

Tertiary Education Report: Draft Letter of Expectations for Te Pūkenga

Date:	4 December 2023	TEC priority:	High
Security level:	In Confidence	Report no:	B-23-00909
		Minister's office No:	

ACTION SOUGHT		
	Action sought	Deadline
Hon Penny Simmonds Minister for Tertiary Education and Skills	review and provide feedback on the attached Letter of Expectations for Te Pūkenga. sign and send the attached Letter of Expectations to the Chair of Te Pūkenga once you are happy with its content.	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)	✓
Tim Fowler	Chief Executive	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:**
 Approved
 Declined
 Noted
 Needs change
 Seen
 Overtaken by Events
 See Minister's Notes
 Withdrawn

Comments:

Recommendations

Hon Penny Simmonds, Minister for Tertiary Education and Skills

It is recommended that you:

1. **note** that the Letter of Expectations is your opportunity to formally communicate your expectations and priorities to Te Pūkenga's Council and to guide strategic documents as appropriate.
2. **note** that we have provided a draft high-level Letter of Expectations for you to provide feedback on and add further content as required.

9(2)(f)(iv)

4. **review** the attached Letter of Expectations for Te Pūkenga and:
 - a. **either** indicate any changes you require us to make; OR
 - b. **sign and send** the attached Letter of Expectations to the Chair of Te Pūkenga once you are happy with its content.

AGREE / DISAGREE

5. **agree** that the Tertiary Education Commission proactively release this briefing, with appropriate redactions, once the letter has been sent.

AGREE / DISAGREE



Tim Fowler

Chief Executive
Tertiary Education Commission

4 December 2023



Hon Penny Simmonds

Minister for Tertiary Education and Skills

5/12/2024

Purpose

1. This briefing provides you with a draft Letter of Expectations (LoE) for Te Pūkenga and asks you to review, and add additional content, as required. Once you are happy with the LoE, please sign and send it to the Chair of Te Pūkenga.

Letter of Expectations

The LoE is used to guide Te Pūkenga's strategic direction...

2. The LoE is your opportunity to formally communicate your expectations and priorities to Te Pūkenga's council. These expectations are in addition to other key requirements Te Pūkenga must give effect to such as the Tertiary Education Strategy and its charter as set out in Schedule 13 of the Education and Training Act 2020 (the Act).
3. Given Te Pūkenga's unique status, it is the only tertiary education institution that receives an LoE. The current LoE for Te Pūkenga was issued in May 2023 by the former Minister of Education.
4. There is no statutory requirement or timeframe for the completion or sending of an LoE. The LoE can be issued by you at any time and is intended to guide the council's work programme and the development of strategic planning documents. The council should use the LoE to ensure its planned activity and objectives align with your expectations. You do not need to consult with Te Pūkenga on your LoE.
5. The LoE also assists the TEC as the monitoring agency, so that we can monitor Te Pūkenga's activity and provide regular updates in the areas of greatest importance to you.

...and a new LoE can be issued quickly...

6. A new LoE can be provided to Te Pūkenga's council at any time. This is a quick, tangible action you can take to guide Te Pūkenga's operations while longer term changes, including legislative changes, are being considered.

...although Te Pūkenga must continue to act in accordance with its statutory functions...

7. While acknowledging your intention to move at speed to disestablish Te Pūkenga, which ultimately will require legislative change, it is important to note that Te Pūkenga is still required to act in accordance with its statutory functions. This includes the functions of Te Pūkenga under section 315 of the Act and that it must give effect to its charter as set out in section 316 of the Act. The council must also act in accordance with the functions and duties of councils set out in sections 280 and 281 of the Act.

9(2)(f)(iv)

8. 9(2)(f)(iv)

9. 9(2)(f)(iv)

9(2)(f)(iv)

Approach and focus of a new LoE

A high-level LoE can be sent now and a more detailed LoE sent in future once further Cabinet decisions have been made...

10. The Government has committed to begin disestablishing Te Pūkenga in its first 100 days. While we note your desire to move at speed, there is still a considerable amount of work, analysis, and decisions to be made on how the disestablishment will be implemented. This includes understanding the desired future state, the time frames, how the transition will be funded, how the system will be financially sustainable going forward, and what legislative changes will be necessary.
11. As such, you could send a high-level LoE to Te Pūkenga as soon as possible that outlines your expectations while this work is undertaken. An updated (and potentially more detailed) LoE can be issued once further Cabinet decisions have been made about Te Pūkenga and the future of the vocational education and training system.

...and we have drafted the LoE around four key expectations...

12. We have drafted a relatively concise and high-level LoE for you in the first instance – focussed on a few key priorities and expectations – to allow you an early opportunity to review it. We have developed the content based on our initial engagements with you. However, given we are yet to engage on many key issues, you are likely to have feedback and additional content you wish to add.
13. The four key expectations we have drafted are that you expect:
 - a. Te Pūkenga to operate in a manner consistent with the Government’s plans.
 - b. Te Pūkenga to consider supporting as much decision-making within business divisions as possible.
 - c. Te Pūkenga to ensure vocational education and training continues and staff and learners are supported.
 - d. Te Pūkenga to have a close working relationship with me and officials.

9(2)(f)(iv), 9(2)(h)

14. 9(2)(f)(iv), 9(2)(h)

15. The draft LoE is attached in Appendix One for your consideration.
16. We have engaged with the Ministry of Education as part of the development of the LoE and its comments have been incorporated. It has also had an initial review by our legal advisors.

Next steps

17. If you have any changes or additions you would like made to the LoE, we can make these as required. We are also available to discuss or advise on any risks related to additional content you may want added.

18. Once you are happy with the LoE, it can be sent to the Chair of Te Pūkenga, Murray Strong. We recommend you meet with the Chair and Deputy Chair, Sue McCormack, shortly after you have sent the LoE to Te Pūkenga. This would be an opportunity to reinforce the expectations you have outlined in the LoE as well as deliver any other messages with regards to future performance.
19. There is no time limit on this LoE, and it will remain in place until a new one is issued. The TEC will monitor Te Pūkenga's performance against the LoE.



