

Tertiary Education Report: Report to Ministers from the Lincoln University Governance Oversight Group – June 2023 meeting

Date:	24 July 2023	TEC priority:	Medium
Security level:	In Confidence	Report no:	B-23-00666
		Minister's office No:	

ACTION SOUGHT		
	Action sought	Deadline
Hon Jan Tinetti Minister of Education	<p>note that the Lincoln University Governance Oversight Group met on 28 June 2023 and the Chair of the Governance Oversight Group's report to Ministers is attached.</p> <p>forward this briefing and the Chair's report to the Minister of Finance for his information.</p>	As soon as practicable
Enclosure: Yes	Round Robin: No	

CONTACT FOR TELEPHONE DISCUSSION (IF REQUIRED)				
Name	Position	Telephone		1st contact
9(2)(a)	Principal Advisor	9(2)(a)	9(2)(a)	✓
Gillian Dudgeon	Deputy Chief Executive, Delivery	9(2)(a)	9(2)(a)	

THE FOLLOWING DEPARTMENTS/AGENCIES HAVE SEEN THIS REPORT

- DPMC
 MPI
 ENZ
 ERO
 MBIE
 MoE
 MFAT
 MPP
 MSD
 NZQA
 NZTE
 TEC
 TPK
 Treasury

- Minister's Office to Complete:**
- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments:

Recommendation

Hon Jan Tinetti, Minister of Education

It is recommended that you:

1. **note** that the Lincoln University (Lincoln) Governance Oversight Group (GOG) met on 28 June 2023 and the Chair of the GOG's report to Ministers is attached.
2. **forward** this briefing and the Chair's report to the Minister of Finance for his information.
3. **agree** that the Tertiary Education Commission proactively release this briefing and the Chair's report with commercially sensitive information withheld to allow Lincoln to carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).



Gillian Dudgeon

Deputy Chief Executive, Delivery
Tertiary Education Commission
24 July 2023



Hon Jan Tinetti

Minister of Education

29 / 07 / 2023

Hon Grant Robertson

Minister of Finance

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Background

1. In November 2019, Cabinet agreed to provide up to \$80 million in Crown capital funding to Lincoln University (Lincoln) to support the rebuild of its science facilities following the 2010 and 2011 Canterbury earthquakes [CAB-19-MIN-0583 refers]. The rebuild of its science facilities was part of a wider campus redevelopment and transformation programme – *Moving Forward*.
2. A funding agreement was signed between the Crown and Lincoln outlining the terms under which the Crown agreed to provide capital funding, and the accountability and reporting mechanisms that were to be put in place. This was signed by the Minister of Finance and the Minister of Education on behalf of the Crown in December 2019 (B-19-01460 refers).
3. Consistent with the Cabinet decision, the funding agreement specified that a Governance Oversight Group (GOG) was to be established. The GOG's role is to ensure that there is strong monitoring and accountability for delivering Lincoln's *Moving Forward* programme and its proposed benefits, and to ensure that the programme is being appropriately governed.
4. The Chair of the Lincoln GOG is Murray Coppersmith. In addition to the Independent Chair, the GOG includes:
 - The Chair of the TEC Board – Jenn Bestwick;
 - The Chief Executive of the TEC – Tim Fowler;
 - The Lincoln Chancellor – Bruce Gemmell;
 - The Chair of Lincoln's Capital Assets Council sub-Committee – Janice Fredric; and
 - The Lincoln Vice-Chancellor – Professor Grant Edwards.

June 2023 meeting

5. I attach the latest report from the Chair of the Lincoln GOG and seek your agreement to forward the report to the Minister of Finance. The current report from the GOG Chair takes account of the meeting on 28 June 2023 and any developments since that date.
6. The next GOG meeting will be in September 2023 and the GOG Chair will update you following that meeting as required.

Future meetings and reporting

7. Since the beginning of 2020, the GOG has closely monitored Lincoln's delivery of the *Moving Forward* programme – both the redevelopment of its campus and the wider changes to how it operates. Overall, Lincoln has managed the delivery of the programme well, with nearly all projects delivered on time and within budget, while also carefully managing its financial position through the impacts of COVID-19.
8. The main new science facility, which has officially been named Waimarie and for which the majority of the Crown capital funding was provided, has nearly been completed and is due to be formally opened on 27 September 2023. In total, \$75 million of the \$80 million in committed Crown capital funding has been provided to Lincoln.
9. While there will need to be ongoing monitoring of the final parts of the *Moving Forward* programme and the overall delivery of its benefits, we consider that from 2024, the GOG no longer needs to meet on a quarterly basis nor does the Chair of the GOG need to provide an in-depth report to Ministers every quarter. We have had initial discussions with the Chair on this issue and he is in agreement. Determining an appropriate meeting frequency and ongoing

reporting requirements will be discussed at the next GOG meeting. An update will be provided to you following the meeting.

10. The final \$5 million in Crown capital funding is due to be paid in 2024/25 based on Lincoln achieving the benefits of the wider programme. Alongside the TEC, the GOG will have a role in advising on this payment.