



Education New Zealand Briefing

Title: Education New Zealand's Quarterly Report for 1 April to 30 June 2020

Date: 18 September 2020

Priority: Low

Security level: In Confidence

ENZ ID no: 2021-038

Action sought

Addressee	Action sought	Deadline
Minister of Education	<p>Note that the quarterly report for 1 April to 30 June 2020 contains Education New Zealand's unaudited results for 2019/20.</p> <p>Note that Education New Zealand will provide the responsible Minister with the Annual Report 2019/20, which will contain the audited results for 2019/20, in December 2020.</p> <p>Agree that this briefing will be proactively released as per your expectation that information be released as soon as possible. Any information which may need to be withheld will be done so in line with the provisions of the Official Information Act 1982.</p>	

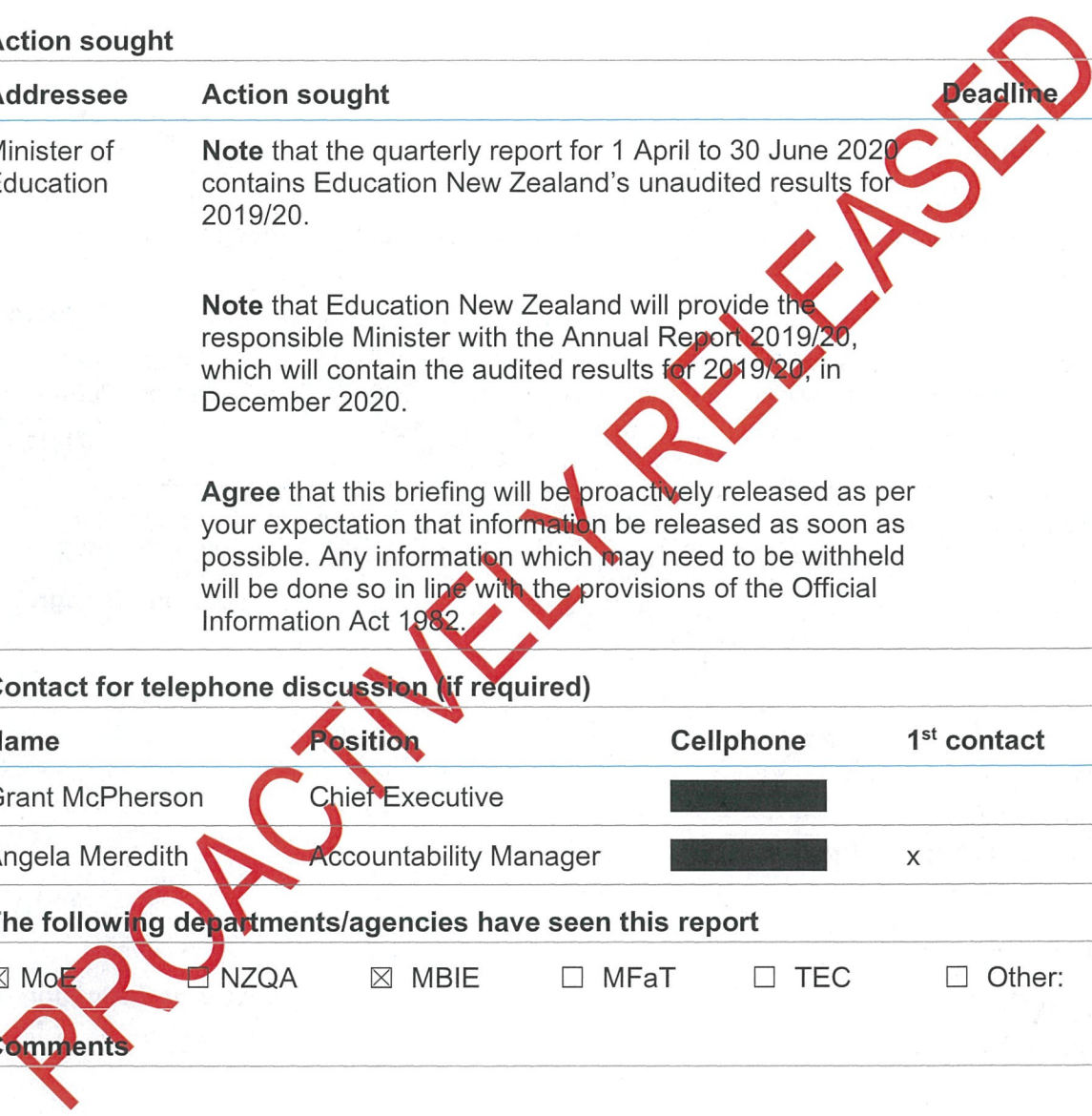
Contact for telephone discussion (if required)

Name	Position	Cellphone	1 st contact
Grant McPherson	Chief Executive	[REDACTED]	
Angela Meredith	Accountability Manager	[REDACTED]	x

The following departments/agencies have seen this report

MoE
 NZQA
 MBIE
 MFaT
 TEC
 Other:

Comments



Education New Zealand Briefing

Title: Education New Zealand's Quarterly Report for 1 April to 30 June 2020

Date: 18 September 2020

Priority: Low

Security level: In Confidence

ENZ ID no: 2021-038

Recommendations

Education New Zealand recommends that you

- a. **note** that the quarterly report for 1 April to 30 June 2020 contains Education New Zealand's unaudited results for 2019/20

Noted

- b. **note** that Education New Zealand will provide the responsible Minister with the Annual Report 2019/20, which will contain the audited results for 2019/20, in December 2020

Noted

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

Agree / Disagree



Grant McPherson
Chief Executive
Education New Zealand

Hon Chris Hipkins
Minister of Education

___/___/2020

Purpose

1. Education New Zealand's (ENZ's) quarterly report for June 2020 (covering 1 April to 30 June 2020) is attached for your information.

Background

2. The quarterly report provides the fourth quarter progress report against the impact and performance measures in ENZ's *Statement of Intent 2019-2023* and *Statement of Performance Expectations 2019-2020*.
3. ENZ's Board reviewed the quarterly report and agreed that it can be provided for your information.
4. The quarterly report contains the unaudited results for 2019/20. Audit New Zealand will start its year end audit of ENZ on 9 November. The audited results for 2019/20 will be included in the Annual Report 2019/20 which will be provided to the responsible Minister in December 2020.

Measures that will not be reported in the Annual Report 2019/20

5. As previously reported, ENZ will not report on three measures for 2019/20 (ENZ 1920-152). These measures are:
 - 5.1. Percentage of facilitated customers that agree ENZ's services and support have added value to their organisation
 - 5.2. Percentage of users satisfied with the information and intelligence provided by ENZ
 - 5.3. New Zealanders value the social and cultural benefits that international education brings

PROACTIVELY RELEASED

Education New Zealand

Quarterly Report for 1 April to 30 June 2020

**THINK
NEW[®]**



Contents

Impact measures	4
Performance measures	5
Activity indicator	6
Organisational capability	6
Financial performance to 30 June 2020	7

PROACTIVELY RELEASED

This quarterly report covers the period for 1 April to 30 June 2020. This is the final quarterly report against Education New Zealand's (ENZ's) *Statement of Intent 2019-2023* and *Statement of Performance Expectations 2019/20*.

The results provided in this report are unaudited. Following the year end audit of ENZ, ENZ's Annual Report for 2019/20 will be finalised.

PROACTIVELY RELEASED

Impact measures

	Target 2019/20	2018/19 Full Year Result	2019/20 Full Year Result	Met ¹	Comment
International student perceptions of education quality.	2020: 8.2 out of 10	2018: 8.0 out of 10 2019: 7.8 out of 10	2020: 7.8 out of 10	*	New baseline has been established.
The percentage of international students who were satisfied or very satisfied with their overall experience.	2019: Establish new baseline	New baseline in 2019/20	88%	✓	
The economic value from New Zealand's international education sector.	2019: \$5.1 billion	2018: \$4.94 billion	\$5.02 billion	*	ENZ has estimated that the economic value increased by 1.6% compared to 2018, driven by an increase in university and school enrolments.
The economic value per international student.	2019: Increase	2018: \$39,000		NA	The result is not yet available but will be reported in the Annual Report 2019/20.
The percentage of international students enrolled to study outside Auckland.	2019: Increase	2018: 44%	2019: 45%	✓	This was due to a 12% decrease in the number of international students in Auckland and increases in the number of international students in the Waikato, Otago, Taranaki and Hawke's Bay.
The percentage of the international education sector's economic value coming from New Zealand's top two markets.	2019: Decrease	2018: 45.5% of economic value		NA	The result is not yet available but will be reported in the Annual Report 2019/20.
Awareness of the contribution of international education to New Zealand.	2019/20: Increase	2018/19: 58%	-	●	Due to the COVID-19 pandemic, ENZ did not undertake this survey.

¹ Key: ✓ met target

* target not met

● not measured

NA result is not yet available, but will be included in the Annual Report

Performance measures

Target 2019/20	2018/19 Full Year Result	2019/20 Full Year Result	Met ²	Comment
Percentage of facilitated customers that agree ENZ's services and support have added value to their organisation.	93%	-	●	Due to the significant impact of COVID-19 on the international education sector and the cross agency work to provide communications and support to the sector, ENZ did not survey the sector about ENZ's work.
Percentage of Active Visits on ENZ's studyinnewzealand.govt.nz website.	77%	77%	✓	
Number of registrations to ENZ's Student Membership Programme through studyinnewzealand.govt.nz website.	80-100,000	New measure in 2019/20 93,052	✓	
Number of registrations to NauMai NZ	Establish baseline	New measure in 2019/20 6,263	✓	
Number of key messages about the benefits to New Zealand from international education delivered by third parties.	≥180	156	✗	The target is not met as ENZ's communications work was refocused due to the COVID-19 pandemic and the scope of ENZ's communications strategy was broadened to include NZIST transition and implementation, and international student wellbeing.
Percentage of users satisfied with the information and intelligence provided by ENZ.	≥87%	78% of industry users stated ENZ's information and intelligence as 'good' or higher	●	Due to the significant impact of COVID-19 on the international education sector and the cross agency work to provide communications and support to the sector, ENZ did not survey the sector about ENZ's work.
Percentage of Prime Minister's Scholarship recipients who report making five or more professional/business connections during their time on scholarship.	≥60%	56%	✗	Less than 60% of either the Prime Minister's Scholarship for Latin America (PMSLA) recipients and the Prime Minister's Scholarship for Asia (PMSA) recipients reported making five or more professional/business connections. No recipients travelled overseas after the October to December 2019 quarter.

² Key: ✓ met target

✗ target not met

● not measured

Target 2019/20	2018/19 Full Year Result	2019/20 Full Year Result	Met ²	Comment
Percentage of Prime Minister's Scholarship recipients who report making five or more academic connections during their time on scholarship.	≥60%	53%	x	Less than 60% of PMSLA recipients and PMSA recipients reported making five or more academic connections. No recipients travelled overseas after the October to December 2019 quarter.

Activity indicator

2019/20 Activity standard	2018/19 Full Year Result	2019/20 Full Year Result	Met ³	Comment
Number of New Zealand International Doctoral Research Scholarships funded.	27	20	✓	

Organisational capability

2019/20 Target	2018/19 Full Year Result	2019/20 Full Year Result	Met ³	Comment
Increase	New baseline established	66% favourable	✓	New baseline has been established.

Employee engagement.

³ Key: ✓ met target

x target not met

● not measured

Financial performance to 30 June 2020

STATEMENT OF FINANCIAL PERFORMANCE	For the 12 months to 30 June		
	Actual 2019/20	Budget 2019/20	Actual 2018/19
\$000s			
Operating Revenue			
Revenue from the Crown - Operating	28,179	27,532	27,299
Revenue from the Crown - EEL	3,265	3,265	3,265
Other revenue	2,597	3,104	1,668
Total operating revenue	34,041	33,901	32,232
Scholarship Revenue			
Revenue from the Crown - scholarships	2,050	4,350	4,550
Total scholarship revenue	2,050	4,350	4,550
Operating Expenditure			
Personnel costs	13,488	13,782	12,010
Other expenses	20,309	19,924	19,899
Depreciation & amortisation expenses	305	195	283
Total operating expenditure	34,102	33,901	32,192
Scholarship expenditure			
Scholarship expenses	1,625	4,350	4,536
Total scholarship expenditure	1,625	4,350	4,536
Net surplus	364	-	54

STATEMENT OF FINANCIAL POSITION	As at 30 June		
	Actual 2019/20	Budget 2019/20	Actual 2018/19
\$000s			
Assets			
Total current assets	7,676	5,774	6,075
Total non-current assets	558	621	778
Total assets	8,233	6,395	6,853
Liabilities			
Total current liabilities	5,207	4,000	4,234
Total non-current liabilities	231	-	171
Total liabilities	5,438	4,000	4,405
Net assets	2,795	2,395	2,448

ENZ recorded a minor deficit of \$0.061m, or less than 1% of the International Education Programme crown and other revenue of \$34.041m. ENZ reconfigured its work programme due to COVID-19 and delivered around \$2.6m of replacement activity to support the international education sector, connect with international students in New Zealand and gather intelligence about markets for New Zealand education providers.

Round 2 of the 2019/20 PMSA and PMSLA was cancelled and \$2.3m of unused crown revenue was returned to the Ministry of Education. A surplus of \$0.425m was recorded for all scholarships, partly due to student refunds from Round 1 of the 2019/20 PMSA and PMSLA, along with delays to

drawdown of stipends for New Zealand International Doctoral Research Scholarship recipients, all due to the global impact of COVID-19.

The combined surplus of ENZ's appropriations was \$0.364m.

PROACTIVELY RELEASED