



Te Pūkenga

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24 September 2024



Tēnā koe [redacted]

Request under the Official Information Act 1982

Thank you for your email of 21 August 2024, requesting the following information from Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga):

Can I please request a copy of the following under the OIA:

- *The fixed asset register that Te Pūkenga holds*
- *A copy of the briefing dated 14 June 2024 and titled 'Disestablishment Report – 14 June 2024', should any of the information redacted in this briefing no longer be commercially sensitive*
- *Any further reports on disestablishment that have been sent to Minister Simmonds*

On 27 August 2024 my office wrote to you seeking clarification on two parts of your request. In your 28 August response you withdrew your request for:

- *The fixed asset register that Te Pūkenga holds*

You kindly clarified the third part of your request for 'disestablishment reports' with the following details:

Can you please send through all reports sent from Te Pūkenga to Minister Simmonds, within a timeframe from November 2023 to the present day (28/08/24).

With reliance on section 15(1)(AA) of the Official Information Act 1982 (OIA), due to this clarification of your third point, the timeframe for making a decision on your request was reset, as 20 working days from 28 August.

This letter provides a formal decision on your request under the Official Information Act 1982 (OIA).

The decision

Twelve documents set out in the table attached as **Appendix One** fall within scope of your request regarding *disestablishment reports*. Three further documents set out in the same table are closely related to the scope of your request and have been included for the sake of completeness. Our decision on release of each of these 15 documents is set out in the table.

We are providing you with a copy of 14 documents as **Appendix Two**. With reference to section 18(d) of the OIA, we are refusing release of one document, as it is publicly available.

Some information has been withheld from eight of the documents with reliance on the following sections of the OIA:

- 9(2)(a) to protect the privacy of natural persons
- 9(2)(b)(ii) 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
- 9(2)(g)(i) to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty.

In relation to this information that has been withheld under section 9 of the OIA, we do not believe the need to withhold it is outweighed by the public interest in release at this time.

You have the right to make a complaint to the Ombudsman under section 28(3) of the OIA if you are not happy with this response. Information about how to do this is available at www.ombudsman.parliament.nz or by calling 0800 802 602.

We may publish our OIA responses and the information contained in our reply to you on our website. Before publishing we will remove any personal or identifiable information.

Ngā mihi



Gus Gilmore
Tumuaki | Chief Executive

Appendix One - Disestablishment Reports, November 23 – 28 August 24

Date of report	Title	Decision
Documents within scope		
23 January 2024	Disestablishment Update	Refused under section 18(d) – refer to page 8 at: www.tepūkenga.ac.nz/assets/OIA-Responses/TP240008-Appendix-One_Redacted.pdf
9 February 2024	Weekly Disestablishment Report - 9 February 2024	Released in full
16 February 2024	Weekly Disestablishment Report - 16 February 2024	Released in full
23 February 2024	Weekly Disestablishment Report - 23 February 2024	Some information withheld under section 9(2)(a)
1 March 2024	Weekly Disestablishment Report - 1 March 2024	Some information withheld under section 9(2)(g)(i)
8 March 2024	Weekly Disestablishment Report - 7 March 2024	Released in full
15 March 2024	Weekly Disestablishment Report - 15 March 2024	Some information withheld under section 9(2)(b)(ii)
22 March 2024	Weekly Disestablishment Report - 22 March 2024	Some information withheld under section 9(2)(b)(ii)
12 April 2024	Weekly Disestablishment Report - 12 April 2024	Some information withheld under section 9(2)(b)(ii)
19 April 2024	Weekly Disestablishment Report - 19 April 2024	Released in full
3 May 2024	Weekly Disestablishment Report - 3 May 2024	Released in full
14 June 2024	Weekly Disestablishment Report - 14 June 2024	Some information withheld under section 9(2)(b)(ii)
Documents out of scope but included for completeness		
30 January 2024	Te Pūkenga - Response to Minister's questions - 30 Jan 2024 [Email]	Some information withheld under section 9(2)(a)
1 February 2024	Update for the Tertiary Education Commission (TEC) and Minister [Document provided via email]	Released in full
19 June 2024	RE: Te Pūkenga - Disestablishment report - 14 June 2024. [Email]	Some information withheld under section 9(2)(a)

Weekly Disestablishment Report – 9 February 2024

To:	Hon Penny Simmonds, Minister for Tertiary Education and Skills
Cc:	Tim Fowler, Chief Executive, Tertiary Education Commission
From:	Gus Gilmore, Acting Chief Executive, Te Pūkenga
Date:	9 February 2024

Purpose

1. This report responds to your request, via the Tertiary Education Commission (TEC), for a weekly report from Te Pūkenga on disestablishment activities in line with your Letter of Expectations (LoE).
2. We understand that it will inform your discussions about the process for the disestablishment of Te Pūkenga at weekly agency meetings. As we have noted in previous communication to you, robust information and data will be critical to support sound policy development and operational advice.
3. We reaffirm our commitment to supporting you and officials to inform and support your decisions.

About this report

4. We propose to provide you this report each Friday ahead of your agency meetings in the following week. We will confirm the timing of submission with your office for future reports.
5. We expect the content of this report to evolve as you begin confirming your decisions about the process of disestablishment and how we can support giving effect to your vision for the vocational education system.
6. Given the regularity of this report, we consider that some workstreams and activities may not change significantly from week to week, especially as we await direction on future structures.
7. We would welcome any feedback you may have on this report.

Progressing Disestablishment

Kaimahi consultation process

8. On 1 February we sent you an update on our process to consult with staff impacted by our 2023 Tāraia te anamata | Creating our futures structural changes.
9. Meetings are scheduled for 9 and 12 February with unions to discuss our proposed reduction to the length of their standard consultation periods of 20-28 days as outlined in union contracts.
10. We expect to send kaimahi their individual letters early in the week of 12 February. These letters will detail the options available to them and how to share their feedback, preferences, and any concerns.

11. Te Pūkenga will consult with kaimahi most affected by the structural changes. The consultation will include:
 - Kaimahi in disestablished roles;
 - Kaimahi who accepted or received offers for new roles; and
 - Kaimahi who were advised of a reporting line change (sometimes called 'lift and shift' or 'mapped in').

Capital assets and budgeting

12. We have circulated to regional leaders our *Capital Budget 2024 Overview: Digital and Property Capex*. They are considering whether there are:
 - any new critical capex requirements that need to be considered given your Letter of Expectations and projects at a national level that were earlier stopped; and
 - any capital projects that now need to be removed from our capital workplan.
13. The outcome of this and any requested changes to the capital plan will be reported in further updates.
14. Property business cases are being submitted for review and approval only where all planned capital investment is in line with your LoE and specific to the individual campus improvements required.
15. Our lease consolidation planning and delivery continues as approved at the Finance, Risk and Audit Committee (FRAC) meeting on 31 January.

Branding

16. We have approved a revised approach to branding to respond to your LoE.
17. The overarching principle is to move away from any further investment in, and the roll-out of, Te Pūkenga branding and until such time as a fresh direction is known, move back to the previous 24 individual Business Division brands.
18. The move back to individual Business Division brands needs to be managed within the context of a financially constrained organisational environment and in a way that reflects the legal responsibilities of continuing to be a single organisation.
19. This means:
 - Utilising existing supplies of either co-branded or single, Te Pūkenga branded items, until they run out;
 - Only replacing expensive either co-branded or single, Te Pūkenga branded items on an as-required basis and where it is financially prudent to do so;
 - Making it clear to our ākonga, employers and communities, that "*XXX is a Business Division of Te Pūkenga – New Zealand Institute of Skills and Technology*". This is important in terms of meeting our responsibilities under the Fair Trading Act; and
 - Continuing to adhere to our Delegations and other relevant organisational policies.

Empowering regional leadership

Appointment of Specialist Advisors

20. On 8 February, our Council approved the appointment of Specialist Regional Advisors. Their role will be advisory, and they will not have any decision-making power or delegated authority. Management decisions regarding usual operational business matters, staff, and budgets remain

with ELT and/or Regional Directors. We are currently finalising the Terms of Engagement and roles and responsibilities for Specialist Advisors. Council also intends to appoint additional Specialist Advisors to provide workplace industry training and Māori representation.

21. Specialist Advisors will report to Council, via the Finance, Risk and Audit Committee (FRAC) of Council. We are currently considering the reporting requirements and approach for the Specialist Advisors to ensure consistency in how information is captured and collated, and reported to FRAC and Council, and ultimately how their insights feed into advice to you.
22. A workshop will take place on 12 February with the Specialist Advisors to discuss their roles and responsibilities. We will provide a range of induction material, including financial information to get them up to speed quickly. We will also discuss potential conflicts of interest and management strategies as required.

Delegations

23. As we communicated to you in our 24 January update, we are on track for our review of a revised delegations framework.
24. The review intends to enable greater decision-making authority at a local and regional level. This will include, but is not limited to, where appropriate, greater financial delegations and ability to make local staffing decisions.
25. Revisions are currently in train, and we expect to take a revised framework to the March Council meeting for approval.

Continuing to deliver

Enrolments

26. Early indication in the polytechnic business divisions is that enrolments have increased by approximately 7% in 2024 compared to 2023. All but two ITP divisions are demonstrating increases in 2024. However, we are still within the “withdrawal” period for SDR funding purposes therefore any withdrawals during this period may impact on our forecasts.
27. We have seen a considerable increase in international student enrolments and are projecting a strong year ahead.
28. Work based learning enrolments are indicating some reductions in 2024 compared to 2023. However, given enrolment patterns in WBL training are not constrained to an annual cycle, point in time comparisons can be less informative than for ITP enrolments.
29. We expect to confirm these enrolments by the end of February and will include more detailed enrolment updates in future reports.

Working collaboratively

Workshop with officials

30. On 7 February we participated in a workshop with senior officials from TEC, the Ministry of Education and the New Zealand Qualifications Authority. This was an important step in developing a joint approach to how the programme of disestablishment is structured and how we work closely and transparently with agencies to support the process of disestablishment.

Financial modelling support

31. In recent weeks we have been providing financial modelling support to the TEC. This has been to inform their advice to you on the financial situation and possible future scenarios on the structure of the system following the disestablishment of Te Pūkenga.
32. We will continue to provide support to the TEC for this work.



Gus Gilmore
Acting Chief Executive
Te Pūkenga
9 February 2024

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Weekly Disestablishment Report – 16 February 2024

To:	Hon Penny Simmonds, Minister for Tertiary Education and Skills
Cc:	Tim Fowler, Chief Executive, Tertiary Education Commission
From:	Gus Gilmore, Acting Chief Executive, Te Pūkenga
Date:	16 February 2024

Purpose

1. This report responds to your request, via the Tertiary Education Commission (TEC), for a weekly report from Te Pūkenga on disestablishment activities in line with your Letter of Expectations.
2. Given the regularity of this report, we consider that some workstreams and activities may not change significantly from week to week, especially as we await direction on future structures.

Progressing Disestablishment

Kaimahi consultation process

3. Our consultation process remains on track. Following discussions with unions, we have their agreement to close the consultation at 5pm, 28 February (standard consultation periods outlined in union contracts are 20-28 days).
4. Kaimahi letters were distributed on 14 February proposing to revert to previous structures by restoring disestablished positions and unwinding or not proceeding with other changes (such as reporting line and title changes).
5. Approximately 7,400 staff have received a letter outlining proposals for consultation based on their individual employment situation. Managers have begun holding one-on-one meetings with approximately 400 staff where the impact on their employment was greater than just a change in reporting line. Media interest in this consultation so far has been low.
6. Once consultation closes, feedback will be considered and presented to the Executive Leadership Team (ELT) with communication of decisions and letters to kaimahi planned to be released in the week of 18 March.

Empowering regional leadership

Appointment of Specialist Advisors

7. On 12 February, some members of our Council, the Acting Chief Executive and the five currently identified Specialist Advisors met to discuss their roles and responsibilities. We provided them detailed information about our current financial situation. We also discussed the recording of conflicts of interest to ensure we can manage any possible conflicts. Tim Fowler, Chief Executive of the TEC also joined us for part of our discussions.
8. We are currently urgently working through the appointment of a Specialist Advisor – Māori and expect to have contracts signed with all advisors shortly.

9. The TEC has requested a report from Te Pūkenga that pulls together the Specialist Advisors' perspectives and proposals from their engagements in the regions by the end of March. We are considering how we support Specialist Advisors to undertake this in a consistent way in regions and with similar key groups. It is important to note that this engagement is not consultation, nor does it constitute consultation for disestablishment as outlined in the Education and Training Act 2020.
10. Following the resolution of conflicts of interest and signing of contracts, we will announce Specialist Advisor appointments internally to Te Pūkenga kaimahi. We are not planning to make proactive public comment but are preparing reactive messaging should we get questions about the appointments. We will work closely with TEC and your office should we receive media enquiries.

Delegations

11. This week, ELT reviewed and endorsed changes to our Delegations Policy to provide for greater regional and divisional decision making. We will be seeking approval from our Finance, Risk and Audit Committee at its next meeting in late February.



Gus Gilmore
Acting Chief Executive
Te Pūkenga
16 February 2024

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Weekly Disestablishment Report – 23 February 2024

To:	Hon Penny Simmonds, Minister for Tertiary Education and Skills
Cc:	Tim Fowler, Chief Executive, Tertiary Education Commission
From:	Gus Gilmore, Chief Executive, Te Pūkenga
Date:	23 February 2024

Purpose

1. This report responds to your request, via the Tertiary Education Commission (TEC), for a weekly report from Te Pūkenga on disestablishment activities in line with your Letter of Expectations.
2. Given the regularity of this report, we consider that some workstreams and activities may not change significantly from week to week, especially as we await direction on future structures.

Progressing Disestablishment

Disestablishment Working Group

3. To ensure that the Council can provide a nimble response to the Letter of Expectations (LoE) and the implications of disestablishment, a Disestablishment Working Group has been formed to expedite matters which do not require a full Council meeting.
4. The objective of the Working Group is to support the Council, through the Finance, Risk and Audit Committee (FRAC), in its governance role to support disestablishment, and until legislative change and policy mandate is confirmed, within our legislative obligations, specifically to:
 - Ensure adequate focus and attention to the disestablishment programme, including oversight of management delivery and implementation.
 - Provide Council (via FRAC) advice about how it can ensure your current expectations are met and future decisions are complied with alongside Council's governance obligations.
 - Provide direction to management where issues arise that may create risk to the short to medium term stability of the network, where resolution or mitigation may conflict, or be seen to conflict with the expectations outlined in your LoE.
5. We have developed a Terms of Reference for the Working Group. These will be discussed at the FRAC meeting on 28 February and provided to Te Pūkenga Council for approval at its next meeting. No authority from the Council has been delegated to this Working Group.
6. The Working Group will include Council Chair Sue McCormack, FRAC Chair Jeremy Morley, Council Member Bill Moran, and the co-chairs of the Specialist Advisory Group Caroline Seelig and Tony Gray. Other members maybe appointed, or advisors invited as needed.

Empowering regional leadership

Specialist Advisors workshop

7. On 27 February, we will hold a workshop with the Specialist Advisors. The workshop aims to introduce them to our Regional Executive Directors, confirm their approach to engaging and working with the Executive Directors and other matters as relevant.
8. We are also in the process of finalising the appointment of an additional Specialist Advisor to provide Māori representation and Work Based Learning representation.
9. One of the identified Specialist Advisors ^{s 9(2)(a)} has pulled out due to other interests ^{s 9(2)(a)} cannot mitigate. We have redistributed regional focus among existing specialist advisors.

Continuing to deliver

Enrolments

10. As we noted in our 9 February update to you, we are still within the “withdrawal” period for SDR funding purposes therefore any withdrawals during this period may impact on ITP Business division forecasts for 2024.
11. It is our intention to provide a more detailed enrolment update by business divisions in future weekly reports to you, likely in the 8 March update once we are through the withdrawal period. We also propose to continue to provide updates monthly.

ITP Business Divisions

12. The data below is for enrolments as at 16 February 2024. ITP Business Divisions have seen a 7.4% increase in total enrolments in 2024 compared to the same period in 2023. For international enrolments this increase is 71%.

ITP Business Divisions	16 Feb 2023	16 Feb 2024	% increase
Domestic EFTS	35,984	37,394	3.9%
International EFTS	1,975	3,377	71%
Total EFTS	37,959	40,771	7.4%

Work-based learning (WBL) divisions

13. The data below is for active learners as at 31 January 2024. Work-based learning divisions are indicating reductions of 19% in 2024 compared to 2023 as at 31 January. However, given enrolment patterns in WBL training are not constrained to an annual cycle, point in time comparisons can be less informative than for ITP Business Division enrolments.
14. The fall in active learners is attributed to the significant increase in Private Training Establishments competing in the industry training space and a decline in economic activity generally.

WBL Business Divisions	31 Jan 2023	31 Jan 2024	% increase
Active Learners	72,531	58,675	-19%

Appointments

15. Te Pūkenga Council has appointed me as Chief Executive of Te Pūkenga. A key focus of my role is to guide the disestablishment of Te Pūkenga in line with your intention to establish regionally based institutions to deliver vocational education and skills training. I will also ensure that we continue to deliver on our Statement of Performance Expectation in line with our Charter.
16. I look forward to meeting with you in due course to discuss this progress and related issues.



Signer ID: KFMQCFG212...

Gus Gilmore

Chief Executive

Te Pūkenga

23 February 2024

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Weekly Disestablishment Report – 1 March 2024

To:	Hon Penny Simmonds, Minister for Tertiary Education and Skills
Cc:	Tim Fowler, Chief Executive, Tertiary Education Commission
From:	Gus Gilmore, Chief Executive, Te Pūkenga
Date:	1 March 2024

Purpose

1. This report responds to your request, via the Tertiary Education Commission (TEC), for a weekly report from Te Pūkenga on disestablishment activities in line with your Letter of Expectations (LoE).
2. Given the regularity of this report, we consider that some workstreams and activities may not change significantly from week to week, especially as we await direction on future structures.

Progressing Disestablishment

Transitional programme approval

3. As part of the Reform of Vocational Education, the role of supporting work-based training arranged by Transitional Industry Training Organisations (TITOs) shifted to Te Pūkenga and other providers selected by the TEC as receiving organisations.
4. To facilitate the transfer of training functions and learners, the New Zealand Qualifications Authority (NZQA) granted temporary approval to receiving organisations for TITO programmes of industry training. These temporary approvals were designed to allow receiving organisations to understand the delivery of the programmes before deciding how to manage them in the future. We had previously submitted a workplan identifying how and when we would replace these Transitional Programmes with Programmes of Study.
5. Given your LoE, NZQA has approved our request to pause this work until the end of 2024. We expect that by this time the structure of new entities and work-based learning components will be known.
6. While the full review and replacement work may be paused, NZQA expects Te Pūkenga to continue to maintain transitional programme approval and accreditation.

Empowering regional leadership

Specialist Advisors

7. On 27 February, we held a workshop with some of our Specialist Advisors and our Executive Directors (Regional and Work Based Learning). This workshop was to introduce Specialist Advisors to Executive Directors and share information about relevant business divisions. In particular, key challenges, functions they consider work well centrally delivered, and key issues and opportunities.

- On 28 February, Council approved the appointment of three additional Specialist Advisors. These appointments will provide Te Ao Māori and industry perspectives. We expect to finalise the register of interests and contracts in the next few days. Once contracts are signed, we will inform all staff about the appointment of Specialist Advisors.

SIT2LRN zero fees

- The Executive Leadership Team approved the Southern Institute of Technology (SIT) Business Division to reinstate the SIT zero fees scheme for SIT2LRN across New Zealand. In 2023, this was limited to Southland residents only. We consider this aligns with the Government's intention as outlined in your LoE.

Branding of Qualifications

- On 9 February, we provided you an update on our revised approach to branding. As part of this approach, we were still clarifying our requirements for qualification branding.
- NZQA rules require that the logo of the awarding authority (under the Education and Training Act 2020) must be included. Until legislative changes are made to enact the disestablishment of Te Pūkenga and the establishment of future entities, the awarding institution is Te Pūkenga – New Zealand Institute of Skills and Technology.
- As such, we will continue with co-branding on all Te Pūkenga qualifications, until such time as Te Pūkenga ceases to be the awarding authority.
- As with the other aspects of our branding, there are also Fair Trading Act 1986 considerations. We need to ensure that we are not being misleading or deceptive about which organisation is awarding the qualification.

Delegations

- Our Finance, Risk and Audit Committee (FRAC) endorsed our proposed revised Delegations Policy. These will go to Council for final approach at its March meeting. The policy was revised to reflect your LoE, and the instruction to devolve greater decision-making authority to the regions/divisions.

Continuing to deliver

INZ visa processing delays for international enrolments

- As we noted in our 23 February update, our international enrolments have increased by 71% as at 16 February 2024 compared to the same period in 2023.
- While this increase is promising, we continue to experience ongoing issues of slow visa processing for international student visa applications. Despite our efforts working with Immigration New Zealand (INZ), this continues to be a significant barrier to increasing international enrolments. Processing appears to be worsening, rather than improving.
- 9(2)(g)(i)** [REDACTED] We understand the average processing times since 1 January 2024 shows universities at 20 business days; PTEs at 27 days; and Te Pūkenga at 33 days.
- As an example, as at 18 February, we had 2,070 in progress applications with 1,552 (75%) unallocated to a case officer. **s 9(2)(g)(i)** [REDACTED]

19. We recently agreed a prioritisation process (based on agent approval rates) to assist INZ in their processing approach to Te Pūkenga applications, but this is not having the intended effect either. In fact, prioritised agents for Indian students have time delays of 49 days compared to non-prioritised agents of 48 days.

China Ministry of Education alliance

20. As we noted in our BIM to you in November 2023, we signed the China New Zealand Memorandum of Arrangement in August 2023, between China's Ministry of Education (CMoE) and Te Pūkenga.
21. The sponsorship of the Chinese Ministry of Education is significant and the key enabler that has not been available to individual polytechnics in the past. The scale of the network is the key attraction to the Chinese Ministry and regional agencies. As part of this, we also signed a vocational education alliance with the CMoE and 30 participating Chinese education organisations.
22. This alliance has the potential to open the Chinese market to significant sub-degree / vocational training programmes. This initiative was one of five key priorities signalled by the Chinese Minister of Education during the Prime Minister's visit last year, and his own visit to New Zealand later in the year.
23. We are continuing to progress the alliance initiative given it will benefit future regional entities. We are planning with the CMoE for a high-profile in-market launch of the alliance in early 2024. We are currently setting up regional teams to review opportunities with Chinese counterparts across six fields of study – early childhood education, cross border e-commerce, new energy vehicles, aged healthcare, and culinary. Subject to timing and your availability we consider it would be appropriate for you to lead the launch of the alliance.

2025 Investment Plan

24. We understand that proposed Investment Plans are due to the TEC in early July 2024 for the 2025 year. We are engaging with the TEC to discuss the requirements for our Investment Plan from 2025 and propose a flexible approach that minimises the compliance while ensuring that legislative requirements are met.



Gus Gilmore
Chief Executive
Te Pūkenga
1 March 2024

Weekly Disestablishment Report – 7 March 2024

To:	Hon Penny Simmonds, Minister for Tertiary Education and Skills
Cc:	Tim Fowler, Chief Executive, Tertiary Education Commission
From:	Gus Gilmore, Chief Executive, Te Pūkenga
Date:	7 March 2024

Purpose

1. This report responds to your request, via the Tertiary Education Commission (TEC), for a weekly report from Te Pūkenga on disestablishment activities in line with your Letter of Expectations (LoE).
2. Given the regularity of this report, we consider that some workstreams and activities may not change significantly from week to week, especially as we await direction on future structures.

Progressing Disestablishment

Specialist Advisors

3. All the specialist advisors have been contracted and this work is underway. There are several planned sessions with them to further develop the disestablishment plan and ensure initiatives agreed move at pace.
4. The focus of upcoming workshops is on international student recruitment and retention, regional composition (ongoing with officials) and work-based learning.
5. The specialist advisors have begun meeting regional and local management with a view to accelerating future plans and understanding current context.

Kaimahi consultation process

6. A significant focus for Te Pūkenga leadership and most kaimahi in February has been the consultation process on unwinding the Creating Our Futures restructure which began in the week of 12 February.
7. The consultation closed on 28 February. We received just under 500 pieces of feedback from kaimahi. Pleasingly, many kaimahi have agreed to return to their regional/local position prior to the restructuring. We are currently reviewing all feedback and are on track to communicate decisions from the week of 19 March to kaimahi.

Capital assets and budgeting

8. We sought feedback from Regional Executive Directors on our Capital Budget 2024 Overview: Digital and Property Capex, specifically:
 - any new critical capex requirements that need to be considered given the Minister's LoE and projects at a national level that were earlier stopped; and
 - any capital projects that now need to be removed from our capital workplan.

9. We are currently reviewing this feedback. It will be incorporated as appropriate for presentation to our Finance, Risk and Audit Committee (FRAC) on 27 March.
10. The EIT Hawke's Bay campus remediation and improvement business case was approved at FRAC on 28 February. We also held a session on this business case with the Specialist Advisor Chris Collins to seek any feedback he may have. The remainder of the campus will be remediated through 2024 including fitting out a new nursing teaching space. The staff and students are pleased to be back on campus and as we progressively open the whole campus it will be great to be fully functional.

Advisory Committee elections – Recommendation for Council approval

11. On 5 March, the Executive Leadership Team (ELT) considered options for Te Pūkenga Council's Learner Advisory Committee and Kaimahi Advisory Committees, until decisions on the transition approach to the future state are made.
12. The Education and Training Act 2020 (the Act) requires Te Pūkenga Council to establish three advisory committees (Staff, Learner, and Māori), and:
 - consult each committee on relevant significant matters related to the Council's strategic direction; and
 - consider any advice given on those matters or any other matters by the committees.
13. Interim committees were established in August 2021 with a view to establishing permanent Kaimahi and Learner committees in Quarter 2 of 2024.
14. Elections for permanent advisory committees were scheduled to take place in March/April 2024 and elected members to take office from April 2024. Accordingly, the current interim Advisory Committee members' terms end on 31 May 2024.
15. In October 2023, a Request for Quote (RFQ) process was undertaken with the two major election services providers to run elections for learners and kaimahi. A provider has not yet been selected due to the receipt of the Minister's Letter of Expectation (LoE).
16. Given your Letter of Expectations, we are recommending to the Council at its March meeting that it cease elections and extend current interim advisory committee members until December 2024. We also propose that Council set a minimum membership number of five advisory members per advisory committee.

Continuing to deliver

Programme unification continues for specific disciplines

17. ELT has approved the continuation of work to create nationally consistent programmes for nursing, midwifery, and social work. This decision was taken after support for the continuation came from the business sectors.
18. Although Te Pūkenga is being disestablished, it makes sense to make the most of the work done in recent years on unification by discipline-specific collaboration groups. From the perspective of any future new entities, there are several benefits of taking this approach, including:
 - reduced programme and resource development and maintenance costs for the new entities
 - greater flexibility to ākonga if they need to move location across the motu
 - consistent graduate outcomes for industry and employers

- the meeting of external stakeholder needs who are highly supportive of the programmes.
- Partners like Health New Zealand | Te Whatu Ora, Department of Corrections, Directors of Mental Health Nurses, aged residential care providers, the Office of the Chief Nurse and the Social Work Registration Board have all endorsed this approach.
 - Te Whatu Ora national workforce plan is focused on ensuring the health workforce mirrors the demographics of the local communities it serves. Currently, the vocational education landscape for nursing and midwifery creates inequities for Māori and Pacific ākonga around things like entry criteria. Having shared programmes helps to address these issues.
 - Te Pūkenga has developed three shared programmes for nursing – the Bachelor of Nursing Māori, the Bachelor of Nursing Pacific and the Bachelor of Nursing and the development of teaching and learning resources. Similarly, Te Pūkenga has developed shared programmes for social work, and midwifery.
 - The nursing and social work programmes have been endorsed by Te Poari Akoranga (Te Pūkenga Academic Board), and midwifery will be submitted for endorsement soon. The next step is to progress each programme through the accreditation and approval process with the New Zealand Qualifications Authority and the relevant professional body. This is expected to take place in 2024 with panel dates still to be confirmed.

Managed Apprenticeships

- Further to a request for information relating to the delivery of managed apprenticeships, we have collated the following data on 2023 delivery.

Business Division	Total EFTS	Total Revenue (funded only)
NorthTec	88	\$794,349
Unitec	244	\$1,930,126
Weltec	213	\$1,889,797
Toi Ohomai	240	\$2,143,972
EIT	164	\$1,101,726
UCOL	100	\$970,289
Wintec	70	\$622,892
NMIT	217	\$3,031,290
Ara	453	\$3,291,531
Otago Polytechnic	220	\$1,598,869
SIT	22	\$197,136
Total	2031	\$17,571,977

Te Whatu Ora Mental Health Services contract – recruitment matters

- Each year we present a resourcing plan to Te Whatu Ora which outlines our planned expenditure for our contract for Mental Health Services which includes the normal service provision and use of any underspend.
- We presented and received approval to our resourcing plan late last year from Te Whatu Ora. Our plan included the creation of four fixed term roles in Work Based Learning (WBL), an area with low mental health support for ākonga. The purpose of the roles is to offer primary mental health support for ākonga across their allocated business divisions. One role will work across two to three WBL business divisions.

26. Given your LoE we are balancing the recruitment of roles into “National Office” for projects we are funded to deliver under contract.



Gus Gilmore
Chief Executive
Te Pūkenga
7 March 2024

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Weekly Disestablishment Report – 15 March 2024

To:	Hon Penny Simmonds, Minister for Tertiary Education and Skills
Cc:	Tim Fowler, Chief Executive, Tertiary Education Commission
From:	Gus Gilmore, Chief Executive, Te Pūkenga
Date:	15 March 2024

Purpose

1. This report responds to your request, via the Tertiary Education Commission (TEC), for a weekly report from Te Pūkenga on disestablishment activities in line with your Letter of Expectations.
2. Given the regularity of this report, we consider that some workstreams and activities may not change significantly from week to week, especially as we await direction on future structures.

Progressing Disestablishment

Kaimahi consultation process

3. As we noted in our previous report to you, our consultation has closed for kaimahi most affected by the Creating Our Futures restructuring.
4. On Tuesday 12 March we started sharing our early consultation decisions with kaimahi, approximately one week ahead of planned timeframe. Those consulted should receive a decision letter via email by the end of this week outlining what the decisions mean for them individually. Some kaimahi will need to confirm the decision in their letter through a formal response within seven days of receiving the letter.
5. We received almost 500 pieces of feedback from kaimahi during consultation. Most of the feedback related to people's individual employment situations.
6. Additional themes of the feedback included:
 - Queries and feedback about disestablishment, future entities and individual business divisions
 - The consultation process and the purpose of the consultation, including clarity about individual situations (such as remuneration and benefits)
 - Feedback about morale and organisational culture.
7. To date we have confirmed around 280 staff will return to their role prior to the commencement of the restructuring and we have confirmed around 25 redundancies. This work is ongoing, and we expect to provide you with updated figures once we have concluded negotiations with individual kaimahi over the next two weeks.

Te Pūkenga National Office operating costs

8. At your appearance at the Education and Workforce Select Committee on Wednesday 6 March, you were asked about the operating cost of Te Pūkenga National Office.

9. Our expected National Office 2024 budgeted operating costs under “business as usual” conditions were 9(2)(b)(ii) . This primarily comprises personnel, governance, and travel costs.
10. Since receiving your LoE we have been and will continue to actively reduce expenditure on National Office functions. We expect the actual 2024 expenditure to significantly reduce as part of cost saving activities and reallocation of activities and kaimahi to business divisions.
11. We have excluded expenditure that fundamentally relates to business division operations, such as software licenses, audit fees and insurances that will likely exist in the future system. We have also excluded all one-off project-related expenditures. For example, transformation and transition, and Learner and Strategic Component Funding projects.
12. I have commenced a detailed (line by line) review of costs at the “centre” with a view to reducing these as soon as possible. This may involve redundancies. I will keep you updated o these developments in the coming weeks.

Council decisions

13. Te Pūkenga made the following decisions at its 14 March meeting:
 - **Advisory Committee elections** – Council approved proposals to cease Advisory Committee elections and that current Advisory Committee members’ appointments are extended to 31 December 2024, subject to them still meeting the requirements under the Education and Training Act 2020.
 - **Disestablishment Working Group (DWG) Terms of Reference** – Council approved the Terms of Reference for the DWG and appointed Jeremy Morley as Chair and Bill Moran as a member of the DWG.
 - **National Delegations Policy and Standing Delegations Register** – Council approved the revised Delegations Policy, which increases local decision making without reference to the national office. This will be communicated throughout the organisation to delegation holders.

Empowering regional leadership

Specialist Advisors

14. We held workshops with our seven Specialist Advisors on 8 and 11 March. These Workshops traversed a range of topics including:
 - Development of a problem statement to agree what ‘problem’ the group are working to solve, and areas to be considered for mitigation
 - Collaboration vs competition in any future model and the balance between these two approaches
 - Centralised functions and services
 - The background that has led to current relationships with Māori and iwi
 - Preparing Specialist Advisors for future engagements with communities, including Māori and iwi.
15. The Specialist Advisors are now meeting the respective regional leadership and their team to better understand the status quo, and to discuss those aspects of current operations that are working well

or can be improved upon. This will be an ongoing process and we look forward to receiving further direction from you on your vision for the vocational system.

16. Tim Fowler and officials from the Tertiary Education Commission joined the Monday 11 March meeting to hear some of the discussions and provide an update on TEC's work, including financial modelling.



Gus Gilmore
Chief Executive
Te Pūkenga
15 March 2024

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OFFICIAL INFORMATION ACT 1982

Weekly Disestablishment Report – 22 March 2024

To:	Hon Penny Simmonds, Minister for Tertiary Education and Skills
Cc:	Tim Fowler, Chief Executive, Tertiary Education Commission
From:	Gus Gilmore, Chief Executive, Te Pūkenga
Date:	22 March 2024

Purpose

1. This report responds to your request, via the Tertiary Education Commission (TEC), for a weekly report from Te Pūkenga on disestablishment activities in line with your Letter of Expectations.
2. Given the regularity of this report, we consider that some workstreams and activities may not change significantly from week to week, especially as we await direction on future structures.

Progressing Disestablishment

Kaimahi consultation process

3. Our consultation process is on track to be completed by 5 April. We are currently finalising the process with individual kaimahi. We are awaiting final confirmation from around 90 kaimahi on offers made to them. We continue to work to finalise remaining offers for around 12 kaimahi.
4. I have initiated a review of national office and the centralised workforce with a view to reducing central roles to only what is essential to meet current legislative compliance requirements and undertake disestablishment work. I will provide you an update at our 28 March meeting.
5. The Finance, Risk and Audit Committee will meet next week and amongst other matters consider risks (including transition risk) and how we mitigate these as we progress disestablishment.

Empowering regional leadership

Specialist Advisors

6. The Specialist Advisor Group (SAG) met with the Tertiary Education Commission (TEC) on 19 March to discuss continued expectations on the scope of work for SAG. TEC provided a high-level timeline of expected activities and advice required by early to mid-May 2024 to inform advice to you in June. We are undertaking planning to ensure the SAG can deliver alongside regional/local management.
7. Next week we will be announcing SAG appointments to key regional stakeholders and seek meetings to begin regional engagements over the next two months.
8. We also have further SAG workshops in the coming week focused on international education, industry training and considering aspects of these areas that are working well or where improvements can be made.

Delegations

9. Our revised Delegations Policy took effect from 20 March and has been communicated to all relevant staff within business divisions. We will regularly consider how these are operating and determine if further devolution of decision making can be made.

Continuing to deliver

International student visa processing

10. On 19 March we met with Immigration New Zealand (INZ) to further discuss the implications of visa processing times. As we previously advised you there are approximately 1,400 learners who have been unable to start in Semester 1, which we estimate impacted about s 9(2)(b)(ii) in revenue.
11. We agreed to continue to support INZ with any improvements to visa processing processes. There are some business divisions where we can also improve the quality of visa applications to improve approval rates. We will also look at how we spread applications across intakes to manage the volume for INZ and the enrolment teams within business divisions.



Gus Gilmore
Chief Executive
Te Pūkenga
22 March 2024

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Weekly Disestablishment Report – 12 April 2024

To:	Hon Penny Simmonds, Minister for Tertiary Education and Skills
Cc:	Tim Fowler, Chief Executive, Tertiary Education Commission
From:	Gus Gilmore, Chief Executive, Te Pūkenga
Date:	12 April 2024

Purpose

1. This report provides you an update on disestablishment activities Te Pūkenga is undertaking in line with your Letter of Expectations.
2. Given the regularity of this report, we consider that some workstreams and activities may not change significantly from week to week, especially as we await direction on future structures.

Progressing Disestablishment

Creating our Futures consultation process

3. Our consultation process was completed on 5 April. As of 27 March, an outcome was achieved for 380 of 391 kaimahi (97%) either with an offer of a National Office role or with a disestablished role. For the remaining kaimahi active discussions continue and responsibility of identifying and implementation of suitable solutions has been delegated to Business Divisions.
4. Of the 380 kaimahi referred to above:
 - 308 returned to or remained in their Business Division role
 - 28 will continue in their Creating our Futures role, as these are functions that are still required to meet statutory and compliance needs
 - 37 redundancies were approved
 - seven resigned.

Unwinding previous restructuring plans and national office review

5. As noted in my 22 March report to you, now that the Creating our Futures consultation process has been completed, I have initiated a review of Te Pūkenga National Office. We engaged with unions earlier this week and began individual consultation with affected kaimahi.
6. Consultation will end for most kaimahi between 24-29 April subject to their current employment agreement. Individual Employment Agreements specify a requirement for ten days consultation and Collective Employment Agreements specify 20 days. From 29 April we will begin releasing decisions to kaimahi.
7. At this stage, 60 roles are proposed to be disestablished in line with the conditions of employment agreements or by mutual agreement. Around half of these redundancies are proposed to occur

over a period of six months. Around 21 roles will have a change in reporting line and 81 will have no change in or impact on their role as part of this review.

8. As I noted at our meeting on 28 March, we will need to balance our approach of reducing National Office costs with ensuring we have sufficient capability and capacity to meet our funding compliance, legislative and charter obligations, until such time as the organisation is disestablished and new entities have been stood up.
9. Today, we discussed at length with Te Pūkenga Council whether we needed to review staffing levels considering potential delays to the disestablishment of Te Pūkenga. I am confident we can continue with a focused approach and can add back resources if we need to at any point.

Disestablishment Working Group (DWG)

10. The DWG met on 8 April to begin exploring disestablishment, transition, and new entity establishment risks. DWG discussed potential risks at a high-level given the current thinking on future direction and structures and this work is still developing.
11. However, DWG noted focus areas for risk will be the transition of functions from Te Pūkenga to new entities and the time for transition. DWG also discussed the balance of continuing to undertake activities to prepare Te Pūkenga for disestablishment, the time Te Pūkenga may be required to exist and deliver its legislative and charter obligations, and clarifying our operating approach with Business Divisions as they take on more responsibility.

Empowering regional leadership

Specialist Advisors

12. On 8 April Specialist Advisors discussed the current financial state of individual ITP Business Divisions. We provided financial information and early forecasting to inform some of their thinking as part of their ongoing engagement with Business Division Executive Directors and finance staff. Specialist Advisors are also meeting with respective regional leaders and their teams to better understand the status quo, and to discuss those aspects of current operations that are working well or can be improved upon.
13. We will continue to support the Specialist Advisors as they undertake financial modelling and forecasting for the ITP Business Divisions. Their expertise will help shape the possible scenarios and assumptions of this modelling to show which Business Divisions and structural options may be viable in any future system.
14. We will continue to work with the Tertiary Education Commission on this modelling.

Continuing to deliver

International student 2024 forecast

15. Despite the delays in visa processing and need for improvement in quality of applications, we continue to track strongly with our international enrolments. In 2023, we enrolled 5,200 EFTS totalling approximately 9(2)(b)(ii) / EFTS). In 2024, we are forecasting around 6,500 EFTS totalling about 9(2)(b)(ii) / EFTS). This compares to a budget of 5,434 EFTS.

16. We will continue to reforecast based on incoming applications and enrolments and keep you updated.

Working collaboratively

Continuing regular engagement with TEC

17. We continue to meet and engage with the TEC. Tim Fowler and key TEC staff attend most Specialist Advisor workshops for part of the session. This ensures TEC is kept updated on progress of Specialist Advisor discussions. My Office staff also meet weekly with TEC staff on supporting the Specialist Advisors, disestablishment preparation activities and other matters.



Gus Gilmore
Chief Executive
Te Pūkenga
12 April 2024

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Weekly Disestablishment Report – 19 April 2024

To:	Hon Penny Simmonds, Minister for Tertiary Education and Skills
Cc:	Tim Fowler, Chief Executive, Tertiary Education Commission
From:	Gus Gilmore, Chief Executive, Te Pūkenga
Date:	19 April 2024

Purpose

1. This report provides you an update on disestablishment activities Te Pūkenga is undertaking in line with your Letter of Expectations.
2. Given the regularity of this report, we consider that some workstreams and activities may not change significantly from week to week, especially as we await direction on future structures.

Progressing Disestablishment

Te Pūkenga National Office review and Executive Team changes

3. Our National Office review process remains on track to be completed in early May 2024. All affected kaimahi have been notified of the proposed impact on their roles and consultation is now open. Consultation for most kaimahi will close on 29 April with decisions to begin to be communicated to affected kaimahi in the week of 29 April.
4. The national office review includes the review of the Executive Team. Over the last week we have advised your office that three of our Deputy Chief Executives (DCEs) will be leaving Te Pūkenga between 30 April and mid-June 2024. They are:
 - Andrew McSweeney – Deputy Chief Executive, Learner and Employer Experience and Attraction (finishes 30 April)
 - Keri-Anne Tane – Chief People Officer (finishes 31 May)
 - Michelle Teirney – Chief Financial Officer (finishes mid-June).
5. As part of the National Office review, the remaining executives become a Transition Leadership Team (made up of the two existing ELT members and me). I will not be replacing departing DCEs given we have already devolved some of their functions. However, I will contract in specialist finance support to assist the modelling of different future options, help with technical accounting issues and work that needs to remain at the centre while Te Pūkenga is still in existence.
6. The Transition Leadership Team will need to retain national oversight of many functions to ensure Te Pūkenga continues to meet its legislative and Charter obligations. I am currently

determining these oversight and responsibility arrangements for the remaining leadership members.

7. The Council and I consider that the possible delays to the disestablishment of Te Pūkenga and continued uncertainty of the future vocational education system and structure creates resourcing risks across the network. While we are moving at pace in reviewing the National Office, retention of remaining staff will become increasingly difficult and I'm considering how I address these issues.
8. Our focus continues to be on providing stability for kaimahi across the network, as best as we can through clear direction and communications, given the increased timeframe we will likely be in transition to disestablishment. As part of this, I am making a concerted effort to visit divisions and meet with their leadership teams, addressing questions and concerns. Visits this week included SIT and Otago Polytechnic which were productive, and I was able to reassure staff and keep them informed of changes.

Empowering regional leadership

Specialist Advisors

9. In the week of 15 April, the Specialist Advisors held several workshops to discuss alternate models for the sector in the future, international education, and academic services and quality.
10. On 9 May, Te Pūkenga Council and Specialist Advisors will hold a workshop to shape their early advice and options to be submitted to the Tertiary Education Commission (TEC). This advice will also be informed by the April 2024 Single Data Return and Industry Training Register enrolments and updated financial forecasts.

Review to devolve further functions to Business Divisions

11. We will continue to regularly review functions and activities (including the delegation's policy and organisational policies) occurring at National Office and where these can be further devolved to business divisions under the current legislative and regulatory settings. In line with your Letter of Expectations we need to also ensure that in this process we do not make the disestablishment of Te Pūkenga or establishment of future entities more difficult or more costly for the Government.
12. We are working on further changes to the delegations policy that will facilitate this further devolution of decision making. I plan to take a paper to Council in June to gain approval for new delegations.

Continuing to deliver

2023 Annual Report timeframes

13. Recent years' audits of Te Pūkenga, especially during the years of establishment, have been complex and have often been delayed. This has been due to the complexity of the audits required, Covid-19 challenges and auditor resourcing constraints at Audit New Zealand.

14. Our audit for 2023 has been a much smoother process and we expect it to be completed sooner than previous years. We are in the final stages of the audit and although there is likely to be a short delay in clearance, this will not be material, nor will it impact further qualifications. Once cleared we will finalise our annual report and submit it to you to table in Parliament.

Proactive release of official information

15. In line with our official information policy, we will begin proactively releasing Official Information Act (OIA) requests on our website. We will provide relevant OIAs to your office either for your information or consultation under the requirements of the OIA and subject to the requests received.

16. This will further cut down the workload at the national office.

Working collaboratively

17. I met recently with TEC, and we continue to work closely on the disestablishment, including providing TEC with data and information on future models.



Gus Gilmore
Chief Executive
Te Pūkenga
19 April 2024

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Weekly Disestablishment Report – 3 May 2024

To:	Hon Penny Simmonds, Minister for Tertiary Education and Skills
Cc:	Tim Fowler, Chief Executive, Tertiary Education Commission
From:	Gus Gilmore, Chief Executive, Te Pūkenga
Date:	3 May 2024

Purpose

1. This report provides you an update on disestablishment activities Te Pūkenga is undertaking in line with your Letter of Expectations.
2. Given the regularity of this report, we consider that some workstreams and activities may not change significantly from week to week, especially as we await direction on future structures.

Progressing Disestablishment

National Office Review

3. In the week of 8 April, I initiated a review of Te Pūkenga National Office. We engaged with unions on our approach and proposed timeframe. All affected kaimahi were notified of the proposed impact on their roles and consultation opened in the week of 8 April. Consultation for most kaimahi closed on 29 April and we began communicating decisions to affected kaimahi this week.
4. Of 169 total roles at National Office, I am proposing that by November 2024 about 98 will remain. 66 roles are proposed to be disestablished in line with the conditions of employment agreements or by mutual agreement. Most of these roles are proposed to be disestablished over a period of six months. 17 other roles will have a change in reporting line and 81 will have no change in or impact on their role as part of this review. Five staff have resigned.

Empowering regional leadership

Specialist Advisors

5. On 3 May Specialist Advisors will be meeting to discuss work-based learning, a detailed financial analysis of Open Polytechnic and the approach for developing and drafting the options analysis and advice to be provided along with reforecast modelling to the Tertiary Education Commission in early June.
6. On 9 May the Council and Specialist Advisors meet to workshop and discuss possible regional structural options that are financially unsustainable, and options for Work-based learning and shared services.

Delegations

7. This week we considered further updates to the Delegations Register given disestablishment of further leadership roles. The updated delegations register will take effect from 20 May 2024. We will continue to review the delegation settings throughout the year.
8. Key changes reflected in this update are:
 - Updates to reflect the current executive leadership structure as we move forward into a transition structure;
 - Further devolution of the Capital limit. Executive Directors can now approve up to \$1,000,000 as aligned to the devolved budget. Regional Digital Leads can sign capex to \$150,000.

Continuing to deliver

Enrolments

Regional business divisions

9. As at 5 April 2024, we continue to see an increase in our domestic equivalent full-time students (EFTS) of 5.6% compared to the same time last year. While the number of learners enrolled is slightly lower in 2024 (compared to 2023), the increase in the number of enrolled EFTS indicates that learners are undertaking a greater level of study.

Work-based learning (WBL) divisions

10. Enrolments have reduced for our WBL divisions as at 5 April 2024 compared to the same time last year. Given the current softening labour market, this decrease is unsurprising as employers are less likely to invest in training for their employees and must make difficult decisions about where to save costs in their organisations.

International learners

11. Despite the delays in visa processing and need for improvement in quality of applications, we continue to track strongly with our international enrolments. As at 5 April 2024, we have seen a 44% increase in the number of international EFTS compared to the same time last year.

Table 1: Enrolments as at 5 April 2024 compared to 5 April 2023

Enrolments	5 April 2023	5 April 2024	% Change
Institutes of Technology and Polytechnics Total EFTS	43,541	45,990	+5.6%
Institutes of Technology and Polytechnics Total Learners	102,717	99,839	-2.8%
International Total Learners	5,384	7,333	36.2%
International Total EFTS	3,151	4551	+44.4%
Work-based Learning Total Learners	76,886	60,515	-21%
Work-based Learning Total STM	10,744	8,329	-22.5%

Q1 2024 quarterly report

12. Te Pūkenga is required to produce a quarterly report for the Tertiary Education Commission (TEC) following the end of each quarter. The Q1 2024 Quarterly Report was submitted to TEC on 29 April 2024.



Gus Gilmore
Chief Executive
Te Pūkenga
3 May 2024

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Disestablishment Report – 14 June 2024

To:	Hon Penny Simmonds, Minister for Tertiary Education and Skills
Cc:	Tim Fowler, Chief Executive, Tertiary Education Commission
From:	Gus Gilmore, Chief Executive, Te Pūkenga
Date:	14 June 2024

Purpose

1. This report provides you an update on disestablishment activities Te Pūkenga is undertaking in line with your Letter of Expectations.
2. Given the regularity of this report, we consider that some workstreams and activities may not change significantly from week to week, especially as we await direction on future structures.

Progressing Disestablishment

National Office Review

3. The National Office review is well advanced. As at 24 May 2024, the National Office headcount was 149. We expect this to reduce to around 86 by 30 September and then to around 62 by 31 December (or about 36% of total National Office kaimahi from when we first began the review earlier this year).
4. What resource is left at the centre is very small and focused on compliance requirements, reporting, OIA administration and communications. These figures may be subject to some changes as we move through the process during the remainder of the year.

Progress of capital asset disposals

5. As outlined in our 2023 Finance Strategy and Plan, we began surplus capital asset disposals to consolidate our property footprint, reduce associated costs, generate revenue and improve utilisation across the network. Table One below outlines surplus assets approved for disposal and their status.
6. Following your letter of 20 May 2024 clarifying your expectations for Te Pūkenga to continue improving its financial viability and that of future entities, we are currently looking at further surplus assets for disposal, I expect to provide this list to your office and the TEC early next week.

Table One: Current status of approved surplus capital asset disposals

Division	Campus	Property Address	2023	2024	2025	Current process step
Weltec	Petone	10 Udy St, Petone	\$4,050,000			Settled
Toi Ohomai	Tauranga	198 Cameron Rd, Bongard Building		\$10,000,000		PWA Acquisition - working with LINZ on next steps.
Wintec	Rotokauri	Part A- 1 Akoranga Rd			\$10,500,000	Awaiting Secretary of Education approval
Wintec	Rotokauri	Part B - 1 Akoranga Rd			\$8,620,000	Awaiting Secretary of Education approval
Weltec	Petone	105 Victoria St, Petone	\$1,255,000			Settled
WITT	New Plymouth	5 Cracroft St		\$610,000		Fully approved (ready for S40*)
Ara	Christchurch	ST Block 33-35 Allen Street		\$778,981		Fully approved (ready for S40)
Ara	Christchurch	35 Hassals Lane, Waltham, Sevenoaks	\$2,754,000			Settled
Ara	Timaru	Bluestone House, Timaru Campus			\$0	Fully approved (ready for S40)
Total			\$8,059,000	\$11,388,981	\$19,120,000	

*S40 – Section 40 of the Public Works Act 1981 provides that where land is no longer required for a public work, it must be offered back to the person from whom it was acquired or to their successor.

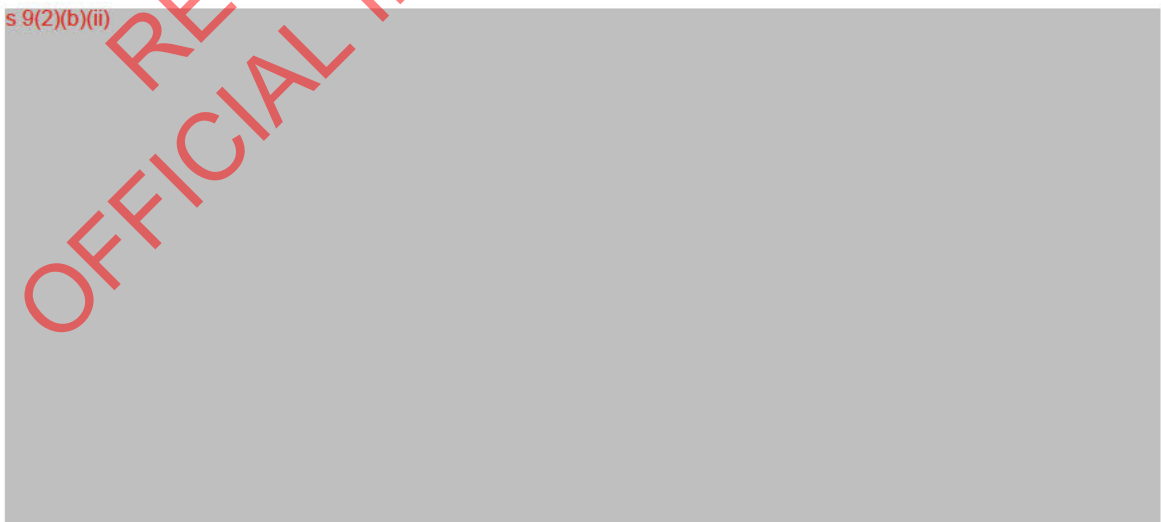
Updated financial forecasts

- During the year we have been providing regular financial modelling and updates to the Tertiary Education Commission (TEC) to inform its advice to you. This has included forecast surpluses and deficits of the polytechnic divisions as stand-alone entities, using assumptions provided by the TEC. The below table provides our most recent financial forecast for the polytechnic divisions incorporating 2024 Budget decisions. This does not consider various options discussed by the Specialist Advisors (see Specialist Advisors section) to make some of these entities viable by 2026. We provided the below table to TEC on 11 June.

Table two: Polytechnic Divisions Net surplus/deficit – 2024-2028

Net Surplus/(Deficit)	Units	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28
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s 9(2)(b)(ii)



Empowering regional leadership

Specialist Advisors

- On 10 June, following a request from your office, via the TEC, the Specialist Advisors met to discuss options that could be considered to make a small group of ITP divisions financially viable by 2026. They considered six entities – Ara, Open Polytechnic, SIT, Otago, MIT/Unitec, and EIT. The discussion included possible asset sales/disposals, exiting unviable programmes and discussing divisional forecasts for enrolments.
- Further financial analysis is currently being conducted with Specialist Advisors to develop a possible set of proposals that could lead these entities to viability by 2026. This information will be provided to you and TEC early next week ahead of your meeting with the Specialist Advisors on 18 June.

Continuing to deliver

Enrolments

- As at 7 June 2024, there is an increase in enrolments (domestic and international) of 6.9% in ITP divisions compared to the same time in 2023. Three ITP divisions are showing decreases in 2024 – SIT, Otago and WITT.

Table three: ITP division enrolments as at 7 June 2024

Domestic learners	2024 Budget YE	2024 YTD	2023 YTD
	50,622	45,981	44,022
International learners	2024 Budget YE	2024 YTD	2023 YTD
	5,351	4,600	3,301
Total learners	2024 Budget YE	2024 YTD	2023 YTD
	55,973	50,581	47,323

- Work-based divisions do not report “enrolled” data but provide data on “Active Learners”. This data is as of 30 April 2024 and shows a decrease of 19% compared with the same time in 2023. All work-based divisions are showing decreases with BCITO, Careerforce, Competenz, ServiceIQ and Primary ITO experiencing decreases of more than 1,000 learners.

University Advisory Group submission and Performance-Based Research Fund

- On 31 May, we made a submission as part of the first consultation phase of the University Advisory Group (UAG) which asked high-level sectoral questions considering the role of universities in New Zealand.
- Our submission provided perspectives collated from key kaimahi across Te Pūkenga business divisions. This included the role of universities as institutions and within the tertiary education system. We suggested the UAG consider the merits of product rationalisation and enhanced collaboration in the delivery of education, research and scholarship, from within the universities, and more broadly with other public actors within the tertiary education system.

14. We also consider that universities have a limited presence in rural and regional Aotearoa New Zealand, however, Te Pūkenga and its business divisions can support the system with physical, community and relational infrastructure that can better support community engagement. We encouraged the UAG to consider how this can be better utilised across the tertiary education system.
15. The UAG will also be considering possible improvements to funding mechanisms and the role of the Performance Based Research Fund (PBRF). As you will be aware Te Pūkenga receives PBRF funding and will be impacted by any possible changes made to the PBRF.
16. Our total PBRF funding for 2024 is \$8.4 million spread across 14 ITP divisions. These divisional allocations range from around \$42,000 (WITT) to over \$3 million (Unitec).

Meeting with Chinese Ministry of Education officials

17. On 13 June we hosted Chinese Ministry of Education officials at the MIT Tech Park in Manukau and Ngā Kete Wānanga Marae in Otara. They were part of a delegation visiting New Zealand led by Chinese Premier Li Qiang and Chinese Minister of Education, Minister Huai.
18. We discussed progressing our vocational education alliance with the Chinese Ministry of Education. We also discussed how we can further expand the Alliance to deliver mutual benefit. The Alliance has the potential to open the Chinese market to significant sub-degree / vocational training programmes. This initiative was one of five key priorities signalled by the Chinese Minister of Education during the Prime Minister's visit in 2023, and the Chinese Minister's visit to New Zealand later in that year.
19. Seven fields of vocational study have been identified as areas of collaboration as part of the alliance: early childhood education, tourism and hospitality, culinary arts, age healthcare, cross border e-commerce, electric vehicle technology and veterinary science.

WorkSafe Enforceable Undertaking

20. In March 2022, a vehicle exiting the Toi Ohomai Windermere campus aquatic and fitness centre collided with a barrier gate partway across the road. Unfortunately, the driver sustained significant injuries.
21. As a result, Te Pūkenga was charged under sections 37(1) and 48(1) & (2)(c) of the Health and Safety at Work Act 2015. We applied to WorkSafe for an enforceable undertaking (EU), which it accepted in May 2024.
22. The EU will be published on the WorkSafe website soon. It provides financial amends to the victim and commits us to several activities that aim to strengthen wellbeing and safety in the local community and across Aotearoa New Zealand. The activities include water safety initiatives for underserved people, integrating a kaupapa Māori approach into contracting relationships, developing a tool for psychosocial risk management in schools, and supporting the alignment of New Zealand health and safety qualifications with international good practice.



Gus Gilmore

Chief Executive – Te Pūkenga

14 June 2024

From: s 9(2)(a)
To: [redacted]
Cc: [tim.fowler](#); s 9(2)(a); [Gus Gilmore](#)
Subject: Te Pūkenga - Response to Minister's questions - 30 Jan 2024
Date: Tuesday, 30 January 2024 6:10:00 pm
Attachments: [image001.png](#)
Importance: High

Kia ora s 9(2)(a),

Thank you for sending though the below questions, via the TEC, for us to provide some responses to further inform the Minister's thinking.

Given the timeframe and where possible, we have provided responses to address the Minister's questions.

I'd like to reiterate our offer to meet with the Minister and discuss these and other matters to ensure we are working in line with the Government's expectations.

If you have any further questions or requests for clarification, please do not hesitate to contact me.

Ngā mihi, nui

s 9(2)(a)

tepukenga.ac.nz

-

Introduction

Many of topic areas below are operational matters that we are working through in line with your Letter of Expectations. Some of these areas will depend on future Cabinet decisions on the end state for the sector. In these cases, our current thinking is included below.

Q1 - How many positions that have people who are not from the original ITP or ITO sector, which have had workstreams halted, and timeline for their redundancies?

We are still currently working through the implications of staffing from halted workstreams. We do not hold information about staffs' previous employment outside of the "ITP" and "ITO" sectors in a centralised way. However, we expect to finalise our approach and communicate with staff on Friday 2 February 2024, with further briefings to staff and unions beginning the week of 12 February. We plan to send you and the TEC further information about our approach later this week.

Q2 - Update on Tech One implementation and confirmation that it is not being designed for one instance but rather multiple instances for Multiple entities.

Tech One is being setup with multi-entity capability. While Divisions remain as part of Te Pūkenga we still need to report within the entity but we have reviewed the setup structure to ensure the primary reporting delineation will be by Division to ensure integrity is maintained in Profit and Loss, and Balance Sheets. These can then easily be cutover to a new entity structure when established.

Q3 - Confirmation that the Managed Cyber Detection Security system is not being designed for centralised service by one head office and that it will be for individualised sites.

The managed Detection and Response service is operating through a single agreement between Datacom (the service provider) and Te Pūkenga. This is a nationally delivered service into each of the divisions, which provides each division with 24/7/365 Cyber Security detection and emergency response capability over their most critical assets. Each of the divisions enrolled into the managed service have complete autonomy and control over all the devices that are managed in this service and could withdraw at any time if they wish, however doing so would expose those divisions to significant risk due to the fact that none of the divisions have any 24/7/365 capability.

A small national team of volunteers made up of suitable people from each division operate the internal response capability in conjunction with the partner to enable this national programme to be successful. Although it is a centralised service, it's best to think of it as a national shared service operated by each of the divisions. To date it has been paid for centrally and would need to be paid for by all its consumers on the dissolution of Te Pūkenga.

Q4 - Confirmation that TP HO have directed NZQA to allow Individual ITPs to utilise their Edumis numbers for programmes and not having to put everything through the TP Edumis number.

We have not discussed with NZQA the use of alternative Edumis numbers by current Business Divisions for programme approvals, at this stage. We will need to consult with MoE, TEC and NZQA about the appropriate approach and timing utilising previous entity Edumis numbers to any newly established entities. Use of specific Edumis numbers will be subject to the number of entities in the end state.

Q5 - Confirmation that no new Head Office or Rohe positions have been made since my LoE including no Communication positions.

As we noted in our update to you last week, we immediately stopped progressing the structural changes to a national organisation and are currently working through undoing the structural changes that had already occurred, and addressing the people impacts. We have not created any new Te Pūkenga head office roles or appointed to any of those roles after receiving your Letter of Expectations, other than completing processes already underway.

For most staff affected by the restructure, subject to legal advice and process, we intend to return them to their previous regional divisional role, unless the need to support the disestablishment is better served by some teams/individuals staying in their current role, e.g. Finance, Property - progressing property rationalisation, Communications - managing disestablishment communications, HR – managing the staffing issues as we reshape internally to reflect the end state. We will continue to review these roles with a view to devolving to the regions as appropriate.

Q6 - Confirm that HO positions that have people who are from ITPs and have projects halted have been advised to ask their home ITP for work to undertake and that they are not spending time at home doing nothing.

As we noted above we expect to finalise our approach and communicate with staff on Friday 2 February 2024, with further briefings to staff and unions beginning the week of 12 February. We plan to send you and the TEC further information about our approach later this week.

Once we have consulted with staff about their preferred approach to their employment, those that choose to stay on in their previous roles will be assigned appropriate work to ensure they can contribute to the Business Division within which their role sits and support vocational education and training in their region. There are no obvious roles within national office where kaimahi are underutilised currently. Projects may have stopped but transitional work or other deliverables have or will be reallocated to these kaimahi. We recognise this is short term but the close down process of the structural changes will quickly address much of this.

Q7 - Confirmation the individual ITP campuses have been given authority to develop their own international marketing material and setting their own fees and have been advised to proceed with urgency to recruit International students.

International marketing material and fees for the 2024 year were agreed and finalised in the second half of 2023 prior to receiving your Letter of Expectations. Marketing and advertising began prior to the end of the 2023 for prospective students in 2024.

All our ITP campus-based divisions have been asked to accelerate as much as possible international student recruitment. We have seen significant growth in student numbers and we will see a strong lift in income due to higher prices and strong demand. The international teams are very active with agents and offshore markets which has driven the growth in student numbers.

Our 2024 international enrolments are up compared to the same time in 2023. As at 19 January 2024 our international student enrolments were 2,455 compared to 1,414 at the same time in 2023. We are expecting updated indicative enrolment data next week.

As we noted in our update to you last week, we have stopped the progress towards a new Te Pūkenga brand architecture and are returning to single Division branding domestically and internationally. In the absence of understanding the final state, we need to ensure that this is being done cost effectively and where there is little or no new cost, e.g. new fleet signage, all marketing campaigns and online, running out existing co-branded stock before changing.

Update for the Tertiary Education Commission (TEC) and Minister

In the week beginning 12 February 2024, Te Pūkenga will start consulting with kaimahi most affected by Tāraia te anamata | Creating our futures. This consultation will include:

1. Kaimahi in disestablished roles
2. Kaimahi who have accepted or received offers for new roles
3. Kaimahi who were advised of a reporting line change (sometimes called 'lift and shift' or 'mapped in').

These kaimahi will receive individual letters detailing the options available to them and how to share their feedback, preferences, and any concerns with People, Culture, and Wellbeing (PCW).

The standard consultation period for unionised staff is between 20-28 days, but we are negotiating to try and move as quickly as possible to give effect to the Minister's Letter of Expectations and to provide as much certainty to kaimahi as possible. We anticipate that the consultation will close on 28 February 2024.

Once the consultation period closes, feedback will be reviewed, and decisions communicated to with kaimahi. This will happen well before the 5 April role disestablishment date.

Key messages

Kaimahi are critical to our success. Retaining staff in critical local roles is a top priority, along with giving kaimahi clarity about their employment and ensuring their wellbeing and safety throughout the disestablishment process. These principles underlie the approach we are taking.

We have sought expert advice. We have sought legal advice and consulted regional leaders and union partners to determine how to best approach undoing Tāraia te anamata | Creating our futures organisational structure in line with the Minister's expectations that we disestablish Te Pūkenga.

Consultation will start 12 February and close at 5pm on 28 February 2024.

Te Pūkenga and its business divisions will keep delivering high-quality vocational education and training. This has to be our primary focus. We are committed to ensuring organisational changes will not impact our learners or their skills and qualifications.

Consultation timeline		
When	Audience	What
2 February	Unions	Chief People Officer notifies unions.
2 February	All kaimahi	Te Pukenga email to all kaimahi updating them on dates and process.
2 February	Leaders	ELT and PCW briefing to senior leaders, including FAQs.
Week of 12 February	Letters to affected kaimahi	PCW email options letters to affected kaimahi offering to meet with them and leaders. Consultation begins.

Ongoing week 12 February	Individual hui with affected kaimahi	Leaders and PCW meet with kaimahi who received an offer to consult on options.
Expected closure ~28 th February	All kaimahi	Consultation closes.
5 March	ELT	PCW prepare report to ELT who review feedback and engage with senior leaders and unions. Council, TEC and Minister updated.
No later than week of 18 March	PCW	Managers and PCW meet with kaimahi to confirm decisions. All kaimahi updated.

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From: s 9(2)(a)
To: s 9(2)(a)
Cc: Gus Gilmore; tim.fowles; s 9(2)(a); Gillian Dudgeon; s 9(2)(a)
Subject: RE: Te Pūkenga - Disestablishment report - 14 June 2024
Date: Wednesday, 19 June 2024 9:14:00 pm
Attachments: [image001.jpg](#)
[image002.png](#)

Kia ora s 9(2)(a),

Many thanks for passing on the Minister's questions. Below are responses to those questions.

1. Types of roles the approximately 60 staff remaining at head office by 31 December will have.

As we noted in our update, these roles may be subject to change during the year. These roles are focused on ensuring we continue to meet our legislative requirements and include staffing in the following areas:

- Transition Leadership team of three and the Chief Executive
- Finance Team (a small number of national functions including contract management staff)
- People, Culture and Wellbeing Team (small number of national roles to manage change cost-out related restructures)
- Small Digital Team (including management of cybersecurity, FMIS and the DSR digital project)
- Legal, Risk and Assurance, OIA roles – to support legislative and compliance functions
- Governance support for the Council, FRAC, Kaimahi advisory, student advisory and Māori advisory
- Disestablishment programme team, including change communications and project support – to support work programme related to disestablishment and establishment of viable entities

We will review these roles once further decisions are taken by the Government on the future of the sector.

2. Why the updated financial forecasts provided did not consider various options discussed by the Specialist Advisors at their 10 June meeting.

Given the timing of the request from the Tertiary Education Commission and the timing of the session with the Specialist Advisors, there wasn't sufficient time to update the financials with the options considered. We have since updated these and provided updated financials that account for options considered by the Specialist Advisors. These were sent to your Office on 18 June for Ara, Open Polytechnic, EIT, Unitec/MIT, SIT and Otago and discussed with you at our meeting that night. These will continue to be reviewed and updated as further information and assumptions are provided.

3. Whether the activities outlined in our enforceable undertaking with WorkSafe are requirements from WorkSafe?

Enforceable undertakings are voluntary agreements between WorkSafe and a duty holder. They are legally binding and are generally used as an alternative to prosecution. In line with the enforceable undertaking process our application included:

- acknowledgement of the issues that led to the breach
- how we would address these issues
- the actions we would take to benefit workers, the workplace, industry or the community, and
- how we would make amends to the victim.

Our proposed actions were accepted by WorkSafe, and the prosecution process stopped. WorkSafe will monitor the actions agreed to ensure completion. The enforceable undertaking was published today and can be found here: [Te Pūkenga – New Zealand Institute of Skills and Technology | WorkSafe](#)

Ngā mihi, nui

s 9(2)(a)

From: s 9(2)(a) <[redacted]@parliament.govt.nz>
Sent: Tuesday, June 18, 2024 2:36 PM
To: s 9(2)(a) <[redacted]@tepukenga.ac.nz>
Cc: Gus Gilmore; s 9(2)(a); tim.fowles; s 9(2)(a); Gillian Dudgeon; s 9(2)(a); s 9(2)(a)
Subject: RE: Te Pūkenga - Disestablishment report - 14 June 2024

Hi s 9(2)(a)

Minister has read and noted report and has two questions. Questions are for item numbers 3, 7 (please see attached for questions)

And under WorkSafe Enforceable Undertaking – what are the requirements from WorkSafe.

Ngā mihi

s 9(2)(a)

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From: s 9(2)(a) <[redacted]@tepukenga.ac.nz>

Sent: Friday, June 14, 2024 12:10 PM

To: s 9(2)(a) <[redacted]@parliament.govt.nz>

Cc: Gus Gilmore s 9(2)(a) <[redacted]>; tim.fowler s 9(2)(a) <[redacted]>; Gillian Dudgeon s 9(2)(a) <[redacted]>

s 9(2)(a)

Subject: Te Pūkenga - Disestablishment report - 14 June 2024

Kia ora s 9(2)(a),

Please find attached Te Pūkenga Disestablishment report for 14 June 2024.

If you have

Ngā mihi, nui

s 9(2)(a)

s 9(2)(a)

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