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Nelson Marlborough Institute of Technology  
Te Whare Wānanga o Te Tau Ihu o Te Waka a Maui

2007

Annual Report • **Nga Ahuatanga**



# Excellence in Education

## Our Mission

Nelson Marlborough Institute of Technology (Te Whare Wananga o Te Tau Ihu o Te Waka a Maui) will contribute to the social, economic, cultural and environmental development of Nelson, Tasman and Marlborough, through the provision of applied and vocational education and training.

## Goals

1. Provide relevant and accessible education and training to meet the needs of the region and niche markets.
2. Ensure excellence of provision and student achievement.
3. Ensure ongoing viability through effective governance and management.

## Role of this Annual Report

### PURPOSE

The purpose of this Annual Report is to provide information to assist users in:

- > Assessing Nelson Marlborough Institute of Technology's financial and service performance, financial position and cash flows;
- > Assessing Nelson Marlborough Institute of Technology's compliance with legislation, regulations, common law and contractual arrangements, as these relate to the assessment of its financial and service performance, financial position and cash flows; and
- > Making decisions about providing resources to, or doing business with, Nelson Marlborough Institute of Technology.

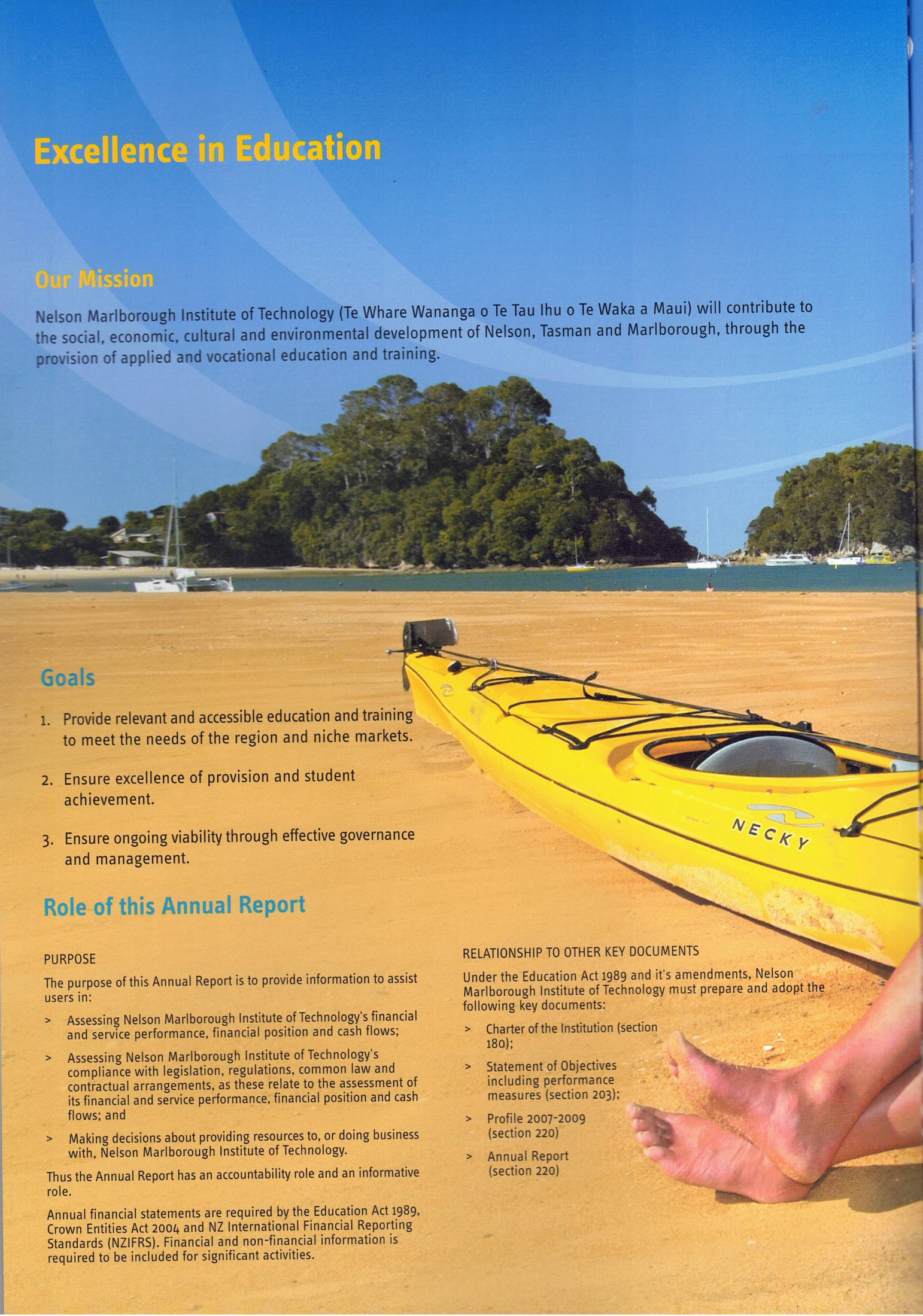
Thus the Annual Report has an accountability role and an informative role.

Annual financial statements are required by the Education Act 1989, Crown Entities Act 2004 and NZ International Financial Reporting Standards (NZIFRS). Financial and non-financial information is required to be included for significant activities.

### RELATIONSHIP TO OTHER KEY DOCUMENTS

Under the Education Act 1989 and its amendments, Nelson Marlborough Institute of Technology must prepare and adopt the following key documents:

- > Charter of the Institution (section 180);
- > Statement of Objectives including performance measures (section 203);
- > Profile 2007-2009 (section 220)
- > Annual Report (section 220)





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# Council Chair's Foreword



Last year I noted in this foreword that NMIT was looking forward to 2007 with confidence, but with some trepidation due to the uncertainties of the Tertiary Reform process. A year later I can record that both the trepidation and confidence were well warranted.

2007 was a year of transition as the sector attempted to align activities more closely with New Zealand's Tertiary Reforms which come fully into force in 2008. The reforms contain 'steering mechanisms' to encourage a regional focus for tertiary education providers and enhance educational quality, a policy clearly aligned with NMIT's own strategic imperatives. NMIT is well positioned for regional delivery, and is proud of the quality of its programmes; however, the costs of meeting Nelson/Marlborough needs, which typically involve a plethora of programmes with small class sizes, will continue to challenge the Institute and the new funding system.

It is pleasing to report a modest surplus for the Institute of \$235,000, a satisfactory outcome given the operating budget for the year anticipated a significant deficit due to the costs of withdrawal from activities deemed 'out of region', and the costs of restructuring the Institute for its future task. Income from the Quality Reinvestment Fund has enabled the transition to occur with the minimum of negative impact, and NMIT is now planning confidently for the future. The result includes a write down of \$315,175 in the value of NMIT's Group investment in Mahurangi Technical Institute (MTI), situated in Warkworth.

Milestones for 2007 include:

- > Facilitation of the 'Top of the South 2007 Tertiary Education Regional Statement', a significant exercise involving cooperation with a wide variety of stakeholder groups, education providers and industry training organisations
- > Opening of a new Te Tari Maori teaching facility in the centre of the Nelson Campus
- > Commencement of construction of the long awaited Hospitality and Teaching Block on the Nelson Campus, which is due for completion at the end of 2008
- > TEC confirming three year funding of NMIT's first business plan submitted under the new tertiary funding system.

To meet local needs, NMIT must maintain campuses in Nelson and Marlborough, and upgrade its assets to a standard appropriate to deliver the quality of programmes demanded by its community of interest. It is pleasing to have accumulated sufficient funds to commence building activity on the first of the new facilities, but many of the Institute's assets are in need of renewal, and history shows it is impossible to generate sufficient capital to achieve this from retained operational funding alone. A business case was first submitted in 2005 for capital funding to enable the Nelson Campus development programme to proceed, and it is hoped this application will finally see success in 2008.

The Council is pleased to once again pay tribute to NMIT's Chief Executive, management and staff, and to acknowledge their ongoing dedication and application through a very challenging year. In addition to activity close to home, our senior management team has made a significant contribution to the reform process through their intimate involvement in a variety of national projects. We are fortunate in the calibre of our staff, and commend their passion for education and training and attention to the needs of students.

I would also like to express appreciation to my Council colleagues for their ongoing commitment and support. A special mention is required for Ian Paterson, who has supported me in the role of Deputy Chair since 2000 but announced he would not seek re-election in 2008. Ian has also chaired the Audit and Risk Committee, and his wisdom and guidance have been much appreciated. Council members Fran Jessep, Brendon Burns and Alan Bruning all retired at the end of their terms having provided excellent service to the Institute, and new members, Allen Hippolite, Virginia Watson and Andy Rowe, were welcomed during the year.

NMIT enters 2008 in good heart, but with numerous ongoing challenges to be resolved as the reform process detail continues to roll out.

A handwritten signature in dark ink, appearing to read 'Brian Rhoades'. The signature is fluid and stylized, with a large, sweeping 'B' and 'R'.

Brian Rhoades  
Council Chair



# Council and Governance

## Role of Council

Nelson Marlborough Institute of Technology is under the control of a Council comprised of elected and appointed members from the Nelson Marlborough region. The role of the Council is governance of the institution, policy making and the appointment and performance management of the Chief Executive.

The Council delegates the management of the academic and administrative operation of the Institute to the Chief Executive.

## Council Members

**Back Row:** Allan Bruning, Ross Butler, Marion Heinz, Luke Katu

**Middle Row:** Hemaima Hughes, Tony Gray (Chief Executive), Virginia Watson, Brian Rhoades (Chair), Leo McKendry

**Front Row:** Clare Atkins, Hilary Mitchell, Ian Paterson (Deputy Chair)

**Absent:** Allen Hippolite, Andrew Rowe, Kerry Marshall

## Responsibilities of the Council of NMIT are to:

1. Approve and monitor the implementation of the Charter which sets out the role and purpose of the Institute
2. Determine the strategic direction of the institution
3. Approve the institution's objectives
4. Ensure that the financial, physical, educational and intellectual assets of the institution are efficiently and effectively managed
5. Appoint the Chief Executive
6. Monitor the performance of the Chief Executive
7. Consult with stakeholders when reviewing the Charter
8. Establish an academic board to advise the Council on matters relating to courses of study or training and other academic matters.

This 2007 Annual Report was approved by the NMIT Council on 30 April 2008.





# Chief Executive's Report



The year 2007 provided a number of significant challenges for NMIT as it adapted to meet the changes imposed by the Tertiary reforms. The institute's removal of itself from significant amounts of out of region provision was a genuine response to preparing for the full implementation of the Government reforms for 2008. The

institute achieved a full time equivalent student number of 3101 comprising of some 9058 enrolments on 102 programmes from certificate to degree level. Average completion rates for the year were 75% and student satisfaction levels were over 89%.

During 2007 the institute was successful in its application for the Government's Quality Reinvestment Fund, receiving funding totalling \$6.34m, these monies provided support for the transition from out of region provision, as well as capital funding for projects in the areas of Marine and Aquaculture, Aviation Engineering, Engineering and Automotive and Construction Trades and Environment and Conservation facilities. This funding, along with cost saving measures and an organisational review, resulted in a small surplus of \$234k for the Group, a notable achievement given the forecast of a significant deficit at the start of the year.

The institution has had substantial involvement in many of the development projects and initiatives that came from the Governments Strategic Tertiary Education Priorities including the development of a Regional Facilitation report, one of the three "distinctive contributions" for the ITP sector. NMIT was one of five pilot ITPs nationally who led the sector and produced a regional report emphasising the education and training needs of industry, business and communities across the "Top of the South" region and worked with other tertiary providers as well as colleagues from Government agencies including the Department of Labour, Ministry of Social Development as well as the economic development agencies in Nelson, Tasman, Kaikoura and Marlborough.

As the region's largest tertiary education provider, the ongoing building of relationships to assist in identifying and responding to our region's social, economic, cultural and environmental need remains the strongest of drivers for our work. The completion of the Regional Facilitation report and the significant part it has played in our first "Investment Plan" was key to NMIT achieving three year funding for its first business plan submitted under the changes to tertiary sector funding. NMIT is uniquely positioned and skilled for providing the momentum to support and sustain the economic transformations for the region in this context.

While applied degrees are important for NMIT, it is certificate and diploma level provision that will remain critical in assisting the region to achieve maximum improvements in productive capability. Key challenges remain in ensuring that learners are able to access

an appropriate range of education and training. During 2007 NMIT continued to develop flexible learning opportunities using new technologies and blended learning activities including on-line and video conferencing. The institute's Schools of Aviation, Technology and Primary Industries, Business and Computing, Fisheries (Marine and Aquaculture), Arts and Design, Health and Social Science, Tourism, Hospitality and Wellbeing and Te Tari Maori have reflected in their development of provision the issues of access. Through the professionalism and experience of staff and the support of industry advisory committees and other external organisations, we have successfully achieved development of existing provision and the introduction of new initiatives, that include collaboration with Lincoln University for a viticulture and wine degree; the successful implementation of a new arts and media curriculum incorporating contemporary music with the Nelson School of Music and the launch by the Minister for Transport Safety of the NMIT Aviation Network, incorporating ten of the country's leading aviation pilot providers with guaranteed Government funding for three years.

The 2007 year saw the completion and opening of the Te Tari Maori teaching building and the start of the new build development of a \$7.5m Hospitality, Tourism and Wellbeing facility to be completed in October 2008. Highest quality is the aim for all the activities, programmes and services of NMIT and the development of facilities that match these aims remains key to the institution's development.

NMIT remains focussed as a people organisation recognising the very special contributions of so many individuals and teams. The talent and commitment of learners was recognised through scholarships and awards at both national and local levels and the range of backgrounds, sacrifice and enthusiasm of learners continues to be an inspiration and give real purpose to the value of tertiary education. The dedication and professionalism of staff across the institute, providing education of a high academic standard and training with a real industry focus ensures quality outcomes for learners. The essential component of good governance through the commitment of the NMIT Council and the leadership of Council Chair Dr Brian Rhoades has been a key component during the 2007 year.

Tony Gray  
Chief Executive



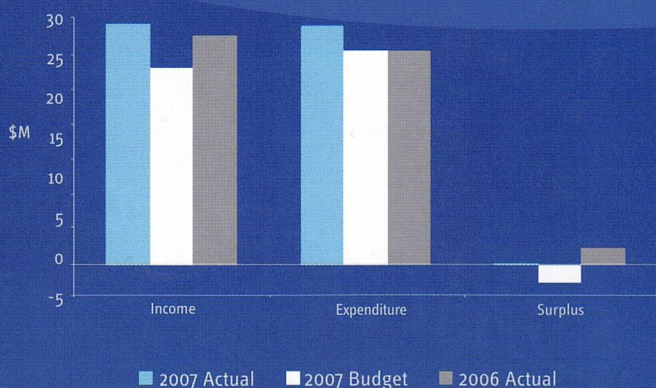




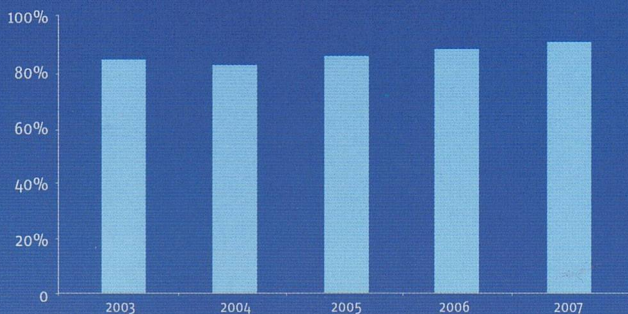
# 2007 Highlights

- > Student Satisfaction levels improved another 2% on previous year to achieve a record high of 89%.
- > Operating surplus of \$234 thousand for the Group.
- > Facilitation of the 'Top of the South' 2007 Regional Tertiary Education statement.
- > TEC confirmed 3 year funding of NMIT's first business plan submitted under the new tertiary reforms.
- > \$6.34 million of funding over 3 years was received from the Governments Quality Reinvestment Programme (QRP).
- > TEC confirmation was provided for the ongoing provision of Aviation programmes (2008-2010) and the NMIT Aviation Network was officially launched in December 2007 by the Minister for Transport Safety the Honorable Harry Duynhoven. The network trains over 340 pilots in New Zealand each year.
- > A new partnership between NMIT and the Nelson School of Music will see joint delivery of music programmes in 2008.
- > An industry supported partnership between NMIT and Lincoln University will see students able to pathway into the third year of Lincoln University's Bachelor in Viticulture and Oenology.
- > NMIT's partnership with Skills Update Training Institute (SUTI), saw new programmes in retail, risk management, community support work (care for the older person) and horticulture developed in 2007. SUTI now has a regional base leasing NMIT's former Richmond Campus.
- > Opening of the new, purpose built, Te Tari Maori teaching centre on the Nelson campus.
- > Construction has begun on a long awaited \$7.5m building which will improve the Hospitality, Tourism and Wellbeing and general classroom facilities.

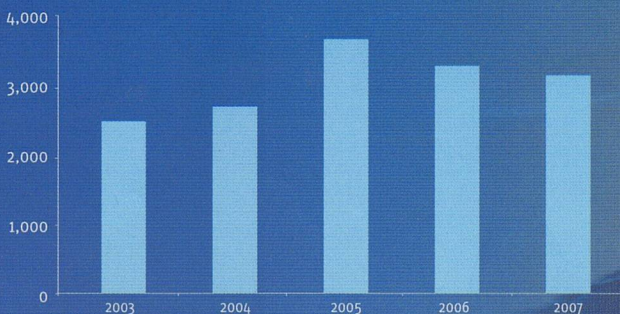
## Operating Performance



## Student Satisfaction



## Equivalent Full Time Students





**98% of people surveyed in Nelson, Tasman and Marlborough agreed that NMIT was an important institution and contributed to the region's wellbeing.**

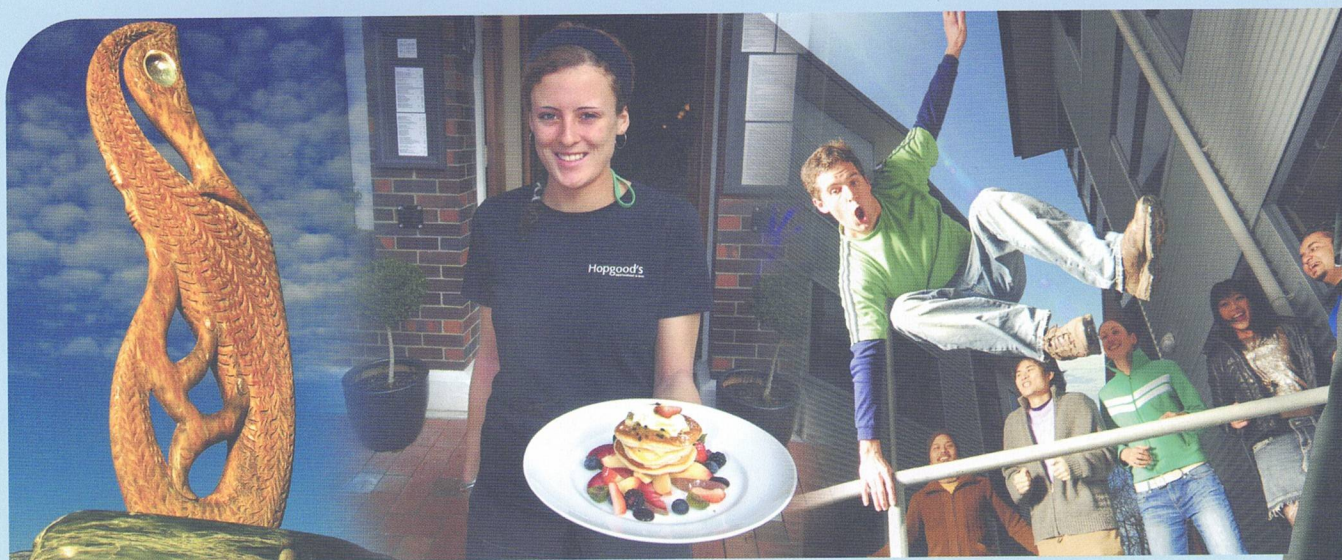
Source: Opinions Market Research 2007





## Our Region, Our Community

- > Over 130 students have now gone through the NMIT Employment Scholarships programme. The scheme which began in 2001 provides students with a practical supported pathway to work. Over 100 students have been placed in Nelson and over 30 in Blenheim.
- > NMIT became the official education provider for the Tasman Makos providing up to \$25,000 in study scholarships over three years. The partnership will not only ensure that up and coming rugby players are fully supported to gain qualifications through study for a life after rugby, it will also help to ensure talented youth are retained in the top of the south region.
- > Tasman District Council's 'Estuary Walkway' in Richmond was given a boost by NMIT's trainee ranger students who added 140 metres of boardwalk as part of their course requirement to learn to build walkway structures.
- > NMIT continued its support and involvement with Nelson Arts Festival. As well as being a festival sponsor, NMIT displayed sculpture on campus and hosted talks by artists for secondary school teachers and students. Poetry students from the creative writing programme had a chance to show off their skills at a poetry reading.
- > Supported by Marlborough District Council, Marlborough Chamber of Commerce, Marlborough Regional Development Trust and Destination Marlborough, NMIT Marlborough's Careers Express Day held in May attracted over 300 visitors and 28 businesses. The event aimed to showcase local careers and training options. Industry sectors included aviation, seafood, commerce, engineering, hospitality, childcare, fitness, hair and beauty, trades and viticulture.
- > NMIT supports the Brook Waimarama Sanctuary Trust which is working to see a wildlife sanctuary created on a former water reserve site in Nelson by providing office space for administration and venues for meetings and public presentations. NMIT students have helped build the public entry and display building (carpentry students), established administration processes (business students) and are constructing tracks and boardwalks (conservation students).
- > Together with the Nelson Tasman Chamber of Commerce, NMIT is a joint owner in the business development company (BDC). BDC is a business skills training organisation established in 1999 to help grow businesses in our region by providing a toolbox of training opportunities.
- > NMIT continued its sponsorship of the Business Awards in Nelson-Tasman, in association with the Nelson Tasman Chamber of Commerce. As well as helping to strengthen NMIT's relationship with the business community, the awards help to foster business excellence and celebrate regional achievements in the business arena. NMIT also sponsors an award for the bi-annual Marlborough Business Awards.
- > In 2007, NMIT donated a beautiful Manaia trophy for the Senior English prepared speech section of the annual Manu Korero competition. The main aim of this secondary school competition is to develop and showcase the oratory skills of youth in both English and Te Reo Maori. The award represents NMIT's commitment to help and support young Maori to venture forward in the continuing journey of learning.
- > NMIT is a key sponsor of the Marlborough Wine Heritage Museum due to be launched in February 2009. This national museum is intended to showcase the history of wine in New Zealand.





**93% of people surveyed in Nelson, Tasman and Marlborough believed NMIT was a professional tertiary education provider and had a good reputation.**

Source: Opinions Market Research 2007





# Working Together

- > NMIT facilitated the development of a regional tertiary education report which identified education needs, gaps and priorities for the Top of the South. The project included consultation with the wider community, the department of labour, Economic Development Associations and both public and private tertiary education providers. It was the first time private and public education providers had come together to work for a shared vision of the region's future. The report will be an important document in the work of the Tertiary Education Commission and education providers in the Top of the South as they plan for the region's future tertiary education needs.
- > A new partnership between NMIT and the Nelson School of Music will see joint delivery of a new music qualification in 2008. The Nelson School of Music's Contemporary Music Performance Course will be delivered as part of the Certificate in Arts and Media (Contemporary Music). A new Diploma in Arts and Media (Contemporary Music) will start in 2009.
- > The national NMIT Aviation Network was officially launched in December 2007 by the Minister for Transport Safety, the Hon. Harry Duynhoven. In 2001 Nelson Aviation College and NMIT formed a pilot training relationship. Subsequently NMIT approached eleven providers across the country to establish the largest flight training network in New Zealand. Today, the network trains over 340 pilots in New Zealand each year.
- > In response to an industry shortage of aircraft maintenance engineers, NMIT aircraft maintenance engineering graduates are being offered a guaranteed interview with some of the country's top aviation companies including: Air New Zealand, Airwork (NZ) Ltd, Christchurch Engine Centre, Flightline Aviation, Helicopters NZ and Safe Air.
- > An industry supported partnership between NMIT and Lincoln University, will see students who complete the re-developed NMIT Diploma in Viticulture and Wine Production being able to pathway into the third year of Lincoln University's Bachelor in Viticulture and Oenology. Students who choose to go on to the degree qualification will be able to finish their study programme in Marlborough at NMIT. On line development of the diploma programme was initiated in 2007 to enable delivery by second semester 2008.
- > NMIT was a key partner in the Marlborough Mayor's Industry Graduation, a regional initiative for all Marlborough trade/apprentice graduates which was in its second year, with over 60 graduates attending.
- > NMIT's partnership with the Skills Update Training Institute (SUTI), saw new programmes in retail, risk management, community support work (care for the older person) and horticulture developed during 2007. SUTI and NMIT have been jointly delivering programmes in security, logistics and warehouse training for the past four years and SUTI now has a Nelson base, after leasing NMIT's Richmond campus.
- > International seafood companies Talleys Nelson, Sealord and Aotearoa Seafoods came on board to support a new NMIT cadetship scheme to attract people to careers in the seafood industry. Students who complete the 12 week Certificate in Marine Studies (Cadet) programme are guaranteed an interview with one of the companies. If they're offered a job and maintain a satisfactory employment record for a year, they then have all their course fees reimbursed - 50% from the company they work for, and 50% from NMIT.
- > Trades training at NMIT continues to go from strength to strength. In 2007, NMIT had over 240 apprentices training across carpentry, automotive and engineering companies in the Top of the South.
- > NMIT is one of 11 ITPs taking part in the first round of a professional development cluster initiative that focuses on incorporating literacy skills into everyday teaching. This professional development is being funded by the Tertiary Education Commission as part of the larger inter-agency "Learning for Living" project. The aim of the initiative is to improve retention and progression rates through raising the literacy achievement of tertiary students studying in entry level courses. Participants in the professional development cluster will not only apply the learning directly in their classes, but will actively share the information with their fellow tutors.
- > The level of participation in education and training amongst vineyard workers is continuing to increase with NMIT working closely with the NZ Horticulture Industry Training Organisation in the delivery of distance learning programmes such as the Certificate in Vineyard Practice.
- > The School of Tourism, Hospitality and Wellbeing worked with the Aviation Tourism Travel Training Organisation to deliver the National Diploma in Tourism Management on-line to supervisory management staff in the tourism industry.



**95% of people surveyed in Nelson, Tasman and Marlborough agreed that NMIT offers courses relevant for industries and businesses in the region and 87% agreed that NMIT's qualifications are well respected by employers.**

Source: Opinions Market Research 2007





## Our Facilities

**91% of people surveyed in Nelson, Tasman and Marlborough agreed that NMIT is a well respected tertiary education provider.**

Source: Opinions Market Research 2007

- > In 2007, NMIT received \$6.34 million from the Government's Quality Reinvestment Programme Funding (QRP). The decision represented a huge vote of confidence in the Institute and its future in providing tertiary education in the Nelson Marlborough region.
- > Work has commenced on a new \$7.5m building which will improve Tourism and Hospitality facilities at NMIT. The new three-storey building on the campus's Nile Street frontage will include a training restaurant, café, bar and kitchens on the ground floor, hairdressing and beauty salons on the second floor and flexible learning spaces on the top floor. It is due for completion in 2008.
- > NMIT celebrated the opening of its new half million dollar Te Tari Maori / School of Maori Studies building in 2007. The building, which sits in the middle of the Nelson campus, is the teaching centre for Te Tari Maori. It's significant as it's the first purpose-built building for Te Tari Maori and has come about to cope with the increasing demand for Maori Studies.
- > NMIT is a key partner in 'The Loop' - the high speed broadband network that delivers the Internet, Internet services and educational resources to 19 schools across the top of the South Island. In 2007, The Loop won the Computerworld Award for Excellence in the use of ICT in Education and further expansion of the Loop is planned. NMIT is also involved in providing a website and training support for Loop schools to explore using an online Learning Management System.
- > New hairdressing and beauty salons were opened on the Marlborough Campus in 2007.





# Schools & Curriculum Alignment

**91% of people agreed that NMIT had a good reputation.**

Source: Opinions Market Research 2007



- > With support and assistance from local schools, NMIT initiated the Curriculum Alignment project in 2004. Since the project's inception NMIT has established a number of additional courses and better pathways for the benefit of local secondary school students. Alignment options have been established in: Hairdressing, Animal Care, Automotive, Carpentry, Engineering, Business Administration, Nanny, Hospitality, Tourism and Marine Studies.
- > In 2007 secondary schools were asked to review Curriculum Alignment courses. The results showed that schools were excited about the opportunities offered by curriculum alignment, including the practical focus of courses; longer development time for core skills; pathway and career information; and the course content and relevance.
- > A joint programme delivered by NMIT's New Zealand School of Fisheries in partnership with Queen Charlotte College in Picton gave students a taste of a career involving water by teaching water survival skills. The Sea Survival course can be credited towards tertiary level marine studies programmes.
- > NMIT organised Tertiary Information Evenings for Parents at two local schools. Delivered in conjunction with the Bank of New Zealand, Studylink and the University of Canterbury, the aim of the sessions was to provide advice for parents on the costs and options associated with tertiary study.
- > A record number of secondary school students were studying degrees at NMIT in 2007. Numbers have been building steadily each year since the Half a Degree for Free scheme was introduced in 2003.