



**Te Pūkenga**

Level 2, Wintec House  
Cnr Anglesea and Nisbet St.  
Hamilton 3204

0800 86 22 84  
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4 April 2024

s 9(2)(a)

By email: s 9(2)(a)

Tēnā koe s 9(2)(a)

### **Request under the Official Information Act 1982**

Thank you for your email dated 20 March 2024, requesting the following information from Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga):

*... please provide me with the response/"report back" made to Minister Penny Simmonds, as requested in her Letter of Expectations 2023.*

You provided the following excerpt from the Letter of Expectations for reference:

*I would like Te Pūkenga to report back to me by 15 December 2023 on the status of its current work plan in light of the contents of this letter. This should outline the key decisions facing the organisation in coming months that may impact on the proposed disestablishment.*

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

### **The decision**

One letter dated 15 December 2023, emailed to the Minister for Tertiary Education and Skills, Hon Penny Simmonds' office, falls within scope of your request and is attached as **Appendix One**.

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](http://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 Taupua** | Chief Executive



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**Hon Penny Simmonds**

Minister for Tertiary Education and Skills  
Parliament

By email: [Penny.Simmonds@parliament.govt.nz](mailto:Penny.Simmonds@parliament.govt.nz)

15 December 2023

Tēnā koe Minister

Thank you for meeting with me and my fellow council members Bill Moran and Jeremy Morley on 13 December 2023. Prior to our meeting with you we had met with your officials from the Tertiary Education Commission (TEC).

Given your Letter of Expectations to Te Pūkenga, and the Government's policy direction to disestablish Te Pūkenga and shift back to regional autonomy, we appreciated your time to discuss your priorities and how these might best be achieved. We consider it is important to confirm with you our discussion, and to provide you with some high-level thoughts on what we consider we could focus on given that legislative changes will be some time away and that we are still required to work within the existing legislative framework.

**Our people**

As you noted, with any change in direction there is uncertainty and during this transition we consider it is our role to support our people, staff and ākongā alike. It is fair to say that the Executive Leadership Team had been driving very hard over the last year to establish Te Pūkenga as required under the previous Government's Letter of Expectations. That team is now required to disestablish Te Pūkenga. As we noted in our initial response to you, there is a heightened risk that the current Executive Leadership Team could be unsettled, and some members may choose to leave. In the next week we will meet with individual members to better understand their future plans and to offer support.

Council will now set out with the help of the Executive Leadership Team to deliver on the intent of your Letter of Expectations while balancing all the obligations placed on it under the Education and Training Act 2020 until new legislation is passed.

In line with your expectations to reconsider activities that may reduce integral capability in business divisions, our immediate focus is to work through what this change in direction means for kaimahi who have had their roles disestablished and for kaimahi appointed to the new roles. We will be working closely with staff and seeking to support and retain staff within the network. This will have financial implications which we are working to quantify.

Given our Charter obligations to "operate in a manner that ensures [its] regional representatives are empowered to make decisions about delivery and operations that are informed by local relationships and to make decisions that meet the needs of their communities", we consider we are able to give effect to your expectations within the current framework while disestablishment work begins.

Council wants to take a collaborative and pragmatic approach to working alongside you, TEC, and the Ministry of Education to ensure we can give best effect to policy. In order to do this, we have a starting list of priorities.

## Priorities

The key and urgent priorities we have determined are as follows:

- Finalise how we can establish a smaller and tighter governance structure and decision-making framework, through any reconfiguration of Council and its Committees noting your advice that Council terms will not be extended on expiry of terms, and there is no intention to appoint further Council members.
- Support the existing management team through appropriate assurances, other contractual mechanisms, and internal and external resources to ensure that we are well prepared for “business as usual” activities including the wellbeing, safety, and educational needs of our staff and ākonga, and minimise disruptions as we move into 2024.
- Finalise our operational and financial obligations for 2023 and ready ourselves for year-end close-off and audit.
- Continue with commitments and work we have already undertaken aimed at returning the network to viability and sustainability and which are not inconsistent with the future policy direction.
- Consider all options to deliver greater levels of decision-making and authority to our business divisions to support respective regions. We need to work through the implications of these options and consult and work with our business division staff to operationalise these.
- Consider how to give effect to the Letter of Expectations in relation to work-based learning and ITO business divisions. We will look to maintain and strengthen existing and future relationships with industry and employers, including ensuring open and constructive consultation with them. This will enable us to manage and mitigate significant risk, including any adverse financial implications, across the network.
- Work with your officials and regional staff and stakeholders on scoping, design, and costing to give effect to the future policy directions
- Ensure that outstanding and ongoing issues of educational, operational, and financial compliance are resolved and maintained.
- Actively manage and mitigate risks around the above matters.
- Robust and regular communication with staff, ākonga, the network, and stakeholders.

Following our discussion, we noted you and your officials were generally supportive of this direction.

## Governance

It is our view, and one shared by you and your officials, that there needs to be some immediate changes to our structure and membership aimed at achieving timely, efficient, and effective decision-making. To this end, we are working to implement the following:

- Combining the current Finance and Capital Investment Committee (FinCap) with the Risk and Audit Committee, with the current Chair of FinCap staying in that role as Chair of the combined Committee. We will then review membership and terms of reference which can be approved by resolution of Council.

- Reviewing the Terms of Reference of the Health, Safety and Wellbeing, and Appointment and Remuneration Committees to determine if further changes and/or delegations are required to govern our people and culture policies and procedures, as we work through the next 12 months.
- Working with TEC and the Ministry of Education to discuss any possible repurposing of the recent Crown Loan given the digital transformation programme has now been ceased. This may include revising the terms to support the new policy direction.
- Passing any resolutions at a special meeting of the Council on 15 December 2023 to give effect to the above actions.

## **Ongoing Commitments, Opportunities, Financial Implications and Redesign of the New Network**

There are several workstreams underway which need to be continued, especially in respect of capital projects, personnel restructures, and management and monitoring of the FY2024 budget. However, because of the proposed disestablishment there are also several workstreams that have already stopped or are likely to cease, especially those in respect of digital transformation and fully implementing the new organisation structure.

We are committed to working with regional staff and regional stakeholders to ensure their input/views are considered as part of financial decisions, while noting that there needs to be a significant reduction in expenditure across many business divisions to align with lower student numbers. It is worth noting that the announcement of the disestablishment and the uncertainty that creates is impacting enrolments. In the coming months we will further review these with the aim of identifying what further work can commence or cease, and how the FY2024 budget can be best managed and achieved.

We will be cognisant of the future capability that may be needed following the proposed disestablishment and will carefully consider potential redeployment of current resources. We will need to also work very closely with you, your officials, and stakeholders on the disestablishment process and welcome this opportunity and the sharing of information, ideas, and testing options in a completely transparent and cooperative environment.

### **Conclusion**

In summary, the Council and management of Te Pūkenga is committed to the work ahead. We will continue to keep you and your officials regularly informed and consult on a regular and “no surprises” basis, including through regular reports to your office from 2024.

We look forward to working with you and your ongoing support.

Ngā mihi nui,



Sue McCormack  
Deputy Chair of Te Pūkenga Council

### **CC:**

Jenn Bestwick, Chair, Tertiary Education Commission

Iona Holsted, Secretary for Education

Tim Fowler, Chief Executive, Tertiary Education Commission