

The Network for Learning Limited:

Briefing to the Incoming Minister

27 October 2017

[Introduction](#)

[N4L: Who we are](#)

[N4L's formation](#)

[Ownership](#)

[N4L's constitutional obligations and purpose](#)

[N4L Governance](#)

[N4L Leadership](#)

[Structure](#)

[How N4L is funded](#)

[How N4L is monitored](#)

[N4L current products and services](#)

[Provision of N4L's Managed Network](#)

[Rollout of the Managed Network](#)

[Use](#)

[Safety and Security](#)

[Innovation and Sustainability](#)

[Delivery of Platform Services](#)

[The N4L customer view](#)

[N4L's engagement with Ministers](#)

[Actions and decisions Ministers will be required to make in 2017](#)

[Appendix A: N4L Board of Directors](#)

[Appendix B: N4L Executive Team](#)

## Introduction

### **Digitally Empowered Education for a Future-ready, World-ready, Aotearoa New Zealand.**

Education worldwide is transforming from "old school" blackboard-based to leveraging and embedding technology where this makes sense. N4L was formed in 2012 to help this journey of transformation, and to ensure that there is equitable, safe and predictable access to the internet, content and collaboration services available to everyone, regardless of location, school size or decile.

The N4L vision is being realised with the connection of 99% of all schools (over 810,000 users) to the Managed Network. This Managed Network has formed, and continues to form, the underlying platform for optimised learning and innovation. N4L is also working hard to bring new innovation, new products and new services to further support New Zealand education.

N4L's successful delivery of the Managed Network, on time and under budget, has meant that on the first day of the 2017 school year, over 2,500 schools in New Zealand opened their doors for a year of teaching and learning planned and delivered in the knowledge that there was an uncapped, fast, safe and reliable internet connection.

Usage of the network continues to grow rapidly, reinforcing the importance of stable, critical, enhancing educational technology infrastructure. Network traffic has doubled since last year. The usage numbers are staggering; the monthly usage of the Managed Network is over 2 petabytes with 16 billion webpage hits.

Content and services, and the move to a more long-term, self-sustaining model are the Board's foci for the Company's future. As technology continues to evolve, it is essential that N4L acts as schools' technology research arm, assists them to mature their digital capability, and, working alongside our educational agency partners, N4L can help the sector think further ahead to make the right decisions. This optimises technology spend and enables the sector to focus on learning. (Whilst some schools have internal technical capability, most do not and rely on their systems, tools and software to "just work" especially as the complexity of use rises).

The growing use of technology in education brings risk, which must be well managed to protect our young people. Over the past year there has been an increase in viruses, ransomware and other cyber threats, with N4L blocking over 10,000 viruses and other malware, as well as blocking over a billion website hits last month. As the cyber threat landscape evolves, so too must N4L's security services. We continue to actively evolve the N4L roadmap to ensure the safety of learners.

N4L continues to work closely with the Ministry of Education to assist schools by extending N4L services to include the provisioning and management of schools' internal networks and learner devices to ensure a consistent and equitable experience for all learners. The provision of a fully managed service is an important step in enabling teachers to spend less time managing technology and more time teaching, enabling individualised learning, quality teaching, specialised support for learners needing learning support, assistance to schools preparing for online exams and assessments, and to ensure equity of opportunity which is barrier-free for all schools.

Feedback from the sector is that N4L has truly made a difference to education in New Zealand and N4L is looking forward to continuing to serve teachers and learners in the upcoming years.

## N4L: Who we are

### N4L's formation

The Network for Learning Limited ("N4L") was incorporated on 2 July 2012 under the Companies Act 1993. It is a Crown-owned Company, listed under Schedule 4a of the Public Finance Act 1989. N4L's operational mandate is provided by the statutory framework that applies to it, including (but not limited to) the Public Finance Act 1989, the Crown Entities Act 2004 and the Companies Act 1993.

### Ownership

N4L's shareholding is 100% vested in the Crown. Its shareholders are the Minister of Finance and the Minister of Education in their capacities as Ministers, with each holding 50% of the issued share capital. The Minister of Education has delegated responsibility for all matters relating to N4L to the Associate Minister of Education.

Governance is provided by a Crown-appointed Board of Directors.

### N4L's constitutional obligations and purpose

The initial purpose of the Company was to establish and operate a student-focused network (the N4L Managed network) that offers schools and kura access to predictable and fast internet with uncapped data, web filtering and network security services to help schools create a safe online environment for their students, and internet based content and services over a dedicated network.

N4L's constitution requires it to balance commercial and policy objectives. N4L is expected to be financially sustainable, and has not been required to return a dividend to date.

The Company is to pursue its stated purpose while:

- operating in a financially sustainable manner;
- operating in a way that minimises risk to the Crown; and
- operating in such a way that it:
  - provides services that enable best practice learning and teaching, supporting student achievement;
  - is responsive to the needs of schools, kura, teachers, students and their whānau;
  - engages directly with the education sector and Government agencies including establishing any advisory groups which may assist its purpose;
  - supports the delivery of the New Zealand curriculum and Te Marautanga o Aotearoa;
  - contributes to the efficient administration of schools and kura;
  - supports the implementation of Government policy; and
  - is flexible enough to respond to emerging challenges and opportunities caused by developing technological change.

## N4L Governance

N4L is governed by a Board of Directors, appointed by its shareholding Ministers. The Board currently comprises the following seven non-executive directors:

Director	Term commenced	Term expires
Helen Robinson (Chair)	2 July 2012	30 June 2018
Mark Yeoman (Deputy Chair)	2 July 2012	30 June 2019
Jack Matthews	1 October 2013	30 April 2019
Dr Karen Poutasi	1 July 2014	30 June 2020
Rick Shera	2 July 2012	30 June 2018
Linda Tame	2 July 2012	30 June 2018
Jeremy Banks	1 July 2017	30 June 2020

All decisions about N4L's operations are made under the authority of the Board. The Board is responsible for agreeing outputs with the shareholding Ministers and ensuring that shareholder expectations of N4L are met. Biographies and contact details of each board member is in Appendix A.

## N4L Leadership

N4L's leadership team is comprised of:

- Greg Woolley, interim Chief Executive Officer
- Anna Aubrey, Head of Marketing
- Alexander Brown, Deputy Chief Executive, Government
- Will Graham, Chief Operating Officer
- Susan Harkin, Chief Financial Officer
- Carolyn Stuart, Deputy Chief Executive, Education

## Structure

N4L is currently almost at capacity of 55 permanent roles.

Consistent with Ministerial expectations, N4L operates a policy of realistic pay and employment conditions, as part of a commitment to operate in an efficient and cost effective manner.

### How N4L is funded

As a Crown company listed on schedule 4a of the Public Finance Act, N4L is expected to be financially sustainable. While at the outset the Company was provided with \$14m establishment

capital to ensure its stable operation in the start-up phase before operational revenues could cover all outgoings, it receives no ongoing direct grant, subsidy or appropriation.

Now the Company is established, its operational funding comes from the sale of services to customers in the education sector. Currently that customer is the Ministry of Education who purchase the provision of the Managed Network to all NZ state, state-integrated and partnership schools, as well as funding a number of pilots and proofs of concept of new technologies. N4L has also contracted with NZQA for a number of pieces of work to support the NCEA Online project. The Company earned \$28.5m in 2015/16 from the sale of these services, with earnings for 2016/17 of \$30.2m.

The Ministry of Education funds these services from an appropriation established when the provision of a Managed Network was agreed by Cabinet in 2012. This funding mechanism enables N4L's services to be provided at no cost to state, state-integrated and partnership schools thus achieving equity of access to broadband services to all schools.

#### How N4L is monitored

As a Crown company listed on schedule 4a of the Public Finance Act, Treasury monitors N4L's performance on behalf of shareholding Ministers. Treasury provides advice on N4L's performance to Shareholding Minister on a regular basis.

## N4L current products and services

N4L is meeting the needs of New Zealand's education sector in three main areas:

1. Through the provision of Managed Network Services, based around the N4L Managed Network which includes related services such as web filtering, firewall services, performance monitoring and a helpdesk service. The Managed Network connects all New Zealand state and state integrated schools to a fast, uncapped, safe and secure internet service.
2. By delivering Platform Services – services building on N4L's education application platform assets to address specific areas of need in the education sector. The N4L education application platform is an environment that combines sharing and collaboration tools together with a purpose built web application designed to bring relevant education content to the hands of users. It is available as a mobile application and has an in-built API integration functionality.
3. By engaging with the education sector to help lead the direction of the service to best fit their needs as educators. In order to drive a step change in educational outcomes using technology enabled services, N4L must ensure that schools, teachers and principals - the primary consumers of its services - are with it on that journey.

#### Provision of N4L's Managed Network

N4L's Managed Network is specifically designed for New Zealand's 2500+ schools. The Managed Network is a connection that schools can trust to perform, knowing they will always have enough capacity to use the internet when and how they want. It creates an environment that encourages the uptake of digital learning in a seamless way. The Managed Network

ensures all schools will have equitable access to safe, predictable and fast internet with uncapped data, strong web safety and security services, and full helpdesk support.

With the Managed Network, schools have the tools to create a safe online environment for their students and staff, and can pursue new teaching and learning opportunities presented by digital technologies. Schools using the Managed Network are benefiting from an enhanced online experience, with many experiencing internet speeds of up to ten times faster than what they have received previously.

### Rollout of the Managed Network

The rollout of the Managed Network began in November 2013 when Massey Primary became the first connected school, and formally concluded in December 2016. At the time of writing, there were 2,457 New Zealand school sites connected to the Managed Network. More than 806,000 students and teachers are now using the Managed Network, which makes up almost 99% of New Zealand students and teachers.

With a continuous small stream of new schools, merged schools, or schools being rebuilt, there will continue to be a residual level of connection-related activity.

Feedback from schools, media and our technology sector partners has been overwhelmingly positive. Surveys reveal 93% of schools were satisfied or very satisfied with their experience of the Managed Network.

### Use

2017 is the first year where almost all schools will have planned their teaching year in the knowledge they have access to uncapped, safe and secure internet, and as such, data use across the network has grown significantly over the last year.

Strong bandwidth growth is being observed across the Managed Network, demonstrating that schools are increasingly using digital resources online and consuming more data. As a result, and in line with the agreed allocation policy, a number of schools are having their connections upgraded to allow them to continue using online resources confidently, without problems with reliability or speed. During the 2016/17 year, 86 schools had their connections upgraded.

### Safety and Security

This past year N4L has introduced new safety and security features for our users, reflecting an ever-changing security landscape. The number of threats blocked across the network have grown with increases in network use. There is variance in the categories of growth, or reduction, month to month and not directly linked to use patterns, as various threat trends shift.

### Innovation and Sustainability

The ongoing success of the Managed Network is dependent on a continuous programme of innovation around our service delivery and in the development of new products and features. These are designed to both enhance the quality of our services and ensure we remain at the leading edge of network-based services for New Zealand schools.

Over 2016/17, N4L has consolidated its programme of network innovation and named it Managed Network 2.0. The scope of Managed Network 2.0 (and the journey towards it) is to

update products and services with the latest technology, while ensuring we provide the necessary visibility and security across the network with the aim of:

- Reducing operational costs around change
- Implementing self service options and improving customer satisfaction
- Providing a solution that is tailored for education
- Providing equal or additional capability compared to current state.

### Delivery of Platform Services

Included in N4L's core value proposition is the provision of Platform Services; content, applications and services which leverage the Managed Network and enhance teaching and learning opportunities.

The N4L education application platform is an environment that combines sharing and collaboration tools together with a purpose built web application designed to bring relevant education content to the hands of users. It is available as a mobile application and has an in-built API integration functionality. This allows seamless connection to content sources and integration with identity and access management solutions to ensure that user access is a painless process. The education application platform is flexible and configurable to allow solutions to be developed across various education sectors in way that provides a seamless user experience while also meeting their own unique educational challenges. The intellectual property generated through the delivery of Platform services is also a valuable New Zealand-owned asset. This potential has attracted interest from third parties internationally, and from other education agencies within the local market.

### The N4L customer view

N4L's customers - educators and learners - are at the centre of all we do. The value they place on our services is our key metric of success. As such, we engage extensively in order to maintain confidence that our services are meeting expectations. In our most recent survey of schools transitioning on to the Managed Network, our customers told us:

- I really appreciate the promptness of any actions that have been requested of the N4L team. The transition has been tumeke!
- We do not have an onsite technician. I like the fast responses to issues with power outages or other factors that impede our use of the system - but these are not regular occurrences.
- All went very well and very happy with N4L.
- We were expecting the change over to be chaos but it was amazingly seamless, thank you.
- I really appreciated the time people took to explain things to me as often I had no idea of all the technical jargon. Thank you.
- Thoroughly professional and well informed process. Thanks N4L.

- They were all very professional and ensured the process went quickly and smoothly. Ka pai e koutou katoa.
- Excellent service and support. Delighted to be involved in N4L. N4L is making a major difference to the learning opportunities available to our children.
- We think it's been "freakin' awesome." Adeel was fantastic to work with.
- The principal said the transition had been seamless. He was very pleased and has noticed a big improvement in reliability of the service. He was unaware of the cutover, he said one day it was just much speedier.

## N4L's engagement with Ministers

The Chair and Chief Executive meet regularly with the Minister of Education to discuss N4L's activities and progress against milestones.

At the beginning of the year, Shareholding Ministers advise us of their expectations via a Letter of Expectation. In the second quarter of the year, N4L presents Shareholding Ministers with a Statement of Intent (SOI) for approval. The SOI discusses how we intend to execute Shareholding Ministers' expectations.

Over the course of the year, we report to Shareholding Ministers against this SOI each quarter and at the end of the financial year we present an Annual Report for tabling in Parliament.

## Actions and decisions Ministers will be required to make in 2017

The Minister of Education and the Minister of Finance are the shareholding Ministers for N4L. As such, you will be invited to the N4L Annual General Meeting (AGM), to be held on the 14th of December in Auckland. There will be a short formal element, and also an opportunity to meet the N4L Board.

If you are unable to attend, Treasury will assist you in making arrangements for you to cast a proxy vote at the AGM.

## Appendix A: N4L Board of Directors

### **Helen Robinson, Chair**

Helen is an entrepreneur with interests in a diverse range of innovative companies as well as an Independent Director serving on the board of numerous organisations. She has led tech companies for over 30 years.

She is Co-founder, Executive Director and CEO of Organic Initiative (Oi). Helen chairs CLOUD M, a mobile software company, and Valens Group, building confidence in women in the early-mid stages of their career. She is Director, ATEED (Auckland Tourism Events & Economic Development), the NZ Defence Force, Fulbright NZ and a Trustee of Aktive Auckland Sport & Recreation. Former roles include the Head of Microsoft in NZ, CEO of TZ1 Registry, Managing Director at Markit Group (WW), and VP of Pivotal Corporation (APAC).

Helen Robinson was the Supreme Winner of the NZ Women of Influence Award 2016, made an honorary Beta Gamma Sigma Member, and was awarded the NZ Innovation Awards 2017 Most Inspiring Individual

### **Mark Yeoman, Deputy Chair**

An experienced leader within the ICT industry, having held a number of executive roles in a range of technology-based companies. Mark is currently Group Chief Financial Officer of the Warehouse Group Limited.

### **Jeremy Banks, Director**

Jeremy is a software development specialist with experience growing software startups. Currently a board member for Wakatū Incorporation, Ngāti Rārua Ātiawa Iwi Trust and Te Rūnanga o Te Ataarangi, Jeremy has whakapapa links to the top of the South Island through Ngāti Rārua, Rangitāne ki Wairau and Ngāti Kuia.

### **Jack Matthews, Director**

Until April 2013, Matthews was the CEO of Fairfax Media Metro Division and prior to that, CEO of Fairfax Digital. Jack currently chairs Media Works and acts as Deputy Chair, Chorus.

Jack has over 30 years experience in the technology, telecommunications and media industries and has extensive international business experience having worked in the United States, New Zealand, Japan and Australia. In New Zealand he was the founding CEO of Saturn Communications (later TelstraSaturn) which was among the first broadband networks in the world. Jack holds dual New Zealand and US citizenship and currently resides in Queenstown.

### **Karen Poutasi, Director**

Dr Karen Poutasi is currently Chief Executive of the New Zealand Qualifications Authority, an education sector crown entity, being appointed to that role in 2006. Previously she was the Director General of Health and has worked in senior management roles across the health sector. Karen is a medical graduate and her area of specialisation is public health. She holds both Otago and Harvard University management qualifications.

Karen is the Chair of the New Zealand Committee for Harkness Fellowships. She received a CNZM for services to health in 2006.

**Rick Shera, Director**

Rick is a partner at niche corporate, commercial and IT law firm, Lowndes Jordan. He is a corporate and commercial lawyer, also specialising in internet, media, IT and intellectual property law as well as blogging and commenting as @lawgeeknz. Rick chairs Netsafe NZ and sits in the advisory Board of NZ CERT.

**Linda Tame, Director**

Linda is an experienced education specialist with recent experience as Principal of two Secondary Schools. She currently works with school leaders on transformational change in the Christchurch post earthquake renewal programme and with a Trust (GCSN) focussed on bridging the digital divide in Christchurch low decile schools.

In 2014 she was awarded a Queen's Service Medal for Services to Education.

## Appendix B: N4L Executive Team

### **Greg Woolley, Chief Executive Officer**

Greg brings over 20 years of experience in enterprise software and consulting to N4L. He started his career as an officer in the Royal New Zealand Navy, going on to found Certus Solutions, a New Zealand-owned IT company. Since exiting Certus Greg has invested in, and co-founded, a number of technology companies and is a believer in the power of technology as a catalyst for change.

### **Anna Aubrey, Head of Marketing**

Anna has more than 16 years' experience working in the not-for-profit sector in Australia and New Zealand, with a focus on operations, marketing and communications. She has provided extensive government relations and strategic leadership across multiple industries including disability, agriculture, water technologies, welfare and healthcare.

### **Alexander Brown, Deputy Chief Executive, Government**

Before joining N4L Alexander (Sandy) spent three years at the Ministry of Education as Chief Advisor, Education Sector Leadership. Prior to this he held several senior management and policy roles in Education New Zealand, the Tertiary Education Commission and the Ministry of Justice.

### **Will Graham, Chief Operating Officer**

Will brings over 15 years of information and communications technology experience to N4L. Will previously held key management roles at Spark Ventures, Vodafone and Spark Digital, in sales, service and operational roles.

### **Susan Harkin, Chief Financial Officer**

Prior to joining N4L Susan worked at Department of Corrections as Deputy CFO Strategic Finance. Prior to this she held finance roles at Fletcher Building, Genesis Energy and Telecom New Zealand (now Spark).

### **Carolyn Stuart, Deputy Chief Executive, Education**

Carolyn comes to N4L from an extensive career in the Education sector, including 13 years as a principal. Her passion for the use of technology in schools and her specialisation in educational leadership has seen her involved in many initiatives working with educators across New Zealand.