

15 AUG 2019

Education New Zealand Briefing

Title:	Education New Zealand quarterly report from 1 April to 30 June 2019		
Date:	15 August 2019	Priority:	Low
Security level:	Unclassified	ENZ ID no:	1920-016

Action sought

Addressee:	Action sought:	Deadline:
Minister of Education	<p>Note the attached Education New Zealand quarterly report from 1 April to 30 June 2019.</p> <p>Note that the quarterly report from 1 April to 30 June 2019 contains Education New Zealand's unaudited results for 2018/19.</p> <p>Note that Education New Zealand will provide you with its Annual Report 2018/19, which will contain the audited results for 2018/19, in November 2019.</p> <p>Agree that this briefing is proactively released as part of the September 2019 release.</p>	

Contact for telephone discussion (if required)

Name:	Position:	Telephone:	Cell phone:	1 st contact
Grant McPherson	Chief Executive	[REDACTED]	[REDACTED]	x
Angela Meredith	Accountability Manager	[REDACTED]	[REDACTED]	<i>Withheld under s9(2)(a) of the OIA</i>

The following departments/agencies have seen this report

<input type="checkbox"/> ERO	<input type="checkbox"/> MBIE	<input type="checkbox"/> MFaT	<input type="checkbox"/> MoE	<input type="checkbox"/> MoH	<input type="checkbox"/> MSD
<input type="checkbox"/> NZQA	<input type="checkbox"/> NZTE	<input type="checkbox"/> TEC	<input type="checkbox"/> TPK	<input type="checkbox"/> Treasury	<input type="checkbox"/>

Minister's office to complete

<input type="checkbox"/> Approved	<input type="checkbox"/> Declined	<input type="checkbox"/> Noted	<input type="checkbox"/> Needs change
<input type="checkbox"/> Seen	<input type="checkbox"/> Overtaken by events	<input type="checkbox"/> See Minister's notes	<input type="checkbox"/> Withdrawn

Comments:

Education New Zealand Briefing

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Recommendations

Education New Zealand recommends that you

- note** that that Education New Zealand will provide you with its Annual Report 2018/19 in November 2019
- note** that the quarterly report from 1 April to 30 June 2019 contains Education New Zealand's unaudited results for 2018/19
- note** that Education New Zealand will provide you with its Annual Report 2018/19, which will contain the audited results for 2018/19, in November 2019

Noted

- agree** that this briefing is proactively released as part of the September 2019 release

Agree / Disagree



Grant McPherson
Chief Executive
Education New Zealand



Hon Chris Hipkins
Minister of Education

23/10/19

Purpose

1. The Education New Zealand (ENZ) quarterly report from 1 April to 30 June 2019 is attached for your information.

Background

2. The quarterly report provides the fourth quarter progress report against the intentions stated in ENZ's *Statement of Intent 2018-2022* and *Statement of Performance Expectations 2018/19*.
3. ENZ's Board reviewed the quarterly report at its meeting on 9 August 2019 and agreed that it can be provided for your information.
4. The quarterly report contains the unaudited results for 2018/19.
5. Audit New Zealand will start its year end audit of ENZ on 30 September. The audited results for 2018/19 will be included in ENZ's *Annual Report 2018/19* which will be provided to you in November 2019. The annual report will also be published on ENZ's website in November 2019.

Proactive release

6. ENZ intends to proactively release this briefing as per your expectation that information be released as soon as possible. Any information which may need to be withheld will be done so in line with the provisions of the Official Information Act 1982.

Proactively released

Quarterly Report

Education New Zealand

1 April to 30 June 2019

In Confidence

Minister of Education

Hon Chris Hipkins

ENZ ID no: 1920-016

Proactively released

ThinkNew



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This quarterly report covers the period 1 April – 30 June 2019¹. This is the final quarterly report against Education New Zealand’s (ENZ’s) *Statement of Intent 2018-2022* and *Statement of Performance Expectations 2018/19*.

The results provided in this report are unaudited. Following the audit of financial statements, ENZ’s Annual Report for 2018/19 will be finalised by 31 October 2019.

¹ This report includes calendar year and financial year information. A calendar year is shown as a single year, such as 2018, while dates such as 2018/19 refer to a financial year.

Impact measures

	Target 2018/19	2017/18 Full Year Result	2018/19 Result	Met	Comment
The economic value from New Zealand's international education sector.	2018: \$4.6 billion	\$5.1 billion	2018: 2019:	●	This measure is dependent on 2018 international student enrolment data and the final result will be reported in ENZ's Annual Report 2018-19.
The percentage of prospective students in priority markets who rank New Zealand in the top three preferred countries.	2021/22: increase	15%	2019: 10%	*	There were positive increases in preference amongst prospective students from China and Thailand, but declines in preference amongst prospective students from India, Vietnam and Germany resulted in an overall decline. The 2019 result is the preference of prospective students aged 18-24 years, while the 2017/18 result measured a wider 16-30 age range. The comparable overall 2017/18 result for prospective students aged 18-24 was 13%.
The number of international students enrolled to study outside Auckland.	2018: Increase	49,414	2018:	●	This measure is dependent on 2018 international student enrolment data and the final result will be reported in ENZ's Annual Report 2018-19.
The economic value per international student.	2020: Increase	\$39,290	2018:	●	This measure is dependent on 2018 international student enrolment data and the final result will be reported in ENZ's Annual Report 2018-19.
The proportion of international students who were satisfied or very satisfied with their overall experience.	≥ 85%	Revised measure	2019: 90% for the university subsector	✓	The results for the ITP sector will be available in September.

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Target 2018/19	2017/18 Full Year Result	2018/19 Result	Met	Comment
Awareness of the contribution of international education to New Zealand.	2021/22: Increase	2019: 58%	✓	In 2018/19, ENZ developed an improved survey focused on the overall contribution of international education, rather than the contribution to New Zealand's economy.

Key: ✓ met ✗ not met ● result not yet available but will be reported in the Annual Report

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Performance measures

	2018/19 Target	2017/18 Full Year Result	2018/19 Result	Met	Comment
Percentage of users that agree ENZ's services and support have added value.	≥ 75%	71%	79%	✓	
Percentage of users satisfied with the information and intelligence provided by ENZ.	Overall rating = good or higher	87% of industry users rated ENZ's information and intelligence as 'good' or higher	78% of industry users rated ENZ's information and intelligence as 'good' or higher	✓	
Number of key messages about the benefits to New Zealand from international education delivered through third parties.	≥ 150	198	156	✓	
Percentage of Active Visits on ENZ's studyinnewzealand.govt.nz website.	≥ 70%	76%	77%	✓	
Number of registrations to ENZ's Student Membership Programme through studyinnewzealand.govt.nz website.	80-100,000	83,512	108,837	✓	
Percentage of Prime Minister's Scholarship recipients who report making 5 or more professional/business connections during their time on scholarship.	Establish baseline	New measure in 2018/19	56%	✓	
Percentage of Prime Minister's Scholarship recipients who report making 5 or more academic connections during their time on scholarship.	Establish baseline	New measure in 2018/19	52%	✓	
Percentage of Prime Minister's Scholarship recipients who record that the scholarship has benefited their future career aspirations.					
<ul style="list-style-type: none"> • Asia • Latin America 	95%	96%	98%	✓	
	95%	98%	100%	✓	

Key: ✓ met

x not met

● result not yet available but will be reported in the Annual Report

Activity indicators

	2018/19 activity standard	2017/18 Full Year activity	2018/19 activity
Number of referrals to institutional websites from ENZ's studyinnewzealand.govt.nz website.	120,000	156,887	207,668
Usage of Intellilab.	Establish baseline	New activity in 2018/19	441 registered users
Usage of the Brand Lab.	25,000 downloads	15,081	16,423 downloads
Usage of the Skills Lab.	400 registered users	476 registered users	496 registered users
Number of new and existing Prime Minister's Scholarships funded.			
• Asia	300-350	253	413
• Latin America	100-150	72	164
Number of new and existing New Zealand International Doctoral Research Scholarships funded.	10-20	28	27

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Organisational capability

	2018/19 Target	2017/18 Full Year Result	2018/19 Result	Met	Comment
Ratio of administration expenses to core operating expenses.	13-18%	15%	13%	✓	
Core unplanned turnover.	< 11%	9.9%	7%	✓	
Employee engagement.	Top quartile of the staff engagement index for the public sector	Top quartile of the staff engagement index for the public sector		●	The results of the 2019 staff engagement survey are being analysed and will be reported in ENZ's Annual Report 2018-19.
Identify and actively manage a targeted portfolio of markets that drives current opportunities and creates future market positions:					The CAPs are now being reviewed monthly, with an annual assessment of the plans
<ul style="list-style-type: none"> Country Activity Plans (CAPs) document business activity and investment for each 'promote' and 'explore' market 	100%	100%	100%	✓	
<ul style="list-style-type: none"> Country team reviews completed three times per year 	100%	100%	100%	✓	

Key: ✓ met * not met ● result not yet available but will be reported in the Annual Report

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Financial performance to 30 June 2019

STATEMENT OF FINANCIAL PERFORMANCE	As at 30 June		
	Actual 2018/19	Budget 2018/19	Actual 2017/18
\$000s			
Operating Revenue			
Revenue from the Crown - Operating	27,299	27,249	27,424
Revenue from the Crown - EEL	3,265	3,265	3,265
Other revenue	1,668	1,675	3,679
Total operating revenue	32,232	32,189	34,368
Scholarship Revenue			
Revenue from the Crown - scholarships	4,550	4,550	4,550
Total scholarship revenue	4,550	4,550	4,550
Operating Expenditure			
Personnel costs	12,010	11,621	11,495
Other expenses	19,899	20,333	22,575
Depreciation & amortisation expenses	283	225	346
Total operating expenditure	32,192	32,189	34,416
Scholarship expenditure			
Scholarship expenses	4,536	4,550	4,566
Total scholarship expenditure	4,536	4,550	4,566
Net surplus	54	0	(64)

STATEMENT OF FINANCIAL POSITION	As at 30 June		
	Actual 2018/19	Budget 2018/19	Actual 2017/18
\$000s			
Assets			
Total current assets	6,075	6,190	7,997
Total non-current assets	778	368	581
Total assets	6,853	6,558	8,578
Liabilities			
Total current liabilities	4,234	3,900	6,099
Total non-current liabilities	171	0	85
Total liabilities	4,405	3,900	6,184
Net assets	2,448	2,658	2,394