



Event backgrounder: Information to support your visit to Otago Polytechnic on 19 August 2021

To:	Hon Chris Hipkins, Minister of Education
From:	s9(2)(a), Acting Manager Delivery and Projects
Date:	12 August 2021
Reference:	E-21-00489

Purpose

1. You are scheduled to visit Otago Polytechnic on 19 August 2021, at 95 Forth Street, Dunedin North.
2. This backgrounder provides you with information about Otago Polytechnic, and matters that may be raised with you.
3. Biographies of Adam La Hood, Board Chair and of Dr Megan Gibbons, Chief Executive are included as an Appendix.
4. We recommend this event backgrounder be proactively released following your visit.

About Otago Polytechnic

5. Otago Polytechnic was established in 1966 and its Forth Street Campus opened in 1989. It started running courses in Cromwell (known as Central), in 1987. In late 2015, Otago Polytechnic acquired Aoraki Polytechnic's Dunedin operation. It also runs an International campus in Auckland, in partnership with Future Skills Academy, and has a number of satellite campuses.
6. When Te Pūkenga was established on 1 April 2020, Otago Polytechnic became a subsidiary company. In 2020 it also had a change in Chief Executive, after 16 years with Phil Ker in the role.
7. Otago Polytechnic has approved 2021 funding of more than \$56.1million,¹ including a current approved allocation of \$40.8 million for Student Achievement Component Levels 3 and above. It is a category 1 EER provider.

¹ Data sourced from Qlik as at 11 August 2021, My Allocations and Payments App, using the Summary sheet with filters for reporting year (2021) and TEO (6013 – Otago Polytechnic).

8. Otago Polytechnic offers over 150 programmes, with major provision in the health professions, Management and Commerce, and Architecture and Building. Its delivery includes courses from foundation levels 1-3 through to bachelor, graduate diploma, and postgraduate (including one doctorate) programmes.
9. In 2020 Otago Polytechnic delivered 5,385 EFTS to 9,344 learners,² including to almost 5,000 learners in Otago. Its largest delivery in 2020 was of its Bachelor of Applied Management (440 EFTS), Bachelor of Nursing (341 EFTS), and Bachelor of Occupational Therapy (296 EFTS).
10. It also has a high number of extramural learners, with nearly 3,000 in 2020. Otago Polytechnic has equal shares in TANZ eCampus Limited (TANZ) with five other Te Pūkenga subsidiaries. Work is underway with Te Pūkenga to integrate eCampus into the network.
11. Otago Polytechnic reported a surplus of just under \$5.4 million in its 2020 Annual Report. This was in large part due to the Targeted Training and Apprenticeship Fund (TTAF), which saw second semester enrolments compensate for the reduction in international student revenue.
12. Educational Performance of Otago Polytechnic continues to be strong (82% course completion rates for 2020³). It is also closing the parity gap for its Māori learners.

The TTAF initiative has supported increased enrolments

13. The TTAF initiative has stimulated significant growth in demand for eligible qualifications. Otago Polytechnic currently has 41 qualifications that are eligible for TTAF (also known as free trades training). Learners who receive TTAF funding are supported to undertake vocational training education and training without fees.

Matters they may raise with you

Otago Polytechnic has a key role in increasing local capability to support the new Dunedin hospital build

14. A number of large scale construction projects are underway in the Otago region, and there has been concern that ongoing labour and skills shortages will impact the ability of construction companies to complete projects.
15. The new \$1.4 billion Dunedin Hospital will be built in two stages: An Outpatient Building (planned to open in January 2025), and an Inpatient Building (Planned to open in April 2028). Over the course of the build, there is likely to be more than 10,000 construction workers pass through the site with up to 1,000 workers on site during the peak activity period.
16. Otago Polytechnic is a key partner for the build of the new hospital. In particular, to the project's goal of providing the skills and labour needed to help complete the new hospital by providing training, support and access to opportunities presented by the project.
17. A construction and skills hub (Workforce Central Dunedin - WFCD) has been established to help provide the skills and labour needed to complete the new Dunedin Hospital build.

² Data sourced from Qlik as at 11 August 2021, My Provision SDR App, using the Summary sheet with filters for reporting year (2020) and TEO (6013 – Otago Polytechnic).

³ Data sourced from Educational Performance Indicator reports on the TEC website.

18. Otago Polytechnic is part of the Grow Dunedin Partnership (GDP) established to implement Dunedin's Economic Development Strategy. The GDP also includes Dunedin City Council, the University of Otago, the Otago Chamber of Commerce, the Otago Southland Employers' Association and Kāi Tahu: Te Rūnanga o Ōtākou and Kāti Huirapa Rūnaka ki Puketeraki. The GDP has a focus on regional skill needs in the medium to long term in Dunedin.

International student numbers

19. Border closures have impacted Otago Polytechnic's international student numbers, which are down about two thirds on 2020. Some staff were laid off in July 2020, and the polytechnic may need to consider more restructuring depending on border closures.

20. Otago Polytechnic Student representative, **9(2)(a)**, attended and was photographed with you, at the International Education Forum in July 2021. It was reported that **9(2)(a)** raised concerns over the post-study work visa struggles faced by students who started studying in New Zealand and are now stuck overseas, as well as those who recently started studying online. This is an area that you recognised needed to be correctly handled.

Otago Polytechnic is on track to over deliver in 2021

21. Enrolments at Otago Polytechnic have continued to increase in 2021, carrying on the trend from 2020. Based on the April Single Data Return, the value of 2021 Student Achievement Component Levels 3 and above delivery is already \$44.6 million.⁴

22. Otago Polytechnic has reported it has increased numbers of older students, and more students from other parts of the country are enrolling.

Partnering with Centre of Digital Excellence for gaming

23. The New Zealand Centre of Digital Excellence (CODE) is a Dunedin-based hub designed to progress the expansion of New Zealand's growing video game development industry. The creation of CODE in Dunedin was a Labour Party election manifesto commitment. It is being funded by Kānoa (the Provincial Growth Fund).

24. One of CODE's key objectives is to develop new industry skills development and training pathways. CODE has partnered with Otago Polytechnic and with Swedish-based FutureGames, to develop new, world-class vocational training to supply talent.

25. Otago Polytechnic has initiated a research and engagement programme with the gaming industry in Dunedin, and nationally, to identify current gaps and build a fit-for-purpose training course. The course is now in late development stage.

Questions you may like to ask

The Trade Training Centre (a shovel ready project)

26. In April you accompanied the Rt Hon Jacinda Ardern to view the Trade Training Centre Build site at Otago Polytechnic. The Otago Polytechnic Trade Training Centre project was approved as a COVID-19 response and recovery Infrastructure Reference Group project in August 2020.

⁴ Data sourced from Qlik as at 11 August 2021, My Allocations and Payments App, using the Summary sheet with filters for reporting year (2021) and TEO (6013 – Otago Polytechnic).

The funding contract between Otago Polytechnic and Crown Infrastructure Partners (CIP) was signed in August 2020.

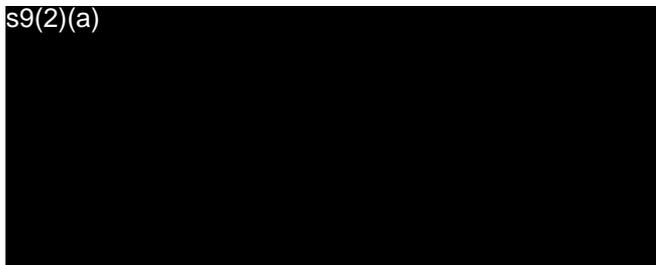
27. You may be interested in how the project is progressing and whether construction is on track to finish in December 2022. The project is expected to create 200 FTE (Full Time Equivalent) jobs during the construction process. This increase in capacity will support the new Dunedin Hospital build and other construction projects.

Supporting transition of industry training

28. Otago Polytechnic is continuing to work with transitional industry training organisations (TITOs) about how it might support TITOs to deliver block courses for local employers.

29. You may want to ask how the new Trade Training Centre can support industry training in Otago, and contribute to major projects such as the Hospital rebuild.

s9(2)(a)



Acting Manager Delivery and Projects
Tertiary Education Commission

12 August 2021

Hon Chris Hipkins

Minister of Education

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Appendix: Key biographies

Board Chair: Adam La Hood



Adam La Hood was appointed as Chair of the Otago Polytechnic Board of Directors in February 2021. Adam is a Chartered Accountant with extensive financial experience both here in New Zealand and overseas, in a diverse range of industries including Construction, Mining, Hospitality, Insurance, Social Housing, and Financial Services.

Along with financial experience, his executive and corporate background brings a skill set in strategy, risk management, health and safety, and internal controls. Adam also serves on the board of Dunedin Venues Management Limited and is the Chief Financial Officer for Cook Brothers Construction.

Chief Executive – Otago Polytechnic: Megan Gibbons



Appointed as Chief Executive in March 2020, Megan Gibbons was previously the Deputy Chief Executive for People and Performance at Otago Polytechnic. She has expertise in academic leadership, and specialises in curriculum and leadership development. Megan completed the Educational Leadership Programme at Harvard University in 2019.

She is also a board member on the Athletics Otago; Otago Boys High School; Wildlife Hospital; Open Education Foundation; and TANZ eCampus boards.