIs) Fund	\$574,376.00
Funding rate for TEIs: \$4,444.44 per EFTS	
Number of EFTS (2018): 129	
Equity Fund Total	\$350,277.00
Amount of funding for Māori students:	\$181,043.95
Amount of funding for Pasifika student:	\$19,732.47
Amount of funding for students with disabilities:	\$148,623.04
Literacy and Numeracy Provision – Workplace Literacy and Numeracy Fund (TEO-led strand)	\$321,900.00
Funding rate: \$75 per hour	
Number of approved hours (2018): 4,292	
Student Achievement Component – Qualifications at Levels 1 and 2 of the NZQF (Competitive Allocation) Fund	\$2,817,665.00
Student Achievement Component – Qualifications at Levels 1 and 2 of the NZQF (Non-competitive Allocation) Fund	\$188,125.00
Student Achievement Component – Qualifications at Levels 1 and 2 of the NZQF (Non-competitive Allocation) Fund – Special supplementary grant for special education	\$80,468.00
Student Achievement Component – Provision at Level 3 and above on the NZQF Fund	\$40,018,098.00
Student Achievement Component – Provision at Level 3 and above on the NZQF Fund, Levels 3&4 Competitive Pilot	\$1,782,105.00
Youth Guarantee – Youth Guarantee Provision Fund	\$1,774,966.00
Total On-plan Funding	\$47,907,980.00

TEI PROFILE: Toi Ohomai Institute of Technology

Chair: Catherine Cooney Chief Executive: Leon de Wet Fourie

Key narrative: Toi Ohomai Institute of Technology (Toi) is the largest regional ITP provider, servicing a geographically dispersed population around Tauranga and Rotorua, and in the Bay of Plenty (with smaller campuses in Whakatāne, Tokoroa and Taupō). Major provision is in management and commerce; society and culture; engineering and related technologies; and health. Toi is the new name for an ITP formed on 1 May 2016 through the merger of Bay of Plenty Polytechnic and Waiariki Institute of Technology. Toi's first EER is scheduled for mid 2018.

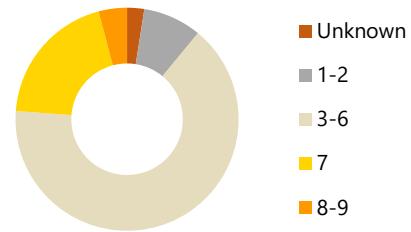


Delivery sites	
Town/city	All EFTS (2017)
Tauranga	2,858
Rotorua	2,349
Whakatane	273
Extramural	256
Other sites	545
Total	6,281

Top five qualifications by enrolment

Qualification	All EFTS (2017)
Bachelor of Nursing	368
NZ Diploma in Business (ver 2)	299
Postgraduate Diploma in Management	183
NZ Certificate in Foundation Skills (Lvl 2)	161
Culinary Arts (Lvl 4)	141

Delivery by NZQF level (all EFTS) for 2017



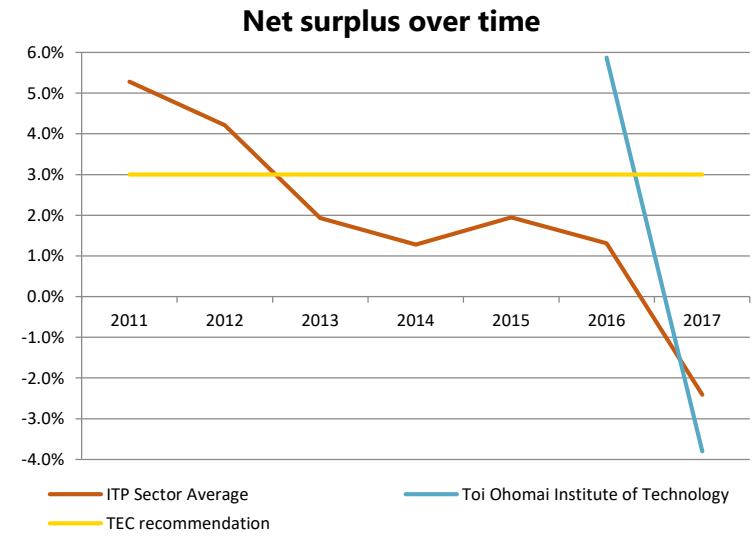
Recent delivery data and demographics

	2016	2017
All EFTS	7,362	6,281
All learners	14,103	12,331
% Māori learners	37.1%	38.7%
% Pasifika learners	4.7%	4.4%
% learners 25 and over	53.1%	53.4%
International full-fee delivery:		
EFTS	1,288	1,016
As % of all EFTS	17.5%	16.2%

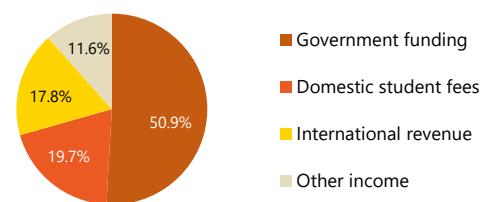
Financial commentary: s9(2)(b)(ii)

Toi's 2017 deficit was driven by

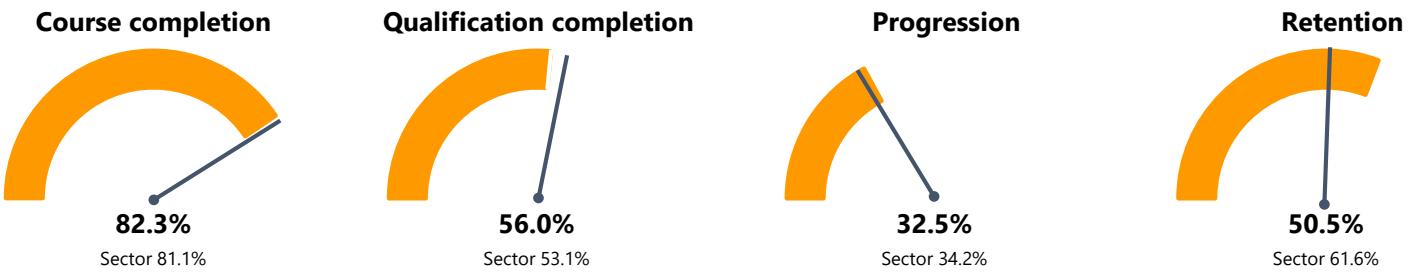
	2016 audited (\$'000)	2017 audited (\$'000)	2016-2017 change
Total Income	103,601	94,175	↓
Total Government Funding	53,635	47,967	↓
Total International Income	18,842	16,725	↓
Total Domestic Fees and Charges	20,839	18,591	↓
Net surplus before unusual items	6,086	-5,109	↓
Net surplus (before unusual items) ratio	5.9%	(5.4%)	↓
Net surplus after unusual items	4,774	-9,913	↓
Net surplus (after unusual items) ratio	4.6%	(10.5%)	↓
Total Liquid assets	32,201	31,160	↓
Total Debt	0	0	



Funding source for 2017



Educational Performance (Cohort EPIs)



Toi – Māori and Pasifika EPI rates benchmarked against non-Māori/non-Pasifika, 2017

Non-Māori and non-Pasifika	Māori	Pasifika									
87.7%	74.3%	72.8%	56.7%	54.9%	55.5%	32.2%	33.3%	31.8%	51.7%	47.8%	50.0%

ITP sector – Māori and Pasifika EPI rates benchmarked against non-Māori/non-Pasifika, 2017

Non-Māori and non-Pasifika	Māori	Pasifika									
84.5%	72.2%	72.2%	54.4%	49.7%	51.3%	32.6%	37.0%	36.9%	63.8%	53.9%	56.8%

Run sheet

Toi Ohomai Institute of Technology, Meet & Greet and Campus Tour

Venue: Windermere Campus, 70 Windermere Drive, Poike, Tauranga

Date: Wednesday, 29 August 2018

Start Time: 1:30pm

Finish Time: 2:15pm

Contact: Leon Fourie, Chief Executive, 07 557 8961 or 027 405 8620

Description	Time
Minister and official guests arrive at Gate One, greeted by CE Dr Leon Fourie and members of ELT, walk to M Block	1:30pm
Tour of creative suites at M Block & meet with students & staff	1:35pm
Campus tour of student services area; meet with students and staff	1:55pm
Minister departs from Gate One, escorted by CE Dr Leon Fourie	2:15pm