

# Te Pūkenga Council 11 December 2024 ordinary meeting



Microsoft Teams

11 December 2024 01:00 PM - 05:00 PM

Agenda Topic	Presenter	Time	Page
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Open Agenda			
1. Welcome/apologies/notices	Sue McCormack		
2. Administration (open)	Sue McCormack	01:00 PM-01:05 PM	5
2.1 <a href="#">Council membership and 2025 schedule of committees and workplan</a>			5
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4.1 <a href="#">Report from open portion of Te Poari Akoranga held 29 November 2024</a>	Deborah Young	01:10 PM-01:15 PM	59
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5.1 <a href="#">Letter from Minister for Tertiary Education and Skills 3 December 2024</a>			73
Letter received from Minister for Tertiary Education and Skills 3 December 2024 re Te Pukenga draft Statement of Performance Expectations 2025			
6. He take atu anō   Any other business (open)		01:20 PM-01:25 PM	
7. <a href="#">Resolution to exclude the public</a>			74
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8. Administration (closed)	Sue McCormack	01:25 PM-01:30 PM	77

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9.	<a href="#">Chief Executive's closed report</a>	Gus Gilmore	01:30 PM-02:30 PM	86
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10.	<a href="#">Regional ITP Viability programme – ITP financial improvement plans</a>	Phil O'Callaghan and Johnny-Tramoundanas-Can	02:50 PM-03:35 PM	91
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11.1	<a href="#">Delegations update</a>	Gus Gilmore	03:35 PM-03:40 PM	102
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12.1	<a href="#">Report from Appointment and Remuneration Committee meeting held 28 November 2024</a>	Bill Moran	03:45 PM-04:00 PM	108
	Management will be asked to leave for this item			
12.2	<a href="#">Report from Finance, Risk and Audit Committee meeting held 29 November 2024</a>	Jeremy Morley	04:00 PM-04:15 PM	118
12.3	<a href="#">Report from closed portion of Te Poari Akoranga held 29 November 2024</a>	Deborah Young	04:15 PM-04:20 PM	143
12.4	<a href="#">Report from Health, Safety and Wellbeing Committee meeting held 2 December 2024</a>	Sam Huggard	04:20 PM-04:25 PM	145
13.	Inwards correspondence (confidential) There is no confidential inwards correspondence in this period			
14.	Outwards correspondence (confidential) There is no confidential inwards correspondence in this period			
15.	He take atu anō   Any other business (confidential)			
16.	Confirmation of actions from this meeting	Sue McCormack and Rebecca Donne	04:25 PM-04:30 PM	

[Karakia whakakapi](#)

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Next meeting date: 13 February 2025

# Karakia timatanga

Tēnā tātou here are some useful phrases you can use to introduce opening karakia next time you are asked to lead it.

**Māku e huaki te wānanga nei.**

I'll open our shared space.

**Kia huakina te wānanga nei ki te karakia.**

May our shared space be opened with karakia.

**Kāti anō kia karakia e manawa ora ai te wānanga nei.**

It's only fitting that we begin with karakia so we may strengthen our shared space together.

## Karakia tīmatanga Opening incantation

**Whakarongo rā e Rongo  
ki Te Pūkenga  
te manawa nei  
ki te rongo taketake,  
te whiwhia, te rawea  
te whiwhi-ā-nuku  
whiwhi-ā-rangi  
i takea mai i te kāhui o ngā ariki.  
kia tūturu ka whakamau ai kia  
tina,  
Tina! (everybody)  
Hui e?  
Tāiki e!**

Listen o Rongo  
to Te Pūkenga  
offering gratitude  
for the peace and harmony  
that allows us to enjoy  
he gifts of the earth  
and the heavens  
bequests of a higher order.  
And bind it firmly,  
firmly!  
Do we all concur?  
We concur!

When someone has led karakia to open a hui, it is seen as respectful for someone else to then thank them for carrying out that duty. Here are some mihi to the kaikarakia you can try next time.

**Tēnā koe i tō karakia mai.**

Thank you for delivering karakia.

**Ka nui te mihi o te manawa ki a koe, i tō karakia mai.**

With heartfelt gratitude, thank you for delivering karakia.

**Kia waiho mā ēnei kupu e kawē atu te whakamiha ki a koe, i tō karakia mai. Nāu oti, e manawa ora nei te wānanga.**

May these words convey my sincerest appreciation to you for delivering karakia. Because of you, our shared space is now strengthened.



## Te Pūkenga Council member terms

Member	Start date	Current term ends	Appointed by
Sue McCormack (Acting Chair)	1 April 2023	31 March 2027	Minister of Education
Tagaloatele Peggy Fairbairn-Dunlop	1 April 2021	31 March 2025	Minister of Education
Jeremy Morley	1 September 2022	31 August 2025	Minister of Education
Jordan Gush	4 October 2021	31 December 2025	Interim Learner Committee nomination
Dr Teorongonui Josie Keelan	2 November 2021	31 December 2025	Interim Māori Advisory Committee nomination
Heath Sawyer	4 October 2021	31 December 2025	Interim Staff Committee nomination
Sam Huggard	1 April 2020	31 March 2026	Minister of Education
Bill Moran	1 April 2023	31 March 2027	Minister of Education



## 2025 Schedule of Te Pūkenga Council and Committee meetings

As at 29 November 2024

### Council

Month	Date	Day	Meeting	Activity	Venue
February	13	Thurs	Council	Ordinary meeting	Wellington (venue TBC)
April	10	Thurs	Council	Ordinary meeting	Online
June	12	Thurs	Council	Ordinary meeting	Auckland (venue TBC)
August	7	Thurs	Council	Ordinary meeting	Online
October	9	Thurs	Council	Ordinary meeting	Hamilton (venue TBC)
December	11	Thurs	Council	Ordinary meeting	Online



## Committees

### Finance, Risk and Audit Committee

Name	Role	Meeting dates	Venue
1. Jeremy Morley	Chair	Friday 28 February	Auckland (venue TBC)
2. Bill Moran	Member	Friday 28 March	Online
3. Josie Keelan	Member	Wednesday 30 April	Online
4. Sam Huggard	Member	Friday 30 May	Wellington (venue TBC)
5. John Brockies	Independent member	Monday 30 June	Online
6. Sue McCormack	Ex-officio member	Friday 25 July	Online
		Friday 29 August	Wellington (venue TBC)
		Friday 26 September	Online
		Friday 24 October	Online
		Friday 28 November	Auckland (venue TBC)

### Appointment and Remuneration Committee

Name	Role	Meeting dates	Venue
1. Bill Moran	Chair	Thursday 27 March	Online
2. Sam Huggard	Member	Late June (date TBC)	Online
3. Sue McCormack	Member	Thursday 27 November	Online

### Health, Safety and Wellbeing Committee

Name	Role	Meeting dates	Venue
1. Sam Huggard	Chair	19 March	Online
2. Peggy Fairbairn-Dunlop	Member	25 June	Online
3. Josie Keelan	Member	5 September	Online
4. Heath Sawyer	Member	19 November	Online
5. Jordan Gush	Member		
6. Sue McCormack	Ex-officio member		



## Advisory Committees

### Advisory Committee Co-Chairs hui

Name	Role	Meeting dates	Venue
1. Sue McCormack	Council Acting Chair	May (date TBC)	Online
2. Gus Gilmore	Chief Executive	October (date TBC)	Online
3. Jordan Gush	ILAC Co-Chair		
4. Dahrian Watene	ILAC Co-Chair		
5. Heath Sawyer	IKAC Co-Chair		
6. Warwick Shillito	IKAC Co-Chair		
7. Josie Keelan	Komiti Māori Co-Chair		
8. Bentham Ohia	Komiti Māori Co-Chair		

### Interim Learner Advisory Committee (ILAC)

Name	Role	Meeting dates	Venue
1. Jordan Gush	Co-Chair	May (date TBC)	Online
2. Dahrian Watene	Co-Chair	October (date TBC)	Online
3. Henry Geary	Member		
4. Nina Lee Griffith	Member		
5. Ihongaro	Member		
6. Skyla Flower	Member		





## Interim Kaimahi Advisory Committee (IKAC)

Name	Role	Meeting dates	Venue
1. Heath Sawyer	Co-Chair	May (date TBC)	
2. Warwick Shillito	Co-Chair	October (date TBC)	
3. Ali Bahmad	Member		
4. Andrea Armstrong	Member		
5. Ang Cooper	Member		
6. Barry Paterson	Member		
7. Craig Ludlow	Member		
8. Henry Ma'alo	Member		
9. Jessica Costall	Member		
10. Jody Takimoana	Member		
11. Keri Youngman	Member		
12. Linda Aumua	Member		
13. Mary-Liz Broadley	Member		
14. Ramari Raureti	Member		
15. Scott Casley	Member		

## Interim Māori Advisory Committee

Name	Role	Meeting dates	Venue
1. Teorongonui Josie Keelan	Co-Chair	May (date TBC)	
2. Bentham Ohia	Co-Chair	October (date TBC)	
3. Dahrian Watene	ILAC representative		
4. Glenda Taituha-Toka	Member		

## Te Poari Akoranga

Name	Role	Meeting date	Venue
1. Kieran Hewitson	Co-Chair (Delegate for Chief Executive)	Tuesday 28 January (if required)	TBC
2. Deborah Young	Co-Chair (Ako Excellence Director)	Thursday 13 March	Online
3. Paora Ammunson	Member (DCE Te Tiriti Outcomes)	Thursday 15 May	Online
4. Fiona Moyer	Member (Co-Chair Te Ohu Whakahaere Academic Quality)	Thursday 26 June	Online
		Thursday 11 September	Online
5. Adele McLean	Member (Co-Chair Te Ohu Whakahaere Appeals)	Thursday 6 November	Online
6. Diane Lithgow	Member (Co-Chair Te Ohu Whakahaere Approvals)		
7. Fiona Beals	Member (Co-Chair Te Ohu Whakahaere Rangahau, Research and Postgraduate)		
8. Henry Geary	Member (Learner nominated by Interim Learner Advisory Committee)		
9. Martin Carroll	Member (Rohe 1 business division Academic Committee Chair)		
10. Te Urikore Biddle	Member (Rohe 2 business division Academic Committee Chair)		
11. Nita Hutchinson	Member (Rohe 3 business division Academic Committee Chair)		
12. Scott Klenner	Member (Rohe 4 business division Academic Committee Chair)		
13. Linda Aumua	Member (Co-opted)		
14. Tagaloatele Peggy Fairbairn-Dunlop	Permanent Observer		

APPROVED 10 October 2024

Te Pūkenga  
Annual Governance Work Plan 2025

Frequency	Financial Year 2025											
	January	February	March	April	May	June	July	August	September	October	November	December
<b>Council</b>	Bi-monthly	Thursday 13 February		Thursday 10 April		Thursday 12 June		Thursday 7 August		Thursday 9 October		Thursday 11 December
Chief Executive's report	Bi-monthly	x		x		x		x		x		x
Wellbeing and Safety report	Bi-monthly	x		x		x		x		x		x
Te Tiriti Monitoring	Quarterly	x				x		x				x
Risk deep dives (topics TBC)	4-monthly		Academic portfolio and quality			x				x		
Annual report	Annually			x								
Pastoral code self-report	Annually					x						
Investment plan (if required)	Annually					x						
EPI report	Annually							x				
Statement of performance expectations (if required)	Annually									Draft		Final
Any essential policies required in next 6-12 months	As required											
Briefing to Incoming Minister - not required in 2025 unless change of Ministers	Triennially											
<b>Workshop</b>	As required											
<b>Finance Risk and Audit</b>	Monthly	Friday 28 February	Friday 28 March	Wednesday 30 April	Friday 30 May	Monday 30 June	Friday 25 July	Friday 29 August	Friday 26 September	Friday 24 October	Friday 28 November	
Monthly financial report	Monthly	x	x	x	x	x	x	x	x	x	x	
Disestablishment update	Monthly	x	x	x	x	x	x	x	x	x	x	
EFTS report	Monthly	x	x	x	x	x	x	x	x	x	x	
Programme governance: FMIS, EPM, DSR and RIV	Quarterly	x										
Risk report	Quarterly	x										x
Major property projects report	Quarterly	x										x
High priority building programme update	Quarterly	x										x
Property divestment	Quarterly	x										x
Treasury report	Quarterly	x										x
Contentious legal matters	Quarterly	x										x
Status of external audit recommendations	Quarterly	x										x
Internal audit and assurance report	Quarterly	x										x
Crown financial statements	Annually	Audit letter						Fraud questionnaire & LOR				
Annual report incl. financial statements, letter of representation, & going concern assessment	Annually	2025 update		Approval								
Legislative compliance	Annually	x										
Financial approvals	As required				International fees	Domestic fees	5-year capital plans			Insurance		
Pre-year-end review of issues and assumptions	Annually							TBC				
Risk management framework	As required											
Delegations policy and register	As required											
Other policy approvals	As required											
<b>Appointment and Remuneration</b>	Six-monthly		Thursday 27 March			June date TBC					Thursday 27 November	
Chief Executive performance review	Six-monthly		x								x	
Subsidiary AGMs	Annually		x									
Chief Executive KPIs	Annually					x						
Subsidiary and trust appointments	As required											
<b>Health Safety and Wellbeing</b>	Quarterly		Wednesday 19 March			Wednesday 25 June		Friday 5 September		Wed 26 November		
Deep dives (topics TBC by the Committee)	Quarterly		x			x		x		x		
Statements of commitment to wellbeing and safety	Annually		x									
2025 officer engagement plan	Annually		x									
Pastoral code self report	Annually					x						
Pastoral care policy (TBC)	Biennially					x						
Wellbeing and safety policy	Annually							x				
Ākonga pastoral code framework (TBC)	Biennially							x				
Officer self-review of duty to exercise due diligence	Annually											x
<b>Te Poari Akoranga</b>	Bi-monthly	Tue 28 Jan (if required)	Thursday 13 March		Thursday 15 May	Thursday 26 June		Thursday 11 September		Thursday 6 November		
Reports from local academic committees	Bi-monthly	x	x		x	x		x		x		
Reports from nga ohu whakahaere	Bi-monthly	x	x		x	x		x		x		
Pastoral code self-report	Annually				x							
Type 2 changes for new degrees (approval to submit to NZQA)	Annually					x						
<b>Advisory Committees</b>	Six-monthly				May dates TBC					October dates TBC		
Disestablishment update	As required				All					All		
Fee setting (including student levy)	Annually				ILAC							
Pastoral code self report	Annually				ILAC							
Seismic Assessments for Te Pūkenga marae and Māori hubs	Annually				IMAC							



# Te Pūkenga Council Register of Interests

As at 20 November 2024

Name	Interest	Nature of Interest
<b>Sue McCormack</b> Acting Chair	Kiwirail	Deputy Chair
	Canterbury Earthquakes Insurance Tribunal	Judicial Officer
	University of Canterbury	Past Chancellor
	Dress for Success	Honorary solicitor
<b>Heath Sawyer</b> Member	Te Pūkenga staff member	Employee
<b>Jordan Gush</b> Member	Peseta Sam Lotu-liga, Executive Director Rohe 1 Te Pūkenga	Uncle
	Plumbers and Gasfitters Board	Mother is a member
<b>Teorongonui Josie Keelan</b> Member	Methodist Mission North	Consultant
	University of Auckland	Journal administrator and reviewer
<b>Tagaloatele Dr Peggy Fairbairn-Dunlop</b> Member	UNESCO	Social Science Commissioner
	Vinepa Trust	Patron, Board Member
	Pacific Talk about Education and Learning PLD Pilot	Member of Consulting Team
<b>Jeremy Morley</b> Member	Wellington Free Ambulance	Contractor
	Te Kupenga – Catholic Leadership Institute (A registered PTE)	Pro-bono
	Racing New Zealand	Director
	Warwick Trust	Settlor, Trustee, and Beneficiary
	Wellington Over 60s Cricket	Treasurer and Member

Name	Interest	Nature of Interest
	Wellington Bridge Club Inc	Honorary Auditor
	Caritas NZ Inc	Financial and Commercial Advisor
<b>Sam Huggard</b> Member	New Zealand Educational Institute Te Riu Roa	Employee
<b>Bill Moran</b> Member	WorkSafe NZ	Deputy Chair
	Chamber Music at the World's Edge Foundation USA	Chair
	Chamber Music at the World's Edge Foundation NZ	Chair
	At the World's Edge Music Foundation UK	Trustee
	Parliamentary Education Trust	Trustee
	Iti Kōpara Charitable Trust	Trustee
	Hoops and Life Awhi Trust	Trustee
	New Zealand Qualifications Authority	Deputy Chair
	Pioneer Energy	Director
	Pioneer Energy Renewables GP	Director
	Pioneer Energy Group GP	Director
	TAB New Zealand	Director
Queenstown Lakes District Council Audit, Finance and Risk Committee	Independent Member	



## Minutes for Te Pūkenga Council 6 November 2024 ordinary meeting

06/11/2024 | 09:00 AM - Auckland, Wellington New Zealand Standard Time

Microsoft Teams

### Attendees (6)

Jeremy Morley; Tagaloatele Peggy Fairbairn-Dunlop; Teorongonui Josie Keelan; Heath Sawyer; Sue McCormack; Sam Huggard

### In attendance:

Gus Gilmore (Chief Executive), Rebecca Donne (Governance Director - minutes), Ziena Jalil (Chief of Staff), Paora Ammunsun (DCE Tiriti Outcomes), Phil O'Callaghan (Interim Chief Financial Officer), Garth Gulley (Wellbeing and Safety Director, item 8.2), Sandy Shea (Digital Programme Director, item 9.1), Kara Hiron (Director Legal, item 9.3) Johnny Tramoundanas-Can (Government Relations Director, item 10), Kirsten Sargent (People Culture and Transition Change Lead, item 10).

### Karakia timatanga

Josie Keelan delivered the opening karakia and the meeting started at 9.02am.

### Open Agenda

#### 1. Welcome/apologies/notices

The Council noted that Bill Moran and Jordan Gush provided apologies for the meeting.

#### 2. Administration (open)

##### 2.1 Council membership and schedule of committees

Council members noted the membership terms and schedule of meetings for the remainder of 2024 and that letters to extend the membership terms to 31 December 2025 for members nominated by an advisory committee have been distributed.

## 2.2 Register of interests

The Acting Chair reminded members to declare any agenda items where a conflict arises between their role as a Te Pūkenga Council member and any private or other external interest they may have and stand aside from decision making in respect of that item.

## 2.3 Minutes (draft) of the meeting held 10 October 2024 (ordinary meeting)

There were no matters arising from the open minutes.

### **RESOLVED (S. Huggard/T.P. Fairbairn-Dunlop)**

*That the Council approve the minutes of Te Pūkenga Council open meeting held on 10 October 2024 as a true and correct record.*

### **CARRIED**

## 3. Reports from Committees

### 3.1 Report from open portion of Te Poari Akoranga held 25 October 2024

The Council noted that the proposed changes to the Terms of Reference reflect the change to engage Local Academic Committees which are now reporting regularly to Te Poari Akoranga, including work-based learning business divisions which didn't have academic committees prior to RoVE and sets them up for transition in 2025.

The Council discussed the pre-assessment moderation process which requires any changes to go through the relevant Workforce Development Council before NZQA which adds an extra week to the process and asked Management to raise this with NZQA.

### **RESOLVED (T.J. Keelan/H. Sawyer)**

*That Te Pūkenga Council:*

1. *Receives the report titled 25 October 2024 Te Poari Akoranga hui – open’;*
2. *Approves the revised Te Poari Akoranga Terms of Reference.*
3. *Notes that Te Poari Akoranga approved revised Terms of Reference for ngā Ohu Whakahaere:*
  - *Academic Quality*
  - *Appeals and*
  - *Rangahau Research and Postgraduate*
4. *Notes that Te Ohu Whakahaere Approvals approved for submission to the New Zealand Qualification Authority:*
  - *New Zealand Certificate in Kitchen Joinery (Level 4) with strands in Manufacture, and Installation (4301-1)*
  - *New Zealand Apprenticeship in Kitchen Joinery (Level 4)*
  - *New Zealand Diploma in Aeronautical Engineering (Production Control) (Level 6)*
  - *New Zealand Certificate in Manufacturing (Level 3) and*

- *New Delivery Site application for Te Pūkenga (unified) NZ2453 New Zealand Certificate in Business (Introduction to Team Leadership) (Level 3).*
5. *Notes that Te Poari Akoranga received reports from the following Local Academic Committees:*
- *Whitireia and WelTec*
  - *Southern Institute of Technology*
  - *MITO*
  - *Open Polytechnic*
  - *NorthTec*
  - *Competenz*
  - *Careerforce.*

**CARRIED****4. Correspondence**

There was no open correspondence to note in this period.

**5. He take atu anō | Any other business (open)**

No other business was raised.

**6. Resolution to exclude the public****RESOLVED (S. McCormack/H. Sawyer)**

*That the public be excluded from the remainder of the meeting. This resolution will be made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 (LGOIMA) (noting Te Pūkenga Council is specified, in Schedule 2 of LGOIMA, as a body to which LGOIMA applies) and the particular interests protected by section 9 of the Official Information Act 1982 (OIA) which would be prejudiced by the holding of the relevant parts of the proceedings of the meeting in public. The general subject of each matter to be considered while the public is excluded and the reason for passing the resolution in relation to each matter are as follows:*

Item	General subject of each matter to be considered	Section(s)
7.	<b>Administration</b>	
7.1	Minutes of the closed portion of the meeting held 10 October 2024	Section 9(2)(g)(ii) OIA
7.2	Ngā mahi hei   Actions	Section 9(2)(g)(ii) OIA
8.	<b>Regular reporting</b>	
8.1.	Chief Executive's closed report	Section 9(2)(g)(ii) OIA Section 9(2)(h) OIA Section 9(2)(i) OIA
8.2.	Wellbeing and Safety bi-monthly report	Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA



Item	General subject of each matter to be considered	Section(s)
9.	<b>Risk and compliance</b>	
9.1	Risk deep dive: Digital infrastructure and cybersecurity	Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA
9.2	Q3 quarterly report to TEC	Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA
9.3	Delegations update	Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA
10.	<b>Disestablishment and transition</b>	Section 9(2)(b)(ii) OIA Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA
11.	<b>Reports from and relating to Committees</b>	
11.1	Report from Health, Safety and Wellbeing Committee meeting held 9 October 2024	Section 9(2)(g)(ii) OIA
11.2	Report from Finance Risk and Audit Committee meeting held 24 October 2024	Section 9(2)(b)(ii) OIA Section 9(2)(g)(ii) OIA Section 9(2)(h) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
11.3	Report from closed portion of Te Poari Akoranga held 25 October 2024	Section 9(2)(b)(ii) OIA Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA
11.4	Appointment of permanent observer to Te Poari Akoranga	Section 9(2)(a) OIA
14.	<b>He take atu anō   Any other business</b>	Section 9(2)(a) OIA Section 9(2)(b)(ii) OIA Section 9(2)(g)(ii) OIA Section 9(2)(h) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA

#### Interests

Section	Interest
Section 9(2)(a) OIA	To protect the privacy of natural persons, including that of deceased natural persons.
Section 9(2)(b)(ii) OIA	To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Section	Interest
Section 9(2)(g)(ii) OIA	To maintain the effective conduct of public affairs through the protection of such Ministers, members of organisations, officers, and employees from improper pressure or harassment.
Section 9(2)(h) OIA	To maintain legal professional privilege.
Section 9(2)(i) OIA	To enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities.
Section 9(2)(j) OIA	To enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

*And that certain employees from Te Pūkenga be permitted to remain at the meeting, namely*

- *Ziena Jalil*
- *Paora Ammunson*
- *Phil O'Callaghan*
- *Garth Gulley*
- *Sandy Shea*
- *Kara Hiron*
- *Johnny Tramoundanas-Can*
- *Kirsten Sargent*

*after the public has been excluded because of their specific knowledge in relation to the above items. This knowledge, which will be of assistance in relation to the matters above to be discussed, is relevant to those matters because they have assisted in the progression of such matters.*

**CARRIED**

The meeting closed at 11.52am.

# Pūrongo Kaunihera a Te Pūkenga | Council Report

11 December 2024

<b>Title</b>	Chief Executive's Report to Council – Open Session
<b>Provided by</b>	Gus Gilmore, Tumuaki   Chief Executive
<b>For</b>	Information

## Te Taunaki | Recommendation(s)

It is recommended that Te Pūkenga Council (the Council):

a.	Receive the report titled 'Chief Executive's Report to Council – Open Session';
b.	Note the update on current issues, key achievements and highlights arising during the reporting period; and
c.	Approve the final Tauāki Whāinga Mahi   Statement of Performance Expectations 2025.

## Kōrero Whakapōpoto | Executive Summary

A key focus for the period has been on improving our forecast end of year financial performance.

The previous forecast was a deficit of \$9.8 million for the 2024 year, a 74% improvement on the same time the year before. Based on our most recent forecast from November, I am thrilled to say that our 2024 net deficit has shrunk to \$5.8 million, an incredible improvement of \$87.6 million from our 2024 budget.

This remarkable progress is a direct result of our kaimahi relentless focus on growing revenue and finding efficiencies in back office, delivery and how we deliver it. As the remaining two months of the year actual results come in we expect this year end result to improve further.

I am pleased to report that we are seeing strong growth in applications and enrolments for 2025. These are on track to exceed the 2025 budgeted figures (although it's very early days). This increase in enrolments continues our strong 2024 year for enrolments.

While we do have a very good result likely for 2024 (possibly a surplus) we do have several ITP business divisions still making deficits. As a result, we have several staffing change proposals underway across the network. Many have attracted media attention. Most of these proposals are part of annual business practice where business divisions regularly review their programmes to determine the ongoing contribution to the viability and sustainability of the business division.

Our WBL business divisions are also reviewing their cost bases to reflect the fall in demand for in work learning. This is good practice and reflects the leadership doing what is needed to main profitability.

## Ngā mahi matua i te wā o te pūrongo | Key activity during reporting period

### Stakeholder engagement

#### Media and communications

Recent media attention has been focused on staffing change proposals that have been launched and are in process across the network, including at ITP and work-based business divisions. Most of these proposals are related to programme and property closures or consolidation.

On 29 October I was invited to discuss upcoming changes on Radio New Zealand's Nine to Noon with Tertiary Education Union National President Julie Douglas. You can hear the interview here:

[Polytech's slim down](#)

### Financial performance

#### Forecast 2024 financial position

The recent forecast prepared considering year-to-date October 2024 actual figures shows that our 2024 budgeted net deficit has improved to \$5.8 million, a reduction of \$87.6 million from our 2024 budget. This is a result of our continued focus on cost-cutting, including reducing head count, and revenue growth which has come from increase in enrolments, particularly international students. We expect that this forecast may improve further before year end.

Financials \$'000	Oct 2024 YTD Actual	FY2024 Forecast	FY2024 Budget	Variance (Fcst - Bud)	Variance (Fcst - Bud)	FY2023 Actual
Revenue	1,166,775	1,399,500	1,390,551	8,950	●	1,345,667
Operating Expenses	1,060,532	1,295,643	1,311,030	15,387	●	1,249,550
EBITDA	106,243	103,857	79,520	24,337	●	96,116
Depn, Interest and One Off Expenses(Income)	90,105	109,687	172,923	63,236	●	133,980
<b>Net Surplus/(Deficit)</b>	<b>16,138</b>	<b>(5,830)</b>	<b>(93,403)</b>	<b>87,573</b>	●	<b>(37,864)</b>

#### 2024 enrolments

As at 22 November 2024, there has been an increase of 5% in total enrolments at ITP business divisions compared to the same time in 2023 and a variance of 6% against 2024 budget. Three ITP business divisions show a decrease in 2024 compared with 2023 – WITT, Otago Polytechnic and SIT.

Enrolment type (EFTS)	2024 Budget year end	2024 YTD	2023 YTD	YTD % variance
Domestic	50,622	53,448	52,040	2.7%
International	5,350	5,949	4,575	30.1%
<b>Total</b>	<b>55,972</b>	<b>59,397</b>	<b>56,615</b>	<b>4.9%</b>

Work-based divisions do not report "enrolled" data but provide data on "Active Learners". This data is at the end of October 2024 and shows a decrease of 3.3% compared with the same time in 2023.

Only three work-based divisions are showing an increase in active learners (EarnLearn, MITO and Careerforce).

### ***2025 enrolments***

As at 22 November 2024, enrolments for 2025 are 18% higher than for 2024 with a 16% (2,100 EFTS) increase for domestic EFTS and a 35% (310 EFTS) increase for international EFTS.

ITP applications and enrolments for 2025 are on track to exceed the 2025 budget. 2025 enrolments to date are achieving 25% of the full year budget which is ahead of 2024 enrolment trends at the same time last year.

Our 2025 student offers for international students have reached 10,035 compared to 7,995 at the same time last year which is an increase of 26%. This growth in offers is not reflected in the latest visa application numbers, which may impact the conversion of offers into enrolments. We understand this is a common issue across the sector and anticipate there will be a surge in applications in December 2024/January 2025 which will require additional processing resource to meet semester start dates.

The strong growth in both domestic and international applications and enrolments, coupled with the early achievement of enrolment targets, positions 2025 for success, exceeding the overall budget expectations.

## **Progressing disestablishment and transition**

### ***Government decisions on outcome of public consultation***

As at 3 December 2024, no Government decisions have been communicated on the outcome of the Government's public consultation and the future structure of the vocational education and training system following disestablishment of Te Pūkenga.

Depending on when decisions are taken and we are informed, timing could be challenging in terms of informing staff, many will have already gone on leave or will be on leave from 18 December onwards. It has been a challenging year, and I am encouraging kaimahi to take some time to rest before what will no doubt be another big year in 2025.

### ***National Office review***

We are on track to complete our National Office review by the end of the year. From 241 permanent and fixed term kaimahi at National Office in January 2024, we will end the 2024 year with about 55 kaimahi at National Office. This number could change subject to any resignations or further redeployment to business divisions in the coming months.

### ***Executive Leadership Team changes***

Paora Amunson, Deputy Chief Executive will be finishing at Te Pūkenga on 17 December 2024. Paora picked up a range of functions as Executive Leadership Team members left the organisation during 2024. Many of these areas have been further devolved to divisions with relevant staff returning to business divisions. A few remaining functions will report to either me, the Chief of Staff, or Interim Chief Financial Officer (CFO). Phil O'Callaghan will be finishing his role as Interim CFO on 13 December 2024. James Smith, current Regional Finance Director in Rohe 3 has been appointed to the Interim CFO position from 6 January 2025.

***Return of digital functions to business divisions***

Responsibility for digital functions was restored to all business divisions from 2 December 2024. This coincides with the expiry of secondment arrangements for the current Digital Operations Leadership roles on 29 November. Individual divisions will need to determine their own structures for their digital teams and the ongoing management of digital activities.

The National Office will retain a small digital team for work that requires compliance and management for the whole organisation. A good example of this is cyber security. We will continue to look for opportunities to devolve activities to local management where possible.

***Regional ITP Viability programme***

On 14 June 2024, Te Pūkenga was directed by the Tertiary Education Commission (TEC) to engage external specialist advice to review and improve the viability of regional ITPs. Calibre Partners, Volte, PwC, and Deloitte (the consultants) were engaged to undertake this work.

We received interim reports from the consultants in October with recommended initiatives and actions to improve the financial position and viability of each ITP. Overall, the reports provided clarity of the probability and risks of achieving viability for individual ITP divisions.

Consultants have now submitted their comprehensive reports which will act as financial improvement plans for each ITP.

**Wellbeing and safety of kaimahi and ākongā*****Staffing change proposals***

We have several staffing change proposals currently underway at business divisions across the network. Many have attracted media attention.

As part of our annual business practice, business divisions regularly review their programmes to determine the ongoing contribution to the viability and sustainability of the business division. This process also aligns with the concerns raised by the TEC in June 2024 regarding the viability of the ITP business divisions within Te Pūkenga.

These proposals currently underway, if realised, will contribute to the overall objective of achieving financial viability for individual ITP business divisions and prepare for the Government's decisions to stand up regional autonomous and viable ITPs.

Some hard decisions lie ahead. We expect that there will be significant implications on programme delivery in regions, on industry, and on kaimahi across the network. We are working closely with the relevant unions and other key stakeholders at a national and local level.

**Other matters*****Statement of Performance Expectations 2025***

On 31 October 2024 we submitted our draft Statement of Performance Expectations (SPE) to the Minister for Tertiary Education and Skills as required under the Crown Entities Act 2004 (the Act). Our draft SPE outlines a simplified framework, which ensures we are delivering on our Charter while preparing the network for the changes to come.

The Minister has now responded noting she did not have any feedback and considered it is largely fit-for-purpose and complies with the requirements of the Act. I recommend that the SPE is now

finalised and approved by Council. The letter from the Minister can be found in the Correspondence section.

#### ***ITP Research Symposium 2024***

The recent ITP Research Symposium celebrated the transformative power of vocational and applied research across five days. Importantly, giving access to a dissemination opportunity for our kaimahi. It was a privilege to hear Council member Tagaloatele Peggy Fairbairn-Dunlop's inspiring keynote on Pacific Research within vocational education, reminding us of the importance of community and strengths-based approaches. With over 275 submissions and 900 kaimahi presenting, the symposium was a great success and highlighted the breadth and impact of research on shaping our workforce and communities.

## **Ngā Tāpiritanga | Appendices**

**Appendix 1:** Tauāki Whāinga Mahi | Statement of Performance Expectations 2025

# **Tauākī Whāinga Mahi**

## **Statement of Performance Expectations**

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**2025**



**Te Pūkenga**





## **Whakataukī**

**Nau mai, nau ake, ka roi i tō kete aronui  
Hei amonga mōhou ki te pūtake o te wānanga  
Whakarewaia rā ki runga i te pakihwi  
He hikitanga, he hāpainga,  
He amonga, he ārewa, he tauira,  
Ka rongo te pō, ka rongo te ao  
Ka huakina ki te ao mārama  
Hei tohu tātai kura tāngata e**

Come forth and secure your basket of knowledge  
To carry you through to the source of learning  
Hoist it upon your shoulders  
For you to carry, for you to shoulder  
Learning that is valued, to lift up as an exemplar  
To be heard of during the night, and throughout the day  
To emerge into a world of light  
To be recognised and acknowledged as a treasured  
person (replete with skills and knowledge to benefit the  
community)

**Te Pūkenga Statement of Performance Expectations 2025: Te Pūkenga  
Hamilton, New Zealand.**

**Published in December 2024 by Te Pūkenga**

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# Statement of Responsibility

The Statement of Performance Expectations 2025 is produced in accordance with the requirements of sections 149B to 149M of the Crown Entities Act 2004.

We take responsibility for the statement's content, including the assumptions used in preparing the forecast financial statements and the other required disclosures.

We use and maintain internal controls to ensure the integrity and reliability of our performance and financial reporting.

We certify that the information contained in this statement is consistent with the appropriations contained in the Vote Tertiary Education Estimates of Appropriations 2024/25. These were laid before the House of Representatives under section 9 of the Public Finance Act 1989.

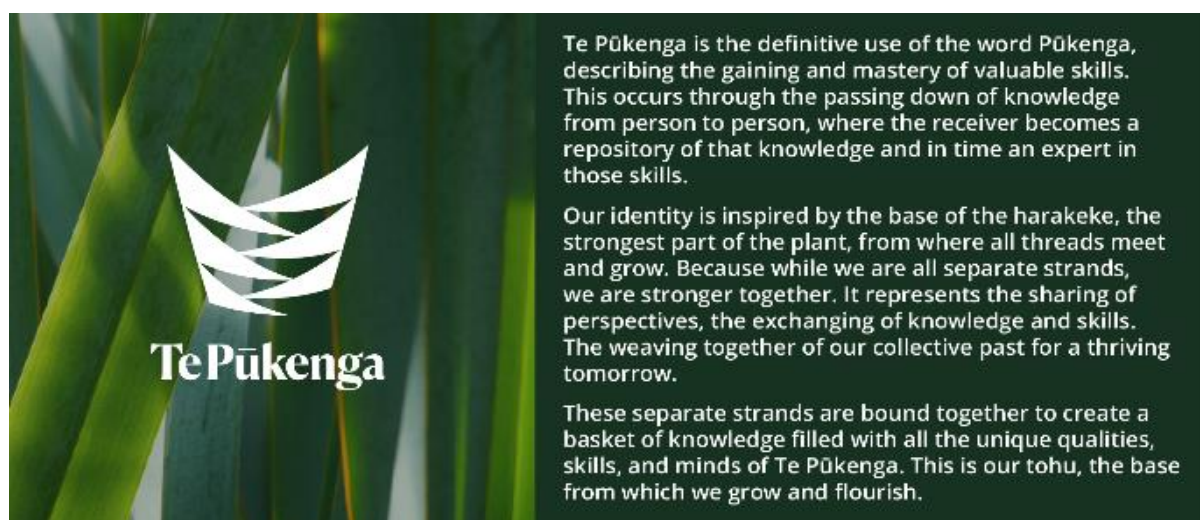
Signed on behalf of Te Pūkenga Council by:

Sue McCormack – Acting Chair

Date

Jeremy Morley – Council Member, Chair of  
Finance, Risk and Audit Committee

Date



## **Kupu whakataki | Introduction**

This Statement of Performance Expectations 2025 sets out, at a broad level, what Te Pūkenga - New Zealand Institute of Skills and Technology (Te Pūkenga) expects to deliver in 2025, and how we will measure our performance.

Considering the New Zealand Government's intent to disestablish Te Pūkenga by the end of 2025, our priorities and planned activities for this period reflect an overall context of devolving responsibilities to our business divisions and enhancing regional autonomy. This SPE therefore outlines a relatively constrained set of performance measures focussed on core business. We will continue to prioritise excellent outcomes for learners, improving financial performance, and ensuring the regional network is in good health to support the impending changes to the sector.

## **Tā mātou whakahaerenga | Our Organisation**

The formation of Te Pūkenga in April 2020 was one of seven key changes from the previous Government's Reform of Vocational Education (RoVE) – a sector-wide transformation unifying the vocational education system. Since 1 January 2023, Te Pūkenga has operated as a single tertiary education organisation (TEO), bringing together the existing network of former Institutes of Polytechnics (ITPs) and arranging training functions from Industry Training Organisations (TITOs).

With over 240,000 ākonga (learners) and 9,000 kaimahi (staff), Te Pūkenga has focussed on ensuring Aotearoa New Zealand has a vocational education system that puts learners at the centre and is a long-term skills partner for employers, industry, and iwi, hapū and Māori across the motu. We have provided nationally recognised new ways of learning with a focus on underserved learners (including ākonga Māori, Pacific and disabled ākonga), and have delivered improved outcomes.

As we look towards 2025, considering the intent of the Government to disestablish Te Pūkenga, we shift our view towards transitioning responsibilities and autonomy to our business divisions, while maintaining focus on achieving best possible outcomes for learners. At the same time, we aim to ensure the sector, which has been through significant change in the last five years, is in a solid financial position to respond effectively and efficiently to a new change programme.

## **Te horopaki o ngā mahi whakahaere | Our Operating Context**

The New Zealand vocational education system has been facing increasingly significant challenges over the past decade: declining enrolments and financial viability; inequitable outcomes for Māori, Pacific and disabled learners; competition between and within the on-campus, online, and work-based components of the system; and increasing inconsistency in the engagement with and response to national and regional workforce needs. Over the past five years Te Pūkenga has established a national approach to addressing some of these issues. In 2025, many of the challenges are the same but the response will be different, and the sector will have to adapt to implement the Government's new policy direction.

### **Our functions and Charter**

Our functions and Charter are defined in the Education and Training Act 2020. Te Pūkenga exists to provide education and training, conduct research, and be responsive to and empower stakeholders. A key aim is to improve the quality and consistency of vocational education and training in Aotearoa New Zealand.

The Charter embodies enduring principles for the way Te Pūkenga must operate, to improve outcomes for the system as a whole and equity for ākonga Māori and communities, as well as other underserved groups, including Pacific and disabled people.

### **Vocational Education and Training reform**

In August 2024 the Minister for Tertiary Education and Skills released a proposal for the future of vocational education and training (VET) in New Zealand, furthering the government's commitment to disestablish Te Pūkenga and restore decision-making to the regions. While the outcome of the proposal is unknown at the time of writing, this Statement of Performance Expectations outlines our approach to handing over responsibilities for functional areas to business divisions, while maintaining overall accountability for compliance for as long as Te Pūkenga continues to be a legal entity. During this period, we will ensure that our

focus remains on the core business of ākonga success, equity and wellbeing, while maintaining the trust and confidence of our regional networks.

## **Te Tiriti o Waitangi**

The legislative framework that established Te Pūkenga provides a more explicit Te Tiriti o Waitangi standard than seen before within the tertiary education sector. It requires Te Pūkenga to honour and give effect to Te Tiriti o Waitangi and, with ākonga Māori at the forefront, enable inclusivity and equity at all levels of the network.

Our business divisions will continue to grow internal staff capacity and capability to lead the delivery of: Te Tiriti o Waitangi initiatives that improve ākonga Māori success; Te Tiriti o Waitangi risk responses; development and improvement of Tiriti partnerships; and protection of taonga Māori. This reflects our responsibility to ensure we actively work to protect the things that are considered as taonga by Te Tiriti o Waitangi partners, recognising that iwi, hapū, and Māori are key partners in regional, social, environmental, and economic development throughout Aotearoa New Zealand.

## **Mahere Haumi | Investment Plan 2025**

Our Investment Plan 2025, agreed with the TEC, describes our investment priorities to ensure ongoing stability and quality delivery as we transition away from an integrated network to a model that places decision-making back in the regions. While we will need to review our priorities as the future of the VET sector is clarified, this Statement of Performance Expectations captures key performance measures from the 2025 Investment Plan (for example, ākonga participation and success, and overall delivery targets). While Te Pūkenga accountabilities under the existing legislation continue to apply, responsibility for specific projects and activities will be transitioned to business divisions or discontinued as appropriate.

In developing the 2025 Investment Plan, we requested a summary of delivery activities from each Te Pūkenga business division, giving effect to the TEC Plan Guidance mix of provision considerations. As we transition to a more regionally based model, business divisions will assume greater responsibility for mix of provision delivery, with overall accountability at a national level until such time as Te Pūkenga is legally dissolved.

## Our Output Classes

### Output Class 1: Education and training

In this output class, we provide a range of education and training that is developed collaboratively, is responsive to and meets the needs of iwi, hapū and Māori, employers, and community, and is equitable, barrier-free, and consistent for all ākonga.

As we transition away from a fully integrated, centralised model, we will empower regional decision making and the rebuilding of capacity and capability. Business divisions are in the process of reestablishing local communities of practice and advisory boards to ensure they can respond to regional needs. Academic management and delivery teams are also being rebuilt, to enable monitoring of quality and compliance at a local level.

#### Expected revenue and expenses for Output Class 1:

Education and training	Budget 2025 \$000
Revenue	1,501,885
Expenses	1,498,969
Surplus/(deficit)	2,915

### Output Class 2: Research

In this output class, we seek to undertake research, focusing on applied research, which responds to real-world regional and national societal and industry issues.

This means we create and transfer knowledge while we grow our research capability through collaboration with communities and industry.

#### Expected revenue and expenses for Output Class 2:

Research	Budget 2025 \$000
Revenue	7,871
Expenses	8,848
Surplus/(deficit)	(977)

### Output Class 3: Disestablishment

This output class, captures the work required to prepare for disestablishment of Te Pūkenga and transition of responsibilities and services to new entities as they are established. It also includes completion of key infrastructure projects.



**Expected revenue and expenses for Output Class 3:**

<b>Disestablishment</b>	<b>Budget 2025 \$000</b>
<b>Revenue</b>	-
<b>Expenses</b>	8,000*
<b>Surplus/(deficit)</b>	(8,000)

\*Includes restructuring expenses budgeted for the National office (\$1,000k) and other provision of (\$7,000k) at the centre.

Some activities in this output class are funded through the following appropriations contained in the Vote Tertiary Education Estimates of Appropriations 2024/25.

<b>Establishment of a Single National Vocational Education Institution (Key Systems) Operating Expenditure</b>	<b>Budget 2024/25* \$000</b>	<b>Estimated Actual 2024/25* \$000</b>
<b>Revenue</b>	-	-
<b>Expenses</b>	8,132	8,132
<b>Surplus/(deficit)</b>	(8,132)	(8,132)

Note: a \$15.6m appropriation was received in early 2023 and falls out of the reporting period.

<b>Support for a Single National Vocational Education Institution (High Priority Building Projects) Capital Expenditure</b>	<b>Budget 2024/25* \$000</b>	<b>Estimated Actual 2024/25* \$000</b>
<b>Capital Expenditure</b>	16,134	16,134

\* The financial year for Te Pūkenga is 1 January to 31 December and the government financial year is 1 July to 30 June. The Budget appropriations above are for the government financial year 1 July 2024 to 30 June 2025 and the Estimated Actual is for the same period.

# He pēhea mātou e angitu ai | How we will achieve success

## Our strategic objectives

The following table describes our areas of focus over 2025.

Objectives	Outcomes
<p><b>Support the network to maximise ākongā success, equity and wellbeing</b></p>	<ul style="list-style-type: none"> <li>• Ākongā success and employment outcomes improve.</li> <li>• Equity of access and success for priority learners.</li> <li>• Ākongā feel supported and confident in their learning experience.</li> </ul>
<p><b>Maintain a trusted and sustainable regional network</b></p>	<ul style="list-style-type: none"> <li>• Rangahau and research is effectively supported.</li> <li>• Employer confidence is maintained.</li> <li>• Consistent quality of education and training across the network.</li> <li>• Quality infrastructure across the network.</li> <li>• Financial performance meets or exceeds budget.</li> </ul>

## Objective 1 – Support the network to maximise ākongā success, equity and wellbeing

Ākongā are at the core of what we do. We strive to maximise their outcomes, focusing on the ākongā journey. This objective relates to all ākongā-facing activity and outcomes, including educational and employment success, with a focus on equity and ākongā experience.

### Ākongā success, equity, wellbeing and experience

Through our Learner Success and Equity strategy we are responsive to the needs of ākongā and kaimahi by putting learners at the centre, honouring Te Tiriti and delivering initiatives targeting those who have not been well-served by the current system, including Māori, Pacific and disabled ākongā. Over the past three years we have implemented network wide momentum initiatives and action plans that have provided measurable benefits to learners. These initiatives highlight the benefits of network collaborative practice that is data informed, and evidence-based strategies that are designed for reach and impact.

The focus in 2025 is to transition responsibility for implementation of learner success and disability action plans to business divisions via a regionally informed transition plan. Protocols and processes have been designed and implementation has begun to ensure the safe package and handover over of resources, artifacts and learner success initiatives from the past four years of work.

In 2025 Te Pūkenga national office will manage legislative and contractual learner success accountabilities (as part of the 2025 Investment Plan requirements) whilst monitoring and reporting on the network response.

### Employment outcomes

Education and training are designed to improve employment outcomes for ākongā to maximise their success and wellbeing. It is important we enable more learners to gain the skills, training, and qualifications they need to fulfil employment outcomes and career progression. Central to this are strong partnerships with

employers, industry, iwi and hapū, which are maintained by our regional divisions and industry sector specific WBL divisions.

In 2025 we will refocus our employer engagement strategies further to a regional and work-based business division level, informed by the Workforce Development Council (WDC) industry-level workforce development plans. This enables us to continue to provide, develop and shape best-fit national, regional and local delivery approaches that are future focused and responsive to workforce development needs.

## **Objective 2 – Maintain a trusted and sustainable regional network**

To ensure the sector is well prepared for the changes ahead, and while Te Pūkenga is still a legal entity, we will aim to support a trusted and effective network. Meeting expectations and behaving with integrity will ensure we maintain the trust of our stakeholders despite uncertainty about the future.

### **Consistent quality of education and training**

We aim for excellent education and training across the network, at all locations and through all delivery modes. It is important that ākonga have the same opportunities to succeed regardless of where and how they choose to study. We will prioritise consistency of outcomes via national monitoring, analytics, and insights reporting to business divisions.

### **Rangahau and Research**

Te Pūkenga is required by statute to conduct research with an applied and technological focus. Additionally, our degree programmes must be taught mostly by people engaged in research.

Beyond these obligations, it is essential that our teaching and learning practices are informed by the latest research. We must also support regional research and innovation opportunities while leveraging research to generate revenue, contributing to a financially sustainable future—particularly for the future network of ITPs.

In 2025 we will focus on meeting our legislative requirements and preparing business divisions to independently deliver these functions. This collaborative approach in 2025 aims to prepare every region in Aotearoa New Zealand to have access to applied rangahau and research services tailored to their needs.

In addition to regular rangahau and research activities for Te Pūkenga, in 2025 we will work to:

- Coordinate the network to maintain and improve research productivity.
- Engage in locally led, network-coordinated revenue generation activities.
- Support the establishment of standalone and federated support for rangahau and research management.
- Coordinate support to develop rangahau, research and pacific research support infrastructure as required by the conditions of our unified degree programmes.
- Support strategic and target programme areas to be more productive through network coordination and events.
- Implement locally led, network-coordinated, risk-based interventions to ensure regulatory compliance.
- Develop common data infrastructure to facilitate future federated research management.

### **Employer confidence**

As we transition away from a centralised model and reprioritise our regional and sector employer networks, including advisory boards, our business divisions will continue to focus their response to regional and national employer needs. We aim for industry, employers and Te Tiriti o Waitangi partners of our divisions to report high

levels of satisfaction through provision of appropriate training and education that enables the development of their skilled workforce needs. We will do this by focussing on equity of access and inclusivity for ākonga traditionally underserved by the education system, consistency and quality of education outcomes, and strengthening regional partnerships with iwi, hapū, and Māori.

### **Quality infrastructure**

In 2025 we will focus on delivering the remaining infrastructure programmes of work across the network to help us to work consistently, effectively, and safely.

#### *Property*

Our property programme will continue to deliver the remaining Crown funded High Priority Building projects, focusing on solutions to those buildings with Earthquake Prone Buildings notices, asbestos and weather tightness issues. Te Pūkenga Property will continue to support the business divisions in project management of major projects and disposals.

#### *Digital services*

A key focus is the Digital Transition Programme designed to redeploy systems, people and accountability for IT-related services back to business divisions. This work includes the transfer or discontinuation of, or ongoing collaborative arrangements for agreements, licenses and services that have been procured for the national network.

The National Digital infrastructure and system used by the national office will be reduced to minimum operational requirements for 2025.

#### *Finance Management Information System (FMIS) & Enterprise Performance Management (EPM)*

Progress on the rollout of a common finance system (FMIS) for the former ITPs began in 2024, with the expectation that nine business divisions will have migrated across to the new platform by the end of 2024. An additional release will take place in April 2025 focusing on those divisions that have systems that are out of support or lacking in functionality. A common Enterprise Performance Management tool is being rolled out in support of the new finance system to give both consistency of reporting and local business intelligence and is on track to be substantively complete by April 2025.

#### *Data Systems Refresh (DSR) Programme*

The TEC Data System Refresh Programme will continue across all business divisions in 2025. We will meet all funding milestones and other requirements. Expected production dates are April 2025 for ITP divisions and July 2025 for WBL divisions.

### **Financial sustainability and performance**

The Minister for Tertiary Education has emphasised the need for Te Pūkenga to devolve decision-making back to regional business divisions, to focus on improving financial sustainability and halt initiatives inconsistent with the disestablishment, including recruitment and restructuring plans. In 2025 Te Pūkenga will focus on delivering to these expectations.

Work is in progress with financial consultants to review the viability of former Institutes of Technology and Polytechnics (ITPs). Opportunities to minimise financial losses and make savings will be identified so they can become viable, stand-alone entities. Plans to implement these changes will start in late 2024 and continue through 2025.

As part of the devolution of decision making, the 2025 financial planning and budget setting process has been led by the divisions and will be further informed by the review of viability.

# Ngā whāinga whakatutuki mō 2025 | Our Performance Expectations for 2025

Our performance measures are mapped to the objectives and outcomes set out in our strategic framework and to our output classes.

**Key:**

Output Class 1 – Education and training= ▲

Output Class 2 – Research= ■

Output Class 3 – Disestablishment = ★

Support the network to maximise ākonga success, equity and well-being		2025 target	2024 provisional result (as at Nov 2024)	2024 target
<b>Ākonga success and employment outcomes improve</b>				
▲	Course completion <sup>1</sup>	79.6%	79.2%	79.4%
▲	Credit achievement <sup>2</sup>	81%	78%	80%
▲	Cohort-based programme completion <sup>2</sup>	65%	57%	64%
▲	Graduate employment rate (provider-based) <sup>3</sup>	Maintain 2024 result	60%	Maintain 2023 result (63%)
▲	Graduate employment rate (work-based) <sup>3</sup>	Maintain 2024 result	82%	Maintain 2023 result (85%)
<b>Equity of access and success for priority learners</b>				
▲	Learner participation - Māori learners <sup>4</sup>	24%	23%	23%
▲	Learner participation - Pacific learners <sup>4</sup>	10.2%	9.7%	9.7%
▲	Learner participation - Disabled learners <sup>4</sup>	7.5%	7.9%	7.0%
▲	Equity in course completion for Māori learners <sup>5</sup>	-7.0%	-11.6%	-8.0%
▲	Equity in course completion for Pacific learners <sup>5</sup>	-8.0%	-9.7%	-9.0%
▲	Equity in credit achievement for Māori learners <sup>6</sup>	-7.0%	-13.4%	-8.0%

<sup>1</sup> Provider-based learners (SAC funded).

<sup>2</sup> Work-based learners.

<sup>3</sup> 2022 graduating cohort post 1 year of graduation.

<sup>4</sup> All domestic learners.

<sup>5</sup> Provider-based learners relative to non-Māori and non-Pacific completing courses (SAC funded) at levels 1-10.

<sup>6</sup> Work-based learners relative to non-Māori and non-Pacific learners.

<b>Support the network to maximise ākonga success, equity and well-being</b>		<b>2025 target</b>	<b>2024 provisional result (as at Nov 2024)</b>	<b>2024 target</b>
▲	Equity in credit achievement for Pacific learners <sup>6</sup>	-8.0%	-12.4%	-9.0%
<b>Ākonga feel supported and confident in their learning experience</b>				
▲	Ākonga Net Promotor Score	Maintain 2024 result	31.3	Maintain 2023 result (24.2)
▲	Ākonga satisfaction with experience	Maintain 2024 result	92.5%	Maintain 2023 result (90.1%)
▲	Ākonga wellbeing	Maintain 2024 result	92.3%	Maintain 2023 result (90.5%)
▲	Ākonga retention	Maintain 2024 result	84.1%	Maintain 2023 result (83.0%)

Maintain a trusted and sustainable regional network		2025 target	2024 provisional result (as at Nov 2024)	2024 target
<b>Rangahau and research is effectively supported</b>				
■	Research staff productivity <sup>7</sup>	Maintain 2024 result	N/A	Maintain 2023 result (48%)
■	Total research revenue <sup>8</sup>	\$7,871k	\$11,191K	\$8,731K
<b>Employer confidence is maintained</b>				
★	Employers Net Promoter Score	23.0	N/A	21.5
▲	No. of employers entering training agreements	29,000	23,300	29,000
<b>Consistent quality of education and training across the network</b>				
▲	Consistency in course completion across regional groups <sup>9</sup>	Standard deviation of 2% (or less)	1.9%	Standard deviation of 2% (or less)
▲	Consistency in credit achievement across regional groups <sup>9</sup>	Standard deviation of 2% (or less)	1.1%	Standard deviation of 2% (or less)
<b>Quality infrastructure across the network</b>				
★	High Priority Buildings projects completed or in progress as per funding agreement	9	11	11
★	Completion of digital key systems <sup>10</sup>	Completion of FMIS, EPM and DSR projects	N/A	Completion of FMIS and EPM projects
<b>Financial performance meets or exceeds budget</b>				
▲	Achieve delivery targets <sup>11</sup>	Achieve targets as per MoP	N/A	Achieve targets as per MoP
▲	Total international revenue <sup>12</sup>	\$162,964K	\$132,780K	\$133,442K
★	Overall financial result <sup>13</sup>	Achieve budgeted deficit of (\$6,062K)	(\$9,818K)	Achieve budgeted deficit of (\$93,403K)

<sup>7</sup> Proportion of degree and postgraduate teaching staff (FTE) that produce at least 2.0 verified outputs across the previous 2 years.

<sup>8</sup> The total amount from external research revenue classifications and PBRF.

<sup>9</sup> Regional groups comprise Rohe 1-4

<sup>10</sup> FMIS – Financial Management Information System; EPM – Enterprise Performance Management; DSR – Data System Refresh

<sup>11</sup> Proportion of funds received through the Investment Plan that meet delivery thresholds, by funding category and region.

<sup>12</sup> Includes international student EFTS and other revenue from international activities.

<sup>13</sup> As per budget approved by Te Pūkenga Finance, Risk and Audit Committee on 24 October 2024.

# Ngā tauākī ā-pūtea āmu | Prospective Financial Statements

FOR YEAR ENDING 31 DECEMBER 2025.

Financials '\$000	2025 Budget	2024 Forecast	Variance	
Revenue	1,474,685	1,397,788	76,897	●
Operating Expenses	1,381,012	1,309,293	(71,719)	●
<b>EBITDA</b>	<b>93,673</b>	<b>88,495</b>	<b>5,178</b>	●
Depreciation & Amortisation	116,974	123,868	6,894	●
<b>EBIT</b>	<b>(23,302)</b>	<b>(35,374)</b>	<b>12,072</b>	●
Net Interest Income	16,464	32,731	(16,267)	●
<b>Net Operating Deficit</b>	<b>(6,838)</b>	<b>(2,643)</b>	<b>(4,195)</b>	●
Transformation Funding	2,501	9,853	(7,352)	●
Transformation Costs	9,981	17,353	7,372	●
<b>Net Transformation</b>	<b>(7,480)</b>	<b>(7,500)</b>	<b>20</b>	●
<b>Other Unusal or Non Reurring items</b>	<b>(8,256)</b>	<b>6,071</b>	<b>14,327</b>	●
Other Unusal Income	(12,100)	(5,066)	7,034	●
People change costs (Restructuring)	3,844	11,137	7,293	●
<b>Net Surplus/(Deficit)</b>	<b>(6,062)</b>	<b>(16,213)</b>	<b>10,152</b>	●

Note: this represents the 2025 Te Pūkenga budget which doesn't include any adjustments for the Regional ITP Viability review, which is in progress.



## Prospective statement of financial position

AS AT 31 DECEMBER 2025

<b>Financials '\$000</b>	<b>2025 Budget</b>	<b>2024 Forecast</b>
Cash & Cash Equivalents	488,633	550,926
Other Current Assets	47,735	55,693
<b>Total Current Assets</b>	<b>536,369</b>	<b>606,619</b>
Non Current Assets	2,495,099	2,444,902
<b>Total Non Current Assets</b>	<b>2,495,099</b>	<b>2,444,902</b>
ST Loans and Borrowings	25,356	1,363
Other Current Liabilities	398,793	403,856
<b>Total Current Liabilities</b>	<b>424,149</b>	<b>405,219</b>
LT Loans and Borrowings	50,052	78,526
Other Non Current liabilities	16,398	15,765
<b>Total Non Current Liabilities</b>	<b>66,450</b>	<b>94,291</b>
<b>Total Equity</b>	<b>2,540,870</b>	<b>2,552,011</b>

## Prospective statement of cash flows

AS AT 31 DECEMBER 2025

Financials '\$000	2025 Budget	2024 Forecast
Opening Cash Balance	550,886	263,328
Total Cash Flow	- 62,253	(43,516)
Closing Cash Balance	488,633	219,812

Net Cash Flow			2025 Budget	2024 Forecast
Net Operating Cash Flow	Operating Cash was Provided from	Government Grants	913,107	902,456
		Student Fees	476,706	438,166
		Other Revenue	97,960	146,607
		Interest and Dividends	19,075	14,595
		<b>Total</b>	<b>1,506,847</b>	<b>1,501,825</b>
	Operating Cash was Applied to	Employees and Suppliers	1,411,934	1,295,922
		Other Operating Payments	-	154,848
		<b>Total</b>	<b>1,411,934</b>	<b>1,450,770</b>
Net Investing Cash Flow	Investing Cash was Provided from	Sale of Property Plant and Equipment	38,236	28,130
		Sale of Investments/ Intangibles	-	36,713
		<b>Total</b>	<b>38,236</b>	<b>64,843</b>
	Investing Cash was Applied to	Purchase of Property Plant and Equipment	159,532	205,535
		Purchase of Investments/ Intangibles	20,807	40,207
		<b>Total</b>	<b>180,339</b>	<b>245,742</b>
Net Financing Cash Flow	Financing Cash was Provided from	Net Increases in Debt	-	82,725
		Other Financing Inflow	-	20,010
		<b>Total</b>	<b>-</b>	<b>102,735</b>
	Financing Cash was Applied to	Net Settlement of Debt	-	5,316
		Other Financing Outflows	15,063	11,091
		<b>Total</b>	<b>15,063</b>	<b>16,407</b>
<b>Total</b>		<b>-</b>	<b>62,253</b>	<b>(43,516)</b>

The accompanying notes (appendix) form part of these financial statements.

## Statement of capital intentions 2023 – 2025

Our capital investment intentions to 31 December 2025 are detailed below.

All in \$000s	Planned Investments		
	FY2023 A	FY2024 B	FY2025 B
Major investment projects (Value >\$1m)	30,496	119,523	87,448
Medium Investment Projects (Value >\$100K and <\$1m)	-	12,946	4,071
Minor Investment Projects (Value <\$100K)	-	7,213	5,159
Annual Allocations	36,058	53,779	65,547
<b>Total</b>	<b>66,554</b>	<b>193,461</b>	<b>162,226</b>

*Not - FY23 Medium and Minor Investment projects were included under Annual Allocations*

# Tāpirihanga | Appendix

## Appendix: Te tauākī ā-kaupapa here kaute | Statement of Accounting Policies

### Purpose of prospective statements

The purpose of these prospective financial statements is to provide a base against which the actual financial performance can be assessed to promote public accountability. These prospective financial statements are prepared for this purpose, and the information may not be appropriate for any other purpose. Actual financial results achieved for the period covered may vary from the information presented, and the variations may be material. The information in the prospective financial statements is unaudited. There is no intention to update the prospective financial statements subsequent to presentation.

### Reporting entity

Te Pūkenga – New Zealand Institute of Skills and Technology is a Tertiary Education Institution (TEI) that is domiciled and operates in New Zealand. The relevant legislation governing the operations includes the Crown Entities Act 2004 and the Education and Training Act 2020.

The financial statements are presented on a consolidated group basis. The group consists of the Te Pūkenga - New Zealand Institute of Skills and Technology and its business divisions (formerly wholly owned subsidiaries), as listed below:

- Ara Institute of Canterbury
- Eastern Institute of Technology
- Manukau Institute of Technology
- Nelson Marlborough Institute of Technology
- Northland Polytechnic
- Open Polytechnic of New Zealand
- Otago Polytechnic
- Southern Institute of Technology
- Tai Poutini Polytechnic
- Toi Ohomai Institute of Technology
- Unitec New Zealand
- Universal College of Learning
- Waikato Institute of Technology
- Wellington Institute of Technology
- Western Institute of Technology at Taranaki
- Whitireia Community Polytechnic
- Competenz
- Connexis
- BCITO
- MITO
- Service IQ
- Careerforce
- HITO
- Primary
- EarnLearn

Te Pūkenga provides educational and research services for the benefit of the community. It does not operate to make a financial return.

## Appendix 1

Te Pūkenga has designated itself and the group as public benefit entities (PBE's) for the purposes of complying with generally accepted accounting practice.

The prospective financial statements of Te Pūkenga are for the year ended 31 December 2024 and were authorised for issue by the Council on 1 November 2023.

### **Basis of preparation**

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

### **Statement of compliance**

The financial statements of Te Pūkenga have been prepared in accordance with the requirements of the Crown Entities Act 2004 and the Education and Training Act 2020, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

Te Pūkenga is a Tier 1 entity and the financial statements have been prepared in accordance with PBE Standards. These financial statements comply with PBE Standards.

### **Presentation currency and rounding**

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

### **Standards issued and adopted**

Standards and amendments issued and in effect that have been adopted and which are relevant to Te Pūkenga are:

- PBE FRS 48 Service Performance Reporting:
- PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 and is effective for reporting periods beginning on or after 1 January 2022.
- PBE IPSAS13:
- PBE IPSAS13 Accounting for Leases is effective for reporting periods beginning on or after 1 January 2022 Te Pūkenga has not yet assessed in data the impact of the new standard.

### **Summary of significant accounting policies**

The following significant accounting policies, which materially affect the measurement of financial results and financial position, have been applied consistently to all periods presented in these financial statements.

### **Forecast figures**

The 2023 forecast figures for Te Pūkenga are approved by the Council. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Council in preparing these financial statements. The 2024 budget for Te Pūkenga was approved by the Council on 1 November 2023.

### **Critical accounting estimates and assumptions**

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions might differ from the subsequent actual results. The prospective financial statements are consistent with the delivery of strategies and impacts disclosed in this SPE and the programme of work that Te Pūkenga expects to undertake during the forecast period. A conservative view has been adopted, with the assumption that funding will remain at the currently appropriate levels over the forecast period of these statements. Budget expenditure is based on the assumption that the cost of certain inputs will increase in line with general inflation, while others will decrease as cost-saving measures are implemented. Estimates and assumptions are continually evaluated and are based on historical experience

and other factors, including expectations or future events that are believed to be reasonable under the circumstances. There are no critical assumptions to detail specifically.

### **Foreign currency transactions**

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into NZ\$ (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

### **Goods and services tax**

Items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows. Commitments and contingencies are disclosed exclusive of GST.

### **Income tax**

Te Pūkenga is exempt from Income Tax. Accordingly, no provision has been made for Income Tax.

### **Revenue**

Revenue is measured at fair value. The specific accounting policies for significant revenue items are explained below:

#### **Student Achievement Component funding**

Student Achievement Component (SAC) funding is the main source of operational funding from the Tertiary Education Commission (TEC). Te Pūkenga considers SAC funding to be non-exchange and recognises SAC funding as revenue when the course withdrawal date has passed, based on the number of eligible students enrolled in the course at that date and the value of the course.

#### **Tuition fees**

Domestic student tuition fees are subsidised by government funding and are considered non-exchange. Revenue is recognised when the course withdrawal date has passed, which is when a student is no longer entitled to a refund for withdrawing from the course.

International student tuition fees are accounted for as exchange transactions and recognised as revenue on a course percentage of completion basis. The percentage of completion is measured by reference to the days of the course completed as a proportion of the total course days.

#### **Fees-free revenue**

Te Pūkenga considers fees-free revenue is non-exchange revenue and recognises revenue when the course withdrawal date for an eligible student has passed. Te Pūkenga has presented funding received for fees-free as part of tuition fees. This is on the basis that receipts from the TEC are for payment on behalf of the student as specified in the relevant funding mechanism.

#### **Apprenticeship/Training Fees**

Apprenticeship/training fees are partially subsidised by government funding and are considered non-exchange. Revenue is recognised when the service associated with the fee is delivered over time, or in the case of products, when the products are supplied.

### **Industry Training Fund (ITF)**

Te Pūkenga considers ITF funding to be non-exchange revenue and recognises ITF funding as revenue when the service associated with the funding is delivered over time. ITF funding is received monthly (one twelfths) in advance, based upon the annual funding allocation. To the extent that funding has been received but not recognised as revenue, a liability is held in the statement of financial position.

### **Performance-based research fund**

Te Pūkenga considers funding received from Performance-Based Research Fund (PBRF) to be non-exchange in nature. PBRF funding is specifically identified by the TEC as being for a funding period as required by section 425 of the Education and Training Act 2020. Te Pūkenga recognises its confirmed allocation of PBRF funding at the commencement of the specified funding period, which is the same as the financial year. PBRF revenue is measured based on the funding entitlement adjusted for any expected adjustments as part of the final wash-up process. Indicative funding for future periods is not recognised until confirmed for that future period.

### **Research revenue**

For an exchange research contract, revenue is recognised on a percentage completion basis. The percentage of completion is measured by reference to the actual research expenditure incurred as a proportion to total expenditure expected to be incurred.

For a non-exchange research contract, the total funding receivable under the contract is recognised as revenue immediately, unless there are substantive conditions in the contract. If there are substantive conditions, revenue is recognised when the conditions are satisfied. A condition could include the requirement to complete research to the satisfaction of the funder to retain funding or return unspent funds. Revenue for future periods is not recognised where the contract contains substantive termination provisions for failure to comply with the requirements of the contract. Conditions and termination provisions need to be substantive, which is assessed by considering factors such as contract monitoring mechanisms of the funder and the past practice of the funder.

### **Other grants received**

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and then recognised as revenue when the conditions of the grant are satisfied.

### **Sales of goods**

Revenue from the sale of goods is recognised when the product is sold to the customer.

### **Accommodation services**

Revenue from the provision of accommodation services is recognised on a percentage completion basis. This is determined by reference to the number of accommodation days used up till balance date as a proportion of the total accommodation days contracted for with the individual.

### **Interest and dividends**

Interest revenue is recognised by accruing on a time proportion basis the interest due for the investment. Dividends are recognised when the right to receive payment has been established.

### **Scholarships**

Scholarships awarded by Te Pūkenga that reduce the amount of tuition fees payable by the student are accounted for as an expense and not offset against student tuition fees revenue.



### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

### **Cash reserves and ring fencing**

The Government set a policy whereby existing reserves from previous Institutes of Technology and Polytechnics (above a set limit) would be consolidated through the central balance sheet of Te Pūkenga but would only be able to be drawn upon for projects and capital expenditure in the relevant region that have been approved by the Te Pūkenga Council. The objective is that existing reserves are in the future spent on the regions in which they had been accumulated by the relevant legacy ITPs. The use of ring-fenced amounts is restricted to particular uses, which may include major capital expenditure projects, routine/minor capital expenditure, operating investments (for example, funding the establishment of a new capability) or operating losses of the regional operation.

### **Accounts Receivable**

Short-term receivables are recorded at the amount due, less an allowance for credit losses. Te Pūkenga applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivable. In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery.

### **Inventory**

Inventories are held for distribution or for use in the provision of goods and services. The measurement of inventories depends on whether the inventories are held for commercial or non-commercial (distribution at no charge or for a nominal charge) distribution or use. Inventories are measured as follows:

- Commercial: measured at the lower of cost and net realisable value.
- Non-commercial: measured at cost, adjusted for any loss of service potential.

Cost is allocated using the first in, first out (FIFO) method, which assumes the inventories that were purchased first are distributed or used first.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition. Any write-down from cost to net realisable value or for the loss of service potential is recognised in surplus or deficit in the year of the write-down.

### **Provisions**

A provision is recognised for future expenditure of uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event;
- it is probable that an outflow of future economic benefits or service potential will be required to settle the obligation;
- a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using market yields on Government bonds at balance date with terms to maturity that match, as closely as possible, the estimated future cash outflows. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

### **Restructuring**

A provision for restructuring is recognised when either an approved detailed formal plan for the restructuring has been announced publicly to those affected, or implementation of it has already started.

### **Property, plant and equipment**

Property, plant, and equipment consists of nine asset classes: land, buildings, infrastructure, leasehold improvements, computer hardware, furniture and equipment, motor vehicles, library collection, and heritage collections. Land is measured at fair value, and buildings and infrastructure are measured at fair value less accumulated depreciation. All other asset classes are measured at cost, less accumulated depreciation and impairment losses.

### **Revaluation**

Land, buildings, and infrastructure are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. Revaluation movements are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

### **Additions**

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to Te Pūkenga and the cost of the item can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated. In most instances, an item of property, plant, and equipment is initially recognised at its cost.

Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition. Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Te Pūkenga and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred. Additions over \$2,000 in value are capitalised. Amounts under this are expensed.

### **Disposals**

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in revaluation reserves in respect of those assets are transferred to general funds within equity.

### **Depreciation**

Depreciation is provided on a straight-line basis on all property, plant, and equipment other than land and heritage collections, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Heritage collections are not depreciated because they are maintained such that they have indefinite or sufficiently long useful lives that any depreciation is considered to be negligible. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

- Buildings (including components) 25 to 100 years 1% to 4%
- Infrastructure 10 to 50 years 2% to 10%
- Leasehold improvements 3 to 10 years 10% to 33.3%
- Computer hardware 5 years 20%
- Furniture and equipment 2 to 13 years 7.7% to 50%

## Appendix 1

- Motor vehicles 4 years 25%
- Library collection 10 years 10%

Leasehold improvements are depreciated over the shorter of the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

### **Impairment of property, plant and equipment**

Property, plant, and equipment are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. If an asset's carrying amount exceeds its recoverable amount, the asset is considered to be impaired and the carrying amount is written-down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit. For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of an impairment loss is also recognised in the surplus or deficit. For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

### **Value in use for non-cash-generating assets**

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return. For non-cash-generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

### **Value in use for cash-generating assets**

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

### **Intangible assets**

#### **Software acquisition and development**

Computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include software development employee costs and relevant professional fees. Staff training costs are recognised as an expense when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred.

#### **Course-related software and websites**

Course-related software and website development costs are classified as software and accounted for in accordance with the accounting policy for software. Capitalised costs are tested for impairment and, once available for use, amortised in accordance with that policy.

#### **Courses purchased from other organisations**

Separately acquired courses and programmes (including trademarks and licences) acquired from outside of the Te Pūkenga group are initially recognised at historical cost. They have a finite useful life and, subsequent

to initial recognition, should be carried at cost less accumulated amortisation and impairment losses. They are amortised over a period not exceeding 5 years.

### **Internally developed courses**

Course development costs are expensed when incurred unless the course development costs are directly attributable to the design of identifiable and unique courses and programmes controlled by the group in which case they are recognised as intangible assets where all the following criteria are met:

- a) The course material is identifiable and the use and redistribution of course material is controlled by the group through legal or other means.
- b) It is probable that the courses will generate future economic benefits attributable to the course and the cost can be reliably measured. This is the case when:
  - i. it is technically feasible to complete the development so that the course or programme will be available for use and/or sale;
  - ii. management intends to complete the development of the course or programme and use or sell it;
  - iii. there is an ability to use or sell the course or programme;
  - iv. it can be demonstrated how the course or programme will generate probable future economic benefits;
  - v. there are adequate technical, financial and other resources available to complete development of the course or programme and to use or sell the course or programme; and
  - vi. the expenditure attributable to the course or programme development can be reliably measured.

Capitalised course development costs related to courses that are not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Capitalised course development costs are amortised from the point at which the course or programme is ready for use and are amortised over a period not exceeding 5 years. They are carried at cost less accumulated amortisation and impairment losses. They are tested for impairment whenever there is an indication that the asset may be impaired.

Costs associated with maintaining courses and programmes are recognised as an expense as incurred.

### **Intellectual property development**

Research costs are expensed as incurred in the surplus or deficit. Development costs that are directly attributable to the design, construction, and testing of pre-production or pre-use prototypes and models associated with intellectual property development are recognised as an intangible asset if all the following can be demonstrated:

- It is technically feasible to complete the product so that it will be available for use or sale.
- Management intends to complete the product and use or sell it.
- There is an ability to use or sell the product.
- It can be demonstrated how the product will generate probable future economic benefits.
- Adequate technical, financial, and other resources to complete the development and to use or sell the product are available.
- The expenditure attributable to the product during its development can be reliably measured.

Other development expenses that do not meet these criteria are recognised as an expense as incurred in the surplus or deficit. Development costs previously recognised as an expense cannot be subsequently recognised as an asset.

### **Amortisation**

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

- Computer software 3 to 6 years 16.7% to 33.3%

Capitalised intellectual property development costs are still work in progress. The useful life of completed projects will be established at project completion.

### **Impairment of intangible assets**

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

### **Goodwill**

Te Pūkenga will recognise goodwill where there is an excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed. This difference reflects the goodwill to be recognised by Te Pūkenga. If the consideration transferred is lower than the net fair value of the interest in the identifiable assets acquired and liabilities assumed, the difference will be recognised immediately in the surplus or deficit.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. An impairment loss recognised for goodwill is not reversed. Goodwill is tested for impairment on an annual basis taking into consideration any changes to the business activities and environment in which Te Pūkenga operates.

### **Leased assets**

At the commencement of the lease term, Te Pūkenga shall recognise assets acquired under finance leases as assets, and the associated lease obligations as liabilities in the statement of financial position. Although the legal form of a lease agreement is that the lessee may acquire no legal title to the leased asset, in the case of finance leases the substance and financial reality are that the lessee acquires the economic benefits or service potential of the use of the lease asset for the major part of its economic life in return for entering into an obligation to pay for that right, an amount approximating, at the inception of the lease, the fair value of the asset and the related finance charge. A finance lease gives rise to a depreciation expense for depreciable assets as well as a finance expense. The depreciation policy for depreciable leased assets shall be consistent with that for the depreciable assets that are owned. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the assets shall be fully depreciated over the shorter of the lease term or its useful life.

### **Investment in associates**

#### **Associate**

An associate is an entity over which Te Pūkenga has significant influence and that is neither a subsidiary nor an interest in a joint venture. Investments in associates are accounted for in the group financial statements using the equity method of accounting. Investments in associates are measured at cost in the financial statements.

#### **Joint venture**

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the agreed sharing of control of an arrangement by way of a binding arrangement, which exists only when decisions about the relevant activities require the

## Appendix 1

unanimous consent of the parties sharing control. Investments in joint ventures are measured at cost in the parent financial statement. Investments in associates and joint ventures are accounted for in the group financial statements using the equity method of accounting. Under the equity method of accounting, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the group's share of the change in net assets of the entity after the date of acquisition. The group's share of the surplus or deficit is recognised in the group surplus or deficit. Distributions received from the investee reduce the carrying amount of the investment in the group financial statements. If the share of deficits of the entity equals or exceeds the interest in the entity, the group discontinues recognising its share of further deficits. After the group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the entity. If the entity subsequently reports surpluses, the group will resume recognising its share of those surpluses only after its share of only after its share of the surpluses equals the share of deficits not recognised.

### **Investment property**

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation. Property held to meet service delivery objectives is classified as property, plant, and equipment. Investment property is measured initially at its cost, including transaction costs. After initial recognition, investment property is measured at fair value as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

### **Accounts payable**

Short-term payables are recorded at the amount payable. Payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of payables approximates their fair value.

### **Employee benefit Liabilities**

Employee benefits that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to - but not yet taken - at balance date, and sick leave.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

### **Long-term employee entitlements**

Employee benefits that are due to be settled beyond 12 months after the end of the year in which the employee provides the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

### **Presentation of employee entitlements**

Sick leave, annual leave, vested long service leave are classified as a current liability. Non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

### **Superannuation schemes**

Employer contributions to KiwiSaver, the Government Superannuation Fund, and other defined contribution superannuation schemes are accounted for as defined contribution schemes and are recognised as an expenses in the surplus or deficit when incurred.

### **Loan borrowings**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless Te Pūkenga has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

### **Finance leases**

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether Te Pūkenga will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### **Other financial assets and liabilities**

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit.

### **Term deposits and loans to subsidiaries**

Term deposits and loans to subsidiaries are initially measured at the amount invested. Where applicable, interest is subsequently accrued and added to the investment balance. At year end, term deposits and loans to subsidiaries are assessed for indicators of impairment. If they are impaired, the amount not expected to be collected is recognised in the surplus or deficit.

### **New Zealand Government bonds**

New Zealand Government bonds are designated at fair value through other comprehensive revenue and expense. After initial recognition, the bonds are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense.

### **Managed fund**

The managed fund is a portfolio of financial assets that are actively traded with the intention of making profits. Therefore, the managed fund is classified as held for trading. After initial recognition, the managed fund is measured at fair value, with gains and losses recognised in the surplus or deficit.

### **Unlisted shares**

Equity investments are designated at fair value through other comprehensive revenue and expense. After initial recognition, the shares are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred within equity to general funds.

### **Fair value**

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) -Financial instruments with quoted prices for identical instruments in active markets.
- Valuation techniques using observable inputs (level 2) - Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) -Financial instruments valued using models where one or more significant inputs are not observable.

### **Equity**

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- general funds
- property revaluation reserves
- fair value through other comprehensive revenue and expense reserve
- trusts and bequests reserve.

### **Property revaluation reserves**

These reserves relate to the revaluation of land, buildings and infrastructure assets to fair value.

### **Fair value through other comprehensive revenue and expense reserve**

This reserve comprises the cumulative net change of financial assets classified as fair value through other comprehensive revenue and expense.

### **Trusts and bequests reserve**

The trusts and bequests reserve are a component of equity which has been created by Te Pūkenga.

Transfers from the reserve may be made only for certain specified purposes or when certain specified conditions are met. The restrictions on use may be established by Te Pūkenga or legally through the terms and conditions of specific trusts and bequests.

### **Operating leases**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

### **Consolidation**

The group financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses, and cash flows of entities in the group on a line-by-line basis. All intra-group balances, transactions, revenue, and expenses are eliminated on consolidation. The group financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidation of an entity begins from the date Te Pūkenga obtains control of the entity and ceases when the Te Pūkenga loses control of the entity.



## Appendix 1

### **Subsidiaries**

Te Pūkenga consolidates in the group financial statements those entities it controls. Control exists where Te Pūkenga is exposed, or has rights, to variable benefits (either financial or non-financial) and has the ability to affect the nature and amount of those benefits from its power over the entity.

Power can exist over an entity if, by virtue of its purpose and design, the relevant activities and the way in which the relevant activities of the entity can be directed has been predetermined by Te Pūkenga.

Investments in subsidiaries are measured at cost in the parent financial statements.



## Pūrongo Kaunihera a Te Pūkenga | Council Report

11 December 2024

<b>Title</b>	29 November 2024 Te Poari Akoranga hui – open
<b>Provided by</b>	Deborah Young, co-chair Te Poari Akoranga
<b>Author</b>	Louise Courtney, Governance Advisor
<b>For</b>	Approval

### Te Taunaki | Recommendation(s)

It is recommended that Te Pūkenga Council:

a)	Receives the report titled 29 November 2024 Te Poari Akoranga hui – open’
b)	Approves Te Poari Akoranga self-assessment 2024 and notes the workload covered during a challenging year of change;
c)	Notes that Te Poari Akoranga approved: <ul style="list-style-type: none"> <li>• self-assessment for 2024 for each Ohu Whakahaere; Academic Quality, Rangahau Research and Postgraduate, Approvals and Appeals;</li> <li>• revisions to Ākonga Appeals Policy and Te Kawa Maiororo.</li> </ul>
d)	Notes that Te Ohu Whakahaere Approvals approved for submission to the New Zealand Qualification Authority: <ul style="list-style-type: none"> <li>• New Zealand Apprenticeship in Commercial Hairdressing (Level 3-4), the leading to the award of: <ul style="list-style-type: none"> <li>– [2411] New Zealand Certificate in Hairdressing (Level 3) and</li> <li>– [2413] New Zealand Certificate in Hairdressing (Professional Stylist) (Level 4).</li> </ul> </li> <li>• New Zealand Apprenticeship in in Distribution (Level 3-4) leading to the award of [2573] New Zealand Certificate in Distribution (Level 4).</li> </ul>
e)	Notes that Te Poari Akoranga received reports from the following Local Academic Committees: <ul style="list-style-type: none"> <li>• Otago Polytechnic</li> <li>• Ara</li> <li>• PrimaryITO</li> <li>• NorthTec</li> <li>• WITT</li> <li>• Te Tai Poutini</li> <li>• Open Polytechnic</li> <li>• MITO</li> </ul>

	<ul style="list-style-type: none"> <li>• Toi Ohomai</li> <li>• ServiceIQ.</li> </ul>
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## Te Tāhuhu Kōrero | Background

Te Poari Akoranga | The Academic Board (Te Poari) met on 29 November 2024 online via Microsoft Teams. Kieran Hewitson, Nita Hutchinson and Linda Aumua provided apologies for the meeting. The summary below provides an overview of some key discussions and decisions by Te Poari during the open/public excluded portion.

### Te Poari Akoranga self-assessment 2024

Te Poari received and provided feedback on its 2024 self-assessment report and recommends to Te Pūkenga Council that it approves its self-assessment for 2024, noting the workload covered during a challenging year of change. Te Poari also recommends to Te Pūkenga Council that it approves a change to Te Pūkenga Standing Delegations Register Schedule A1, section 7 (Appeals) to remove the sub-delegation limitation to ohu whakahaere. This is included in a separate report on the Council's agenda which includes other changes to delegations.

### Ngā ohu whakahaere o Te Poari Akoranga

#### *Te Ohu Whakahaere Academic Quality*

Te Poari approved:

- Te Ohu Whakahaere Academic Quality self-assessment for 2024.
- revisions to the Ākonga Appeals Policy noting that sub-delegation 7. in Section D of Te Pūkenga Standing Delegations Register is intended to be sub-delegated in its entirety to the Regional Executive Directors (REDs) once confirmation has been received that the REDs are ready to start receiving final appeals.
- the updated Te Kawa Maiorooro V25.01 for release in January 2025.

Te Poari recommends to Te Pūkenga Council to delegate the granting of honorary degrees and recognition awards to Te Poari Akoranga, on the understanding that Te Poari Akoranga intends to sub-delegate this to Local Academic Committees. This is included in a separate report on the Council's agenda which includes other changes to delegations.

#### *Te Ohu Whakahaere Rangahau Research and Postgraduate*

Te Poari approved Te Ohu Whakahaere Rangahau Research and Postgraduate self-assessment 2024 and discussed the future of Te Ohu noting the increasing importance of communities of practice as vocational education transitions away from a centralised model.

#### *Te Ohu Whakahaere Approvals*

Te Poari approved Te Ohu Whakahaere Approvals self-assessment noting further discussions on its future function will be required in 2025. Te Poari noted that Te Ohu approved the following programmes for submission to the New Zealand Qualifications Authority (NZQA) at its November meetings:

- New Zealand Apprenticeship in Commercial Hairdressing (Level 3-4), the leading to the award of:

- [2411] New Zealand Certificate in Hairdressing (Level 3) and
- [2413] New Zealand Certificate in Hairdressing (Professional Stylist) (Level 4).
- New Zealand Apprenticeship in in Distribution (Level 3-4) leading to the award of [2573] New Zealand Certificate in Distribution (Level 4).

### ***Te Ohu Whakahaere Appeals***

Te Poari approved Te Ohu Whakahaere Appeals self-assessment 2024 noting that two appeals had recently been received taking the total for the year to fourteen instead of the twelve noted in the self-assessment. Te Poari expressed support to propose to the REDs that 13 December 2024 be the final date for this Ohu to receive appeals and that the Ako Excellence Director work with Te Ohu co-chairs on communicating the changes to the network.

### **Local Academic Committee reports**

Te Poari received reports from ten business divisions and requested that PrimaryITO provide further clarification on what a 'Framework for Assessment in Native Language' was. It noted that Te Tai Poutini were transitioning their training schemes to micro-credentials and that some business divisions were approving formal awards which was in breach of the Standing Delegations Register. This will be remedied by the proposed change to the Standing Delegations Register.

### **New Zealand Qualifications Authority (NZQA) Consultation**

Te Poari noted that consultation was underway by NZQA on a proposed replacement for the Evaluative Quality Assurance Framework (iQAF).

## **Ngā Tāpiritanga | Appendices**

**Appendix 1:** [Te Poari Akoranga 29 November 2024 hui – open portion](#)

**Appendix 2:** Te Poari Akoranga self-assessment for 2024

## Appendix 2: Te Poari Akoranga self-assessment for 2024

### Te Tāhuhu Kōrero | Background

Te Poari Akoranga (Te Poari) is the Academic Board of Te Pūkenga – New Zealand Institute of Skills and Technology, established by the Council of Te Pūkenga as legislated under Section 324(2) of the Education and Training Act 2020, to:

- i) advise it on matters relating to work-based learning, courses of study or training, awards, and other academic matters; and
- ii) exercise powers delegated to it by the Council.

### Ngā Kōwhiringa me Te Tātaringa | Options and analysis

#### Membership

At the first meeting of 2024, there were seven members of Te Poari; Kieran Hewitson (Co-Chair), Deborah Young (Co-Chair), Paora Ammunson, Andrew McSweeney, Fionna Moyer, Glynnis Brook, Di Lithgow, Fiona Beals and Henry Geary. Appointments were made to fill vacancies from the four rohe with Martin Carroll for Rohe 1, Te Urikore Biddle for Rohe 2, and Nita Hutchinson for Rohe 3 appointed 9 May and Scott Klenner for Rohe 4 appointed 21 May. Te Poari also co-opted Doug Pouwhare on 14 March for greater work-based learning representation and Linda Aumua on 9 May for Pacific representation. Following the resignation of Glynnis Brook on 19 July, Adele McLean was appointed as Te Ohu Whakahaere Appeals co-chair on 26 July and to Te Poari on 15 August. Doug Pouwhare resigned from Te Poari on 5 November due to the disestablishment of his role. There are currently 13 members.

This is made up of eight members from former ITP business divisions, two from work-based learning business divisions, one ākonga representative and two members from Te Pūkenga national office.

#### *Attendance at meetings which achieved quorum (including e-meetings):*

- 4 members attended 100%
- 1 member attended 91%
- 1 member attended 89%
- 1 member attended 82%
- 1 member attended 78%
- 1 member attended 67%
- 1 member attended 64%
- 1 member attended 57%
- 1 member attended 55%
- 2 members, who resigned during the year, attended 50%-83% of the meetings prior to their resignation.

Also in regular attendance is an observer from Te Pūkenga Council. Members of Council can attend any meeting of Te Poari, however, at its meeting of 25 October, Te Poari recommended that the role be formalised in its Terms of Reference as a Permanent Observer, and appointed Tagaloatele Peggy Fairbairn-Dunlop to this role.

## Hui

Including the meeting at which this report is presented, Te Poari has met eleven times in 2024. In addition, it has held one e-meeting. Te Poari has met its quorum for each of its scheduled meetings.

## Summary of activities

### ***Giving effect to Te Tiriti o Waitangi and the Charter of Te Pūkenga***

Te Poari has been guided by the values of Te Pūkenga:

- **Manawa nui** We reach out and welcome in
- **Manawa roa** We learn and achieve together
- **Manawa ora** We strengthen and grow the whole person

### ***Providing assurance and confidence in the network of provision***

Te Poari now receive regular reports from Local Academic Committees, and equivalent, and provide feedback and follow-up as required.

### ***Legislation and educational requirements are adhered to***

Te Poari provided assurance and confidence, as they applied to teaching, learning and research, through providing feedback on Te Pūkenga Investment Plan

### ***Mātauranga Māori is applied throughout all packages***

Provide assurance and confidence that of learning developed and delivered by Te Pūkenga. and that appropriate co-development has happened with Iwi, hapū or Māori organisations in the construction of packages of learning.

### ***Equity***

Due to the announced disestablishment of Te Pūkenga, reporting has resulted in Te Poari *not* receiving advice and evidence that ensured:

- a purposeful and responsive mix of provision matched to need, with a relentless focus on equity, access, and participation to support a culture of equity and diversity where all learners are included and valued;
- holistic selection policies promote and facilitate academic equity for learners from under-represented groups, who have the potential to succeed academically, and who have applied via the application process; and
- prioritised accessible support that acknowledges barriers and actively encourages learners and their whānau to participate and engage, for learners to achieve academic equity.

### ***Policies, Procedures and Frameworks are fit for purpose***

Te Poari ensured academic policies, procedures and frameworks are fit for purpose by being cognisant of [Te Pae Tawhiti Te Tiriti o Waitangi Excellence Framework 2022-2023](#) and using it as a tool to assist in making decisions when exercising these powers.



**Reporting from Local Academic Committees**

Reporting from Local Academic Committees (LACs) became a standing agenda item from the middle of the year, once the Academic Delegations Register was confirmed. All business divisions were provided with reporting templates and requested to provide regular reports to Te Poari. Below is a summary of the reports received to date from LACs. Five of the 24 business divisions are yet to provide reports from their LAC or equivalent, however it has not previously been a standard practice for work-based learning business divisions to have an academic committee so in many cases these need to be established.

Business Division	Meetings that reports were provided to Te Poari Akoranga					
	18 Jun	26 Jul	30 Aug	27 Sept	25 Oct	29 Nov
Ara						
BCITO						
Careerforce						
Competenz						
Connexis						
EarnLearn						
EIT						
HITO						
MIT						
MITO						
NMIT						
NorthTec						
Open Polytechnic						
Otago Polytechnic						
PrimaryITO						
Service IQ						
SIT						
Toi Ohomai					No meeting held	
TPP						
UCOL						
Unitec						
Whitireia and WelTec						
Wintec				No meeting held		
WITT						



***Other topics that Te Poari considered include:***

- Supported the nomination of Leoni Schmidt to be awarded the title of ‘Emeritus Professor’ (5-6 March)
- Ensured Te Pūkenga provided submissions on the Science System and University Advisory Groups consultation (28 March)
- Received regular updates on NZQA activity including self-assessments, targeted evaluation, monitoring, and new degree panels

***Changes throughout the year***

Te Pūkenga Council approved a number of changes to the terms of reference throughout the year, as outlined below:

- In May, to amend the membership to remove specific Māori membership due to the short timeframe that Te Pūkenga would continue to exist.
- In July, a number of changes to the Standing Delegations Register including:
  - the creation of a new schedule, Schedule D: Delegations from Te Poari Akoranga, which captures the sub-delegations from Te Poari to ngā ohu whakahaere;
  - the addition of a row in Schedule A – A1: Council Delegations to Te Poari Akoranga for Appeals with sub-delegation limited to ohu whakahaere, which was then sub-delegated to Te Ohu Whakahaere Appeals; and
  - the removal of “limited to ohu whakahaere” in Schedule A – A1: Council Delegations to Te Poari Akoranga, Section 2. Which resulted sub-delegations to Local Academic Committees to review and approve changes to existing courses and programmes and approve the withdrawal/closure or suspension of existing courses or programmes.
- In November to formalise the role of the Council observer as a permanent observer to Poari and reflect the relationship with Local Academic Committees.

***Continuous improvement***

An assessment against the 2024 continuous improvement plan is included in Appendix 1. Te Poari has identified the following areas for improvement, which have informed the 2025 continuous improvement plan in Appendix 2.

***Proposed focus areas for 2025***

- Te Poari have indicated that appeals should go back to the Business Divisions to resolve, however, the details on that transition are still being worked through including changes to the Ākonga Appeals Policy. Once Te Poari are confident that the transition is ready, a change to Schedule D of the Standing Delegations Register will be required.
- Review the reporting template for Local Academic Committees to ensure that Te Poari Akoranga is advised what sub-delegations have been exercised in respect of:
  - Review and approval of changes to existing courses and programmes and approval of the withdrawal/closure or suspension of existing courses or programmes.
  - Approval of variations to an individual learner’s course/programme of study outside programme regulations.



- Approval and release of learner results and recognition of credit for assessment (including assessment of prior learning).
- Approval of proposals for research from Te Pūkenga kaimahi and learners involving human subjects (including learner course work research) and a Māori or Te Tiriti/Treaty of Waitangi dimension.
- Receiving unresolved learner complaints or appeals that have already been determined (in line with relevant appeals policies and processes) and supporting the resolution, settlement and/or withdrawal of such unresolved complaints or appeals.

### **Review of the terms of reference**

As a result of this self-assessment the terms of reference have been reviewed by staff, who recommend the following changes once the Regional Executive Directors have confirmed that they are ready to start receiving final appeals:

- **Section 3. Powers and Authority**, section 7 Appeals of Delegation table: remove (limited to Te Ohu Whakahaere).
- **Section 5. Ngā ohu whakahaere o te Poari Akoranga | Subcommittees of the Academic Board**, remove bullet point ii) which outlines the focus for Te Ohu Whakahaere Appeals

## Delegations

The Council of Te Pūkenga may delegate any of the functions or powers of Te Pūkenga or the Council, either generally or specifically, to a committee by resolution and written notice (other than functions or powers specified in the legislation as not being capable of delegation). The Committee is a sub-committee of the Council and has no executive powers, other than those set out in these Terms of Reference, or those powers expressly delegated to it by the Council in accordance with section 73 of the Crown Entities Act and outlined in Te Pūkenga Delegated Authorities policy and summarised below.

Subject	Description	Details of exercise of delegation	Sub-delegation details
Academic Policies, procedures, and framework	To determine policies and operating procedures of Te Pūkenga in relation to learners and academic matters.	<ul style="list-style-type: none"> <li>• Approved updates to Te Kawa Maiorooro (1 March)</li> <li>• Approved the updated Electronic Notice of Appeal form, an appendix to the Ākonga Appeals Policy (29 April)</li> <li>• Academic Delegations Register included in Te Pūkenga Delegations Policy and Register (24 May)</li> <li>• Approved the cancellation of the 'Manaaki Kararehe o Te Pūkenga   Code of Ethical Conduct for the Use of Animals in Research, Testing and Teaching' with Manatū Ahu Matua   Ministry for Primary Industries</li> <li>• Approved the Academic Integrity Policy and Academic Integrity guidelines (24 May)</li> <li>• Established working group to create guiding principles for business divisions on how to give effect to Te Kawa Maiorooro depending on their transition context (30 August)</li> <li>• Further policies and operating procedures approved by Te Ohu Whakahaere Academic Quality are outlined in the self-review from this Ohu</li> </ul>	<i>Cannot be subdelegated.</i>
Courses/ Programmes of Study (including work-	To approve new courses and programmes, review and approve changes to existing courses and programmes, and approve the withdrawal/closure or suspension of existing	<ul style="list-style-type: none"> <li>• Approved Bachelor of Nursing Māori being submitted to NZQA (18 June)</li> </ul>	a. Te Ohu Whakahaere Approvals To approve new Level 1-6 courses and programmes.

Subject	Description	Details of exercise of delegation	Sub-delegation details
based learning programmes)	courses or programmes. To seek approval/accreditation of programmes by external bodies.	<ul style="list-style-type: none"> <li>Approved Bachelor of Midwifery being submitted to NZQA (18 June)</li> <li>Further Level 1-6 programme approvals made by Te Ohu Whakahaere Approvals are outlined in the self-review from this Ohu.</li> <li>Local Academic Committees report regularly to Te Poari Akoranga including changes to existing courses and programmes.</li> </ul>	b. Local Academic Committees To review and approve changes to existing courses and programmes and approve the withdrawal/closure or suspension of existing courses or programmes.
Courses/ Programmes of Study (including work-based learning)	To approve variations to an individual learner's course/programme of study outside programme regulations.	Regular reporting received by Te Poari Akoranga from most Local Academic Committees.	Delegated in its entirety to Local Academic Committees.
Quality Assurance	To set and monitor the application of Te Pūkenga quality assurance processes for the development and delivery of all courses and programmes (including with respect to learning, teaching, assessment, learner support and learner performance) through quality evaluation, review, and reporting processes.	Further policies and operating procedures approved by Te Ohu Whakahaere Academic Quality are outlined in the self-review from this Ohu	Te Ohu Whakahaere Academic Quality Co-Chairs to approve minor changes to academic procedures, within academic policy.
Assessment	To approve and release learner results and recognise credit for assessment (including assessment of prior learning) in accordance with approved academic regulations.	Regular reporting received by Te Poari Akoranga from most Local Academic Committees.	Delegated in its entirety to Local Academic Committees.
Research	To set and promote quality standards for research and approve proposals for research from Te Pūkenga kaimahi and learners involving human subjects (including learner course work research) and a Māori or Te Tiriti/Treaty of Waitangi dimension.	<ul style="list-style-type: none"> <li>Approved next steps to the Research Productivity and Compliance Risk Assessment Tool.</li> <li>Further policies and operating procedures approved by Te Ohu Whakahaere Rangahau Research and Postgraduate are outlined in the self-review from this Ohu</li> <li>No reports have been received from Local Academic Committees in relation to research proposals.</li> </ul>	a. Te Ohu Whakahaere Rangahau Research and Postgraduate To review and monitor: <ul style="list-style-type: none"> <li>the revenue generated by Te Pūkenga in external research funding opportunities</li> <li>rangahau and research capacity and capability across Te Pūkenga.</li> <li>the performance of Te Pūkenga in relation to national rangahau,</li> </ul>

Subject	Description	Details of exercise of delegation	Sub-delegation details
			<p>research and postgraduate strategies ensuring a culture of continuous improvement across business divisions.</p> <p>b. Local Academic Committees To approve proposals for research from Te Pūkenga kaimahi and learners involving human subjects (including learner course work research) and a Māori or Te Tiriti/Treaty of Waitangi dimension.</p>
Appeals	<p>To:</p> <p>a. receive unresolved learner complaints or appeals that have already been determined (in line with relevant appeals policies and processes);</p> <p>b. support the resolution, settlement and/or withdrawal of such unresolved complaints or appeals; and</p> <p>c. if necessary, make recommendations about policies, procedures, or the provision of services.</p>	Delegated in its entirety to Te Ohu Whakahaere Appeals. Details of exercise of this sub-delegation can be found in the self-review from this Ohu.	<p><i>Sub-delegation is limited to Ohu Whakahaere</i></p> <p>This delegation is sub-delegated in its entirety to Te Ohu Whakahaere Appeals.</p>
Ohu whakahaere: Sub-Committees	To establish any ohu whakahaere (sub-committees) as are deemed necessary for the efficient and effective operation of Te Poari Akoranga and to make appointments to the same.	<ul style="list-style-type: none"> <li>Approved the appointment of Jamie Smiler to Te Ohu Whakahaere Rangahau Research and Postgraduate (28 March)</li> <li>Approved changes to Terms of Reference for ngā ohu whakahaere Academic Quality, and Rangahau Research and Postgraduate (28 March)</li> <li>Approved extending terms for members of ngā ohu whakahaere whose memberships were due to expire (28 March)</li> </ul>	<i>Cannot be subdelegated.</i>

Subject	Description	Details of exercise of delegation	Sub-delegation details
		<ul style="list-style-type: none"> <li>• Approved changes to Terms of Reference for ngā ohu whakahaere Appeals and Approvals (29 April)</li> <li>• Approved appointment of Dell Raerino as co-chair of Te Ohu Whakahaere Appeals (29 April)</li> <li>• Approved sub-delegations within Te Poari Akoranga’s existing delegations (18 June)</li> <li>• Approved appointment of Adele McLean as co-chair of Te Ohu Whakahaere Appeals due to the resignation of Glynnis Brook (26 July)</li> <li>• Approved sub-delegations to Te Ohu Whakahaere Appeals and Local Academic Committees (26 July)</li> <li>• Approved changes to Terms of Reference for Te Ohu Whakahaere Approvals (30 Aug)</li> <li>• Approved changes to Terms of Reference for ngā ohu whakahaere Academic Quality, Appeals, and Rangahau Research and Postgraduate (27 Sept)</li> <li>• Approved changes to Terms of Reference for ngā ohu whakahaere Academic Quality, Appeals, and Rangahau Research and Postgraduate (25 Oct)</li> </ul>	
Incidental	To do anything incidental to the exercise of any of the powers or functions delegated by the Council to the Academic Board.		<i>Cannot be subdelegated.</i>



### Continuous Quality Improvement Plan for 2024

No.	Recommendation	Desired outcome	Steps needed	Planned completion date	Person/Role responsible	Status
1.	Initiate 2024 workplan for Te Ohu	Workplan sets scene for te Ohu focus for 2024 and delivers key outcomes	<ul style="list-style-type: none"> <li>- Workplan devised</li> <li>- Regular reporting from Ako Excellence to update on progress</li> </ul>	1st hui 2024	Co-Chairs	Achieved  Updated as required throughout the year.
2.	Add Academic Risk to the agenda	Academic Risk is noted and reported as relevant to Te Poari Akoranga	<ul style="list-style-type: none"> <li>- Formulate a process for reporting academic risk from business units.</li> </ul>	Q1 2024	Ako Excellence Director	Achieved  Standing item on agenda and included in reporting template from Local Academic Committees
3.	Membership of Te Ohu reviewed in line with structure changes within Te Pūkenga	Membership of te Ohu is representative of new roles	<ul style="list-style-type: none"> <li>- Review membership roles</li> <li>- Review current membership to that individuals align</li> </ul>	Q2 2024	Co-Chairs	Not achieved  Due to the changes announced to vocational education, membership did not need to be reviewed.
4.	Further development of Te Kawa Maiooro (TKM)	Te Kawa Maiooro fully implemented for 2025. Grand parented policy removed.	<ul style="list-style-type: none"> <li>- Utilise artefacts developed by EQF working groups</li> <li>- Complete the suite of policies and accompanying procedures/guidelines/templates to support TKM</li> </ul>	Q2 2024  Q4 2024	Ako Excellence Director and Quality Manager and team	Not achieved  Due to the changes announced to vocational education, Te Kawa Maiooro repackaged for release to the Te Pūkenga network as a resource.
5.	Programme development phase process in place	Develop and approve a programme development phase process for all unification	<ul style="list-style-type: none"> <li>- Work collaboratively with Ako Solutions</li> <li>- Clear scope of roles defined for programme development</li> <li>- Timeframes for degree development developed,</li> </ul>	Q1 2024  Q1 2024  Q2 2024	Ako Excellence and Ako Solutions Directors and their teams	Not achieved.  Due to the disestablishment the Ako Solutions team was not stood up, therefore the work did not commence.



No.	Recommendation	Desired outcome	Steps needed	Planned completion date	Person/Role responsible	Status
			agreed and communicated to the network			
6.	Governance structures of academic matters finalised and operationalised	Governance structures are in place and operating	<ul style="list-style-type: none"> <li>- Overview diagram of how Regional Academic Committees, Programmes Committees (local/regional/national) fit together – possible overlaps identified</li> <li>- Terms of Reference developed for all</li> <li>- All committees stood up formally</li> </ul>	Q1 2024  Q1 2024  Q3 2024	Ako Excellence Director and Quality Manager and team	Achieved  While not as originally intended, new governance structures have been set up. Reporting templates have been created for Local Academic Committees and TORs approved for NPCs.
7.	Academic Matters Decision form updated	MCDM form that increases visibility of academic matters requests	<ul style="list-style-type: none"> <li>- Review current MCDM for academic matters</li> <li>- Develop flow chart for Type1/2 programme changes for unified and legacy products.</li> <li>- Communicate change to network</li> </ul>	Q1 2024  Q1 2024  Q1 2024	Ako Excellence Director in collaboration with National Ako Directors	Achieved  MCDM form has remained in place for 2024. Accompanying guidelines have been updated throughout 2024 (May, September and October) to return as much as possible approvals back in BDs
8.	Consider Continuous Quality Improvement in the Ohu	Te Ohu is regularly self-reflecting on performance	<ul style="list-style-type: none"> <li>- Instigate self-assessment activity of Te Ohu</li> </ul>	Q1,2,3,4	Co-Chairs	



## Hon Penny Simmonds

Minister for the Environment  
Minister for Tertiary Education and Skills  
Associate Minister for Social Development and Employment



5.1

3 December 2024

Sue McCormack  
Acting Chair  
Te Pukenga  
By email: [sue.mccormack@tepukenga.ac.nz](mailto:sue.mccormack@tepukenga.ac.nz)

Dear Sue

### **Te Pukenga draft Statement of Performance Expectations 2025**

Thank you for submitting Te Pukenga's draft Statement of Performance Expectations (SPE) for 2025 to me on 31 October 2024 for my consideration.

I have reviewed the draft SPE and consider that it is largely fit-for-purpose and complies with the requirements under the Crown Entities Act 2004. I note that the priorities and planned activities outlined in the draft SPE for 2025 are consistent with the proposed disestablishment of Te Pukenga and the transition towards increased regional autonomy.

I would like to thank Te Pukenga for the work involved in preparing the draft SPE and I look forward to receiving the finalised version before the end of the year.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Penny Simmonds'.

**Penny Simmonds**  
**Minister for Tertiary Education and Skills**

cc. Gus Gilmore, Chief Executive, Te Pukenga  
Tim Fowler, Chief Executive, Tertiary Education Commission

# Te Pūkenga Council Meeting

## 7. Resolution to exclude the public

It will be moved by the Acting Chair that the public be excluded from the remainder of the meeting. This resolution will be made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 (LGOIMA) (noting Te Pūkenga Council is specified, in Schedule 2 of LGOIMA, as a body to which LGOIMA applies) and the particular interests protected by section 9 of the Official Information Act 1982 (OIA) which would be prejudiced by the holding of the relevant parts of the proceedings of the meeting in public.

The general subject of each matter to be considered while the public is excluded and the reason for passing the resolution in relation to each matter are as follows:

Item	General subject of each matter to be considered	Section(s)
<b>8.</b>	<b>Administration</b>	
8.1.	Minutes of the closed portion of the meeting held 6 November 2024	Section 9(2)(g)(ii) OIA
8.2.	Ngā mahi hei   Actions	Section 9(2)(g)(ii) OIA
<b>9.</b>	<b>Chief Executive's closed report</b>	Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA
<b>10.</b>	<b>Regional ITP Viability Programme</b>	Section 9(2)(b)(ii) OIA Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA
<b>11.</b>	<b>Risk and Compliance</b>	
11.1.	Delegations update	Section 9(2)(i) OIA
11.2.	Divisional borrowing limit increase for Whitireia and WelTec	Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA

Item	General subject of each matter to be considered	Section(s)
<b>12.</b>	<b>Reports from and relating to Committees</b>	
12.1.	Report from Appointment and Remuneration Committee meeting held 28 November 2024	Section 9(2)(a) OIA Section 9(2)(b)(ii) OIA Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
12.2.	Report from Finance Risk and Audit Committee meeting held 29 November 2024	Section 9(2)(b)(ii) OIA Section 9(2)(g)(ii) OIA Section 9(2)(h) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
12.3.	Report from closed portion of Te Poari Akoranga held 29 November 2024	Section 9(2)(a) OIA Section 9(2)(b)(ii) OIA Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA
12.4.	Report from Health, Safety and Wellbeing Committee held 2 December 2024	Section 9(2)(b)(ii) OIA Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA
<b>15.</b>	<b>He take atu anō   Any other business</b>	Section 9(2)(a) OIA Section 9(2)(b)(ii) OIA Section 9(2)(g)(ii) OIA Section 9(2)(h) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
<b>16.</b>	<b>Confirmation of actions from this meeting</b>	Section 9(2)(g)(ii) OIA

**Interests**

Section	Interest
Section 9(2)(a) OIA	To protect the privacy of natural persons, including that of deceased natural persons.
Section 9(2)(b)(ii) OIA	To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.
Section 9(2)(g)(ii) OIA	To maintain the effective conduct of public affairs through the protection of such Ministers, members of organisations, officers, and employees from improper pressure or harassment.
Section 9(2)(h) OIA	To maintain legal professional privilege.
Section 9(2)(i) OIA	To enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities.
Section 9(2)(j) OIA	To enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

The Chair will also move that certain employees from Te Pūkenga, namely:

- Ziena Jalil
- Phil O’Callaghan
- Paora Ammunson
- Johnny Tramoundanas-Can
- Deborah Young

be permitted to remain at the meeting, after the public has been excluded because of their specific knowledge in relation to the above items. This knowledge, which will be of assistance in relation to the matters above to be discussed, is relevant to those matters because they have assisted in the progression of such matters.