



EASTERN INSTITUTE OF TECHNOLOGY

---

# **Investment Plan**

## **2011-2013**

# Table of Contents

<b>Section 1:</b>	<b>Plan Context.....</b>	<b>3</b>
	Strategic Environment	
	EIT's Mission and Region	
	Key TES Priorities and EIT's Current and Planned Response	
	Other Matters	
<b>Section 2:</b>	<b>Summary of Activity.....</b>	<b>15</b>
	2011-2013 Planned Mix of Provision Changes by Funding Category	
	2011-2013 Planned Mix of Provision Changes by NQF Level	
	Funding Sought	
	Other Education Delivery	
<b>Section 3:</b>	<b>Performance Commitments.....</b>	<b>19</b>
<b>Section 4:</b>	<b>Outcomes Framework.....</b>	<b>20</b>
<b>Appendix 2</b>	<b>Separated Mix of Provision Data</b>	
<b>Appendix 3</b>	<b>Proposed Changes to Portfolio 2011-2013</b>	
<b>Appendix 4</b>	<b>Summary Hawke's Bay Labour Market Profile 2010</b>	

## Plan Context

### Strategic Environment - Government Vision and Expectations

The government's overarching education vision is for a "world-leading education system that equips all New Zealanders with the knowledge, skills and values to be successful citizens in the 21<sup>st</sup> century."<sup>1</sup> The Tertiary Education Strategy 2010-2015 gives effect to this vision, within a regional and national environment characterised by the recent recession and the need for New Zealand to achieve a sustainable recovery by building a "productive skills base to drive economic growth."<sup>2</sup> It focuses on four strategic areas for the whole tertiary sector, including skills acquisition within a global environment, the importance of high quality research and the need to enable Māori to enjoy educational success as Māori.<sup>3</sup>

Within this vision for tertiary education, Institutes of Technology and Polytechnics are expected to fulfil three core roles:

- To deliver vocational education that provides skills for employment
- To undertake applied research that supports vocational learning and technology transfer
- To assist progression to higher levels of learning or work through foundation education<sup>4</sup>

In fulfilling these roles, ITPs such as EIT are expected to:

- Enable a wide range of students to complete industry-relevant certificate, diploma and applied degree qualification
- Enable local access to appropriate tertiary education
- Support students with low literacy, language and numeracy skills to improve these skills and progress to higher levels of learning
- Work with industry to ensure that vocational learning meets industry needs.<sup>5</sup>

---

<sup>1</sup> New Zealand Ministry of Education, *Tertiary Education Strategy 2010-2015*, p. 6, retrieved 26 August, 2010, [www.minedu.govt.nz/TertiaryEducationStrategy](http://www.minedu.govt.nz/TertiaryEducationStrategy).

<sup>2</sup> Ibid., p. 6

<sup>3</sup> Ibid., pp. 6-7

<sup>4</sup> Ibid., pp. 18-19

<sup>5</sup> Ibid., p. 19

## **EIT's Mission and Region**

This Investment Plan heralds the formation of a new entity, and the start of a new era for the delivery of tertiary education in the Tairāwhiti and Hawke's Bay regions. Unless the context requires otherwise, the name EIT in this plan refers to the new institution formed by the merger of the former EIT and Tairāwhiti Polytechnic.

This merger of Tairāwhiti Polytechnic and EIT Hawke's Bay opens many opportunities, but also presents many challenges and has significant risks. As acknowledged in the Business Case that addresses the merger in detail the process will take several years, so will not be fully complete even at the end of the period covered in this Investment Plan. Therefore this Investment Plan, even more than most, sets out intentions, but may change as the reality of a new, merged institution evolves over the next three years.

The details of the process of implementing the merger of the two institutions are addressed in more detail in the Implementation Plan that is attached as Appendix 1. This high level plan, which includes key milestones, will be supported by a number of plans that will cover the various work-streams required.

The EIT that emerges will build on the areas of commonality between the former EIT and Tairāwhiti Polytechnic, and will strive to bring the very best from each of the partners to the new organisation. It is not surprising that many key elements of the Visions and Missions of the two merging institutions are very similar. These form the foundation for this Investment Plan.

EIT will be the pre-eminent provider of tertiary education in the Hawke's Bay and Tairāwhiti regions, focussing on making relevant, high-quality education and training available and accessible to individuals, communities, iwi and businesses across the region. Where appropriate this will be achieved in partnership with other providers and organisations.

With the effective date of the merger having been brought forward to 1 January 2011, the specific goals for the immediate future have been derived from the performance of the two partners in 2009 and 2010 in the context of regional needs and the Tertiary Education Strategy. The following sections outline key linkages and background.

The former EIT always aspired to be Hawke's Bay's pre-eminent tertiary provider, and Tairāwhiti Polytechnic was the major tertiary provider in the Tairāwhiti region. The combined region includes the largest urban population not served directly by a university. EIT will continue to meet the expectations of the region for a major tertiary provider that is locally based. The former EIT and Tairāwhiti Polytechnic demonstrably delivered on the government's expectations for the function of ITPs, as is evident in:

- a major vocational, applied professional and higher education programme portfolio strongly linked to regional industry need via Programme Advisory Committees and evidence of regional demand for graduates. Currently 38% of EIT's student body studies at Level 7 and above, and while this proportion will initially drop as a result of the merger, EIT will provide improved access to study at this level in Tairāwhiti.

- a flagship indigenous arts programme “Toihoukura” at Tairāwhiti Polytechnic which has gained national and international recognition for its outcomes.
- a significant research strategy and corresponding investment that not only underpinned the former EIT’s ten vocational undergraduate and postgraduate degree programmes, but also responded to community and industry needs for technology transfer and other types of “applied” research. EIT will build on this background and give the Tairāwhiti region greater access to research.
- a demonstrated commitment to providing pathways from foundation level programmes with embedded literacy and numeracy to higher level study. Certificates and Diplomas are offered in 22 curriculum areas, with ten undergraduate degrees, a master’s degree and 13 post-graduate qualifications. 2009 Educational Performance Indicators rated EIT at the top of the sub-sector for its progression rates, and a key goal of EIT will be to transfer success in this aspect to the Tairāwhiti region. Conversely, Tairāwhiti Polytechnic has been the sub-sector leader in the recruitment of Māori students and in the effective delivery of Training Opportunities Programmes. EIT will seek to continue and build on these successes across all its activities.
- Regional Learning Centres established by both the former EIT and Tairāwhiti Polytechnic in areas of high deprivation that are further testament to a commitment to providing accessible pathways for learners into higher level provision.
- strong partnerships with secondary schools reflected in several significant secondary/tertiary collaborative learning programmes, and a successful bid for a Hawke’s Bay Schools’ Trades Academy based at EIT in Taradale to be opened by government in 2012. Strong levels of STAR activity in Gisborne also signal the good links with secondary schools.

In carrying out these important roles, EIT operates within a Hawke’s Bay and Tairāwhiti region that is characterised by some worrying economic and educational statistics. The 2008 Hawke’s Bay Regional Statement of Tertiary Education Needs, Gaps and Priorities<sup>6</sup> presents a range of statistics, with an overall theme of a province that hovers below the national average for many important indicators such as employment and secondary school qualifications, particularly as these affect the government’s key priority groups of Māori, Pasifika, and youth. Similar data for the Tairāwhiti region reflects a region with similar challenges. In addition, regional facilitation identified some key characteristics of the Hawke’s Bay population that tertiary education provision should note and address where possible. These include:

- a high Māori population
- low income levels
- a diverse society

---

<sup>6</sup> Hawke’s Bay Region, *Statement of Tertiary Education Needs, Gaps and Priorities*, May 2008

- loss of young people from the region
- an ageing population
- a seasonal economy
- dependency on primary production
- future growth opportunities in export, value added processing and tourism
- in addition, a shortage of qualified trades people was of note

Again, the situation in Tairāwhiti shows a similar pattern to the Hawke's Bay region.

These statistics and trends are continued in an updated summary of the Hawke's Bay Labour Market Profile provided by economist Sean Bevin to EIT specifically for the purposes of supporting the development of this Investment Plan. This summary is attached as Appendix 4. Key amongst its findings are an increase in the rate of unemployment from 3.8% at the June 2006 quarter to 8.5% in June 2010, and a projected fall in the youth population of Hawke's Bay by over 7% over the 2006 – 2021 period.<sup>7</sup>

Thus EIT undertakes not only to continually improve on its own educational performance, but also to assist industry and the schooling sector to improve qualification and employment indicators that would see the Hawke's Bay and Tairāwhiti regions better reflecting the priorities of the government's tertiary education strategy.

This connection with regional industry and community need is further reinforced by Programme Advisory Committees that provide input and feedback with regard to ensuring that EIT's programmes and developments meet industry requirements, and anticipate as far as possible employment and skills trends. EIT's Business Relationship manager is a member of a number of regional forums that include government agencies and industry leaders, thereby ensuring active participation and partnership in regional developments, and affording an opportunity to gather intelligence about how EIT's programmes are perceived in terms of the skills gained by graduates employed in the region. An important early focus for the new EIT will be the amalgamation of the current advisory systems and structures previously in place at EIT and Tairāwhiti Polytechnic into a new approach that will ensure the relevance and value of programmes to the wider region.

Currently TANZ partners are developing a Graduate Survey, to gain further information related to achievement and employment outcomes of graduates. A Graduate Profile is also being developed within EIT to support the implementation of an EIT Teaching and Learning Plan that has as its mission: *To provide our diverse learner community with the skills, knowledge and attitudes to enable access to opportunities for 21<sup>st</sup> century employment and life.*<sup>8</sup> These projects will be expanded to include all aspects of delivery in Tairāwhiti as well as Hawke's Bay.

---

<sup>7</sup> Sean Bevin, *Summary Hawke's Bay Labour-Market Profile 2010*, July 2010

<sup>8</sup> EIT Hawke's Bay, *Teaching and Learning Plan 2010-2014*

This focus on educational quality has been a cornerstone of the former EIT's development and reputation. The report of the ITPQ External Review team that evaluated EIT in June 2009 has resulted in a 'highly confident' rating for educational performance, and a 'confident' rating for self-evaluative activity. Tairāwhiti Polytechnic does not have as strong a record of quality outcomes. It did not undergo an External Review, but it did have Quality Assured status until February 2011 as a result of a positive Academic Audit outcome in November 2008. Alignment and integration of quality systems to ensure consistency across EIT is an area of high priority.

The former EIT had resourced (along with the TEC) and successfully managed the implementation of embedded literacy and numeracy in its portfolio of Level 1-3 programmes, including significant staff development and programme redesign. Similar commitments will be afforded the implementation of the new Teaching and Learning Plan, which has as its base a Model for Effective Learning that explicitly recognises the many variables that contribute to student achievement within a regional ITP environment. Tairāwhiti Polytechnic has made less progress on embedding literacy and numeracy, as outlined in the 2010 report, but has laid solid foundations for this work to continue in 2011 and beyond. The consistent implementation of all aspects of this plan across the whole institute is another key priority for EIT.

#### **Key TES Priorities and EIT's Current and Planned Response**

EIT and Tairāwhiti Polytechnic were both highly committed to initiatives that directly address the government's key priorities for the TES 2011 - 2015. EIT will continue that strong commitment. Those priorities that relate specifically to ITPs are:

1. Increasing the number of young people (aged under 25) achieving qualifications at levels four and above, particularly degrees.
2. Increasing the number of Māori students enjoying success at higher levels.
3. Increasing the number of Pasifika students achieving at higher levels.
4. Increasing the number of young people moving successfully from school into tertiary education.
5. Improving literacy, language, and numeracy and skills outcomes from levels one to three study.<sup>9</sup>

EIT will continue to focus on all of these key priorities during the life of its new Investment Plan, building on current success and developments, as follows.

#### **Young People at Levels 4 and Above**

- In 2010 EIT gained 154 extra EFTS in order to increase numbers of young people in its higher level programmes.

---

<sup>9</sup> New Zealand Ministry of Education, *Tertiary Education Strategy 2010-2015*, pp. 11-13, retrieved 26 August 2010, [www.minedu.govt.nz/TertiaryEducationStrategy](http://www.minedu.govt.nz/TertiaryEducationStrategy).

- As a result, numbers of under 25s enrolled at those levels rose from 51% in 2009 to 53% in 2010, almost perfectly reflecting the increased EFTS allocation as a percentage of total EFTS.
- According to the latest 2009 Educational Performance Information (EPI) data for 2009, the course completion rate for under 25s studying at levels 4 and above was 73% compared to 67% for the general student population at EIT. At Tairāwhiti the comparative rates are 51% for under 25s and 54% for all students.
- EIT proposes new programmes for this Investment Plan that are specifically aimed at increasing participation and success at levels four and above of young people in areas of high employment opportunity and regional need. The rationale for all proposed new and discontinued programmes which would affect the mix of provision follows in Appendix 2 of this document. Graphs showing the altered mix of provision are provided along with accompanying notes in section 2.
- In addition, EIT participated in the multiple current reviews of aviation training. While we accept that we are unlikely to gain extra EFTS for our current programme in this environment, we seek the continuation of current funding levels. The programme has a strong strategic place in the Hawke's Bay region and aviation industry. Qualification completions are high, at 77% for 2009. Employment outcomes are also good and evidence of these results has been provided to the appropriate bodies as part of the review.

### **1) Māori Students Enjoying Success at Higher Levels**

- Participation of Māori at EIT is high - 32% compared with 25% in the regional population, and it is even higher at Tairāwhiti Polytechnic with 70% Māori compared to the 40% Māori population. EIT will continue to focus on Māori participation rates well above the proportion of Māori in the combined regional population.
- The 2009 course completion rate for Māori students at EIT was 60% and student retention was 39%, which was at the sector average according to the latest available 2008 sector benchmark. The rates for Tairāwhiti Polytechnic were 40% retention and 52% completion. EIT aspires to exceed the sector average during the period of this Investment Plan, and the institute has set itself performance targets to achieve this.
- Achievement of these targets will be supported by a Māori learner strategy led by the Director Māori, and increased support services for Māori students.
- A key challenge for EIT is to retain or improve the very high levels of Māori participation generated by Tairāwhiti Polytechnic and also retain or improve the relatively high levels of success and retention of Māori students that EIT achieved in the past

### **2) Pasifika Students at Higher Levels**

- Pasifika participation at EIT is currently at 3% compared with the regional population of 5%. Tairāwhiti Polytechnic has 5% Pasifika participation.
- Access rates at the former EIT in particular, and at Tairāwhiti Polytechnic appear to be low, although this is difficult to determine with statistical accuracy due to the low numbers.

- Prior to the merger, EIT's council had established a Pasifika Reference Group that has just completed consultation with several Pasifika communities within Hawke's Bay on a draft strategy to improve Pasifika student participation and success at EIT. The composition and mandate of this group will be expanded to cover the Tairāwhiti region.
- Several degree programmes, notably the Bachelor of Nursing, Bachelor of Applied Social Sciences and the Bachelor of Early Childhood Education provide opportunities for EIT to nurture Pasifika success at higher levels.
- Research into mentoring for Pasifika students by EIT staff and published by Ako Aotearoa has informed the development of Pasifika mentoring systems within programmes with higher percentages of Pasifika students.
- This will be further extended with input from the wider region's Pasifika communities.

In order for Māori and Pasifika students to enjoy success at higher levels, they must be offered a pathway from lower levels. Both EIT and Tairāwhiti Polytechnic were always committed to these pathways. The former EIT's five regional centres and Tairāwhiti's regional activity directly serve communities with high Māori and Pasifika populations.

Data is currently being collected to accurately determine the percentage of students at EIT's regional centres who progress to higher levels of study at the Taradale campus. EIT's outstanding progression rate for the total student population would suggest that the regional centre progression is no exception to the pattern. These centres were not financially viable for EIT due to lack of critical mass, but the institute was committed to their establishment and continuation and supported them financially via other activity, because of the clear strategic goal of offering community based opportunities for Māori and Pasifika students to encourage their subsequent progression into higher level qualifications.

Similarly, EIT established a pilot partnership with the Hastings District Council and Ministry of Social Development during the latter half of 2010, which saw mainly Māori and Pasifika people on benefits offered the opportunity to complete a varied programme of work experience along with the National Certificate in Employment Skills and a step to permanent employment and/or higher level study. This programme will be extended into the life of this Investment Plan after an evaluation of the pilot's outcomes.

Tairāwhiti Polytechnic has been working with district health boards in both regions on the delivery of level two and three horticulture programmes into remote communities. These programmes assist in improving awareness and knowledge around key issues including obesity and diabetes.

### 3) Young People and the Secondary-Tertiary Transition

This was a comprehensive area of activity for the former EIT and Tairāwhiti Polytechnic, and will continue to be a key focus for this investment Plan.

- The government has selected the Hawke's Bay Schools **Trades Academy** led by and based at EIT Taradale as one of its official academies due for opening in 2012.

- EIT's current successful trades programmes, augmented by proposed new offerings in the Land-based and Health areas, have attracted high interest from 11 local schools committed to being partners in the academy along with local industry and local government.
- EIT has also formed some **significant collaborative partnerships with local secondary schools** to deliver secondary/tertiary programmes aimed at retaining students in education and smoothing their transition to further training and work.
- Most notably, an Agricultural Academy established with Wairoa College and a Hospitality programme run with Hastings Girls' High School achieved outstanding retention, completion and progression rates for the students involved during the 2009 year. Copies of the evaluation reports for these partnerships have been supplied to TEC and the Minister.
- EIT added a further secondary school – Tamatea High School – to this collaborative model in 2010, delivering a senior school trades programme. A goal of adding at least one further secondary school per year to the model has been set.
- Undertaking industry-based qualifications has allowed these students to achieve NCEA qualifications that they otherwise would have struggled to complete via conventional secondary subjects.
- In 2010 EIT was allocated 65 **Youth Guarantee** places, subsequently revised to 70. Tairāwhiti Polytechnic was allocated 30 places in 2010. At the time of writing, occupancy rates have been well exceeded and EIT has applied for a further allocation of 140 places in 2011, 90 in Hawke's Bay and 50 in Tairāwhiti.
- A comprehensive pastoral care system to support student outcomes for Youth Guarantee was trialled in 2010, and this will be evaluated and refined as student outcomes are analysed at year's end.
- EIT invested \$8 million in a new trades training complex in 2010. Alongside this, extensive redevelopment of trades programmes to encompass project-based learning and better meet the needs of the programme's large cohort of school-leavers and other young people has further developed EIT's commitment to this key government priority.
- Tairāwhiti Polytechnic has focused most activity in the relationship with schools on the development and delivery of STAR programmes, and this approach will be built on in Gisborne, and further developed to encourage the successful trades academy style of activity detailed above.

#### 4) Improving Literacy, Language and Numeracy

- EIT has implemented a comprehensive project that will see 100% of its Level 1 – 3 foundation programmes redesigned to deliver embedded literacy and numeracy by the beginning of 2011. Tairāwhiti Polytechnic has started similar work, but made less progress to date for reasons outlined in the 2010 report to TEC.
- Early data collection has revealed some outstanding outcomes in the form of student achievement in some areas – others will be inconclusive until the changes are bedded in. Ako Aotearoa has recently published a paper reflecting on the

teaching and learning outcomes of an EIT Trades programme that implemented embedded literacy and numeracy.<sup>10</sup>

- EIT has altered its academic quality processes to ensure that all programmes at these levels embed literacy and numeracy, and this approach will be extended into Tairāwhiti.
- Extensive staff training and the development of communities of practice in both Hawke's Bay and Tairāwhiti have also improved teaching practice and support for students in general, not just with regard to literacy and numeracy.
- The EIT project received special commendation during the External Review conducted by ITPQ under the new self-assessment criteria in 2010.
- EIT has formulated a plan and budget to embed the results of the project as “business as usual” from 2011 onward. This includes training for staff in utilising the national assessment tool. While most relevant staff at Tairāwhiti Polytechnic have received training in these fields, less progress has been made to date, and ensuring a consistent performance across the institute will be a key focus for EIT in the period covered by this plan.

#### **Other Matters**

Improving the educational and financial performance of providers is a key government focus for 2011 – 2015. These factors were the foundation for the development of the business case that outlined the merger of EIT and Tairāwhiti Polytechnic. The details of that business case are not repeated in this Investment Plan, which focuses on the new EIT that has been formed by the merger.

#### **Financial Performance**

The two institutions that have merged to form the new EIT have had quite different financial performance over the last ten years. The former EIT was consistently rated as a low-risk, high performing institution that achieved operating surpluses, substantially funded its own capital developments, carried no debt and had adequate working capital. Tairāwhiti Polytechnic had been at risk, with frequent operating deficits prior to 2009, and a period of Crown Management. Cost reduction and efficiency gains over the last two years generated sound operating surpluses, but forecasts did not show this continuing with new funding models to be in place from 2011.

As outlined in the business case, EIT has a sound medium term financial outlook. However, the amalgamation of the two institutions will in the short term generate financial indicators that are weaker than EIT has had previously. It is possible that these will fall in ranges that would normally trigger actions from the Tertiary Education Commission, such as increased reporting, or even some form of intervention.

---

<sup>10</sup> J Johnstone & E Govers, *A project approach to teaching collision repair: A story of change*, Ako Aotearoa, 2010, retrieved 26 August, 2010, <http://ako.aotearoa.ac.nz/ako-hub/good-practice-publication-grants-e-book/resources/files/project-approach-teaching-collision->

As this drop in performance is anticipated, is forecast to be relatively short lived, and will occur in the context of closer than normal levels of monitoring through the implementation phase, EIT understands that there will be consideration given to a balance between accountability for results and flexibility in not applying normal sanctions as the merger beds in.

### **Educational Performance**

The 2011 year will see the first use of the four new Educational Performance Indicators (EPIs) both as part of the planning cycle and to drive the introduction of Performance Linked Funding. It is an unfortunate coincidence that this will happen in the first year of the new EIT. The lack of an established history for the combined institution makes it extra difficult to set realistic targets. The alternative of setting two groups of targets based on the histories of the two institutions prior to the merger would be simpler, but this runs counter to the commitment to fully merging as soon as possible, and could delay the emergence of a common culture and ethos across the new EIT.

This plan is based on combined data, even though the two student information systems will initially run in parallel, with submission of two Student Data Returns (SDRs) to TEC. It is, however, anticipated that for a short period there will be interest in the separate results for educational performance in the two regions. This will give confidence that EIT is making progress on the performance commitments in the Business Case for the merger. The value of this separate data will reduce as integration of delivery evolves, but at least for 2011 EIT expects to monitor results both at whole of institution level and for each of the component regions. It is also possible that prematurely combining the data for the purposes of determining at risk funding based on performance will penalise EIT, by resulting in a greater funding loss than would have been suffered by the two institutions separately. While this is being explored, EIT understands that there is room for negotiation around separate versus combined data, and flexibility will be exercised with regard to application of financial sanctions as the merger beds in.

One aspect of the EPIs that is of particular concern is the impact on Qualification Completion rates that arises from the introduction of new multi-year programmes. EIT has already introduced a three-year Early Childhood degree that will not lead to qualification completions for three years. A major benefit of the merger is the introduction of degree programmes in Gisborne, which will exacerbate this effect. This will be offset, at least in 2011, by the transfer to EIT of all three years of the Nursing degree currently being delivered in Gisborne by Tairāwhiti Polytechnic in partnership with UCOL.

### ***Targets for Improvement***

- During the previous Investment Plan period, both EIT and Tairāwhiti Polytechnic began gathering more meaningful student achievement data in order to make better decisions about where education performance improvement should be targeted.
- This data, combined with the recent work conducted by government on Educational Performance Indicators has resulted in the identification of areas of good performance, and those where targets for improvement are necessary.
- The first stage of setting targets for improved performance by EIT is the establishment of robust performance data for the combined institution. This will

also identify areas where strong performance from one of the merged institutions should be targeted for sharing across the new institution.

- Targets for improvement will be negotiated that broadly reflect the need to improve qualification and course completions, and performance of students in Levels 1 – 3 programmes. The institute will also focus on its goal of further improving Māori student achievement rates. Although numbers of Pasifika are currently very small, EIT has committed to a draft Pasifika strategic plan that identifies increased Pasifika student participation and success as key goals.<sup>11</sup> An immediate priority will be the modification of this plan to include the Tairāwhiti region.

### **Course Completions Under 30%**

- The EPI data identified two foundation level programmes at the former EIT with poor success rates. These have been targeted for action, with outstanding improvements achieved in a short space of time, as shown in the report on this was provided to TEC in 2010.
- EIT seeks the retention of EFTS allocated to these programmes in light of the demonstrated improvements in student outcomes, and because of the clear value of these programmes in providing pathways to higher learning for the region's high priority student cohorts.
- EIT also voluntarily reduced the numbers of EFTS allocated to these programmes during the period that improvements were being implemented, and has further done so for the life of this Investment Plan.
- The EPI data for Tairāwhiti Polytechnic showed poor course completions for a number of qualifications that were linked to statutory compliance. These have since been discontinued.
- In addition, EIT has decided to discontinue some other programmes affected by low completion rates (see Appendix 3). In 2011 we will examine all programmes below 50% with a view to targeting areas for improvement or reallocating EFTS to high performing programmes.

### **ACE and Other Reductions**

- With regard to the reduction in ACE provision due to be implemented by government in 2011, both Tairāwhiti Polytechnic and EIT had already established plans for its reduced provision, targeting programmes that meet the TEC criteria for ACE funding.
- Compliance courses will be discontinued or converted to user pays as detailed in previous documents to TEC.

---

<sup>11</sup> Eastern Institute of Technology, *Pasifika strategic plan 2010-2012*, EIT, Napier

- Short Awards of less than 20 credits will not be delivered. Any Short Awards between 20 and 40 credits will be scrutinised and discontinued within SAC funding if they can be delivered via a user pays system.

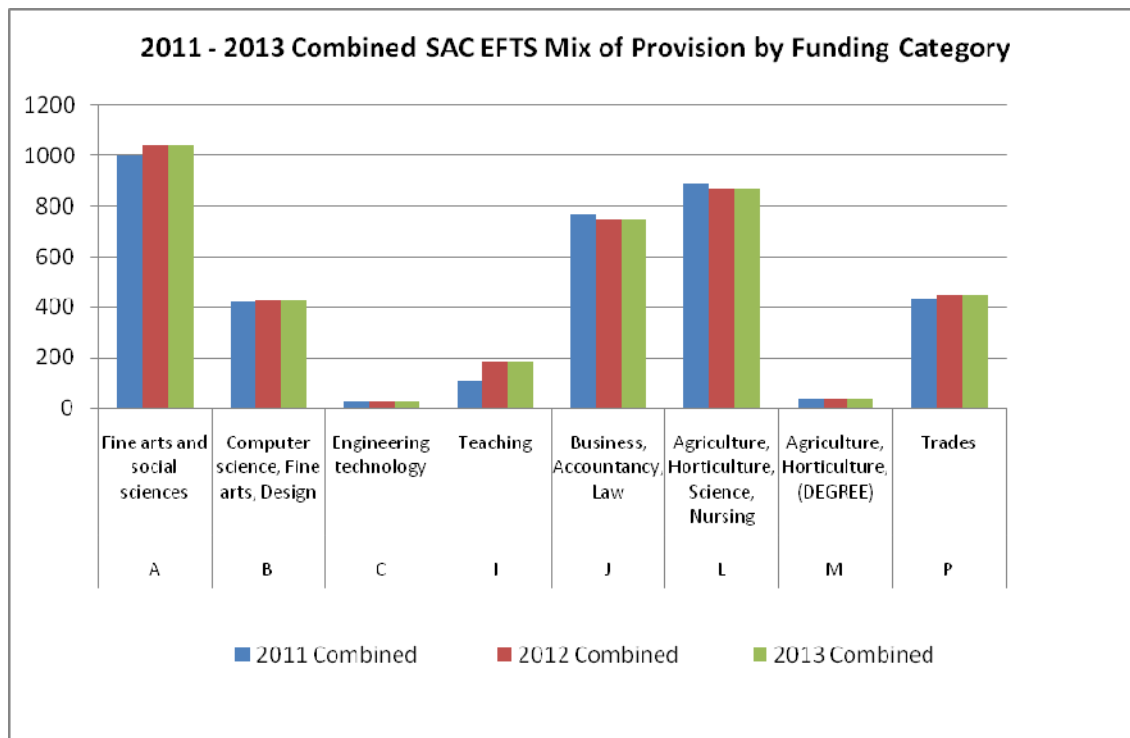
#### **Training Opportunities and Youth Training Programmes**

- Tairāwhiti Polytechnic has successfully delivered a range of programmes with funding provided through TOPs and YT. These programmes are an important part of the wider portfolio, and EIT plans to continue their delivery.

## **Section 2: Summary of Activity**

### **2011 – 2013 Planned Mix of Provision Changes by Funding Category**

The following tables and graphs show the proposed mix of provision for the merged institutions. Separate versions for each of EIT Hawke's Bay and EIT Tairāwhiti are attached as Appendix 2. Note that the SAC funding used for the purposes of this section is the latest available as part of the business case and merger consultation process.

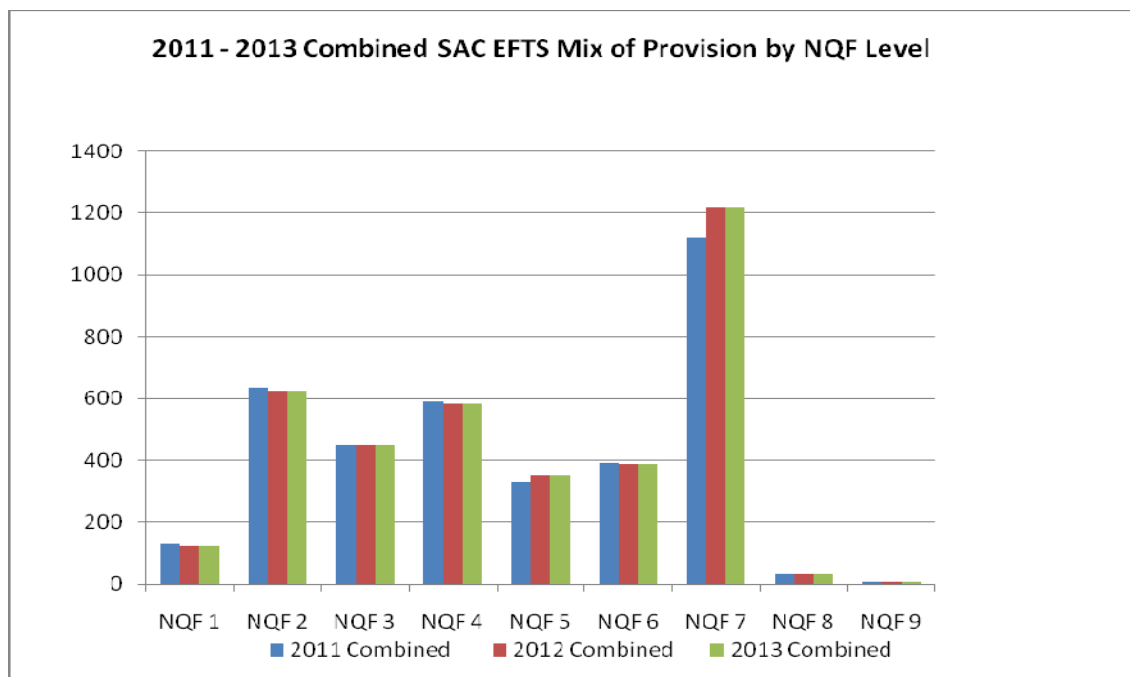


#### Notes to Significant Funding Category Shifts

1. No major shifts are evident
2. The pipeline growth for the Bachelor of Teaching (ECE) results in an increase in category I.
3. The gradual removal of lower level agricultural provision to make way for increased higher level provision at Tairawhiti explains the variances in categories A and L

### 2011 – 2013 Planned Mix of Provision Changes by NQF Level

Programme NQF Level	2011 Combined	2012 Combined	2013 Combined
NQF 1	132	123	123
NQF 2	635	626	626
NQF 3	447	449	449
NQF 4	591	581	581
NQF 5	331	352	352
NQF 6	391	388	388
NQF 7	1121	1218	1218
NQF 8	35	35	35
NQF 9	8	8	8
<b>Total</b>	<b>3691</b>	<b>3780</b>	<b>3780</b>



#### Notes to NQF Shifts

1. As agreed in the business case a key benefit of the merger is reflected in the increase in NQF level 7 as a result of planned increased degree level provision into the Gisborne region.

### Total TEC SAC Funding Sought

1. Funding of \$29,794,700 has been allocated to EIT for the purposes of this Investment Plan for 2011.
2. An additional \$700,000 has been proposed for 2012.
3. On plan and off plan funding has also been provisionally advised with intensive literacy and numeracy and modern apprenticeship brokerage yet to be advised for EIT Hawke's Bay along with TOPs funding for EIT Tairāwhiti.

### Other Education Delivery

Funding Source	2011	2012	2013
SAC	3691	3780	3780
YG	140	140	140
TOPS	118	118	118
ACE	106	106	106
Full Fee Paying International Students	207	207	207
ITO	60	60	60
STAR/Other	130	130	130
<b>Total</b>	<b>4452</b>	<b>4541</b>	<b>4541</b>

### Notes to Other Education Delivery

1. ACE delivery has been reduced as previously advised and will be targeted at programmes that meet TEC's revised criteria for ACE provision.
2. International student numbers are conservatively estimated in keeping with EIT's principle of not being financially reliant on this source of income. However we are confident that recent strategies implemented with regard to recruiting and supporting international students will see us exceed these targets.
3. ITO activity is predicted to drop slightly compared with the previous Plan.
4. STAR activity has increased markedly as a result of the secondary/tertiary transition partnerships that have been formed with the region's secondary schools.

**Section 3: Performance Commitments**

Investment Plan KPIs. See TEC template attached for the merged institution.

## Section 4: Outcomes Framework

The outcomes framework in this section was developed by the office of the Auditor General and requires the addition of targets to be supplied by central agencies such as The Ministry of Education and the Tertiary Education Commission. The indicators in blue are EIT specific and reference the performance commitments in section 3 of this plan along with indicators set in EIT's own strategic planning documents.

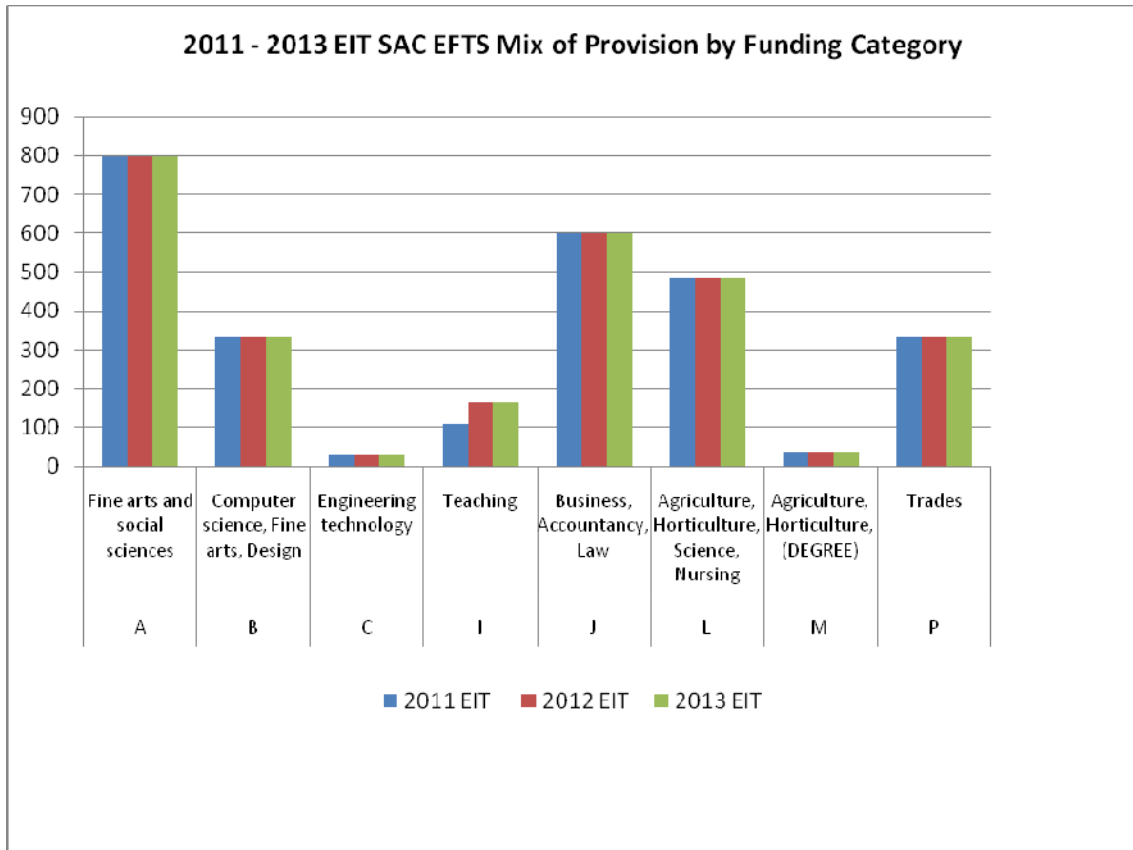
LEVEL	COMPONENTS	2011 INDICATORS	FURTHER INDICATORS TO BE DEVELOPED	OUTCOME FRAMEWORK WILL BE POPULATED BY
<b>OUTCOMES</b>	Economic Development.  Social & Community Development.  Environmental Management.	MoE supplied indicators:  <ul style="list-style-type: none"> <li>• Earnings gained by new graduates (EOTE)</li> <li>• Life satisfaction (GSS)</li> <li>• Standard of living (GSS)</li> <li>• Tolerance (GSS)</li> <li>• Social connection (GSS)</li> <li>• Mental and physical health (GSS)</li> </ul>	Sector-wide measures to be developed by central agencies and peak bodies as data becomes available e.g. the Employment Outcomes of Tertiary Education (EOTE).	Sector-wide economic and social indicators provided by MoE, together with narrative based connections, based on evidence that supports stated contribution i.e. intervention logic.
<b>IMPACTS</b>	People progress to higher levels of learning.  People progress to (self) employment.  Value added to industry and society.  More engaged communities.  Enhanced environmental sustainability.	Each institution will make the connection between outputs, impacts and outcomes outputs through evidence based (where appropriate) narrative. E.g. Income from research commercialisation and EPI progression. <ul style="list-style-type: none"> <li>• <a href="#">EIT maintains its ranking in the top quartile for progression following the impact of the merger with Tairāwhiti Polytechnic.</a></li> <li>• <a href="#">Graduate destination survey reflects achievement of targets</a></li> </ul>	Indicators of students' cognitive learning outcomes inc graduate attributes.  Indicators of students' employment outcomes i.e. graduate employment destinations.  Indicators for research – informed knowledge transfer.  Indicators for community engagement.	Narrative as above, supplemented by qualitative and quantitative indicators as these become available. <sup>12</sup>

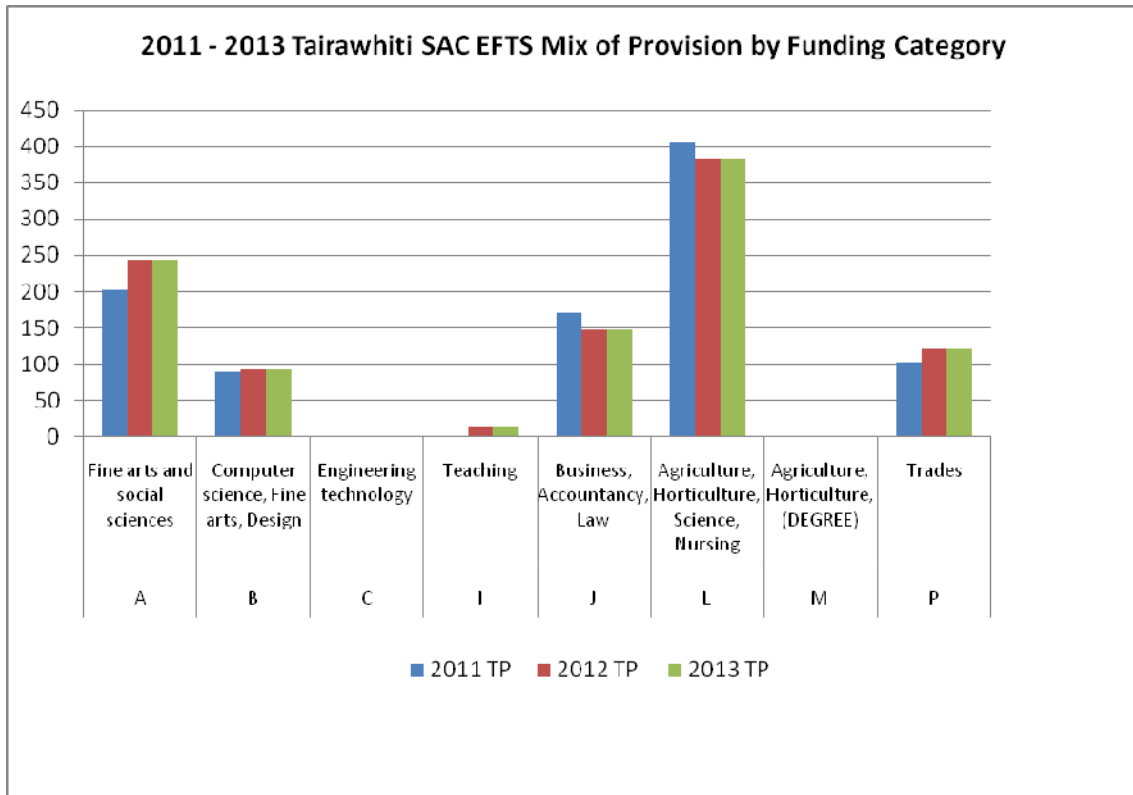
<sup>12</sup> These indicators should be consistent with the Australian Indicator Framework for Higher Education Performance Funding.

		<p>to be set by TEC for employment outcomes and graduate attributes</p> <ul style="list-style-type: none"> <li>• External research contracts increase annually in number and/or value</li> <li>• Regional centre students progress to higher learning and/or employment within their communities</li> <li>• New capital developments continue to meet government environmental standards</li> </ul>	Indicators for environmental sustainability.	
<b>OUTPUTS</b>	<p>Student achievement.</p> <p>Vocational education that meets the needs of students, industry and employers.</p> <p>Applied research and knowledge transfer.</p>	<p>TEC educational performance indicators.</p> <ul style="list-style-type: none"> <li>• Benchmark EPIs for the merged institution are established.</li> <li>• Common EPIs set with TEC and achieved</li> </ul> <p>Individual institutions use own indicators to demonstrate relevance of vocational education.</p> <ul style="list-style-type: none"> <li>• Evidence from Advisory Committee surveys and regional fora indicates relevance and need with regard to programme portfolio</li> </ul> <p>Individual institutions use own indicators to demonstrate knowledge transfer from applied research (also see impacts).</p> <ul style="list-style-type: none"> <li>• External knowledge transfer achieved as evident in research reports and evaluations</li> </ul>	<p>Indicators for programme relevance.</p> <p>Indicators for knowledge transfer from applied research.</p>	<p>Common set of indicators.</p> <p>Institution-specific indicators used within framework.</p> <p>Institution-specific indicators used within framework.</p>

<b>PROCESSES</b>	<p>Deliver high quality and relevant courses.</p> <p>Student support.</p> <p>Work and practice-based learning.</p> <p>Engagement with industry and communities.</p>	<p>Individual institutions use own indicators for teaching, learning and research quality and relevance – e.g. Degrees accredited by professional associations/bodies. ITPQ approved qualifications. External evaluation and review.</p> <p>Annual academic report. Programme reviews. Moderated assessment. Student and/or graduate satisfaction surveys.</p> <ul style="list-style-type: none"> <li>• Student experience survey indicators are maintained and improved</li> <li>• Indicators in EIT Teaching and Learning, Māori and Pasifika Plans achieved</li> <li>• External Review maintains “highly confident” rating achieved in 2010 for educational performance following the merger with Tairāwhiti Polytechnic</li> <li>• All accreditations sought via external bodies achieved</li> <li>• Quality assured research outputs increase</li> <li>• EIT maintains or improves its PBRF ranking following the merger with Tairāwhiti Polytechnic</li> </ul>	<p>Indicators of process quality in relation to teaching and research.</p> <p>Indicators of student engagement and satisfaction.</p> <p>Indicators of stakeholder engagement and satisfaction.</p>	<p>Institution-specific indicators used within framework.</p> <p>To be supplemented by common qualitative and quantitative indicators as these become available.</p>
------------------	---	--	--	--

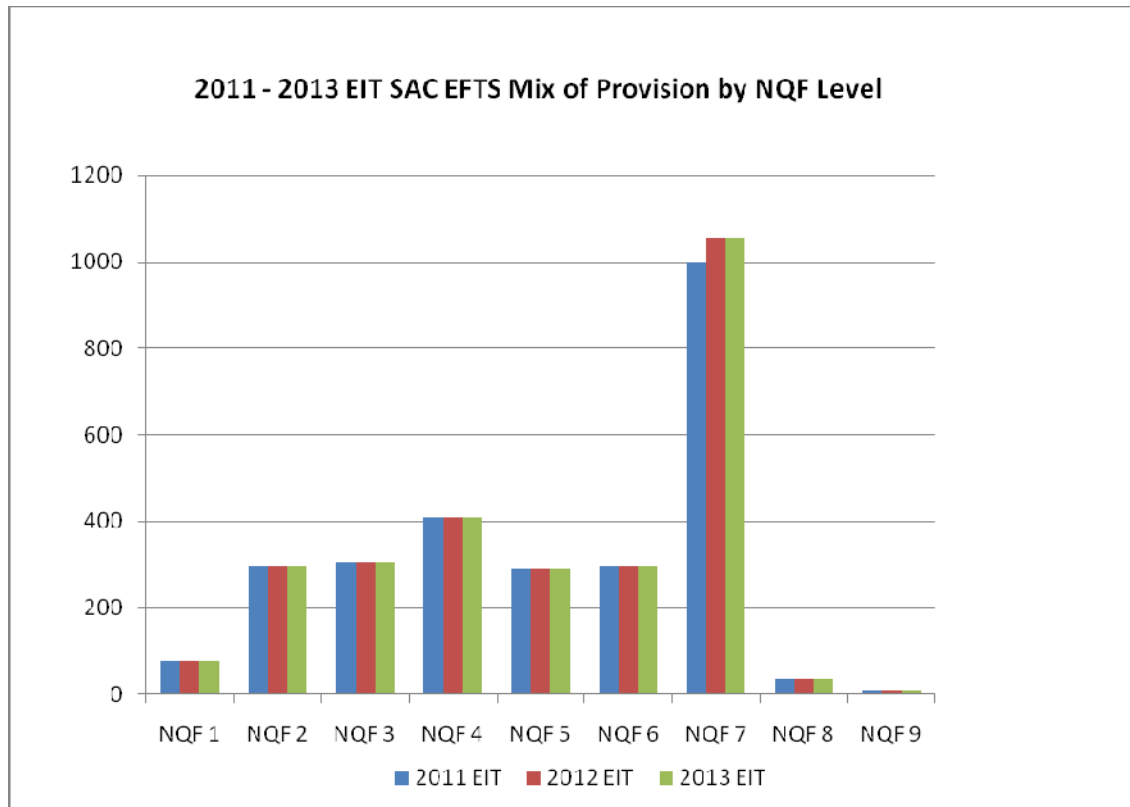
Separated Mix of Provision Data





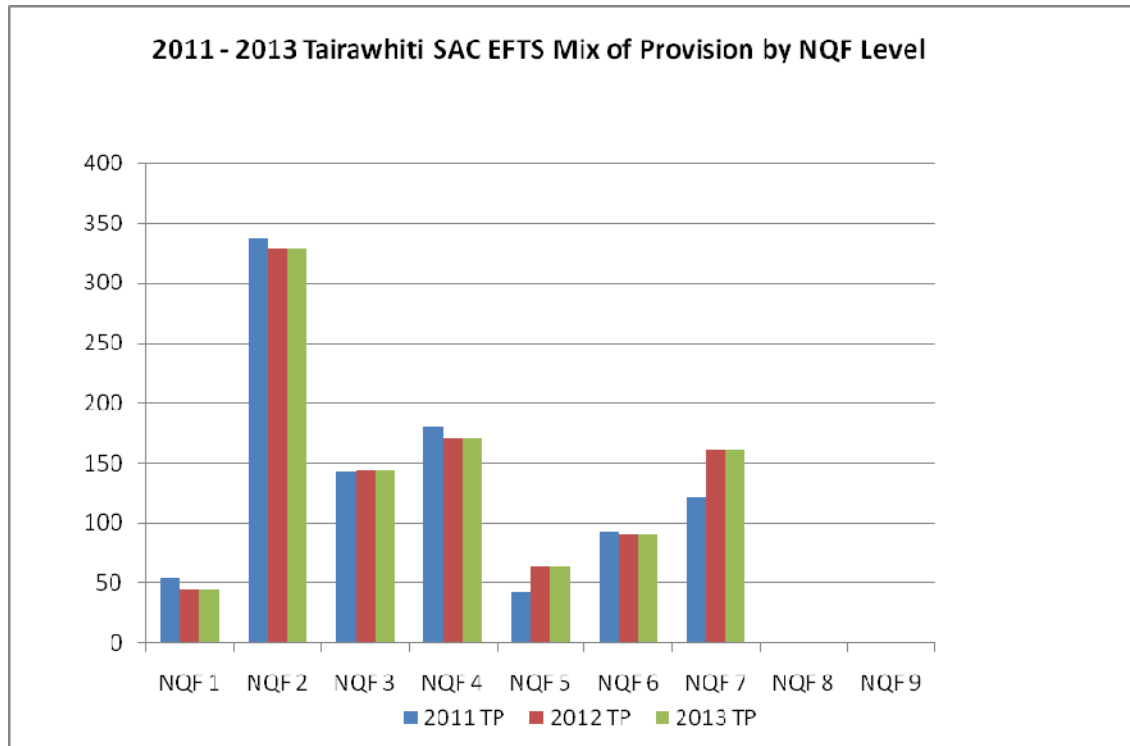
### 2011 – 2013 Planned Mix of Provision Changes by NQF Level – EIT Hawke’s Bay

Programme NQF Level	2011 EIT	2012 EIT	2013 EIT
NQF 1	78	78	78
NQF 2	298	298	298
NQF 3	305	305	305
NQF 4	410	410	410
NQF 5	288	288	288
NQF 6	298	298	298
NQF 7	1000	1056	1056
NQF 8	35	35	35
NQF 9	8	8	8
<b>Total</b>	<b>2720</b>	<b>2777</b>	<b>2777</b>



### 2011 – 2013 Planned Mix of Provision Changes by NQF Level – EIT Tairāwhiti

Programme NQF Level	2011 TAIRAWHITI	2012 TAIRAWHITI	2013 TAIRAWHITI
NQF 1	54	45	45
NQF 2	337	328	328
NQF 3	142	144	144
NQF 4	181	171	171
NQF 5	43	64	64
NQF 6	93	90	90
NQF 7	121	162	162
NQF 8	0	0	0
NQF 9	0	0	0
<b>Total</b>	<b>971</b>	<b>1004</b>	<b>1004</b>



### Other Education Delivery – EIT Hawke’s Bay

<b>Funding Source</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
SAC	2720	2777	2777
YG	90	90	90
TOPS	0	0	0
ACE	64	64	64
Full Fee Paying International Students	200	200	200
ITO	60	60	60
STAR/Other	100	100	100
<b>Total</b>	<b>3234</b>	<b>3293</b>	<b>3293</b>

### Other Education Delivery – EIT Tairāwhiti

<b>Funding Source</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
SAC	971	1004	1004
YG	50	50	50
TOPS	118	118	118
ACE	42	42	42
Full Fee Paying International Students	7	7	7
ITO	0	0	0
STAR/Other	30	30	30
<b>Total</b>	<b>1218</b>	<b>1251</b>	<b>1251</b>

**Eastern Institute of Technology: Investment Plan 2011 – 2013**  
**Proposed changes to portfolio**

**Proposed new programmes at EIT Hawke's Bay:**

Please note: It is proposed to deliver these programmes within the SAC funding advised by TEC for 2011-2012. EFTS freed up by discontinued programmes along with reprioritisation during the life of this plan will be techniques used to enable the new programmes to be delivered where practicable.

<b>Name of programme</b>	<b>Rationale</b>	<b>Evidence of demand</b>
Master of Applied Management (Level 8)	Cross disciplinary offering for currently employed managers to develop and enhance their strategic management and leadership capacity. Also a stair-cased qual in its own right that will allow exit with a Post Grad Cert and Diploma.	Strong demand evident from industry advisory groups, regional Chamber of Commerce and potential students. Meets the needs of the region's businesses.
Graduate Diploma in Business (Wine) (Level 7)	On-line development funded via QRP3 for national and international delivery. No other qual at Grad Dip level in NZ. Further endorsement for EIT's Grad Dip Bus.	Demand from industry for enhanced business skills. Many managers have wine production background but lack business skills. 2008 consultation with industry, confirmed by repeated consultation in 2009.
Diploma in Professional Chef Practice (Level 5)	One of three replacement programmes for Diploma in Professional Culinary Arts.	Industry focus group has strongly supported the redevelopment – more student centred and industry focus with explicit pathways and exit opportunities to meet local employment trends.
National Certificate in Hospitality (Cookery) (Level 4)	One of three replacement programmes for Diploma in Professional Chef Practice.	See Diploma, plus pathway into Diploma in Professional Chef Practice and 48 Level 4 credits are credited to diploma.
National Certificate in Hospitality (Basic Cookery) (Level 3)	One of three replacement programmes for Diploma in Professional Culinary Arts.	See Diploma, plus pathway from school NCEA quals into, and a pre-requisite for, NC Level 4 Hospitality.
Certificate Rural Technician (from Otago Poly) (Level 4)	Alternative pathways for students from Nat Cert Animal Care who do not enter into Vet Nursing.	Demand for Animal Care programme very high. Employment options are available, but students request further training pathways and not all want to progress to Vet nursing.
National Certificate in Agriculture (Level 4) with Taratahi	To provide a pathway for Taratahi/EIT students who have completed the Level 3	Ag ITO very supportive of the Taratahi/EIT partnership and keen to see the national certificate

	programme in 2010.	progression utilised. Some students signalling they are keen to do a second year.
General Farming Skills (Level 3) with Taratahi	A further programme for the Agriculture portfolio to meet different market need from current programmes.	Discussion only at this stage between EIT and Taratahi but still worth signalling.
Certificate in Home-based care (Level 4)	New growth industry without a specific qualification	Industry advisory group has requested qualification
Land-based introductory programme. Hort/Vit/Silv/Forestry. Unit standards based. (Level 2 – 3)	Aimed at the 16 – 17 year olds, in Youth Guarantee or Trades Academy programmes. Pathway from school into further study options e.g. Nat Certs in Ag and Hort, EIT Certs in Hort, Grapegrowing and Winemaking.	Enthusiastic support from Hort and Ag ITOs, employers, and YTS. EIT's experience with the Trades Skills programme which offers a similar package has proved its value in engaging young people who are uncertain about specialist choices, and has been very successful in stair-casing students into further specialist options.

\*NB these EFTS could be included as part of a Youth Guarantee/Trades Academy provision rather than, or in addition to, SAC EFTS.

### Proposed new programmes at EIT Tairāwhiti Polytechnic:

In addition, the Business Case shows the development of degree level and other provision into the Gisborne region as the merger is implemented. The most recent iteration is shown below:

Programme/Qualification	2011	2012
National Diploma in Mental Health Support (L6)	√	
Certificate in Health and Fitness (L4)	√	
Certificate in Fashion Apparel (L4)	√	
Certificate in Tourism and Travel (L3)	√	
Bachelor of Computer Systems (L7)		√
National Certificate in Computing (L2)		√
National Certificate in Computing (L3)		√
Bachelor of Business Studies (L7)		√
Bachelor of Teaching (ECE) (L7)		√
Diploma in Adult Teaching (L6)	√	√
Bachelor of Applied Social Science (Social Work) (L7)	√	√
Certificate in Applied Social Science (L5)		√
Certificate in Sport and Health Massage (L4)		√
Bachelor of Nursing (L7)	√	√
Bachelor of Arts (Māori) (L7)	√	√
National Certificate in Animal Care (L2)		√

### Programmes to be discontinued at EIT Hawke's Bay:

Name of programme	Rationale
Diploma of Teaching	Replaced by Bachelor of Teaching (ECE) in 2010.
Certificate in Applied Social Sciences	Replaced by Cert in Education and Social Sciences 2010.
Certificate in English for Migrants	Developed during last plan period but no demand eventuated.
Diploma in Professional Culinary Arts	To be replaced by Dip Prof Chef Practice/ Level 3 and Level 4 Nat Certificates in Hospitality.
Certificate in Advanced Patisserie	Exiting after 2011 – poor financial and academic outcomes with courses integrated into Dip Prof Chef Practice.
Diploma Applied Science (Equine)	Low demand and viability. Other providers offering stronger programmes.
Cert Science, Cert Ag and Advanced Hort regulatory compliance courses as already advised to TEC	To be full cost recovery 2011 onward. 29.91 remaining EFTS requested for transfer to additional Ag/Hort/Vit delivery as above

### Programmes to be discontinued at EIT Tairāwhiti:

Name of programme	Rationale
Certificate in Internet and Computing Operational L2 and L3	Replaced by NCC2 and NCC3 ex EIT in 2012.
HIS Certificate in Achievement in Host Responsibility L4	Replaced by EIT's hospitality portfolio.

Achievement Certificate in Food Safety L2 & L3	Replaced by EIT's hospitality portfolio.
Certificate in Early Childhood Education and Care (Te Pihiroa) L4	Replaced by EIT's foundation programme for ECE degree.
Certificate in Social Services L4	Replaced by EIT's foundation programme for BASS degree.
NC in Massage L4	Replaced by Certificate in Health and Sport Massage (L4) in 2012.
Certificate in Applied Sport L4	Replaced by Certificate in Health and Fitness (L4) in 2011.

**Other matters:**

**Telford EFTS transferred from Telford to EIT 44**

As previously agreed with TEC, EIT expects to now retain and deliver these EFTS within its own Agriculture/Horticulture programmes for the next Investment Plan period.

## APPENDIX 4

Provided to EIT Hawke's Bay by Sean Bevin, Economist

<b>Summary Hawke's Bay Labour-Market Profile 2010</b>				
<b>Labour-Market Factor</b>	<b>Reference Year</b>	<b>Latest Situation</b>		<b>Trends For The Hawke's Bay Region</b>
		<b>Hawke's Bay</b>	<b>New Zealand</b>	
<b>15+ Working-Age Population % Of Total Population:</b> <i>European Population</i> <i>Māori Population</i> <i>Pacific Peoples Population</i>	<b>2006</b>	78.8 64.0 58.1	79.4 64.6 62.3	Projected minimal European population growth 2006-2021. 4% growth 1996-2006; projected 18% growth 2006-2021. 45% growth 1996-2006; projected 48% growth 2006-2021. The above results refer to total 'all age groups' population growth.
<b>Median Age Of Population (Years):</b>  <b>Youth Population % Under 25 Years:</b> <i>European Population</i> <i>Māori Population</i> <i>Pacific Peoples Population</i>	<b>2006</b>	37  32.4 53.0 59.2	35  33.7 53.3 55.9	Projected increase to 41 years in Year 2021.  The total youth population of the HB region is projected to fall by 7% over the 2006-2021 period.
<b>Population Ethnicity:</b> % European % Māori % Pacific Peoples	<b>2006</b>	61.6 21.1 3.3	61.2 13.3 6.2	Projected small fall in this % over 2006-2021. Projected increase in the Māori population % 2006-2021. Projected increase in the Pacific population % 2006-2021.

% Other		14.0	19.3	
<b>Educational Attainment: % Of School-leavers with NCEA 2 Or Higher Qualifications:</b> <i>European Population</i> <i>Māori Population</i> <i>Pacific Peoples Population</i>	<b>2007</b>	71.6 49.6 52.9	70.6 43.9 56.0	Proportion has risen from 67% in 2005. Proportion has risen from 36% in 2006. Proportion has risen from 27% in 2007.
<b>Proportion Of Adults (25-64 Years) With At Least Upper Secondary School Educational Attainment:</b> <i>European Population</i> <i>Māori Population</i> <i>Pacific Peoples Population</i>	<b>2008</b>	78.1 63.6 41.7	79.5 63.7 49.2	Proportion has risen from 74% in 2003. Proportion has risen from 57% in 2003. Proportion has fallen from 64% in 2003.
<b>Proportion Of Adults (25-64 Years) With At Least Tertiary Educational Attainment:</b> <i>European Population</i> <i>Māori Population</i> <i>Pacific Peoples Population</i>	<b>2008</b>	15.2 7.2 n/a	21.6 9.5 7.2	Proportion has risen from 11% in 2003. Proportion has risen from 5% in 2004. No historical information available.
<b>Employment Rate %:</b>	<b>2010</b>	91.5	93.3	The rate of employment in HB has fallen from 96.2% in June 2006 to 91.5% in June 2010.
<b>Employment Rate %:</b> <i>European Population</i>	<b>2006</b>	96.4	96.0	The latest NZIER Consensus economic forecasts point to

<i>Māori Population</i>		89.7	89.0	the national overall employment rate increasing from 94% currently to 95% in 2011/2012.
<i>Pacific Peoples Population</i>		90.8	89.3	
<b><i>Industry Employment Profile:</i></b>				
<i>European</i>				Over the 2001-2006 Census period, the proportions of the HB European ethnic group workforce employed in both primary production and processing/manufacturing fell a little, whilst the services sector % rose noticeably.  Over the 2001-2006 Census period, the proportions of the HB Māori ethnic group workforce employed in both primary production and processing/manufacturing fell a little, whilst the services sector % rose significantly.  Over the 2001-2006 Census period, the proportions of the HB Pacific Peoples ethnic group workforce employed in primary production fell quite sharply, whilst the proportion for processing/manufacturing stabilised and the % for the services sector increased very noticeably.
% Employed In Primary Production		13.0	7.7	
% Employed In Processing and Manufacturing		12.0	10.8	
% Employed In Services		75.0	81.5	
<i>Māori</i>				
% Employed In Primary Production	<b>2006</b>	14.3	7.5	
% Employed In Processing and Manufacturing		20.9	13.6	
% Employed In Services		64.8	78.9	
<i>Pacific Peoples</i>				
% Employed In Primary Production		16.9	2.3	
% Employed In Processing and Manufacturing		21.5	19.2	
% Employed In Services		61.6	78.5	
<b><i>Unemployment Rate %:</i></b>	<b>2010</b>	8.5	6.7	The rate of unemployment has increased from 3.8% at the June 2006 quarter to 8.5% in June 2010.
<b><i>Unemployment Rate %:</i></b>				The % for the Māori peoples' share of total unemployment beneficiary numbers in HB has remained at 56% since 2007, whilst the Pacific Peoples' share has risen from 3% to 5%. The remaining ethnic groups' share has fallen slightly from 41% to 39%.
European Population	<b>2006</b>	3.6	4.0	
Māori Population		10.3	11.0	
Pacific Peoples Population		9.2	10.7	

<p><b><i>Income Levels:</i></b>  Average Weekly Earnings \$  Average Weekly Household Income \$</p>	<p><b>2009</b></p>	<p>788 1315</p>	<p>868 1459</p>	<p>31% nominal increase since 2004; NZ: 22%.  27% nominal increase since 2004; NZ: 20%.</p>
<p><b><i>Low Income Population:</i></b>  <b>Percentage of Population On Low Incomes:</b>  <i>European Population</i>  <i>Māori Population</i>  <i>Pacific Peoples Population</i>  <i>Total Population</i></p>	<p><b>2006</b></p>	<p>18.1 29.3 34.3 20.4</p>	<p>n/a n/a n/a 14.0</p>	<p>Decline from peak of 27.4% in 1991.  Decline from peak of 47.6% in 1991.  Decline from peak of 47.2% in 1991.  Decline from peak of 30.9% in 1991.</p>