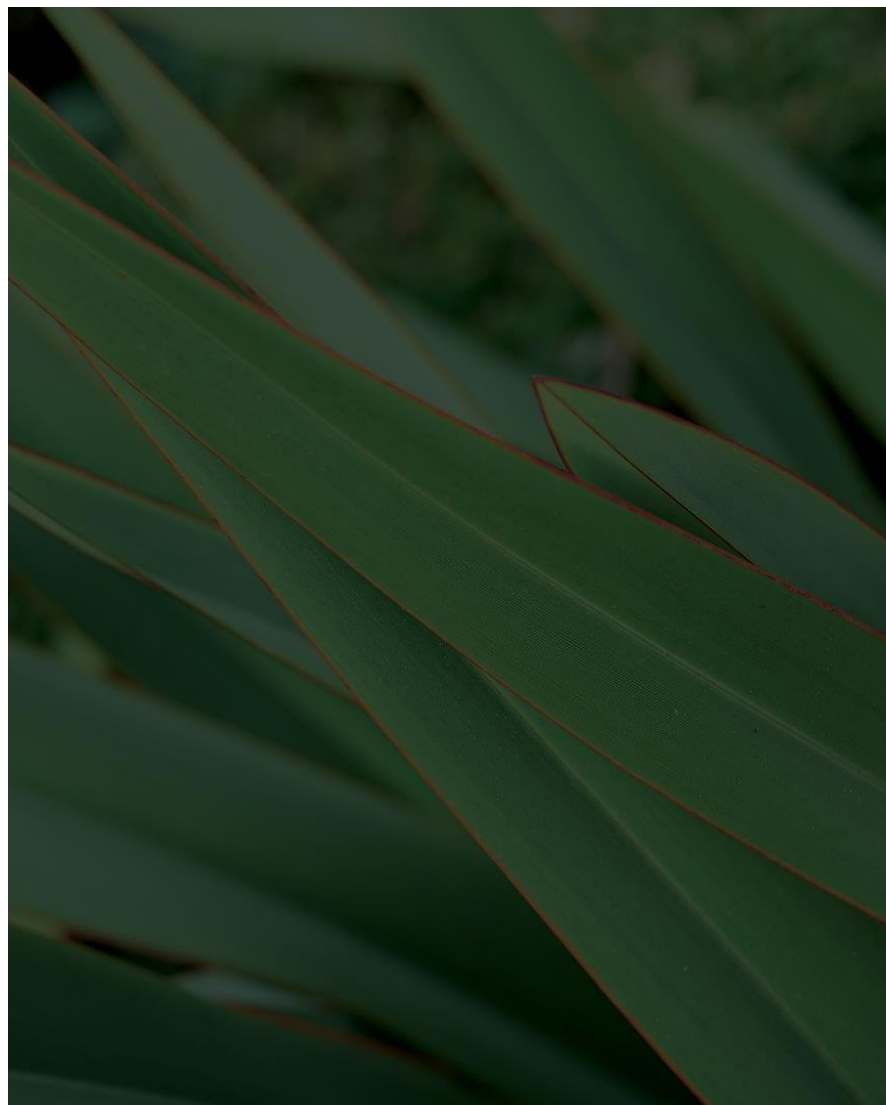


Specialist Advisory Group Meeting - 8 April



08 April 2024 10:00 AM - 04:00 PM

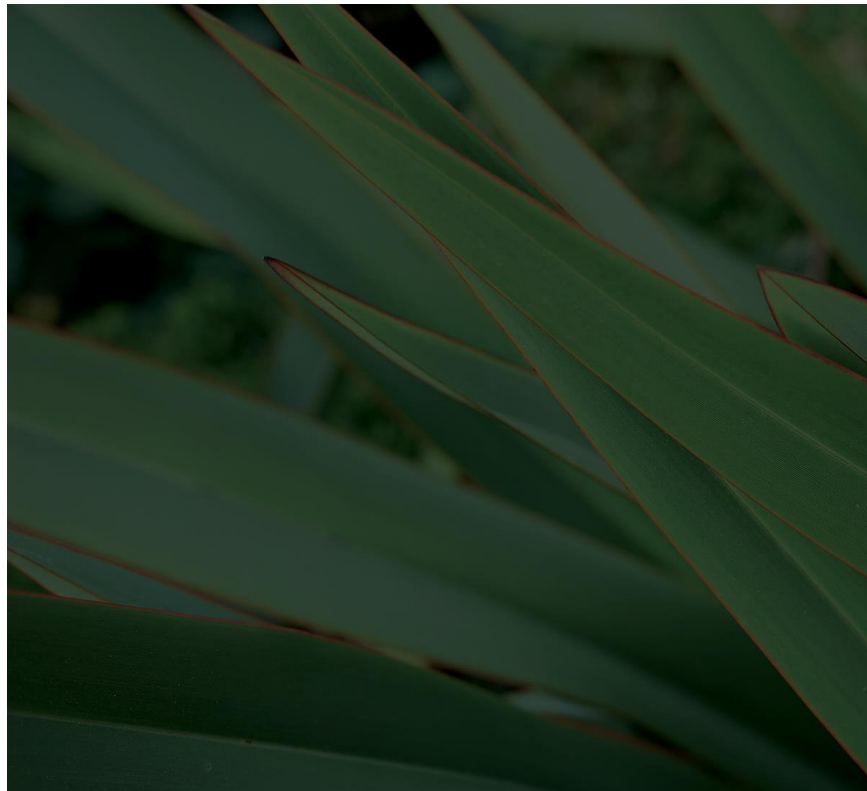
Agenda Topic	Presenter	Time	Page
1. Welcome / Introduction		10:00 AM-10:15 AM	
2. Deep Dive into Rohe 4 Looking into Ara, Otago, SIT, and TPP	s 9(2)(a)	10:15 AM-11:45 AM	2
3. Deep Dive into Rohe 3 Looking into Whitireia/Weltec, UCOL, WITT, and NMIT	s 9(2)(a)	11:45 AM-01:15 PM	96
4. Lunch break		01:15 PM-01:45 PM	
5. Deep Dive into Rohe 1 Looking into NorthTec, MIT (), and Unitec (Michelle)	s 9(2)(a) and Michelle Teirney	01:45 PM-02:45 PM	223
6. Deep Dive into Rohe 2 Looking into EIT, Wintec, and Toi Ohomai	s 9(2)(a)	02:45 PM-03:45 PM	296
7. Closing discussion		03:45 PM-04:00 PM	



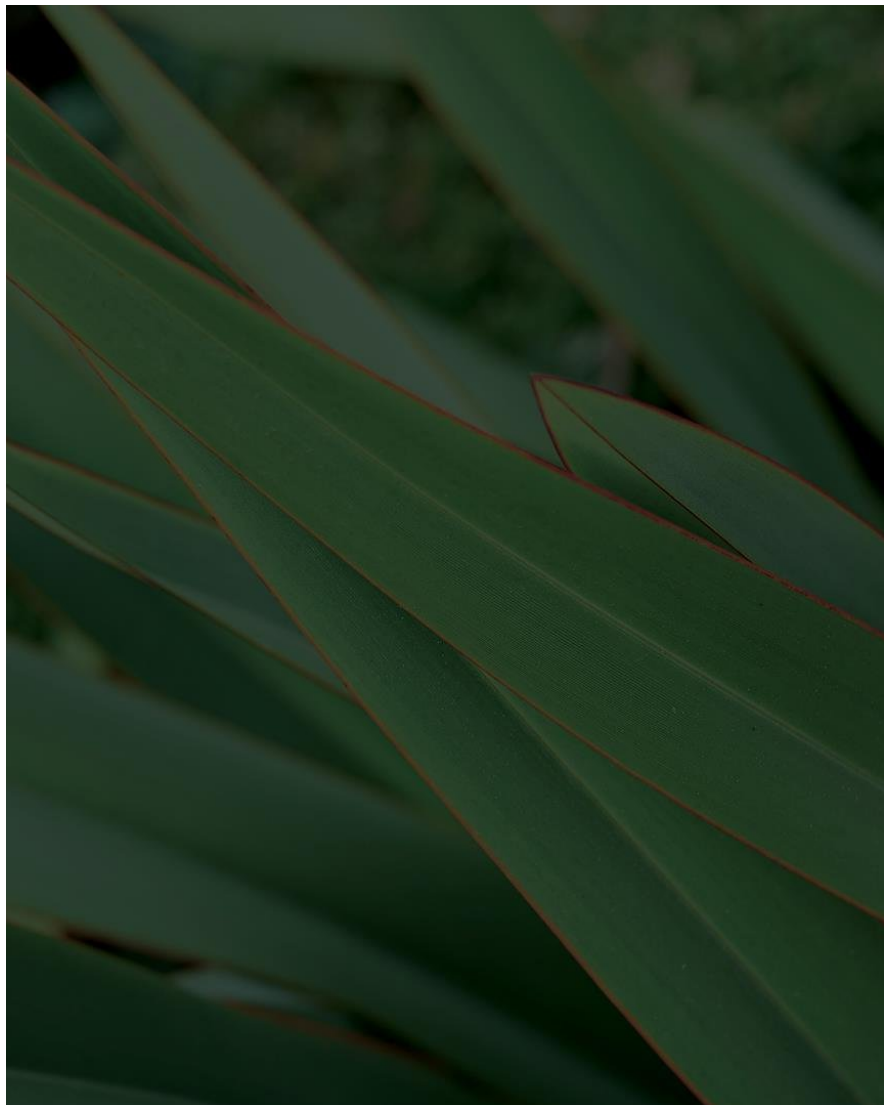
DRAFT Ara 2024 Budget Analysis March 2024



Te rārangi kaupapa | Agenda



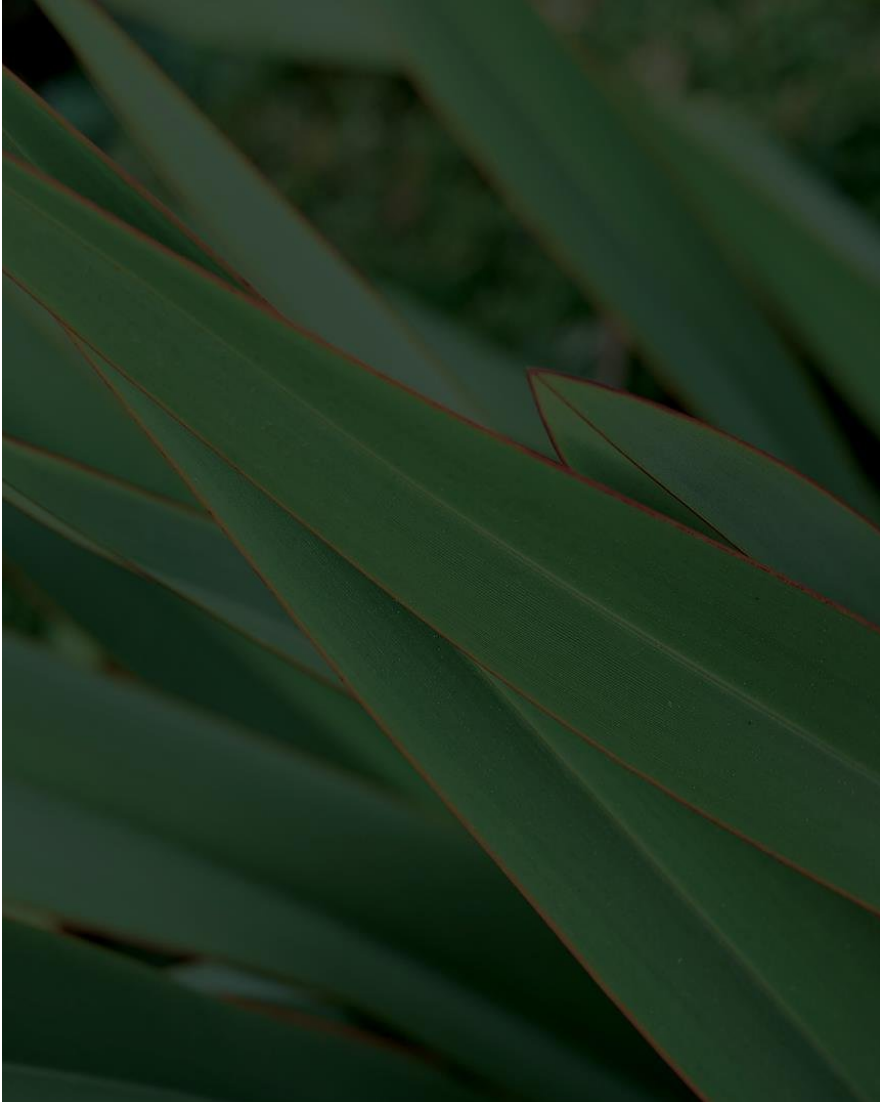
- 1 Recommendations
- 2 Overview
- 3 National View
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- 5 Local View
- 6 Programme Analysis



Recommendations

Recommendations

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]



Overview



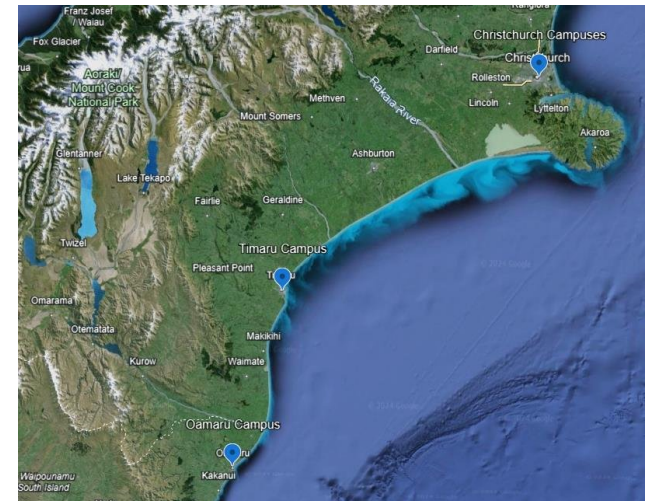
Overview

Ara

- Ara have 4 main delivery sites within the Canterbury region (Christchurch, Ashburton, Timaru and Oamaru). Ara have three campuses within Christchurch itself:
 - City Campus (Main Campus)
 - Manawa Campus - situated near Christchurch Hospital, focusing on Nursing and Midwifery
 - Woolston Campus – focusing on Trades Training.
- Canterbury region's population is approximately 666,300 and makes a disproportionately high contribution to the NZ GDP.
- RSLG analyses highlights priority growth, particularly in: Digital technologies, Health care and social assistance, and Manufacturing.

Analysis

- Using Tribal data and cost-to-serve data within Rohe 4, the analysis has compared Ara to its peers under a National and Regional lens and has compared the Ara campuses against one another.



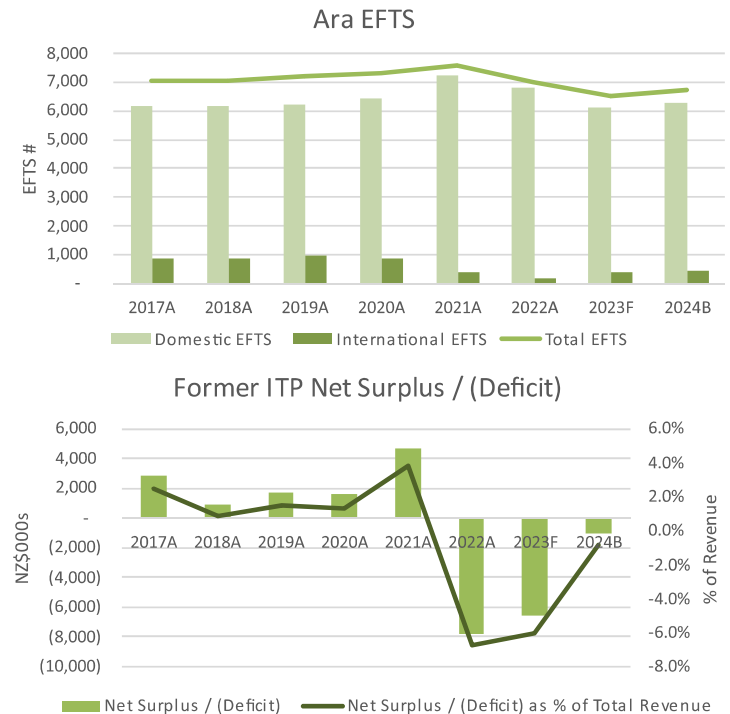
Historical View

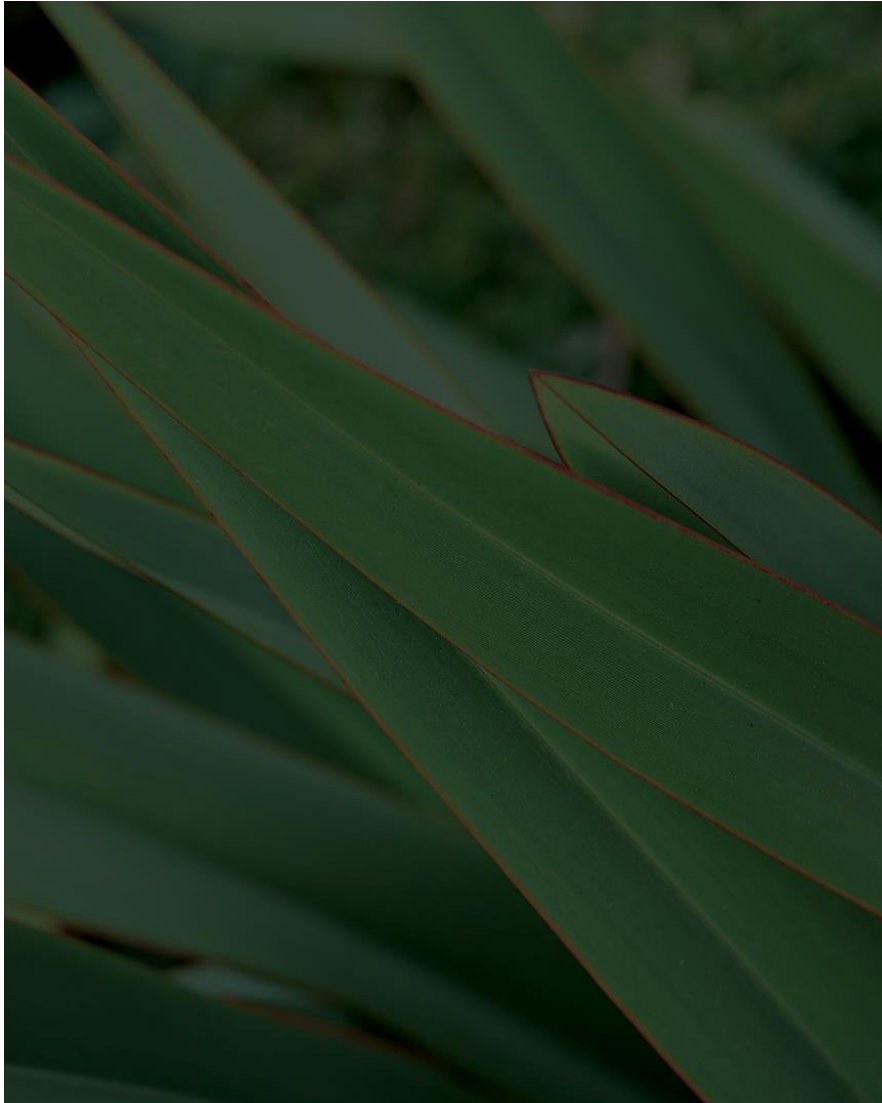
EFTS

- Over the period 2019 to 2024, Ara's total EFTS have decreased by 466 (6%). Domestic EFTS saw an increase of 1%, while international EFTS have dropped by 55%. The international EFTS decrease has been driven by COVID-19 related border closures and government immigration policy changes.
- The average drop in total EFTS for former ITPs across this period was 18%; with the drop in domestic EFTS being 12% and a drop in international EFTS being 49%. By comparison, Ara has performed well as a whole, it remains one of the only ITPs to see an increase in domestic EFTS across this period, alongside Otago (2%) and Open Polytechnic (38%). Ara's retention of international students however is slightly less than the sector average over this period.

Net Surplus/Deficit

- Ara posted a net surplus of \$1.7m in 2019 and are expected to run a net deficit of \$1.0m in the 2024 budgeted year. While all former ITPs have a net deficit budgeted for 2024, Ara's net deficit is one of the lowest across the sector only behind EIT (\$0.42m).
- A quick glance at Ara's net deficit as a proportion of its total revenue has seen a decline by 2.3 percentage points from 1.5% (surplus) in 2019 to -0.9% (deficit) in 2024 (budgeted). A comparison of this same measure against the former ITPs average shows a decline of 8.4 percentage points from -4.6% in 2019 to -13.0% in 2024. Therefore, Ara's current financial performance, compared to other former ITP's is relatively better.





National View

National comparison of ITP expenses

Using Tribal data, components of expenditure have been analysed. Unless otherwise noted, data is from the 2022 year..

Student Numbers (EFTS)

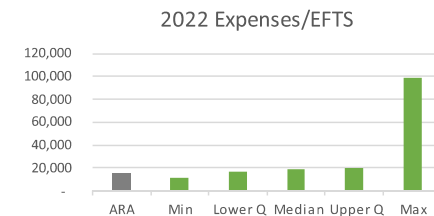
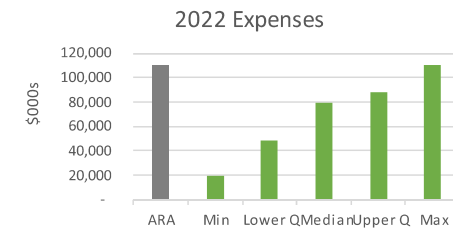
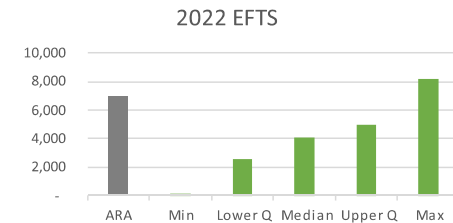
- Ara had 6,986 EFTS for the 2022 year. This sits above the upper quartile (4,943) and represents the second highest EFTS, behind Open Polytechnic (8,229).

Expenses

- Ara's 2022 expenses were \$110.4m. This is the maximum within the group where the upper quartile for former ITPs is \$88.2m and with the group median is \$79.9m.

Expenses per EFTS

- Comparison of expenses per EFTS shows that Ara is a high performer in the sector. Ara has an expense per EFTS (\$15,802/EFTS) with the lower quartile being \$16,171/EFTS and the median of the group being \$18,657/EFTS.



Expense categories

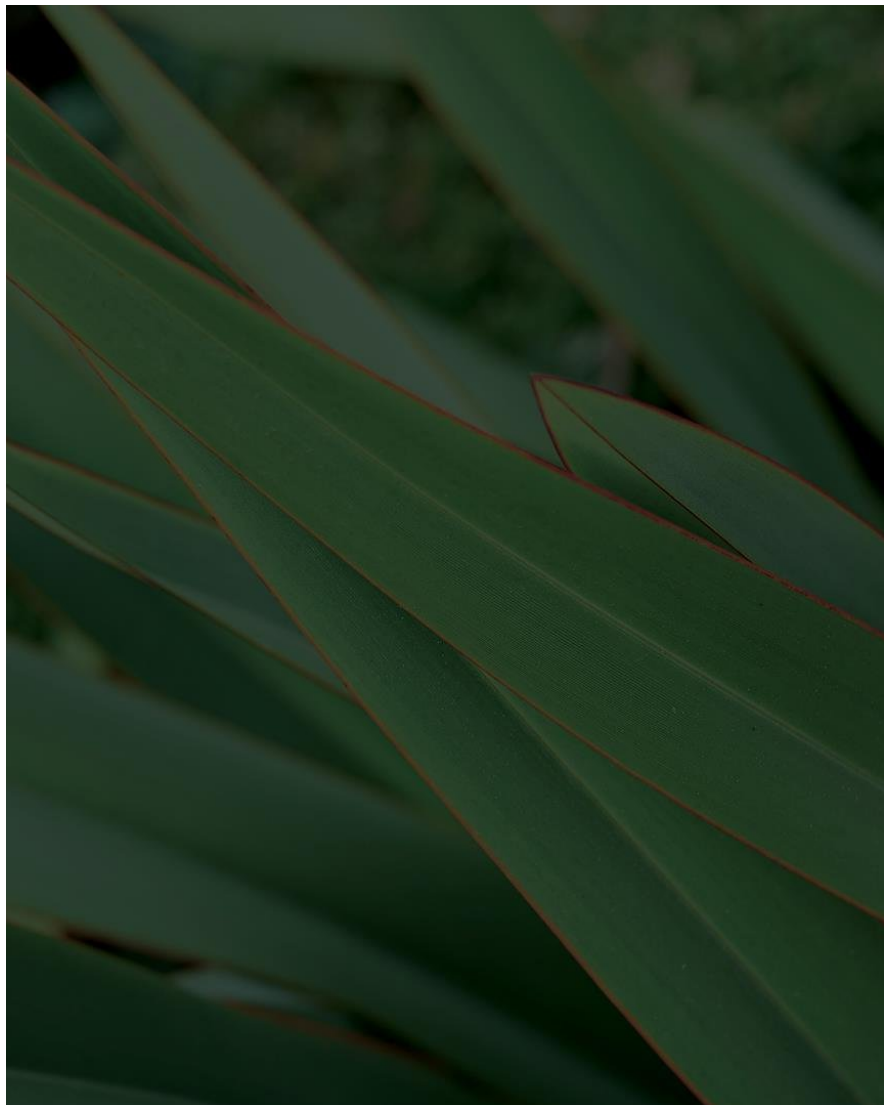
The Tribal data shows how Ara performs compared to the other ITPs across nine different expense categories. For each expense category, costs have been measured against the ITP's total income to give a relative measure.

Performance can be classified into three categories:

1. **Disproportionately low-cost:** Where proportional costs are below the lower quartile of the group.
2. **Proportionate cost:** Where proportional costs are between the lower and upper quartile of the group.
3. **Disproportionately high-cost:** Where proportional costs are above the upper quartile for the group.

Income Category	OTG	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Performance
Central Administration	11.6%	11.4%	12.0%	15.4%	17.4%	51.8%	Disproportionately low-cost
Depreciation and Facilities Leases	13.4%	10.1%	13.0%	16.6%	18.4%	24.1%	Proportionate Cost
Facilities	8.8%	3.0%	8.0%	8.8%	11.5%	17.1%	Proportionate Cost
IT Support	7.7%	6.2%	7.3%	8.5%	9.0%	13.9%	Proportionate Cost
Library / LRC Services	1.5%	0.0%	1.5%	1.8%	2.2%	3.0%	Proportionate Cost
Marketing / Business Development	4.5%	4.5%	6.1%	10.0%	18.0%	168.0%	Disproportionately low-cost
Student Administration	3.3%	1.9%	2.9%	3.6%	4.3%	7.4%	Proportionate Cost
Student Services	2.8%	1.5%	2.6%	3.1%	3.6%	6.4%	Proportionate Cost
Teaching & Research	52.2%	38.0%	51.2%	58.2%	61.0%	72.4%	Proportionate Cost

Ara performs well across all expense categories as it has the second smallest deficit (behind Otago Polytech) between income and expenses across the former ITP sector; income of \$104.3m, expenses of \$110.4m, a deficit of \$6.1m (6%).

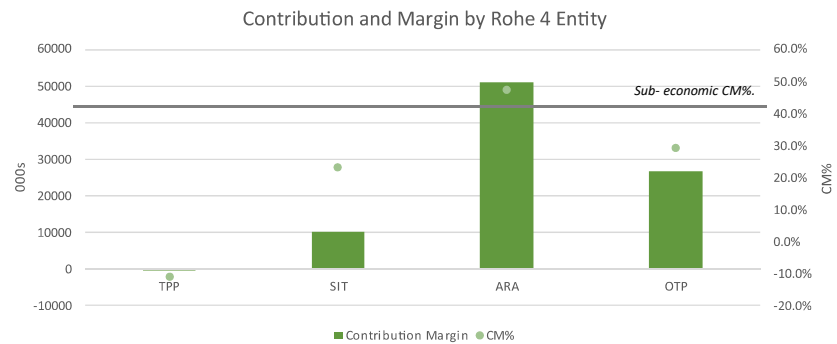
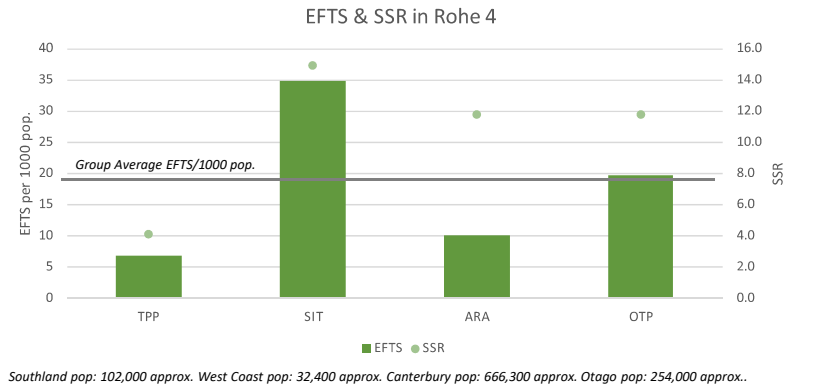


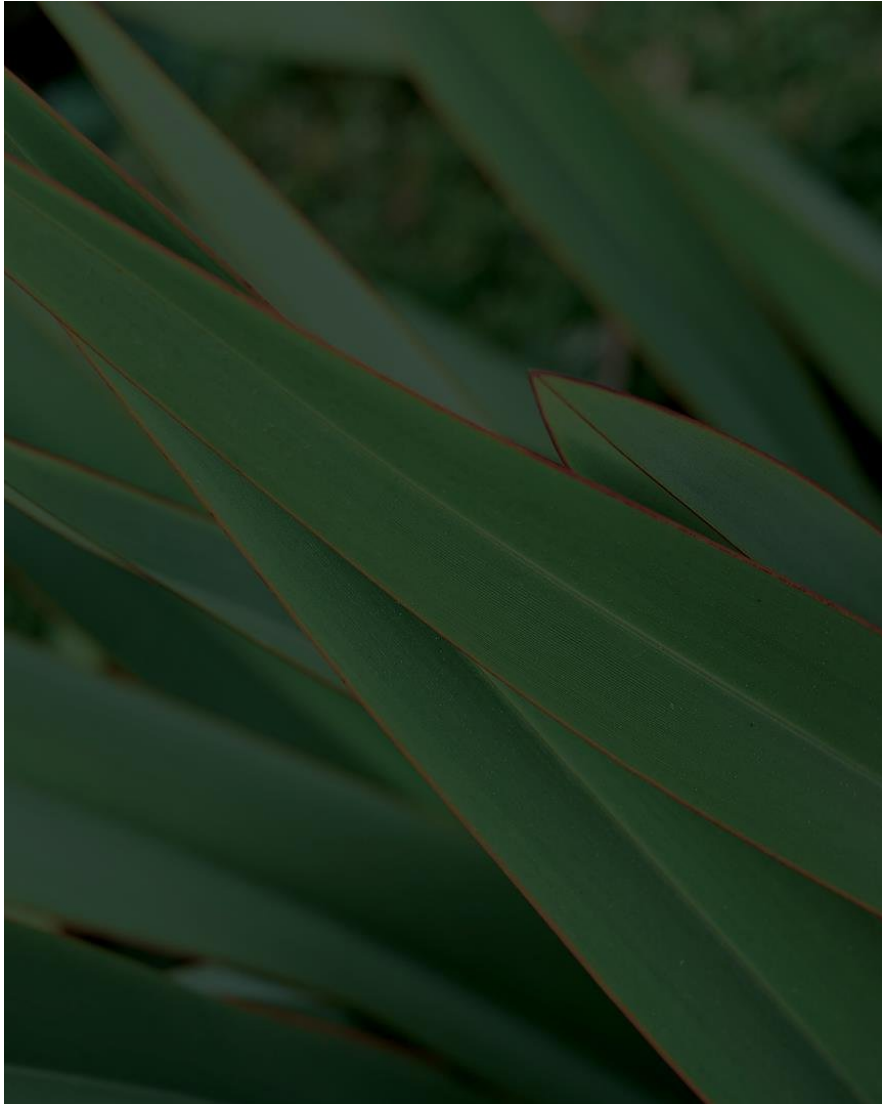
Regional View



Regional comparison

- In the 2024 budget, Ara has the greatest EFTS numbers in Rohe 4 and a student-staff ratio (SSR) of 11.7 (above the average of 10.6 for the Rohe 4 business divisions).
- Considering a view on EFTS per 1000 people (population) for the primary region each entity operates in shows that Ara is below the Rohe 4 average. Ara has an EFTS/1000 pop. of 10.1 compared to the group average of 17.9 across all entities in Rohe 4.
- The average contribution margin between former ITP business divisions in Rohe 4 is 22%. Only Ara exceeds this average with a contribution margin of 47.4%. Tai Poutini, SIT and Otago Polytech could all be deemed sub-economic (<45% CM) with CM% of -11%, 23.3% and 29.5%, respectively.



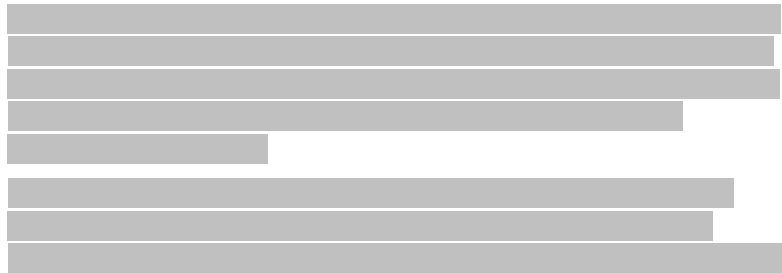


Local View

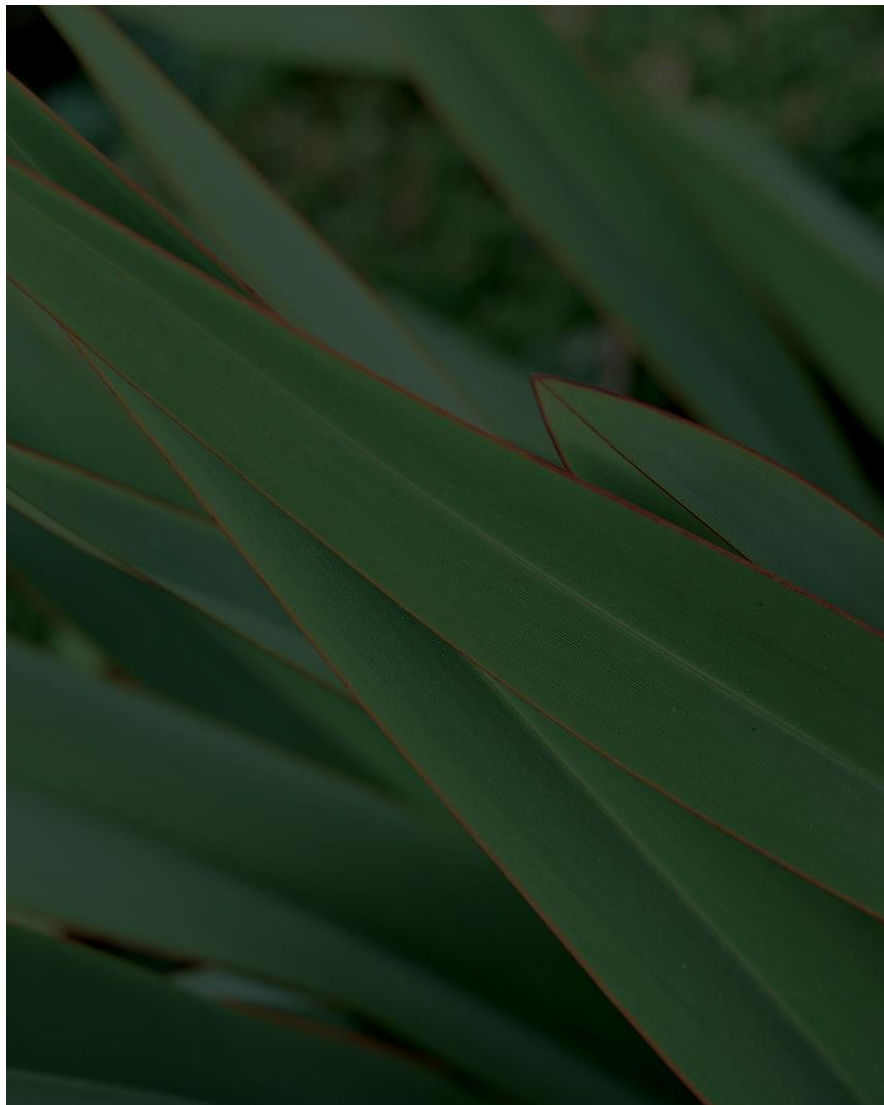


A Location Lens

- Ara have 4 main delivery sites within the Canterbury region (Christchurch, Ashburton, Timaru and Oamaru). Ara have three campuses within Christchurch itself being the City Campus, Manawa Campus and Woolston Campus.
- From the contribution budget for 2024, costs can be attributed to all the above campuses except the Oamaru campus. In addition, online, offsite and a Christchurch satellite delivery sites have been included and are included in the analysis herein as “Other” – unless specified individually.
- The scale and contribution by site differs widely across the regions/sites. However, all site contributions except the Christchurch satellite are positive.

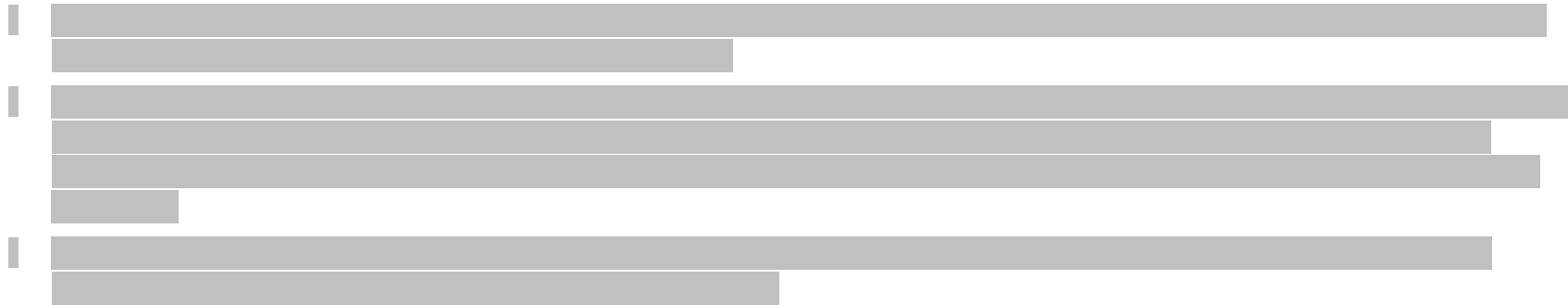






Programme Analysis

Low performing Disciplines



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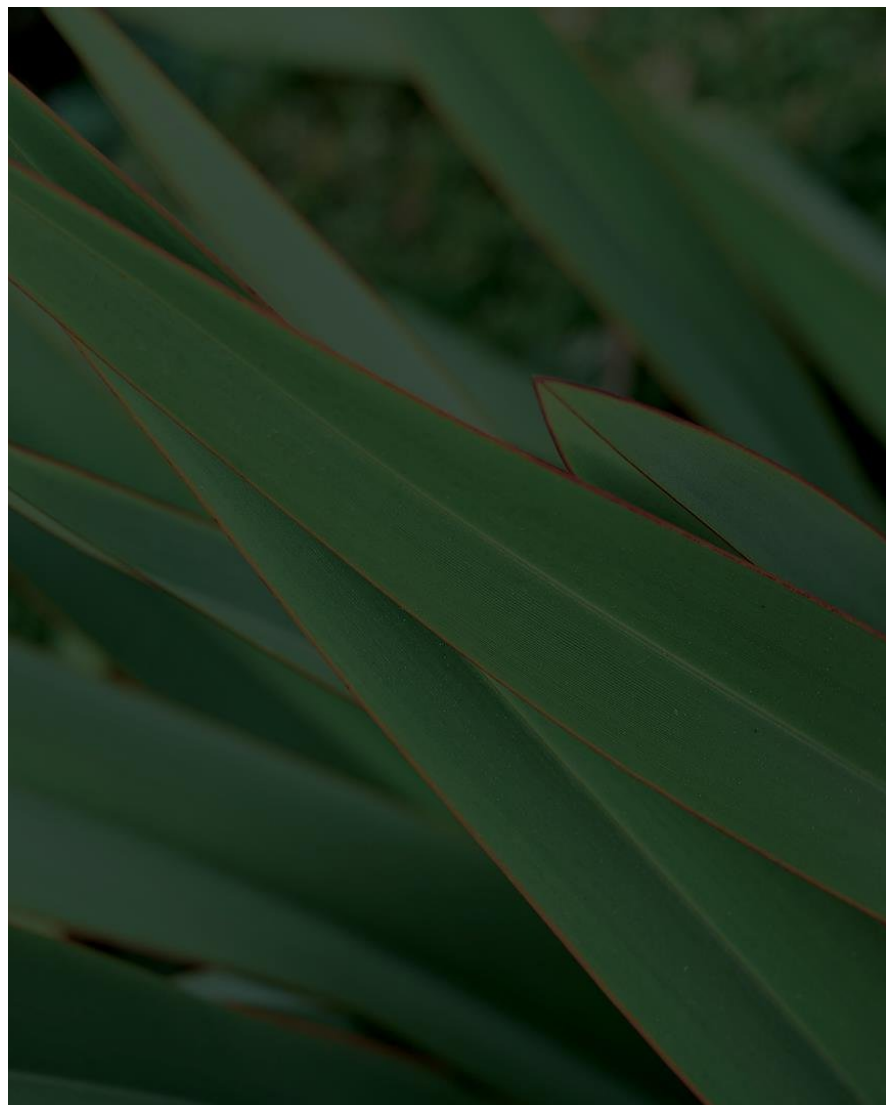
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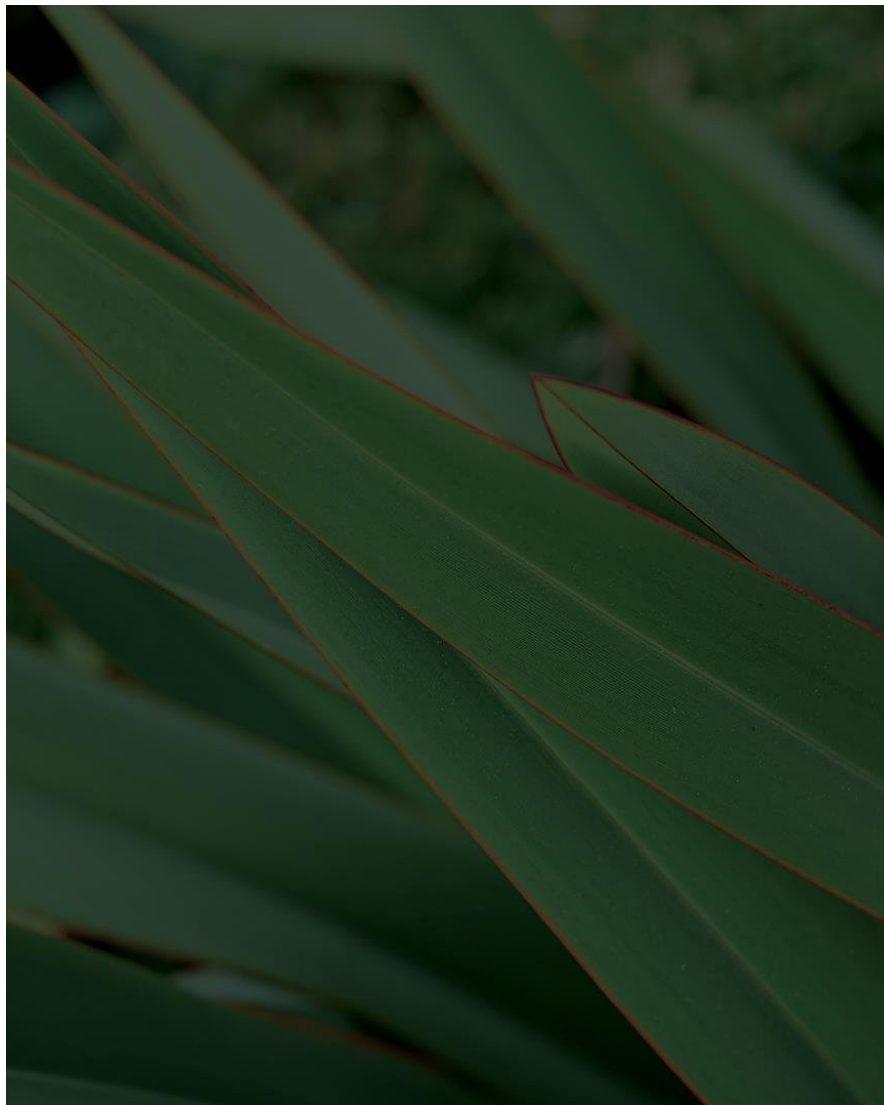
DRAFT Otago Polytechnic 2024 Budget Analysis March 2024



Te rārangi kaupapa | Agenda



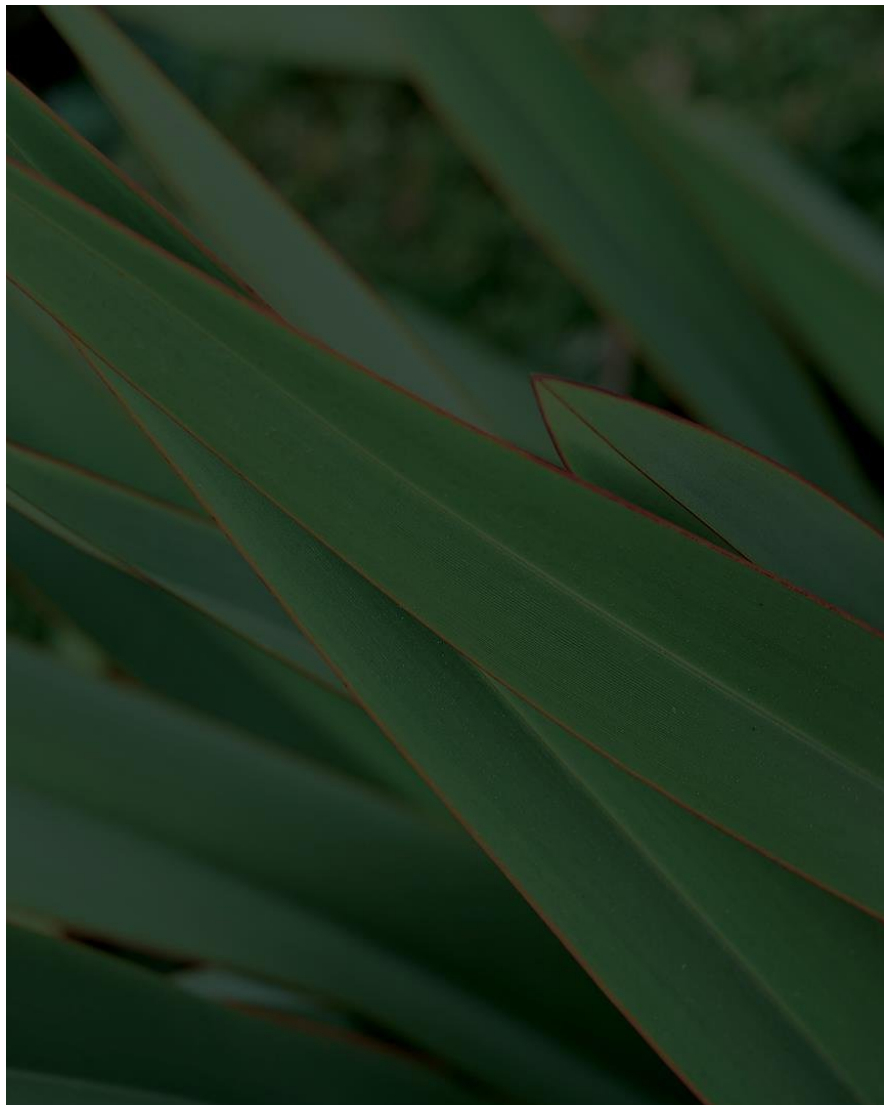
- 1 Recommendations
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Recommendations

Recommendations

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]



Overview



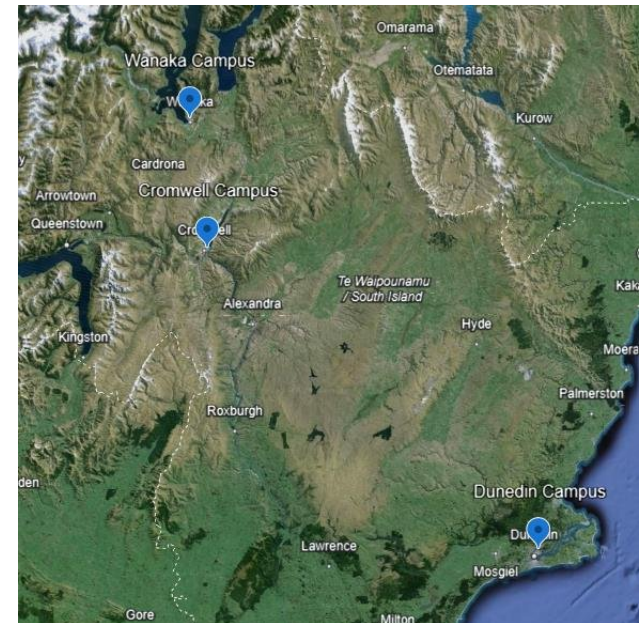
Overview

OTG

- OTG have 3 main delivery sites within the Otago region (Dunedin, Cromwell, and Wanaka). OTG also have an Auckland based campus for international students based in Auckland City.
- The Otago region's population is approximately 254,000 and makes a proportional contribution to the NZ GDP.
- RSLG analyses highlights priority growth, particularly in: Construction, Accommodation and Food Services, Healthcare and Social Assistance, and Food and Fibre.

Analysis

- Using Tribal data and cost-to-serve data within Rohe 4, the analysis has compared OTG to its peers under a National and Regional lens and has compared the OTG campuses against one another.



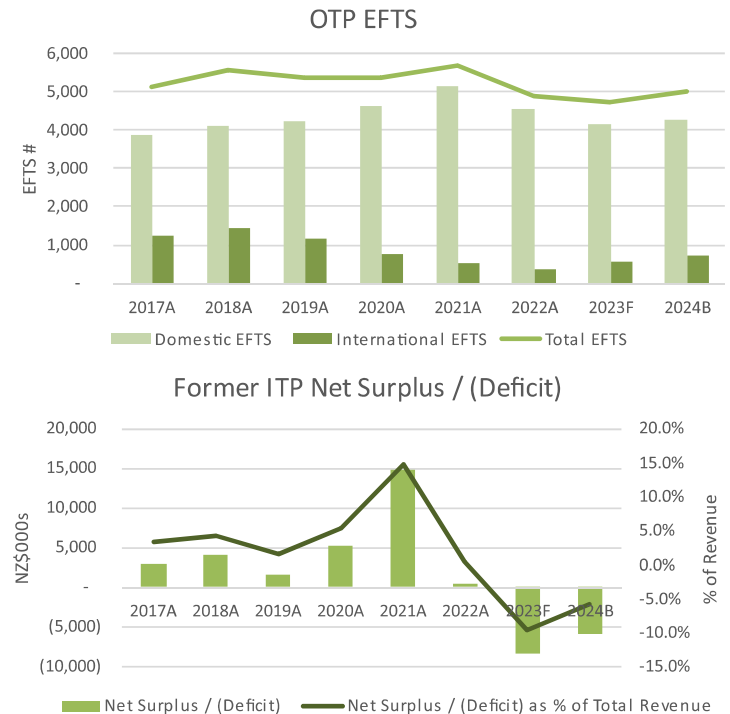
Historical View

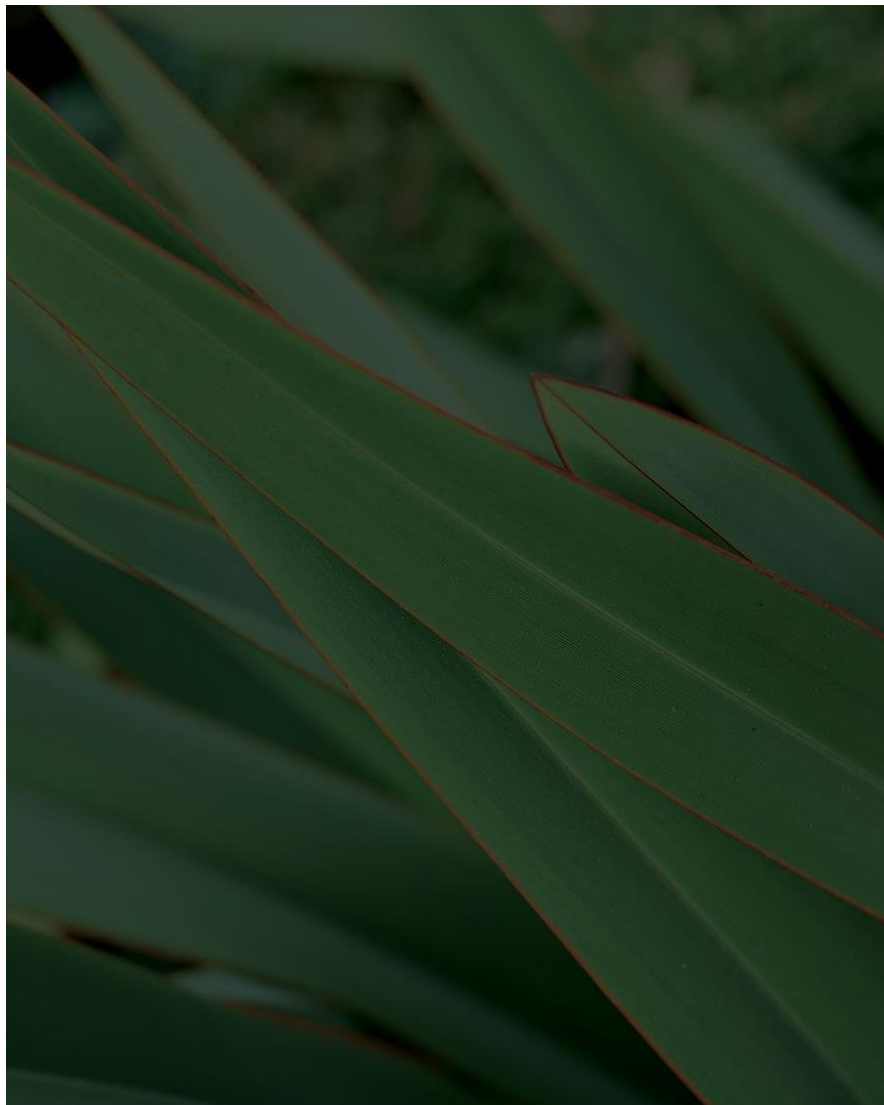
EFTS

- Over the period 2019 to 2024, OTG’s total EFTS have decreased by 379 (7%). Domestic EFTS saw an increase of 2%, while international EFTS have dropped by 39%. The international EFTS decrease has been driven by COVID-19 related border closures and government immigration policy changes.
- The average drop in total EFTS for former ITPs across this period was 18%; with the drop in domestic EFTS being 12% and a drop in international EFTS being 49%. By comparison, OTG has performed well on both domestic and international student retention fronts. OTG remains one of the only ITPs to see an increase in domestic EFTS across this period, alongside Ara (1%) and Open Polytechnic (38%).

Net Surplus/Deficit

- OTG posted a net surplus of \$1.6m in 2019 and since the 2023 year have run a net deficit. OTG’s 2024 budgeted deficit is \$5.9m.
- A quick glance at OTG net deficit as a proportion of its total revenue has seen a decline by 7.5 percentage points from 1.6% (surplus) in 2019 to -5.9% (deficit) in 2024 (budgeted). A comparison of this same measure against the former ITP’s average shows a decline of 8.4 percentage points from -4.6% in 2019 to -13.0% in 2024. Therefore, OTG’s current financial performance, compared to other former ITP’s is relatively strong.





National View



National comparison of ITP expenses

Using Tribal data, components of expenditure have been analysed. Unless otherwise noted, data is from the 2022 year.

Student Numbers (EFTS)

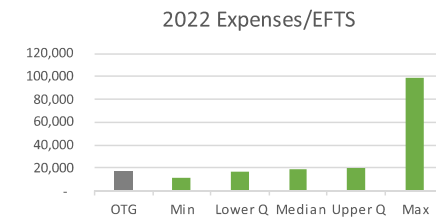
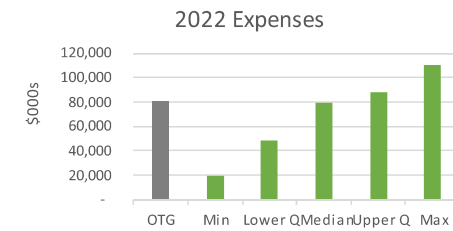
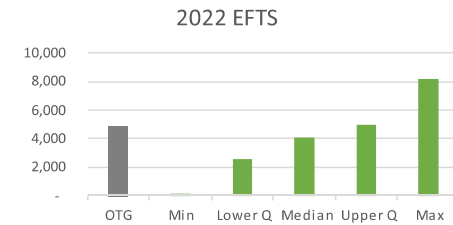
- OTG had 4,890 EFTS for the 2022 year. This sits between the median (4,103) and the upper quartile (4,943) against the other ITPs.

Expenses

- OTG 2022 expenses were \$80.9m. This is between the group median of \$79.9m and the upper quartile for former ITPs (\$88.2m).

Expenses per EFTS

- Comparison of expenses per EFTS shows that OTG is a high performer in the sector. OTG has an expense per EFTS (\$16,540/EFTS) with the lower quartile being \$16,171/EFTS and the median of the group being \$18,657/EFTS.



Expense categories

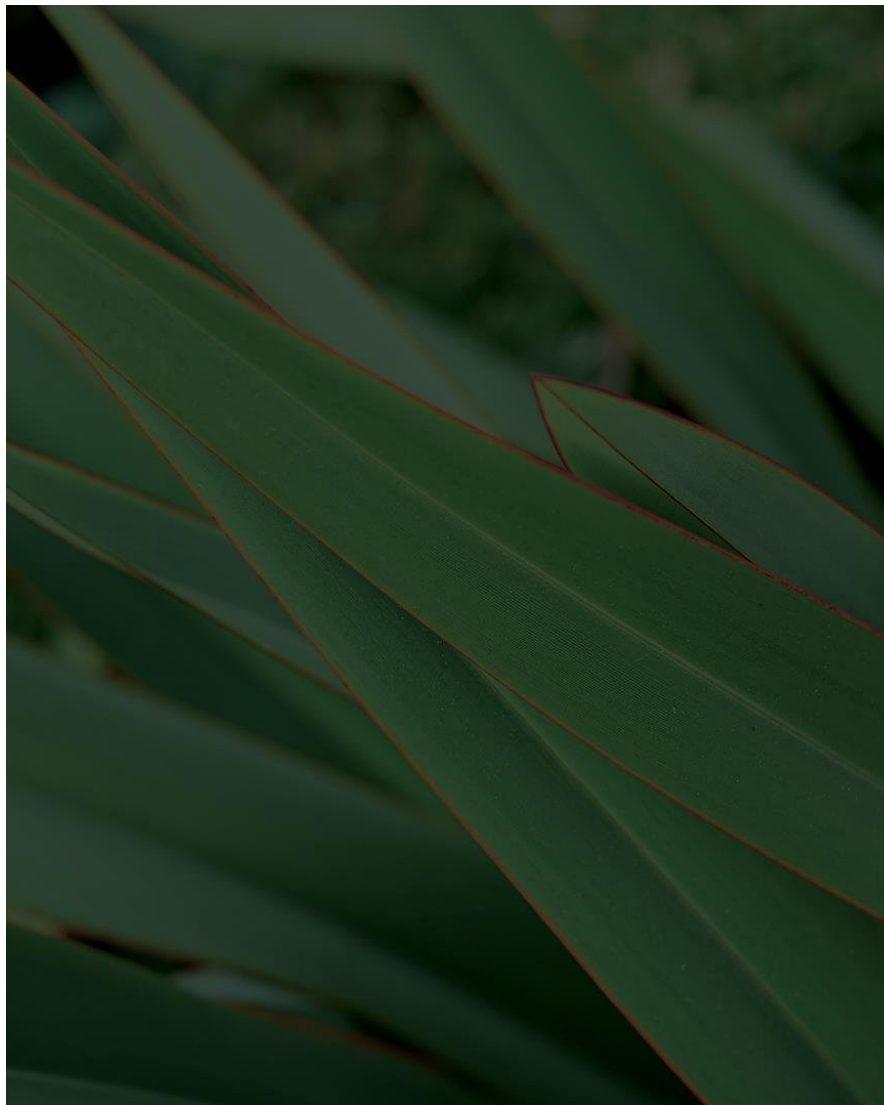
The Tribal data shows how OTG performs compared to the other ITPs across nine different expense categories. For each expense category, costs have been measured against the ITP's total income to give a relative measure.

Performance can be classified into three categories:

1. **Disproportionately low-cost:** Where proportional costs are below the lower quartile of the group.
2. **Proportionate cost:** Where proportional costs are between the lower and upper quartile of the group.
3. **Disproportionately high-cost:** Where proportional costs are above the upper quartile for the group.

Income Category	OTG	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Performance
Central Administration	11.6%	11.4%	12.0%	15.4%	17.4%	51.8%	Disproportionately low-cost
Depreciation and Facilities Leases	12.3%	10.1%	13.0%	16.6%	18.4%	24.1%	Disproportionately low-cost
Facilities	7.1%	3.0%	8.0%	8.8%	11.5%	17.1%	Disproportionately low-cost
IT Support	6.3%	6.2%	7.3%	8.5%	9.0%	13.9%	Disproportionately low-cost
Library / LRC Services	1.0%	0.0%	1.5%	1.8%	2.2%	3.0%	Disproportionately low-cost
Marketing / Business Development	5.9%	4.5%	6.1%	10.0%	18.0%	168.0%	Disproportionately low-cost
Student Administration	1.9%	1.9%	2.9%	3.6%	4.3%	7.4%	Disproportionately low-cost
Student Services	1.5%	1.5%	2.6%	3.1%	3.6%	6.4%	Disproportionately low-cost
Teaching & Research	55.9%	38.0%	51.2%	58.2%	61.0%	72.4%	Proportionate Cost

OTG performs well across all expense categories as it has the smallest deficit between income and expenses across the former ITP sector; income of \$78.1m, expenses of \$80.9m, a deficit of \$2.8m (4%).

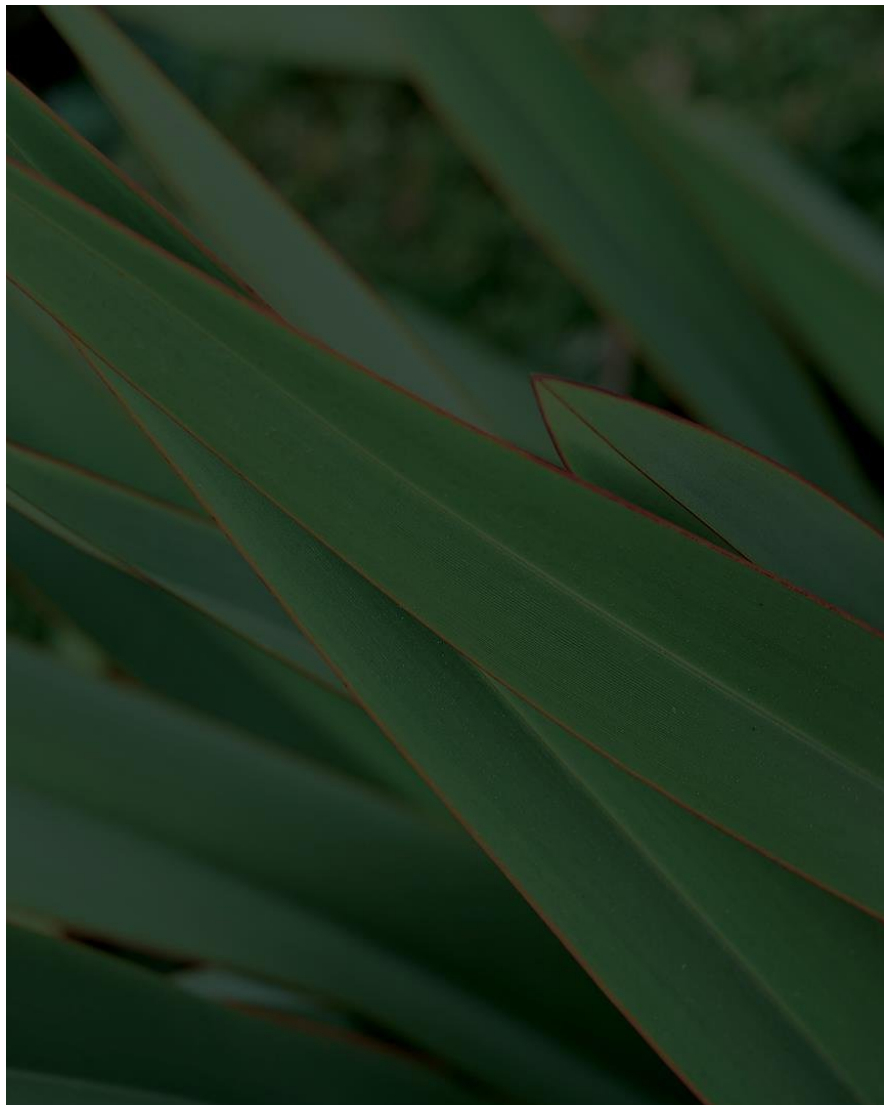


Regional View

Regional comparison

- In the 2024 budget, OTG (or OTP) has the second greatest EFTS numbers in Rohe 4 and a student-staff ratio (SSR) of 11.7 (above the average of 10.6 for the Rohe 4 business divisions).
- Considering a view on EFTS per 1000 people (population) for the primary region each entity operates in shows that OTG is above the Rohe 4 average. OTG has an EFTS/1000 pop. of 19.7 compared to the group average of 17.9 across all entities in Rohe 4.
- The average contribution margin between former ITP business divisions in Rohe 4 is 22%. Only Ara exceeds this average with a contribution margin of 47.4%. Tai Poutini, SIT and OTG could all be deemed sub-economic (<45% CM%) with CM% of -11%, 23.3% and 29.5% respectively.





Local View

A Location Lens

- OTG have 3 main delivery sites within the Otago region (Dunedin, Cromwell, and Wanaka) in addition to the Auckland Campus for International students. In an assessment of OTG's budget groups, Cromwell and Wanaka sites have been grouped into the Central Otago Campus(s).
- The scale and contribution by site differs widely across the region. However, all site contributions are positive.



Department Analysis



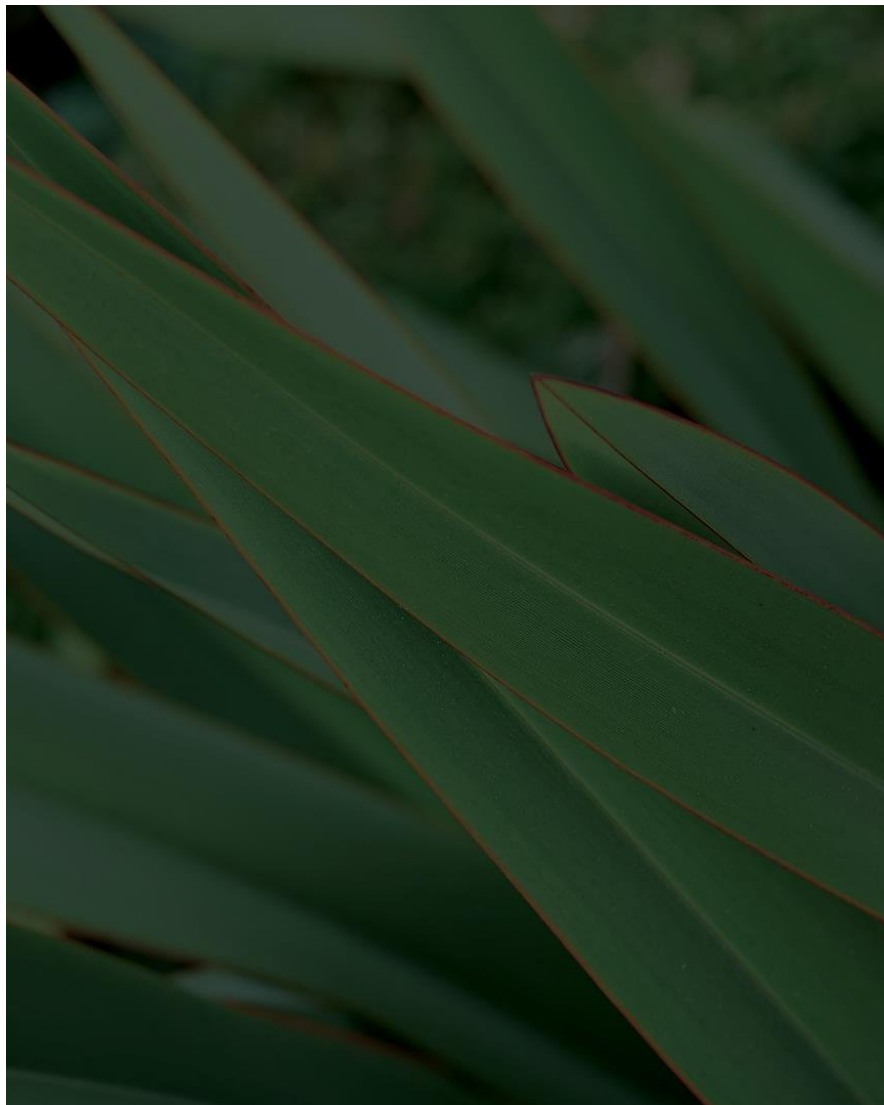
■ Contribution ● CM%

Department Analysis



Department Analysis





Programme Analysis

Low performing programmes

- The following pages highlight those programmes which were budgeted to deliver a sub-economic contribution margin.
- Teaching related overhead departments/function expenses have been redistributed to each programme (by relevant department) based on a programme's budgeted EFTS to total department EFTS.
- The YTD enrolments as at early February have been overlaid to provide a view of demand for the programmes.
- This highlights a number of programmes which require decisions around whether the programme is run in semester one at one or more locations.
- The programmes have been divided by the schools with the business divisions [REDACTED]



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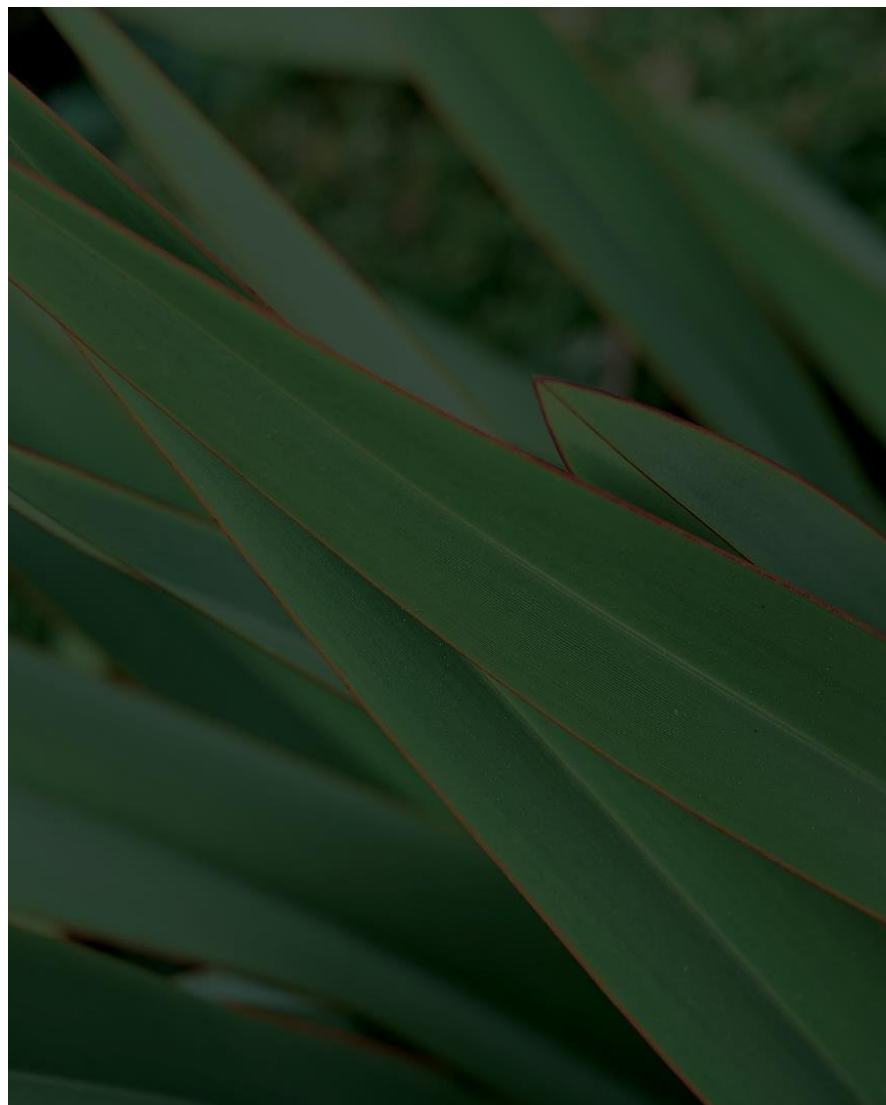
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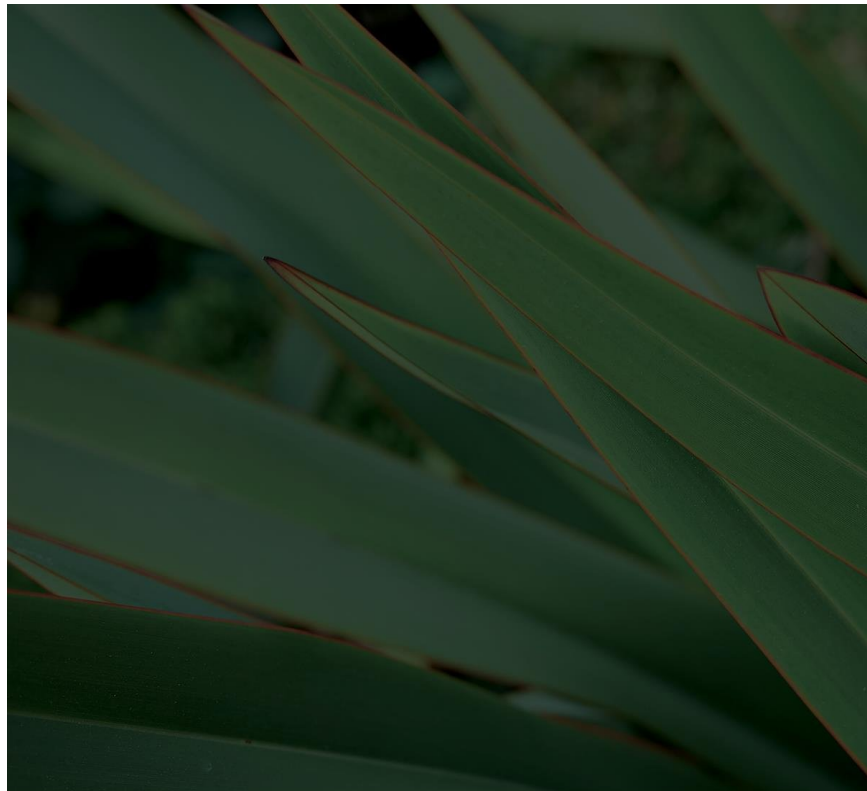




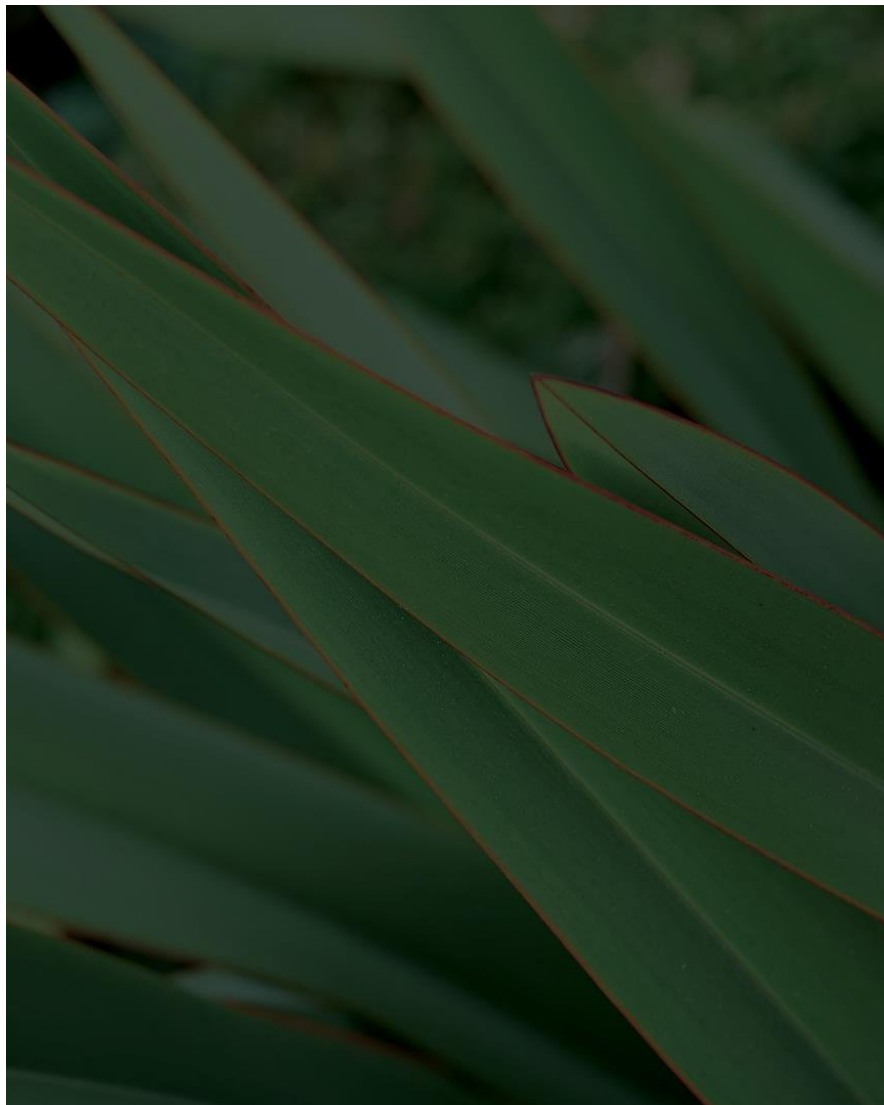
DRAFT SIT 2024 Budget Analysis March 2024



Te rārangi kaupapa | Agenda

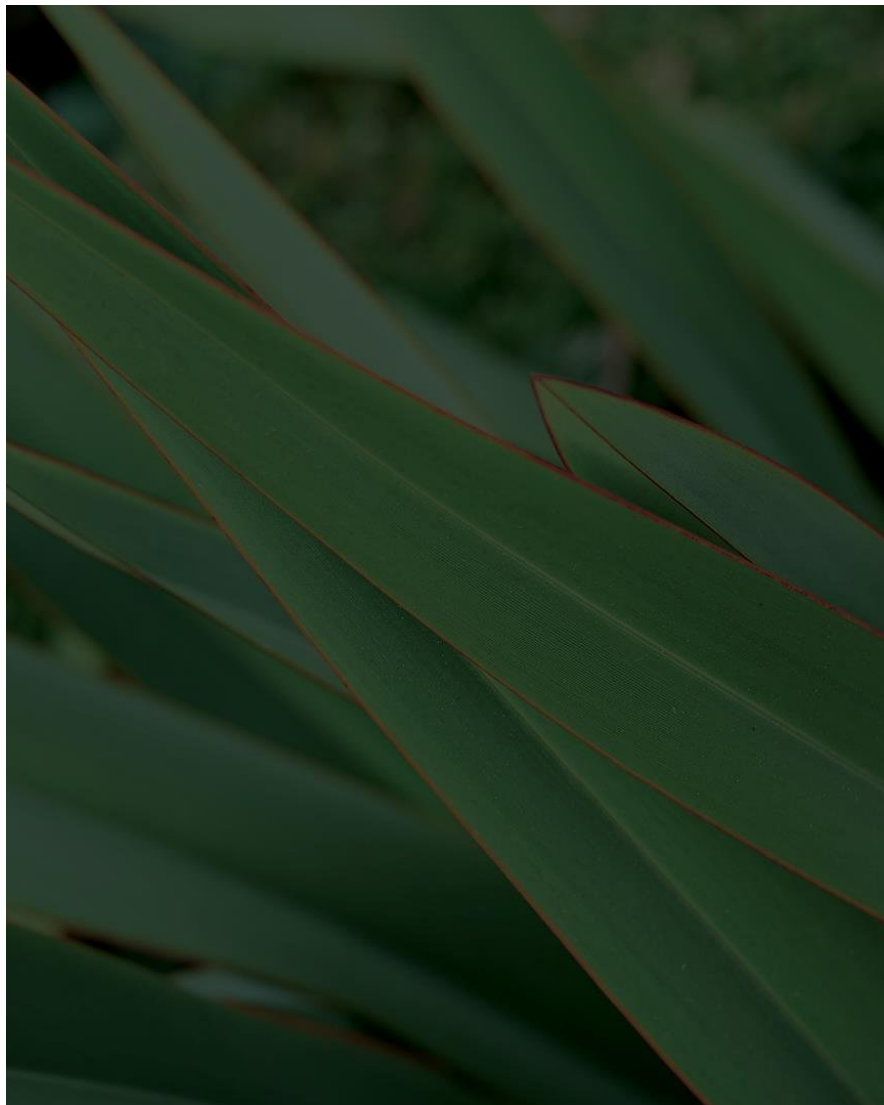


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Recommendations





Overview



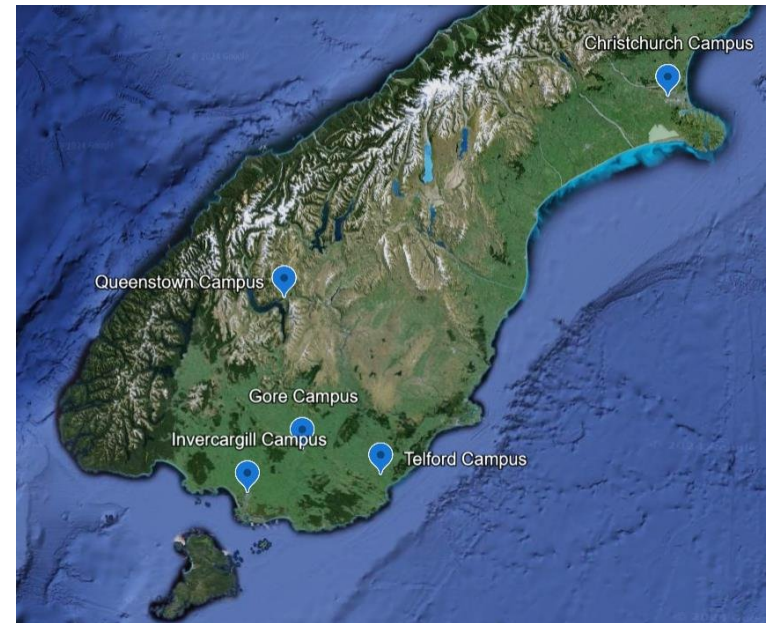
Overview

SIT

- SIT have four main physical delivery sites (Invercargill, Gore, Queenstown and Telford) within the lower South Island region. SIT also have a strong offerings of courses through their online platform, SIT2LRN. SIT also have two smaller campuses in Christchurch and Auckland which are part of the Music and Audio Institute of New Zealand (MAINZ).
- The Southland region's population is approximately 102,000 and makes a disproportionately high contribution to the NZ GDP.
- RSLG analyses highlights priority growth, particularly in: Food and fibre, Tourism and hospitality, Manufacturing and engineering and Health care and social assistance.

Analysis

- Using Tribal data and cost-to-serve data within Rohe 4, the analysis has compared SIT to its peers under a National and Regional lens and has compared the SIT campuses against one another.



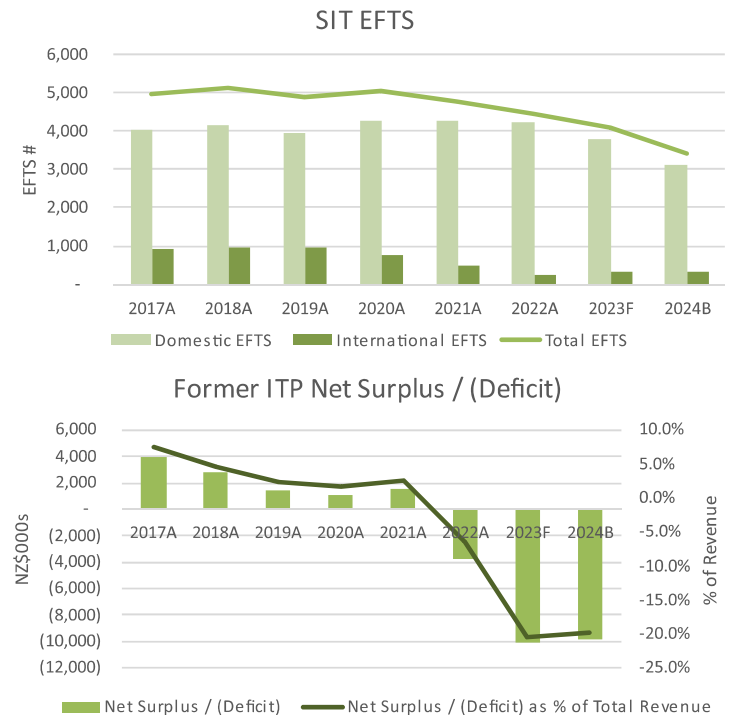
Historical View

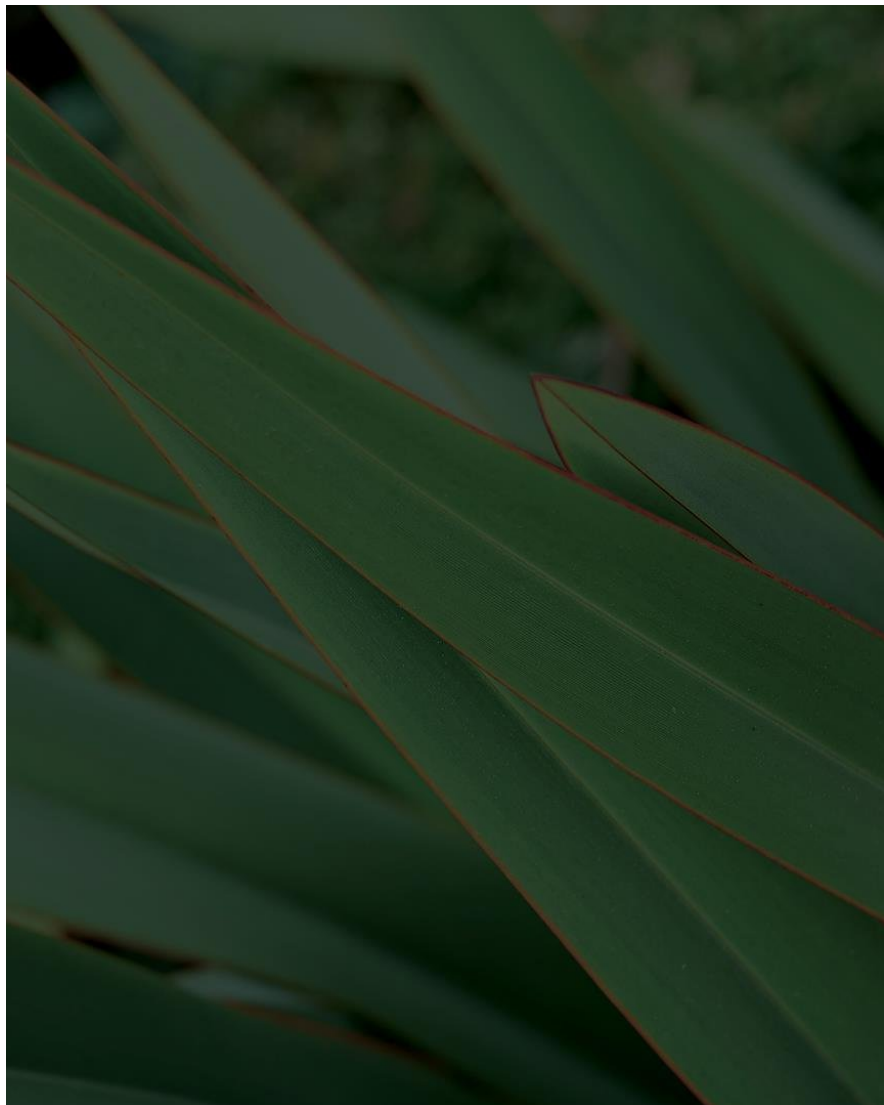
EFTS

- Over the period 2019 to 2024, SIT's total EFTS have decreased by 1,480 (30%). Domestic EFTS saw a reduction of 21%, while international EFTS have dropped by 67%. The international EFTS decrease has been driven by COVID-19 related border closures and government immigration policy changes.
- The average drop in total EFTS for former ITPs across this period was 18%; with the drop in domestic EFTS being 12% and a drop in international EFTS being 49%. By comparison, SIT has underperformed on both domestic and international fronts.

Net Surplus/Deficit

- SIT posted a net surplus of \$1.4m in 2019 and since the 2022 year have run a net deficit. SIT's 2024 budgeted deficit is \$9.9m. While all former ITPs have a net deficit budgeted for 2024, the SIT net surplus/deficit increase is greater than the former ITP average over the same period. A change to UFS funding over this period disproportionately effects SIT2LRN students which likely plays a factor here.
- A quick glance at SIT's net deficit as a proportion of its total revenue has seen a decline by 22 percentage points from 2.3% (surplus) in 2019 to -19.9% (deficit) in 2024 (budgeted). A comparison of this same measure against the former ITP's average shows a decline of 8.4 percentage points from -4.6% in 2019 to -13.0% in 2024. Therefore, SIT's current financial performance, compared to other former ITPs is relatively poor.





National View



National comparison of ITP expenses

Using Tribal data, components of expenditure have been analysed. Unless otherwise noted, data is from the 2022 year.

Student Numbers (EFTS)

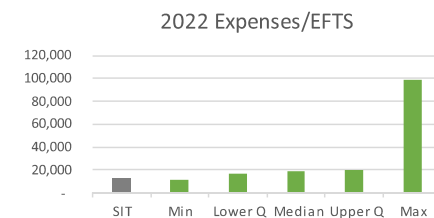
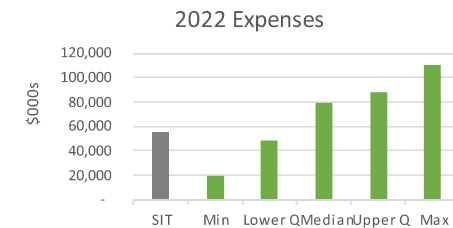
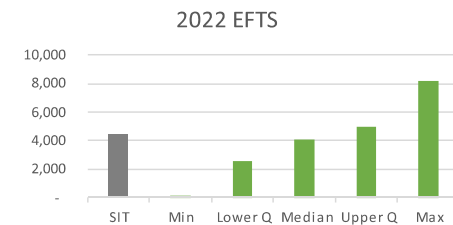
- SIT had 4,453 EFTS for the 2022 year. This sits between the upper quartile (4,943) and the median (4,103) against the other ITPs. Approximately 38% of total EFTS are through online delivery (SIT2LRN).

Expenses

- SIT 2022 expenses were \$55.1m. This is close to the lower quartile for former ITPs (\$48.2m), with the group median of \$79.9m.

Expenses per EFTS

- Comparison of expenses per EFTS shows that SIT is the best performer in the sector behind Open Polytech. SIT has an expense per EFTS (\$12,378/EFTS) with the lower quartile being \$16,171/EFTS and the median of the group being \$18,657/EFTS.



Expense categories

The Tribal data shows how SIT performs compared to the other ITPs across nine different expense categories. For each expense category, costs have been measured against the ITP's total income to give a relative measure.

Performance can be classified into three categories:

1. **Disproportionately low-cost:** Where proportional costs are below the lower quartile of the group.
2. **Proportionate cost:** Where proportional costs are between the lower and upper quartile of the group.
3. **Disproportionately high-cost:** Where proportional costs are above the upper quartile for the group.

Income Category	SIT	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Performance
Central Administration	11.7%	11.4%	12.0%	15.4%	17.4%	51.8%	Disproportionately low-cost
Depreciation and Facilities Leases	18.3%	10.1%	13.0%	16.6%	18.4%	24.1%	Proportionate cost
Facilities	12.2%	3.0%	8.0%	8.8%	11.5%	17.1%	Disproportionately high-cost – due to Telford. Excluding this spend this would be a Proportionate cost.
IT Support	7.7%	6.2%	7.3%	8.5%	9.0%	13.9%	Proportionate cost
Library / LRC Services	0.9%	0.0%	1.5%	1.8%	2.2%	3.0%	Disproportionately low-cost
Marketing / Business Development	10.0%	4.5%	6.1%	10.0%	18.0%	168.0%	Proportionate cost
Student Administration	2.6%	1.9%	2.9%	3.6%	4.3%	7.4%	Disproportionately low-cost
Student Services	3.0%	1.5%	2.6%	3.1%	3.6%	6.4%	Proportionate cost
Teaching & Research	48.3%	38.0%	51.2%	58.2%	61.0%	72.4%	Disproportionately low-cost

Disproportionately high costs

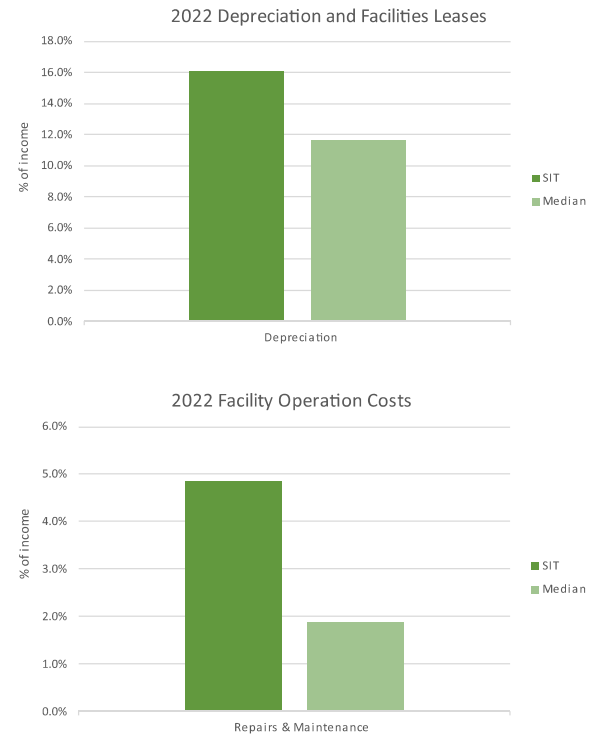
SIT near the upper quartile for the sector for Depreciation and Facilities lease costs

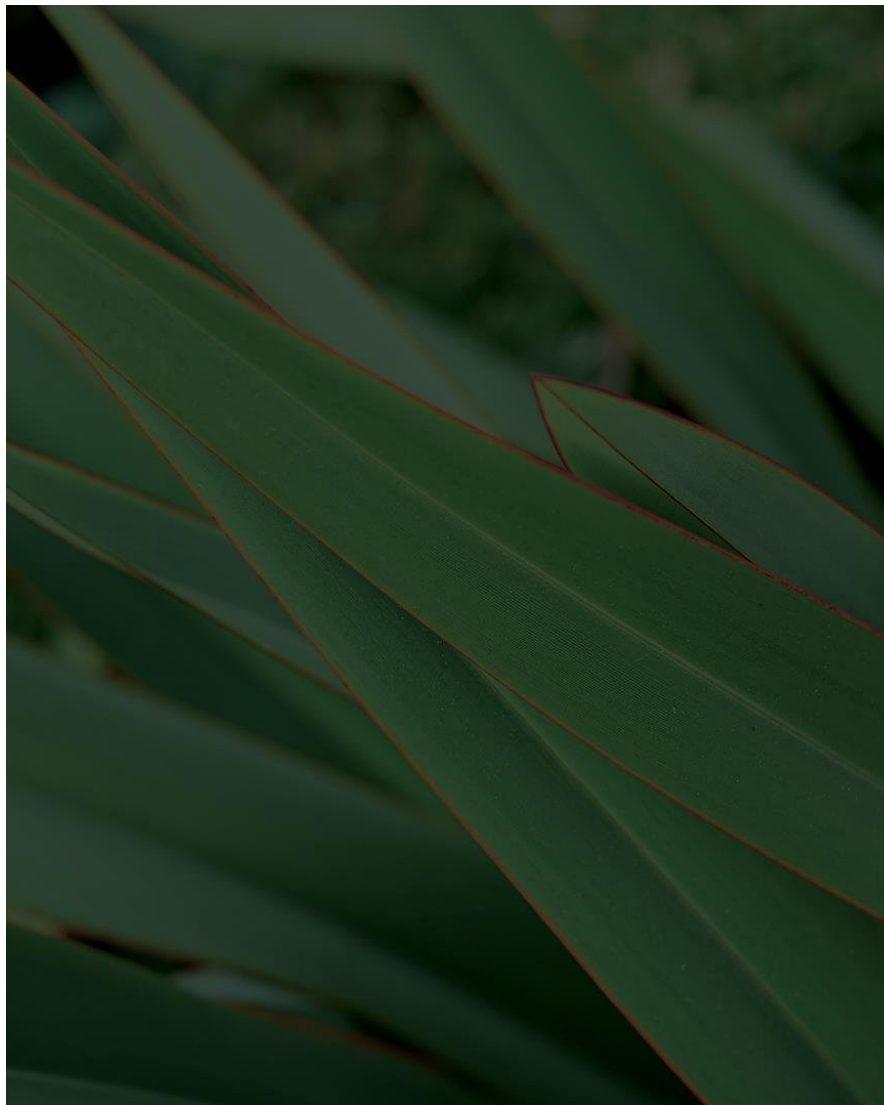
- Between depreciation and facility lease costs, depreciation costs for the 2022 year were \$7.76m. This was 2.7% of income more than the sector median.

For 2022 SIT had the fourth highest Facility costs, after Toi Ohomai, W&W, and TPP

- Within Facility costs, one cost type stands greater than all the others by comparison to the sector average. Repairs and Maintenance of \$2.33m in 2022 were 2.9% of income more than the sector median. Higher costs due to R&M for Telford.

Further investigation needed for Facility costs and Depreciation.

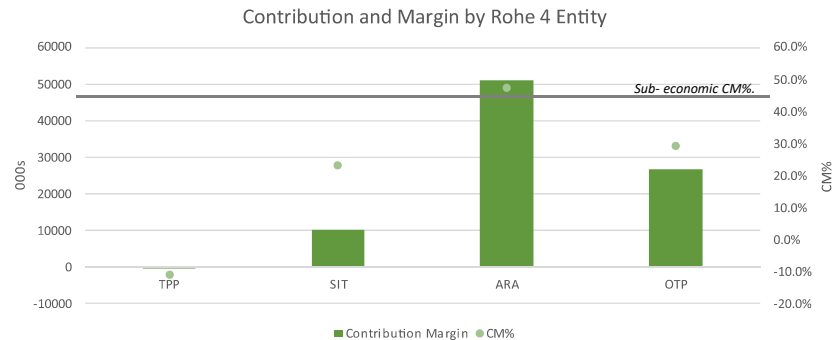
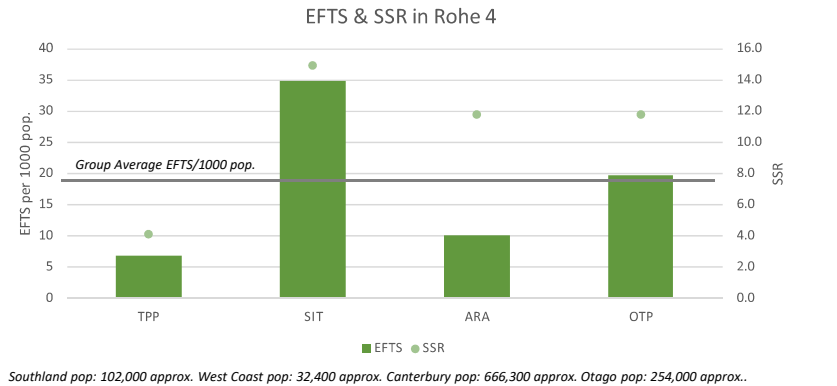


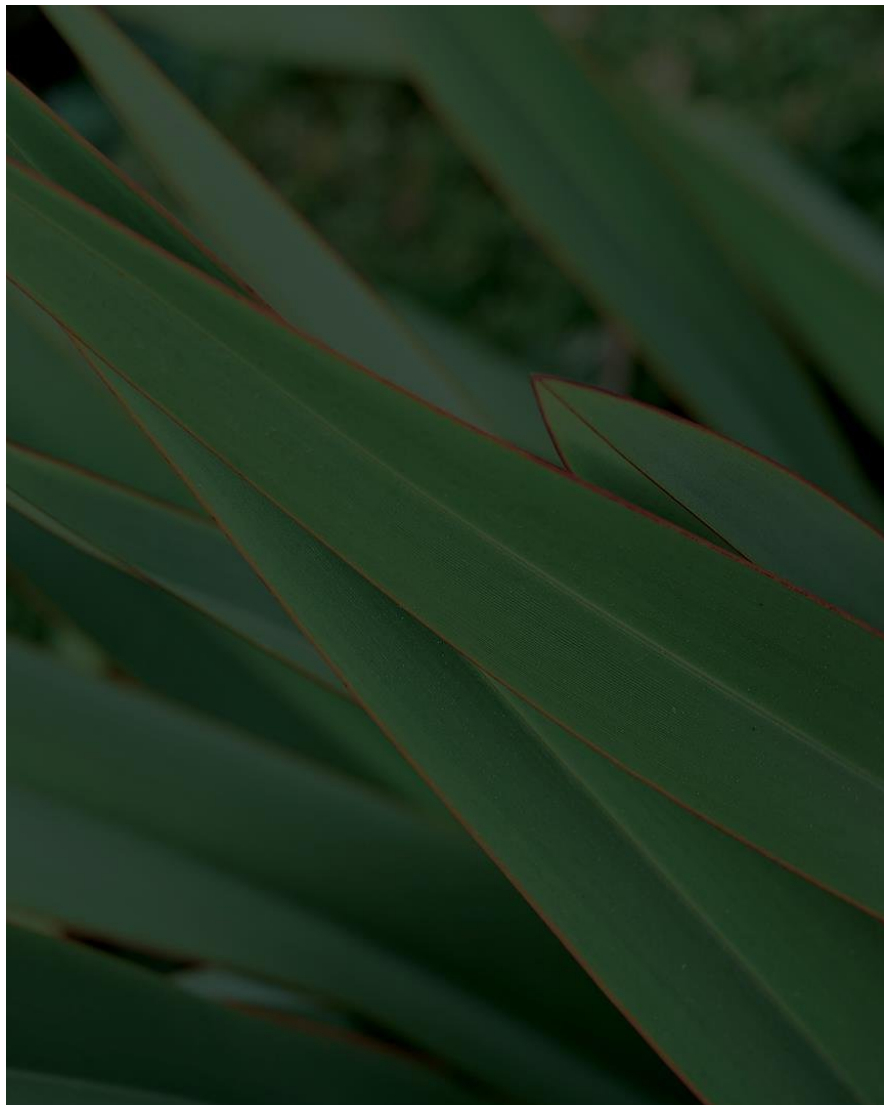


Regional View

Regional comparison

- In the 2024 budget, SIT has the third greatest EFTS numbers in Rohe 4 and a student-staff ratio (SSR) of 14.9 (above the average of 10.6 for the Rohe 4 business divisions).
- Considering a view on EFTS per 1000 people (population) for the primary region each entity operates in shows that SIT is above the Rohe 4 average. SIT has an EFTS/1000 pop. of 34.8 compared to the group average of 17.9 across all entities in Rohe 4. However, with approximately 34% of SIT's students coming from their SIT2LRN online delivery arm, this metric overstates SIT's performance.
- The average contribution margin between former ITP business divisions in Rohe 4 is 22%. Only Ara exceeds this average with a contribution margin of 47.4%. Tai Poutini, SIT and Otago Polytech could all be deemed sub-economic (<45% CM) with CM of -11%, 23.3% and 29.5%, respectively.





Local View

A Location Lens

- SIT have four main physical delivery sites (Invercargill, Gore, Queenstown and Telford) within the lower South Island region. SIT also have a strong offering of programmes through their online platform (SIT2LRN), and two smaller campuses in Christchurch and Auckland which are part of MAINZ. The English Language Institute (ELI) is split across both Queenstown and Invercargill campuses.

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Discipline Analysis

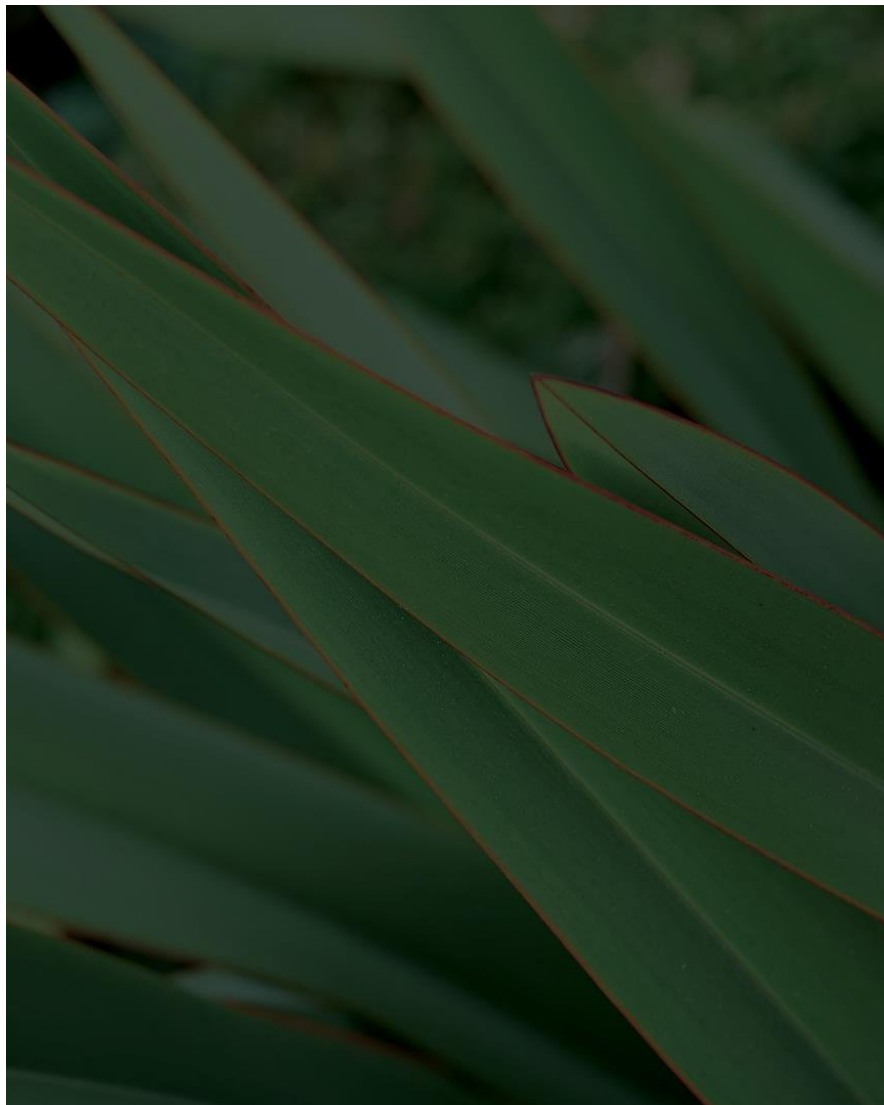
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Tēnā rawa atu koutou | Thank you all

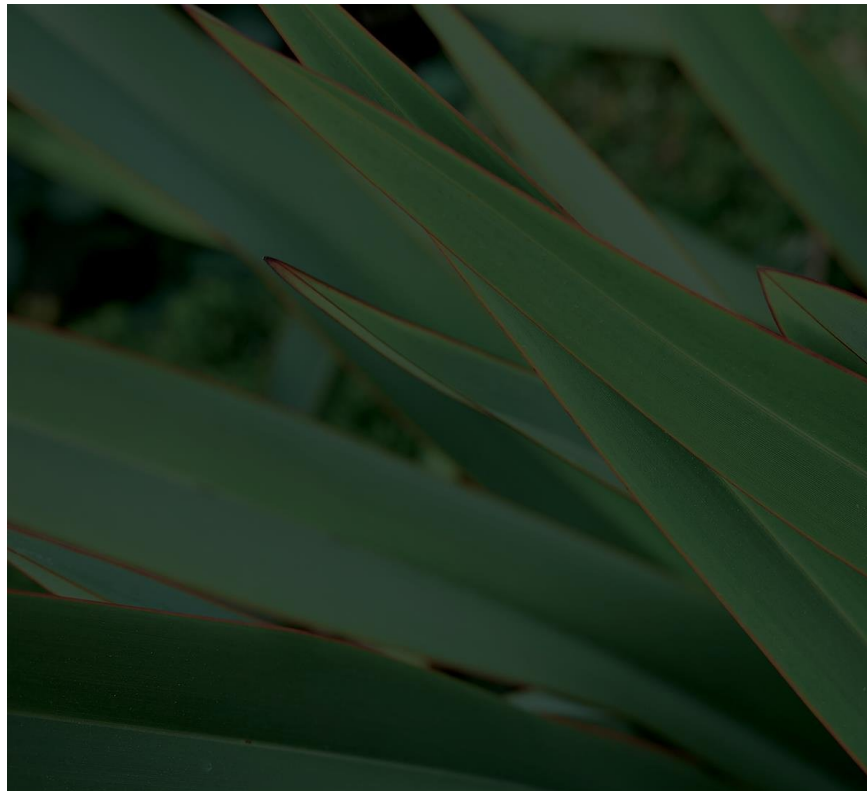




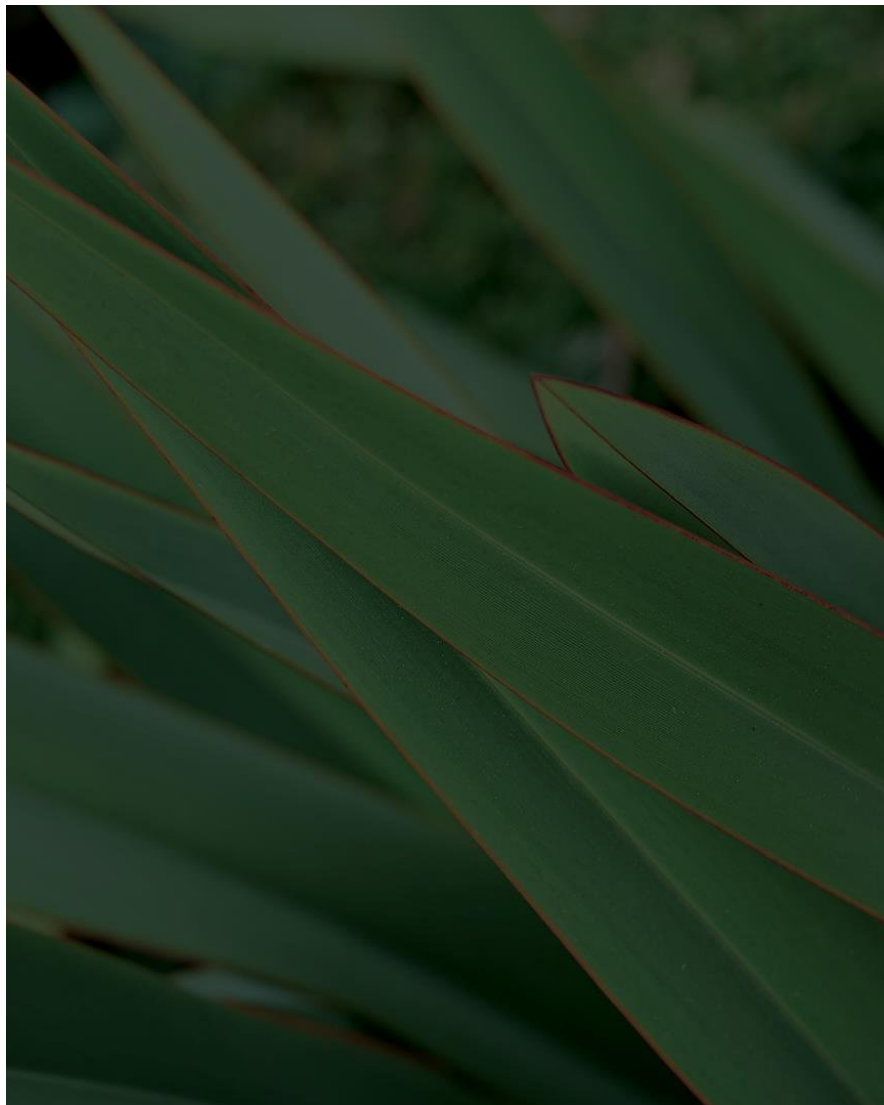


DRAFT Tai Poutini Polytechnic 2024 Budget Analysis March 2024

Te rārangi kaupapa | Agenda



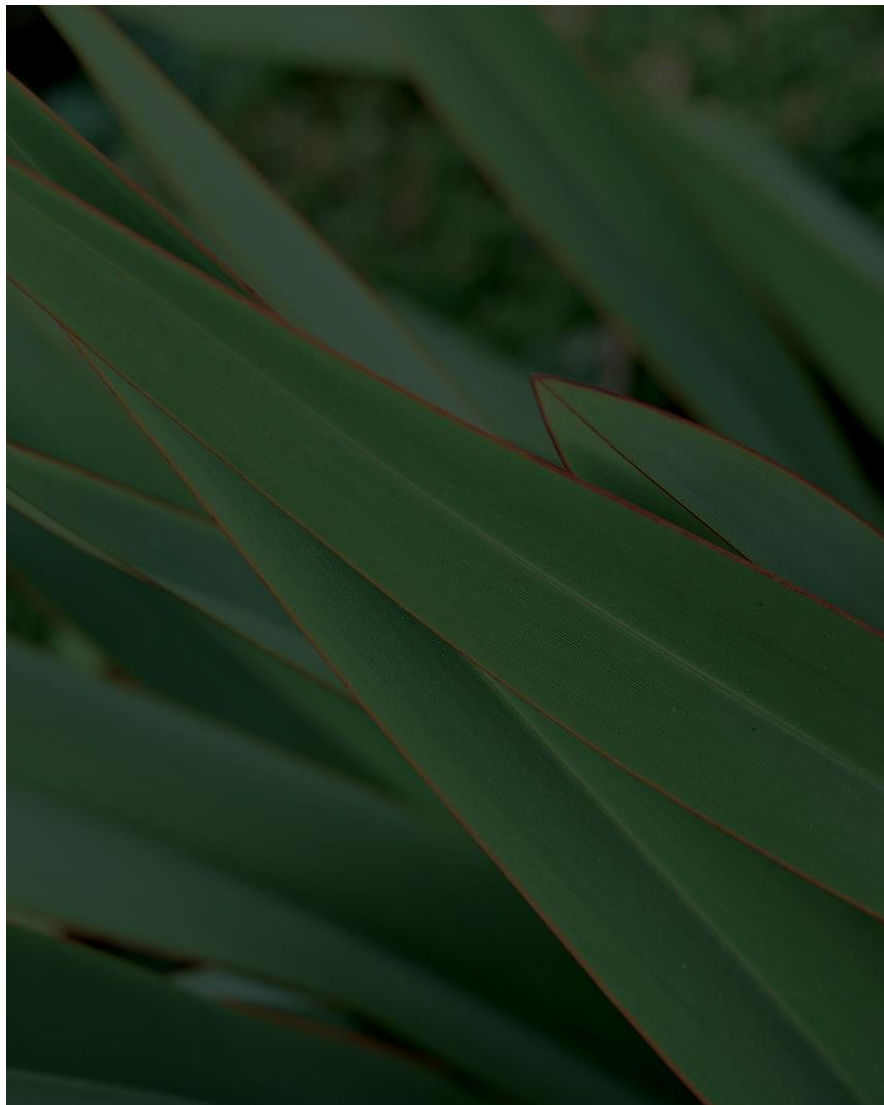
- 1 Recommendations
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- 6 Programme Analysis



Recommendations

Recommendations

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Overview



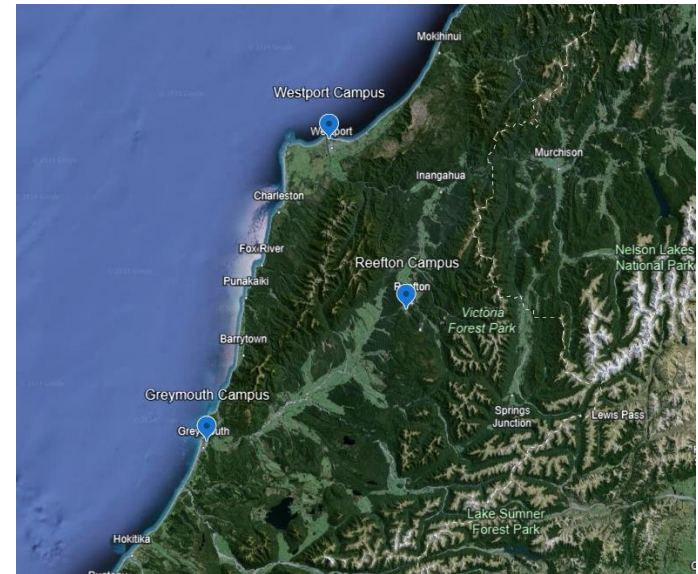
Overview

TPP

- TPP have three main delivery sites within the West Coast region (Greymouth, Reefton, and Westport). TPP also have an Auckland campus, a Christchurch campus (shared with Ara and SIT) and Wanaka campus (shared with Otago Polytech).
- The West Coast region's population is approximately 32,400 and makes a proportional contribution to the NZ GDP.
- RSLG analyses highlights priority growth, particularly in: Construction, Accommodation and Food Services, Manufacturing, Mining and Health care and Social assistance.

Analysis

- Using Tribal data and cost-to-serve data within Rohe 4, the analysis has compared TPP to its peers under a National and Regional lens and has compared the TPP campuses against one another.



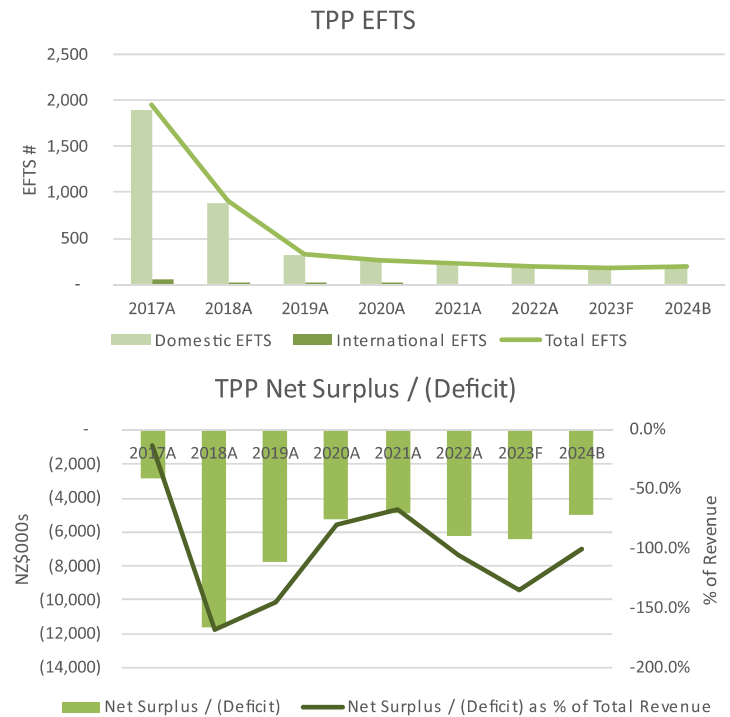
Historical View

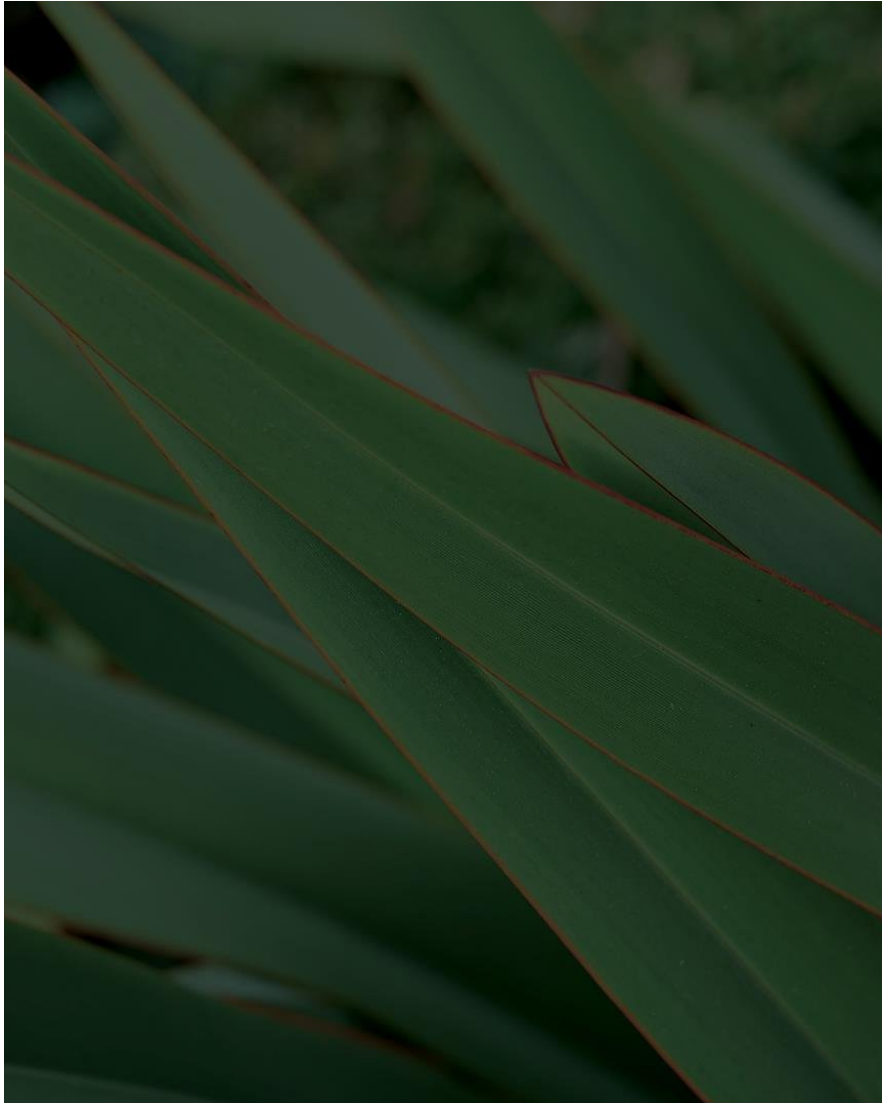
EFTS

- Over the period 2019 to 2024, TPP’s total EFTS have decreased by 125 (39%). Domestic EFTS have seen a decrease of 38%, while international EFTS have dropped by 100% (to zero).
- The average drop in total EFTS for former ITPs across this period was 18%; with the drop in domestic EFTS being 12% and a drop in international EFTS being 49%. By comparison, TPP has underperformed on both domestic and international student retention fronts.

Net Surplus/Deficit

- TPP posted a net deficit of \$7.8m in 2019, which has reduced to a net deficit of \$5.0m in the 2024 budgeted year. While all former ITPs have a net deficit budgeted for 2024, TPP’s net deficit decrease is less than the former ITP average over the same period.
- A quick glance at TPP’s net deficit as a proportion of its total revenue has seen a decline by 44.8 percentage points from -145.4% in 2019 to -100.5% in 2024 (budgeted). A comparison of this same measure against the former ITP’s average shows a decline of 8.4 percentage points from -4.6% in 2019 to -13.0% in 2024. Given the level of deficit proportional to the revenue base, TPP’s current financial performance is relatively worse compared to other former ITPs.





National View



National comparison of ITP expenses

Using Tribal data, components of expenditure have been analysed. Unless otherwise noted, data is from the 2022 year.

Student Numbers (EFTS)

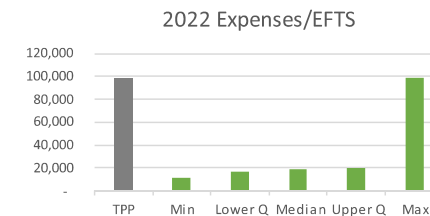
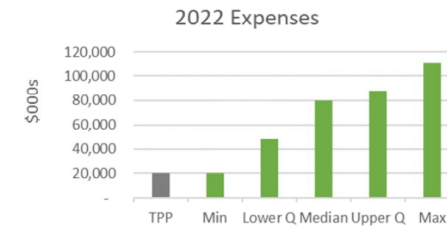
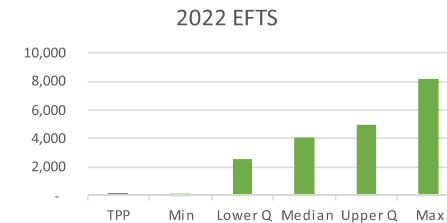
- TPP had 201 EFTS for the 2022 year. This is the minimum out of the former ITP group. The lower quartile is 2,558 and the median is 4,103 for the group.

Expenses

- TPP 2022 expenses were \$19.9m. Again, this represents the minimum of the former ITP group. The lower quartile for former ITPs is \$48.2m, with the group median being \$79.9m.

Expenses per EFTS

- Comparison of expenses per EFTS shows that TPP is an obvious under-performer in the sector. TPP has the maximum expense per EFTS in the sector (\$99,176/EFTS) with the upper quartile being \$19,757/EFTS and the median of the group being \$18,657/EFTS.



Expense categories

The Tribal data shows how TPP performs compared to the other ITPs across nine different expense categories. For each expense category, costs have been measured against the ITP's total income to give a relative measure.

Performance can be classified into three categories:

1. **Disproportionately low-cost:** Where proportional costs are below the lower quartile of the group.
2. **Proportionate cost:** Where proportional costs are between the lower and upper quartile of the group.
3. **Disproportionately high-cost:** Where proportional costs are above the upper quartile for the group.

Income Category	TPP	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Performance
Central Administration	51.8%	11.4%	12.0%	15.4%	17.4%	51.8%	Disproportionately high-cost
Depreciation and Facilities Leases	23.9%	10.1%	13.0%	16.6%	18.4%	24.1%	Disproportionately high-cost
Facilities	17.1%	3.0%	8.0%	8.8%	11.5%	17.1%	Disproportionately high-cost
IT Support	12.6%	6.2%	7.3%	8.5%	9.0%	13.9%	Disproportionately high-cost
Library / LRC Services	0.0%	0.0%	1.5%	1.8%	2.2%	3.0%	Disproportionately low-cost
Marketing / Business Development	168.0%	4.5%	6.1%	10.0%	18.0%	168.0%	Disproportionately high-cost
Student Administration	5.6%	1.9%	2.9%	3.6%	4.3%	7.4%	Disproportionately high-cost
Student Services	5.7%	1.5%	2.6%	3.1%	3.6%	6.4%	Disproportionately high-cost
Teaching & Research	72.4%	38.0%	51.2%	58.2%	61.0%	72.4%	Disproportionately high-cost

Due to TPP's large cost-to-serve per EFTS by comparison to other former ITP's, it comes as little surprise that eight of the nine costs types are disproportionately high-costs.

High Expenses

A deeper look into the expense types across expense categories that differ substantially from the group median has been undertaken below. The following costs types represent possible opportunities for further investigation.

Central Administration:

- Finance & Procurement and Executive management expenses are 6.9% and 6.6%, respectively, greater than the median for the group.

Depreciation and Facilities Leases:

- Facilities Leases are 8.6% greater than the median for the group.

IT Support:

- Telecoms & Network and Software Purchase & Maintenance expenses are 1.7% and 2.6%, respectively, greater than the median for the group. Interestingly, Networks & Infrastructure Support and Software & Systems development are both 0.8% and 0.9%, respectively, less than the median for the group. The unders/overs may be caused by classification in the tribal data.

Marketing / Business Development:

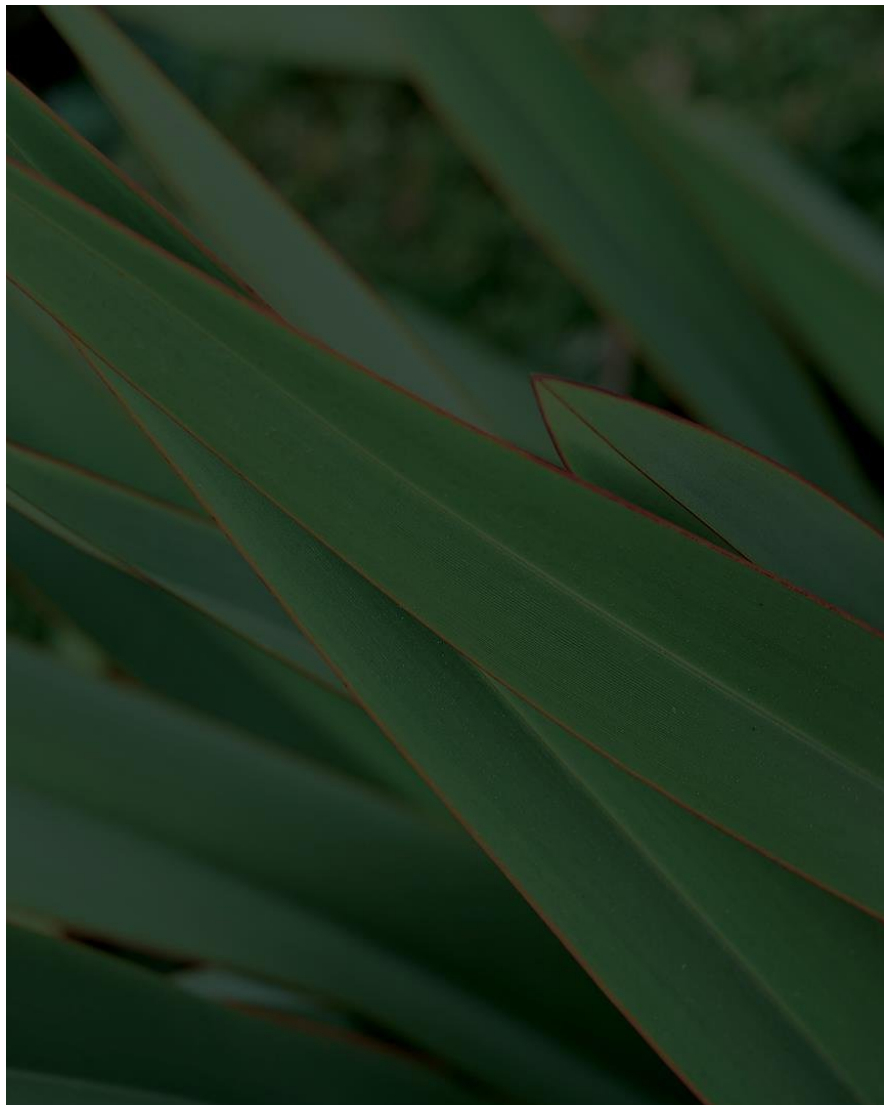
- Advertising & Events and Domestic Marketing, Recruitment & Communications expenses are 78.1% and 55.3%, respectively, greater than the median for the group.

Student Administration:

- Enrolment & SMS Administration costs are 1.8% greater than the median for the group, while Course Enquiries & Application Support expenses are 0.4% less than the median for the group.

Teaching & Research:

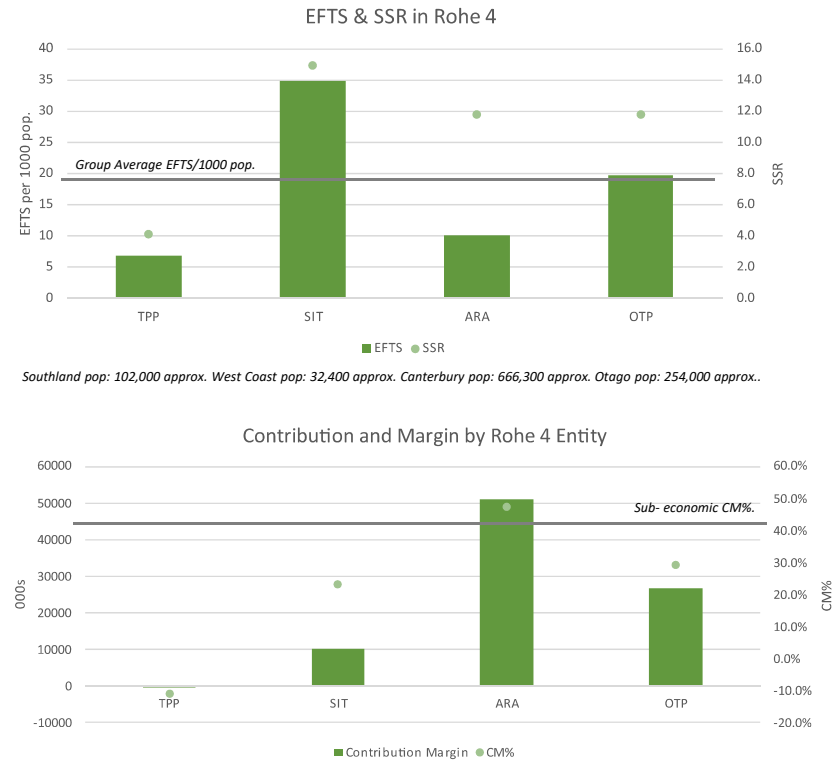
- Academic Staff Member (T1) expenses are 17.9% greater than the median for the group.

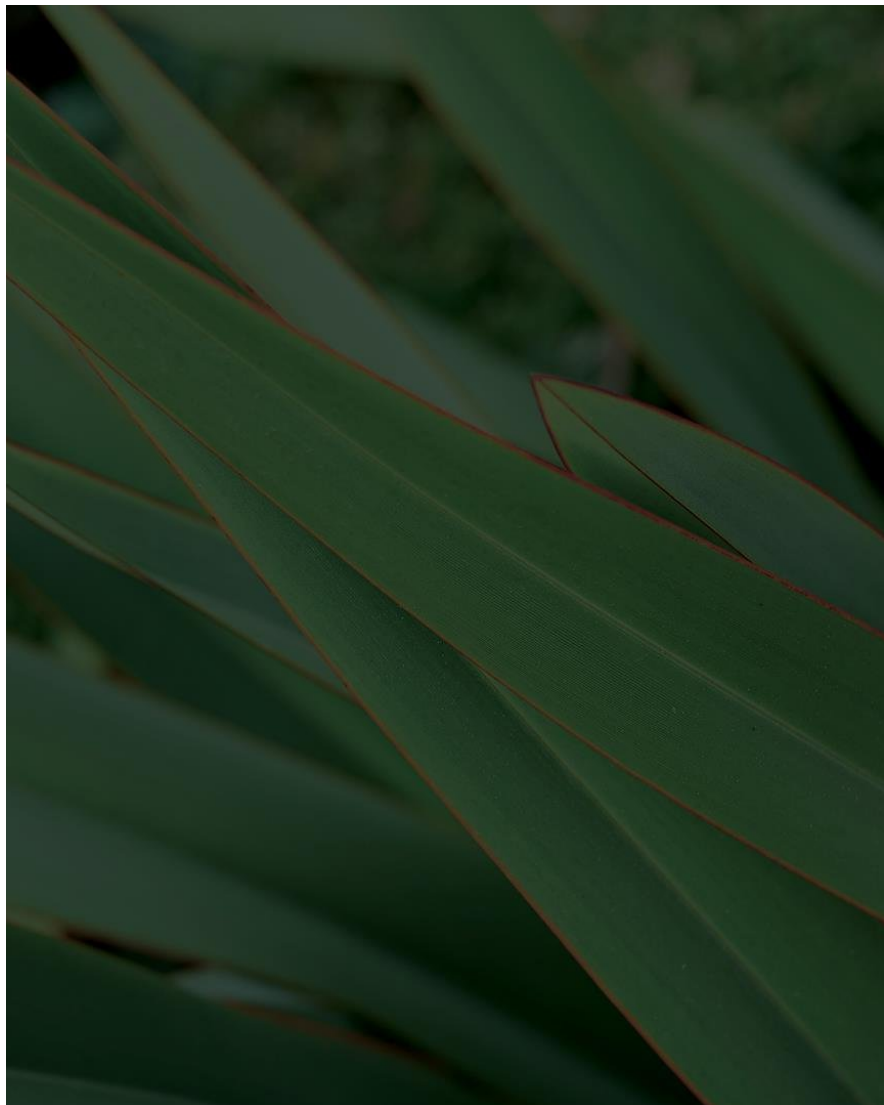


Regional View

Regional comparison

- In the 2024 budget, TPP has the lowest EFTS numbers in Rohe 4 and a student-staff ratio (SSR) of 4.0 (well below the average of 10.6 for the Rohe 4 business divisions).
- Considering a view on EFTS per 1000 people (population) for the primary region each entity operates in shows that TPP is below the Rohe 4 average. TPP has an EFTS/1000 pop. of 6.8 compared to the group average of 17.9 across all entities in Rohe 4.
- The average contribution margin between former ITP business divisions in Rohe 4 is 22%. Only Ara exceeds this average with a contribution margin of 47.4%. TPP, SIT and Otago Polytech could all be deemed sub-economic (<45% CM%) with CM% of -11%, 23.3% and 29.5% respectively.





Programme Analysis

Low performing programmes



Programme Analysis



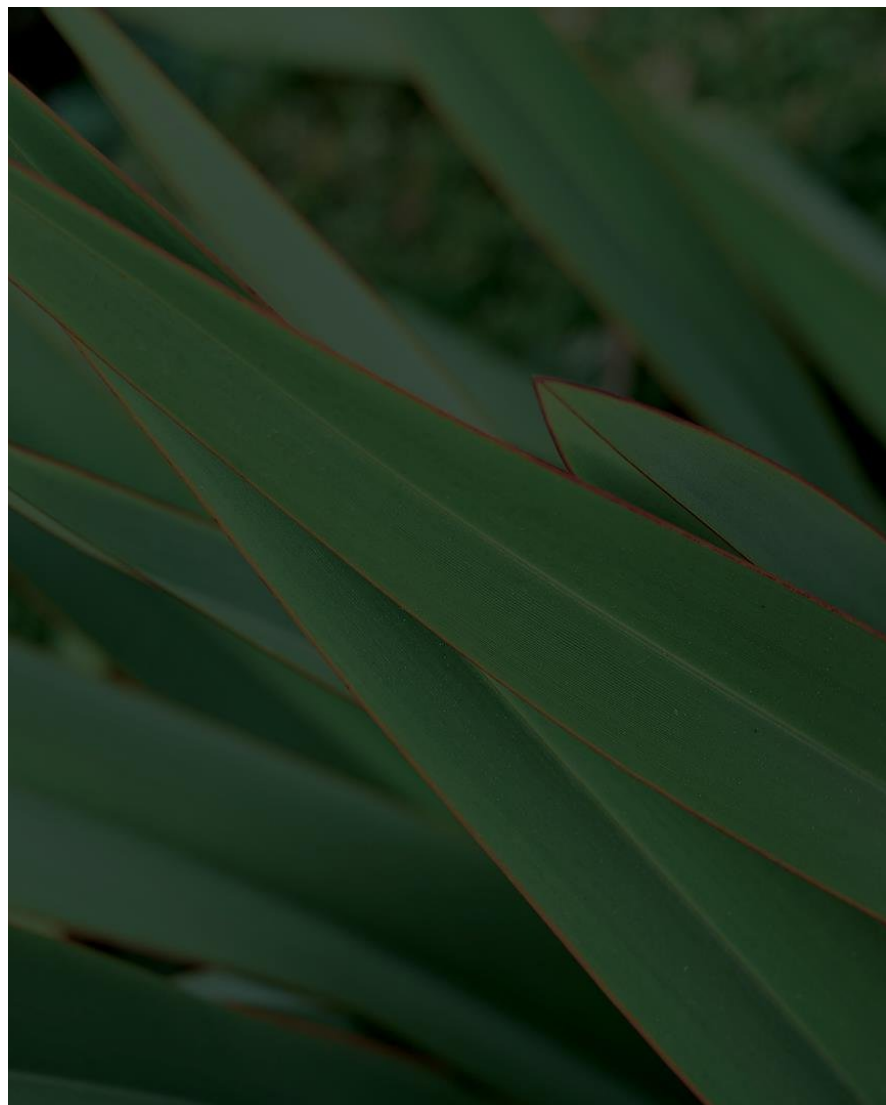
Programme Analysis



Tēnā rawa atu koutou | Thank you all



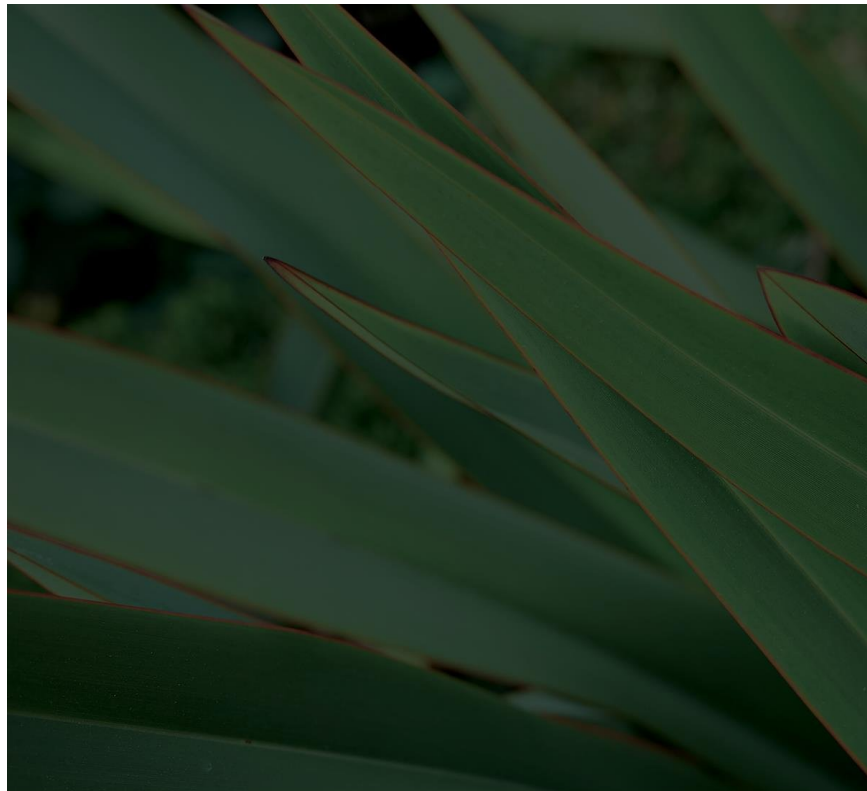




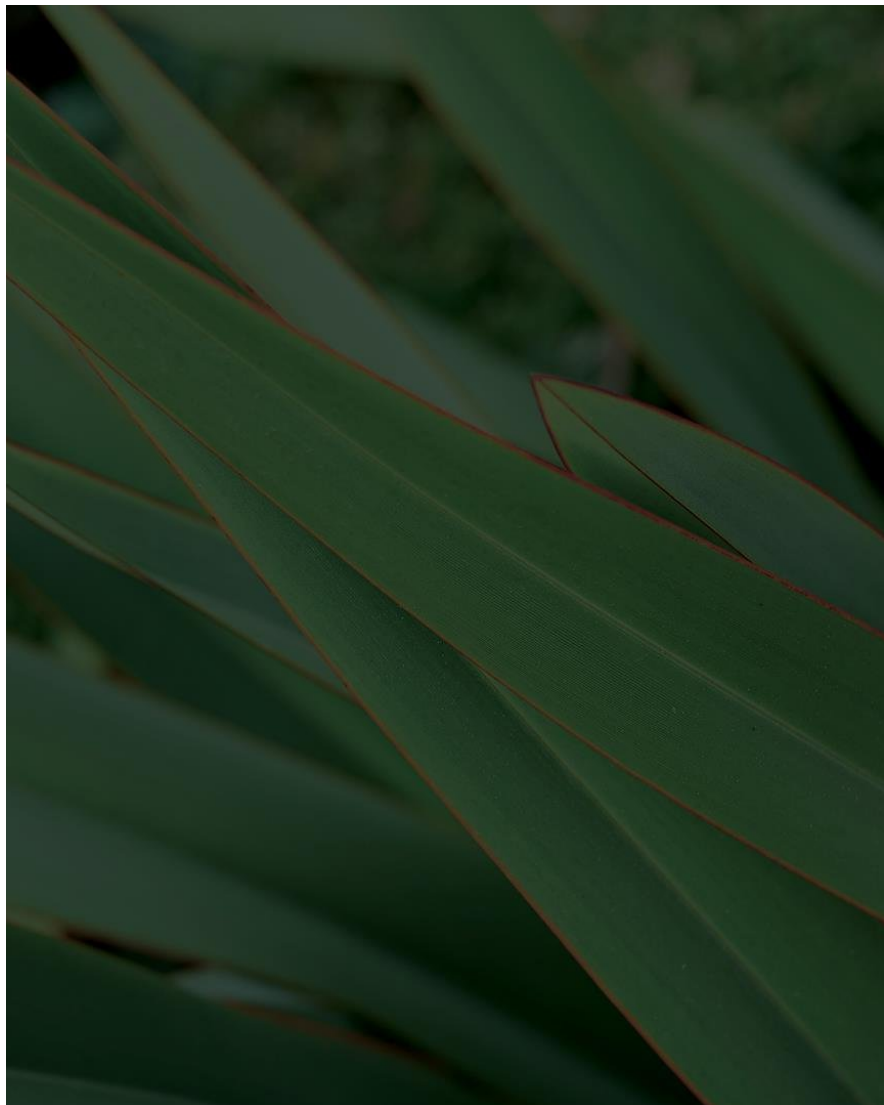
DRAFT NMIT 2024 Budget Analysis February 2024



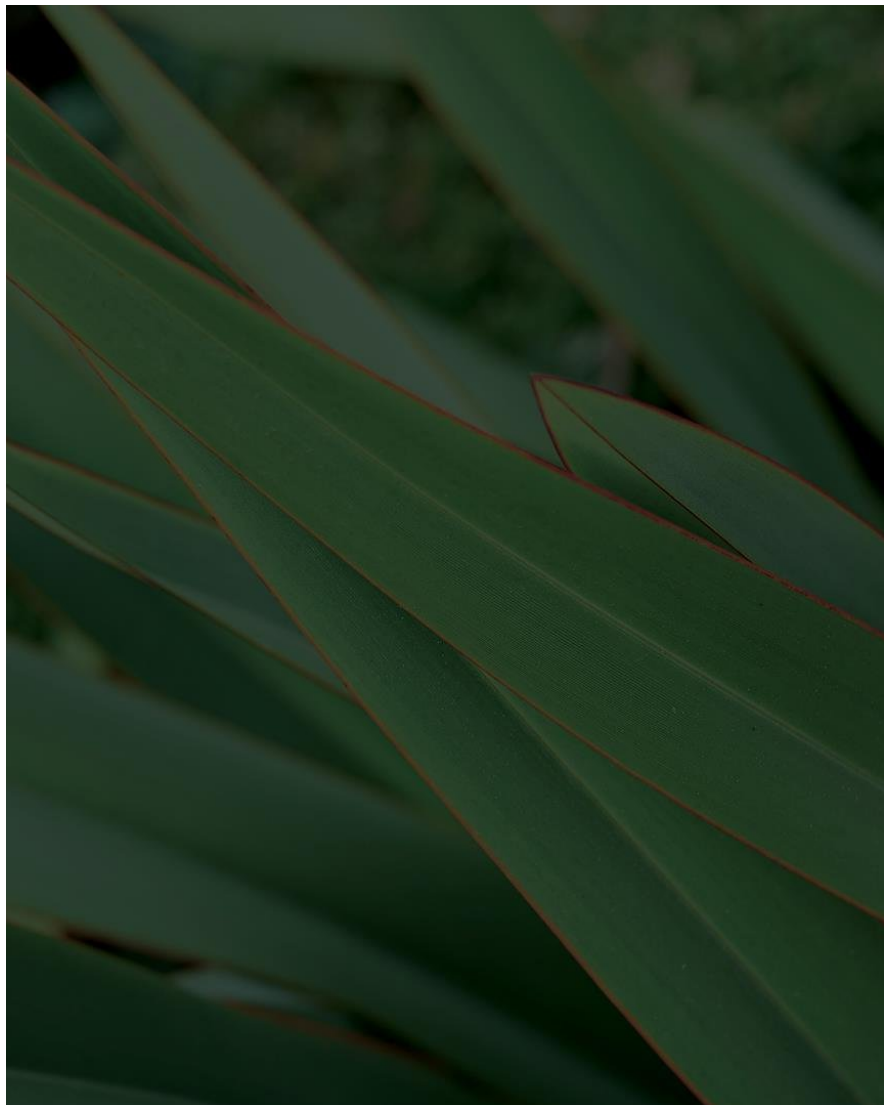
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Recommendations



Overview



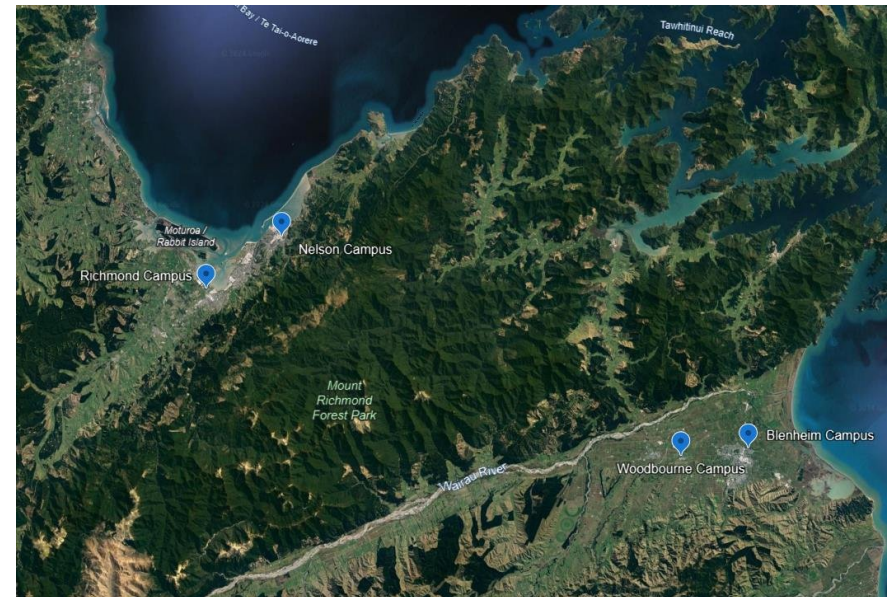
Overview

NMIT

- NMIT have three main physical delivery sites (Nelson, Richmond, and Blenheim) within the Nelson-Marlborough region. Woodbourne Campus is home to NMIT's aircraft maintenance and engineering programmes.
- The Nelson-Marlborough region's population is approximately 103,000.
- RSLG 2022 and 2023 analyses highlights focus areas, particularly in: Aged Care, Aquaculture, Construction, Aviation, and Wine.

Analysis

- Using Tribal data and cost-to-serve data within Rohe 3, the analysis has compared NMIT to its peers under a National and Regional lens and has compared the campuses and disciplines/domains within NMIT against one another.



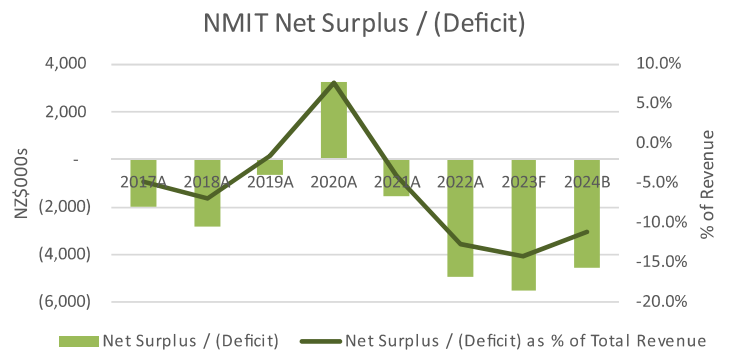
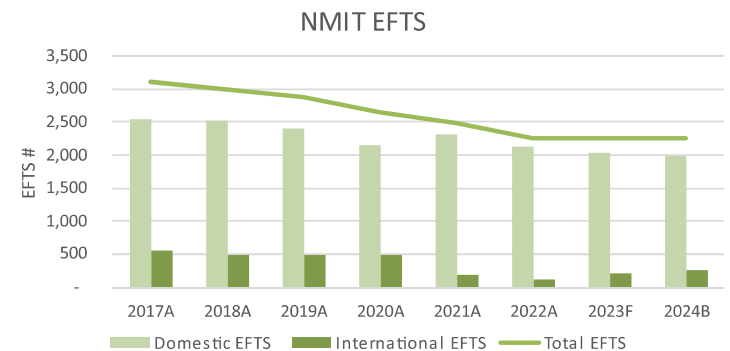
Historical View

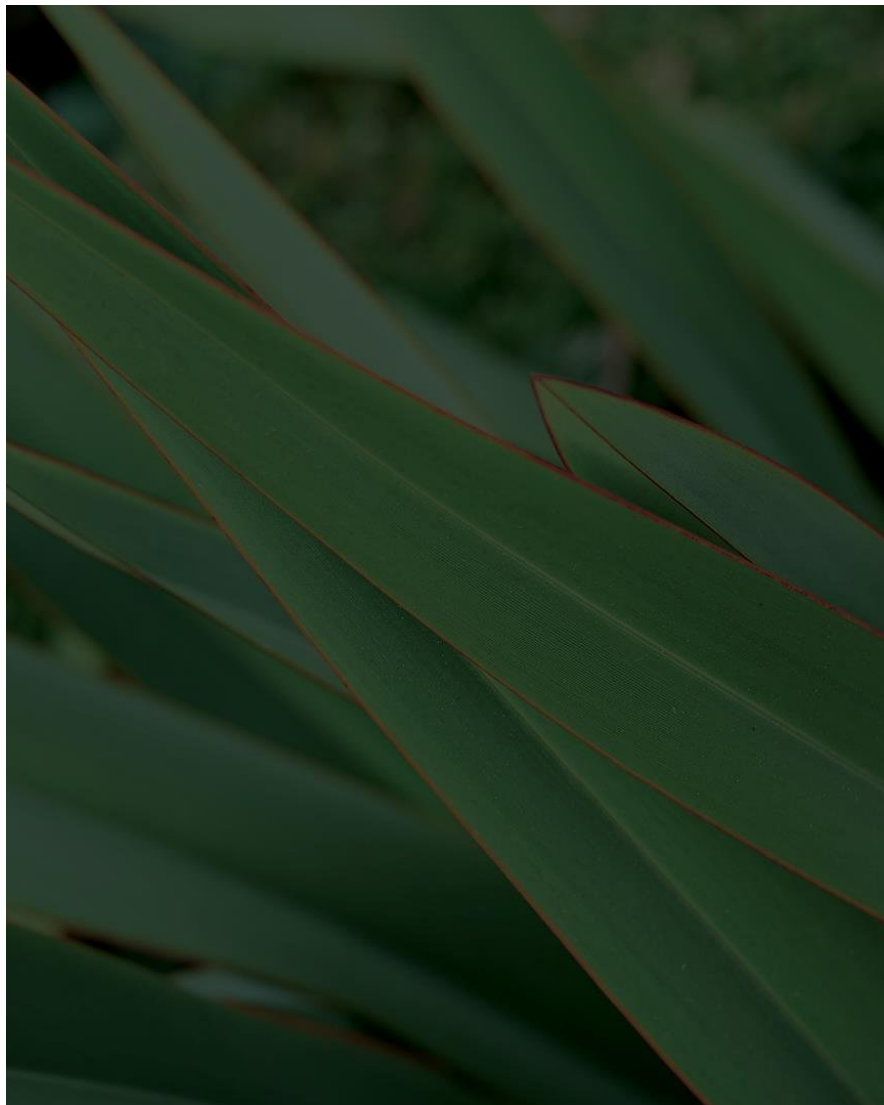
EFTS

- Over the period 2019 to 2024, total EFTS have declined by 22%. Domestic EFTS saw a reduction of 17%, while international EFTS declined by 47%.
- Aligned with NMIT, the average drop in total EFTS for former ITPs across this period was 18%; with the drop in domestic EFTS being 12% and a drop in international EFTS being 49%.

Net Surplus/Deficit

- NMIT's net deficit increased from \$0.6m in 2019 to \$4.6m in 2024. This is one of the largest net surplus/deficit variances across this period between all former ITPs. While all former ITPs have a net deficit budgeted for 2024, the NMIT net deficit increase is greater than the former ITP average over the same period.
- NMIT's performance in the 2020 year was one of the standouts within the former ITP group yet, as with most former ITPs over this COVID era, has been unable to operate with a consistent net surplus position in the years following.
- An assessment of NMIT's net deficit as a proportion of its total revenue has seen a decline by 9.6 percentage points from -1.5% in 2019 to -11.1% in 2024 (budgeted). A comparison of this same measure against the former ITP's average shows a decline of 8.4 percentage points from -4.6% in 2019 to -13.0% in 2024 (budgeted). Therefore, NMIT's current financial performance, compared to other former ITP's is slightly adverse.





National View



National comparison of ITP expenses

Using Tribal data, components of expenditure have been analysed. Unless otherwise noted, data is from the 2022 year.

Student Numbers (EFTS)

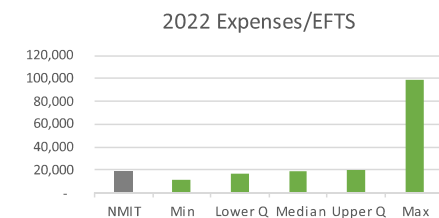
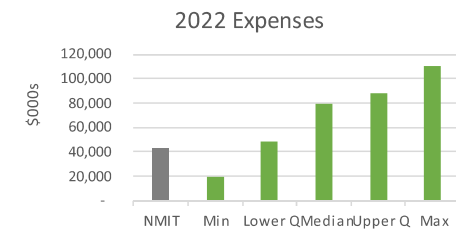
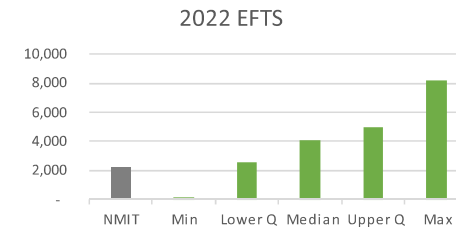
- NMIT had 2,249 EFTS for the 2022 year. This sits beneath the lower quartile (2,558) and the median (4,103) against the other ITPs.

Expenses

- NMIT 2022 expenses were \$43.0m. This is beneath the lower quartile for former ITPs (\$48.2m) and the group median of \$79.9m.

Expenses per EFTS

- Comparison of expenses per EFTS shows that NMIT performs about on average in the sector. NMIT has an expense per EFTS (\$19,109/EFTS) with the upper quartile being \$19,757/EFTS and the median of the group being \$18,657/EFTS.



Expense categories

The Tribal data shows how NMIT performs compared to the other ITPs across nine different expense categories. For each expense category, costs have been measured against the ITP's total income to give a relative measure.

Performance can be classified into three categories:

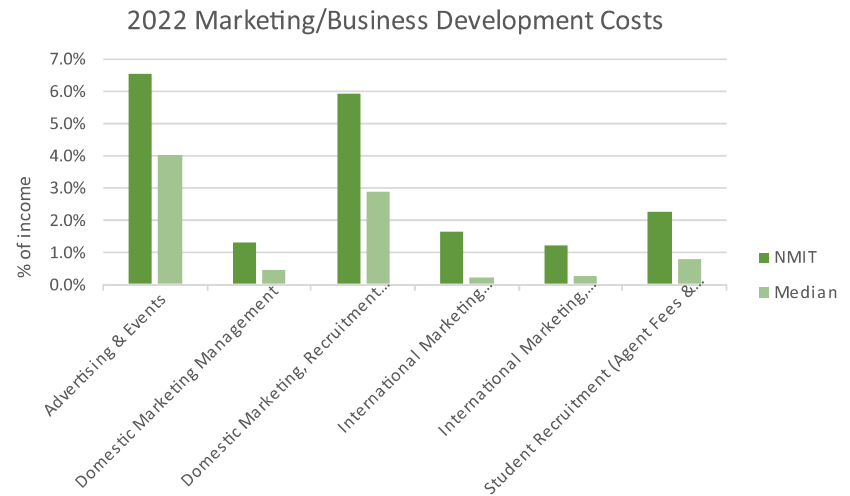
1. **Disproportionately low-cost:** Where proportional costs are below the lower quartile of the group.
2. **Proportionate cost:** Where proportional costs are between the lower and upper quartile of the group.
3. **Disproportionately high-cost:** Where proportional costs are above the upper quartile for the group.

Income Category	NMIT	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Performance
Central Administration	16.3%	11.4%	12.0%	15.4%	17.4%	51.8%	Proportionate cost
Depreciation and Facilities Leases	14.9%	10.1%	13.0%	16.6%	18.4%	24.1%	Proportionate cost
Facilities	8.8%	3.0%	8.0%	8.8%	11.5%	17.1%	Proportionate cost
IT Support	6.8%	6.2%	7.3%	8.5%	9.0%	13.9%	Disproportionately low-cost
Library / LRC Services	2.2%	0.0%	1.5%	1.8%	2.2%	3.0%	Disproportionately high-cost
Marketing / Business Development	20.0%	4.5%	6.1%	10.0%	18.0%	168.0%	Disproportionately high-cost
Student Administration	2.9%	1.9%	2.9%	3.6%	4.3%	7.4%	Disproportionately low-cost
Student Services	2.6%	1.5%	2.6%	3.1%	3.6%	6.4%	Proportionate cost
Teaching & Research	58.2%	38.0%	51.2%	58.2%	61.0%	72.4%	Proportionate cost

High Marketing/Business Development costs

NMIT have one of the higher Marketing/Business Development costs within the sector

- Within Marketing/Business Development costs, NMIT have six cost types that are significantly higher than sector averages:
 - Advertising & Events costs were 2.5% of income more than the sector median.
 - Domestic Marketing Management costs were 0.9% of income more than the sector median.
 - Domestic Marketing, Recruitment & Community costs were 3.1% more than the sector median.
 - International Marketing Management costs were 1.4% more than the sector median.
 - International Marketing, Recruitment & Development costs were 0.9% more than the sector median.
 - Student Recruitment (Agent Fees & Commissions) costs were 1.5% more than the sector median.



High-cost areas for further investigation

NMIT performs near the average for ITPs for most expense categories. However, a quick glance across cost-types within each expense category highlights a few areas that should be investigated further.

Central Administration

- Planning Policy & Strategy costs are 1.6% of income more than the sector median (0.6%) which is the highest across the sector.

IT

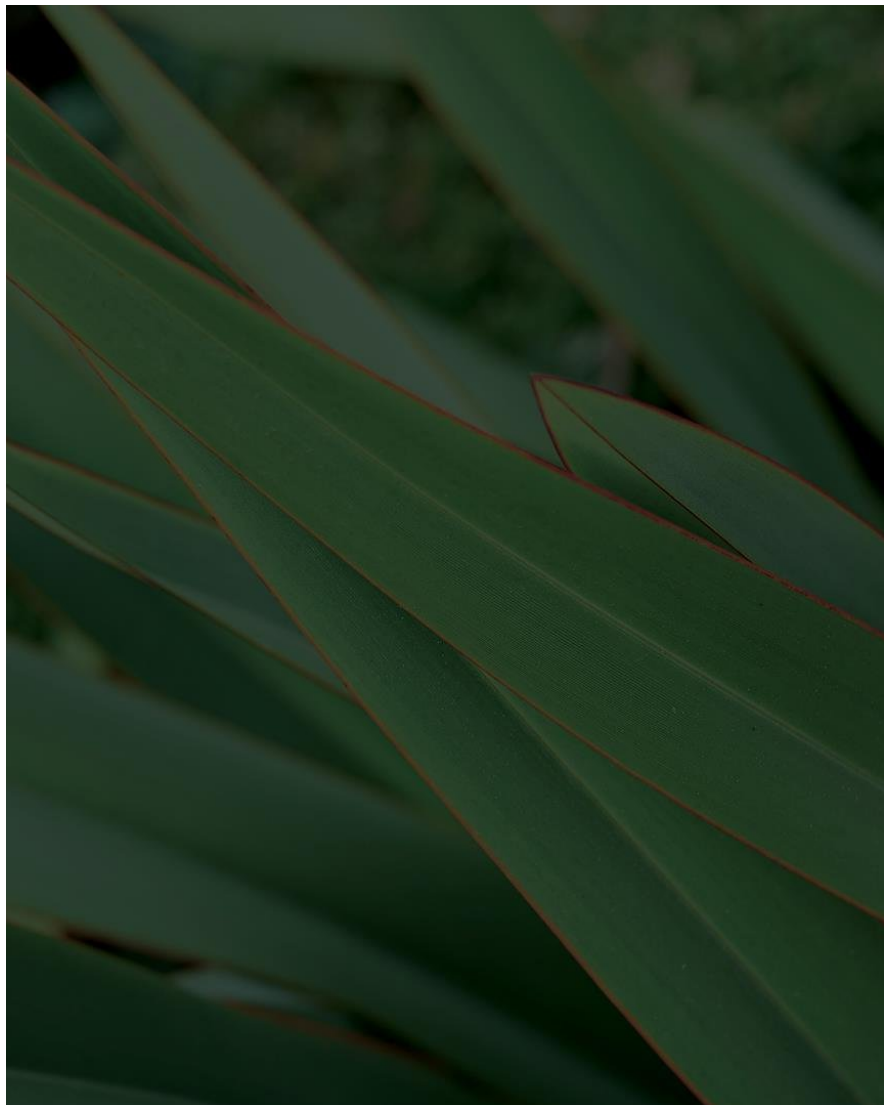
- Software Purchase & Maintenance costs are 9.9% of income more than the sector median (35.0%).

Student Administration

- External Admissions Centre, Exam & Registration costs are 5.2% of income more than the sector median (4.2%).
- Student Data Analysis costs are 10.1% of income more than the sector median (7.3%).

Teaching & Research

- Agency/Invoiced Teaching costs are 3.7% of income more than the sector median (0.6%).
- Teaching Administration costs are 2.0% of income more than the sector median (1.9%). The third worst performer behind Tai Poutini and Wintec within the sector.
- Teaching Consumables costs are 2.5% of income more than the sector median (3.1%). The second worst performer behind SIT.

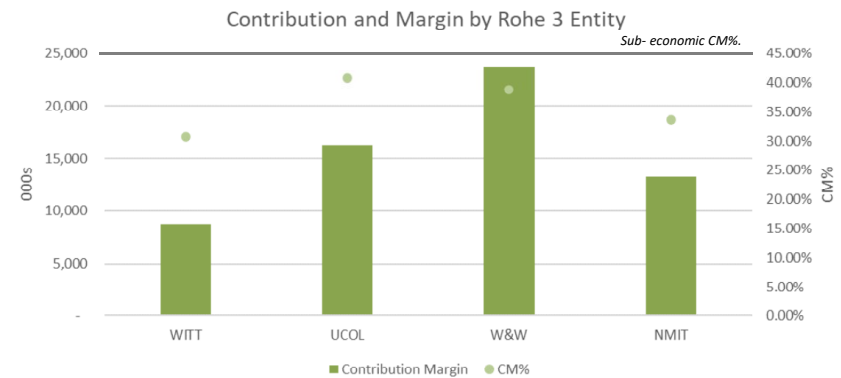
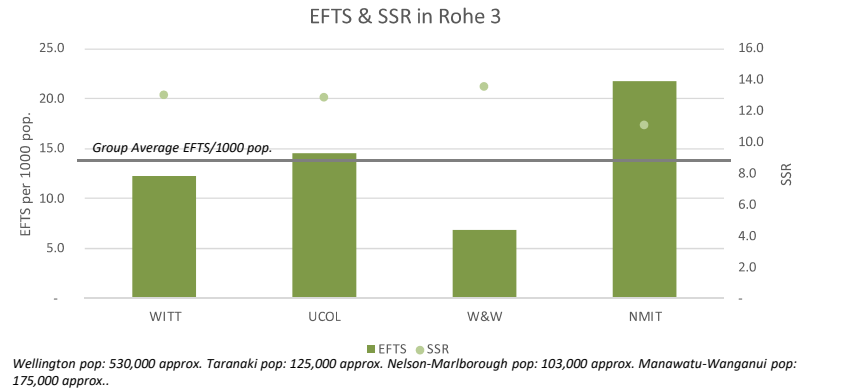


Regional View



Regional comparison

- In the 2024 budget, NMIT has the second lowest EFTS numbers in Rohe 3 (2,244) and a student-staff ratio (SSR) of 11.2 (below the average of 12.7 for the Rohe 3 business divisions).
- Considering a view on EFTS per 1000 people (population) for the primary region each entity operates in shows that NMIT is well above the Rohe 3 average. NMIT has an EFTS/1000 pop. of 21.8 compared to the group average of 13.9 across all entities in Rohe 3.
- The average contribution margin between former ITP business divisions in Rohe 3 is 36%. NMIT has the second lowest CM% of all Rohe 3 business divisions (33.7%). However, all four business divisions could be deemed sub-economic (<45% CM%).



Domain EFTS comparison

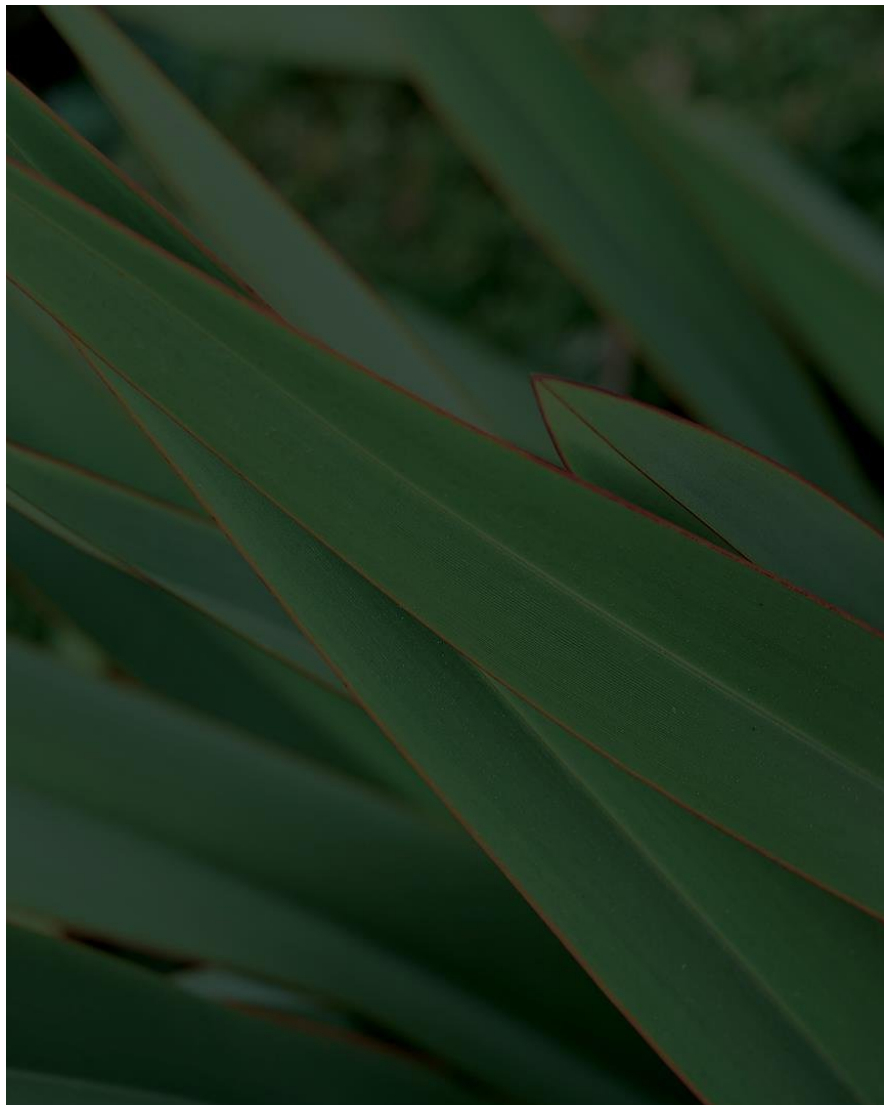
- Of the 21 domains across Rohe 3 entities, NMIT share 17 domains between WandW, WITT and UCOL.

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Domains	WandW	UCOL	NMIT	WITT
Hospitality & Tourism	X	X	X	X
Hairdressing & Beauty	X	X	X	X
Arts, Design and Media	X	X	X	X
Construction Trades	X	X	X	X
Mātauranga Māori	X	X	X	X
ICT	X	X	X	X
Engineering & Logistics	X	X	X	X
Animal	X	X	X	X
Construction Services	X	X		X
Services	X	X	X	X
Kaiwhina and Health	X	X		X
Foundations	X	X	X	X
Nursing	X	X	X	X
Pathways	X	X	X	X
Regulated Health Professions, Social Services	X	X	X	
Infrastructure		X		X
Manufacturing				X
Plant			X	X
Sports & Recreation		X	X	X
Education/ITE		X	X	
Food Processing			X	



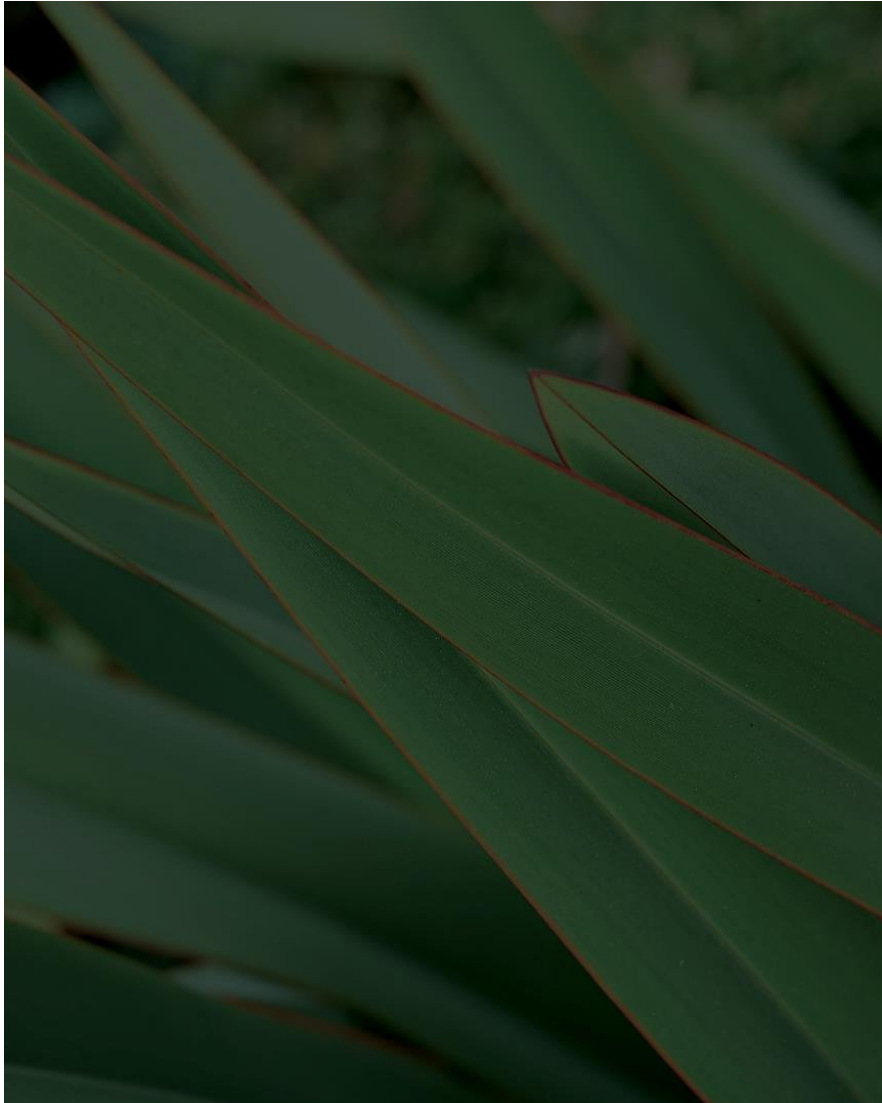


Local View

A Location Lens

- NMIT has three main delivery sites at Nelson, Richmond and Blenheim. Programme delivery also occurs at Woodbourne for aircraft maintenance and engineering courses.

Data granularity constraints means a lens across NMIT's locations is unachievable. Where distinguishable, courses offered across more than the one campus have been compared against each other in the following programme analysis.



Programme Analysis

Low performing programmes

- The following pages highlight those programmes which were budgeted to deliver a sub-economic contribution margin.
- Overhead departments/function expenses have been redistributed to each programme (by relevant department) based on a programme's budgeted EFTS to total department EFTS.
- The YTD enrolments as of mid February have been overlaid to provide a view of demand for the programmes.
- This highlights a number of programmes which require decisions around whether the programme is run at one or more locations.
- The programmes have been divided by the schools with the business divisions with the School of Services having the most programmes in question.

Limitations:

- Enrolment data and contribution analysis data do not often share common names (or codes). Judgement has been used when marrying current enrolment data with programmes outlined in the contribution analysis.



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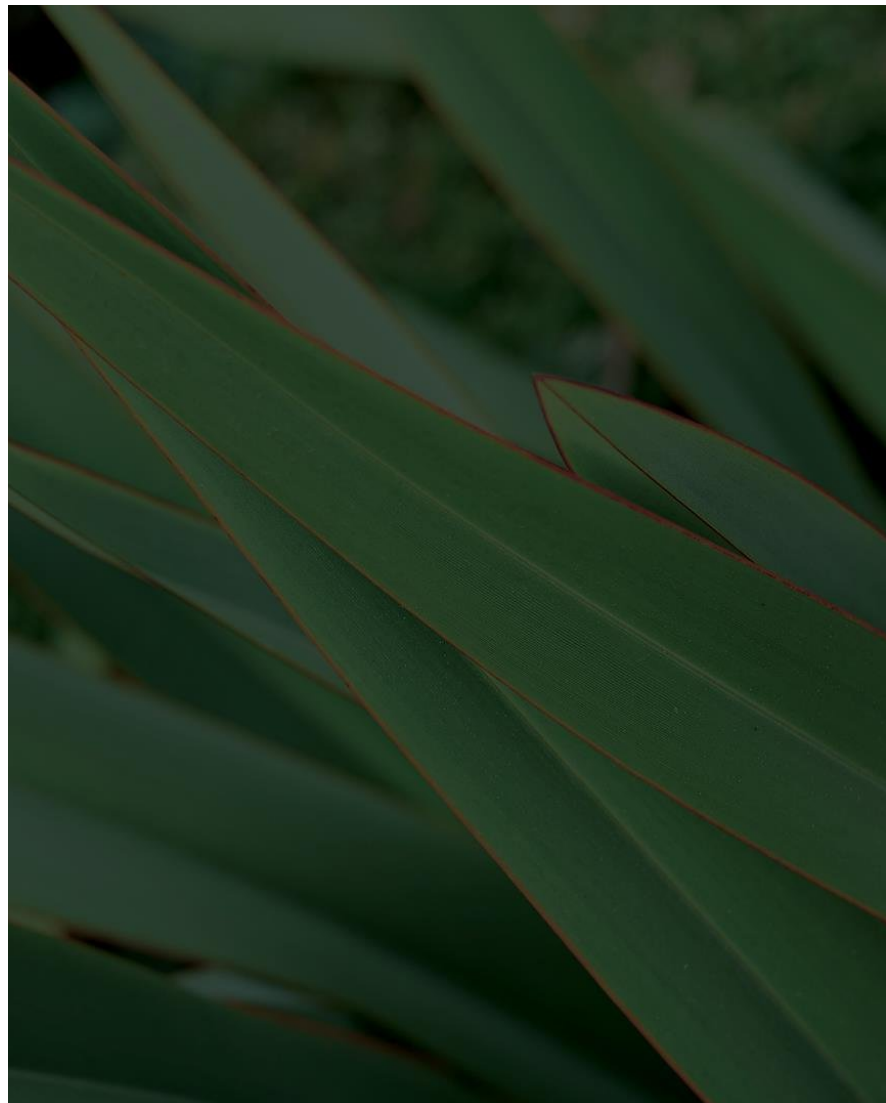
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Tēnā rawa atu koutou | Thank you all



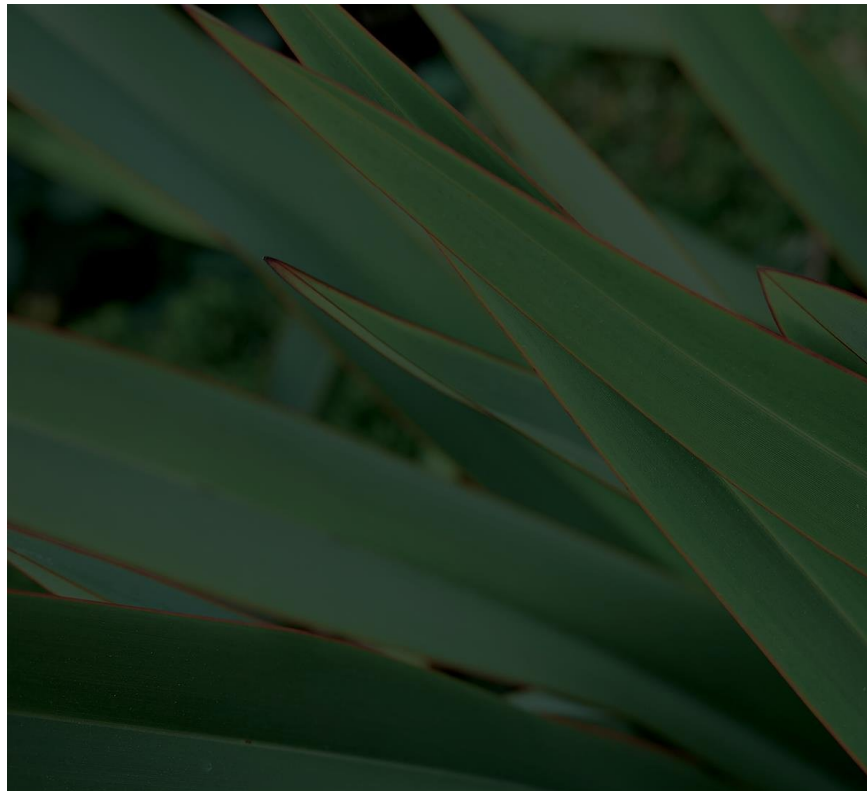




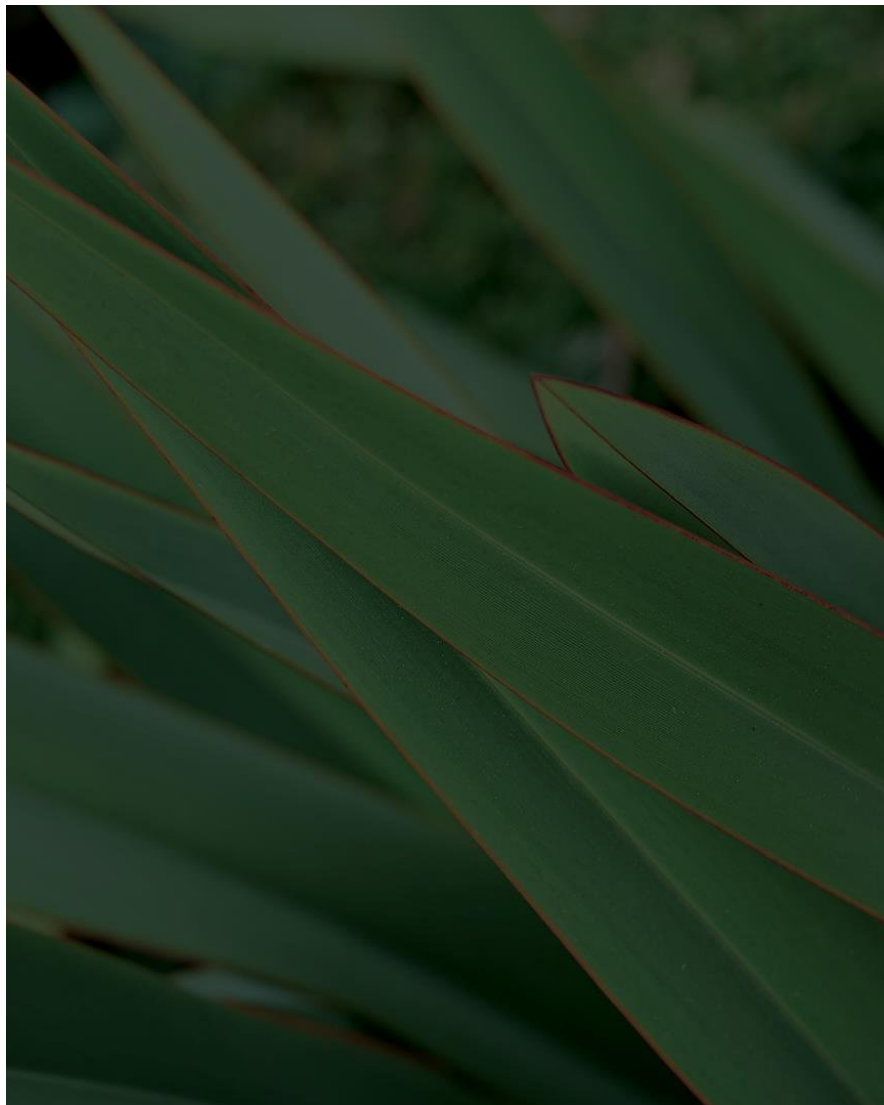
DRAFT UCOL 2024 Budget Analysis February 2024



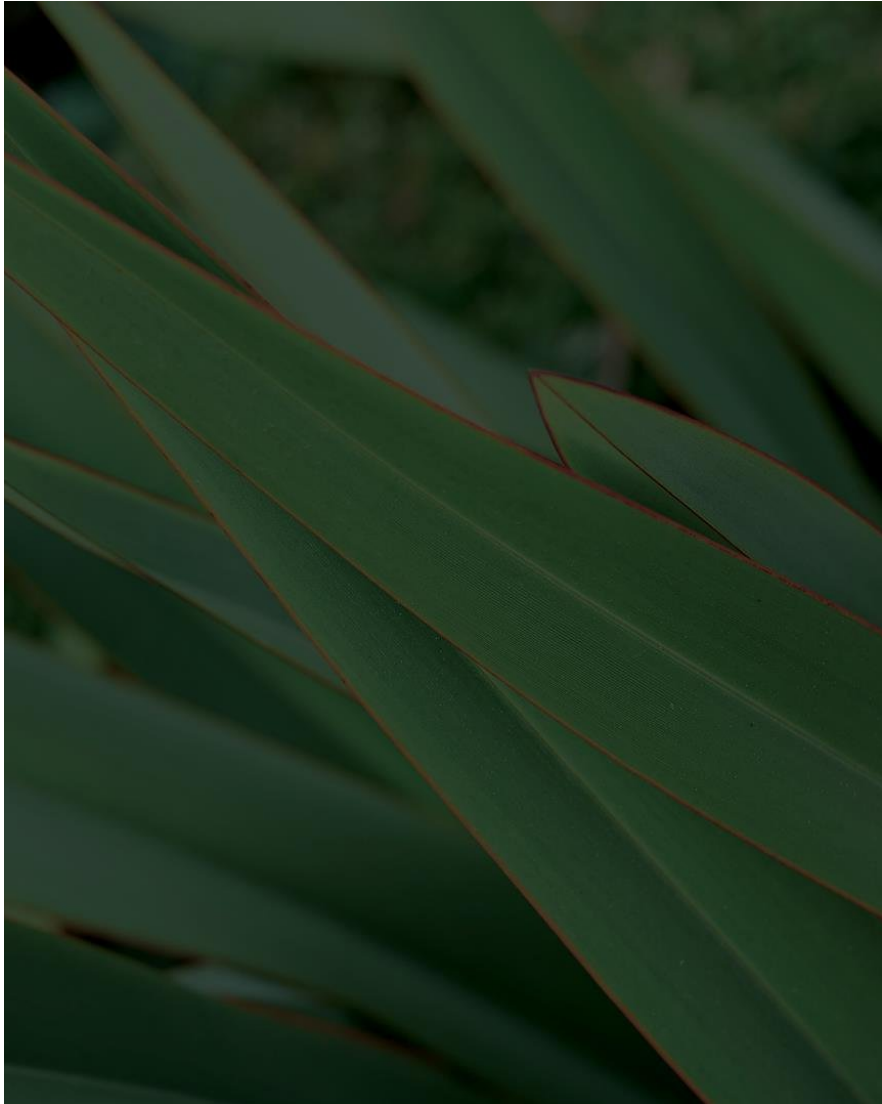
Te rārangi kaupapa | Agenda



- 1 Recommendations
- 2 Overview
- 3 National View
- 4 Regional View
- 5 Local View
- 6 Programme Analysis



Recommendations



Overview



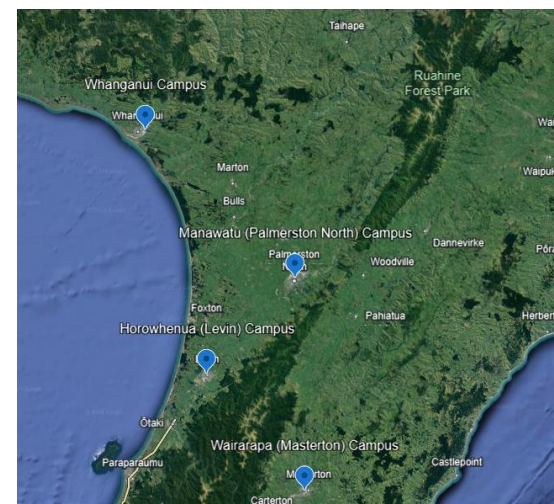
Overview

UCOL

- UCOL have four main physical delivery sites (Manawatu, Whanganui, Wairarapa and Horowhenua) within the Manawatu-Whanganui region. UCOL also deliver several foundation level courses within prisons in the Auckland and Rangitikei/Turangi regions.
- The Manawatu-Whanganui region's population is approximately 175,000 and makes a disproportionately low contribution to the NZ GDP.
- RSLG 2022 and 2023 analyses highlights priority growth, particularly in: Kaiāwhina Health, School Transitions, Seasonal Horticulture and Freight & Logistics.

Analysis

- Using Tribal data and cost-to-serve data within Rohe 3, the analysis has compared UCOL to its peers under a National and Regional lens and has compared the campuses and disciplines/domains within UCOL against one another.



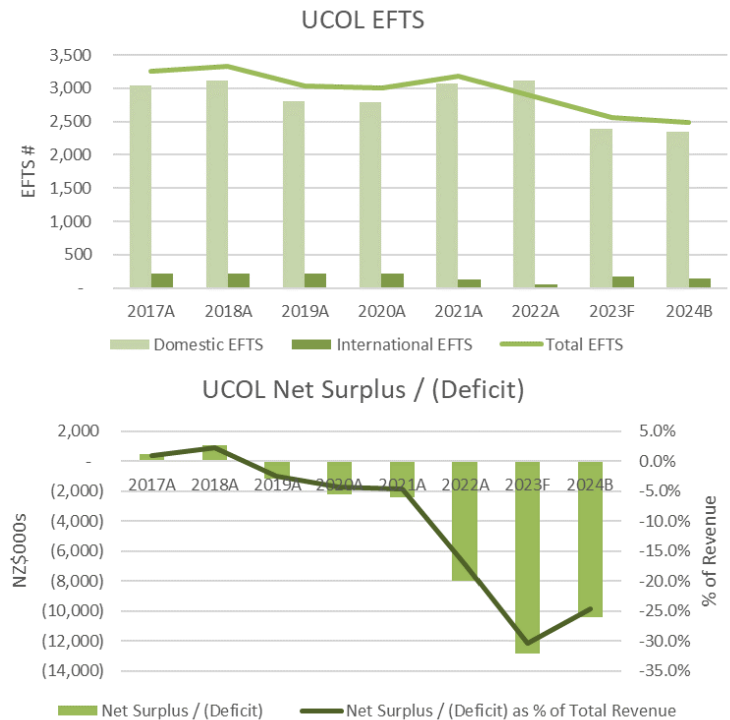
Historical View

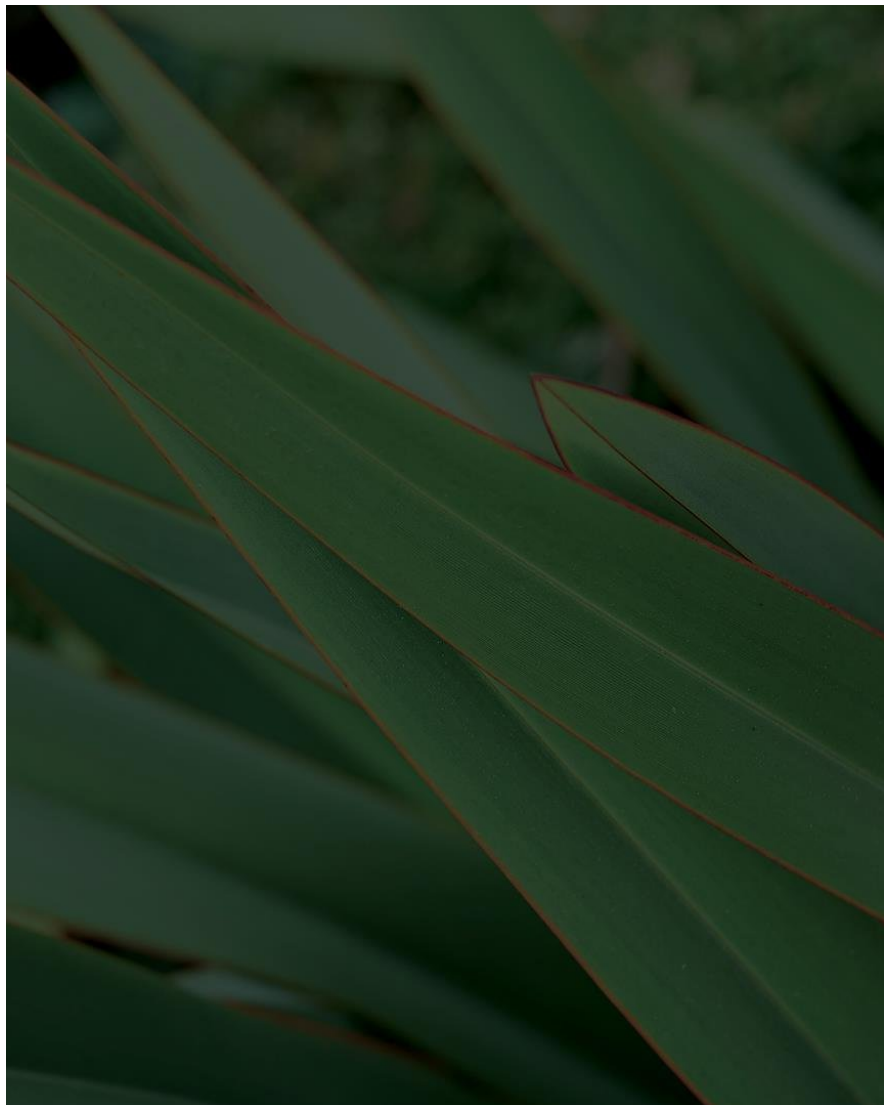
EFTS

- Over the period 2019 to 2024, total EFTS have decreased by 554 (18%). Domestic EFTS saw a reduction of 17%, while international EFTS have dropped by 37%. The international EFTS decrease has been driven by COVID-19 related border closures and government immigration policy changes.
- The average drop in total EFTS for former ITPs across this period was 18%; with the drop in domestic EFTS being 12% and a drop in international EFTS being 49%. By comparison, UCOL has retained more international EFTS than other ITP's yet retained less domestic EFTS.

Net Surplus/Deficit

- UCOL's net deficit increased from \$1.2m in 2019 to \$10.5m in 2024. While all former ITPs have a net deficit budgeted for 2024, the UCOL net deficit increase is greater than the former ITP average over the same period.
- A quick glance at UCOL's net deficit as a proportion of its total revenue has seen a decline by 22 percentage points from -2.6% in 2019 to -24.6% in 2024 (budgeted). A comparison of this same measure against the former ITP's average shows a decline of 8.4 percentage points from -4.6% in 2019 to -13.0% in 2024 (budgeted). Therefore, UCOL's current financial performance, compared to other former ITP's is relatively poor.





National View



National comparison of ITP expenses

Using Tribal data, components of expenditure have been analysed. Unless otherwise noted, data is from the 2022 year.

Student Numbers (EFTS)

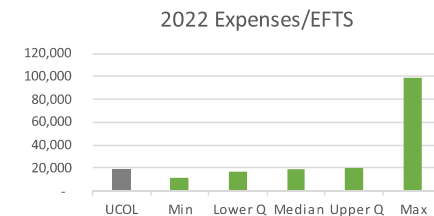
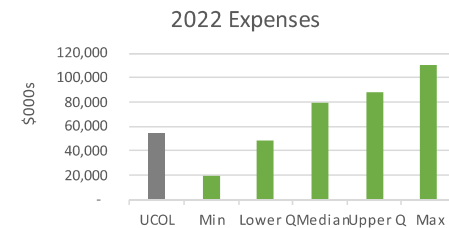
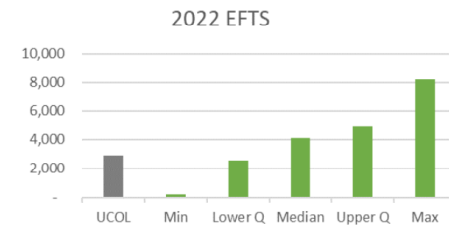
- UCOL had 2,867 EFTS for the 2022 year. This sits between the lower quartile (2,558) and the median (4,103) against the other ITPs.

Expenses

- UCOL 2022 expenses were \$53.5m. This is close to the lower quartile for former ITPs (\$48.2m), with the group median of \$79.9m.

Expenses per EFTS

- Comparison of expenses per EFTS shows that UCOL is an average performer in the sector. UCOL has an expense per EFTS (\$18,657/EFTS) with the upper quartile being \$19,757/EFTS and the median of the group being \$18,657/EFTS.



Expense categories

The Tribal data shows how UCOL performs compared to the other ITPs across nine different expense categories. For each expense category, costs have been measured against the ITP's total income to give a relative measure.

Performance can be classified into three categories:

1. **Disproportionately low-cost:** Where proportional costs are below the lower quartile of the group.
2. **Proportionate cost:** Where proportional costs are between the lower and upper quartile of the group.
3. **Disproportionately high-cost:** Where proportional costs are above the upper quartile for the group.

Income Category	UCOL	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Performance
Central Administration	16.9%	11.4%	12.0%	15.4%	17.4%	51.8%	Proportionate cost
Depreciation and Facilities Leases	11.6%	10.1%	13.0%	16.6%	18.4%	24.1%	Disproportionately low-cost
Facilities	10.1%	3.0%	8.0%	8.8%	11.5%	17.1%	Proportionate cost
IT Support	8.5%	6.2%	7.3%	8.5%	9.0%	13.9%	Proportionate cost
Library / LRC Services	2.1%	0.0%	1.5%	1.8%	2.2%	3.0%	Proportionate cost
Marketing / Business Development	16.1%	4.5%	6.1%	10.0%	18.0%	168.0%	Proportionate cost
Student Administration	3.0%	1.9%	2.9%	3.6%	4.3%	7.4%	Proportionate cost
Student Services	5.5%	1.5%	2.6%	3.1%	3.6%	6.4%	Disproportionately high-cost
Teaching & Research	56.2%	38.0%	51.2%	58.2%	61.0%	72.4%	Proportionate cost

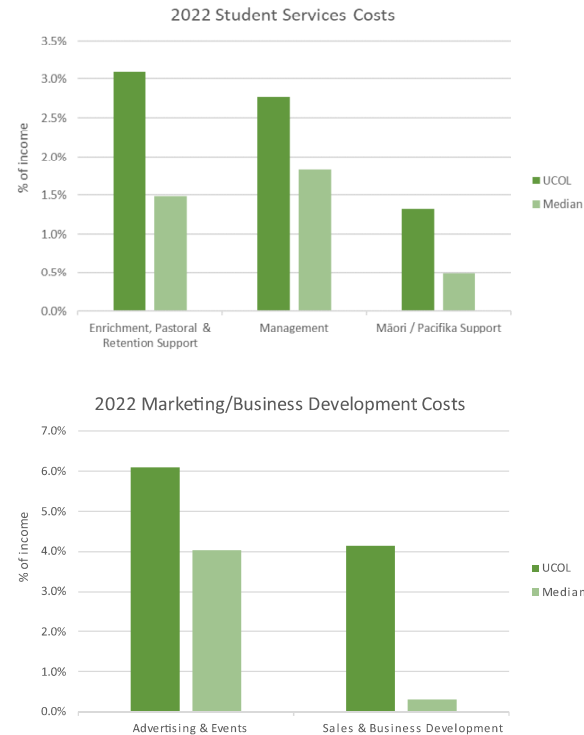
Disproportionately high costs

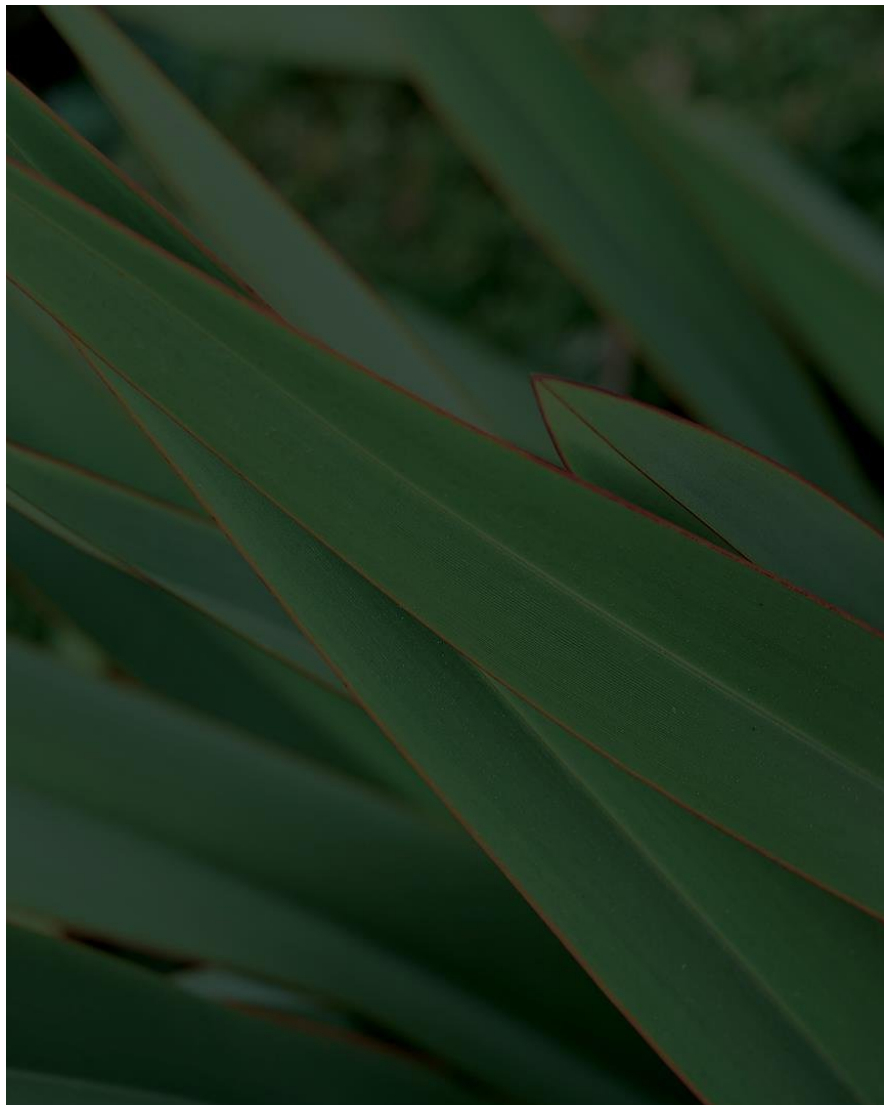
UCOL have the third highest Student Support costs, after TPP and WITT within the sector

- Within Student Support costs, UCOL have three cost types that are significantly higher than sector averages:
 - Enrichment, Pastoral & Retention Support costs were 1.6% of income more than the sector median.
 - Management costs are 0.9% of income more than the sector median.
 - Māori / Pasifika Support costs are 0.8% more than the sector median.

UCOL have several disproportionately high marketing and business development costs

- Within Marketing/Business Development Costs, UCOL have two cost types that are significantly higher than sector averages:
 - Advertising & Events of \$2.5m in 2022 were 2.1% of income more than the sector median.
 - Sales & Business Development costs of \$1.7m were 3.8% of income more than the sector median.



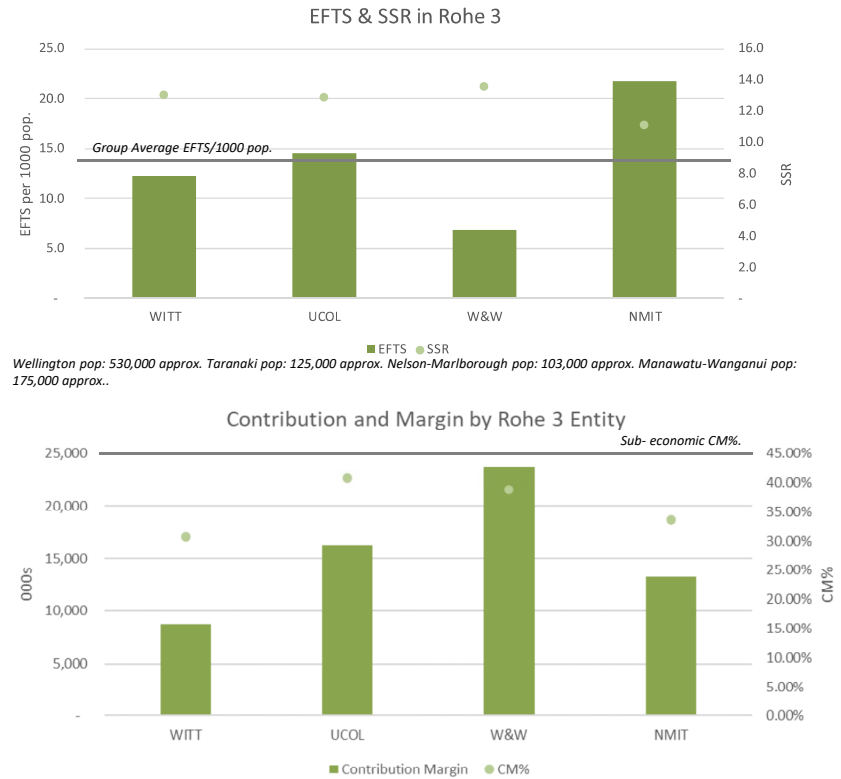


Regional View



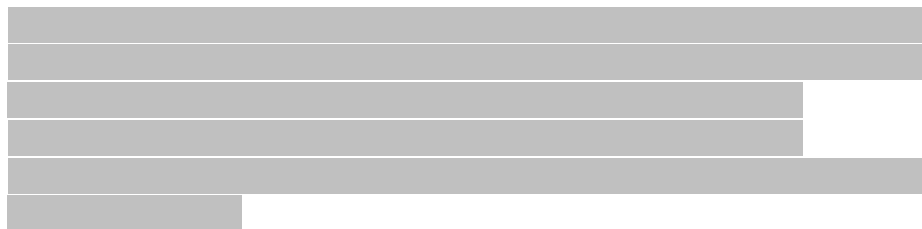
Regional comparison

- In the 2024 budget, UCOL has the second greatest EFTS numbers in Rohe 3 and a student-staff ratio (SSR) of 12.9 (above the average of 12.7 for the Rohe 3 business divisions).
- Considering a view on EFTS per 1000 people (population) for the primary region each entity operates in shows that UCOL is marginally above the Rohe 3 average. UCOL has an EFTS/1000 pop. of 14.6 compared to the group average of 13.9 across all entities in Rohe 3.
- The average contribution margin between former ITP business divisions in Rohe 3 is 36%. Both WandW and UCOL exceed this average with a contribution margin of 39% and 41% respectively. Yet all four business divisions could be deemed sub-economic (<45% CM%).



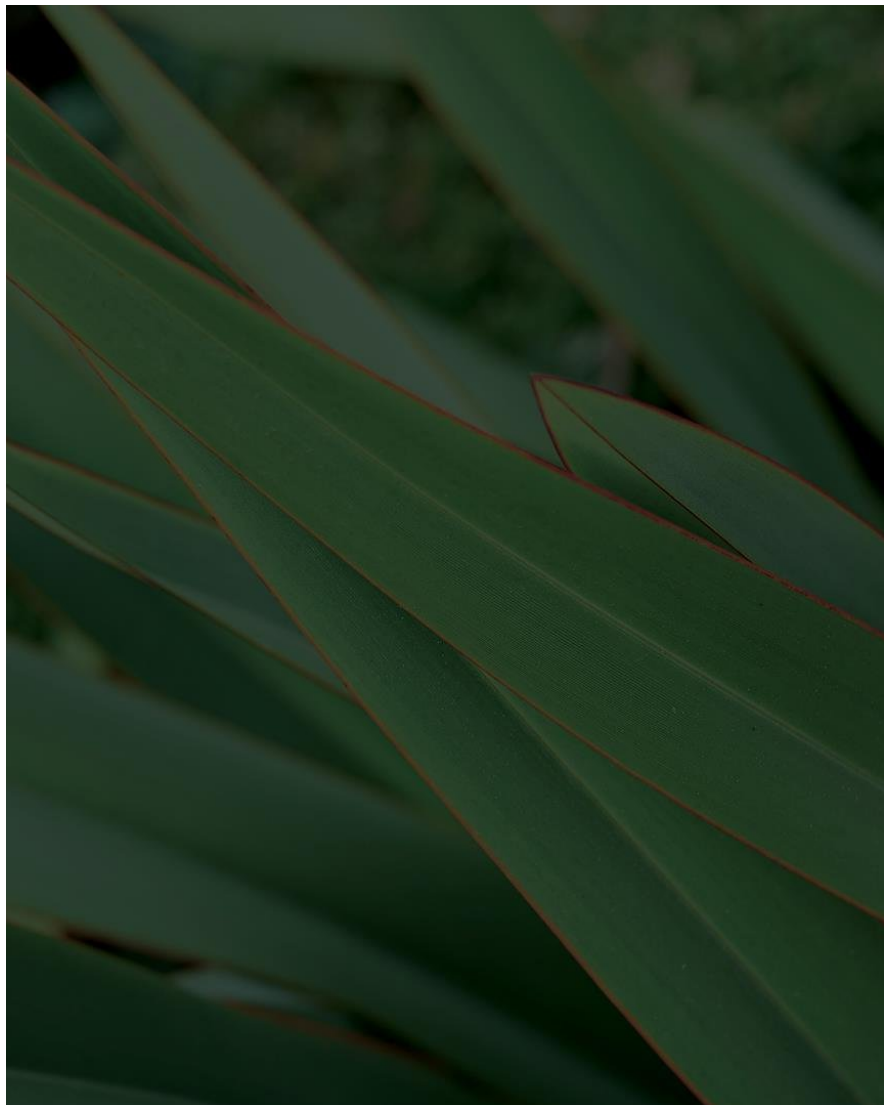
Domain EFTS comparison

- Of the 21 domains across Rohe 3 entities, UCOL share 18 domains with WandW, NMIT and WITT.



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Hospitality & Tourism	X	X	X	X
Hairdressing & Beauty	X	X	X	X
Arts, Design and Media	X	X	X	X
Construction Trades	X	X	X	X
Mātauranga Māori	X	X	X	X
ICT	X	X	X	X
Engineering & Logistics	X	X	X	X
Animal	X	X	X	X
Construction Services	X	X		X
Services	X	X	X	X
Kaiwhina and Health	X	X		X
Foundations	X	X	X	X
Nursing	X	X	X	X
Pathways	X	X	X	X
Regulated Health Professions, Social Services	X	X	X	
Infrastructure		X		X
Manufacturing				X
Plant			X	X
Sports & Recreation		X	X	X
Education/ITE		X	X	
Food Processing			X	



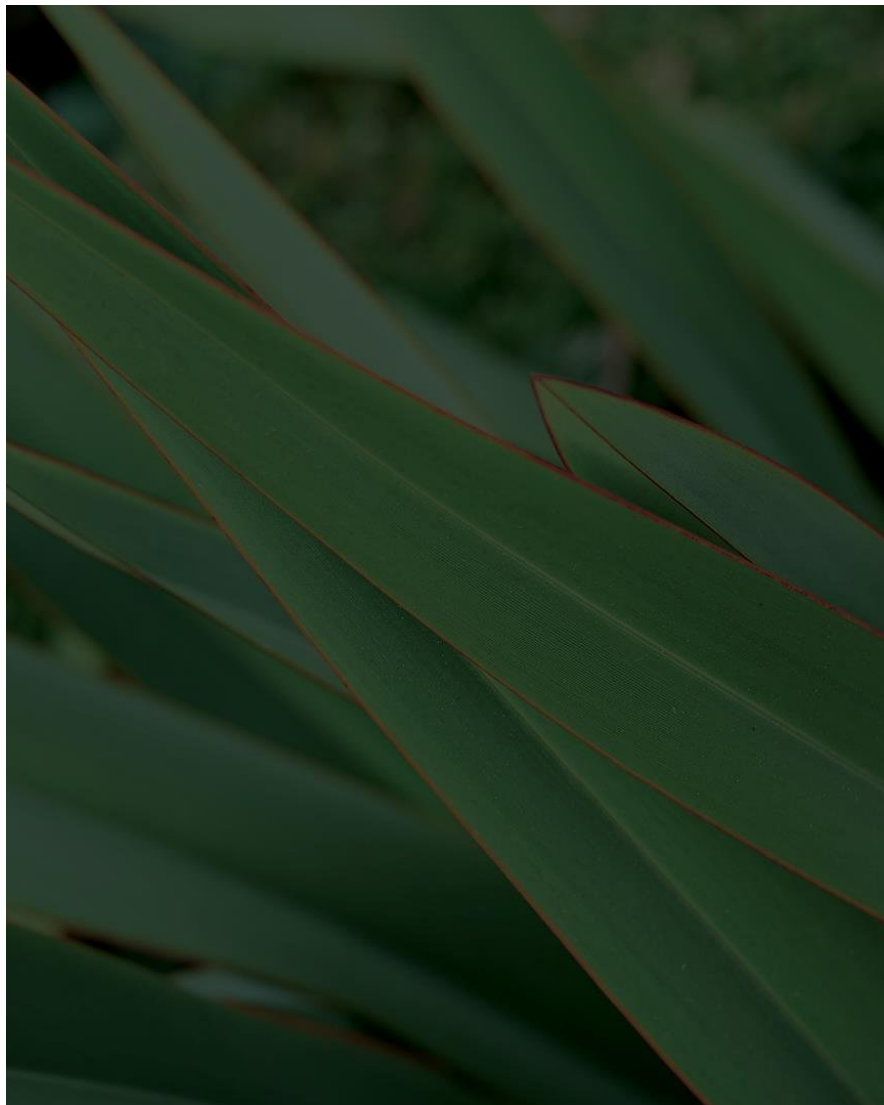


Local View

A Location Lens







Programme Analysis

Low performing programmes

- The following pages highlight those programmes which were budgeted to deliver a sub-economic contribution margin.
- The YTD enrolments as at early February have been overlaid to provide a view of demand for the programmes.
- This highlights a number of programmes which require decisions around whether the programme is run in semester one at one or more locations.
- The programmes have been divided by the schools with the business divisions with [REDACTED]

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Tēnā rawa atu koutou | Thank you all

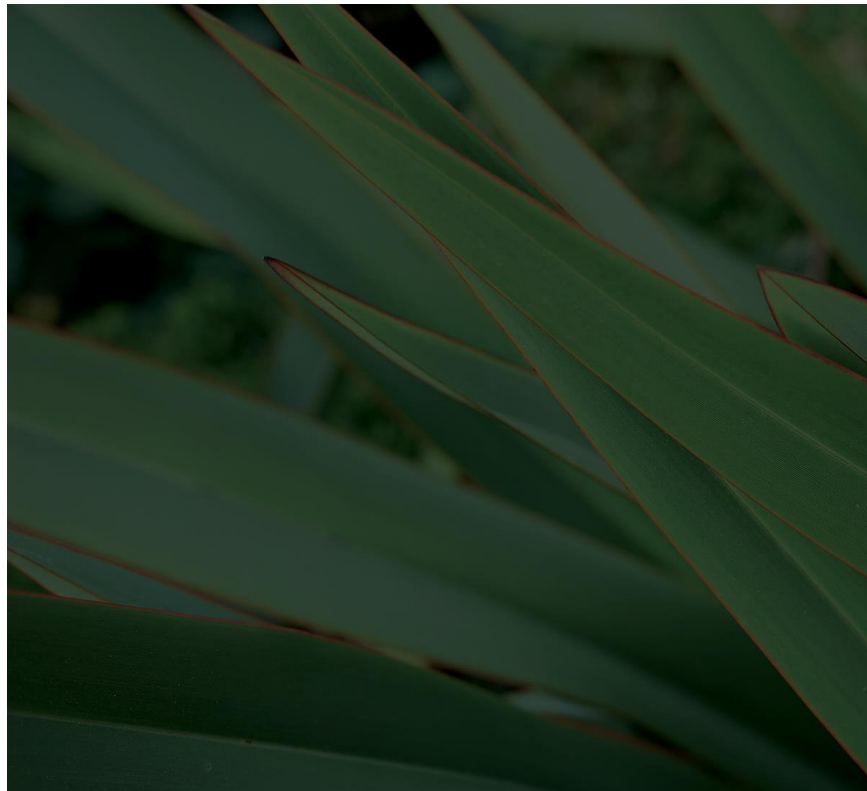




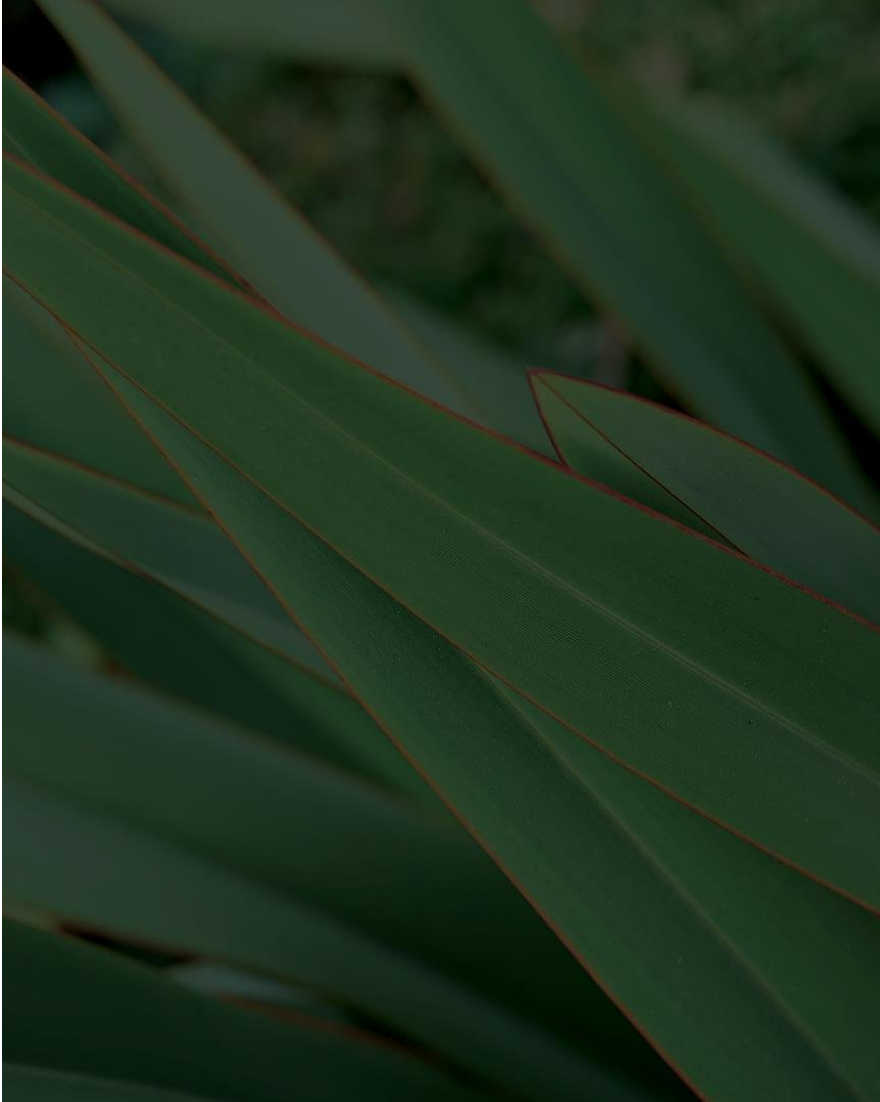


DRAFT WelTec & Whitireia 2024 Budget Analysis March 2024

Te rārangi kaupapa | Agenda



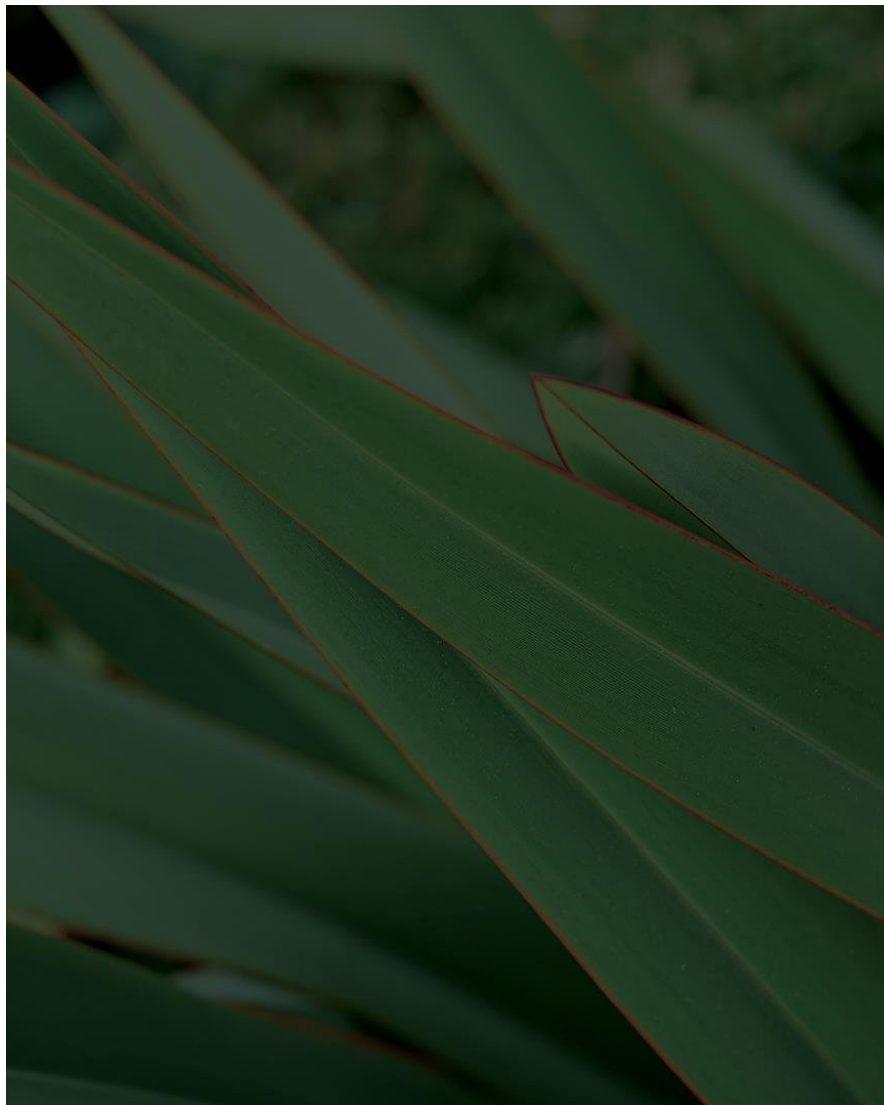
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- 6 Programme Analysis



Recommendations

Recommendations





Overview



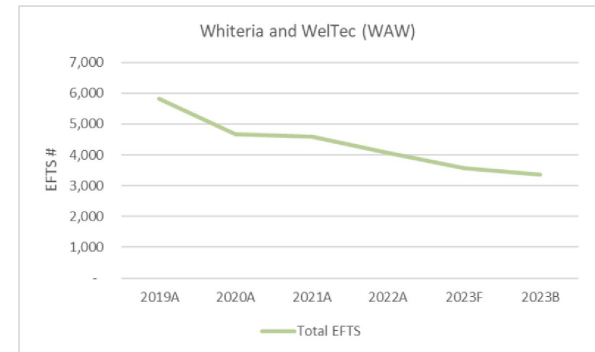
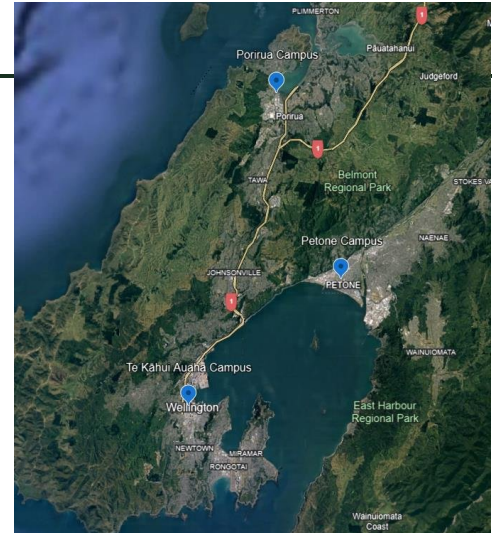
Overview

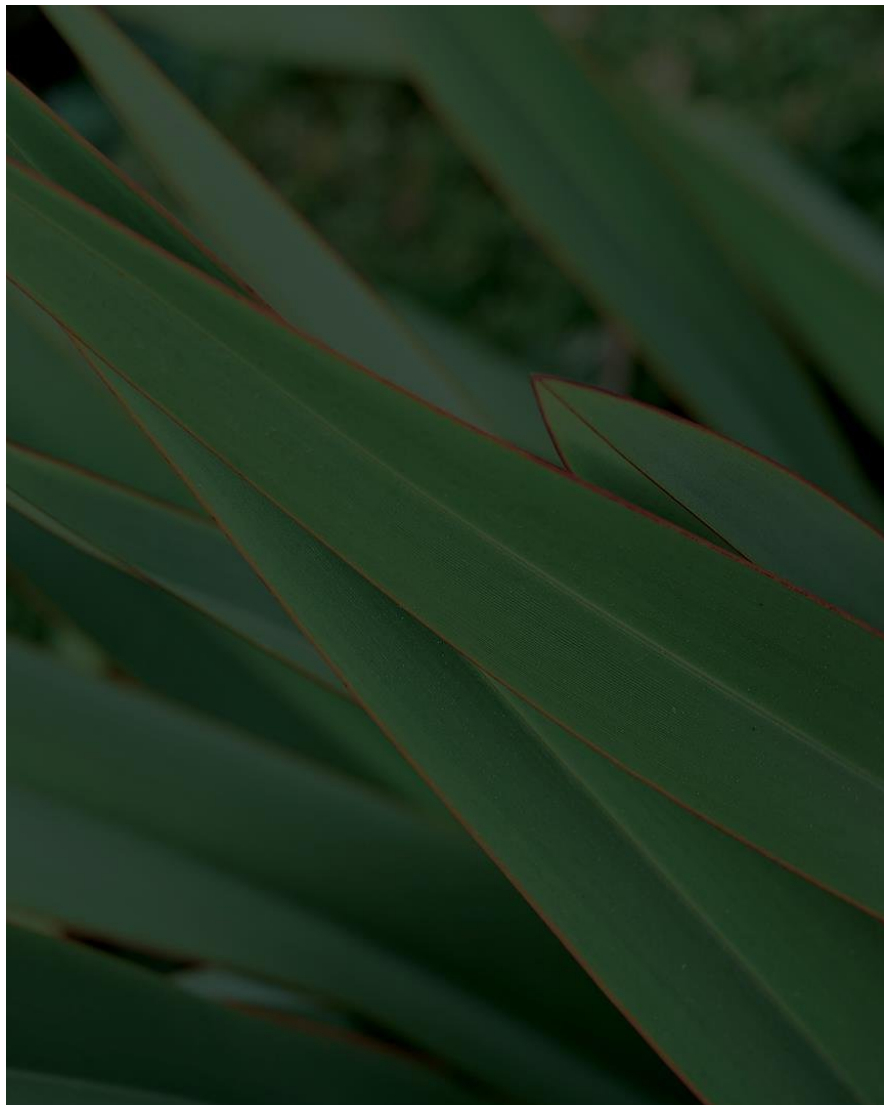
WandW

- WandW have three main physical delivery sites (Porirua, Petone and Te Kāhui Auaha) within the Wellington region.
- Wellington region's population is approximately 530,000 and makes a disproportionately large contribution to the NZ GDP.
- Over the period 2019 to 2024, total EFTS have decreased 2,443 (42%). The decrease has been partially caused by COVID-19 related border closures and government immigration policy changes. However, the number of domestic EFTS has also reduced significantly over the period.
- RSLG 2023 analysis highlights growth, particularly in: Health (specifically Nursing), Construction and Infrastructure, Digital Technology, Manufacturing, Primary Sector, and Hospitality.

Analysis

- Using Tribal data and cost-to-serve analysis within Rohe 3, the analysis has compared WandW to its peers under a National and Regional lens and has compared the campuses and disciplines/domains within WandW against one another.
- The analysis is based on 2024 budget information and does not include a multi-year analysis, identifying trends and growth areas.





National View



National comparison of ITP expenses

Using Tribal data, components of expenditure have been analysed. Unless otherwise noted, data is from the 2022 year.

Student Numbers (EFTS)

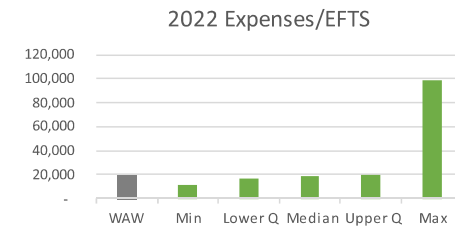
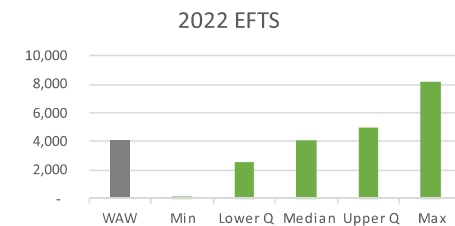
- WandW had 4,074 EFTS for the 2022 year. This sits between the lower quartile (2,558) and the median (4,103) against the other ITPs.

Expenses

- WandW 2022 expenses were \$79.9m. This is also the group median.

Expenses per EFTS

- Comparison of expenses per EFTS shows that WandW is an average performer in the sector. WandW has an expense per EFTS (\$19,623/EFTS) with the upper quartile being \$19,757/EFTS and the median of the group being \$18,657/EFTS.



Expenditure categories

The Tribal data shows how WandW performs compared to the other ITPs across nine different cost categories. For each cost category, costs have been measured against the ITP's total income to give a relative measure.

Performance can be classified into three categories:

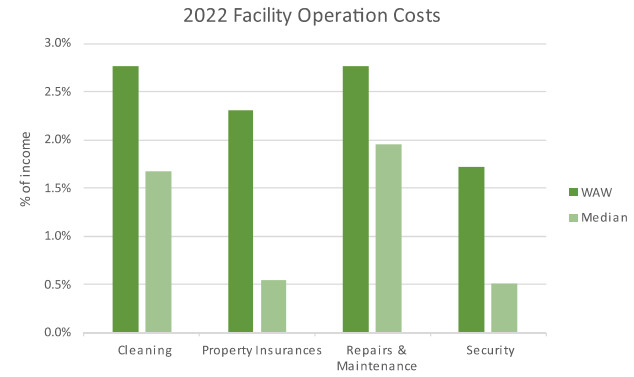
1. **Disproportionately low-cost:** Where proportional expenses are below the lower quartile of the group.
2. **Proportionate cost:** Where proportional expenses are between the lower and upper quartile of the group.
3. **Disproportionately high-cost:** Where proportional expenses are above the upper quartile of the group.

Cost Category	WandW	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Performance
Central Administration	16.2%	11.4%	12.0%	15.4%	17.4%	51.8%	Proportionate cost
Depreciation and Facilities Leases	24.1%	10.1%	13.0%	16.6%	18.4%	24.1%	Disproportionately high-cost
Facilities	14.1%	3.0%	8.0%	8.8%	11.5%	17.1%	Disproportionately high-cost
IT Support	8.9%	6.2%	7.3%	8.5%	9.0%	13.9%	Proportionate cost
Library / LRC Services	2.2%	0.0%	1.5%	1.8%	2.2%	3.0%	Disproportionately high-cost
Marketing / Business Development	9.5%	4.5%	6.1%	10.0%	18.0%	168.0%	Proportionate cost
Student Administration	3.6%	1.9%	2.9%	3.6%	4.3%	7.4%	Proportionate cost
Student Services	2.6%	1.5%	2.6%	3.1%	3.6%	6.4%	Proportionate cost
Teaching & Research	58.7%	38.0%	51.2%	58.2%	61.0%	72.4%	Proportionate cost

Property related costs

WandW have the highest property related costs of the former ITPs

- Within Facility Operation Costs, WandW have four cost types that are significantly higher than sector averages:
 - Insurance costs were 1.8% of income more than the sector median. This can largely be explained by the cost of obtaining insurance in the Wellington region.
 - Security costs are 1.2% of income more than the sector median.
 - Cleaning costs are 1.1% of income more than the sector median.
 - Repairs & Maintenance are 0.8% of income more than the sector median.
- WandW Depreciation and Facilities Leases proportional to income are the highest of all the former ITPs.
 - Depreciation costs are 1.4% of income higher than the sector median.
 - Due to large costs related to Te Kāhui Auaha, the Regent Centre Cuba Street (now exited) and student accommodation, WandW proportional Facilities Lease costs are significantly higher than all of the other former ITPs (except TPP). Facility Lease costs were 7.4% of income higher than the sector median.

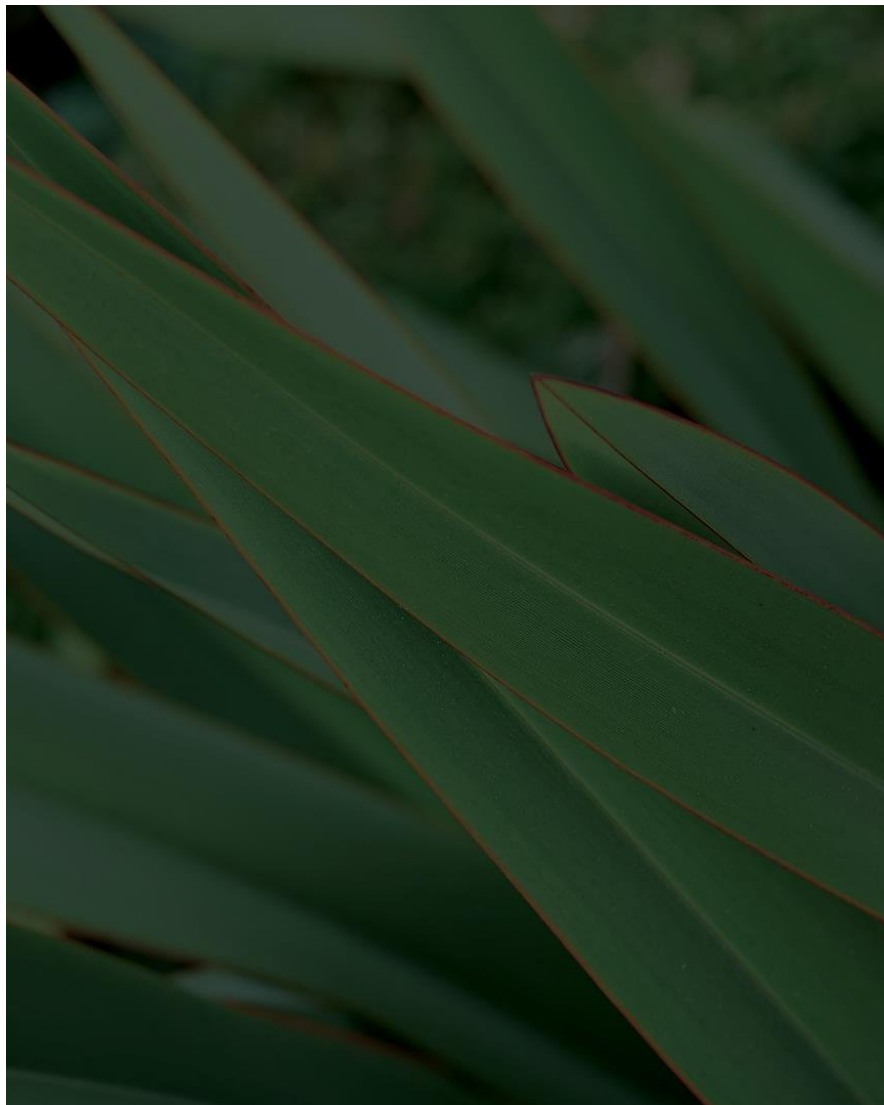


High Library/ LRC Services Expenses

WandW have relatively high Library/ LRC Services Expenses

- WandW spends approximately 0.5% of income more on Learning Resource Purchases & Other Costs than the sector median.

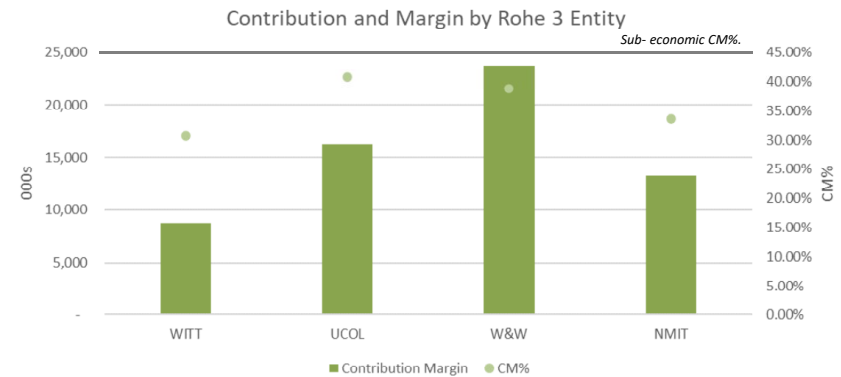
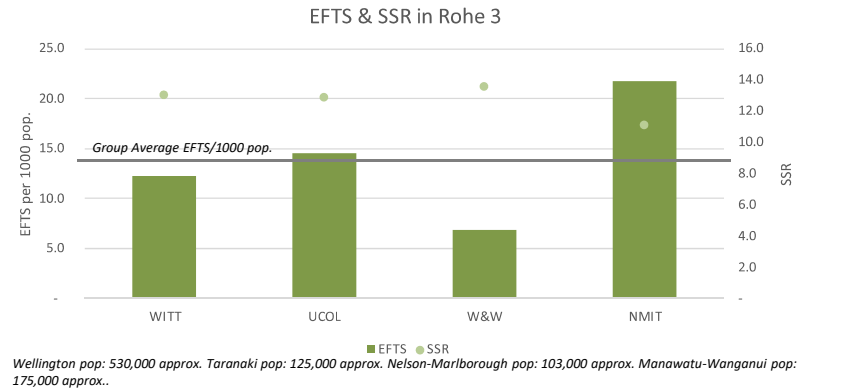




Regional View

Regional comparison

- In the 2024 budget, WandW has the greatest EFTS numbers and the greatest student-staff ratio (SSR) of the Rohe 3 business divisions.
- While WandW have the largest role size (EFTS), a view on EFTS per 1000 people (population) for the primary region each entity operates in shows that WandW is an underperformer. WandW has an EFTS/1000 pop. of 6.8 compared to the group average of 13.9 across all entities in Rohe 3.
- The average contribution margin between former ITP business divisions in Rohe 3 is 36%. Both WandW and UCOL exceed this average with a contribution margin of 39% and 41% respectively. Yet all four business divisions could be deemed sub-economic (<45% CM%).



Domain EFTS comparison

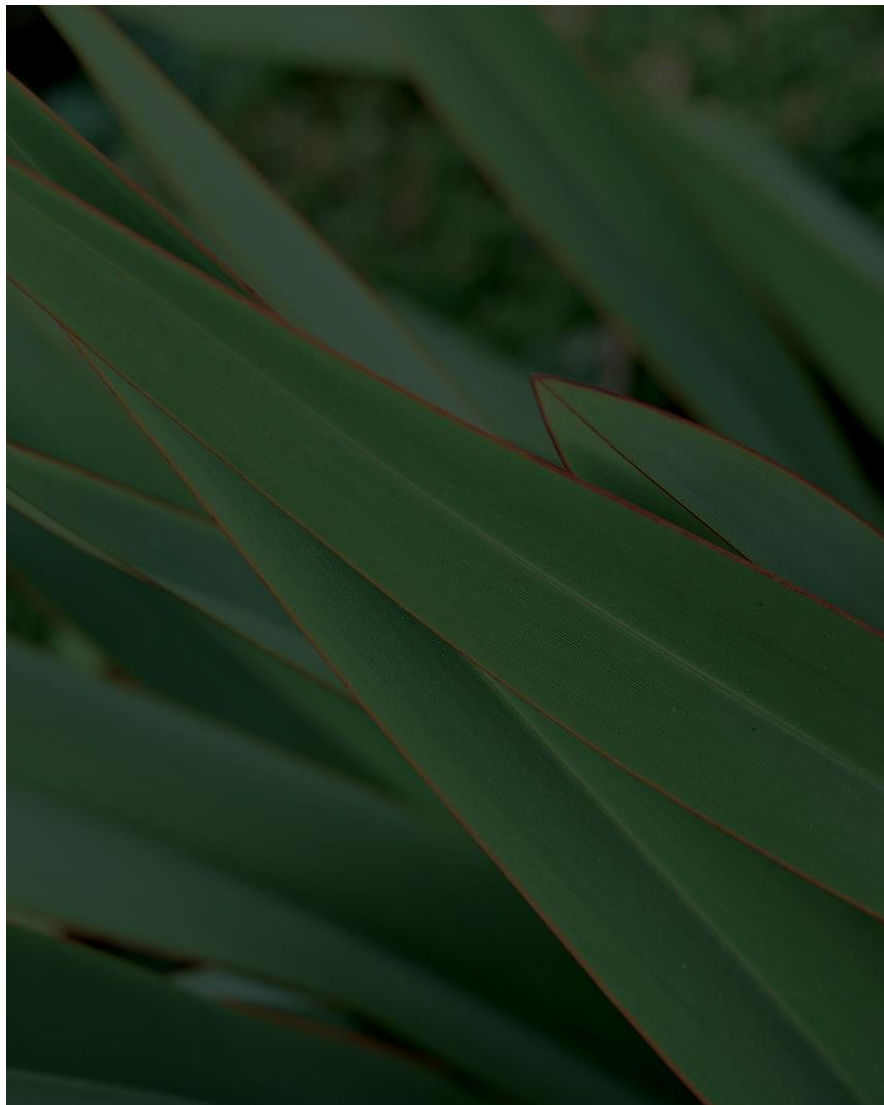
- Of the 21 domains across Rohe 3 entities, WandW share 15 domains with UCOL, NMIT and WITT.

- [Redacted]



Domains	WandW	UCOL	NMIT	WITT
Hospitality & Tourism	X	X	X	X
Hairdressing & Beauty	X	X	X	X
Arts, Design and Media	X	X	X	X
Construction Trades	X	X	X	X
Mātauranga Māori	X	X	X	X
ICT	X	X	X	X
Engineering & Logistics	X	X	X	X
Animal	X	X	X	X
Construction Services	X	X		X
Services	X	X	X	X
Kaiwhina and Health	X	X		X
Foundations	X	X	X	X
Nursing	X	X	X	X
Pathways	X	X	X	X
Regulated Health Professions, Social Services	X	X	X	
Infrastructure		X		X
Manufacturing				X
Plant			X	X
Sports & Recreation		X	X	X
Education/ITE		X	X	
Food Processing			X	



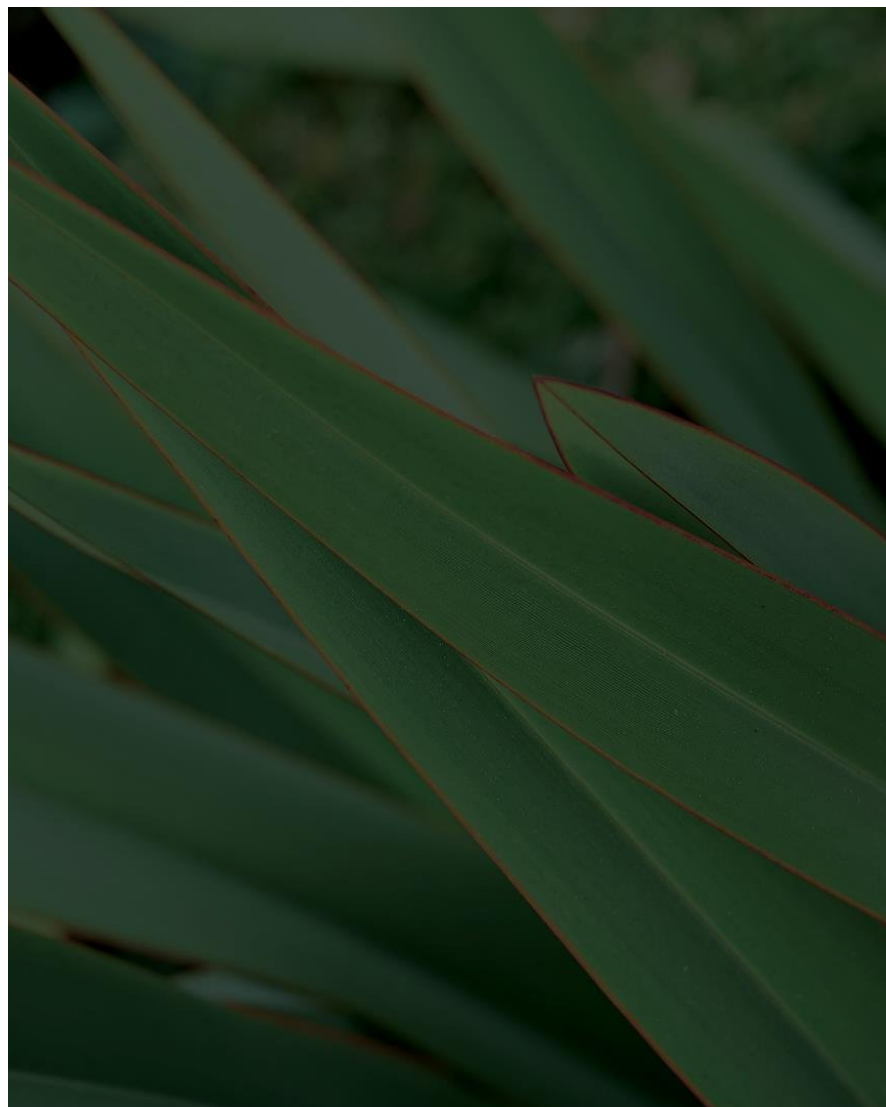


Local View

A Location Lens







Programme Analysis

Low performing programmes

- The following pages highlight those programmes which were budgeted to deliver a sub-economic contribution margin.
- The YTD enrolments as at late January have been overlaid to provide a view of demand for the programmes.
- This highlights a number of programmes which require decisions around whether the programme is run in semester one at one or more locations.
- The programmes have been divided by the schools with the business divisions [REDACTED]

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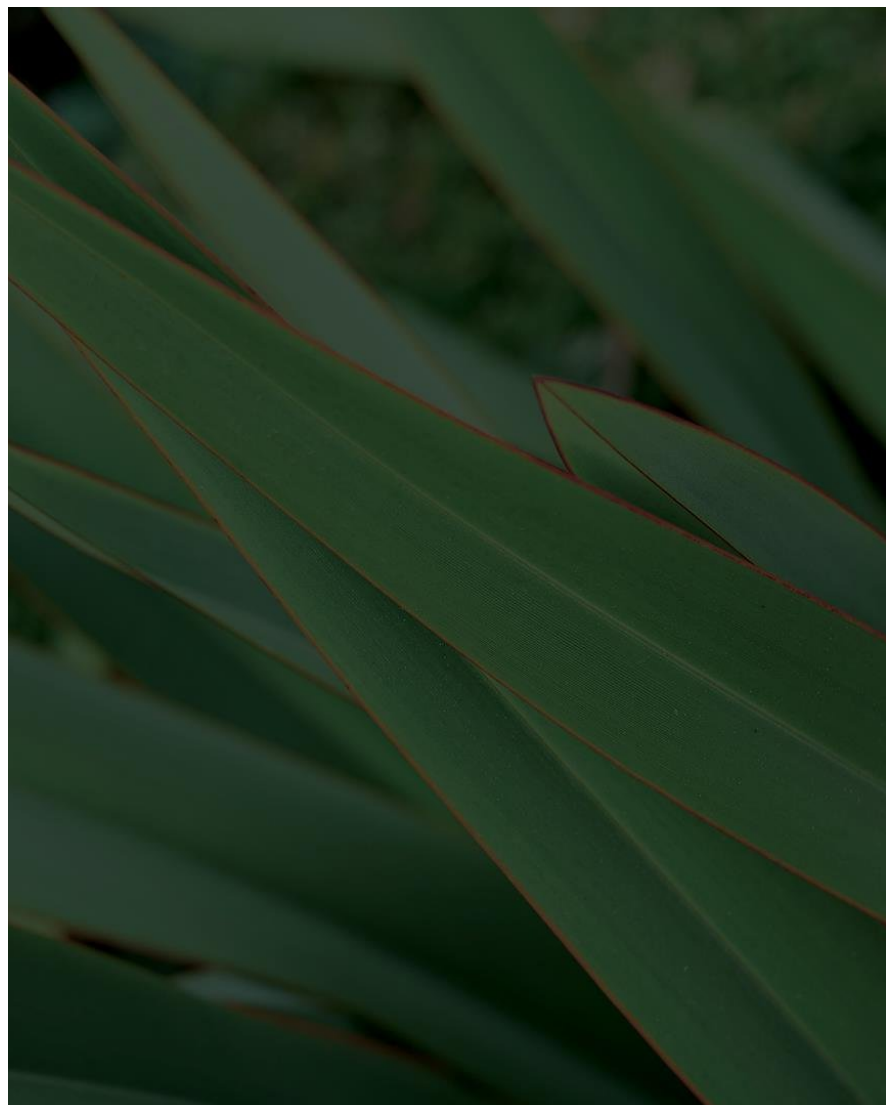
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Tēnā rawa atu koutou | Thank you all



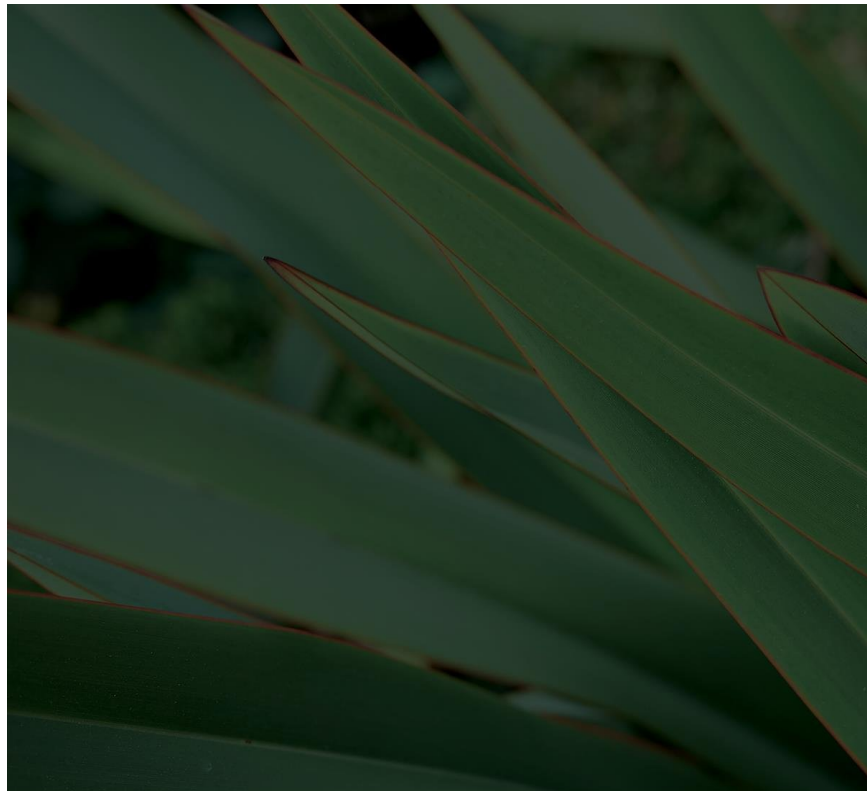




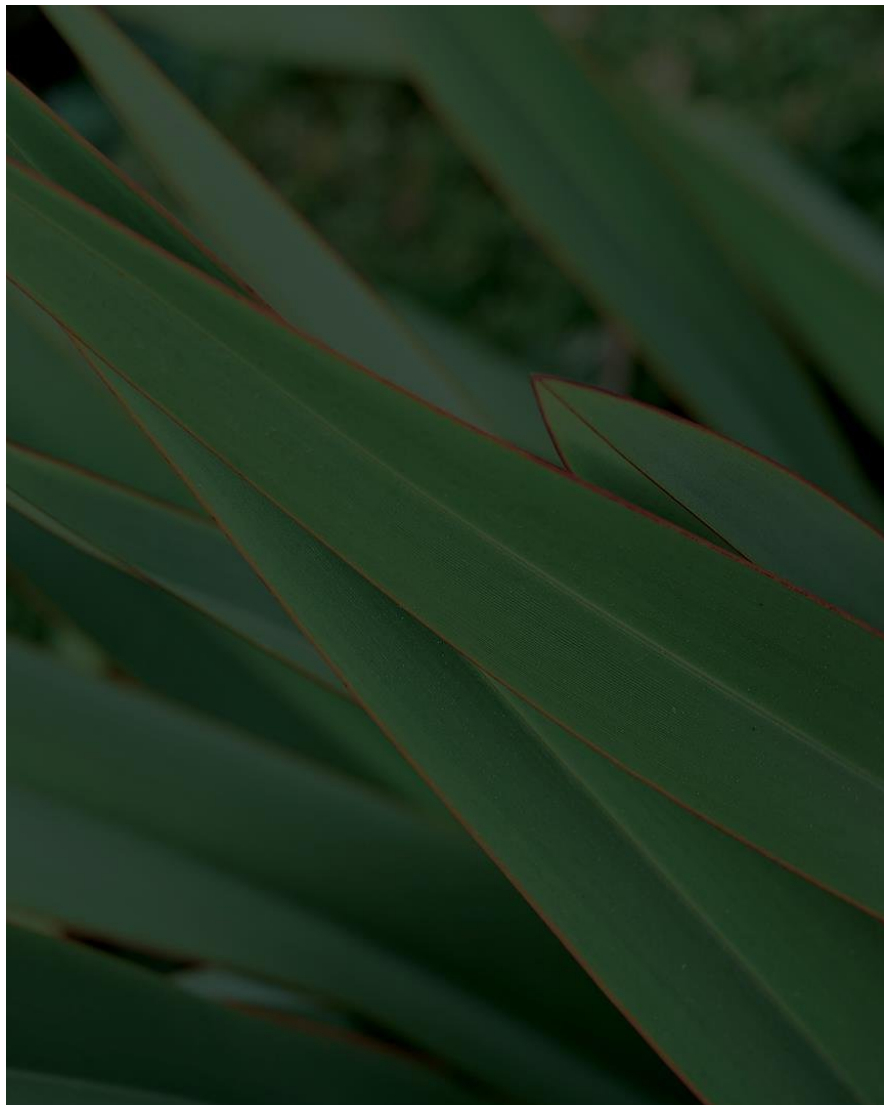
DRAFT WITT 2024 Budget Analysis February 2024



Te rārangi kaupapa | Agenda



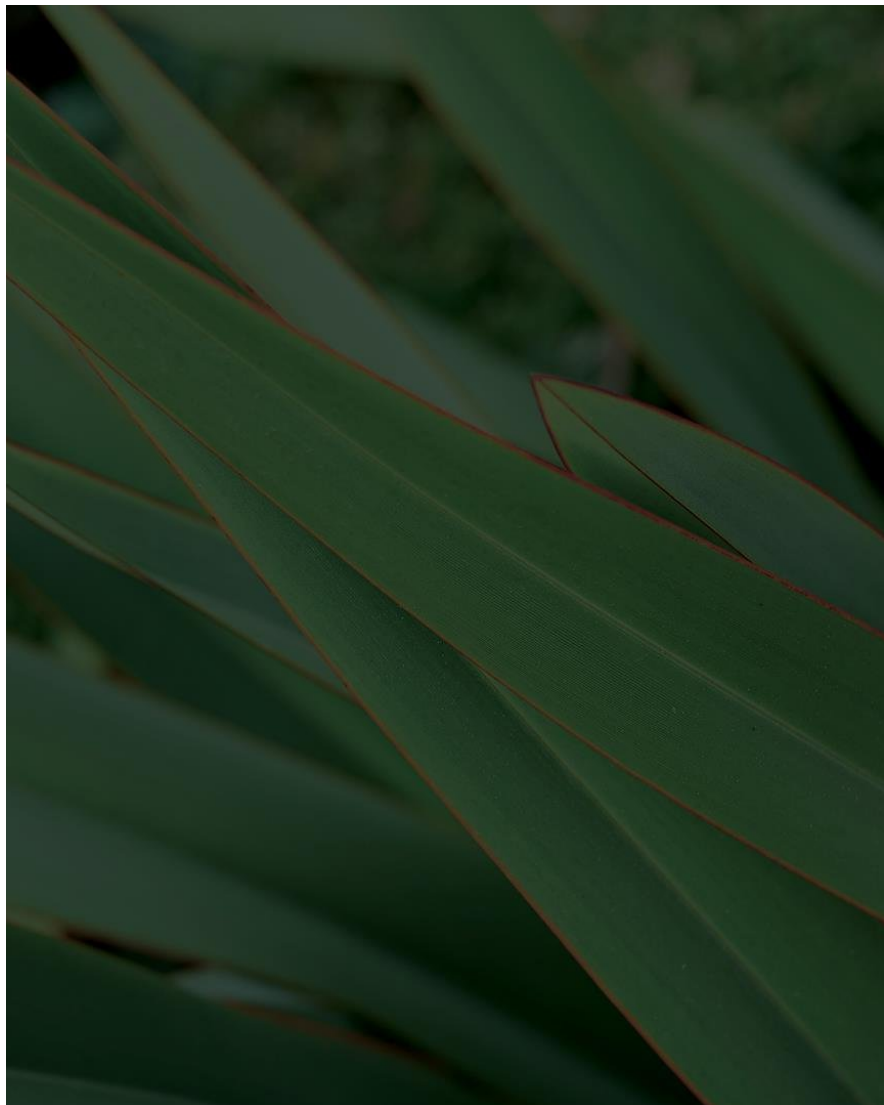
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Recommendations

Recommendations





Overview



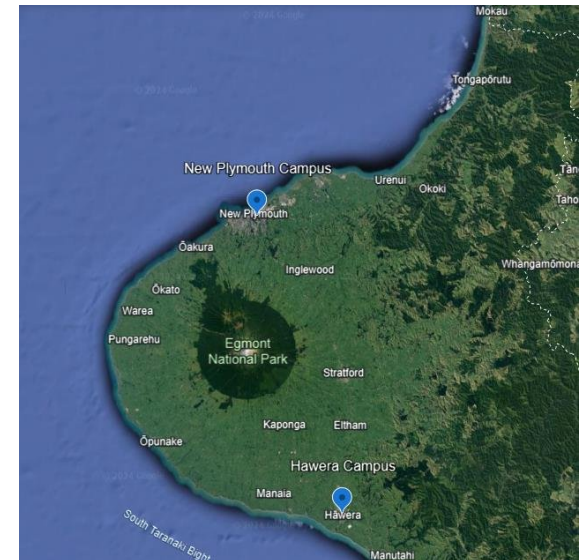
Overview

WITT

- WITT have two main physical delivery sites (New Plymouth and Hawera) within the Taranaki region.
- The Taranaki region's population is approximately 125,000 and makes a disproportionately high contribution to the NZ GDP.
- RSLG 2022 and 2023 analyses highlights focus areas, particularly in: Energy, Food Fibre and Whenua, Kaiāwhina Health, and Hauora and Wellbeing in Construction.

Analysis

- Using Tribal data and cost-to-serve data within Rohe 3, the analysis has compared WITT to its peers under a National and Regional lens and has compared the campuses and disciplines/domains within WITT against one another.



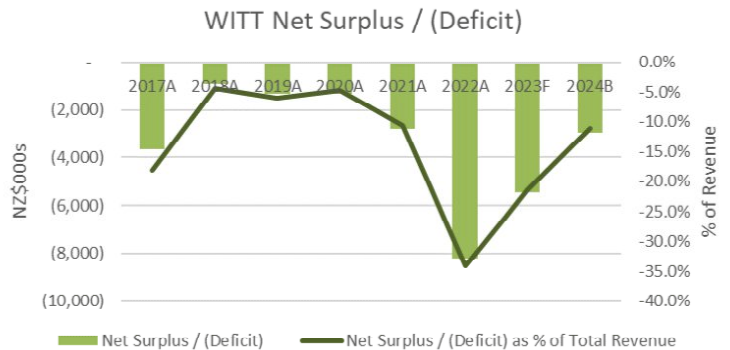
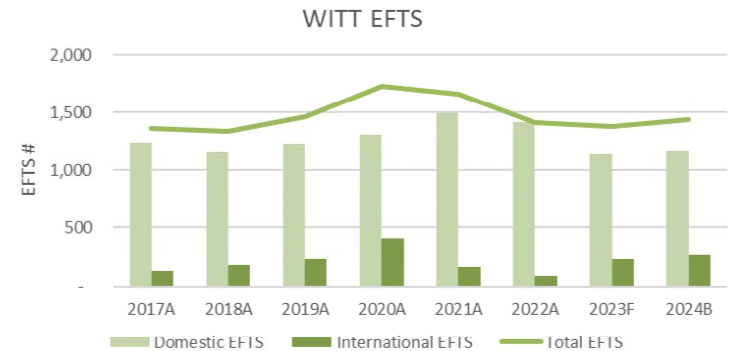
Historical View

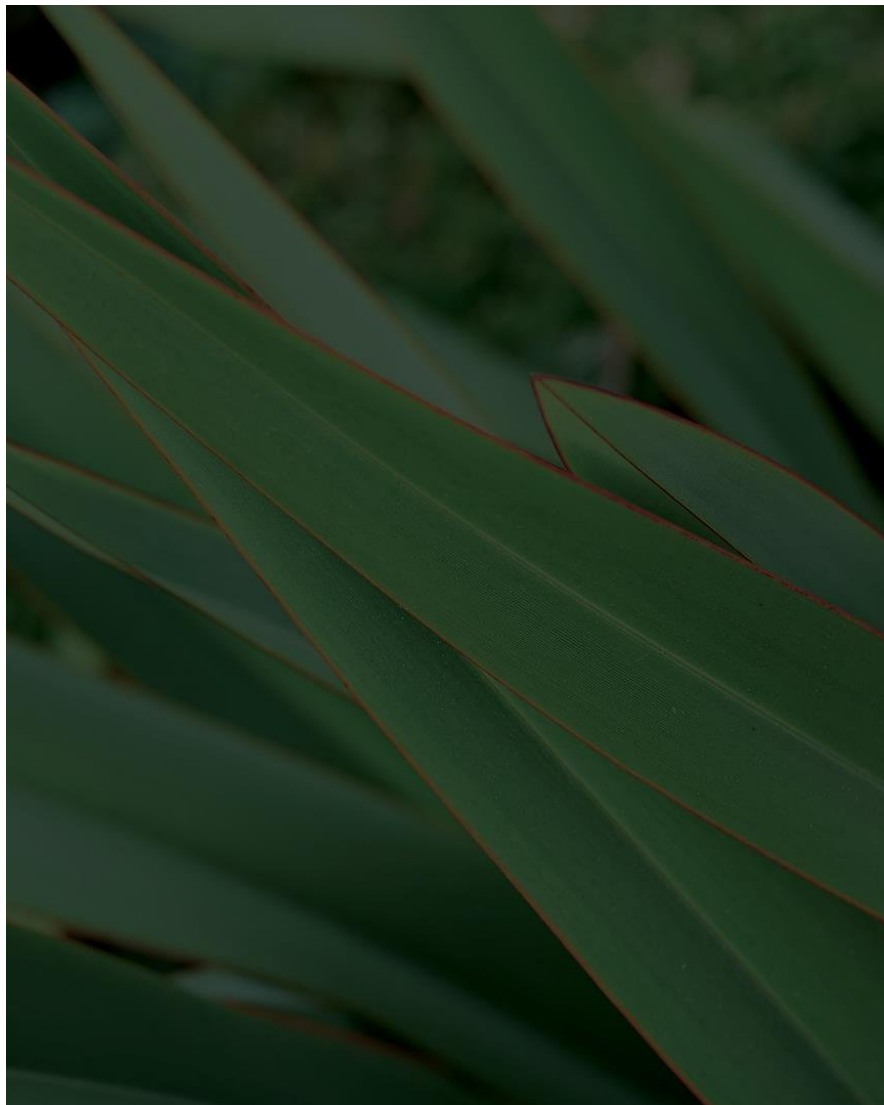
EFTS

- Over the period 2019 to 2024, total EFTS have remained about the same (1,463). Domestic EFTS saw a reduction of 5%, while international EFTS have increased by 14%.
- The average drop in total EFTS for former ITPs across this period was 18%; with the drop in domestic EFTS being 12% and a drop in international EFTS being 49%. By comparison, WITT has fared comparatively well on both fronts, with its increase in international EFTS being a standout performer within the sector; only WITT and Open Poly (30% increase) saw international EFTS increases over this period.

Net Surplus/Deficit

- WITT's net deficit increased from \$1.3m in 2019 to \$3.0m budgeted in 2024.
- An assessment of WITT's net deficit as a proportion of its total revenue has seen a decline by 5.1 percentage points from -6.0% in 2019 to -11.1% in 2024 (budgeted). A comparison of this same measure against the former ITP's average shows a decline of 8.4 percentage points from -4.6% in 2019 to -13.0% in 2024 (budgeted). Therefore, WITT's current financial performance, compared to other former ITP's is relatively good.





National View



National comparison of ITP expenses

Using Tribal data, components of expenditure have been analysed. Unless otherwise noted, data is from the 2022 year.

Student Numbers (EFTS)

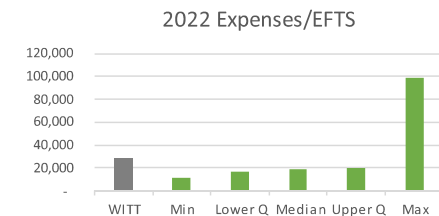
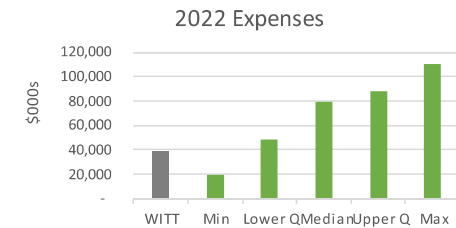
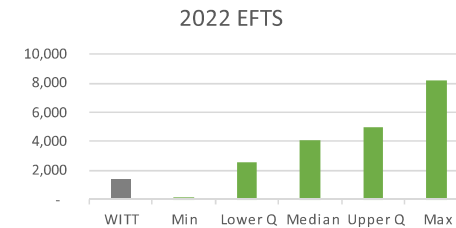
- WITT had 1,417 EFTS for the 2022 year. This sits beneath the lower quartile (2,558) and the median (4,103) against the other ITPs.

Expenses

- WITT 2022 expenses were \$39.4m. This is beneath the lower quartile for former ITPs (\$48.2m) and the group median of \$79.9m.

Expenses per EFTS

- Comparison of expenses per EFTS shows that WITT is an underperformer in the sector. WITT has an expense per EFTS (\$27,808/EFTS) with the upper quartile being \$19,757/EFTS and the median of the group being \$18,657/EFTS. Excluding Tai Poutini (\$99,176/EFTS), WITT is the worst performer of all the former ITP's.



Expense categories

The Tribal data shows how WITT performs compared to the other ITPs across nine different expense categories. For each expense category, costs have been measured against the ITP's total income to give a relative measure.

Performance can be classified into three categories:

1. **Disproportionately low-cost:** Where proportional costs are below the lower quartile of the group.
2. **Proportionate cost:** Where proportional costs are between the lower and upper quartile of the group.
3. **Disproportionately high-cost:** Where proportional costs are above the upper quartile for the group.

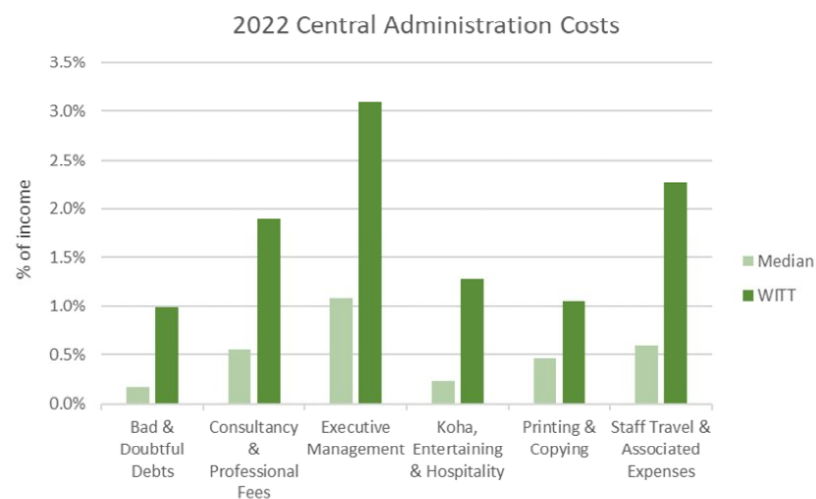
Income Category	WITT	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Performance
Central Administration	20.4%	11.4%	12.0%	15.4%	17.4%	51.8%	Disproportionately high-cost
Depreciation and Facilities Leases	10.1%	10.1%	13.0%	16.6%	18.4%	24.1%	Disproportionately low-cost
Facilities	10.9%	3.0%	8.0%	8.8%	11.5%	17.1%	Proportionate cost
IT Support	7.5%	6.2%	7.3%	8.5%	9.0%	13.9%	Proportionate cost
Library / LRC Services	1.6%	0.0%	1.5%	1.8%	2.2%	3.0%	Proportionate cost
Marketing / Business Development	53.0%	4.5%	6.1%	10.0%	18.0%	168.0%	Disproportionately high-cost
Student Administration	2.8%	1.9%	2.9%	3.6%	4.3%	7.4%	Disproportionately low-cost
Student Services	6.4%	1.5%	2.6%	3.1%	3.6%	6.4%	Disproportionately high-cost
Teaching & Research	60.2%	38.0%	51.2%	58.2%	61.0%	72.4%	Proportionate cost

Poor Central Administration performance

WITT have the third highest Central Administration costs, behind TPP and Northtec, within the sector

- Within Central Administration costs, WITT have six cost types that are significantly higher than sector averages:
 - Executive Management costs were 2.0% of income more than the sector median.
 - Staff Travel & Associated Expenses were 1.7% of income more than the sector median.
 - Consulting & Professional Fees were 1.3% of income more than the sector median.
 - Koha, Entertaining & Hospitality were 1.0% of income more than the sector median.
 - Bad & Doubtful Debts were 0.8% of income more than the sector median.
 - Printing & Copying were 0.6% of income more than the sector median.

Note that the Interim Leadership Structure for 2024 is likely to impact these costs further.



High Property & Student Services costs

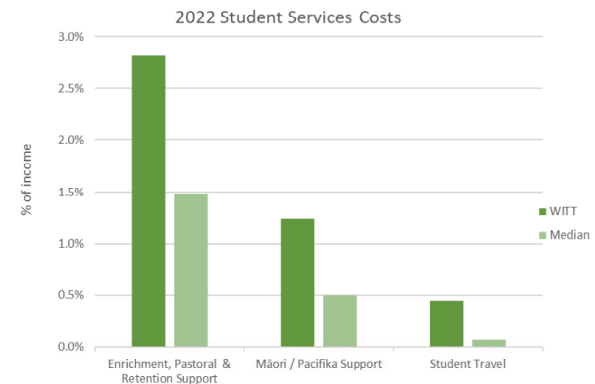
WITT is an underperformer for Facility Operation Costs within the sector

- Within Facility Operation costs, WITT have two cost types that are significantly higher than sector averages:
 - Repairs & Maintenance costs were 1.6% of income more than the sector median. WITT has the third highest cost to percentage of income within the sector (behind SIT and Toi Ohomai).
 - Short Term Space Hire costs were 0.9% of income more than the sector median. WITT has the second highest cost to percentage of income within the sector (behind Tai Poutini)



WITT has a disproportionately high expenditure on Student services

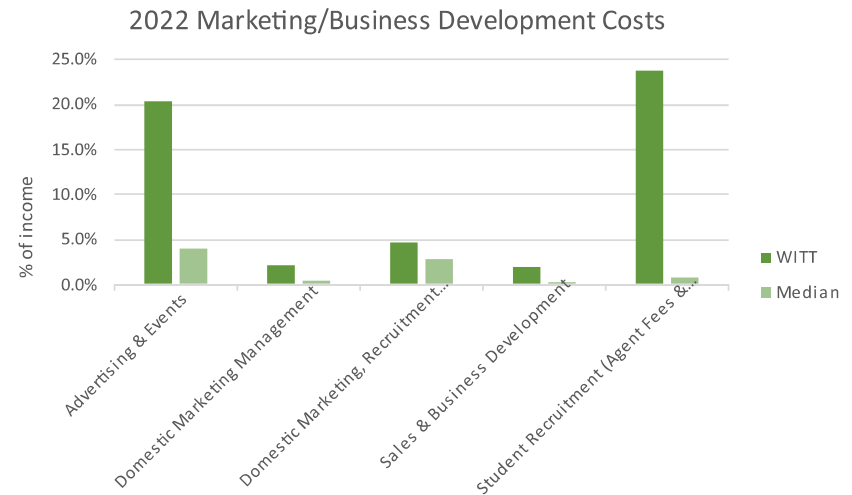
- Within Facility Operation costs, WITT have three cost types that are significantly higher than sector averages:
 - Enrichment, Pastoral & Retention Support costs were 1.3% of income more than the sector median.
 - Maori/Pasifika Support costs were 0.7% of income more than the sector median.
 - Student Travel costs were 0.9% of income more than the sector median.

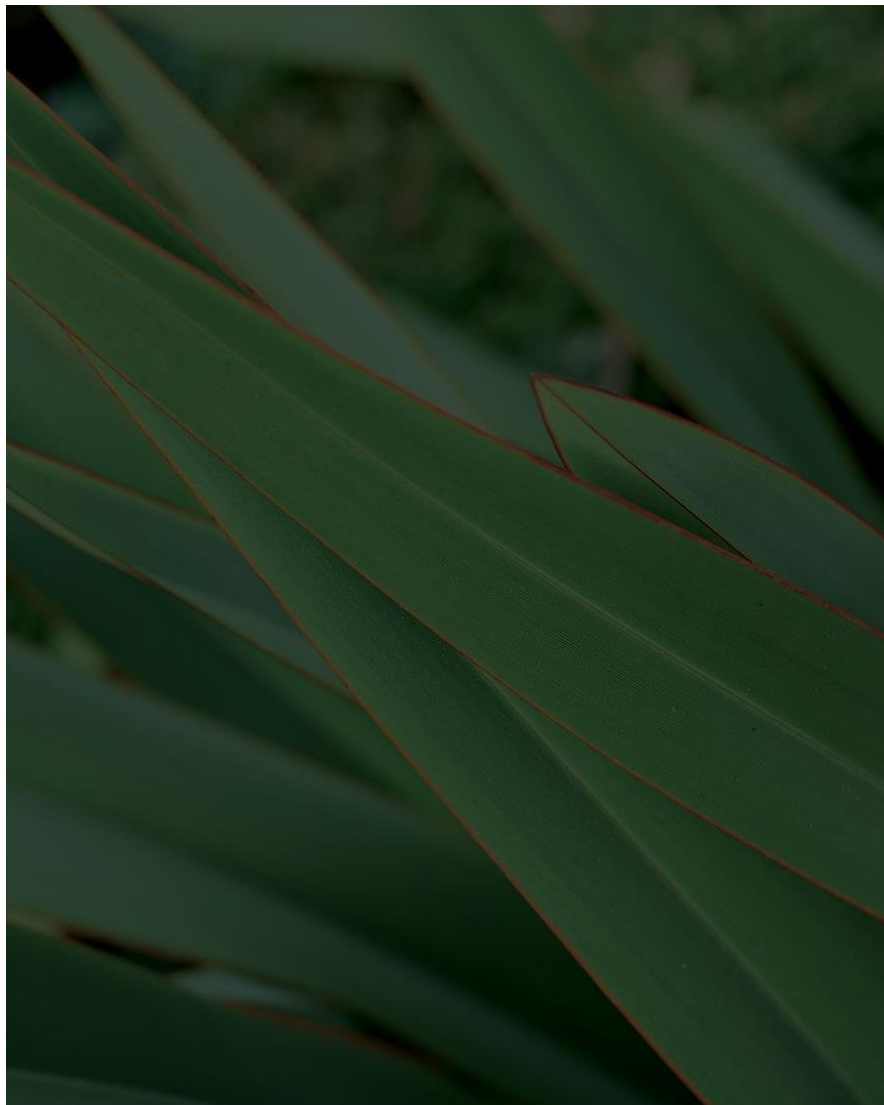


High Marketing/Business Development costs

WITT have the second highest Marketing/Business Development costs, behind TPP, within the sector

- Within Facility Operation costs, WITT have five cost types that are significantly higher than sector averages:
 - Advertising & Events costs were 16.3% of income more than the sector median, second only to Tai Poutini.
 - Student Recruitment (Agent Fees & Commission) costs were also 23.0% of income more than the sector median, the highest of all former ITP's.
 - Domestic Marketing Management costs were 1.6% of income more than the sector median.
 - Domestic Marketing, Recruitment & Communications costs were 1.8% of income more than the sector median.
 - Sales & Business Development costs were 1.6% of income more than the sector median.

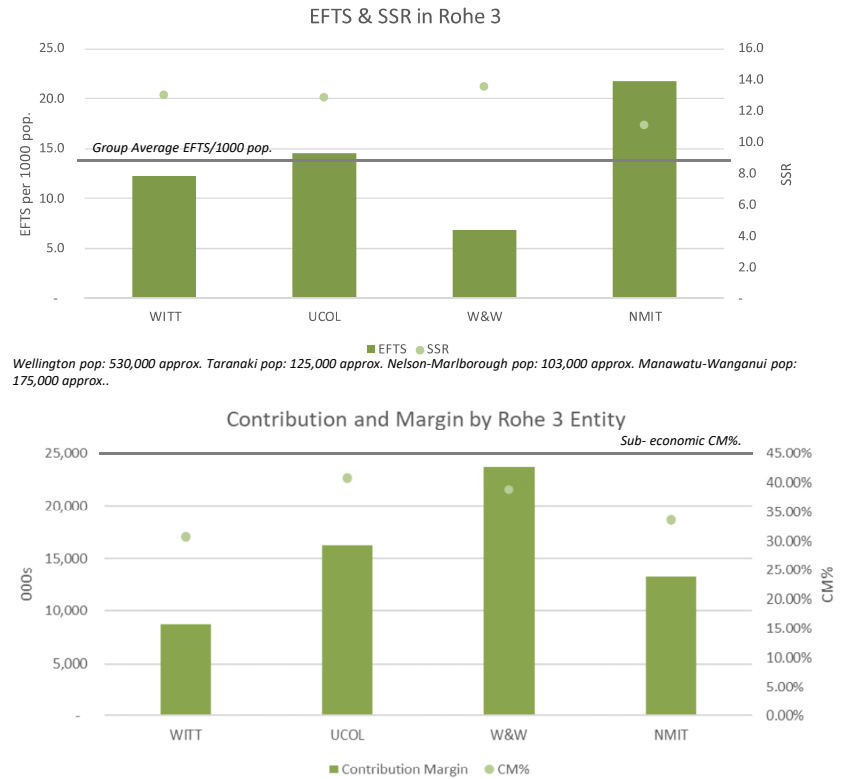




Regional View

Regional comparison

- In the 2024 budget, WITT has the lowest EFTS numbers in Rohe 3 (1,533) and a student-staff ratio (SSR) of 13.1 (above the average of 12.7 for the Rohe 3 business divisions).
- Considering a view on EFTS per 1000 people (population) for the primary region each entity operates in shows that WITT is below the Rohe 3 average. WITT has an EFTS/1000 pop. of 12.3 compared to the group average of 13.9 across all entities in Rohe 3.
- The average contribution margin between former ITP business divisions in Rohe 3 is 36%. WITT has the lowest CM% of all Rohe 3 business divisions (30.7%). However, all four business divisions could be deemed sub-economic (<45% CM%).



Domain EFTS comparison

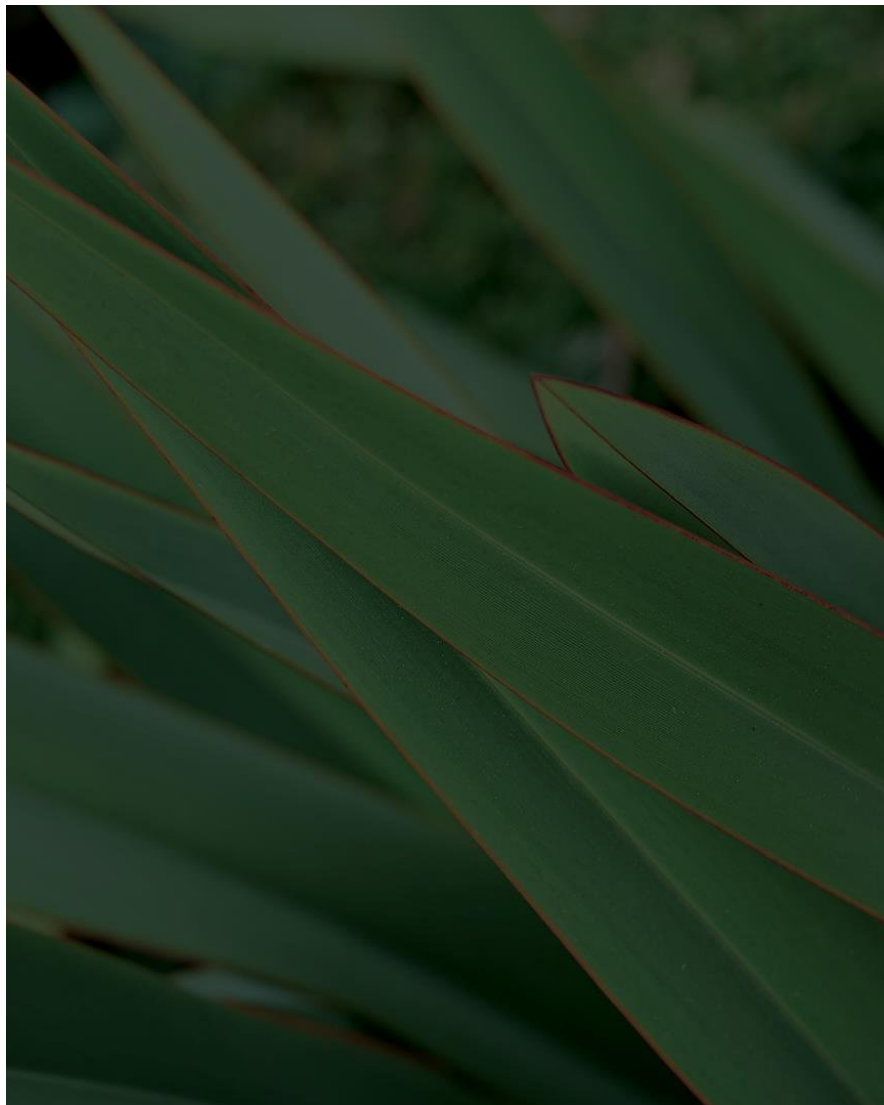
- Of the 21 domains across Rohe 3 entities, WITT share 19 domains between WandW, NMIT and UCOL.

- [Redacted]

[Redacted]

Domains	WandW	UCOL	NMIT	WITT
Hospitality & Tourism	X	X	X	X
Hairdressing & Beauty	X	X	X	X
Arts, Design and Media	X	X	X	X
Construction Trades	X	X	X	X
Mātauranga Māori	X	X	X	X
ICT	X	X	X	X
Engineering & Logistics	X	X	X	X
Animal	X	X	X	X
Construction Services	X	X		X
Services	X	X	X	X
Kaiwhina and Health	X	X		X
Foundations	X	X	X	X
Nursing	X	X	X	X
Pathways	X	X	X	X
Regulated Health Professions, Social Services	X	X	X	
Infrastructure		X		X
Manufacturing				X
Plant			X	X
Sports & Recreation		X	X	X
Education/ITE		X	X	X
Food Processing			X	



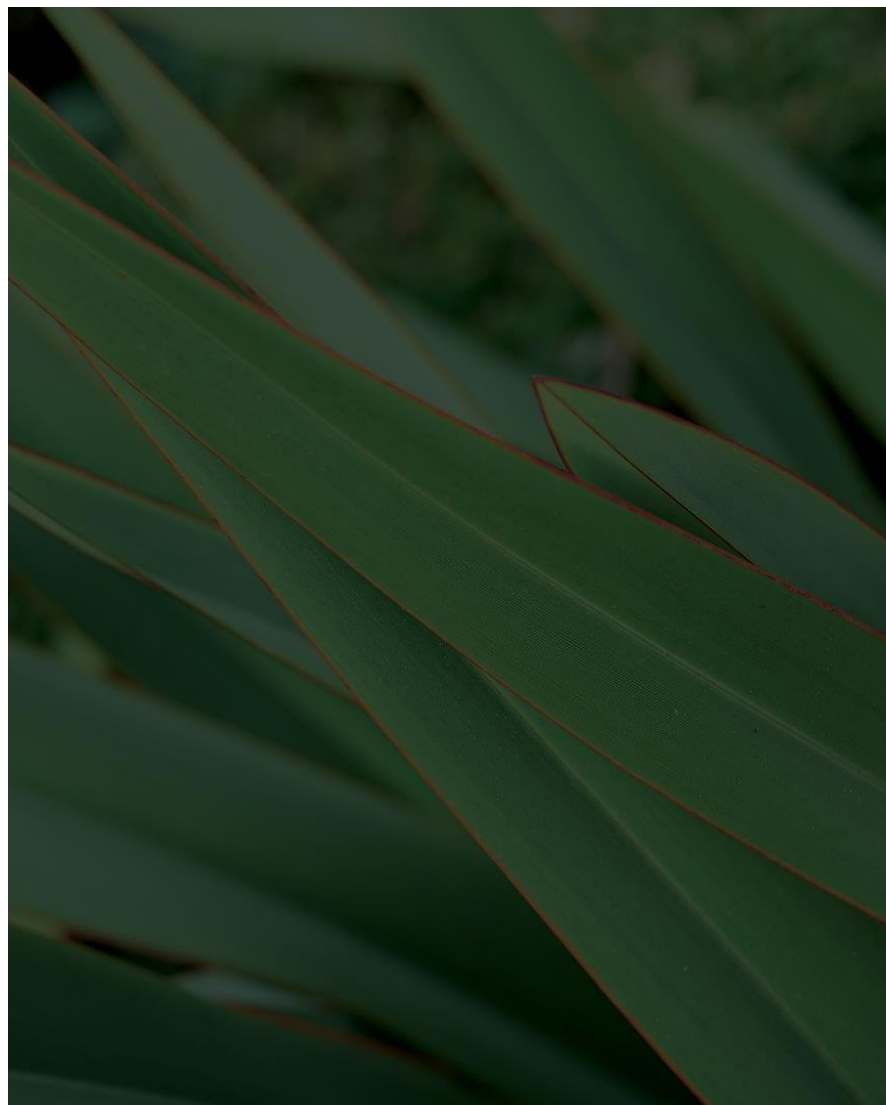


Local View

A Location Lens







Programme Analysis

Low performing programmes

- The following pages highlight those programmes which were budgeted to deliver a sub-economic contribution margin.
- The YTD enrolments as at early February have been overlaid to provide a view of demand for the programmes.
- This highlights a number of programmes which require decisions around whether the programme is run at one or more locations.
- The programmes have been divided by the schools with the business divisions with the School of Foundations and Pathways having most of the programmes in question.
- Please note that underperforming programmes are being managed by Olivia Hall with a number of courses/programmes not progressing due to low numbers. Hawera campus will not be utilised based on learner demand in 2024. Note that semester 1 is now underway, changes for semester 2 now becomes the focus, along with managing FTEs not with full teaching load as a result of semester 1 decisions.

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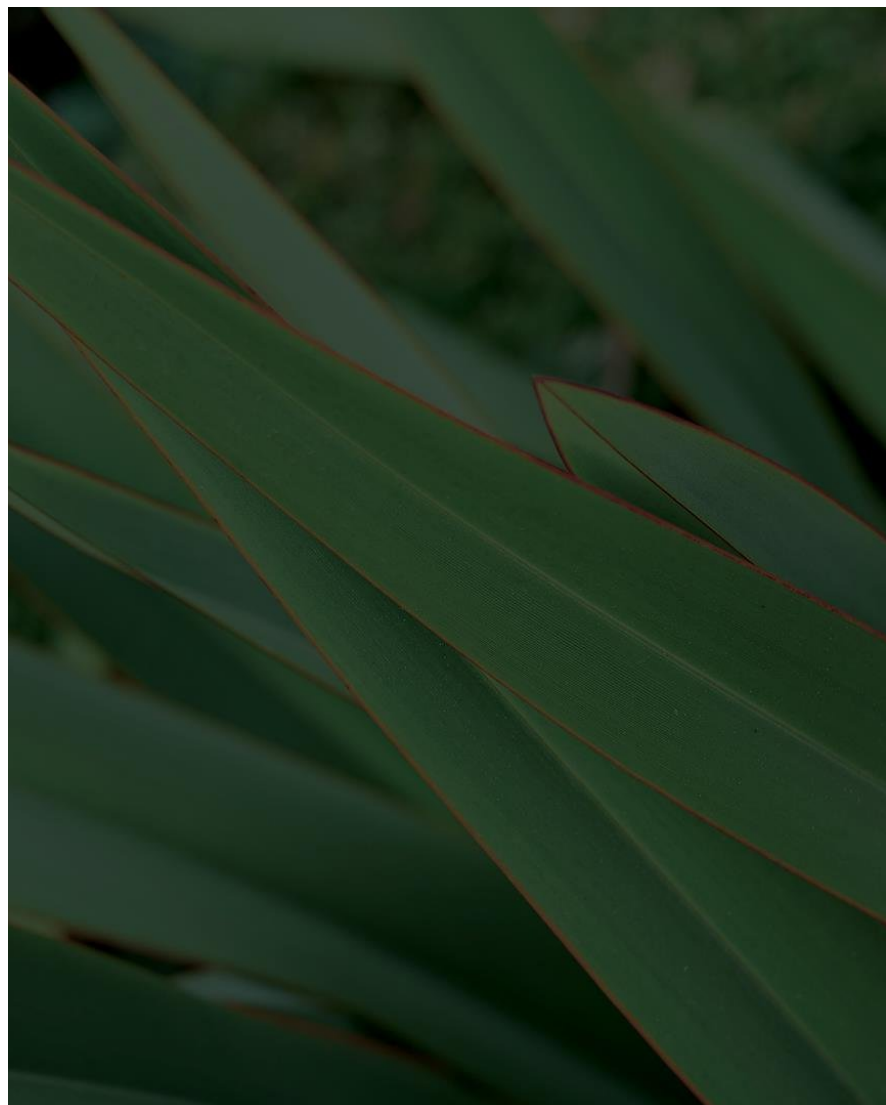
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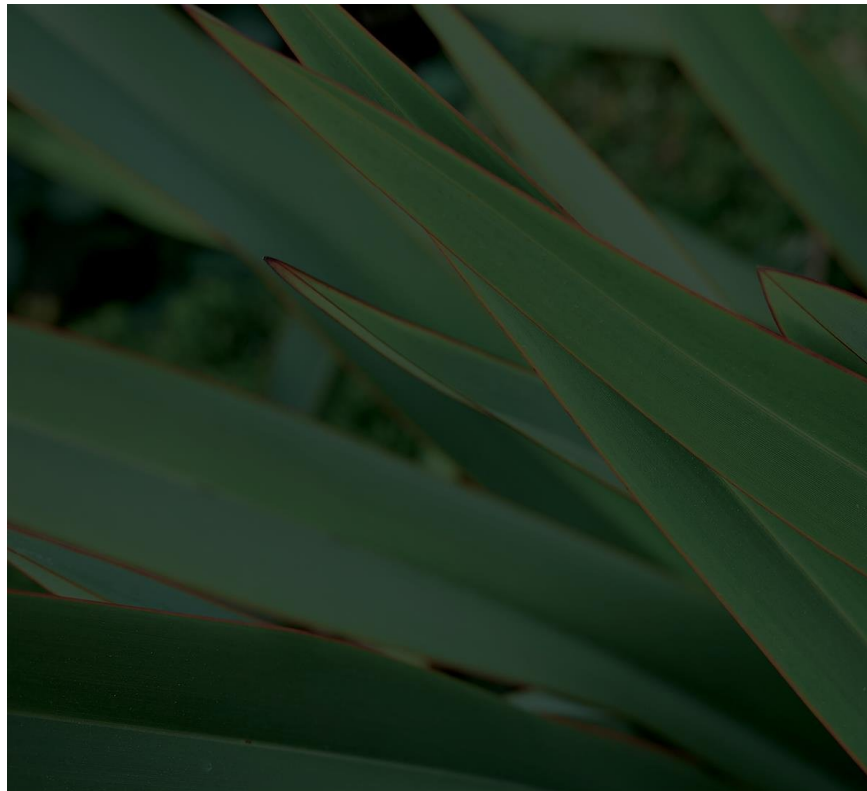




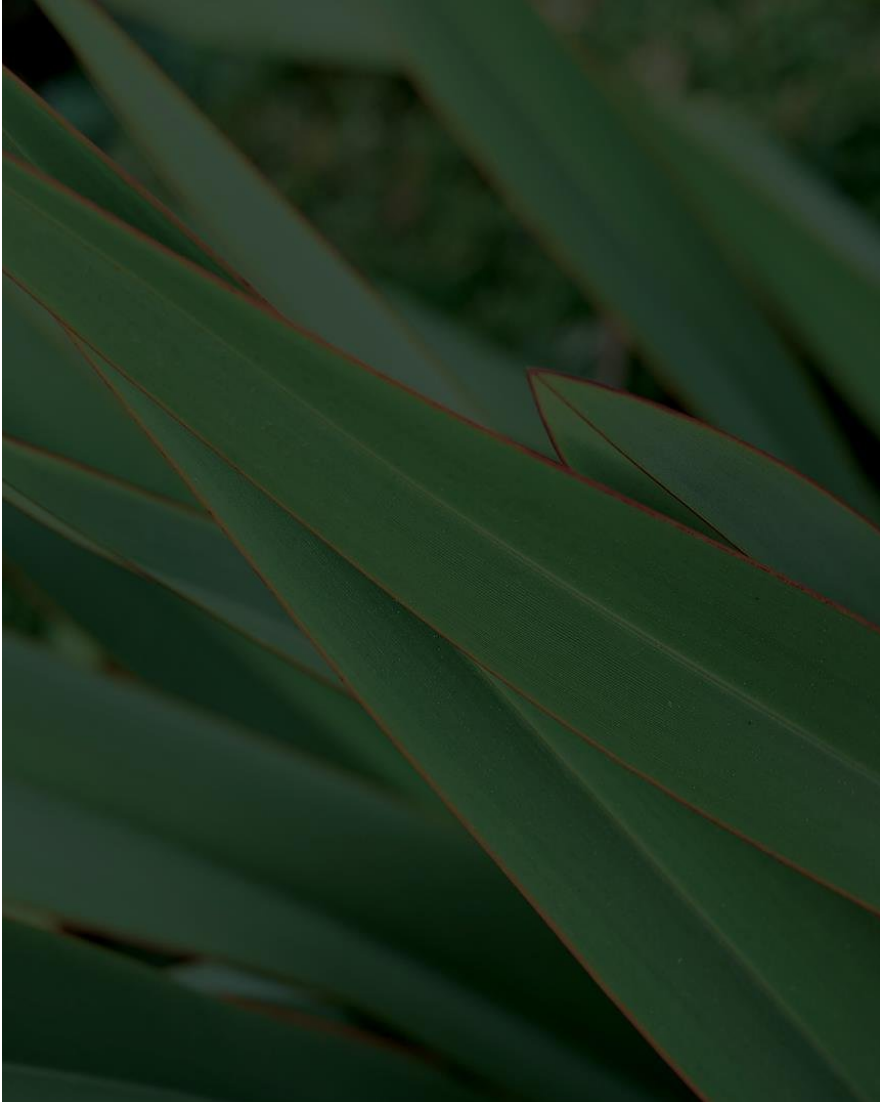
DRAFT MIT 2024 Budget Analysis March 2024



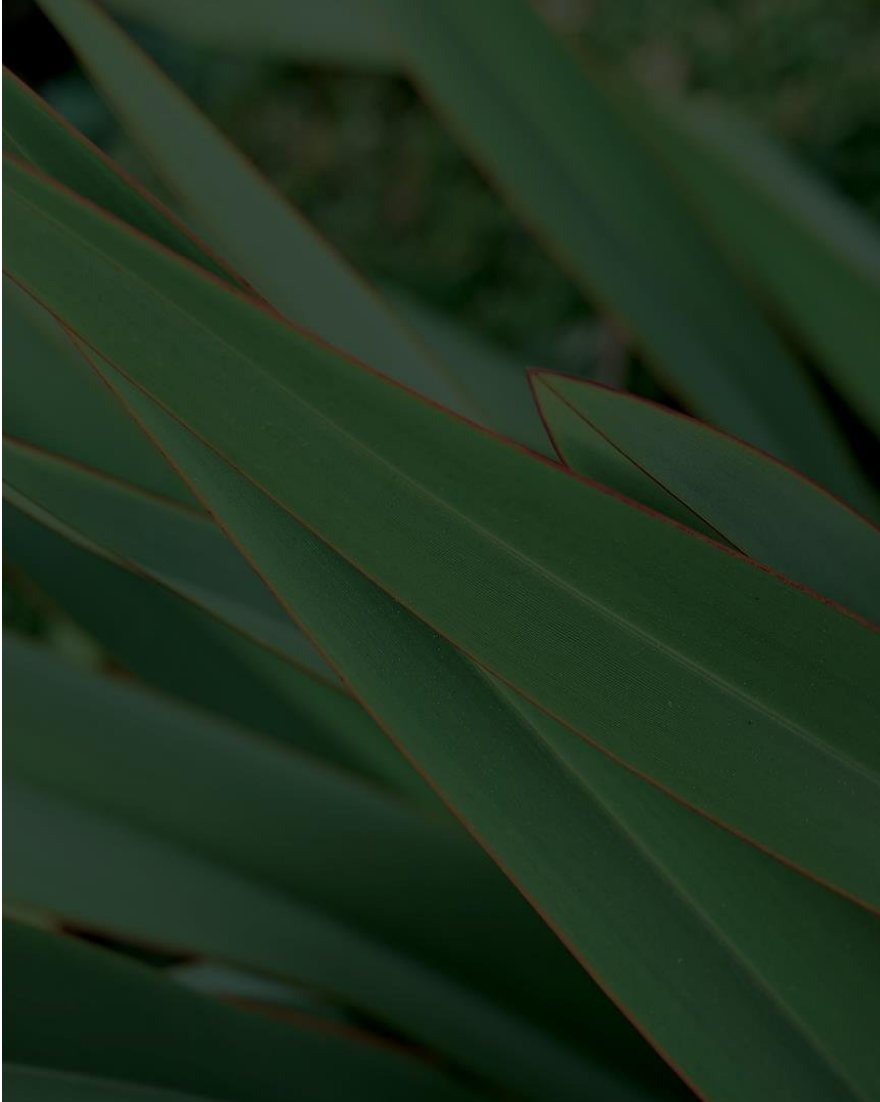
Te rārangi kaupapa | Agenda



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Recommendations



Overview



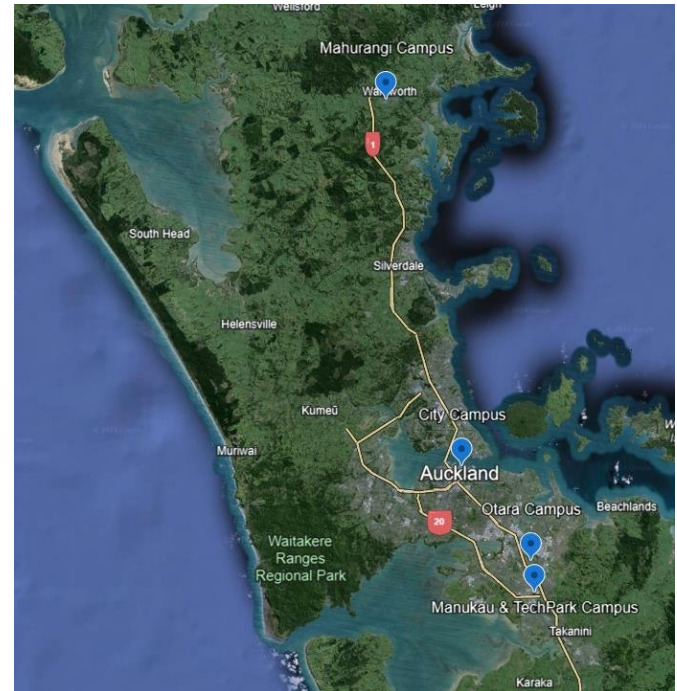
Overview

MIT

- MIT have five main physical delivery sites (Otarā, Manukau, TechPark, City, and Mahurangi) within the Auckland region. The City Campus is the New Zealand Maritime School.
- The Auckland region's population is approximately 1.69m and makes a disproportionately high contribution to the NZ GDP.
- RSLG 2022 and 2023 analyses highlights priority growth, particularly in: Construction & Infrastructure, Community Health, education and social services, Services, Primary Industries, Screen & Creative Industries, and Manufacturing, Engineering Logistics and Transport.

Analysis

- Using Tribal data and cost-to-serve data within Rohe 1, the analysis has compared MIT to its peers under a National and regional lens and has compared the campuses and disciplines/domains within MIT against one another. A comparison of YTD enrolments and budget EFTS has been provided as part of the programme analysis.



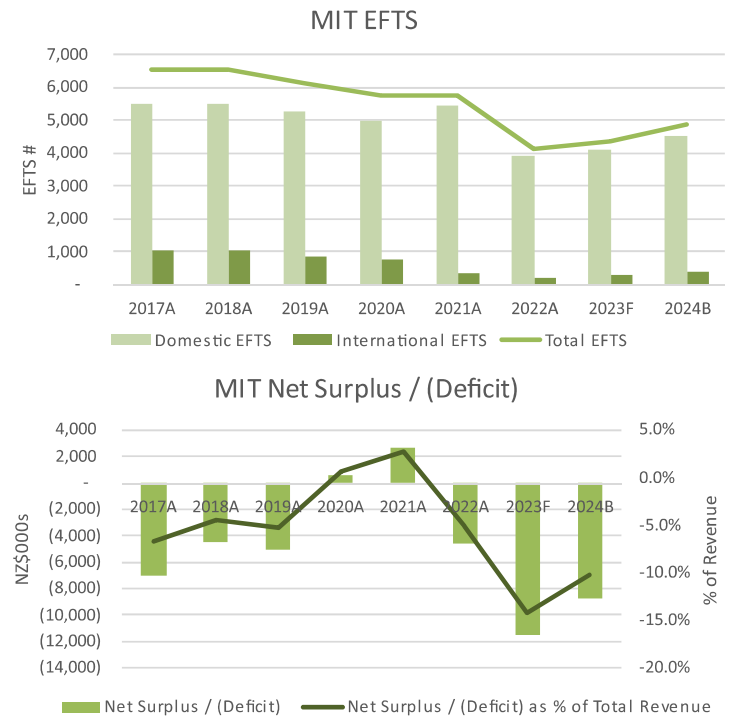
Historical View

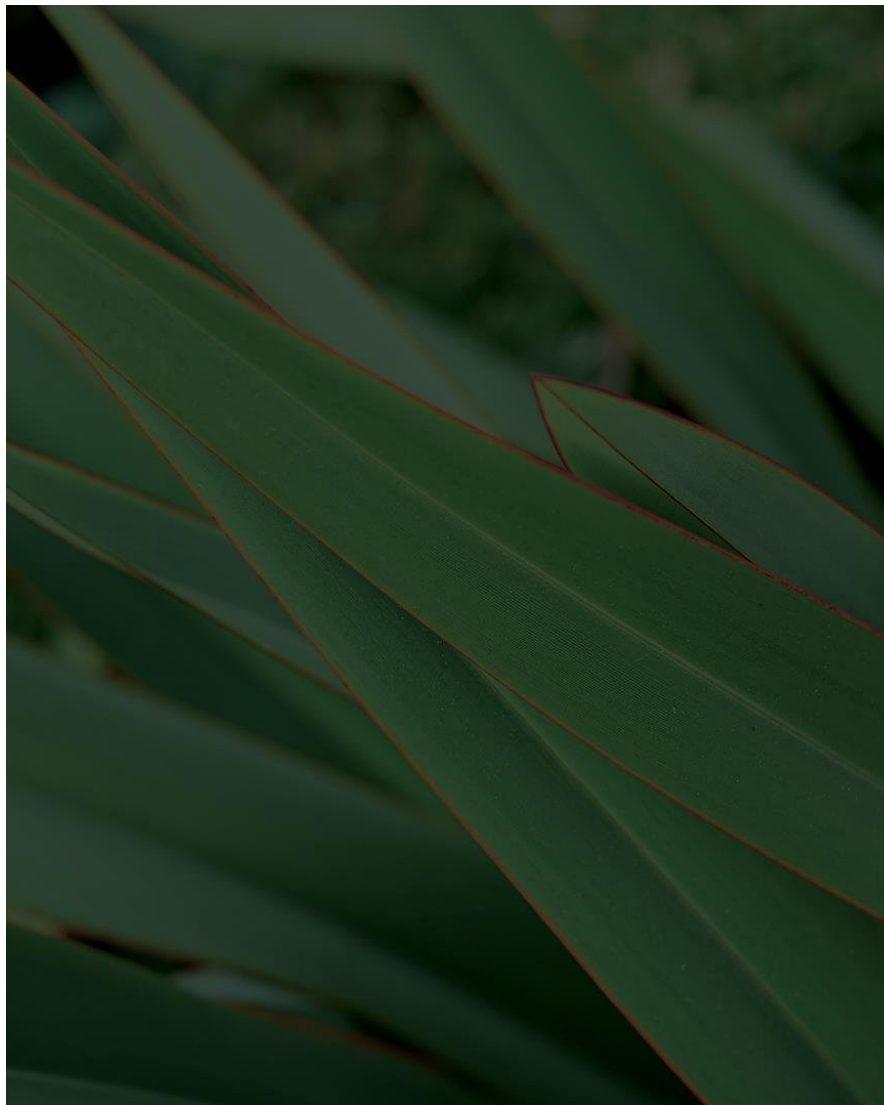
EFTS

- Over the period 2019 to 2024, total EFTS have decreased by 1,236 (20%). Domestic EFTS saw a reduction of 15%, while international EFTS have dropped by 55%. The international EFTS decrease has been driven by COVID-19 related border closures and government immigration policy changes.
- The average drop in total EFTS for former ITPs across this period was 18%; with the drop in domestic EFTS being 12% and a drop in international EFTS being 49%. By comparison, MIT has performed poorly across both domestic and international student retention fronts.

Net Surplus/Deficit

- MIT's net deficit increased from \$5.0m in 2019 to \$8.7m in 2024. While all former ITPs have a net deficit budgeted for 2024, the MIT net deficit increase is less than the former ITP average over the same period.
- A quick glance at MIT's net deficit as a proportion of its total revenue has seen a decline by 4.9 percentage points from -5.3% in 2019 to -10.2% in 2024 (budgeted). A comparison of this same measure against the former ITP's average shows a decline of 8.4 percentage points from -4.6% in 2019 to -13.0% in 2024 (budgeted). Therefore, MIT's current financial performance, compared to other former ITP's is relatively better.





National View



National comparison of ITP expenses

Using Tribal data, components of expenditure have been analysed. Unless otherwise noted, data is from the 2022 year.

Student Numbers (EFTS)

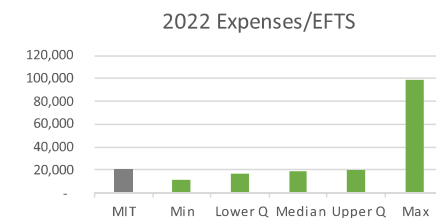
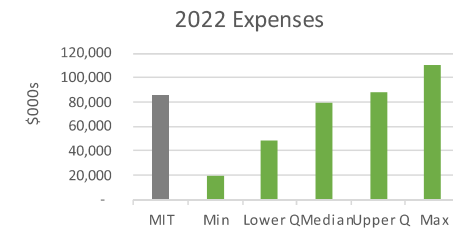
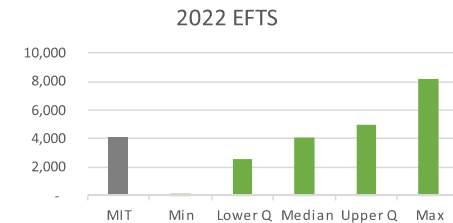
- MIT had 4,103 EFTS for the 2022 year. This represents the group median considering other ITPs.

Expenses

- MIT 2022 expenses were \$85.5m. This is close to the upper quartile for former ITPs (\$88.2m), with the group median of \$79.9m.

Expenses per EFTS

- Comparison of expenses per EFTS shows that MIT is an underperformer in the sector. MIT has an expense per EFTS (\$20,845/EFTS) with the upper quartile being \$19,757/EFTS and the median of the group being \$18,657/EFTS. This represents the third-highest cost to serve per EFTS behind WITT (\$27,808/EFTS) and TPP (\$99,176).



Expense categories

The Tribal data shows how MIT performs compared to the other ITPs across nine different expense categories. For each expense category, costs have been measured against the ITP's total income to give a relative measure.

Performance can be classified into three categories:

1. **Disproportionately low-cost:** Where proportional costs are below the lower quartile of the group.
2. **Proportionate cost:** Where proportional costs are between the lower and upper quartile of the group.
3. **Disproportionately high-cost:** Where proportional costs are above the upper quartile for the group.

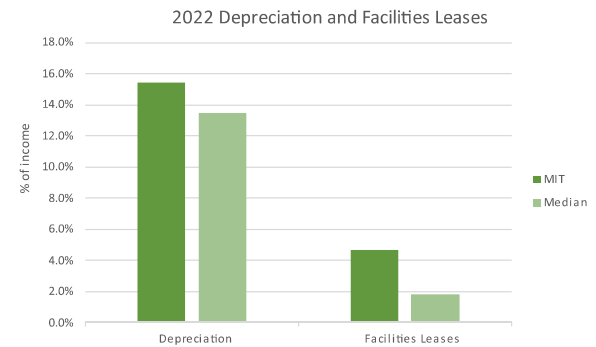
Income Category	MIT	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Performance
Central Administration	11.4%	11.4%	12.0%	15.4%	17.4%	51.8%	Disproportionately low-cost
Depreciation and Facilities Leases	20.1%	10.1%	13.0%	16.6%	18.4%	24.1%	Disproportionately high-cost
Facilities	8.1%	3.0%	8.0%	8.8%	11.5%	17.1%	Proportionate cost
IT Support	7.2%	6.2%	7.3%	8.5%	9.0%	13.9%	Disproportionately low-cost
Library / LRC Services	1.8%	0.0%	1.5%	1.8%	2.2%	3.0%	Proportionate cost
Marketing / Business Development	5.8%	4.5%	6.1%	10.0%	18.0%	168.0%	Disproportionately low-cost
Student Administration	4.0%	1.9%	2.9%	3.6%	4.3%	7.4%	Proportionate cost
Student Services	3.4%	1.5%	2.6%	3.1%	3.6%	6.4%	Proportionate cost
Teaching & Research	46.0%	38.0%	51.2%	58.2%	61.0%	72.4%	Disproportionately low-cost

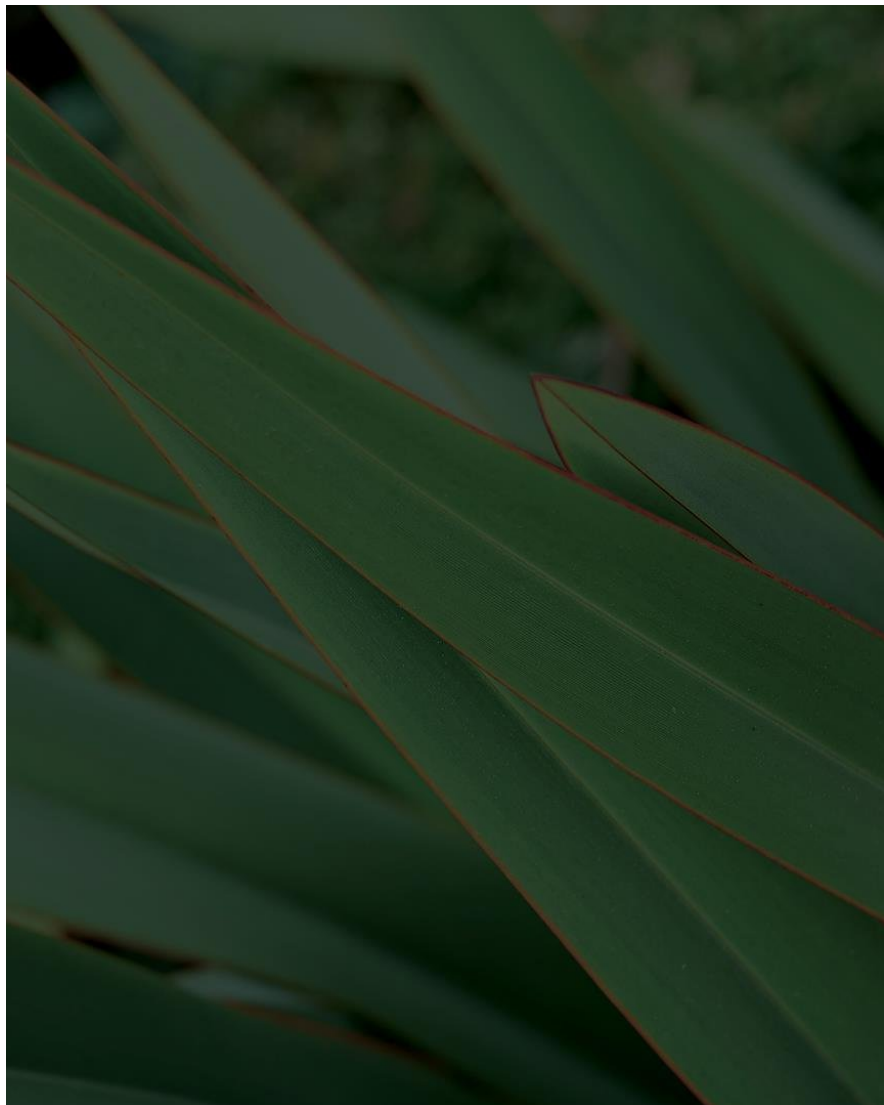
High Depreciation and Facilities Lease Costs

MIT has disproportionately high Depreciation and Facilities Lease costs

- MIT's Depreciation expenses were 2.0% of income more than the sector median.
- MIT's Facilities Lease costs were 2.8% of income more than the sector median.

MIT's breadth of campuses across the Auckland region likely play the largest part in explaining MIT's relatively high depreciation and facilities lease costs.

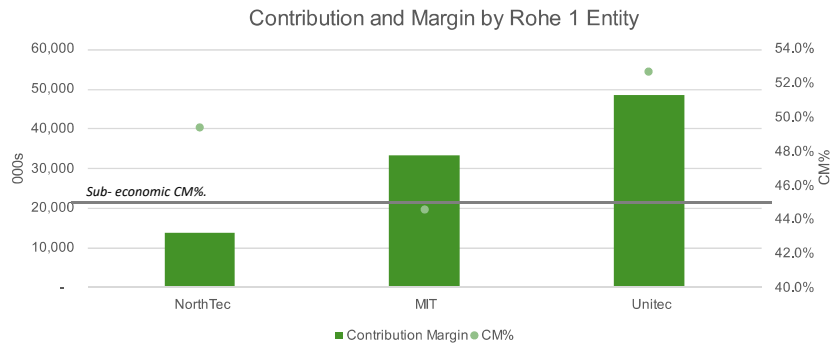
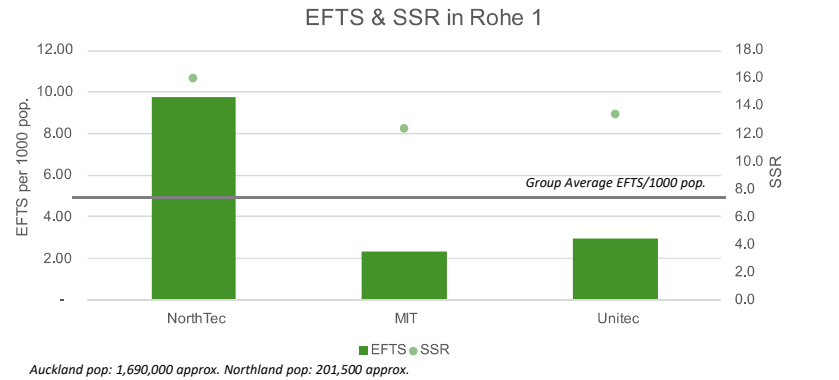


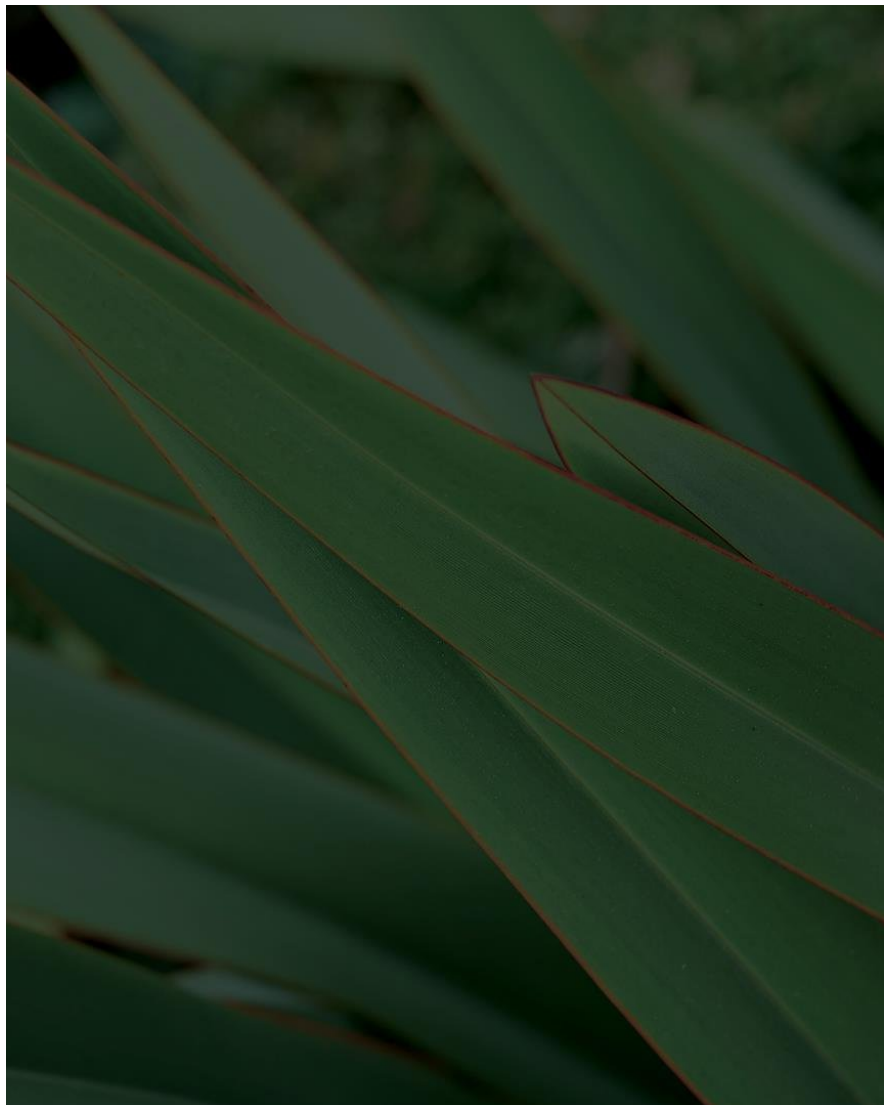


Regional View

Regional comparison

- In the 2024 budget, MIT has the second highest EFTS numbers in Rohe 1 (3,943) and a student-staff ratio (SSR) of 12.4 (below the average of 13.9 for the Rohe 1 business divisions).
- Considering a view on EFTS per 1000 people (population) for the primary region each entity operates in shows that MIT is below the Rohe 1 average. MIT has an EFTS/1000 pop. of 2.33 compared to the group average of 5.0 across all entities in Rohe 1. This average is largely undercut by Auckland’s disproportionately large population.
- The average contribution margin between former ITP business divisions in Rohe 1 is 48.9%. MIT has the lowest CM% of all Rohe 1 business divisions (44.6%) and is the only entity in Rohe 1 that could narrowly be deemed sub-economic (<45% CM). Both Unitec and NorthTec perform better than the average with a CM% of 52.7% and 49.4%, respectively.



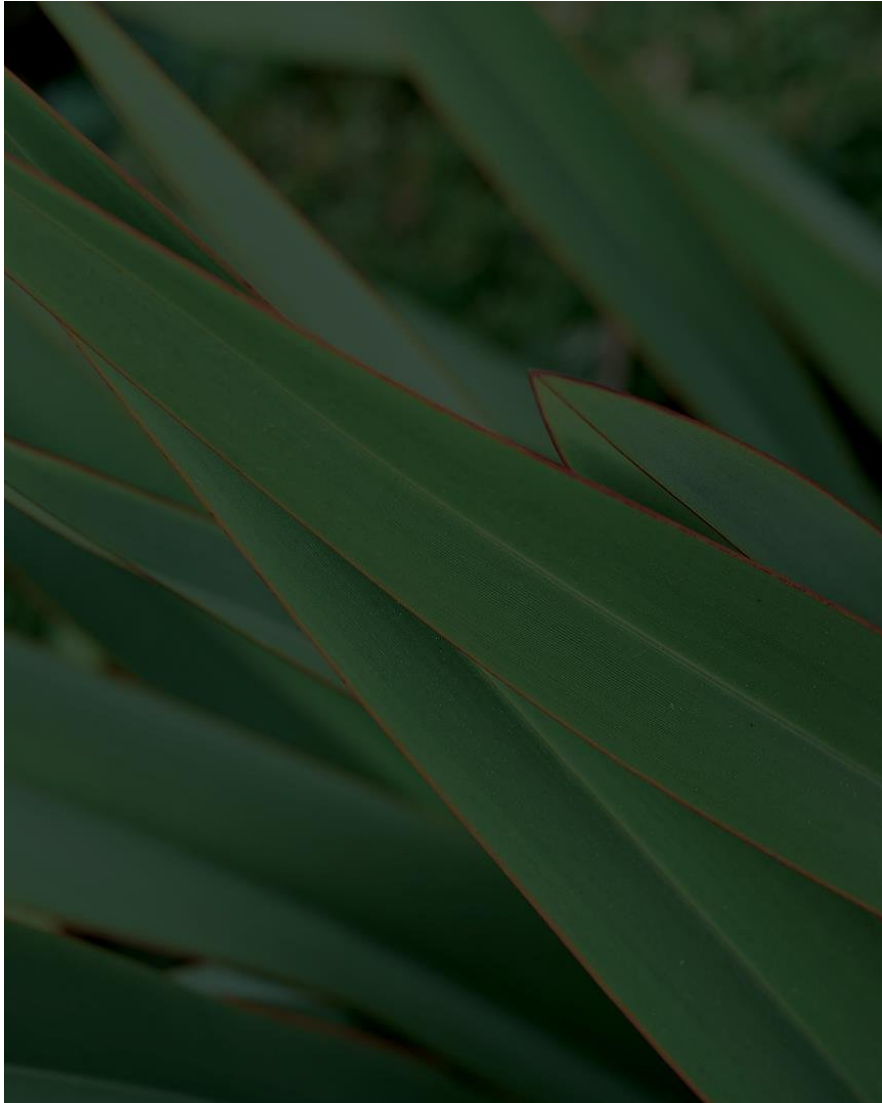


Local View

A Location Lens

- A look at MIT's budget, groups MIT's delivery into three main sites; Manukau Campus, Otara/City Campus, and the Tech Park Campus.





Programme Analysis

Low enrolment programmes

- The following pages highlight programmes budgeted to have EFTS in 2024 and compare YTD enrolments as at mid March.
- This highlights a number of programmes which require decisions around whether the programme is run at one or more locations.
- Due to data limitations, the contribution margin of each programme can not be used for comparison.

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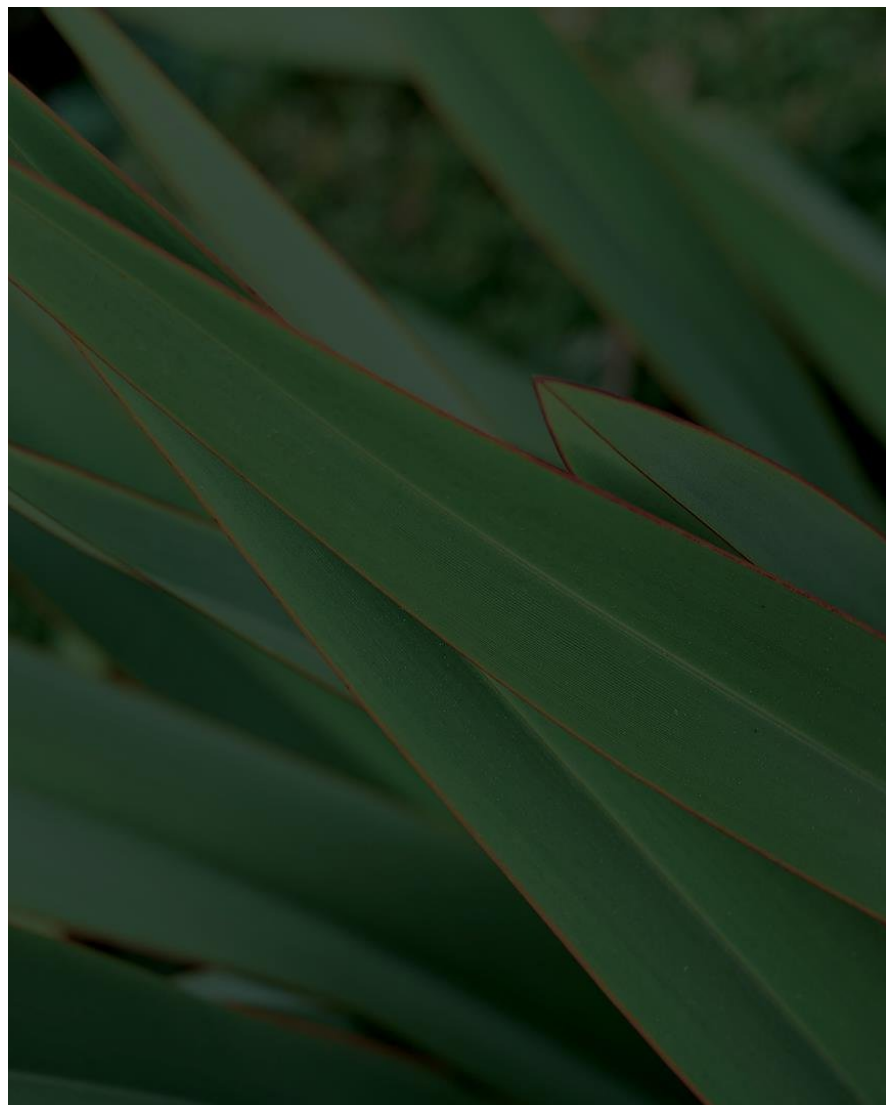
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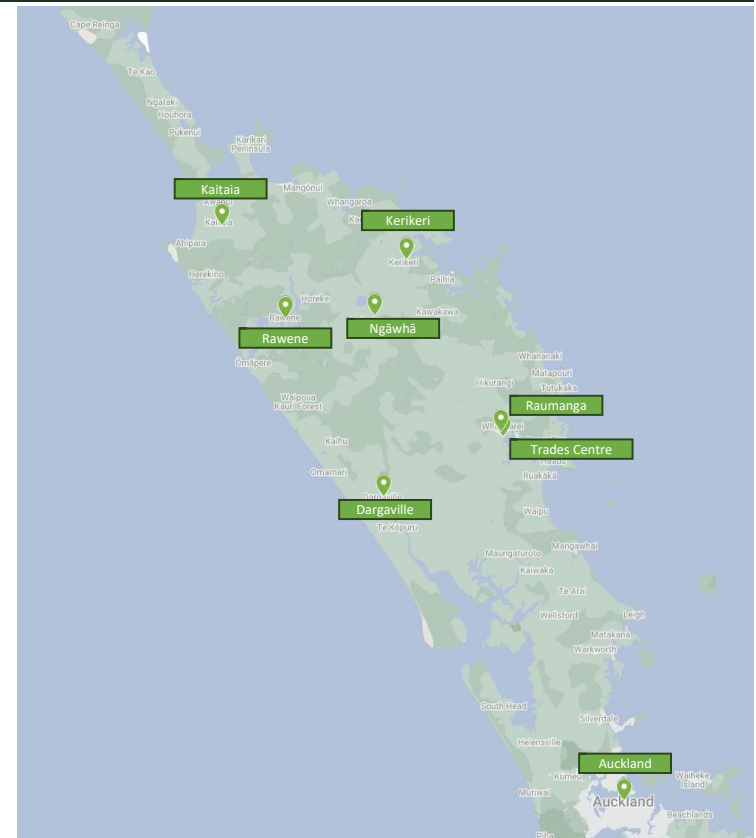


DRAFT NorthTec 2024 Budget Analysis



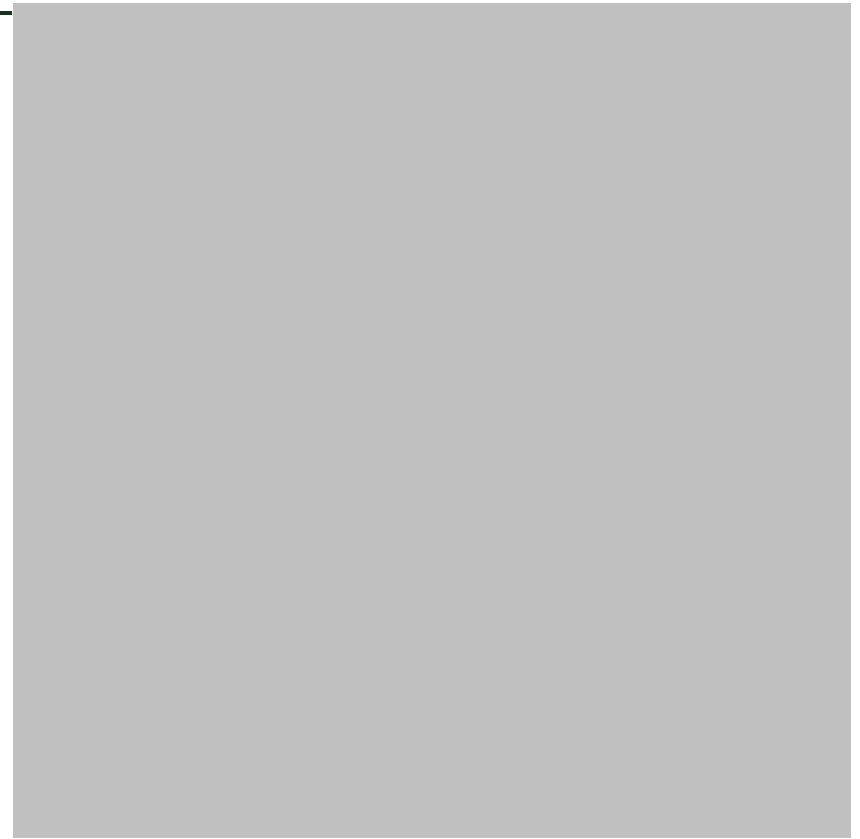
NorthTec overview

- NorthTec has eight physical delivery sites and four other delivery types (Mobile site, Other North Island [under review], Northland wide, Distance learning).
- Northland's population is approximately 200,000 and makes a disproportionately small contribution to the NZ GDP.
- Total NorthTec EFTS have decreased 29% from 2,746 in 2019 to 1,964 budgeted in 2024.
- RSLG 2022 analysis highlights growth, particularly in: Health, Construction and Technology, Primary Industries, and Mātauranga Māori.
- The initial draft analysis has focused on location-based programme contribution to identify areas for further review.



Location based analysis

- The budget includes 12 delivery sites.
- The scale and contribution by site differs widely across the region.



NorthTec - Kaitaia

- Kaitaia has a population of approximately 6,000.
- 111km (1hr 45 mins) to Ngawha.



NorthTec - Kerikeri

- Kerikeri has a population of approximately 8,000.
- 27km (27 mins) to Ngawha.
- [REDACTED]
- Delivery disciplines are Construction and Social Services. Delivery programmes are not offered at Ngawha.

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]



NorthTec - Rawene

- Rawene has a population of approximately 500.
- 46km (40 mins) to Ngawha.
- [REDACTED].
- The only delivery is in Toitu Te Reo.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



NorthTec - Dargaville

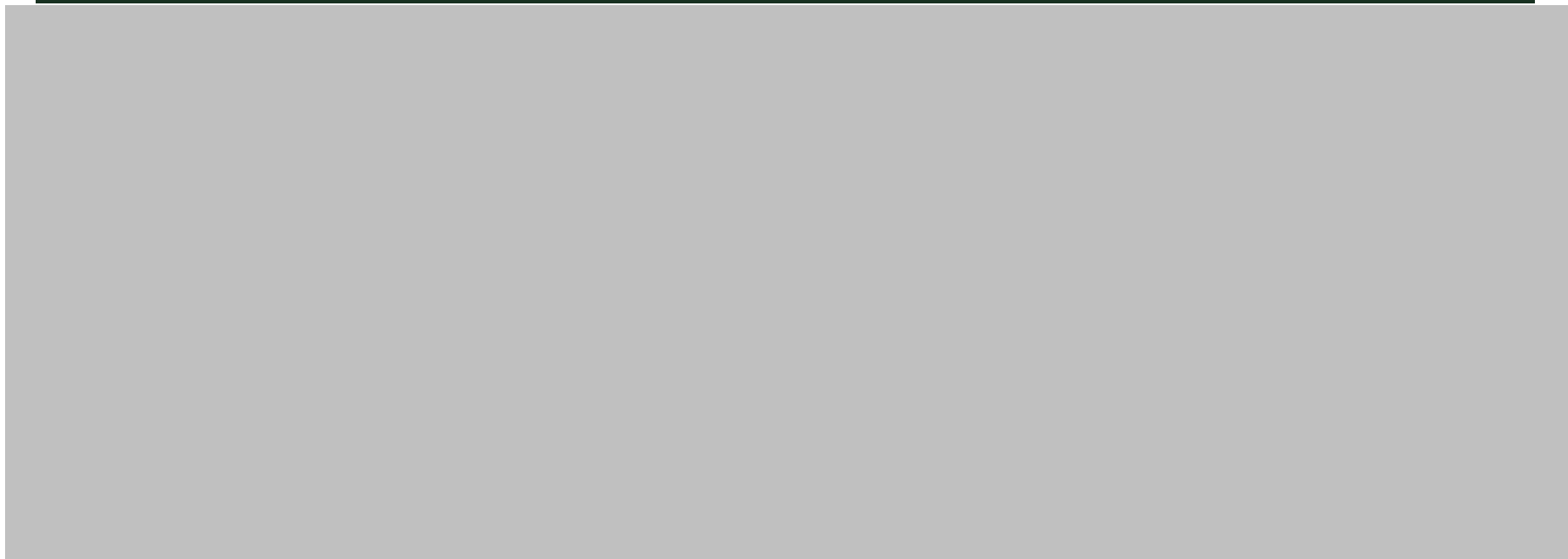
- Dargaville has a population of approximately 5,000.
- 57km (50 mins) to Raumanga.
- [REDACTED].
- The only delivery is in Toitu Te Reo.

[REDACTED]

[REDACTED]



NorthTec - Mobile Site, Distance Learning and Northland Wide



Discipline based analysis













Next steps

Phase One

- Review current application pipelines and previous conversion ratios
- Review of support services against tribal data
- Business Cases for areas under review
- Determine further areas for review
- Confirm 2024 delivery programme

Phase Two

- Determine infrastructure requirements and possible divestment plans
- Integrate delivery with future hybrid modal model as part of transformation activities

Appendix - Programme Analysis



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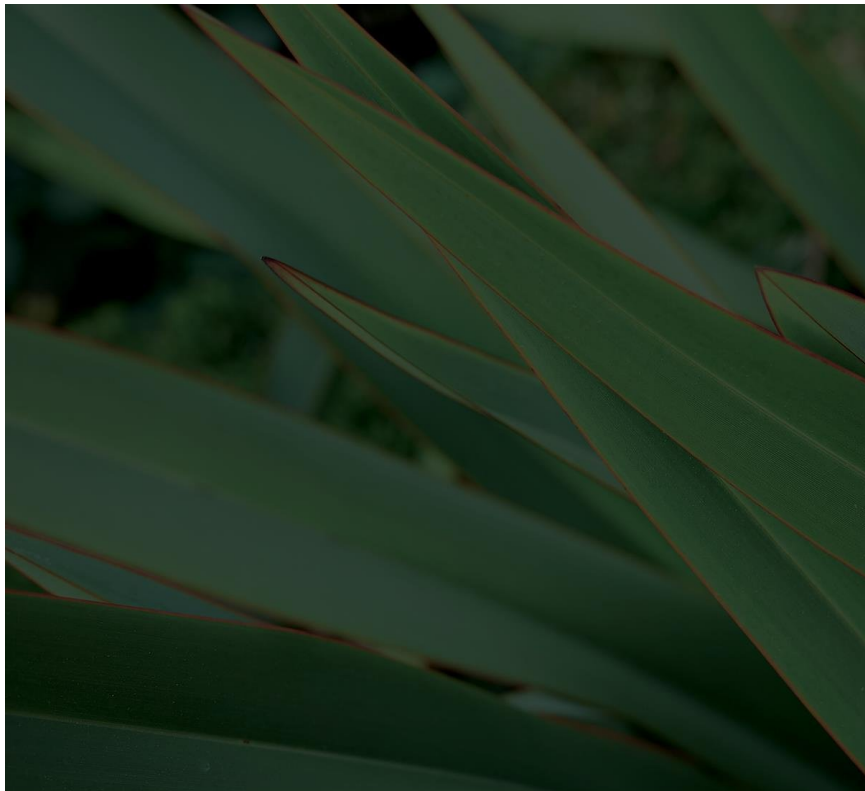






DRAFT Unitec 2024 Budget Analysis March 2024

Te rārangi kaupapa | Agenda



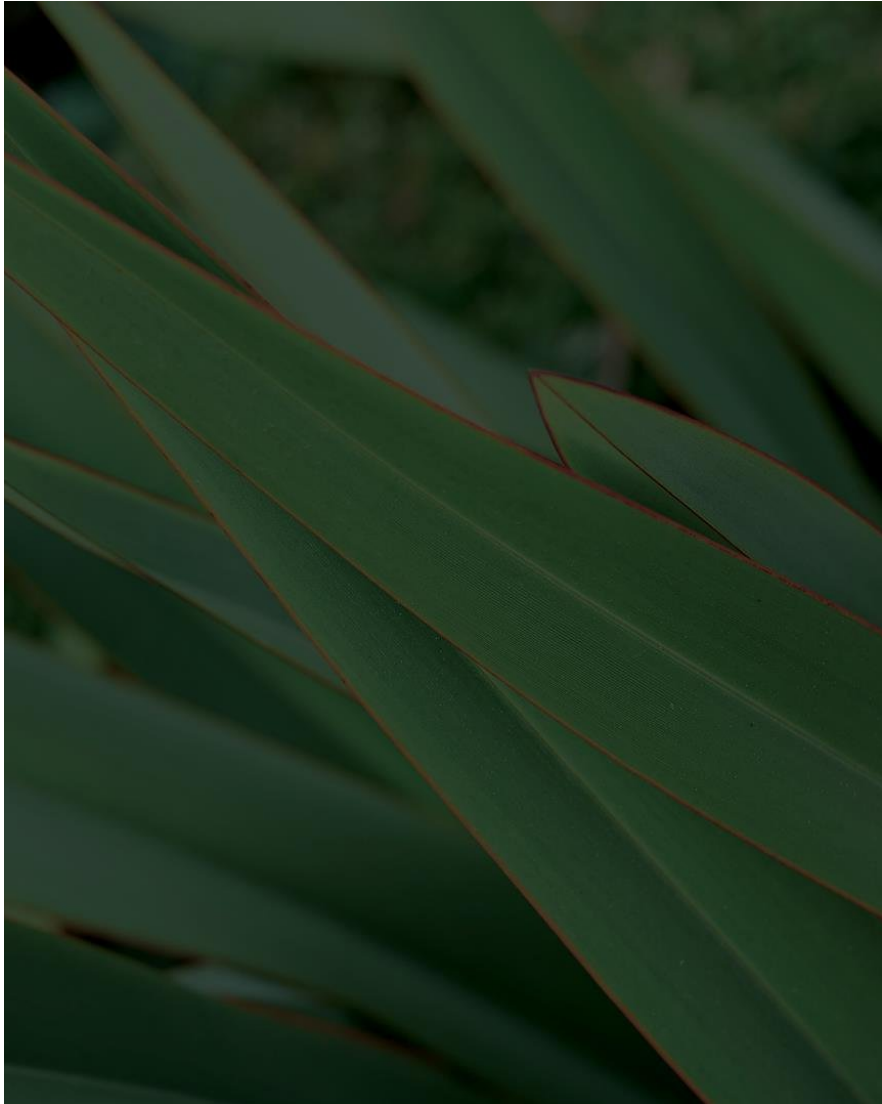
1 Recommendations

2 Overview

3 National View

4 Regional View

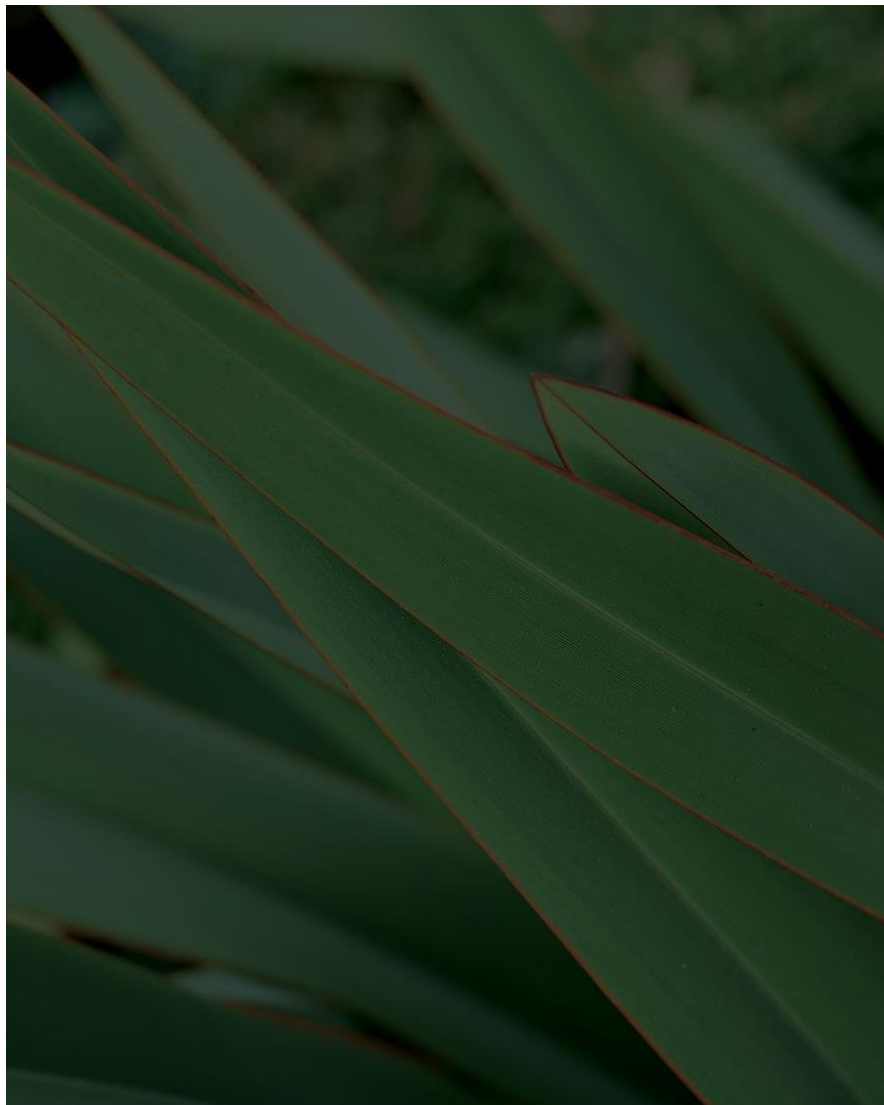
5 Discipline View



Recommendations

Recommendations

- [Redacted]
- [Redacted]
- [Redacted]
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- [Redacted]



Overview



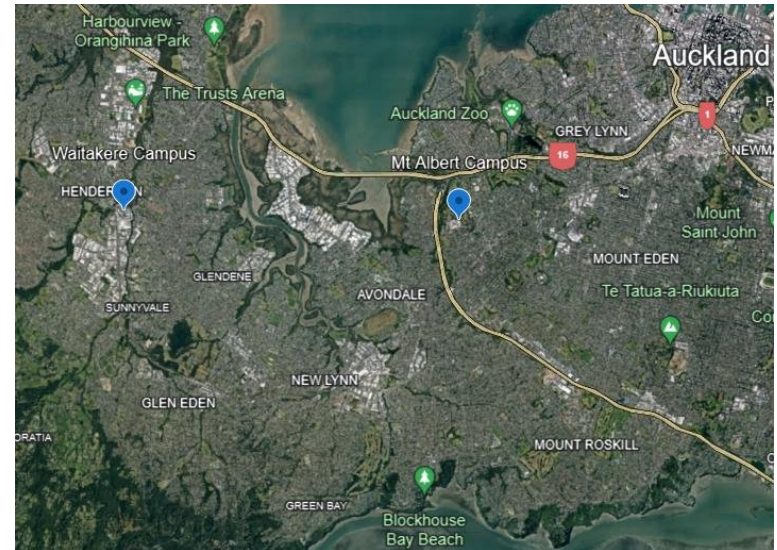
Overview

Unitec

- Unitec has 2 main delivery sites in Auckland City; Mt Albert and Waitakere Campus.
- The Auckland region's population is approximately 1.69m and makes a disproportionately high contribution to the NZ GDP.
- RSLG 2022 and 2023 analyses highlights priority growth, particularly in: Construction & Infrastructure, Community Health, education and social services, Services, Primary Industries, Screen & Creative Industries, and Manufacturing, Engineering Logistics and Transport.

Analysis

- Using Tribal data and cost-to-serve data within Rohe 1, the analysis has compared Unitec to its peers under a National and regional lens and has compared the disciplines/domains within Unitec against one another.



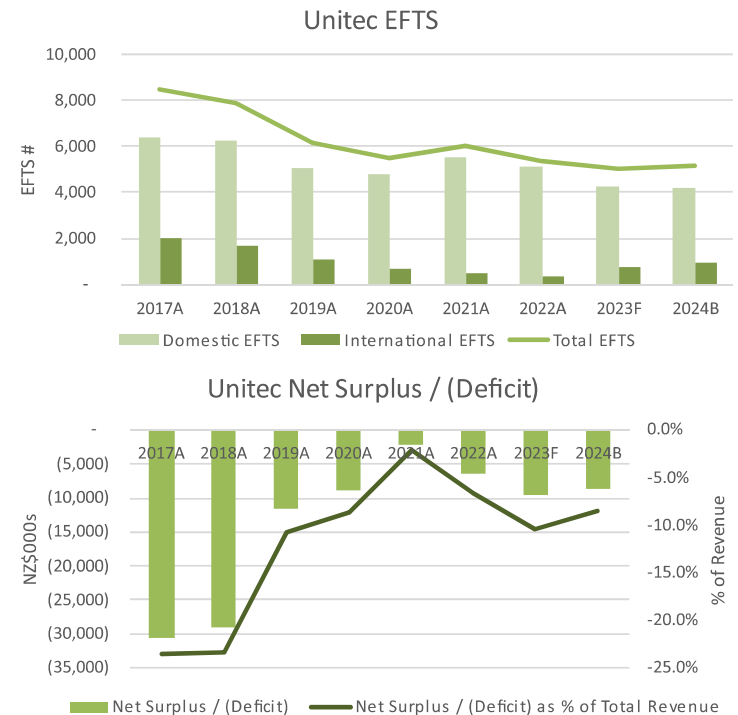
Historical View

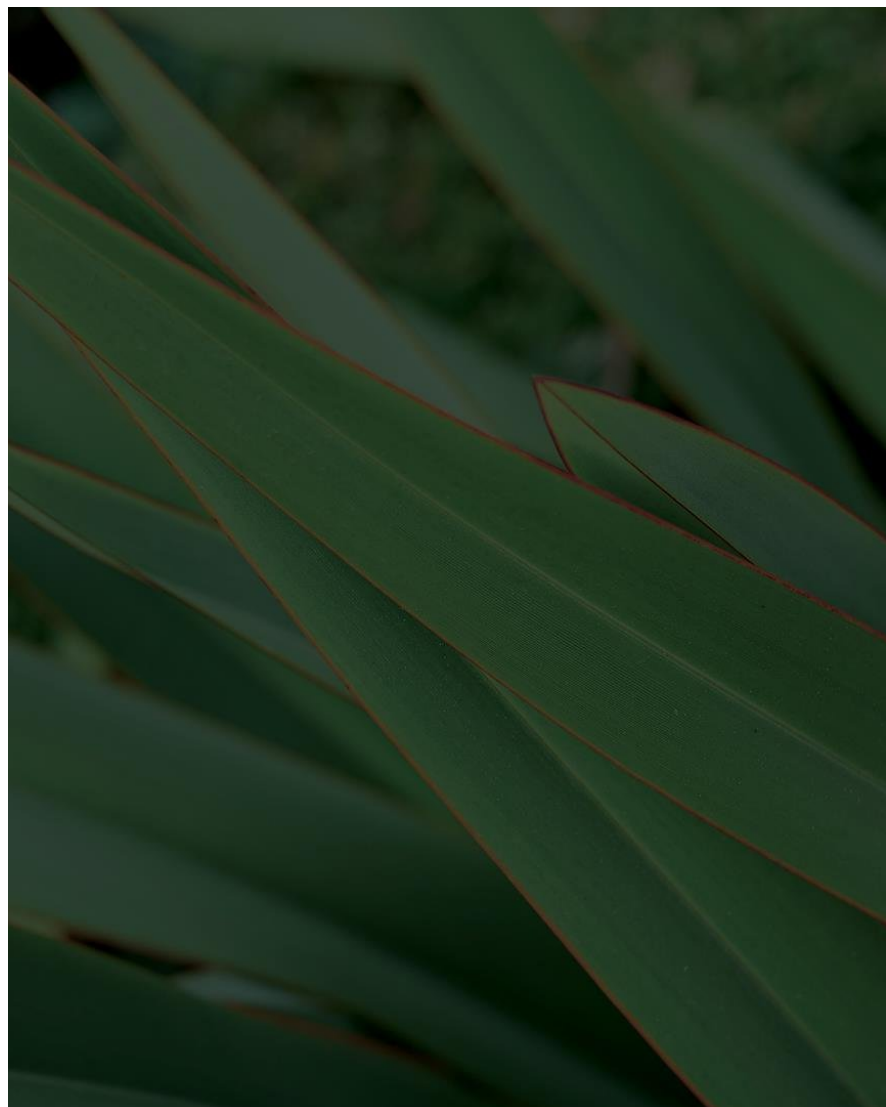
EFTS

- Over the period 2019 to 2024, Unitec’s total EFTS have decreased by 1,012 (16%). Domestic EFTS saw a decrease of 17%, while international EFTS have dropped by 16%. The international EFTS decrease has been driven by COVID-19 related border closures and government immigration policy changes.
- The average drop in total EFTS for former ITPs across this period was 18%; with the drop in domestic EFTS being 12% and a drop in international EFTS being 49%. By comparison, Unitec has underperformed on a domestic EFTS retention front, yet performed well on the international EFTS retention front.

Net Surplus/Deficit

- Unitec posted a net deficit of \$11.5m in 2019 and have run a net deficit for each year since. Unitec’s 2024 budgeted deficit is \$8.6m.
- A quick glance at Unitec’s net deficit as a proportion of its total revenue has seen a decline by 2.1 percentage points from -10.7% (deficit) in 2019 to -8.6% (deficit) in 2024 (budgeted). A comparison of this same measure against the former ITP’s average shows a decline of 8.4 percentage points from -4.6% in 2019 to -13.0% in 2024. Therefore, Unitec’s current financial performance, compared to other former ITP’s is relatively strong.





National View



National comparison of ITP expenses

Using Tribal data, components of expenditure have been analysed. Unless otherwise noted, data is from the 2022 year.

Student Numbers (EFTS)

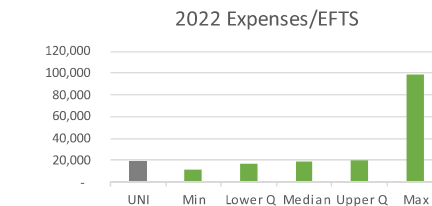
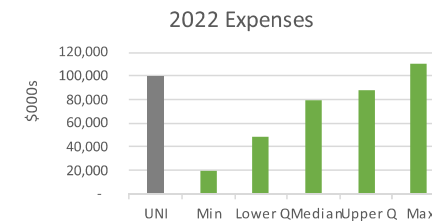
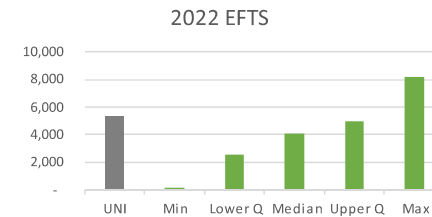
- Unitec had 5,379 EFTS for the 2022 year. This sits above both the median (4,103) and the upper quartile (4,943) against the other ITPs.

Expenses

- Unitec’s 2022 expenses were \$99.8m. This is above both the group upper quartile (\$88.2m) and median (\$79.9m) for former ITPs. Unitec have the second highest expenses within the former ITP group, behind Ara.

Expenses per EFTS

- Comparison of expenses per EFTS shows that Unitec is an average performer in the sector. Unitec has an expense per EFTS (\$18,558/EFTS) with the lower quartile being \$16,171/EFTS and the median of the group being \$18,657/EFTS.



Expense categories

The Tribal data shows how Unitec performs compared to the other ITPs across nine different expense categories. For each expense category, costs have been measured against the ITP's total income to give a relative measure.

Performance can be classified into three categories:

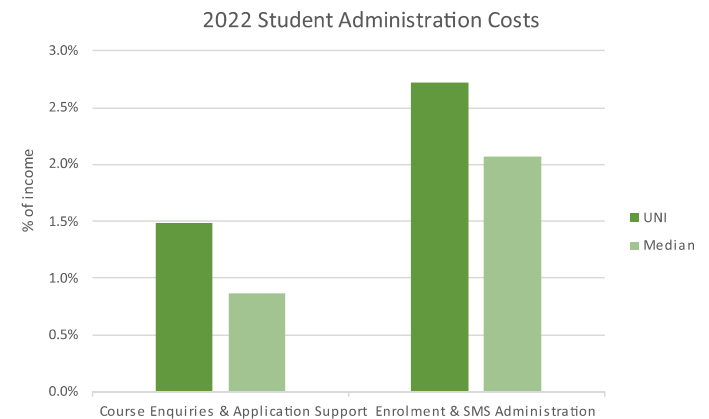
1. **Disproportionately low-cost:** Where proportional costs are below the lower quartile of the group.
2. **Proportionate cost:** Where proportional costs are between the lower and upper quartile of the group.
3. **Disproportionately high-cost:** Where proportional costs are above the upper quartile for the group.

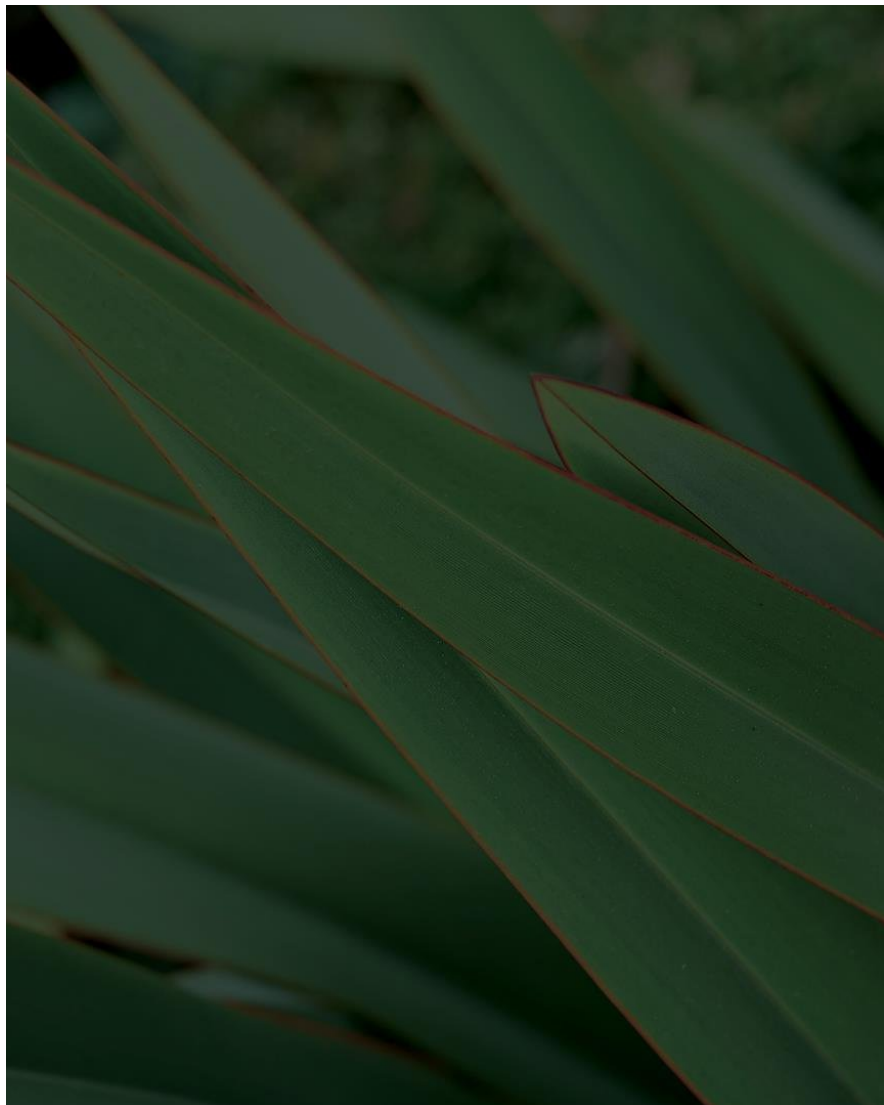
Income Category	Unitec	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Performance
Central Administration	12.7%	11.4%	12.0%	15.4%	17.4%	51.8%	Proportionate Cost
Depreciation and Facilities Leases	12.6%	10.1%	13.0%	16.6%	18.4%	24.1%	Proportionate Cost
Facilities	7.3%	3.0%	8.0%	8.8%	11.5%	17.1%	Proportionate Cost
IT Support	8.6%	6.2%	7.3%	8.5%	9.0%	13.9%	Proportionate Cost
Library / LRC Services	2.2%	0.0%	1.5%	1.8%	2.2%	3.0%	Proportionate Cost
Marketing / Business Development	5.6%	4.5%	6.1%	10.0%	18.0%	168.0%	Disproportionately low-cost
Student Administration	4.7%	1.9%	2.9%	3.6%	4.3%	7.4%	Disproportionately high-cost
Student Services	3.5%	1.5%	2.6%	3.1%	3.6%	6.4%	Proportionate Cost
Teaching & Research	50.2%	38.0%	51.2%	58.2%	61.0%	72.4%	Disproportionately low-cost

Disproportionately high Student Administration Costs

Unitec have the third highest Student Administration costs, after Tai Poutini and Open Polytech within the sector

- Within Student Administration costs, Unitec have two cost types that are higher than sector averages:
 - Course Enquires & Application Support Costs in 2022 were 0.6% of income more than the sector median.
 - Enrolment & SMS Administration Costs in 2022 were 0.6% of income more than the sector median.
- Unitec having the third highest expenditure on Student Administration costs correlates with it having the third largest role size.

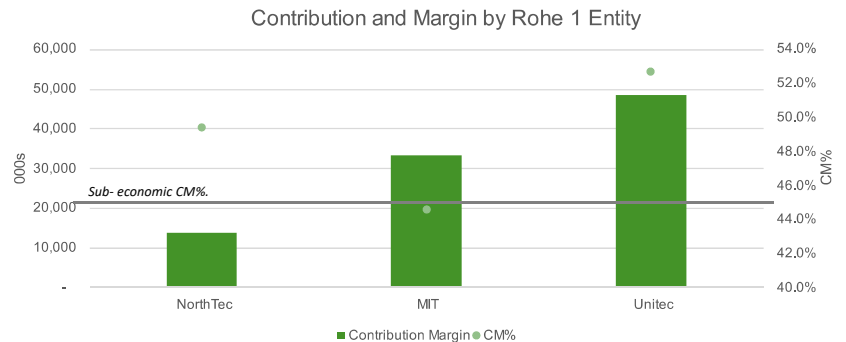
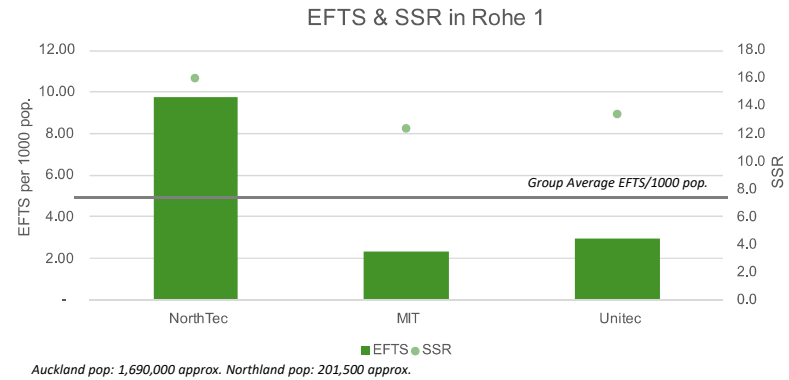


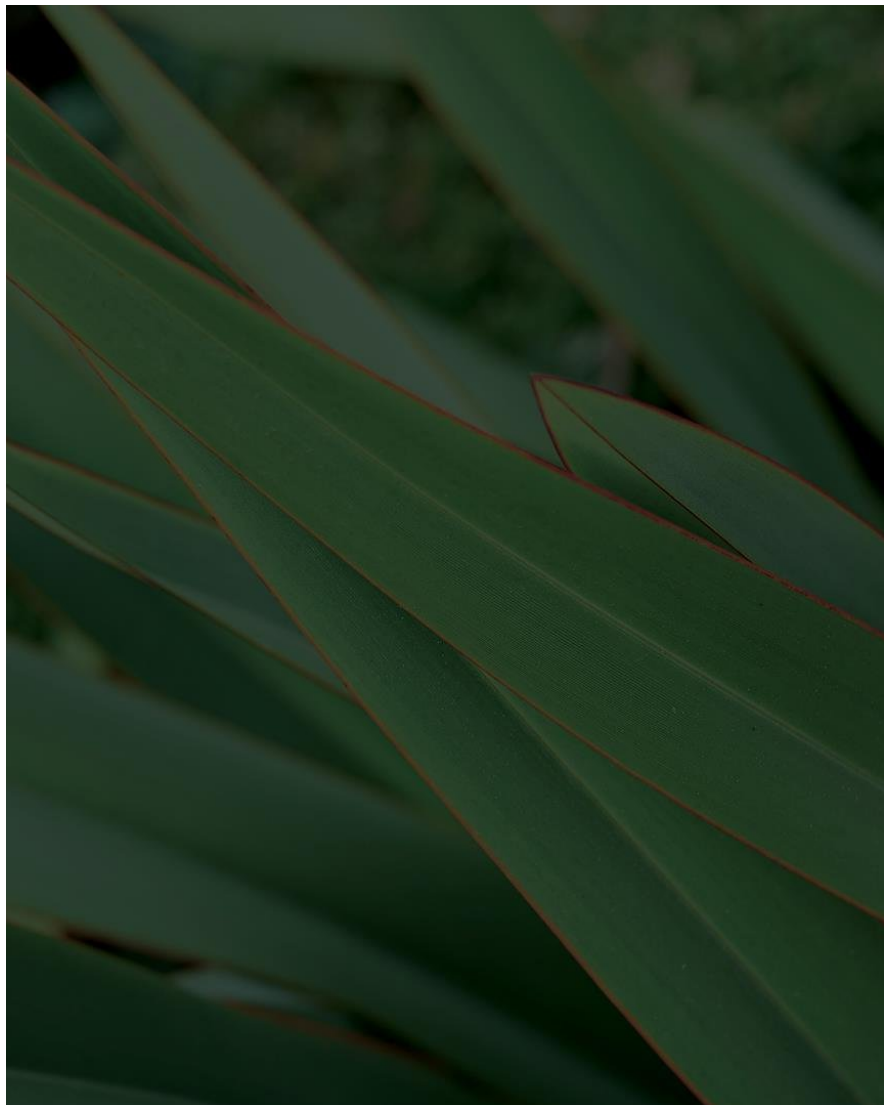


Regional View

Regional comparison

- In the 2024 budget, Unitec has the highest EFTS numbers in Rohe 1 (4,991) and a student-staff ratio (SSR) of 13.4 (below the average of 13.9 for the Rohe 1 business divisions).
- Considering a view on EFTS per 1000 people (population) for the primary region each entity operates in shows that Unitec is below the Rohe 1 average. Unitec has an EFTS/1000 pop. of 2.95 compared to the group average of 5.0 across all entities in Rohe 1. This average is largely undercut by Auckland’s disproportionately large population.
- The average contribution margin between former ITP business divisions in Rohe 1 is 48.9%. MIT has the lowest CM% of all Rohe 1 business divisions (44.6%) and is the only entity in Rohe 1 that could narrowly be deemed sub-economic (<45% CM%). Both Unitec and NorthTec perform better than the average with a CM% of 52.7% and 49.4% respectively.





Discipline View

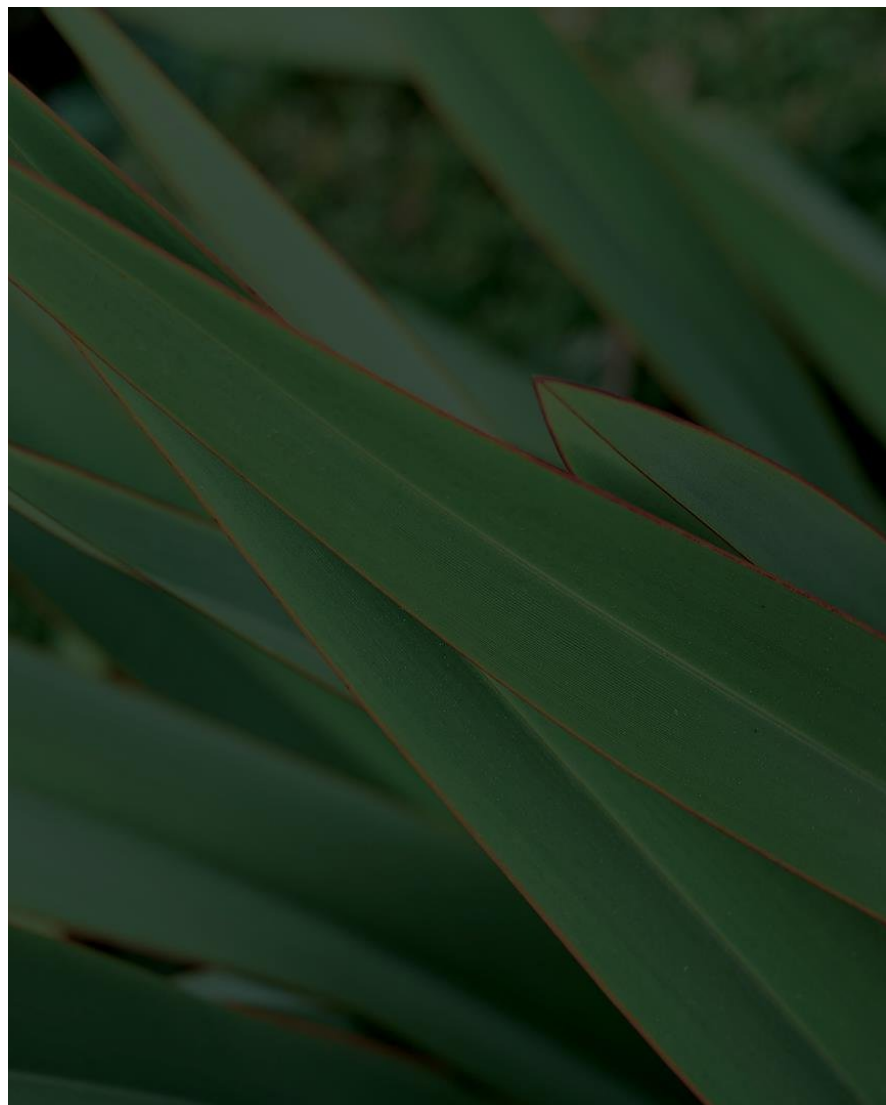
Discipline Analysis



Tēnā rawa atu koutou | Thank you all



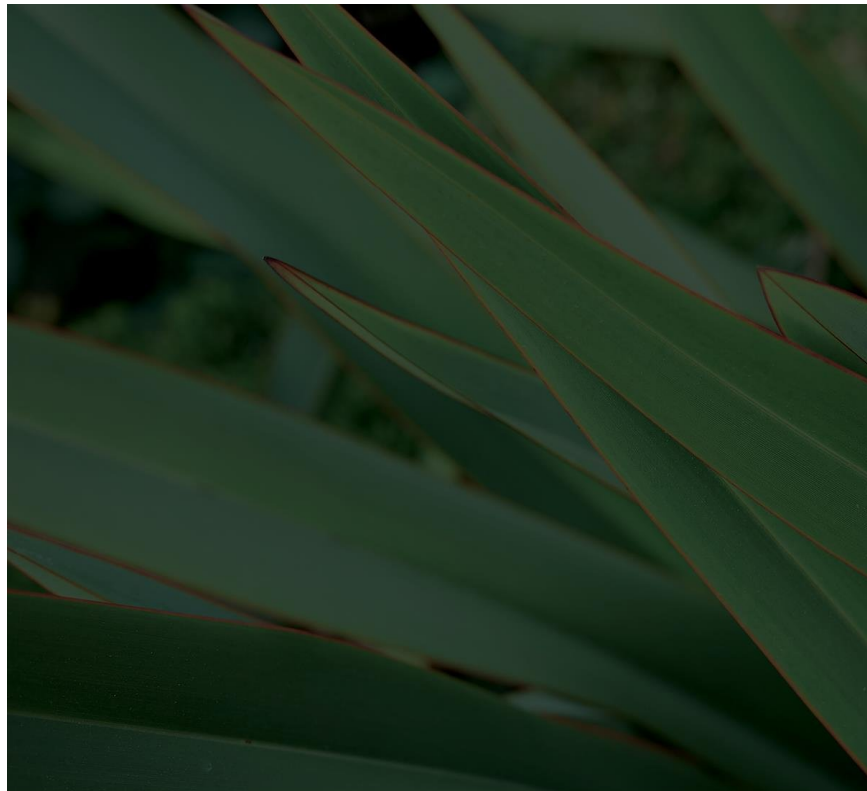




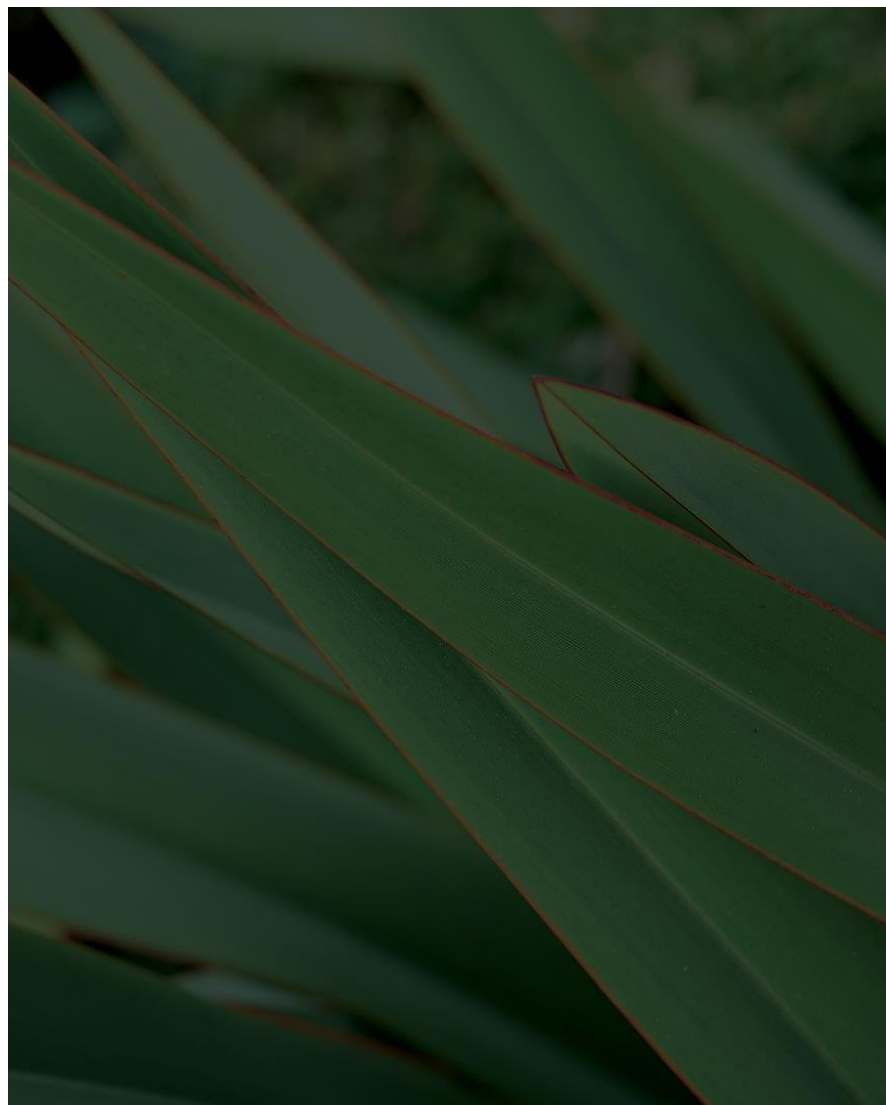
DRAFT EIT 2024 Budget Analysis March 2024



Te rārangi kaupapa | Agenda



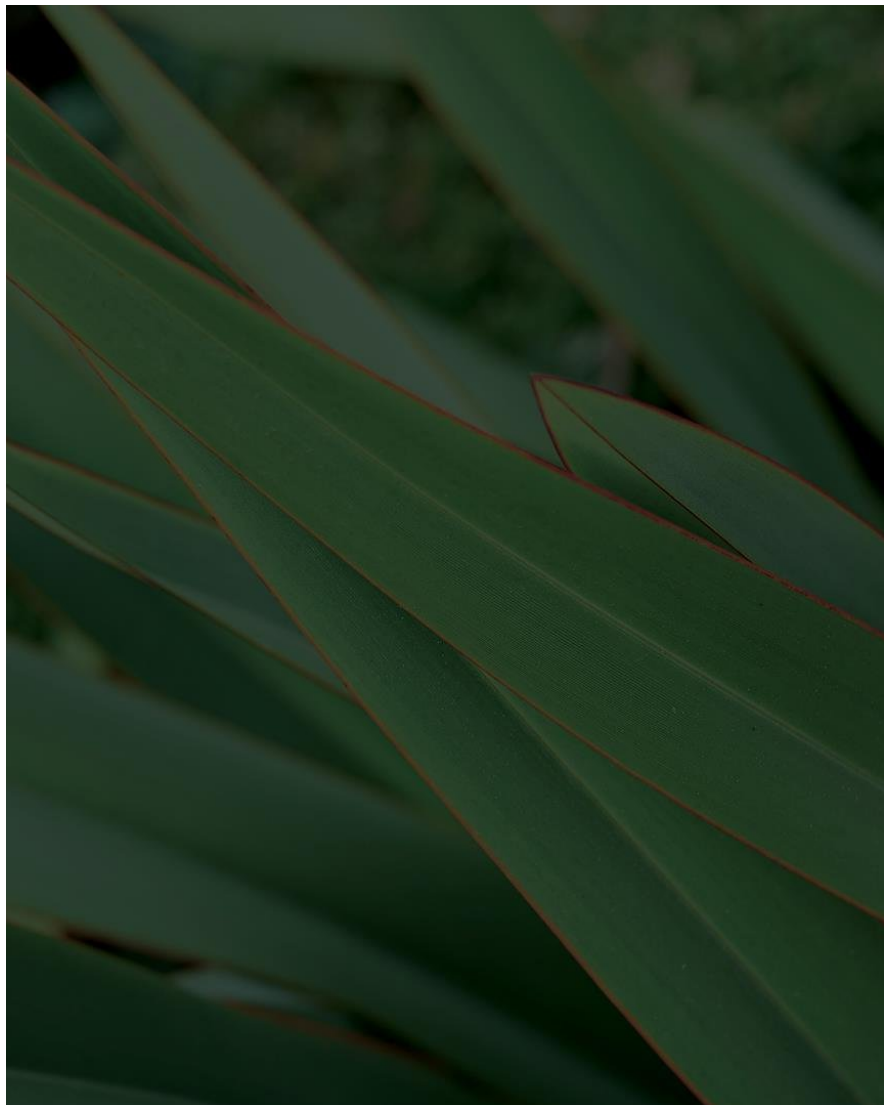
- 1 Recommendations
- 2 Overview
- 3 National View
- 4 Regional View
- 5 Local View
- 6 Programme Analysis



Recommendations

Recommendations





Overview



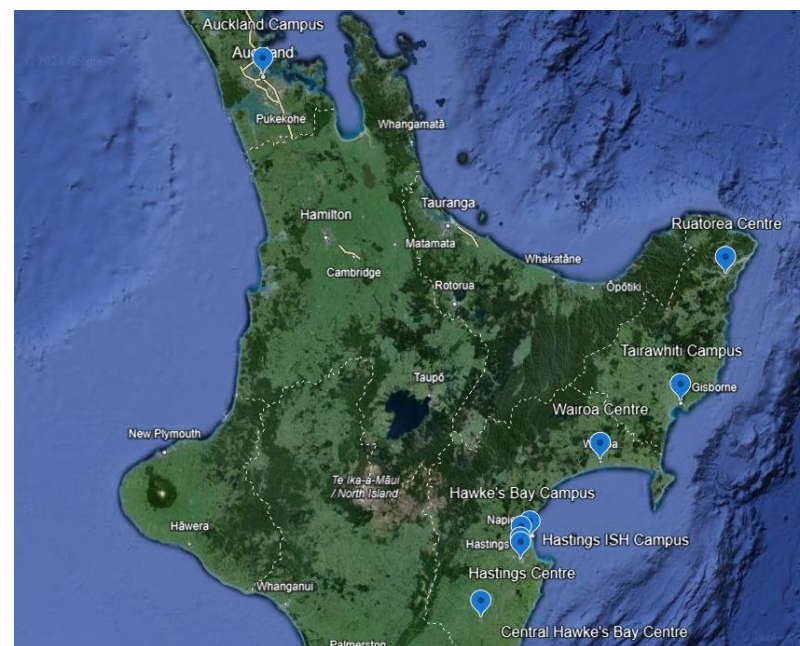
Overview

EIT

- EIT has 2 main delivery sites within the Hawke's Bay region (Hastings and Tairāwhiti). EIT also has several smaller centres located in Auckland, Maraenui, Waipukurau, Rotorua, and Wairoa. EIT deliver courses online and at the Hawke's Bay Prison.
- The Hawke's Bay region's population is approximately 184,800 and makes a proportional contribution to the NZ GDP.
- RSLG analyses highlights priority growth, particularly in: Construction, Primary Sector, School Transitions and Healthcare.

Analysis

- Using Tribal data and cost-to-serve data within Rohe 2, the analysis has compared EIT to its peers under a National and Regional lens and has compared the EIT campuses against one another.



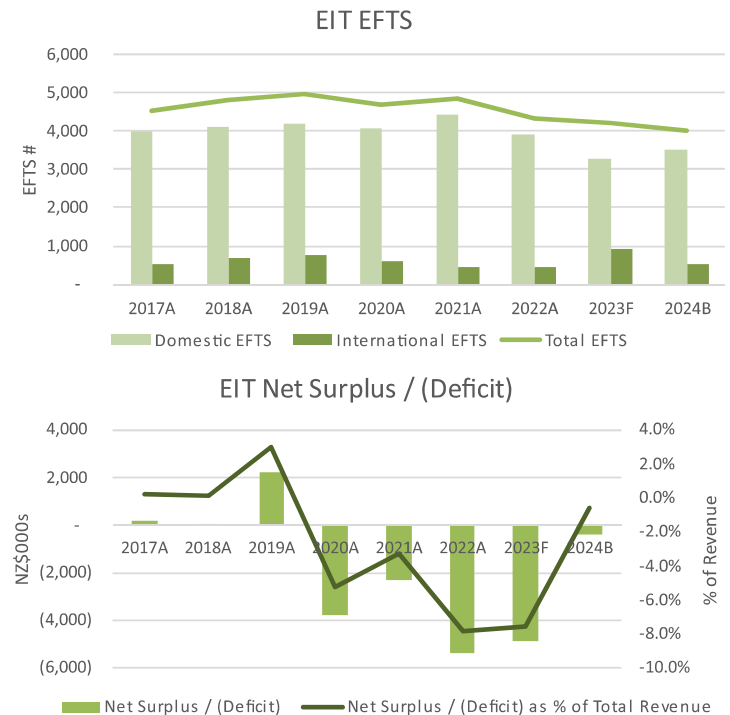
Historical View

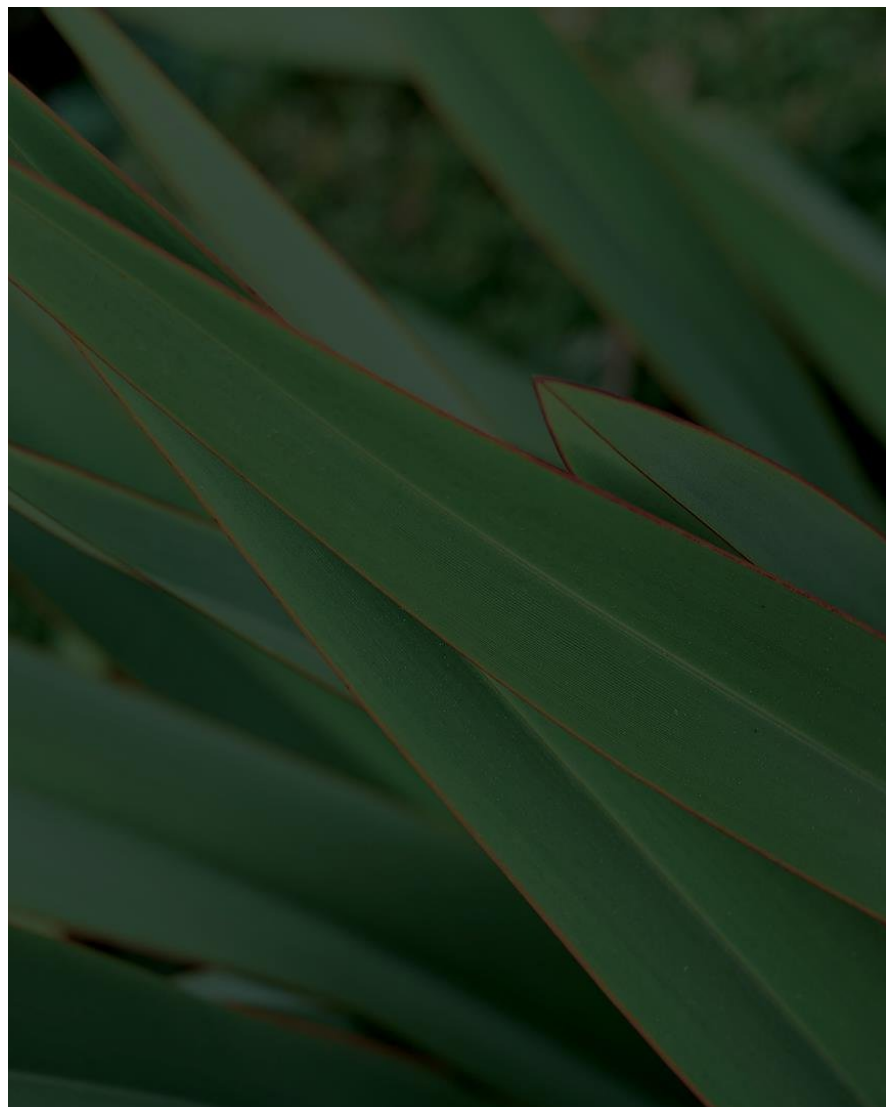
EFTS

- Over the period 2019 to 2024, EIT's total EFTS have decreased by 935 (19%). Domestic EFTS saw a decrease of 16%, while international EFTS have dropped by 33%. The international EFTS decrease has been driven by COVID-19 related border closures and government immigration policy changes.
- The average drop in total EFTS for former ITPs across this period was 18%; with the drop in domestic EFTS being 12% and a drop in international EFTS being 49%. By comparison, EIT has performed on par compared to the sector overall. EIT's slightly better retention of International EFTS over this period likely offset by its slightly worse retention of domestic EFTS.

Net Surplus/Deficit

- EIT posted a net surplus of \$2.2m in 2019 and since the 2020 year have run a net deficit. EIT's 2024 budgeted deficit is \$0.4m.
- A quick glance at EIT's net deficit as a proportion of its total revenue has seen a decline by 3.5 percentage points from 3.0% (surplus) in 2019 to -0.5% (deficit) in 2024 (budgeted). A comparison of this same measure against the former ITP's average shows a decline of 8.4 percentage points from -4.6% in 2019 to -13.0% in 2024. Therefore, EIT's current financial performance, compared to other former ITP's is relatively strong.
- EIT was also severely impacted by Cyclone Gabrielle in February 2023. This has impacted both learner numbers and financial outcomes in 2023 and 2024.





National View



National comparison of ITP expenses

Using Tribal data, components of expenditure have been analysed. Unless otherwise noted, data is from the 2022 year.

Student Numbers (EFTS)

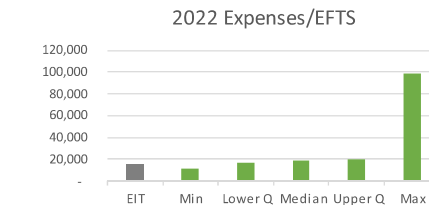
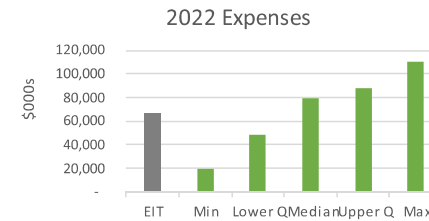
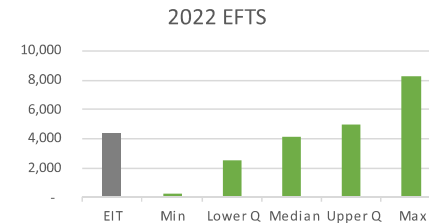
- EIT had 4,336 EFTS for the 2022 year. This sits between the median (4,103) and the upper quartile (4,943) against the other ITPs.

Expenses

- EIT's 2022 expenses were \$66.7m. This is between the group lower quartile (\$48.2m) and median (\$79.9m) for former ITPs.

Expenses per EFTS

- Comparison of expenses per EFTS shows that EIT is a high performer in the sector. EIT has an expense per EFTS (\$15,376/EFTS) with the lower quartile being \$16,171/EFTS and the median of the group being \$18,657/EFTS.



Expense categories

The Tribal data shows how EIT performs compared to the other ITPs across nine different expense categories. For each expense category, costs have been measured against the ITP's total income to give a relative measure.

Performance can be classified into three categories:

1. **Disproportionately low-cost:** Where proportional costs are below the lower quartile of the group.
2. **Proportionate cost:** Where proportional costs are between the lower and upper quartile of the group.
3. **Disproportionately high-cost:** Where proportional costs are above the upper quartile for the group.

Income Category	EIT	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Performance
Central Administration	12.4%	11.4%	12.0%	15.4%	17.4%	51.8%	Proportionate Cost
Depreciation and Facilities Leases	18.5%	10.1%	13.0%	16.6%	18.4%	24.1%	Disproportionately high-cost
Facilities	8.0%	3.0%	8.0%	8.8%	11.5%	17.1%	Proportionate Cost
IT Support	6.2%	6.2%	7.3%	8.5%	9.0%	13.9%	Disproportionately low-cost
Library / LRC Services	2.4%	0.0%	1.5%	1.8%	2.2%	3.0%	Disproportionately high-cost
Marketing / Business Development	11.7%	4.5%	6.1%	10.0%	18.0%	168.0%	Proportionate Cost
Student Administration	3.9%	1.9%	2.9%	3.6%	4.3%	7.4%	Proportionate Cost
Student Services	2.3%	1.5%	2.6%	3.1%	3.6%	6.4%	Disproportionately low-cost
Teaching & Research	60.9%	38.0%	51.2%	58.2%	61.0%	72.4%	Proportionate Cost

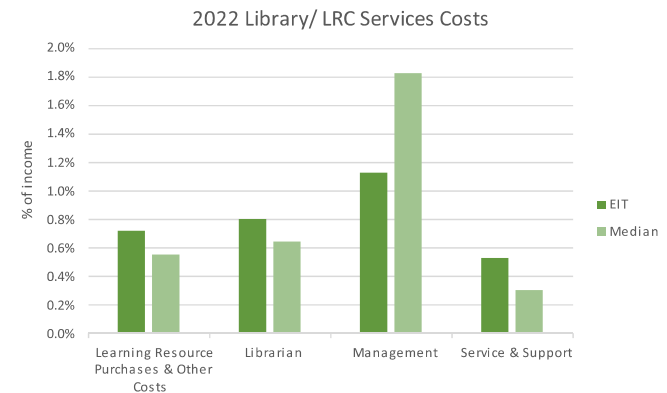
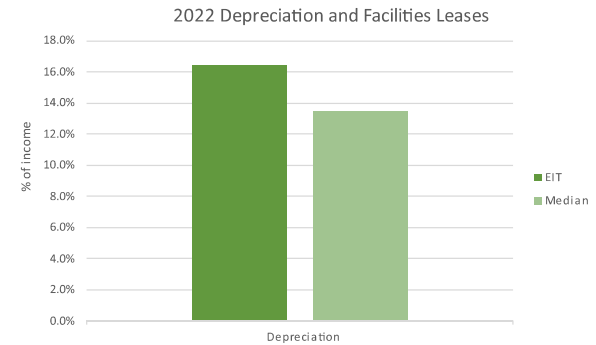
Disproportionately high costs

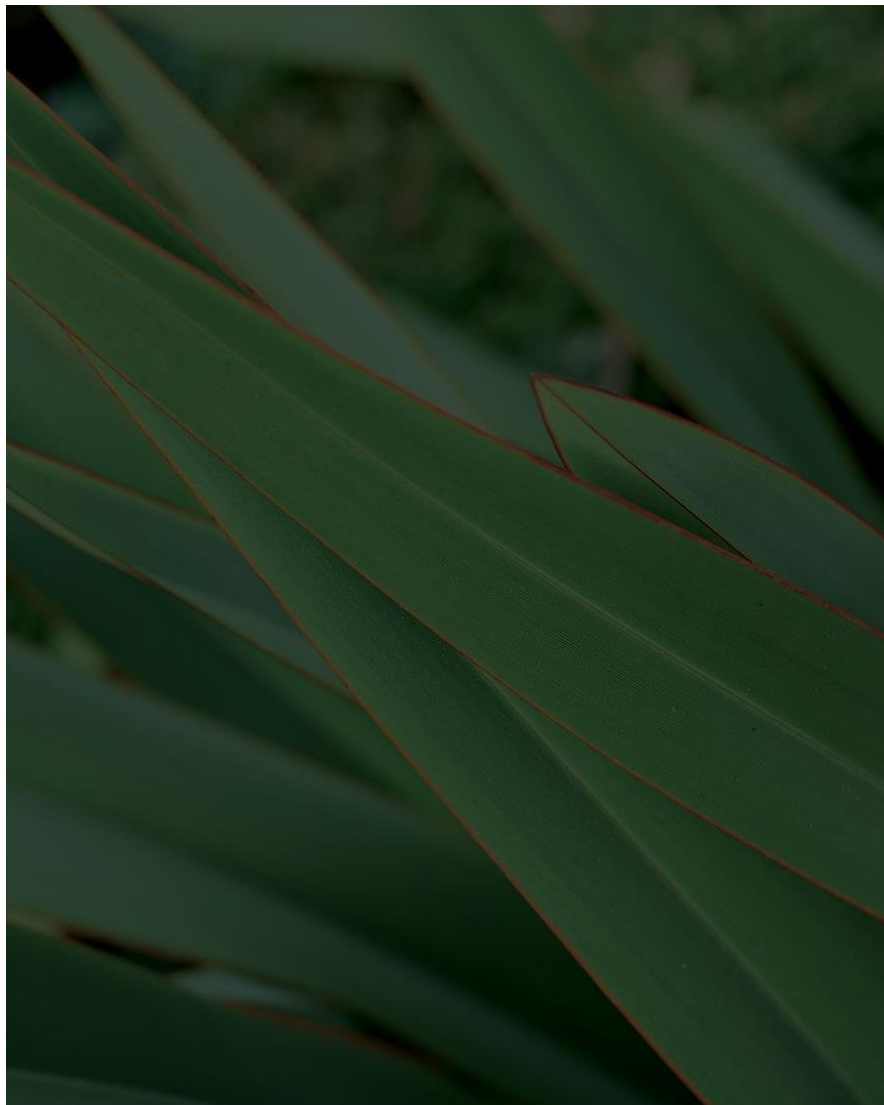
EIT have the fourth highest Depreciation and Facilities Lease costs, after W&W, TPP, and MIT within the sector

- EIT's Depreciation expenses were 3.0% of income more than the sector median.

EIT have the second highest Library/ LRC Service costs, after Toi Ohomai within the sector

- Within Library/ LRC Costs, have three cost types that are marginally higher than sector averages:
 - Learning Resource Purchases & Other Costs of \$379km in 2022 were 0.2% of income more than the sector median.
 - Service & Support Costs of \$278k were 0.2% of income more than the sector median.
 - Librarian Costs of \$426k were 0.2% of income more than the sector median.
 - Interestingly, EIT's Management costs were 0.7% of income less than the sector median.
- It is likely that EIT has higher Library/ LRC costs because of its many campuses and centres across the Hawke's Bay and Upper North Island regions.

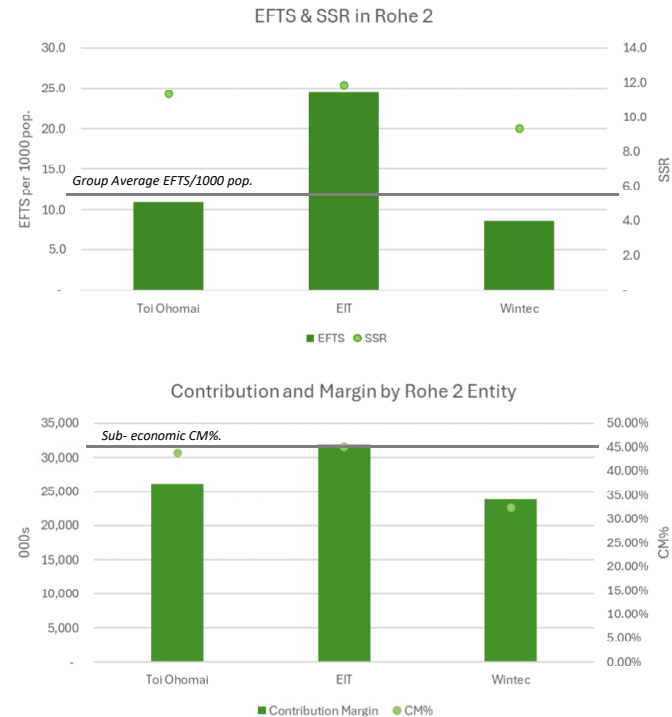


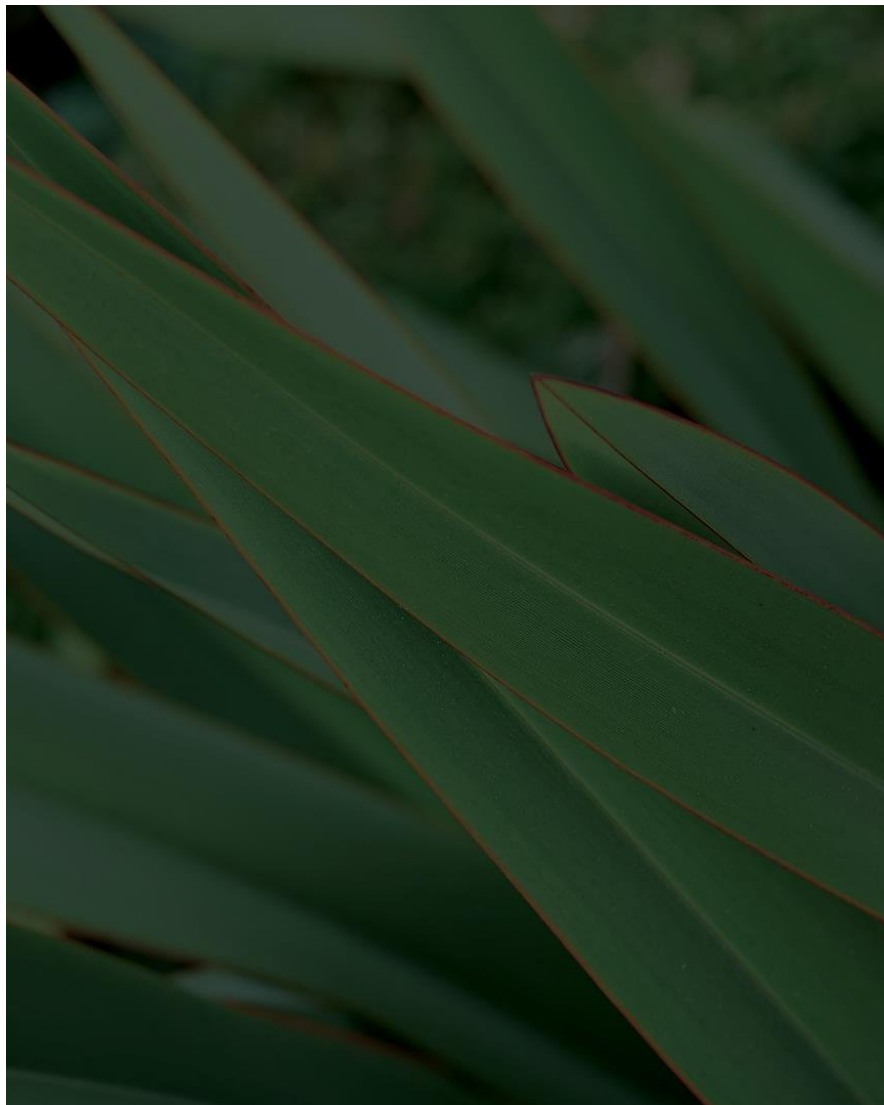


Regional View

Regional comparison

- In the 2024 budget, EIT has the greatest EFTS numbers in Rohe 2 and a student-staff ratio (SSR) of 11.9 (above the average of 10.7 for the Rohe 2 business divisions).
- Considering a view on EFTS per 1000 people (population) for the primary region each entity operates in shows that EIT is above the Rohe 2 average. EIT has an EFTS/1000 pop. of 24.5 compared to the group average of 12.1 across all entities in Rohe 2.
- The average contribution margin between former ITP business divisions in Rohe 2 is 40.1%. EIT was above this average with a contribution margin of 45.0%. Wintec (32.4%) and Toi Ohomai (43.7%) could be deemed sub-economic (<45% CM).

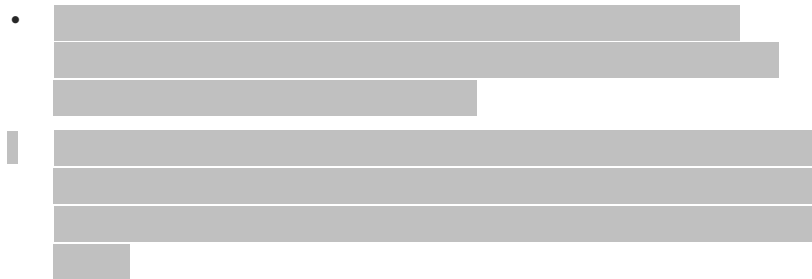


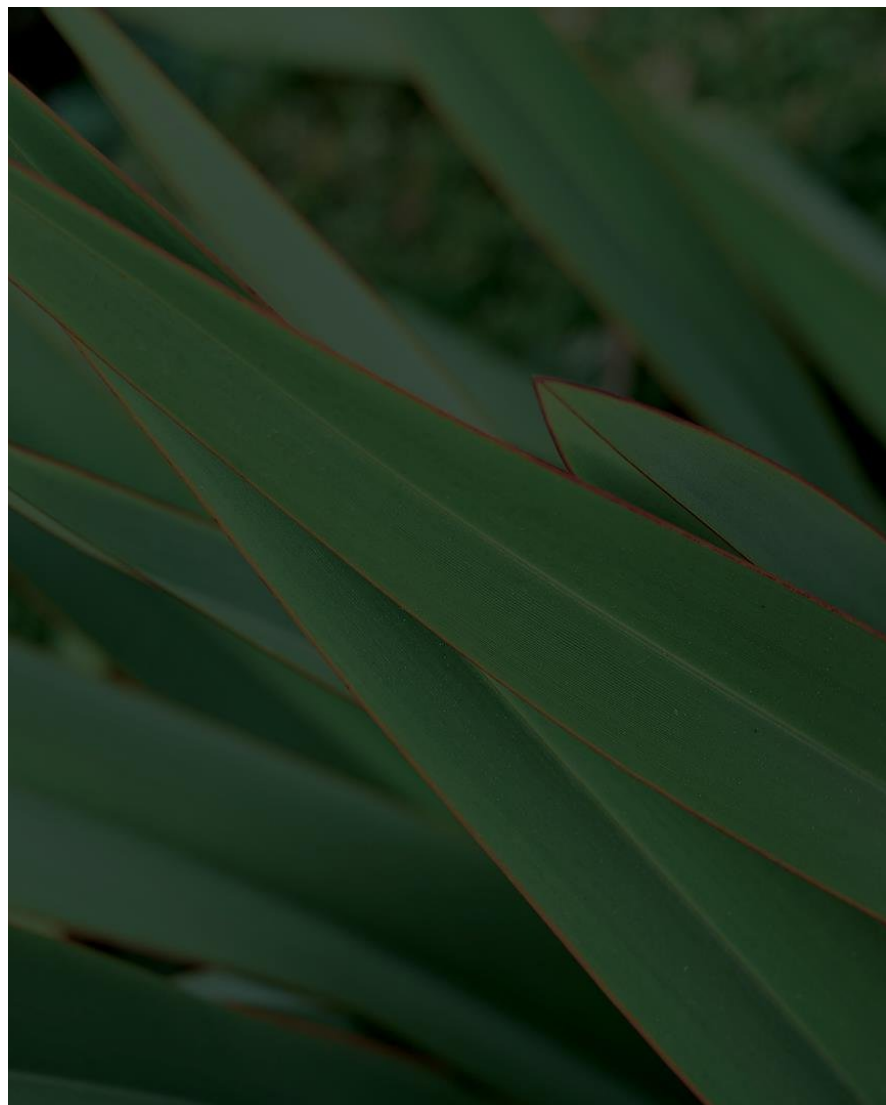


Local View

A Location Lens

- A look at EIT's 2024 budget confirms the two main delivery sites as Hastings and Tairāwhiti, with Auckland being the next largest delivery centre in New Zealand. A number of smaller delivery centres exist across the Hawke's Bay region and beyond but have been grouped as "Other".
- The scale and contribution by site differs widely across the region. However, all site contributions are positive.





Programme Analysis

Low performing programmes

- The following pages highlight those programmes which were budgeted to deliver a sub-economic contribution margin.
- Teaching related overhead departments/function expenses have been redistributed to each programme (by relevant department) based on a programme's budgeted EFTS to total department EFTS.
- The YTD enrolments as at mid March have been overlaid to provide a view of demand for the programmes.
- This highlights a number of programmes which require decisions around whether the programme is run in semester one at one or more locations.
- The programmes have been divided by schools with [REDACTED]

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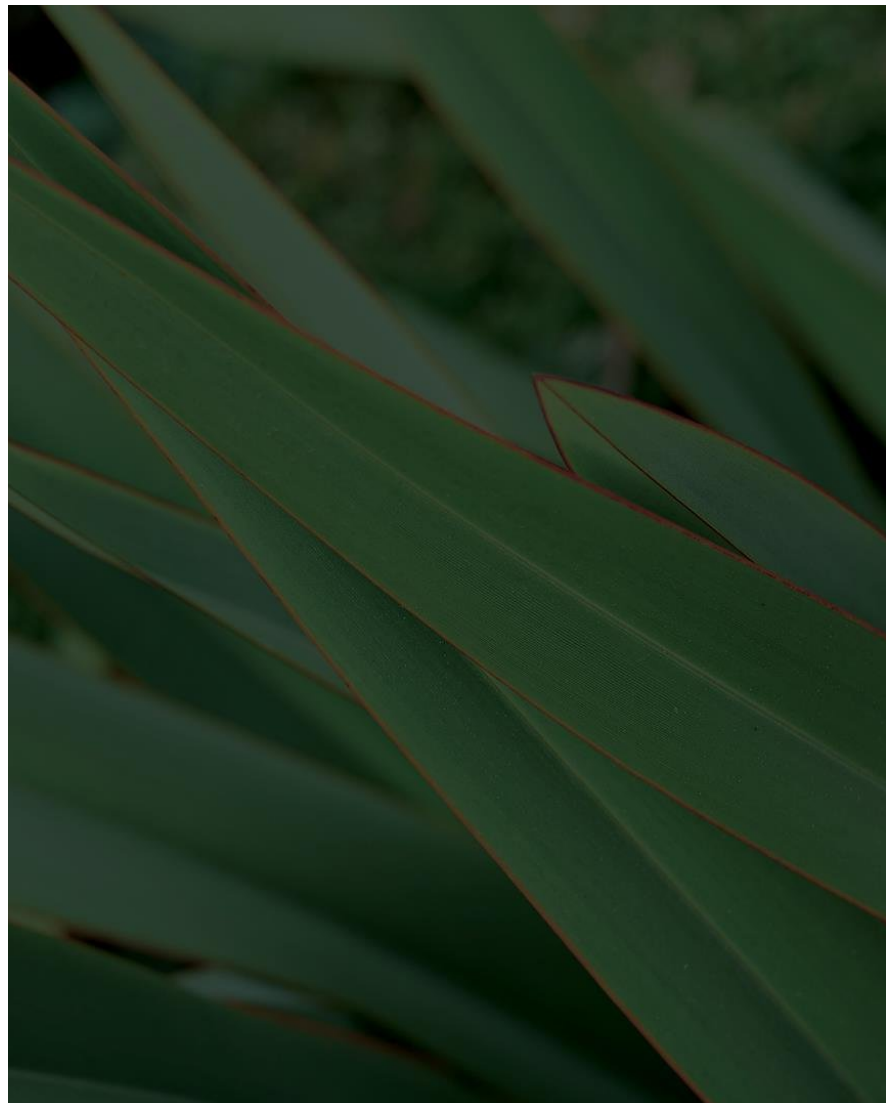
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Tēnā rawa atu koutou | Thank you all







DRAFT Toi Ohomai Property Analysis

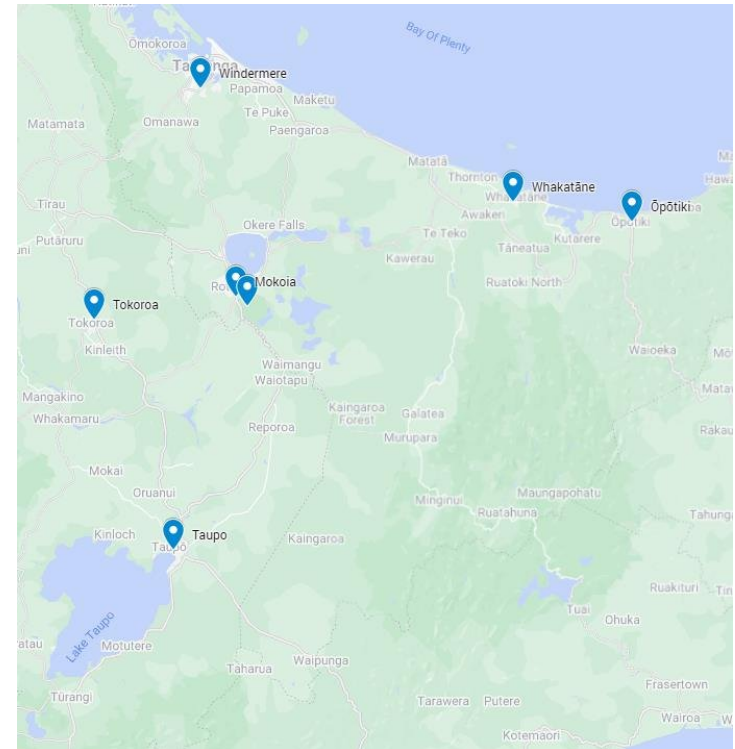


Toi Ohomai overview

- Toi Ohomai covers the wider Bay of Plenty and South Waikato. It has two main campuses – Tauranga (Windermere) and Rotorua (Mokoia) – three regional campuses – Taupo, Tokoroa and Whakatane and delivery in Waipa, Ōpōtiki, Nelson/Blenheim and online.
- Bay of Plenty Polytechnic (Tauranga) and Waiariki Institute of Technology (Rotorua, Taupo, Tokoroa and Whakatane) merged in 2016 to form Toi Ohomai.
- Total Toi Ohomai EFTS have decreased from 6,014 in 2017 to a forecasted 4,156 in 2024. EFTS for the three regional campuses are now at nearly a third of 2014 levels and half of 2018 levels.
- Toi Ohomai has a forecasted contribution margin of 45% for 2024.

Toi Ohomai overview

- Toi Ohomai has historically relied on international income to support the cost of regional delivery.
- [REDACTED]
- In 2021, of domestic learners, around 41% were Māori (Rotorua 58%, Taupo 63%, Tokoroa 64% and Whakatane 89%) meaning Toi Ohomai had the second highest volume and proportion of Māori EFTS in the sector. These learners are very geographically distributed.
- While the cost of delivering to the regions is high, it is providing accessible learning opportunities to Māori.
- This initial draft analysis has focused on location-based provision to identify areas for further review. A number of regional delivery sites have been identified for potential changes.



Toi Ohomai – Tauranga - Windermere

- Tauranga has a population of approximately 160,000.

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

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- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

[Redacted]

Toi Ohomai – Tauranga - Windermere

- The campus has a large community-based offering, due to the aquatic centre and hosting of community events such as the AIMS games.
- There are a number of residential houses at the North of the campus.
- Pomare, at the East of the campus, is used for Māori cultural purposes.



Toi Ohomai – Tauranga - Windermere

[Redacted content]



Toi Ohomai – Rotorua – Mokoia

- Rotorua has a population of approximately 65,000.

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

- [Redacted]

[Redacted]

Toi Ohomai – Rotorua – Waipa

- [REDACTED]
- Te Pūkenga recently shut down the commercial sawmill that operated on the site.
- The delivery disciplines are Agriculture and Horticulture and Forestry and Wood Manufacturing.
- The campus has various classrooms, workshops and storage buildings and is a 5-minute drive from the Mokoia campus.



Toi Ohomai – Rotorua – Mokoia

[Redacted text block containing multiple lines of greyed-out content]



Toi Ohomai - Whakatane

- [REDACTED]
- The campus is located on the edge of town, away from amenities, is rundown and comprises predominantly portacoms from the 60s.
- The delivery disciplines are Te Kura Māori, Construction Trades, Hairdressing, Automotive, Beauty and Business Management.
- The campus services the wider area including Whakatane (pop. 40,000), Ōpōtiki (pop. 10,000), Kawarau (pop. 10,000) and Ohope (pop. 3,000).
- [REDACTED]



Toi Ohomai - Whakatane

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Toi Ohomai – Taupo

- The Taupo campus operates from two sites. One of the sites is leased and has a small trades provision. In 2018, Toi Ohomai bought some of the land surrounding its existing site it owned from the Ministry of Education. The intention was to consolidate the two sites into one and to have other partners join Te Pūkenga in development.

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- [Redacted text block]

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Toi Ohomai – Taupo

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Toi Ohomai – Other – Nelson/Blenheim and Ōpōtiki



Summary - Areas identified for review

- [Redacted]
- | [Redacted]
- | [Redacted]
- | [Redacted]
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- | [Redacted]
- | [Redacted]
- | [Redacted]

Appendix – Locations considered with no changes recommended

Toi Ohomai - Tokoroa

- [Redacted]
- | [Redacted]
- | [Redacted]
- [Redacted]
- | [Redacted]



Toi Ohomai – Online

- [Redacted]
- [Redacted]

[Redacted]

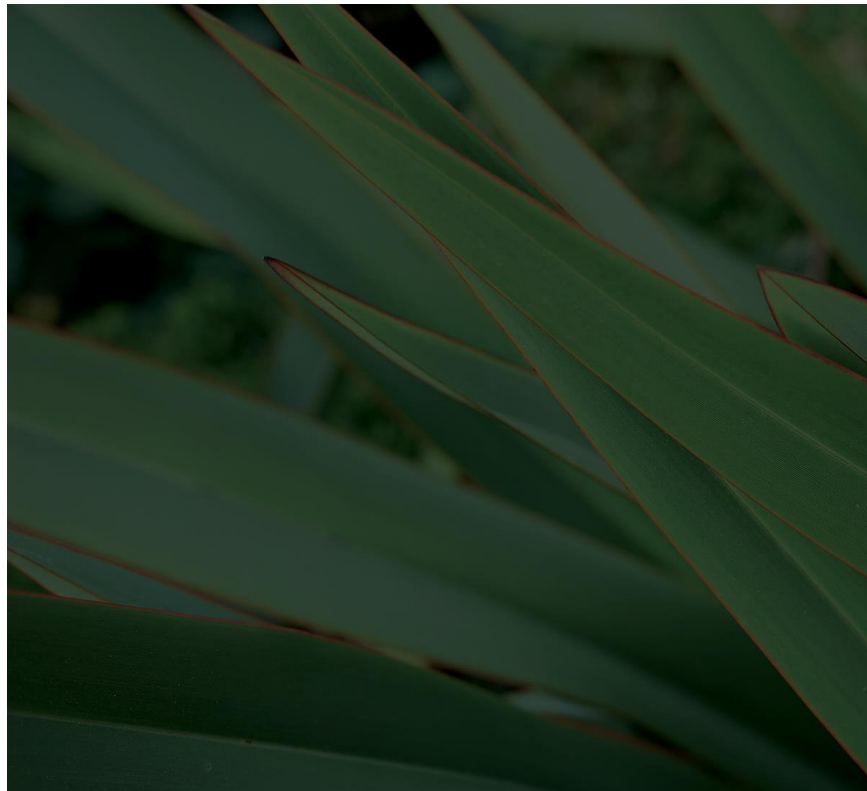
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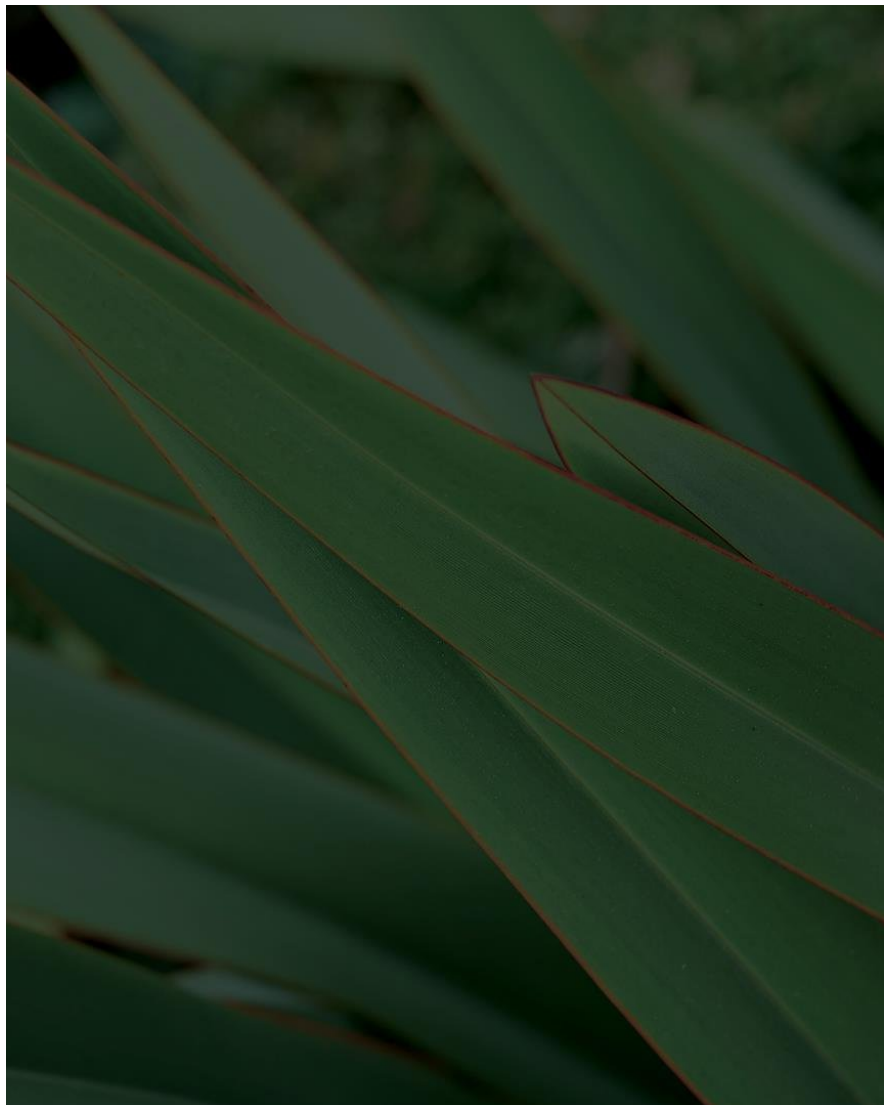


DRAFT Wintec 2024 Budget Analysis April 2024

Te rārangi kaupapa | Agenda



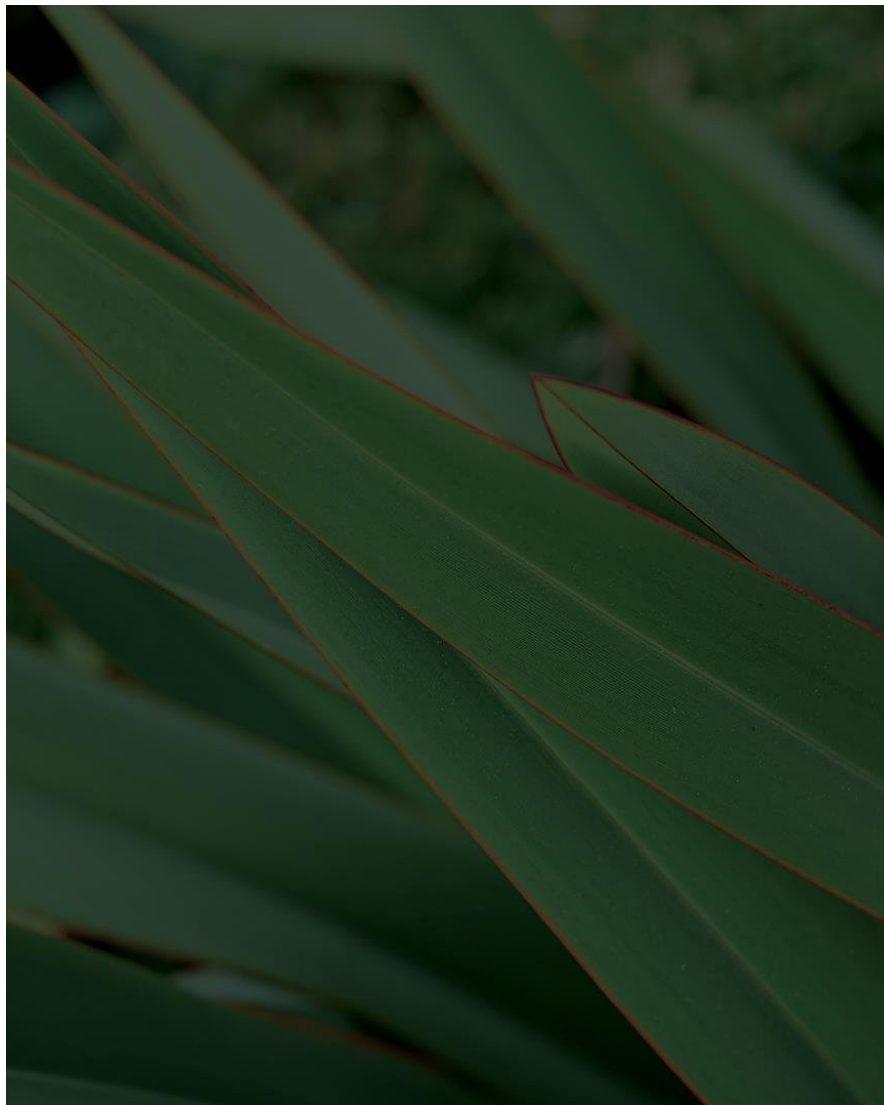
- 1 Recommendations
- 2 Overview
- 3 National View
- 4 Regional View
- 5 Local View
- 6 Programme Analysis



Recommendations

Recommendations

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]



Overview



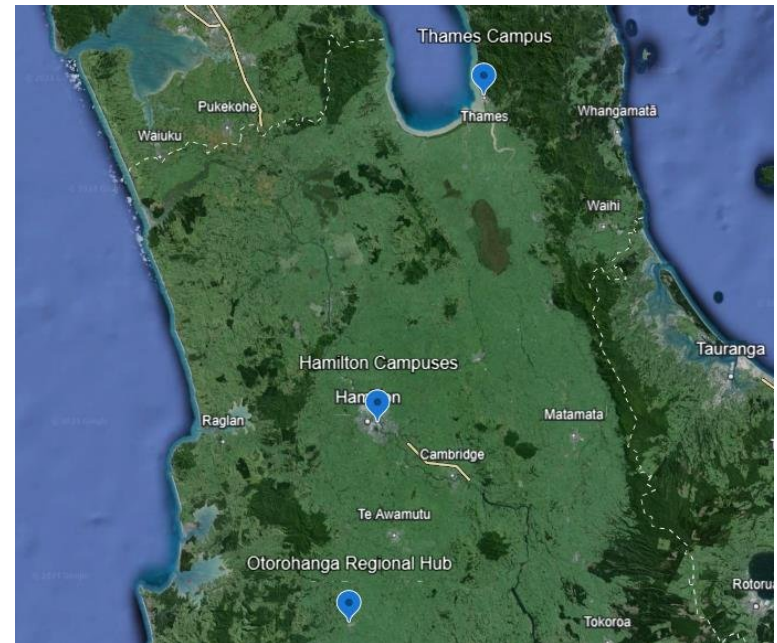
Overview

Wintec

- Wintec has 3 main delivery sites in Hamilton City (Hamilton City, Rotokauri Campus, Hamilton Gardens Campus). Wintec also has smaller centres located in Thames (Trades Academy) and Ōtorohanga (Regional Hub).
- The Waikato region's population is approximately 522,600 and makes a proportional contribution to the NZ GDP.
- RSLG analyses highlights priority growth, particularly in: Construction and Infrastructure, Primary Industries, Digital Technology, Freight and Logistics, Manufacturing and Engineering.

Analysis

- Using Tribal data and cost-to-serve data within Rohe 2, the analysis has compared Wintec to its peers under a National and Regional lens and has compared the Wintec academic disciplines against one another.



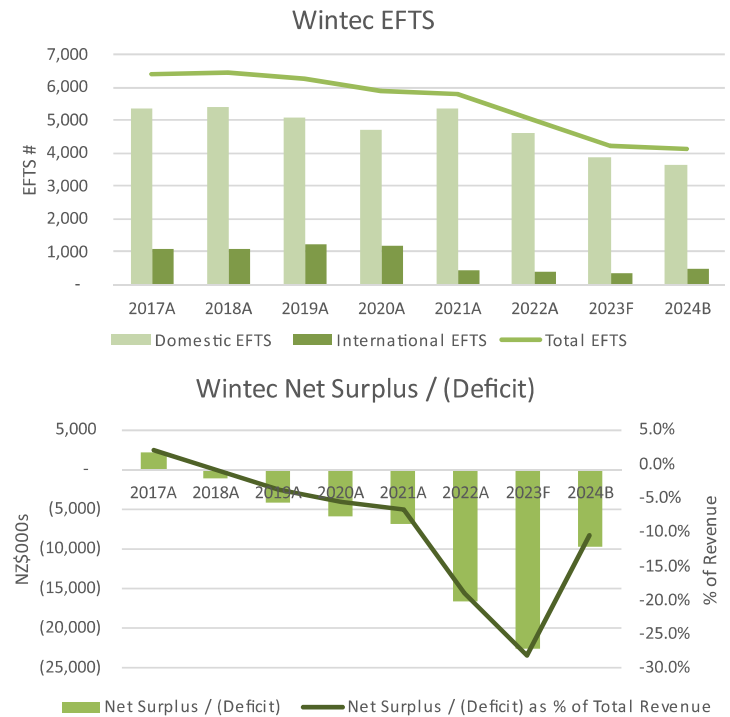
Historical View

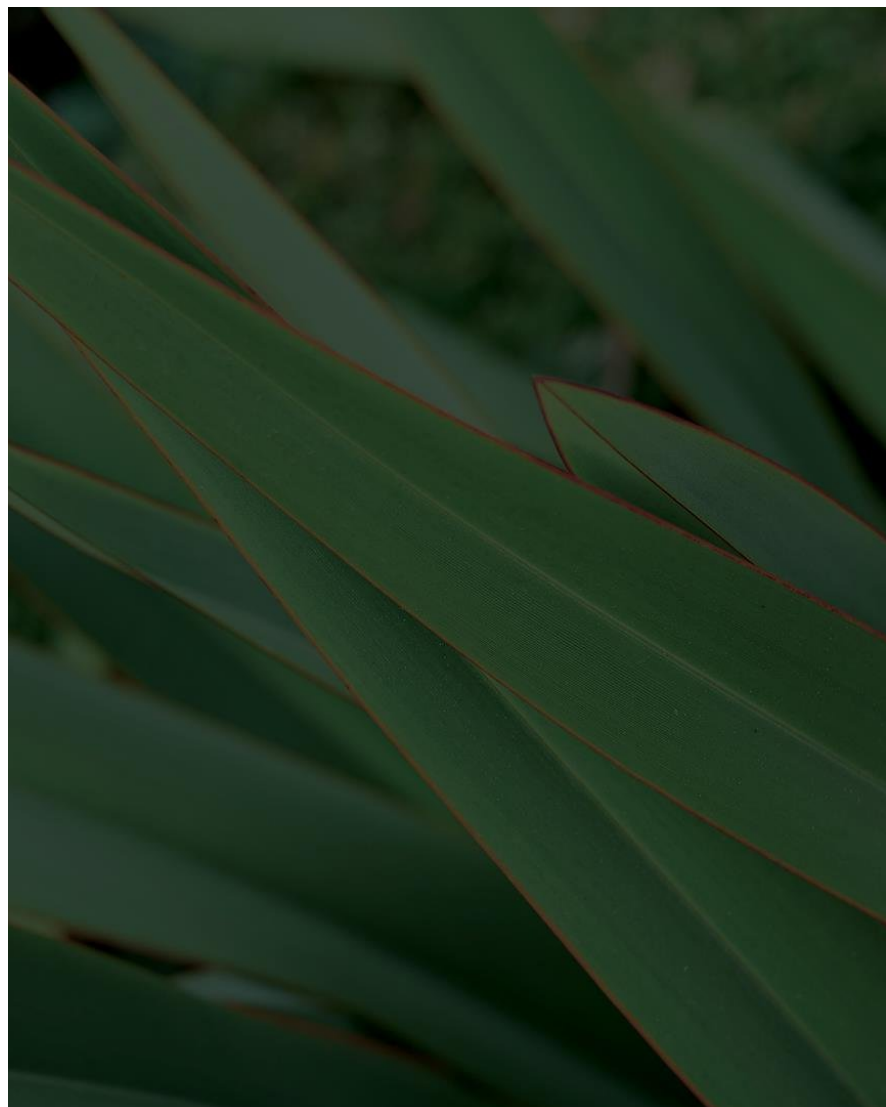
EFTS

- Over the period 2019 to 2024, Wintec’s total EFTS have decreased by 2,172 (35%). Domestic EFTS saw a decrease of 29%, while international EFTS have dropped by 59%. The international EFTS decrease has been driven by COVID-19 related border closures and government immigration policy changes.
- The average drop in total EFTS for former ITPs across this period was 18%; with the drop in domestic EFTS being 12% and a drop in international EFTS being 49%. By comparison, Wintec has underperformed on domestic and international EFTS retention fronts.

Net Surplus/Deficit

- Wintec posted a net deficit of \$4.1m in 2019 and have run a net deficit for each year since. Wintec’s 2024 budgeted deficit is \$9.8m.
- A quick glance at Wintec’s net deficit as a proportion of its total revenue has seen a decline by 6.7 percentage points from -3.9% (deficit) in 2019 to -10.6% (deficit) in 2024 (budgeted). A comparison of this same measure against the former ITP’s average shows a decline of 8.4 percentage points from -4.6% in 2019 to -13.0% in 2024. Therefore, Wintec’s current financial performance, compared to other former ITP’s is relatively strong.





National View



National comparison of ITP expenses

Using Tribal data, components of expenditure have been analysed. Unless otherwise noted, data is from the 2022 year.

Student Numbers (EFTS)

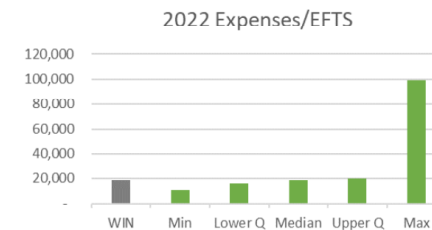
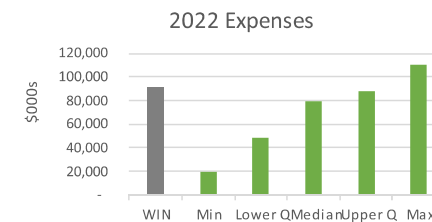
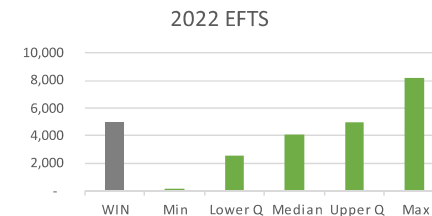
- Wintec had 4,997 EFTS for the 2022 year. This sits above both the median (4,103) and the upper quartile (4,943) against the other ITPs.

Expenses

- Wintec's 2022 expenses were \$91.7m. This is above both the group upper quartile (\$88.2m) and median (\$79.9m) for former ITPs. Wintec have the third highest expenses within the former ITP group, behind Unitec and Ara.

Expenses per EFTS

- Comparison of expenses per EFTS shows that Wintec is an average performer in the sector. Wintec has an expense per EFTS (\$18,357/EFTS) with the lower quartile being \$16,171/EFTS and the median of the group being \$18,657/EFTS.



Expense categories

The Tribal data shows how Wintec performs compared to the other ITPs across nine different expense categories. For each expense category, costs have been measured against the ITP's total income to give a relative measure.

Performance can be classified into three categories:

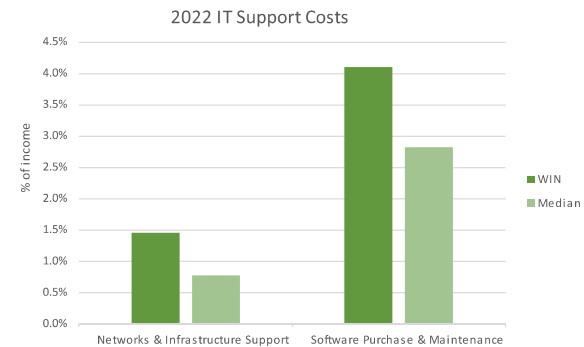
1. **Disproportionately low-cost:** Where proportional costs are below the lower quartile of the group.
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Income Category	Wintec	Minimum	Lower Quartile	Median	Upper Quartile	Maximum	Performance
Central Administration	15.4%	11.4%	12.0%	15.4%	17.4%	51.8%	Proportionate Cost
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IT Support	9.6%	6.2%	7.3%	8.5%	9.0%	13.9%	Disproportionately high-cost
Library / LRC Services	2.1%	0.0%	1.5%	1.8%	2.2%	3.0%	Proportionate Cost
Marketing / Business Development	7.1%	4.5%	6.1%	10.0%	18.0%	168.0%	Proportionate Cost
Student Administration	2.4%	1.9%	2.9%	3.6%	4.3%	7.4%	Disproportionately low-cost
Student Services	2.6%	1.5%	2.6%	3.1%	3.6%	6.4%	Disproportionately low-cost
Teaching & Research	62.8%	38.0%	51.2%	58.2%	61.0%	72.4%	Disproportionately high-cost

Disproportionately high IT Support Costs

Wintec have disproportionately high IT Support Costs compared to the sector

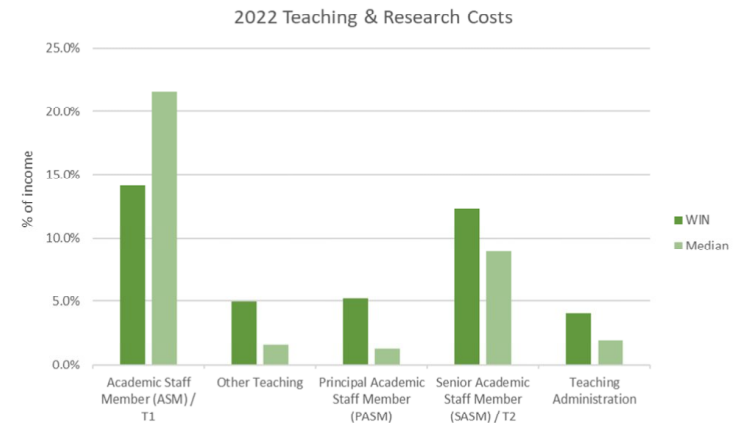
- Within IT Support Costs, Wintec have three cost types that are higher than sector averages:
 - Software Purchase & Maintenance costs in 2022 were 1.3% of income higher than the sector median.
 - Networks & Infrastructure Support costs in 2022 were 0.7% of income higher than the sector median.

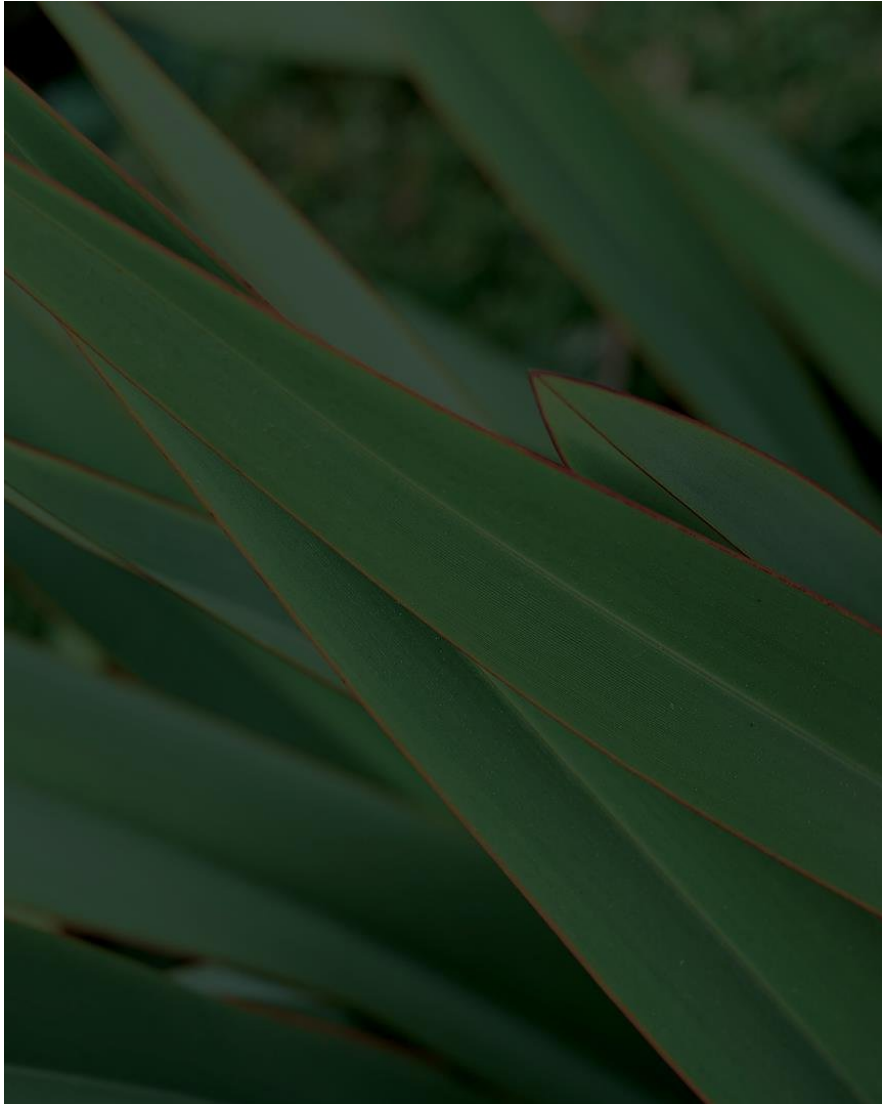


Disproportionately high Teaching & Research Costs

Wintec have the third highest Teaching & Research costs, after Tai Poutini and Northtec within the sector

- Within Teaching & Research costs, Wintec have four cost types that are substantially higher than sector averages:
 - Principal Academic Staff Member (PASM) Costs in 2022 were 4.0% of income more than the sector median.
 - Other Teaching Costs in 2022 were 3.4% of income more than the sector median.
 - Senior Academic Staff Member (SASM) / T2 Costs in 2022 were 3.4% of income more than the sector median.
 - Teaching Administration Costs in 2022 were 2.2% of income more than the sector median.
- Wintec’s Academic Staff Member (ASM) / T1 costs were 7.4% of income less than the sector median.

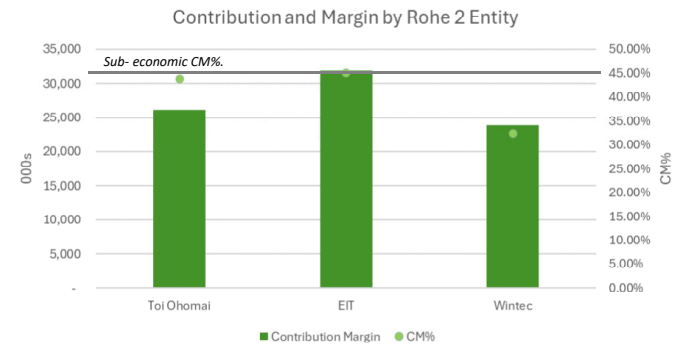
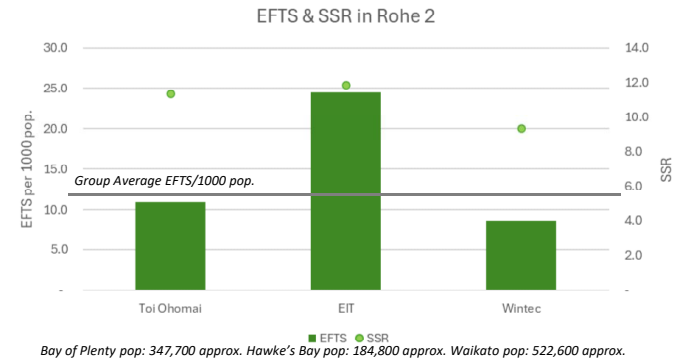


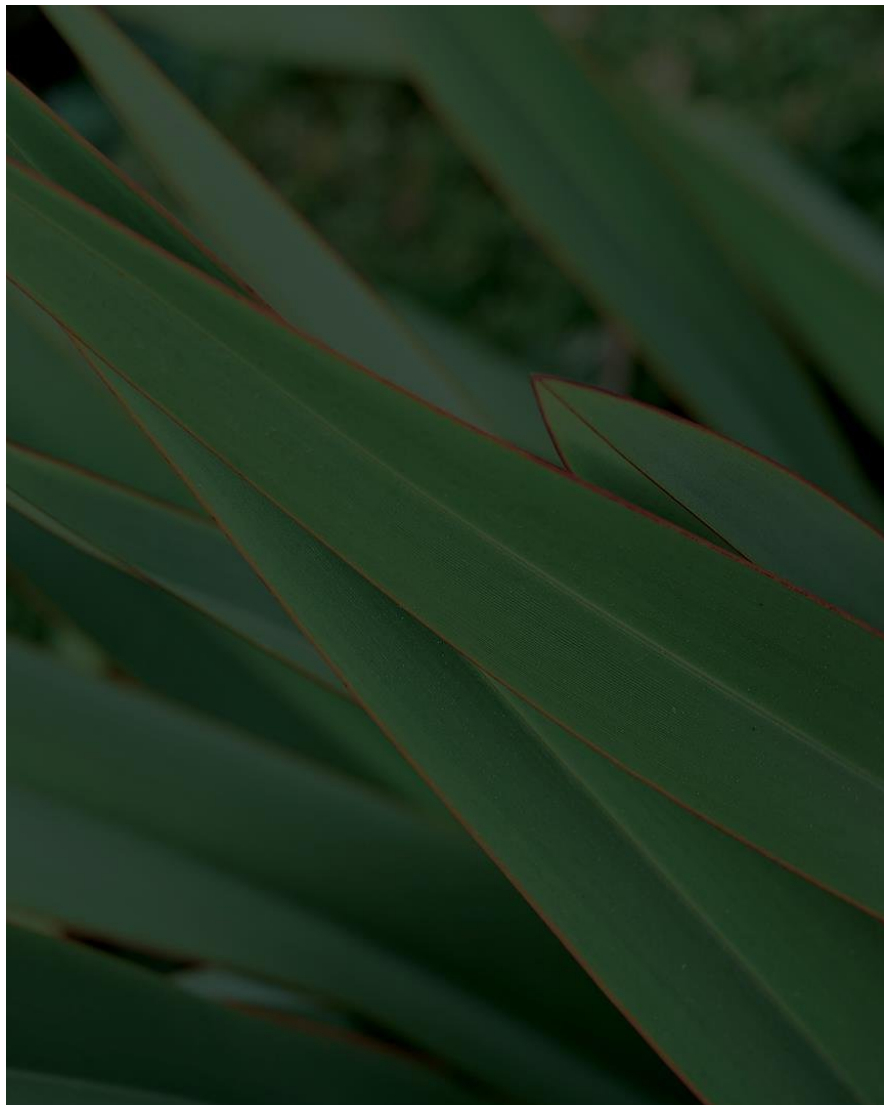


Regional View

Regional comparison

- In the 2024 budget, Wintec has the second highest EFTS numbers in Rohe 2 and a student-staff ratio (SSR) of 9.3 (below the average of 10.7 for the Rohe 2 business divisions).
- Considering a view on EFTS per 1000 people (population) for the primary region each entity operates in shows that Wintec is below the Rohe 2 average. Wintec has an EFTS/1000 pop. of 8.6 compared to the group average of 12.1 across all entities in Rohe 2.
- The average contribution margin between former ITP business divisions in Rohe 2 is 40.1%. Wintec is below this average with a contribution margin of 32.4%. Toi Ohomai could also be deemed sub-economic (<45% CM) with a CM% of 43.7%.



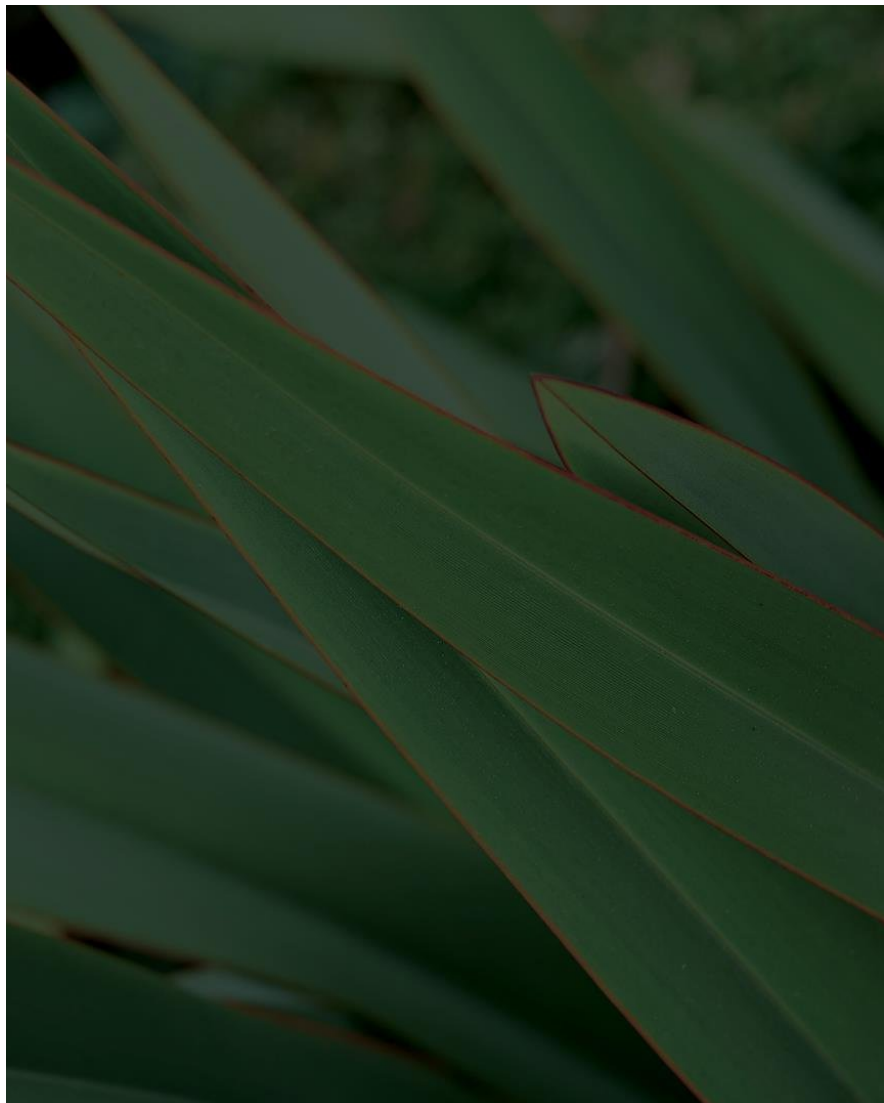


Local View

A Location Lens

- Wintec have ten academic delivery disciplines as well as the Waikato Trades Academy, Design Factory NZ, Te Kotahi Oranga, and the Enrolment Centre and Research activities.





Programme Analysis

Low performing Disciplines

- The following page highlights those disciplines which have achieved weak YTD enrolments relative to the budget. The analysis has compared the 2023 YTD performance as a percentage of the budget to the current YTD performance. This should capture different timing of enrolments for various programmes/disciplines and is intended to highlight areas for further investigation.
- The upcoming financial forecast should capture the financial impact of the semester one enrolment outcomes and will highlight areas of weakness. This is an opportunity to revisit the CTS analysis for the disciplines and dive deeper into resourcing levels based on the up-to-date enrolments and financials.

Low performing enrolments – detailed discipline view



Tēnā rawa atu koutou | Thank you all



