

2018

Appropriation Statement |

Te Tauākī Pūtea Tāpui



Appropriation Statement | Te Tauākī Pūtea Tāpui

Vote Tertiary Education - Support for the University of Canterbury

Appropriations are the basis on which Parliament authorises the executive government to incur expenses and capital expenditure, and provides a Minister with the authority from Parliament to spend public money. Part of the Appropriation requirements is the reporting back on specified output performance measures and standards. The reporting period for those measures and standards is the Crown financial reporting year, which ends 30 June.

The University of Canterbury is required by the Government to present end-of-year performance information for reporting on certain Appropriations related to the Vote Tertiary Education. There are no Appropriations for the year ended 30 June 2018. The comparatives for 30 June 2018 and the Budget for 30 June 2019 are reported below.

Please note the University's normal reporting date is 31 December.

Scope of Appropriation

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

Purpose of Appropriation

This appropriation is to achieve effective investment in rebuilding the University of Canterbury's Science and Engineering Facilities.

The appropriation is for financial support in the rebuilding of those facilities (subject to achievement of agreed targets and milestones). A total of \$210 million has been appropriated and paid to the University as at 30 June 2018, comprising: \$10 million for the Crown financial reporting year ended 30 June 2014; \$100 million for the year ended 30 June 2015; \$85 million for the year ended 30 June 2016; and \$15 million for the year ended 30 June 2017.

A further \$50 million was appropriated for the Crown financial reporting year ending 30 June 2019, subject to certain conditions being met.

Output performance measures and standards — performance measure to be reported on for the year ending 30 June 2019

Performance measure	Budget standard 2017/18	Actual performance 2017/18	Budget standard 2018/19	Comment
Achieving business case milestones in building Science and Engineering facilities	New measure 2018/19	N/A	Achieved	There was no budget standard performance measure for 2017/18 See also 'Subsequent events' below.

This Appropriation is limited to capital expenditure on the Science and Engineering Facilities at the University of Canterbury:

Components of the Appropriation	Actual 2016/17 \$000	Budget 2017/18 \$000	Actual 2017/18 \$000	Budget 2018/19 \$000	Notes
Construction	15,000	–	–	50,000	1

Notes

- The University having met the agreed milestones, the Ministers for Treasury and for Tertiary Education approved the release of the Appropriation for the Crown reporting year ended 30 June 2017 of \$15 million, received by the University on 25 November 2016. See also 'Subsequent events' below.

Subsequent events

Funding Agreement

The agreed milestones having been met, the final payment of \$50 million was made to the University on 4 October 2018, in line with the Appropriation for the Crown reporting year ending 30 June 2019.

Building completion

Both the Rutherford Regional Science and Innovation Centre (RRSIC) Stage 1 and the Canterbury Engineering the Future projects were completed in late 2017 and early 2018 and the facilities are all now in full use.

RRSIC Stage 2 has been commenced and is programmed for completion in mid-2019.

Governance

The financial support provided under the appropriation requires the University to report against a series of set targets and milestones as part of the Funding Agreement.

Council receives regular reports on progress against the Funding Agreement targets and milestones. A separate Governance Oversight Group (GOG) has also been established as part of the Funding Agreement. This Group consists of three members of the University Council, three Crown representatives — one from the Ministry of Education and two from the Tertiary Education Commission — and an independent chair.

The GOG is responsible under its terms of reference for, *inter alia*: supporting and monitoring the University's implementation and completion of the projects supported by funds provided by the Crown; receiving Independent Quality Assurance (IQA) and Implementation Business Cases, and resolving with the University any issues identified by the IQA; and considering quarterly status reports provided by the University. The GOG reports directly to the Minister on progress after each quarterly meeting.

The GOG is able to vary milestones where best endeavours have been demonstrated and matters are beyond the control of the University to influence further.