



Tertiary Education Report: Draft Tertiary Education Commission Statement of Intent 2018/19 – 2021/22 and Statement of Performance Expectations 2018/19

Date:	30 April 2018	TEC priority:	Medium
Security level:	In Confidence	Report no:	B/18/00188
		Minister's office No:	

ACTION SOUGHT			
		Action sought	Deadline
Hon Chris Hipkins Minister of Education		Review and comment on the Tertiary Education Commission's draft Statement of Intent 2017/18 – 2021/22 and Statement of Performance Expectations 2017/18.	21 May 2018
Enclosure: Yes		Round Robin: No	

CONTACT FOR TELEPHONE DISCUSSION (IF REQUIRED)				
Name	Position	Telephone	1st contact	
John Soulis	Deputy Chief Executive, Finance / and Chief Financial Officer	Section 9(2)(a)		✓
Section 9(2)(a)	Section 9(2)(a)			

THE FOLLOWING DEPARTMENTS/AGENCIES HAVE SEEN THIS REPORT							
<input type="checkbox"/> CERA	<input type="checkbox"/> DPMC	<input type="checkbox"/> ENZ	<input type="checkbox"/> ERO	<input type="checkbox"/> MBIE	<input type="checkbox"/> MoE	<input type="checkbox"/> MFAT	
<input type="checkbox"/> MPIA	<input type="checkbox"/> MSD	<input type="checkbox"/> NZQA	<input type="checkbox"/> NZTE	<input checked="" type="checkbox"/> TEC	<input type="checkbox"/> TPK	<input type="checkbox"/> Treasury	

Minister's Office to Complete: <input type="checkbox"/> Approved <input type="checkbox"/> Noted <input type="checkbox"/> Seen <input type="checkbox"/> See Minister's Notes	<input type="checkbox"/> Declined <input type="checkbox"/> Needs change <input type="checkbox"/> Overtaken by Events <input type="checkbox"/> Withdrawn
Comments:	

Recommendations

Hon Chris Hipkins, Minister of Education

It is recommended that you:

1. **review and comment** on the Tertiary Education Commission's (TEC) draft Statement of Intent 2017/18 – 2021/22 (SOI) and Statement of Performance Expectations 2017/18 (SPE); and
2. **note** that under s146(2)(b) of the Crown Entities Act 2004 you are required to provide comments no later than 15 working days after receiving the draft SOI and SPE (i.e. 21 May 2018); and
3. **agree** that the TEC release this briefing, with minor redactions to withhold officials' contact details, once the final SOI and SPE have been published.

AGREED / NOT AGREED



John Soulis

Deputy Chief Executive, Finance /
Chief Financial Officer, Tertiary Education
Commission

30 April 2018

Hon Chris Hipkins

Minister of Education

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Purpose

1. This paper presents the Tertiary Education Commission's (TEC's) draft Statement of Intent 2017/18 – 2021/22 (SOI) and draft Statement of Performance Expectations 2017/18 (SPE) for your review and comment.

Background

2. We have consulted the Ministry of Education and the Ministry of Business, Innovation and Employment as our monitors, and Audit New Zealand. We have made relevant changes in response to their feedback.
3. You will receive a separate briefing from the Ministry of Education, as our lead monitor, to inform your review of our draft SOI and SPE.

Statement of Intent

4. Crown entities must prepare an SOI at least once in every three-year period. In 2018, we are required to prepare an SOI because our current SOI is almost three years old.
5. This is an interim SOI, and we intend to develop a revised SOI for 2019/20 onwards. The revised SOI for 2019/20 onwards will fully reflect the forthcoming thirty-year vision for education and the updated Tertiary Education Strategy.
6. This SOI sets out our strategic intentions related to our expanded functions, which were updated in 2017 to include careers services. It also reflects the objectives in the Education Portfolio Work Programme, and our new role in delivering the fees-free tertiary policy.
7. In this SOI we provide:
 - a. an updated strategic framework under which we can deliver our priorities, business as usual and continuous improvement activities
 - b. updated impact areas and descriptors of success relating to each, which are now more learner and customer focused than our previous SOIs.
8. We have worked closely with the Ministry of Education in developing this SOI. This includes refining our performance measures following their input and feedback. We will continue to work closely with the Ministry of Education as we finalise this SOI, and as we develop a revised SOI for 2019/20 onwards.

Statement of Performance Expectations

9. Through the SPE, Crown Entities must set out annual financial and non-financial performance expectations, and provide a basis against which financial and non-financial performance can be assessed. An SPE provides forecast financial statements.
10. This SPE reflects the updated strategy, values and operating model set out in the SOI. It also integrates our expanded functions, which were updated in 2017 to include careers services.
11. During 2017/18 we have undertaken a significant programme of work to revise and rationalise our non-financial performance measures. 2018/19 will be a baseline year for several of these new measures. This is part of a continuous improvement approach which will support changes over a multi-year time horizon.

Your responsibility

12. Under s146(2)(b) of the Crown Entities Act 2004 you are required to provide comments no later than 15 working days after receiving the draft SOI and SPE. To fulfil this requirement you need to provide TEC with feedback by 21 May 2018.

Next steps

13. We are consulting with Audit New Zealand who will conduct their interim audit of TEC starting 14 May 2018. We will advise you of any significant changes required by Audit New Zealand.
14. We will consider your comments and update the SOI and SPE accordingly.
15. Two members of the TEC Board of Commissioners will sign the final SOI and SPE.
16. You will be provided with copies of the final SOI and SPE, and we will publish it on our website, by 30 June 2018.
17. We will liaise with your office to provide printed copies of the SOI and SPE for you to table in Parliament. This must happen no later than the date you present TEC's Annual Report for the year ended 30 June 2018.