

Tertiary Education Report: 2018 Educational Performance Indicators

Date:	1 July 2019	TEC priority:	Medium
Security level:	In Confidence	Report no:	B-19-00840
		Minister's office No:	

ACTION SOUGHT		
	Action sought	Deadline
Hon Chris Hipkins Minister of Education	<p>Note the sector's Educational Performance Indicators for 2018;</p> <p>Note that the TEC will publically release TEO level educational performance indicators (EPIs) in early July 2019; and</p> <p>Agree that the TEC release this briefing in full once the 2018 educational performance indicators have been published.</p>	At your earliest convenience
Enclosure: No	Round Robin: No	

CONTACT FOR TELEPHONE DISCUSSION (IF REQUIRED)				
Name	Position	Telephone		1st contact
Gillian Dudgeon	Deputy Chief Executive, Delivery	s9(2)(a) [REDACTED]	[REDACTED]	✓

THE FOLLOWING DEPARTMENTS/AGENCIES HAVE SEEN THIS REPORT

- DPMC
 MPI
 ENZ
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 MBIE
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 MFAT
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 NZQA
 NZTE
 TEC
 TPK
 Treasury

- Minister's Office to Complete:**
 Approved
 Declined
 Noted
 See Minister's Notes
 Withdrawn
 Seen
 Needs change
 Overtaken by Events

Comments:

Recommendations

Hon Chris Hipkins, Minister of Education

It is recommended that you:

1. **note** the sector's Educational Performance Indicators for 2018;
2. **note** that the TEC will publically release TEO level educational performance indicators (EPIs) on 11 July 2019; and
3. **agree** that the TEC release this briefing in full once the 2018 educational performance indicators have been published.

AGREED / NOT AGREED



Gillian Dudgeon

Deputy Chief Executive, Delivery
Tertiary Education Commission

1 July 2019

Hon Chris Hipkins

Minister of Education

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Purpose

1. The purpose of this briefing is to inform you that we will be publishing the 2018 Educational Performance Indicators (EPI) data on our website on Thursday 11 July 2019.
2. This briefing also provides high level analysis of performance data for TEC-funded tertiary education organisations (TEO) and outlines any significant changes in their performance.

Background

3. The TEC has published TEO level EPIs on its website each year since 2009. Two new EPIs, cohort based qualification completion and first year retention rates, were introduced in 2015 to produce more meaningful EPI measures for universities, institutes of technology & polytechnics (ITPs), wānanga and private training establishments (PTEs). For these providers, four performance measures make up their EPIs:
 - course completion rate,
 - cohort based qualification completion rate,
 - first year retention rate, and
 - student progression rate from levels 1-4.
4. For industry training organisations (ITOs) a different methodology is used. Two new EPIs, first year retention of apprentices and cohort based programme completion were introduced in 2016. For ITOs, three performance measures make up EPIs:
 - credit achievement,
 - cohort based programme completion, and
 - first year retention of apprentices.
5. The TEC uses EPIs to monitor a TEO's performance and to inform investment decisions on funding as part of its annual Investment Plan cycle.

Process for publishing EPIs this year

6. As part of our publication process, we will do the following:
 - Advise TEOs of the publication date.
 - Release EPI documents or data for all TEOs via TEC's website.
 - Release supporting communications about the EPIs via TEC's website.
7. TEOs already have access to their individual results via our online applications (apps), My Performance - SDR and My Performance - ITR. These applications are available only to individual TEOs and enable each to check their performance prior to us publishing this data.
8. On 5 July, we will update these applications so that TEOs can see their performance relative to their subsector. We will give TEOs five working days to review this data and prepare any communications before we publish the information on our website.

9. We will also prepare communications to accompany the release and update our current webtext. The latter includes an explanation of our current methodology for calculating each of the EPIs.

What we publish

10. Each year the TEC publishes TEO-level educational performance indicators (EPIs) on our website. Prior to publication we advise each TEO of its EPIs and its relative performance compared to its sub-sector.
11. The reporting of EPIs is limited to specific funds; we only produce EPIs for TEOs that received funding from the Student Achievement Component (SAC), Youth Guarantee (YG) or Industry Training Fund (ITF) in 2018.
12. On 11 July, we will release the EPIs for SAC and YG on website as interactive webpages. For universities, ITPs, wānanga and PTEs, the public will be able to see:
- Cohort-based qualification completion rates, course completion rates, the first year retention rate and progression from levels 1-4 rates for all years that the TEC has collected data for SAC and YG.
13. We currently do not have the same interactive webpages for the ITF (e.g. ITO EPIs). However, we will publish a report on our website showing the following EPIs:
- Cohort-based programme completion rates, the credit achievement rate and the first year retention rate for apprentices.

Overall, 2018 educational performance was static

SAC performance for 2018 was similar to 2017

14. Overall, 2018 EPIs for Student Achievement Component (SAC) were static, with only some minor variances compared to 2017 performance.
15. Course and qualification completions were slightly down between 2017 and 2018 by 0.4 and 0.1 percentage points, while first-year retention and progression from levels 1-4 were up by 1.4 and 0.6 percentage points respectively.
16. Table 1 compares 2018 EPIs for all SAC funded provision to previous years' performance:

Table 1: 2018, 2017 and 2016 SAC EPIs

EPIs	Cohort based qualification completion	First-year retention	Course completion	Progression from levels 1-4
2018	59.8%	73.0%	82.3%	35.8%
2017	59.9%	71.6%	82.7%	35.2%
2016	60.0%	70.5%	82.9%	35.8%

17. Across three of the four EPIs, universities have continued to outperform the other subsectors. While university performance remained relatively static between 2017 and 2018, there is more variation in performance for the other subsectors.

Table 2: 2016-2018 SAC EPIs by subsector

Subsector	Cohort-based Qualification Completion			Cohort-based First Year Retention			Course Completion			Progression from levels 1-4		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
Universities	61.4%	61.8%	62.9%	77.0%	77.1%	77.9%	86.6%	86.7%	86.4%	68.7%	70.2%	71.2%
ITPs	52.6%	52.7%	51.7%	57.1%	59.3%	61.8%	79.1%	80.2%	78.8%	34.6%	34.2%	34.0%
Wānanga	68.3%	68.1%	66.4%	61.3%	65.7%	67.1%	77.6%	77.6%	73.5%	34.3%	31.9%	34.3%
PTEs	66.8%	65.7%	64.7%	58.1%	62.4%	60.4%	80.6%	75.7%	80.8%	35.7%	37.6%	37.5%
All TEOs	60.0%	59.9%	59.8%	70.5%	71.6%	73.0%	82.9%	82.7%	82.3%	35.8%	35.2%	35.8%

18. With regards to course completion rates, PTEs were the only subsector to experience an increase between 2017 and 2018. This small change could be caused by ongoing mergers and amalgamation of PTEs, with smaller PTEs being consumed by larger PTEs. For the other three subsectors, there have been slight to moderate decreases in course completions, with wānanga experiencing the greatest decrease, 4.1 percentage points.

19. Progression rates from levels 1-4 are more relevant for ITPs, PTEs and the wānanga, which have much larger cohorts of learners at these levels compared to universities. Comparisons between 2017 and 2018 indicate that while wānanga have experienced the greatest increase, overall PTEs continue to perform slightly above the other three sectors.

20. First-year retention rates relate to multi-year qualifications, which are generally at degree-level. This provision is mostly delivered through universities, with approximately 36,000 students counted in the first year retention 2018 cohort relative to 12,000 at ITPs, 2,600 at PTEs and 922 at wānanga. Universities outperform the other sectors for retention, but ITPs had the largest percentage point increase at 2.5.

SAC performance for Tertiary Education Institutions (TEIs)

- **Universities continue to perform well overall**

- Half of the universities had a slight decrease in course completion but none were significant enough to indicate large shifts in performance;
- The University of Otago had the highest qualification completion and first-year retention rates at 72.5% and 83.5% respectively; and
- Greater shifts in performance were evident in progression from levels 1 to 4: Victoria University of Wellington increased from 56.3% in 2017 to 76.9% in 2018; and Lincoln declined from 21.3% in 2017 to 13.7% in 2018. This is likely due to the transfer of Telford's provision to Taratahi, with Lincoln's delivery at levels 1-3 shifting from 136 EFTS in 2017 to 5 EFTS in 2018.

- **ITP's performance shows mixed results**

- Between 2016 and 2018, most ITPs' EPIs have remained relatively static. EIT was the only ITP to show improvements in performance across all four indicators, while two ITPs (Toi Ohomai and Whitireia) improved in three indicators;

- The indicator that increased consistently across the majority of ITPs (10 out of 16) was first-year retention; and
 - Performance for Tai Poutini Polytechnic and WITT showed noticeable decreases in qualification and course completion rates.
- **Performance varies across the three wānanga**
 - Te Whare Wānanga o Awanuiarangi experienced decreasing performance across all EPIs except first-year retention, which increased 5.7 percentage points between 2017 and 2018 (60.0% to 65.7%); and
 - Conversely, Te Wānanga o Aotearoa continues to be the highest performer in the subsector, despite recording some slight fluctuations across all four EPIs s9(2)(g)(i)

Youth Guarantee performance

- **Similar to SAC, there is little overall variation in YG performance**
 - The most notable change was a slight increase in overall qualification completions by three percentage points, up from 55.2% in 2017 to 58.2% in 2018;
 - ITPs have higher performance across all three EPIs. This is likely caused by enrolment patterns, as PTEs and the wānanga have a much larger proportion of YG learners enrolled in a level 1 or 2 qualifications, whereas for ITPs level 3 enrolments make up the largest proportion of learners; and
 - The wānanga's performance showed the greatest variability between 2017 and 2018, with a 6.3% increase in course completion (52.8% to 59.1%) but decreases in qualification completion and progression from levels 1 to 4.

Industry Training Fund performance

21. Overall, 2018 EPIs for the Industry Training Fund (ITF) were also relatively static, with only some minor variances compared to 2017 performance.
22. Credit achievement and first-year retention were down between 2017 and 2018 both by three percentage points, while programme completion was constant.
23. Table 3 compares 2018 EPIs for all organisations¹ funded through the ITF to previous years' performance:

Table 3: 2018, 2017 and 2016 ITF EPIs

EPIs	Cohort based programme completion	Credit achievement	First-year retention of apprentices
2018	67%	76%	76%
2017	67%	79%	79%
2016	58%	81%	76%

¹ The rates are inclusive of the 11 ITOs and the performance of employers (DFOs) that are funded directly through the direct funding scheme, including Vodafone which exited the scheme between 2017 and 2018.

- **Industry Training Organisations perform well in first year retention of apprentices**

- Out of the 11 ITOs, all but three decreased their programme completions between 2017 and 2018, while credit achievement continues to fluctuate year to year;
- First-year retention for apprentices in 2018 remained strong, and despite some backward shifts at certain ITOs, rates ranged from 62% to 87%; and
- Three ITOs, Competenz, Skills Active and the Skills Organisation, have retention rates above 80%, while only two were less than 60% - HITO and Primary ITO.

Parity for Māori and Pacific Peoples continues to be a key focus

24. The parity gap between Māori and Pacific Peoples, and non-Māori and non-Pacific Peoples persists, but some year-on-year improvements are evident across the different funds. Table 4 shows trends in SAC performance between 2016 and 2018.

25. Overall SAC qualification completion has remained relatively static, with a slight decreased in achievement for Pacific People between 2017 and 2018, and the gap in performance for Māori and Pacific Peoples sits at around five to six percentage points.

26. The gap in performance for first-year retention is similar to qualification completions for Pacific Peoples, with non-Māori and Non-Pacific Peoples still performing around six percentage points above Pacific Peoples. The gap is greater for Māori, who despite increased performance since 2016, remain around 10 percentage points below non-Māori and Non-Pacific Peoples.

27. Course completion has the greatest gap, with non-Māori and Non-Pacific Peoples 11.5 percentage points above Māori and 13.1 percentage points above Pacific Peoples.

Table 4: 2016 to 2018 SAC EPIs by ethnicity

EPI	Ethnicity Group	2016	2017	2018
Cohort-based qualification completion	Māori	56.1%	56.0%	56.2%
	Non-Māori and non-Pacific Peoples	61.3%	61.3%	61.5%
	Pacific Peoples	57.0%	57.3%	55.1%
First year retention rate	Māori	60.7%	63.3%	64.9%
	Non-Māori and non-Pacific Peoples	72.1%	73.2%	74.5%
	Pacific Peoples	67.4%	65.9%	68.1%
Course completion rate	Māori	75.0%	75.0%	73.7%
	Non-Māori and non-Pacific Peoples	85.7%	85.9%	85.2%
	Pacific Peoples	73.2%	69.8%	72.1%
Progression rate from levels 1-4	Māori	36.8%	35.9%	34.9%
	Non-Māori and non-Pacific Peoples	35.0%	34.7%	36.4%
	Pacific Peoples	40.3%	40.3%	41.4%
Participation	Māori	21.8%	21.7%	21.1%
	Non-Māori and non-Pacific Peoples	70.0%	70.1%	70.8%
	Pacific Peoples	9.6%	9.6%	9.6%

28. Looking at SAC performance by ethnicity and subsector, the data indicates the following:

- Universities are static, with some growth in participation (up to 11.1% in 2018 compared to 10.9% in 2017 for Māori) and first year retention for Māori and Pacific Peoples (69.9% in 2017 to 71.5% in 2018 for Māori and 71.4% in 2017 to 72.5% in 2018 for Pacific Peoples);
- ITPs are generally static or have moved backwards, except for growth in first year retention for Māori and Pacific Peoples (53.8% in 2017 to 56.3% in 2018 for Māori and 55.1% in 2017 to 58.8% in 2017 for Pacific), and Pacific Peoples progression (36.9% in 2017 to 38.7% in 2018);
- PTEs show the greatest range of increases and decrease, most notably the increase in course completions for Māori and Pacific Peoples (66.7% in 2017 to 73.6% in 2018 Māori and 58.8% in 2017 to 76.1% in 2018 for Pacific Peoples); and
- Wānanga also generally remained static, except for decreases in Pacific Peoples participation and performance almost across the board. The majority of Pacific Peoples are at Te Wānanga o Aotearoa, which delivered 1718 EFTS in 2018, out of 1836 EFTS across the entire wānanga subsector. This is likely driving the rate reduction, which moved from 74.2% to 69.7% course completion.

29. Table 5 provides an overview of 2016 to 2018 Youth Guarantee EPIs by ethnicity, highlighting a similar gap in performance to SAC.

Table 5: 2016 to 2018 YG performance by ethnicity

EPI	Ethnicity Group	2016	2017	2018
Cohort-based Qualification Completion	Māori	51.7%	51.0%	54.0%
	Non-Māori and non-Pacific Peoples	59.5%	59.0%	62.4%
	Pacific Peoples	55.5%	53.3%	52.5%
Course completion	Māori	59.9%	62.3%	62.8%
	Non-Māori and non-Pacific Peoples	70.5%	70.7%	70.6%
	Pacific Peoples	65.0%	60.3%	62.5%
Progression rate from levels 1-4	Māori	38.2%	37.9%	36.7%
	Non-Māori and non-Pacific Peoples	41.0%	41.2%	40.7%
	Pacific Peoples	42.1%	41.5%	41.6%
Participation	Māori	48.3%	48.6%	49.6%
	Non-Māori and non-Pacific Peoples	37.6%	38.5%	38.6%
	Pacific Peoples	18.8%	17.6%	16.8%

30. The one area of difference between SAC and YG is progression, where Pacific Peoples slightly outperform the other groups. The opposite trend for Pacific can be seen across the two other EPIs, with small decreases between 2016 and 2018 for qualification and course completion.

31. Table 6, which shows 2016 to 2018 ITO EPIs by ethnicity, sees Pacific Peoples with a higher programme completion rate than other groups. This rate has been tracking upward from 2016, while the other groups have moved backwards slightly.

Table 6: 2016 and 2018 ITO performance by ethnicity

EPI	Ethnicity Group	2016	2017	2018
Programme completion rate	Māori	55%	64%	61%
	Non-Māori and non-Pacific Peoples	59%	67%	68%
	Pacific Peoples	62%	72%	73%
Credit achievement	Māori	76%	73%	71%
	Non-Māori and non-Pacific Peoples	82%	80%	78%
	Pacific Peoples	80%	77%	69%
First year retention rate for apprentices	Māori	74%	77%	72%
	Non-Māori and non-Pacific Peoples	76%	79%	77%
	Pacific Peoples	77%	79%	72%
Participation	Māori	17%	18%	18%
	Non-Māori and non-Pacific Peoples	74%	74%	74%
	Pacific Peoples	9%	9%	9%

32. Rates for Māori learners at ITOs continue to track below those for other groups.

33. The TEC's investment approach expects TEOs to achieve parity for Māori and Pacific by 2022. However, given the TEC only began setting achievement targets as part of its 2018 Investment Plan round (for funding in 2019), we anticipate greater shifts should be seen in future years' performance. TEO's commitments toward parity are being considered as part of our assessment Investment Plans for 2020.

Next steps

34. TEC is intending to publish 2018 TEO level educational performance indicators on Thursday 11 July 2019.

35. TEOs have already seen their own results. We will release under embargo sub-sector results to TEOs a week prior to our public release.

36. As part of the Ministry of Education's monitoring of the fees free policy, it will be putting up a report to you the week of 1 July on how fees free learners are achieving. Since the Ministry's reporting will align with this briefing, we have not provided any performance data relating to fees free.