

Vote Tertiary Education

APPROPRIATION MINISTER(S): Minister for Tertiary Education, Skills and Employment (M14)

APPROPRIATION ADMINISTRATOR: Ministry of Education

RESPONSIBLE MINISTER FOR MINISTRY OF EDUCATION: Minister of Education

Details of Appropriations and Capital Injections

Annual and Permanent Appropriations

| Titles and Scopes of Appropriations by Appropriation Type | 2015/16 | | |
|--|------------------------------|---|--------------------------|
| | Estimates Budget \$000 | Supplementary Estimates Budget \$000 | Total Budget \$000 |
| Departmental Output Expenses | | | |
| Policy Advice (M14) This appropriation is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on Tertiary Education related matters. | 5,347 | (491) | 4,856 |
| Stewardship of the Tertiary System (M14) This appropriation is limited to services (other than policy advice) provided by the Ministry of Education in its role as steward of the tertiary education system. It includes services to support Ministers in discharging their portfolio responsibilities (other than policy decision-making). | 8,430 | (445) | 7,985 |
| Total Departmental Output Expenses | 13,777 | (936) | 12,841 |
| Non-Departmental Output Expenses | | | |
| Centres of Research Excellence (M14) This appropriation is limited to the purchase of cooperative and collaborative tertiary research in areas of research strength in the tertiary education sector through the contestable Centres of Research Excellence Fund. | 50,705 | - | 50,705 |
| Community Education (M14) This appropriation is limited to funding for adult and community education and literacy, numeracy and English language provision. | 72,923 | 2,210 | 75,133 |
| International Education Programmes (M14) This appropriation is limited to delivery of services in respect of international education, including promotion, information, research and professional development, both in New Zealand and overseas, for the purpose of managing and increasing the flow of international students and promoting international education linkages. | 30,122 | 1,516 | 31,638 |
| Managing the Government's Investment in the Tertiary Education Sector (M14) This appropriation is limited to developing, implementing and managing an investment system that aligns planning, funding, monitoring and quality assurance of tertiary education in accordance with the provisions of the Education Act 1989 and other relevant legislation. | 40,064 | 298 | 40,362 |
| Ownership Monitoring of Tertiary Education Institutions (M14) This appropriation is limited to monitoring and advisory services - including interventions - on the Government's ownership interest in tertiary education institutions. | 2,567 | - | 2,567 |
| Performance-Based Research Fund (M14) This appropriation is limited to funding research and research-based teaching on the basis of measured research quality in tertiary education organisations. | 293,750 | - | 293,750 |
| Tertiary Education and Training Advice (M14) This appropriation is limited to providing advice and support to Ministers on the tertiary sector and tertiary education and training issues. | 3,837 | - | 3,837 |
| Tertiary Education Grants and Other Funding (M14) This appropriation is limited to providing contestable funding and miscellaneous funding to tertiary education organisations. | 32,120 | (1,037) | 31,083 |
| Tertiary Education: Student Achievement Component (M14) This appropriation is limited to funding for teaching and learning services for enrolled students in approved courses at tertiary education organisations to achieve recognised tertiary qualifications. | 2,079,638 | (4,722) | 2,074,916 |

| | 2015/16 | | |
|---|------------------------------|---|--------------------------|
| | Estimates Budget \$000 | Supplementary Estimates Budget \$000 | Total Budget \$000 |
| Titles and Scopes of Appropriations by Appropriation Type | | | |
| Training for Designated Groups (M14) This appropriation is limited to the purchasing and arranging of training linked to the New Zealand Qualifications Framework and the purchase of both on-job and off-job training places, including delivery of fully or partially funded training places and other industry-training related projects. | 321,080 | (6,151) | 314,929 |
| Total Non-Departmental Output Expenses | 2,926,806 | (7,886) | 2,918,920 |
| Benefits or Related Expenses | | | |
| International Student Scholarship Scheme (M14) This appropriation is limited to scholarships available to international students wishing to study in New Zealand. | 800 | - | 800 |
| Study Abroad Awards (M14) This appropriation is limited to awards granted to provide assistance to top scholars, researchers and teachers to undertake placements abroad and to participate in reciprocal education exchange arrangements with partner countries in selected areas of priority study, teaching and research. | 1,290 | - | 1,290 |
| Support to Apprentices (M14) This appropriation is limited to payments to New Zealand Apprentices who are eligible for the Apprenticeships Re-boot, and Māori and Pasifika Trades Trainees, towards their tools and other training related costs. | 3,000 | (405) | 2,595 |
| Tertiary Scholarships and Awards (M14) This appropriation is limited to providing scholarships for tertiary students and other awards in the tertiary sector, and the provision of scholarships and bursaries to Māori and Pasifika students. It includes training assistance under Queen Elizabeth II Study Awards and recognition of outstanding tertiary education teachers. | 13,936 | 2,007 | 15,943 |
| Total Benefits or Related Expenses | 19,026 | 1,602 | 20,628 |
| Non-Departmental Capital Expenditure | | | |
| Literacy and Numeracy Assessment Tool (M14) This appropriation is limited to development of online assessment tools for adult and youth literacy and numeracy. | 825 | - | 825 |
| Support for the University of Canterbury (M14) This appropriation is limited to the rebuild of the Science and Engineering Facilities at the University of Canterbury. | 100,000 | (15,000) | 85,000 |
| Total Non-Departmental Capital Expenditure | 100,825 | (15,000) | 85,825 |
| Total Annual and Permanent Appropriations | 3,060,434 | (22,220) | 3,038,214 |

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

| | 2015/16 | | | | |
|---|--------------------|---------------------------------------|---|--------------------------------|------------------|
| | Estimates \$000 | Supplementary Estimates | | | Total \$000 |
| | | Departmental Transactions \$000 | Non- Departmental Transactions \$000 | Total Transactions \$000 | |
| Appropriations | | | | | |
| Output Expenses | 2,940,583 | (936) | (7,886) | (8,822) | 2,931,761 |
| Benefits or Related Expenses | 19,026 | N/A | 1,602 | 1,602 | 20,628 |
| Borrowing Expenses | - | - | - | - | - |
| Other Expenses | - | - | - | - | - |
| Capital Expenditure | 100,825 | - | (15,000) | (15,000) | 85,825 |
| Intelligence and Security Department Expenses and Capital Expenditure | - | - | N/A | - | - |
| Multi-Category Expenses and Capital Expenditure (MCA) | | | | | |
| <i>Output Expenses</i> | - | - | - | - | - |
| <i>Other Expenses</i> | - | - | - | - | - |
| <i>Capital Expenditure</i> | - | N/A | - | - | - |
| Total Appropriations | 3,060,434 | (936) | (21,284) | (22,220) | 3,038,214 |
| Crown Revenue and Capital Receipts | | | | | |
| Tax Revenue | - | N/A | - | - | - |
| Non-Tax Revenue | - | N/A | 15,600 | 15,600 | 15,600 |
| Capital Receipts | - | N/A | - | - | - |
| Total Crown Revenue and Capital Receipts | - | N/A | 15,600 | 15,600 | 15,600 |

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Policy Advice (M14)

Scope of Appropriation

This appropriation is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on Tertiary Education related matters.

Reasons for Change in Appropriation

This appropriation decreased by \$491,000 to \$4.856 million for 2015/16 due to reallocation of Crown funded resources between departmental output expense appropriations in Vote Tertiary Education and Vote Education to reflect changes in drivers used to allocate costs.

Stewardship of the Tertiary System (M14)

Scope of Appropriation

This appropriation is limited to services (other than policy advice) provided by the Ministry of Education in its role as steward of the tertiary education system. It includes services to support Ministers in discharging their portfolio responsibilities (other than policy decision-making).

How Performance will be Assessed and End of Year Reporting Requirements

| Performance Measures | 2015/16 | | Total Standard |
|---|--------------------|----------------------------------|----------------|
| | Estimates Standard | Supplementary Estimates Standard | |
| Tertiary and International Research and Analysis | | | |
| Analytical Reports | | | |
| Number of reports completed and published. | 15-20 | (5)-(5) | 10-15 |

Reasons for Change in Appropriation

This appropriation decreased by \$445,000 to \$7.985 million for 2015/16 due to:

- a transfer to 2016/17 to complete the Tertiary Information Enhancement project (\$235,000 decrease)
- a reallocation of Crown funded resources between departmental output expense appropriations in Vote Tertiary Education and Vote Education to reflect changes in drivers used to allocate costs (\$203,000 decrease), and
- an allocation of baseline contributions across agencies for the Budget 2015 Whole-of-Government Initiatives (\$7,000 decrease).

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Community Education (M14)

Scope of Appropriation

This appropriation is limited to funding for adult and community education and literacy, numeracy and English language provision.

Reasons for Change in Appropriation

This appropriation increased by \$2.210 million to \$75.133 million for 2015/16 due to:

- a transfer from non-departmental output expense Tertiary Education: Student Achievement Component to address demand for additional employer-led workplace literacy and numeracy places (\$2 million increase), and
- an additional English language course provision following an increased quota of refugees from Syria (\$210,000 increase).

International Education Programmes (M14)

Scope of Appropriation

This appropriation is limited to delivery of services in respect of international education, including promotion, information, research and professional development, both in New Zealand and overseas, for the purpose of managing and increasing the flow of international students and promoting international education linkages.

Reasons for Change in Appropriation

This appropriation increased by \$1.516 million to \$31.638 million for 2015/16 due to the expansion of the Regional Partnership Programme and market diversification activities across Columbia, the United States of America and Southeast Asia.

Managing the Government's Investment in the Tertiary Education Sector (M14)

Scope of Appropriation

This appropriation is limited to developing, implementing and managing an investment system that aligns planning, funding, monitoring and quality assurance of tertiary education in accordance with the provisions of the Education Act 1989 and other relevant legislation.

Reasons for Change in Appropriation

This appropriation increased by \$298,000 to \$40.362 million for 2015/16 due to a combination of:

- a transfer of funds from 2014/15 to complete a series of Tertiary Education Organisation audits to strengthen the integrity of the tertiary funding system (\$400,000 increase), and

- an allocation of baseline contributions across agencies for the Budget 2015 Whole-of-Government Initiatives (\$102,000 decrease).

Tertiary Education Grants and Other Funding (M14)

Scope of Appropriation

This appropriation is limited to providing contestable funding and miscellaneous funding to tertiary education organisations.

Reasons for Change in Appropriation

This appropriation decreased by \$1.037 million to \$31.083 million for 2015/16 due to a combination of:

- delays in the establishment and operation of three Information and Communications Technology (ICT) Graduate Schools resulting in a transfer of funds to 2016/17 (\$2 million decrease)
- the transfer of operational functions for Māori and Pasifika Trades Training from Vote Labour Market to Vote Tertiary Education (\$900,000 increase), and
- a transfer from non-departmental output expense Tertiary Education: Student Achievement Component to improve the coordination of training services in Taranaki (\$63,000 increase).

Tertiary Education: Student Achievement Component (M14)

Scope of Appropriation

This appropriation is limited to funding for teaching and learning services for enrolled students in approved courses at tertiary education organisations to achieve recognised tertiary qualifications.

Reasons for Change in Appropriation

This appropriation decreased by \$4.722 million to \$2,074.916 million for 2015/16 due to:

- a transfer to non-departmental output expense Community Education to address demand for additional employer-led workplace literacy and numeracy places (\$2 million decrease)
- supporting the Engineering Education to Employment project over four years (2016/17 to 2019/20) under non-departmental output expense Administration of and Support for the Tertiary Sector (\$1.600 million decrease)
- extending the Teach First NZ Pilot (over three years) under non-departmental benefit or related expense Teacher Trainee Scholarships and non-departmental other expense Secondary Education in Vote Education (\$747,000 decrease), and
- improving the coordination of training services in Taranaki over four years (2015/16 to 2018/19) under non-departmental output expense Tertiary Education Grants and Other Funding (\$375,000 decrease).

Training for Designated Groups (M14)

Scope of Appropriation

This appropriation is limited to the purchasing and arranging of training linked to the New Zealand Qualifications Framework and the purchase of both on-job and off-job training places, including delivery of fully or partially funded training places and other industry-training related projects.

Reasons for Change in Appropriation

This appropriation decreased by \$6.151 million to \$314.929 million for 2015/16 due to a combination of:

- a reallocation of Youth Guarantee Fees-Free places to fund additional Trades Academy places under non-departmental output expense Secondary-Tertiary Interface in Vote Education (\$7.326 million decrease)
- the provision for unpaid National Certificate of Education Achievement (NCEA) of Youth Guarantee students transferred to non-departmental output expense Qualifications Support Structures in Vote Education (\$80,000 decrease)
- a transfer of funds from 2014/15 to complete some industry training-related projects (\$850,000 increase), and
- a transfer from non-departmental benefits or related expense Support to Apprentices for increased brokerage funding to enable further growth of Māori and Pasifika Trades Training (\$405,000 increase).

3.2 - Non-Departmental Benefits or Related Expenses

Support to Apprentices (M14)

Scope of Appropriation

This appropriation is limited to payments to New Zealand Apprentices who are eligible for the Apprenticeships Re-boot, and Māori and Pasifika Trades Trainees, towards their tools and other training related costs.

Reasons for Change in Appropriation

This appropriation decreased by \$405,000 to \$2.595 million for 2015/16 due to a transfer to non-departmental output expense Training for Designated Groups for increased brokerage funding to enable further growth of Māori and Pasifika Trades Training.

Tertiary Scholarships and Awards (M14)

Scope of Appropriation

This appropriation is limited to providing scholarships for tertiary students and other awards in the tertiary sector, and the provision of scholarships and bursaries to Māori and Pasifika students. It includes training assistance under Queen Elizabeth II Study Awards and recognition of outstanding tertiary education teachers.

Reasons for Change in Appropriation

This appropriation increased by \$2.007 million to \$15.943 million for 2015/16 due to paying the Medical Trainee Intern Grant (TIG) to graduate-entry medical students as a lump sum at the beginning of their sixth year of medical study.

3.5 - Non-Departmental Capital Expenditure

Support for the University of Canterbury (M14)

Scope of Appropriation

This appropriation is limited to the rebuild of the Science and Engineering Facilities at the University of Canterbury.

Reasons for Change in Appropriation

This appropriation decreased by \$15 million to \$85 million for 2015/16 due to a transfer of funds to 2016/17 because several outstanding conditions for further funding will not be met until the new financial year.