

TEC



Out of Cycle Board Decision – Minute 03 September 2021

Emailed

Jenn Bestwick (Chair)
Alastair MacCormick
John Russell
Kirk Hope

Nancy McConnell
Vivien Sutherland Bridgwater
Wayne Ngata

New Agreement with Tribal for the supply of NZBT+

Minute No. TEC 210902/1

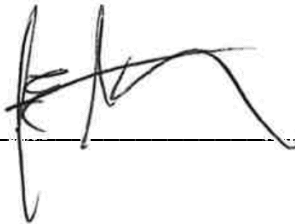
Resolved

The Board resolved to:

1. **Approve** the new agreement with Tribal Education Ltd for the supply and support of the New Zealand Benchmarking Tool (NZBT+)
2. **Authorise** the Board Chair to execute the attached agreement on behalf of the Tertiary Education Commission.

Signed as a true and correct record:

Chair: _____



Date: 23 September 2021



Emailed

Jenn Bestwick (Chair)
Alastair MacCormick
John Russell
Kirk Hope

Nancy McConnell
Vivien Sutherland Bridgwater
Wayne Ngata

TEC Bargaining Strategy

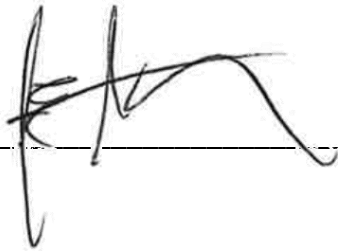
Minute No. TEC 210916/1

Resolved

The Board resolved to:

1. **Approve** the bargaining parameters for negotiations of a new Collective Agreement with the Public Service Association (PSA) set out in this paper, being:
 - › A term of between 18 and 24 months;
 - › A ^{s9(2)(i)} remuneration increase for all roles ^{s9(2)(i)} and below, a ^{s9(2)(i)} increase for those remunerated between ^{s9(2)(i)} and to ^{s9(2)(i)}
 - › ^{s9(2)(i)}
 - › Introduce a Te Reo allowance to support our strategic priority of becoming a culturally affirming organisation;
 - › A potential one off payment to Public Service Association (PSA) members of ^{s9(2)(i)}
 - › If settlement can't be reached for those over ^{s9(2)(i)}

Signed as a true and correct record:

Chair:  _____ Date: 23 September 2021 _____



Present

Jenn Bestwick (Chair)
Alastair MacCormick
Kirk Hope
John Russell

Nancy McConnell
Vivien Sutherland Bridgwater
Wayne Ngata

In attendance

Tim Fowler, Chief Executive Officer
Gillian Dudgeon, Deputy Chief Executive, Delivery
John Soulis, Acting Programme Director - RoVE
Mark Leeming, Acting Deputy Chief Executive, Corporate and Finance
Ian Lee, Deputy Chief Executive, Strategy and Design
Mat Pawley, Deputy Chief Executive, Information
Paora Ammunson, Deputy Chief Executive, Learner Success – Ōritetanga
s9(2)(a) Executive Officer to the Board

Administration

1. Chair's Welcome & Apologies

The Chair welcomed all to the meeting and invited the Deputy Chief Executive – Ōritetanga Learner Success to open the meeting with a karakia. The Chair declared the meeting open.

2. Adoption of minutes

Minute No. TEC210923/1

Resolved

*The Board of Commissioners (the Board) **adopted** the minutes of the 19 August Board meeting as a true and accurate record of that meeting.*

*The Board of Commissioners (the Board) **adopted** the out of cycle minutes dated 2 September and 16 September as a true and accurate record of that meeting.*

3. Action items update as at 13 September 2021

Minute No. TEC210923/2

The Board noted the action items on the agenda and upcoming action items.

4. Declarations of interest as at 13 September 2021

Minute No. TEC210923/3

Commissioners Bestwick and Sutherland Bridgwater will provide the Board Secretary updates to their interests.

5. Board work programme as at 9 August 2021

Minute No. TEC210923/4

The Board acknowledged the dates set for the 2022 year.

Core business and project reporting

6. Covid 19 update

Minute No. TEC210923/5

The Chief Executive updated the Board with business and sector engagement through the latest COVID Alert Level period.

The Chief Executive and DCE Delivery are being clear with providers that there will be no additional financial assistance for Private Training Establishments (PTEs) due to Covid-19. Recent conversations have revealed a lack of clear understanding of the relationship between subsidiaries and Te Pukenga.

Approximately 25-30% of TEC staff are back in the office on any day. The Chief Executive is actively promoting vaccination and monitoring wellbeing.

The Board was cognisant of the future of tertiary delivery in a vaccinated COVID world. It was acknowledged that this will be particularly challenging for Māori and Pacifica learners and PTEs such as Te Wananga o Aotearoa whose ākonga are mostly Māori and Pacifica.

Universities have reached out to TEC for guidance on managing risk for on campus vaccination status requirements. It was suggested that TEC collaborate with Ministry of Education (MoE) and the Ministry of Health (MoH) to ensure health orders provide clear guidance to TEOs.

It was acknowledged that the constantly changing environment around Covid-19 and vaccination status is a conversation that TEC needs to lead.

7. Chief Executive's Report

Minute No. TEC210923/6

The Board noted the Chief Executive's Report, including the OPM scorecard, Priority Projects report and Risk Register.

OPM Scorecard and commentary for June 2021

The following items were noted:

- › Staff turnover has increased. The Chief Executive signaled to the Board concern that due to the current environment TEC is losing great people to great jobs with great pay.
- › Annual leave is increasing due to the change in alert levels. The current policy allows staff to 'cash in' a week of annual leave. The Board supported the directive that staff be encouraged to cash in a week as well as take a week or more annual leave over the Christmas period.

Priority Projects Report

The following items were noted:

- › *Rove Programme View* – The Chief Executive is highly confident that the six Workforce Development Councils will be stood up on time in early October. The RoVE Programme Board are preparing a cabinet paper for the Minister in November.
- › *DXP* – The Chief Executive and Board was pleased to see the DXP Project heading toward green and on the agenda today.

Chief Executive's Report

The Chief Executive was pleased to score 8/10 across the board from the Minister in the Ministers Satisfaction Survey.

PTE financial difficulties

The Chief Executive met with the Literacy Aotearoa (LA) Co-Chairs. Key facts are:

- › Receives ~\$8-9m of funding each year from TEC (mostly ILM, ESOL related fees).
- › A history of 75/85% delivery, after lockdown delivery is estimated at 55/60%, s9(2)(b)(ii) for 2021.
- › LA's s9(2)(b)(ii)

The Chief Executive has proposed that:

- › Ongoing grant payments are scaled to actual delivery. This will s9(2)(b)(ii) and
- › LA s9(2)(b)(ii) immediately to reduce TEC's risk.

It is expected that LA will need to s9(2)(b)(ii) . The Board was reassured that TEC has a well-honed process to manage ākongā should LA require assistance.

Unitec land sale

The Board suggested that the full \$50m of the Crown loan should be repaid from the sale of this land, and, that pressing capital expenditure needs should be dealt with commercially as a group through Te Pūkenga.

***Action 210923/7:** DCE Delivery to investigate rationale for proposed approach to the repayment of the Crown loan to Unitec on the sale of its land.*

NCEA and Covid-19

New Zealand Qualifications Authority (NZQA) has carefully evaluated students particularly for loss of learning in preparedness for university. TEC are being clear that it is the responsibility of universities to perform due diligence on enrolments and manage student preparedness appropriately.

Te Pūkenga report

Enrolments and core business is tracking well, however, transformation is not on track. TEC is providing as much project support as possible. There are a number of issues:

- › An unwillingness to spend money on additional capability.
- › The operating model is very inclusive, it is a worldwide first and has a huge scale.
- › The operation plan for implementation is lacking.
- › The program business case is at risk of delay.

The Board expressed several concerns in regard to scope, time and cost and requested a meeting to raise these directly with the Te Pūkenga Council. The Chief Executive agreed to arrange a meeting with the Te Pūkenga Council.

8. Board Finance Report as at August 2021

Minute No. TEC210923/7

The Board noted the Board Finance report as at August 2021.

The Acting Deputy Chief Executive - Corporate and Finance, noted:

- › The annual audit is being finalised with no significant issues raised.
- › Core costs are within s9(2)(b)(ii) of budget in August once again signalling a much tighter budget.
- › Workforce target numbers are being met.
- › The 2022 Capital Plan will be tabled at the October Board Meeting.
- › Additional funding requests to service high student numbers have been made by Auckland University and Te Pūkenga.
- › TEC may need to use some of its balance sheet to approve funding requests for 2022 or seek additional funding from the Minister.
- › There is s9(2)(b)(ii), this is a comfort.
- › s9(2)(i) recovered from Fees Free, of which s9(2)(b)(ii) is committed.

Sensitive, Board and Chief Executive Expenses

The Board noted the Sensitive, Board and Chief Executive Expenses as at August 2021.

Resolved:

*The Board Chair **approved** the Board of Commissioners' and Chief Executive's expenses for August 2021.*

*The Chair of Whatitata Whakau - Risk and Assurance Committee **approved** the Board Chair's expenses for August 2021.*

Endorsed papers for approval

9. Te Pūkenga's 2021 In-Year Additional Funding Request and 2022 Investment Plan Approval

Minute No. TEC210923/8

The Chair invited the Deputy Chief Executive - Delivery to summarise the request.

- › Te Pūkenga has used just over s9(2)(b)(ii) by December.
- › TEC can cover s9(2)(b)(ii).
- › Te Pūkenga has also asked for an additional s9(2)(b)(ii)

The Board discussed concerns for distance learning providers in terms of support, growth and their ability to deliver appropriate courses and qualifications. The DCE Delivery will confirm with Te Pūkenga that funding the Open Polytechnic s9(2)(b)(ii) above the agreed forecast level.

Resolved:

Approved for 2021, a recommended in-year funding allocation of s9(2)(j) for Te Pūkenga in the Student Achievement Component Level 3 and above (SAC3+), baselined for 2022;

s9(2)(b)(ii) for 2022;

Approved for 2022, a conditional resulting funding allocation of s9(2)(j) for Te Pūkenga; and

Agreed that the duration of Te Pūkenga's investment plan is s9(2)(b)(ii)

10. Data Exchange Platform re-baseline

Minute No. TEC210923/9

The Deputy Chief Executive - Information relayed confidence in the delivery of the Data Exchange Platform with the proposed timeline and s9(2)(b)(ii)

The Board received answers and explanations to the following inquiries:

- › Single learner quantum issue.
- › In-built data collection for both ākongā and employers.
- › Requirement for the 15% contingency.

The Board expressed a strong desire for a quality outcome.

Resolved:

Approved an increase in the timeline for DXP to 27 May 2022; and

Approved an increase to the DXP project budget of s9(2)(j)

11. BCITO - Approval for final revised additional in-year funding for 2021

Minute No. TEC210923/10

Resolved:

Approved for 2021, additional funding of s9(2)(j) (to be baselined for 2022) for the Building and Construction Industry Training Organisation (BCITO), bringing their total 2021 funding allocation to s9(2)(b)(ii)

12. Workforce Development Councils Print Services Provider

Minute No. TEC210923/11

Resolved:

Agreed that TEC enter into a print services contract on behalf of the Workforce Development Councils (WDCs) for up to s9(2)(j)

and

Delegated to the TEC Chief Executive the authorisation to sign any negotiated contract and future novation or assignment of the contract to the WDCs.

Information and items for noting

13. Reform of Vocational Education (RoVE) – Programme Update

Minute No. TEC210923/12

The Chair noted the comprehensive update on RoVE earlier in the meeting and invited the Acting Programme Director of RoVE to update the Board.

- › All Chief Executives have been appointed for the WDC's.
- › MITO transition plan will come to the Board for approval in October.
- › Paul Delahunty has been appointed as Programme Director of RoVE and starts with TEC 26 October.
- › Treasury Gateway review March/April 2022 and Internal Quality Assurance in December.

Unified funding systems (UFS)

The Board was concerned about progress and outcome, particularly the flexibility in funding and delivery afforded to TEC. The Board signaled that the new UFS model, including skills standards needs to be conceptually clear.

Action 210923/13: *Prepare and present a broad strategic exploration of the United Funding System including the significance of skills standards at the November Board Meeting.*

14. Financial update of the University Sector

Minute No. TEC210923/13

The Board thanked the DCE – Delivery for an excellent and thorough paper giving clear insight into well led and managed organisations who have navigated the Covid-19 environment well. Overall a positive story of the sector.

The Board discussed the impact of Covid on research revenue, particularly research’s reliance on engagement and international research PHD students.

Action 210923/14.1: *The Board requested a better understanding of the Universities capital programs be brought to the Risk and Assurance Committee.*

Action 210923/14.2: *The Chief Executive was asked to engage with Universities, the PBRF sector reference group and MBIE on the research challenges due to Covid-19 and report back to the Board.*

15. A new name for the Online Careers Planning Solution – moving from Tiro Whetū to Tahatū

Minute No. TEC210923/14

The Board received the paper as read and confirmed with the Deputy Chief Executive – Strategy and Design that the Tahatū had been socialised with iwi partnerships.

16. Times Higher Education World University Rankings

Minute No. TEC210923/15

Noted that the Board was pleased with the results.

The Board thanked the members of the Executive Leadership Team for their attendance and contribution before they left the meeting.

Update from Ohu Tangata – People and Culture

17.1 Minutes from the Ohu Tangata - People and Culture Committee meeting

Minute No. TEC210923/16

The Board noted the minutes of the Ohu Tangata – People and Culture Committee meeting.

17.2 Draft minutes from the Ohu Tangata - People and Culture Committee meetings

Minute No. TEC210923/17

The Board noted the draft minutes of the Ohu Tangata – People and Culture Committee meeting.

The Board was in agreement with the Committees findings for Tier Two Remuneration and also endorsed the Chief Executive’s decisions.

17.3 Update on He Marae Tangata project

Minute No. TEC210923/18

The Board noted the update on the He Marae Tangata project.

17.4 Chief Executives KPIs for 2022

Minute No. TEC210923/19

The Chair informed the Board that the Ohu Tangata Committee had met this morning and agreed that further work was required on the Chief Executive’s KPIs before a recommendation was made to the Board.

It was agreed that this would be progressed out of cycle in order for KPIs to be distributed to the Executive Leadership Team.

The Chief Executive was thanked for his attendance and contribution and left the meeting.

17.5 Chief Executives Performance Review

Minute No. TEC210923/20

The Board agreed unanimously with the Committee's findings, and in particular noted the extraordinary year of strong leadership and growth from the Chief Executive.

Resolved:

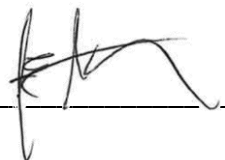
Approve the recommendation from the Ohu Tangata Committee that s9(2)(a) be paid. This recognises that while DXP required considerable re-work to bring back on track with budget and time exceptions, the additional unplanned work TEC picked up over COVID and the outstanding leadership through COVID should be recognised.

Meeting close

The Chair asked Commissioner Ngata to close the meeting with a karakia acknowledging the Deputy Chief Executive – Ōritetanga Learner Success' opening sentiments.

Meeting closed at 12.00pm

Signed as a true and correct record:

Chair:  _____ Date: 21 October 2021 _____

The logo for TEC (Te Kaitiaki Take Kōwhiri) is displayed in white text on a green background.

Te Amorangi Mātauranga Matua

Board meeting minutes
Held via MS Teams
Thursday, 21 October 2021

Present

Jenn Bestwick (Chair)
Alastair MacCormick
John Russell

Nancy McConnell
Vivien Sutherland Bridgwater
Wayne Ngata

Apologies

Kirk Hope

Guests

s9(2)(a) [REDACTED], MITO

Andrew Clearwater, Chair, MITO

In attendance

Tim Fowler, Chief Executive Officer

Gillian Dudgeon, Deputy Chief Executive, Delivery

John Soulis, Acting Programme Director - RoVE

Mark Leeming, Acting Deputy Chief Executive, Corporate and Finance

Ian Lee, Deputy Chief Executive, Strategy and Design

Mat Pawley, Deputy Chief Executive, Information

Paora Ammunson, Deputy Chief Executive, Learner Success – Ōritetanga

Nic Quill, Team Manager - Insights

s9(2)(a) [REDACTED], Principal Advisor

s9(2)(a) [REDACTED], Executive Officer to the Board

Commissioners and CE session – including Ministers meeting briefing

The Commissioners and Chief Executive held a closed session that was not minuted.

Administration

1. Chair's Welcome & Apologies

The Chair welcomed all to the meeting and invited the Deputy Chief Executive – Ōritetanga Learner Success to open the hui with a karakia. The Chair declared the meeting open noting the apology from Commissioner Hope.

The Chair acknowledged the Deputy Chief Executive – Delivery (DCE – Delivery) for her role as Acting Chief Executive for the past three weeks.

2. Adoption of minutes

Minute No. TEC211021/1

Resolved

*The Board of Commissioners (the Board) **adopted** the minutes of the 23 September Board meeting as a true and accurate record of that meeting.*

3. Action items update as at 11 October 2021

Minute No. TEC211021/2

The Board noted the action items on the agenda and upcoming action items.

4. Declarations of interest as at 11 October 2021

Minute No. TEC210923/3

The Chair requested any changes or updates to the interests register be sent directly to the Executive Officer of the Board.

5. Board work programme as at 11 October 2021

Minute No. TEC211021/4

The Board noted the Board work programme for October 2021.

Core business and project reporting

6. Chief Executive's Report

Minute No. TEC211021/5

The Board noted the Chief Executive's Report, including the OPM scorecard, Priority Projects report and Risk Register and asked the DCE – Delivery to speak to the reports in her previous capacity as Acting Chief Executive.

OPM Scorecard and commentary for September 2021

The following items were noted:

- › While annual leave has again increased the upcoming holiday period sees almost 50% of staff with 20+ days booking time away. With Tier 2 and 3 staff being significant contributors to this statistic, reducing annual leave is a topic on the Executive Leadership Team (ELT) away day agenda.
- › Staff turnover continues to increase particularly within the Information Directorate. TEC's limited budget will impact the ability to retain existing staff and hire the quality people to replace those that leave. This is an area of high risk.

Priority Projects Report for September 2021

The following items were noted:

- › Tahatū has completed its Independent Quality Assessment (IQA) resulting in a project reset to ensure a solid foundation before features are built. Tahatū is now in a stronger position for success, reducing the burn rate over the next few months and expected to be in a steady operating rhythm in 2022. We have received the draft IQA for Tahatū. A more in-depth view of Tahatū and the IQA is scheduled for November. The Board commended the ELT and Tahatū team for early identification of issues and swift remediation to remain on track for delivery. A
- › *DXP* – Noted that the project risks reiterate the earlier conversation around resourcing.

Chief Executive's Report

The Acting Chief Executive appraised the Board on conversations with Literacy Aotearoa and advised that a more complete report would be presented in November.

The health sector workforce joint initiative provides significant benefit to TEC with data sharing enabling better funding decisions and contribution to learner success.

There is significant concern for TEC's Auckland based staff. Regular ELT conversations with the team indicate increased stress and frustration, including fears of a COVID resurgence for themselves and whanau. The Board suggested investing in a stress relief App (Calm or Mindful) and preparing COVID care packages for the team. The Board was clear that they championed initiatives to support staff and offered their support and assistance to the ELT.

It was noted that similar pressures are showing throughout the sector in Auckland.

Risk Register for September 2021

It was noted that the Inspiring the Future (ITF) project was suffering from the COVID alert level lockdowns.

The RS&I green paper is due to be published early November, it was suggested that the impacts for TEC from this paper should be brought to the Ministers attention.

The influx of new Vice Chancellors is an opportunity for TEC to continue to create strong relationships in the University Sector.

7. Board Finance Report as at September 2021

Minute No. TEC211021/5

The Board accepted the Board Finance report as at September 2021 as read.

The Acting Deputy Chief Executive - Corporate and Finance, noted:

- › The s9(2)(b)(ii) [REDACTED] will be used to secure resources demanding higher rates.
- › A s9(2)(i) [REDACTED] has been negotiated.
- › Negotiations with the Public Service Association continue. TEC has proposed it continues with the current system for another year while a working group crafts a solution that will work for all of TEC. Terms of settlement are expected for the November Board hui.
- › RoVE s9(2)(b)(ii) [REDACTED].
- › The annual audit is expected to complete late October, with final sign-off in November. The annual review will be March 2022.

› There is uncertainty on s9(2)(b)(ii) , into SAC and ITF. If this is s9(2)(b)(ii) .

Action 211021/7: *Whatitata Whakau – Risk and Assurance Committee to review a minimum reserve level of balance sheet funds and formalise a treasury policy with clear reasoning for the necessity to hold funds.*

Sensitive, Board and Chief Executive Expenses

The Board noted the Sensitive, Board and Chief Executive Expenses as at September 2021.

Resolved:

*The Board Chair **approved** the Board of Commissioners’ and Chief Executive’s expenses for September 2021.*

*The Chair of Whatitata Whakau - Risk and Assurance Committee **approved** the Board Chair’s expenses for September 2021.*

Accountability documents

8. Annual Report Final for Approval

Minute No. TEC211021/6

Noted that the Management letter of representation is in progress.

The Chair of Whatitata Whakau – Risk and Assurance Committee commended the team responsible for preparing a very high quality document. The Board added their commendation of the report and the process for Board engagement being smooth and seamless.

Resolved:

- A. **Approved** the Annual Report for the year ended 30 June 2021 and **delegated** signing of the report to the Chair of the Board and the Chair of Whatitata Whakau (RAC).
- B. **Approved** the fraud questionnaire and **delegated** signing of the questionnaire to the Chair of Whatitata Whakau (RAC).
- C. **Delegated** signing of the letter of representation (from TEC to Audit New Zealand) to the Chair of the Board and the Chair of Whatitata Whakau (RAC), to be finalised after the audit is completed before the end of the calendar year.

9. Capital Plan 2021/22

Minute No. TEC211021/7

Noted two updates on the Statement of Performance Expectations (SPE) Capital Plan:

1. Updated timing and cost for the DXP project as approved by the Board in September;
2. Capital Plan for the ITF project.

Resolved:

Approved the updated Capital Plan for 2021/22 and s9(2)(b)(ii).

10. 2022 Investment Plan Approvals

Minute No. TEC211021/8

The DCE – Delivery summarised the report and informed the Board that:

- › A significant number of applications for additional funding for 2021 and investment plans had been received for 2022.
- › Government funds are fully allocated – additional funding is now from TEC’s balance sheet.
- › August Single Data Return (SDR) gives a good indication for additional 2021 funding requests.
- › Ministry of Education (MoE) predicts a s9(2)(b)(ii) and therefore it is prudent to wait for actual enrolment statistics before making funding decisions.
- › A summary of rationale for the recommendations was given.

TEC is investing in priority education for the provision of courses New Zealand needs that are performing well. There is the possibility of additional funds from the fees free transfer request, and the budget bid in May 2022. TEC’s message to the sector is that s9(2)(b)(ii)

The Board s9(2)(g)(i) to Massey University, s9(2)(g)(i)

There was also concern regarding their progress towards equity and acceptance of ōrititanga. The Deputy Chief Executive – Ōrititanga, Learner Success (DCE – Ōrititanga) informed the Board that his directorate is working closely with the University.

Noted that the DCE – Delivery and DCE – Ōrititanga are meeting with Buddle Finlay to explore other levers available to TEC to incorporate into investment plans.

Resolved:

- A. **Approved** TEC setting a minimum level of s9(2)(i) for the year to June 2022;
- B. **Approved** for 2021, s9(2)(i) as detailed in Appendix 1;
- C. **Approved** for 2021, s9(2)(i) as detailed in Appendix 1;
- D. **Approved** baselining the 2021 additional in-year funding for Primary TITO, Skills Active, and Careerforce for 2022;
- E. **Approved** the recommended plan lengths for the tertiary education organisations, as detailed in Appendix 2;
- F. **Approved** for 2022, the Chief Executive's **delegation** to fund exempted tertiary education providers above the 102% threshold for 2022 (up to a maximum of 105%)

Information and items for noting

11. Reform of Vocational Education (RoVE) – Programme Update

Minute No. TEC211021/9

The Chair invited the Acting Programme Director - RoVE Director to deliver his final report in this role.

- › All six WDC's were successfully stood up meeting the target deadline and the Minister has signed-off funding agreements.
- › TITO transitions are on target with BCITO transitioning smoothly.
- › Te Pūkenga shared their revised operation model yesterday, which showed improvement.
- › UFS updated the project board yesterday and is on track to present a cabinet paper in November.

The Acting Programme Director – RoVE was pleased with the progress to date noting that integration across all platforms is now the key driver. The Board discussed the UFS project, WDC journey and funding model structure.

Action 211021/11: *The Chair of Whatitata Whakau – Risk and Assurance Committee to raise with the Rove Programme Board reviewing the funding rates and flexibility of the model with the intention to review the rates and model with the MoE.*

12. Investment Function Redesign Project

Minute No. TEC211021/10

The Board welcomed Mr Nic Quill and Mrs s9(2)(a) to the meeting.

Noted that global and national sustainability in a transition to low carbon economies, the Crown's commitment to its Te Tiriti responsiveness and its investment in this space as well as the reform of vocational education were all considered in this discussion.

The Board was pleased that the MoE was engaged and noted the gravity of the impact for Aotearoa New Zealand from the outcome of this project. A robust and fruitful discussion was held. Specific points of note were:

- Becoming an active investment manager - is creating a statement of investment policy and objectives (SIPO) the next step for TEC in its investment maturity journey?
- Funding cycles and the ability to achieve meaningful outcomes/achievements in one year.
- How to improve TEC's monitoring function, particularly receiving quality rich data for decision making
 - How does TEC change relationships from compliance to valuable and meaningful conversations with providers?
 - Equity and culture rich relationships require greater touch points in addition to the layers of planning and funding.
- How to move to an outcomes focused investment strategy, and how are the outcomes quantified and measured?
- What are the principles for achievement and how does TEC ensure transparency?
- How does TEC move to become the driver of change and thought leader through its investment lever?
- The determination and its current legal limitations on TECs investment strategy

Action 211021/12: *The DCE – Strategy & Design to investigate a less conservative legal interpretation on funding determinations, legislation and appropriation scopes to enable TEC to drive greater flexible investment outcomes.*

The Board requested early insights into the principles that will guide business cases from the steering committee and Executive Leadership Team.

Matai Punaha – Systems Responsiveness Committee will explore investment at its meeting scheduled for 8 March 2022.

The Board agreed that

1. In order for TEC to support equity in the industry and sector the approach must be collaborative and connected to multiple agencies
2. TEC has a moral obligation to learners, treaty partners and the sector to become the thought leader and driver of change required in the sector
3. The system needs to clearly show Aotearoa New Zealand the return of investment into education and the value that providers achieve.

Mr Quill and s9(2)(a) were thanked for their time and left the meeting at 12.25pm.

13. Meeting with MITO regarding their transition plans

Minute No. TEC211021/10

The Board welcomed Ms s9(2)(a) and Mr Andrew Clearwater to the meeting at 1.00pm.

MITO shared their presentation. It was clear that the process had been rigorous, robust and complex bringing multiple providers together. The Board thanked the significant effort and contribution of s9(2)(a) and Mr Clearwater to the success of the transition.

The Board was particularly interested in MITO's experience with micro-credentials in secondary schools and the uptake of Māori and Pasifica learners, particularly wahine. s9(2)(a) suggested that champions were needed at intermediate level for this approach.

s9(2)(a) and Mr Clearwater were thanked for their time and left the meeting at 1.42pm.

14. Approval of the MITO transition plan

Minute No. TEC211021/11

Resolved:

- A. *Approved MITO's transition plan;***
- B. *Noted the transfer of MITO's Qualifications Systems Functions (QSF) Waihanga Aro Rau Construction and Infrastructure WDC and Hanga-Aro-Rau Manufacturing, Engineering + Logistics WDC;***

- C. **Agreed** that TEC's 2022 Investment Plan funding currently provided to MITO will be reallocated between Te Pūkenga WBL and MAST Academy;
- D. **Delegated** authority to the Chief Executive and Deputy Chief Executive, Delivery (DCE, Delivery) to take any reasonable action necessary to give effect to these recommendations until 1 January 2022;
- E. **Agreed** to share the Board's approval decisions, and the rationale if approval is not granted, with MITO, Te Pūkenga and MAST Academy.

Information and items for noting (continued)

15. TEC Statement of Intent 2022/23 0 2025/26

Minute No. TEC211021/12

The Board noted the storyboard and looked forward to receiving a draft Statement of Intent in December.

Committee Updates/endorsed papers for approval

16. TEC Tōnui Tōu Ora

Minute No. TEC211021/13

The Acting DCE – Corporate and Finance updated the Board on the Tōnui Tōu Ora project. The Board asked for reassurance that an environmentally conscious approach was being taken which was provided by the Acting DCE – Corporate and Finance.

Resolved:

- A. **Approved** the proposed implementation approach for Tōnui, Tōu ora and the project drawing down the reserved ^{s9(2)(b)(ii)} capex for the delivery activities.
- B. **Delegated** the approval of the detailed business case within the ^{s9(2)(b)(ii)} capex funding envelope to the Chief Executive

The Board acknowledged the Manager Financial & Business Performance in his role as Acting DCE – Corporate and Finance.

17. Whatitata Whakau – Risk and Assurance Committee

17.1 Update from Whatitata Whakau – RAC held 12 October 2021

Minute No. TEC211021/14

The Board noted the minutes of Whatitata Whakau – Risk and Assurance Committee meeting.

The Chair of Whatitata Whakau summarised for the Board:

- The Committee's attention to TEC's concerns regarding Te Pūkenga
- Review of the PTE Sector noting vulnerabilities without international students
- Review of policies, particularly the privacy policy and use of social media to gather information.
- The cyber security review and its position as a standing item for progress updates at the Committee.

The Chair of Whatitata Whakau put forward the recommendations from the Committee to the Board.

Resolved:

Approved the Credit Card Policy.

Approved the Procurement Policy.

Approved the updated Delegations Policy.

Approved the Privacy Policy and Code of Ethics.

Noted the RoVE Disbursements review - Internal Audit report

Noted the Enhancing the Customer Experience (ECX) - Internal Audit report.

Noted the Learner Success Project - Internal Audit report.

Approved the clearance of s9(2)(i)

Approved:

- the policy and procedures for TEC staff using social media to gather information for investigative purposes, including the delegated authority for access level approval (Appendix 1); and*
- that monitoring and review of the policy is carried out by the Ethics Committee.*

Approved:

- A. *the adoption of the NIST framework as TEC's cyber security model; and*
- B. *the target levels of cyber security maturity.*

18. Ohu Tangata – People and Culture Committee

18.1 Draft minutes from the Ohu Tangata - People and Culture Committee held 23 September 2021

Minute No. TEC211021/15

The Board approved the draft minutes of the Ohu Tanaga – People and Culture Committee meeting.

18.2 Chief Executive KPIs for 2022

Minute No. TEC211021/15

The Board carried this item over to an out of session approval.

Meeting close


The Chair asked The DCE - Ōritetanga - Learner Success to close the hui with a karakia.

The hui closed at 2.11pm

Commissioners only session

The Commissioners held a closed session that was not minuted.

Signed as a true and correct record:

Chair:  _____ Date: 18 November 2021



Te Amorangi Mātauranga Matua

Board meeting minutes

Held via MS Teams

Thursday, 18 November 2021

Present

Jenn Bestwick (Chair)

Alastair MacCormick

Kirk Hope

Wayne Ngata

Nancy McConnell

John Russell

Vivien Sutherland Bridgwater

Guests

Sir Peter Gluckman, President of the International
Science Council (ISC)

Andrew McSweeney, Chief Executive – Service IQ

s9(2)(a) – Service IQ

In attendance

Tim Fowler, Chief Executive Officer

Gillian Dudgeon, Deputy Chief Executive, Delivery

John Soulis, Deputy Chief Executive, Corporate and Finance

Ian Lee, Deputy Chief Executive, Strategy and Design

Mat Pawley, Deputy Chief Executive, Information

Paora Ammunson, Deputy Chief Executive, Learner Success – Ōritetanga

s9(2)(a), Executive Officer to the Board

Administration

1. Chair's Welcome & Apologies

The Chair welcomed all to the meeting and invited Commissioner Ngata to open the hui. The Chair declared the meeting open.

2. Adoption of minutes

Minute No. TEC211118/1

Resolved

*The Board of Commissioners (the Board) **adopted** the minutes of the 21 October Board meeting as a true and accurate record of that meeting.*

3. Action items update as at 8 November 2021

Minute No. TEC211118/2

The Board noted the action items on the agenda and upcoming action items.

4. Declarations of interest as at 8 November 2021

Minute No. TEC211118/3

The Board reviewed the interests register.

5. Board work programme as at 8 November 2021

Minute No. TEC211118/4

The Board noted the Board work programme for October 2021.

Core business and project reporting

6. Chief Executive's Report

Minute No. TEC211118/5

The Board noted the Chief Executive's Report, including the OPM scorecard, Priority Projects report and Risk Register.

OPM Scorecard and commentary for October 2021

The following items were noted:

- › The new Contact Centre Manager has settled in well and is focused on returning services levels to the expected level.
- › Staff turnover continues to be high, broadening outside the information directorate. This is the result of a tight market, wage restraint and is not limited to TEC. TEC are actively leaning in to potential flight risks and is expecting the tight market to get worse with the health reforms. Noted that the Executive Leadership Team (ELT) has a high touch point on this topic.
- › Border closures are affecting annual leave balances with TEC having a highly international workforce who will want to go home for a long break. ELT is aware of the impact this may have on the work programme in 2022 if borders open and are surveying staff.

Priority Projects Report for October 2021

The following items were noted:

- › DXP – Noted that Ministry of Education (MoE) are also struggling for people, this is being carefully managed at TEC level.
- › IFR – The Board agreed that having the best data and being the source of data is key to underpinning TEC's mana in the role of monitoring and informing investment.
- › Learner Success is making progress and will begin reporting on the new KPIs in January. It was noted that TEC needs to have a strong regional lens on Auckland. It was suggested that the Board convene a think-tank of Auckland providers at its May 2022 meeting scheduled to be held in Auckland.

Action 211118/6.1 Circulate the lost opportunities paper to the Board.

Chief Executive's Report

The Chief Executive signalled major concern with inflated people costs and general inflation having a marked effect on the 2022 budget for TEC and education providers. The tuition subsidy increase was s9(2)(g)(i)

Project based revenue from RoVE and Careers etc have increased revenue from s9(2)(i) – these projects will complete, which will drop operating revenue. It is likely that the planned furniture upgrade in Tōnui, Tōu Ora will be sacrificed to save people. Minimum operating costs are being forecast to inform pace.

Vaccine Mandates

The Chief Executive informed the Board of the intention to consult with staff about vaccinations.

Action 211118/6.2: *The Chief Executive will consult with TEC staff about their status and views on working in the office with/without a vaccination.*

Guests

7. International Science Council (ISC) - Sir Peter Gluckman

Minute No. TEC211118/6

The Board welcomed Sir Peter Gluckman to the meeting at 10.00am.

Sir Peter Gluckman gave a comprehensive and informative review of his involvement in the UK Research Excellence Framework (REF) which is the UK equivalent of the New Zealand PBRF. Key points:

- › Marginal funding of research will give more central control
- › A fully funded model is expensive, not in line with global best practice and inhibits knowledge generation
- › A marginal funded system could create cohesion between business, universities and Crown Research Institutes
- › The weightings need to change from 80% research excellence to better reflect the institution, environment and impact.
- › The mechanisms for just transitions in sectors known to have future redundancy are not there
- › Education and knowledge is the heart of managing just transitions, TEC has an important role to play

The Board thanked Sir Peter Gluckman for his time and excellent information. Sir Peter Gluckman left the meeting at 11.15am.

8. Chief Executive's Report (continued)

Minute No. TEC211118/7

Massey University

The Chair of the Board and Chief Executive appraised the Board of their meeting with the Chancellor and Vice Chancellor of Massey University. Massey University has been asked to provide a solution to increasing their domestic veterinary student cap.

s9(2)(ba)(i)

s9(2)(ba)(i)

Risk Register for October 2021

Noted that the reporting for 2022 will focus on higher risk agencies and monitoring aspects rather than commentary.

The Taratahi Agricultural Training Centre liquidation is still sitting with the High Court. Pending this decision, assuming the land can be sold, it is likely that this land will be sold to Ngāti Kahungunu with the option for the Crown to provide a loan until the Ngāti Kahungunu claim is paid.

The Deputy Chief Executive – Ōrititanga Learner Success made known his conflict of interest. No material conflicting discussion followed.

9. Board Finance Report as at September 2021

Minute No. TEC211118/8

The Board accepted the Board Finance report as at October 2021 as read and noted:

- › Funded programmes (RoVE) is tracking s9(2)(b)(ii) due to resourcing
- › s9(2)(i) has been paid to the Workforce Development Councils
- › Capex has slowed, but is on track
- › Grant funding estimates s9(2)(b)(ii) based on the Single Data Return (SDR) mainly from PTE's
- › The annual Audit is complete and is on track to be signed off today
- › Operating cash is good, noting that the s9(2)(b)(ii) is the operating floor.

Sensitive, Board and Chief Executive Expenses

The Board noted the Sensitive, Board and Chief Executive Expenses as at October 2021.

Resolved:

*The Board Chair **approved** the Board of Commissioners' and Chief Executive's expenses for October 2021.*

*The Chair of Whatitata Whakau - Risk and Assurance Committee **approved** the Board Chair's expenses for October 2021.*

10. Tahatū IQA

Minute No. TEC211118/9

The Board received the Tahatū IQA paper as read.

Key issues were discussed and acknowledged. The IQA has informed early intervention with a conservative rethink of the initial features and an approach to a slower frame of delivery with first release scheduled for early 2023. The remediation lead (Danny Martorana) will reassess the budget for the remainder of the project with the possibility of bringing forward some of the capital cost to enable milestone achievement.

Action 211118/10 The Board asked that Danny Martorana (Programme Delivery Manager at PwC New Zealand) and Murray Young (DCE Business Transformation at Land Information New Zealand) be invited to present what 'good' looks like in the short term.

11. Delegating 'in principle' decisions on the operational design of the PBRF Quality Evaluation 2025

Minute No. TEC211118/10

The Board discussed the mātauranga Māori aspect of the Sector Reference Group (SRG).

Resolved:

***Delegated** to the DCE Delivery the ability to make 'in principle' decisions, based on the Sector Reference Group's (SRG's) recommendations, during this consultation process, which will provide TEOs with the early certainty they need about changes to the Quality Evaluation 2025, and*

***Approved** the criteria that the DCE Delivery will apply in making these 'in principle' decisions during the SRG process.*

Committee Updates/endorsed papers for approval

12. Matai Punaha – Systems Responsiveness committee update – Careers

Minute No. TEC211118/11

The Board noted the minutes of the Matai Punaha meeting. The Chair of Matai Punaha gave a brief update of the meeting.

13. Ohu Tangata – People and Culture Committee update

Minute No. TEC211118/12

Resolved:

Approved the proposed offer negotiated with the Public Service Association (PSA) for a new collective agreement. The offer being:

› A term of two years from the date of ratification;

› s9(2)(i)(j)

[Redacted content]

14. 2022 Investment Plans – Responses and Updated Allocations

Minute No. TEC211118/13

Resolved:

Approved a recommended allocation of s9(2)(i) for Literacy Aotearoa and a plan length of s9(2)(b)(ii) as detailed in Appendix C; and

Approved for 2021, exempting Skills Organisation from the s9(2)(b)(ii) (as detailed below) in the Industry Training Fund recovery methodology for plumbing, gas-fitting, and drain-laying apprenticeships only.

Investment decisions and project reporting

15. Service IQ Transition Plan Presentation

Minute No. TEC211118/14

The Board welcomed Andrew McSweeney and s9(2)(a) to the hui at 1.00pm. Commissioner Bestwick made known her relationship with Andrew McSweeney, the Board agreed this was not a material conflict.

Andrew McSweeney and s9(2)(a) shared their presentation. ServiceIQ has taken a strong engagement approach with industry, employers and learners which has been constructive and inclusive. The outcome is that both akonga and staff have been well served. Te Pūkenga's lift and shift approach providing a seamless transition for akonga and staff was key to this decision. ServiceIQ noted, there are still some concerns over the future operating model at Te Pūkenga and WDC's which are being carefully monitored and drove the decision for a 1 July transition.

s9(2)(b)(ii) ServiceIQ industry and learners delivered through Ringa Hora and Te Pūkenga with mechanisms in place to ensure the funds are used for their intended purpose.

ServiceIQ see success as polytechnic and workplace training resulting a consistent qualification with consistent competency. It was noted that the Service industries has many challenges to overcome due to rebuild their sector and that Te Pūkenga and WDCs acknowledge this.

Mr McSweeney and s9(2)(a) were thanked for their presentation and left the meeting at 1.30pm.

16. Approval of the ServiceIQ transition plan

Minute No. TEC211118/15

The Board acknowledged that ServiceIQ is well led by both Mr Sweeney and s9(2)(a) who have done a great job particularly through this transition. It was particularly noted their desire to see akonga trained to be useful to employers, and the importance of keeping industry and employers engaged in learning.

It was noted for the Board that ServiceIQ is responsible for employers until the transition date s9(2)(i) The WDC's primary relationship will be with industry organisations until s9(2)(i)

Resolved:

- A. **Approved** ServiceIQ's transition plan which provides for all of its Arranging Training (AT) to transfer to Te Pūkenga Work Based Learning Ltd (WBL) on s9(2)(i) and for its Qualifications Systems Functions (QSF) to transfer to Ringa Hora Services Workforce Development Council on s9(2)(i)
- B. **Noted** ServiceIQ's QSF functions transferred to the Ringa Hora Services Workforce Development Council on s9(2)(i)
- C. **Agreed** that any TEC Investment Plan funding currently provided to ServiceIQ will be reallocated to Te Pūkenga WBL and if it proves necessary a funding allocation to the new Skills Active PTE as discussed in this paper.
- D. **Delegated** authority to the Chief Executive and DCE, Delivery Directorate to take any reasonable action if necessary to give effect to these recommendations.
- E. **Agreed** to share the Board's approval decisions, and the rationale if approval is not granted, with ServiceIQ and Te Pūkenga WBL.

Information and items for noting

17. Reform of Vocational Education (RoVE) – Programme Update

Minute No. TEC211118/16

The Board accepted the Reform of Vocational Education (RoVE) – Programme Update as read.

The Deputy Chief Executive – Delivery (DCE – Delivery) updated the Board that 2022 is filled with significant milestones and difficult tasks:

- › UFS – the importance of confirming the structure of UFS as well as identifying the technology fixes being delayed and costly. There is also an added complexity of managing programme development funds going forward.
- › TiTO transitions – the most difficult and complex transitions are coming.
- › WDC’s first year of delivery
- › Integration

The Board agreed that a digitally informed pedagogy that is attached to innovation and WDC’s priorities could be a useful tool. However, the transition to digital innovation requiring submissions on a competitive basis and a special investment structure will take capital cost and resourcing in addition to the online learning budget. The question was asked that does TEC procure this capability for a vertically integrated model?

Te Pūkenga

The Chair of the Board of Commissioners, Chief Executive, Commissioner MacCormick and the DCE – Delivery met with Te Pūkenga’s Council who eventually acknowledged that the information was not complete and did not address all of TEC’s concerns.

In their response to the Minister’s letter last week they show some progress. However, TEC is still concerned that they do not have sufficient expertise (PM or PMO) and continue to rely on sector capability which does not have the experience required to sufficiently manage a large scale transformation. Despite having funds there appears to still be a reluctance to bring in the required knowledge at sufficient scale to make a demonstrable difference. June 2022 will see a s9(2)(b)(ii) for transformation.

Te Pūkenga submitted their programme business case last week. At a high level there are nine key criteria for a successful BBC that Te Pūkenga does not meet along with several components of the 2020 funding agreement requirements including a detailed critical path timeline that have not been provided. Te Pūkenga noted they could possibly re-submit their business case in January. TEC are not confident and feel this should be delayed.

When TEC has raised issues with Te Pūkenga their responses to date have been a reluctant and slow acceptance of the need for improvement and then a less than adequate remediation.

The Board discussed in depth the issues and risks. The Board supported the Chief Executive to actively manage the relationship. The Chair, Chief Executive, Commissioner MacCormick and DCE – Delivery were meeting following the Board meeting to discuss next steps.

Action 211118/17 The Chair of the Board of Commissioners, Chief Executive, Commissioner MacCormick and the DCE – Delivery will form a view on how TEC will continue to support Te Pūkenga to achieve a position of confidence that they can deliver by 1 January 2023

18. Understanding Universities' Capital Projects

Minute No. TEC211118/17

The Board received the University Capital Projects paper as read.

The Chair informed the Board of the University Chancellors' meeting she attended the previous week. She remarked that it was a valuable exercise and one that the Chancellors agreed should be a regular fixture

19. Summaries of Selected Universities' Investment Plans for 2022

Minute No. TEC211118/18

The Board noted the Summaries of Selected Universities' Investment Plans for 2022 paper.

20. IFR summary memorandum

Minute No. TEC211118/19

The Board noted the IFR summary memorandum and looked forward to receiving an update through Matai Punaha in February.

Meeting close

The Board thanked the members of the ELT for their participation in the meeting. The Board adjourned for Commissioners and CE only time.

The Chair asked Commissioner Ngata to close the hui with a karakia.

The hui closed at 3.04pm

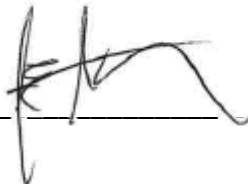
Commissioners and CE session

Minute No. TEC211118/20

Resolved:

Approved the Draft Chief Executive's KPIs for 2021-2022 as final and adopted these for the 2021-2022 year.

Signed as a true and correct record:

Chair:  _____ Date: 16 December 2021 _____



Present

Jenn Bestwick (Chair)
Alastair MacCormick
Kirk Hope

Nancy McConnell
John Russell
Vivien Sutherland Bridgwater

Apologies

Wayne Ngata

In attendance

Tim Fowler, Chief Executive Officer
Gillian Dudgeon, Deputy Chief Executive, Delivery
John Soulis, Deputy Chief Executive, Corporate and Finance
Ian Lee, Deputy Chief Executive, Strategy and Design
Mat Pawley, Deputy Chief Executive, Information
s9(2)(a), Executive Officer to the Board

Administration

Chair's Welcome & Apologies

The Chair welcomed all to the meeting, noting that Commissioner Ngata was an apology for today's meeting. The Chair opened with a karakia and declared the meeting open.

The Board congratulated Commissioner Sutherland Bridgwater on her re-appointment to the TEC Board of Commissioners for another three year term.

1. Adoption of minutes

Minute No. TEC211216/1

Resolved

*The Board of Commissioners (the Board) **adopted** the minutes of the 18 November 2021 Board meeting as a true and accurate record of that meeting.*

Matters Arising

The Board Chair asked for an update on Te Pūkenga Here Tikanga Mahi (Public Service Association) negotiations. The Deputy Chief Executive (DCE) – Corporate and Finance confirmed that negotiations settled at the end of November for two years. This gives TEC and PSA two years to develop and negotiate a new remuneration system.

2. Action items update as at 6 December 2021

Minute No. TEC211216/2

The Board noted the action items on the agenda and upcoming action items and asked that the emphasis on supporting Tamaki Makaurau staff and sector be noted as an action.

3. Declarations of interest as at 6 December 2021

Minute No. TEC211216/3

The Board reviewed the interests register noting that two new interests were added:

Commissioner Hope: INFINZ, Board Member, no conflict, non-pecuniary.

Commissioner Sutherland Bridgwater: FCB marketing & communications company, Advisor, no conflict, pecuniary.

4. Board work programme as at 6 December 2021

Minute No. TEC211216/4

The Board noted the Board work programme for December 2021. The Board were pleased that the kick off day in February will be in person after six months of virtual meetings.

Core business and project reporting

5. Chief Executive's Report

Minute No. TEC211216/5

The Board noted the Chief Executive's Report, including the OPM scorecard, Priority Projects report and Risk Register.

OPM Scorecard and commentary for November 2021

The following items were noted:

- › Contact Centre are experiencing a large increase in call volumes and inbound emails. Information Directorate are adding in functionality to split out calls and emails to better manage and prioritise inflow.
- › Annual leave balances are slowly reducing with tier 2 and 3 booking leave. Those with banked leave (hoping to travel overseas) have been encouraged to take leave now and include some remote working time to extend their time away.
- › Contractor numbers are being forecast forward. Turnover is largely ICT contractors.
- › RoVE – generally happy with this year and ready to move to integration next year. TEC is working hard to bring the Primary ITO and Te Pūkenga together for their transition.

Priority Projects Report for November 2021

Noted that the Tahatū programme reset has been completed with a modified Springload-only plan to execute in the New Year. John Soulis is now the Senior Reporting Officer (SRO) and Nina Ive, business owner.

Chief Executive's Report

The Chief Executive highlighted key elements in his report:

- › Unitec has settled on the sale of their land at almost s9(2)(i) Their s9(2)(b)(ii) [REDACTED]
- › The Board remarked on the three new Vice Chancellors taking up positions in 2022.

- › Intueri Education Group Non-party discovery will likely require extra resources that can be on-charged to the parties.
- › Buddle Finlay are providing good guidance on an end to end investment process, making published conditions clearer.
- › Tōnui Tōu Ora – This project has been scaled back dramatically focusing on collaborative work and wellbeing spaces and behavioural change.
- › Covid-19 – TEC has a highly vaccinated workforce who will take some time to settle into the new traffic light system and determine what their comfort levels are. With Omicron emerging and the constant threat of the virus evolving this is a very changeable situation.
- › The DCE - Delivery noted that although TEC had hoped to provide s9(2)(b)(ii) to Te Rito Maioha once final balance sheet calculations were complete, only an s9(2)(b)(ii) was available.

Risk Register for November 2021

Noted.

6. Board Finance Report as at November 2021

Minute No. TEC211216/8

The Board accepted the Board Finance report as at November 2021 as read and noted:

- › Noted that the overall forecast has s9(2)(b)(ii) from the November review.
- › Committed and priority projects are steady, RoVE and UFS spending is set to increase.
- › Capex is lower than plan with the Tōnui Tōu Ora decision increasing cash reserves allowing more flexibility.
- › Annual Audit all approved and the modified report shows no issues. There were three minor recommendations which will be discussed at Whatitata Whakau.
- › The Cabinet Committee approved the s9(2)(b)(ii) of fees free funding to SAC.

Sensitive, Board and Chief Executive Expenses

The Board noted the Sensitive, Board and Chief Executive Expenses as at November 2021.

Resolved:

*The Board Chair **approved** the Board of Commissioners' and Chief Executive's expenses for November 2021.*

*The Chair of Whatitata Whakau - Risk and Assurance Committee **approved** the Board Chair's expenses for November 2021.*

7. Vaccination Policy Endorsement

Minute No. TEC211216/9

The Board appreciated the update and noted the robust consultation and engagement in creating this policy.

The Board endorsed the policy and process set by the Chief Executive.

8. Statement of Intent (SOI) draft

Minute No. TEC211216/10

The Board discussed the draft Statement of Intent:

- › Research, science and knowledge creation were not prominent in the draft. Te Ara Paerangi - Future Pathways green paper was not acknowledged, or the shift in science funding.
- › The Board expressed a desire to drive and encourage ōritetanga through the SOI.
- › The strategy piece is ka pai and the equity piece is sending the right messages.
- › Using the SOI to signal TEC's intent to change how success is measured (flowing from and connecting to the plan guidance).
- › Mātauranga Māori and ensuring good flow from the compulsory sector to the tertiary sector. Incentivising professional development in this area in plan guidance as well as being clear in the SOI. It was noted that in the UFS the learner support component contains a performance measure element focusing on cultural development in order to receive funding.
- › The RoVE component did not mention the prospective work with Universities to achieve a more responsive and adaptive system.

- › The Board suggested simplifying terminology to reach a broader audience and give a quick and clean sense of TECs strategic intent.
- › It is imperative that the equity message is strong and bold.

The Deputy Chief Executive – Corporate and Finance thanked the Board for their feedback and noted that the next iteration will be presented in March.

Investment decisions and project reporting

9. WDC Operational Plans and Funding for 2022 and 2023

Minute No. TEC211216/13

The current methodology for calculating funding will flow through to the 2022-2023 year. It was noted that the indicative indication may not be allocated if outcomes are not as expected.

Councils are aware of the funding model, and their proposed allocation.

Final approval of WDC operational plans will come to the board including performance measures before final funding is approved.

Resolved:

Approved the 2022/23 ‘indicative’ funding allocations for each Workforce Development Council (WDC) as outlined in this paper, with the final decisions to be made in May 2022.

Approved the reallocation of the WDC Establishment Unit **s9(2)(b)(ii)** in early 2022.

10. Data Centre Migration

Minute No. TEC211216/14

The Deputy Chief Executive – Information gave a detailed overview of the current and future information storage situation.

Resolved:

Approved **s9(2)(j)** of capital from FY22/23 budget to fund the data centre cloud migration.

11. WDC/TITO Covid Response Project Fund: WDC Data Tool

Minute No. TEC211216/15

The Board was pleased that WDC's are working together collaboratively to deliver shared platforms and tools to support industry and build lasting infrastructure. This sets an excellent precedent for collaboratively leveraging information and data access. The Board strongly endorsed this approach.

Resolved:

Approved up to s9(2)(i) Workforce Development Council's (WDC) to support their request to fund a joint WDC project from the WDC/TITO COVID-19 Response Project Fund.

Agreed the payment of project funding will be made to s9(2)(b)(ii) WDC upon the satisfactory completion of agreed project milestones.

12. Te Hono Wānanga update

Minute No. TEC211216/16

The Board was informed that Minister Davis supports the Te Hono Wānanga programme and funding.

It was agreed that the Board would pick up the wānanga conversation with the Ministry of Education (MoE) in February.

Resolved:

Approved the s9(2)(b)(ii) for Te Wānanga o Raukawa's Whakatupu Mātauranga s9(2)(b)(ii)

Delegated future funding approvals for the remaining two wānanga medium-term contingency funds to the Chief Executive and Deputy Chief Executive, Delivery.

Information and items for noting

13. Reform of Vocational Education (RoVE) – Programme Update

Minute No. TEC211216/17

The Chief Executive updated the Board, noting that Cabinet has approved the UFS paper and this will be communicated at a high level with the sector until the actual cabinet paper is released in January. Of particular focus is Te Pūkenga. The Chief Executive expressed concern that Te Pūkenga's transformation programme timeframes are tight, their transformation workforce is predominantly "in-house" and may lack the capability and capacity to achieve the desired outcomes. There is a significant risk that the transformation timeline will slip and that the quality of that work will be degraded. The Board expressed strong support for the Chief Executive holding Te Pūkenga to account in doing what they say they will.

The Board was comfortable with Commissioners' Bestwick and MacCormick along with the Chief Executive, Deputy Chief Executive – Delivery and the Principal Advisor Special Projects monitoring Te Pūkenga's progress.

Noted that Commissioner Hope left the meeting at 11.34pm.

14. UFS Update

Minute No. TEC211216/18

The Board acknowledged the milestone achieved with the acceptance of the Cabinet paper and congratulated the team on their hard work.

The Board noted the challenges, particularly with Te Pūkenga's programme development schedule and ensuring this is informed and led by WDC's. Another challenge for Te Pūkenga will be the effect Covid has on the sector eg: borders opening, the end of the Targeted Training and Apprenticeship Fund (TTAF) etc.

The implementation process will begin next year with TEC building internal capability. The Chief Executive acknowledged that this is a huge step forward requiring collaboration between TEC and WDC's to ensure clear communication and that initial learnings inform a smooth process.

Minister Hipkins has directed TEC to ensure it has performance measures with iwi and Māori. The Board was pleased that learner success and strategy will inform where TEC should invest and will be a key holistic message throughout TEC's strategy.

Noted that Commissioner Hope rejoined the meeting at 12.30pm.

15. Plan Guidance approach for 2023 investment

Minute No. TEC211216/19

The DCE – Strategy and Design summarised the plan guidance for 2023 investment.

The Board was once again pleased to see the integration and holistic approach, noting the strong and important signal that learner success is a core requirement, not an optional component. The plan guidance clearly sets out TECs expectations, and supports relationship managers in their roles.

The DCE – Delivery suggested a deep dive into the measures for organizational success. Buddle Finlay are ensuring that the tangible measures and the way TEC evaluates/assesses investment plans is defensible.

16. He Waka Eke Noa survey

Minute No. TEC211216/20

The Chief Executive was pleased with the survey results, noting that the need for improved performance management processes is common across many organisations.

The Board noted the good response and that the overall results were as good as, or better than last year. The Board congratulated the Management Team on a fantastic outcome in a challenging year.

Meeting close

The Chair thanked the Board and Executive for their contribution this year and wished everyone a happy holiday. The Board adjourned for Commissioners and CE only time.

The Chair closed the hui with a whakatauki:

*He aha te mea nui o te ao
He tangata, he tangata, he tangata*

*What is the most important thing in the world?
It is the people, it is the people, it is the people*

The hui closed at 1.10pm

Commissioners and CE session

Signed as a true and correct record:

Chair: _____



Date: 24 February 2022 _____



Te Amorangi Mātauranga Matua

DRAFT Board meeting minutes
Held via MS Teams
Thursday, 24 February 2022

Present

Jenn Bestwick (Chair)
Alastair MacCormick
Kirk Hope
Wayne Ngata

Nancy McConnell
John Russell
Vivien Sutherland Bridgwater

In Attendance

Tim Fowler, Chief Executive Officer
Gillian Dudgeon, Deputy Chief Executive, Delivery
Mat Pawley, Deputy Chief Executive, Information
Ian Lee, Deputy Chief Executive, Strategy and Design
Paora Ammunson, Deputy Chief Executive, Learner Success – Ōritetanga

Nina Ive, Manager Strategic Engagement
Sonya Mason, Manager Human Resources
Mark Leeming, Acting Deputy Chief Executive, Corporate & Finance
s9(2)(a), Executive Officer to the Board

Guests

Danny Martorana (PwC New Zealand)
Skills Org - Brian Nowell (Chair)
Skills Org - s9(2)(a)
Te Pūkenga WBL - Toby Beaglehole (CE)
Te Pūkenga - Stephen Town (CE)
Ignite – s9(2)(a)

ICE – Garry Ivill (CE)
VHNZ Ben Johnstone (CE)
Etco – Jeremy Sole (CE)
Etco – s9(2)(a)
Primary ITO – Nigel Philpott (CE)
Primary ITO – Bruce Wills (Chair)

Administration

Chair's Welcome & Apologies

The Chair welcomed all to the meeting. Commissioner Ngata opened the meeting with an oriori to the season:

Waiho me tiki ake ki te kūmara i a Rangi
Ko Pekehawani ka noho i a Rēhua
Ko Rūhīterangi ka tau kei raro
Te ngahuru tikotikoiere
Ko Poutūterangi
Te mātahi o te tau, te putunga o te hinu, e tama e

*Wait until the kūmara is brought from above
When Pekehawani joins with Rēhua (Antares)
And Rūhīterangi (Alniyat) alights
Hence the bounteous harvest time
Poutūterangi (Altair) brings forth the first fruits of the season
And the calabashes overflow with fat...*

The Board congratulated Commissioner Sutherland Bridgwater on her New Year Honour as a Member NZ order of Merit.

1. Adoption of minutes

Minute No. TEC220224/1

Resolved

*The Board of Commissioners (the Board) **adopted** the minutes of the 16 December 2021 Board meeting as a true and accurate record of that meeting.*

2. Action items update as at 14 February 2022

Minute No. TEC220224/2

The Board noted the action items on the agenda and upcoming action items.

3. Declarations of interest as at 14 February 2022

Minute No. TEC220224/3

The Board reviewed the interests register noting that new non-pecuniary interests were added for Commissioners Hope and Ngata:

Commissioner Hope: INFINZ, Board Member, no conflict, non-pecuniary

Commissioner Ngata:

Te Pae Roa: Oversight Group for Māori Medium/Kaupapa Māori Education Pathways, Chair

New Zealand Curriculum Refresh for Rōpū Kaitiaki, Bicultural and Inclusive Working Group (MoE), Member

Te Whakaruruhau Mātauranga Māori (MoE), Member

Commissioner McConnell removed the following interests from the register:

Auckland Central Interceptor Project

Tokona te Rāki - Ngāi Tahu takiwā

He Toki ke te Mahi (Ngāi Tahu led Māori Trades Training & Apprenticeship Trust –Christchurch)

Māori and Pasifika Trades Training Wellington Consortium

4. Board work programme as at 14 February 2022

Minute No. TEC220224/4

The Board noted the annual work programme for February 2022.

Core business and project reporting

5. Chief Executive's Report

Minute No. TEC220224/5

The Board noted the Chief Executive's Report, including the OPM scorecard, Priority Projects report and Risk Register. In particular:

- › 85-90% of staff are working remotely with the pace of work remaining on track for all directorates.
- › Te Pūkenga may be s9(2)(b)(ii) targeted 2022 enrolments.
- › s9(2)(b)(ii) in 2021 despite Covid and an overall sub-sector decline by international student enrollments.
- › Tuition subsidy rates increase this year would usually forecast a s9(2)(b)(ii)
- › Universities and Crown Research Institutes (CRI)'s will be awaiting Green Paper outcomes. Several CRI's have capital plans that will be on hold and Universities (who have around s9(2)(b)(ii)) will be interested in the opportunities for the co-location the Green Paper suggests.

OPM Scorecard and commentary for December 2021 and January 2022

- › Customer contact Centre is struggling as fees free calls increase and are working through new ways to assign the queues.

- › Annual leave decreased with staff taking a good break over Christmas. People came back to work noticeably refreshed. It was suggested that a working holiday could be offered to retain staff who will travel overseas to visit whanau when borders open.
- › Recruitment in both public and private sectors remains difficult. Te Pūkenga and Universities are experiencing this same shortage of quality people to appoint. The Board was not surprised at the 20% rolling average in turnover and acknowledged this does not take into consideration those that have left and then returned.
- › The feedback from Universities is that school students are still enrolling, however, adults continuing education or beginning education are lower than expected.
- › The interim SDR will give good visibility of students starting and leaving before completing, particularly the low unemployment rate.

Priority Projects Report for January 2022

- › Project Governance Board for RoVE has met three times since the New Year. RoVE is on track and s9(2)(b)(ii) While there are several risks and interdependencies to the programme, action is being taken to mitigate them.
- › There is a strong level of confidence in the Unified Funding System (UFS) with policy work and finalisation of rates in April. s9(2)(g)(i)
s9(2)(b)(ii)
- › The Board asked for a deep dive on UFS, particularly implications for Te Pūkenga and PTEs. This is scheduled for 26 May 2022.
- › The Board was also interested in Investment Function Redesign (IFR) Project which is the topic at Matai Punaha – Systems Responsiveness Committee on 8 March 2022.
- › Noted that TEC has done a great job of keeping the DXP project on track for an April completion. A potential delay at the Ministry of Education (MoE) could stretch the timeline to May/June. The CEO has spoken to the MoE CIO and is actively managing this.

Chief Executive's Report

The Chief Executive highlighted key elements in his report:

SPOC

The Chief Executive is proud that TEC has rapidly stood up two teams for SPOC (Single Point of Contact) with 10-15 people in each team from a variety of people from each Directorate. The initial feedback is that the sector greatly appreciates this initiative and a team to talk with. The Board asked the CEO to pass on its thanks and appreciation to the Team.

Letter from Minister Hipkins

The Board acknowledged the letter to the Vice-Chancellor's from Minister Hipkins. The CEO, Chair and Commissioner Ngata will be meeting with each University Council in the coming months to discuss this.

Veterinary education in New Zealand

Massey University has committed to s9(2)(i) [REDACTED]. The Board agreed that the national priority for vets must be fulfilled and that if Massey is genuinely not in a position to expand its provision, TEC will need to explore options to fill the national need. The Board agreed to review Massey's position in June.

Future Education Steering Committee – Ministry of Education

The Board congratulated the CEO on his appointment as independent Chair of the Future Education Steering Committee at MoE recognising the relationship Tec has with MoE.

Cyber Security

The Deputy Chief Executive, Information is taking a lead in the combined cross agency group (a subset of the Education Digital and Data Board) tasked with understanding the risk profile and supporting the sector in increasing awareness and maturity. Within TEC the Protective Security and Privacy Governance Group (PSPGG) has delivered several awareness campaigns, included a cyber security section on induction to TEC as well as ad hoc continuing education around cyber security.

Risk Register for January 2022

Noted.

6. Board Finance Report as at January 2022

Minute No. TEC220224/6

The Board accepted the Board Finance report as at January 2022 as read and noted the following highlights:

- › The forecast s9(2)(b)(ii) remains as at December 2021. A vacancy rate of s9(2)(b)(ii) reduced travel and depreciation the largest contributors.
- › s9(2)(b)(ii) will transfer for RoVE to next year.
- › Cloud technology is unable to be capitalised resulting in approximately s9(2)(b)(ii) next year.

- › An update on project spending was given with particular attention on ensuring reliance on external parties for critical timeline deliveries was highly managed to prevent budget implications.
- › The forecast for grant funding has been s9(2)(b)(ii) of the balance sheet due to 2021 being an extraordinary year. ITP Subsidiaries within Te Pūkenga have significant recoveries from literacy and numeracy in lower levels (not SAC3).
- › The MoE model does not take Covid into consideration. The April Single Data Return (SDR) will give a clearer view of the impact vaccine passports may have delayed enrolments.
- › A paper is being prepared for Whatitata Whakau – Risk and Assurance Committee to define TEC’s level of comfort in the balance sheet.

Resolved:

*The Board Chair **approved** the Board of Commissioners’ and Chief Executive’s expenses for December 2021 and January 2022.*

*The Chair of Whatitata Whakau - Risk and Assurance Committee **approved** the Board Chair’s expenses for December 2021 and January 2022.*

7. Te Pūkenga Strategic Review update

Minute No. TEC220224/7

The Chief Executive updated the Board with the two strategic reviews at Te Pūkenga, one initiated by TEC the other by Te Pūkenga. Early indication is that the strategic review panel agrees with TEC’s view s9(2)(g)(i)

The second is a governance review and it appears changes are likely there too. The Board is s9(2)(g)(i) The Board requested that the review be circulated out of cycle as soon as it is available.

The Board discussed the options in its toolbox to monitor and enforce any measures identified by the report. It was particularly concerning to the Board that the s9(2)(g)(i)

The Board expected to see a significant change in council governance and the executive team with assistance and intervention by professional bodies upon the outcome of the review.

The Chair emphasised the need for confidentiality and sensitivity when receiving the strategic review report.

Committee Updates

8. Whatitata Whakau – Risk and Assurance Committee update and recommendations for approval

Minute No. TEC220224/8

The Board accepted the minutes of the Whatitata Whakau – Risk and Assurance Committee meeting as read. The Chair of Whatitata Whakau - Risk and Assurance Committee gave a brief update of the meeting and recommendations to the Board. Of particular note was the confidence in TEC's cyber security maturity targeting a 3 on the NIST framework with significant and swift progress being made toward this.

Resolved to:

- A. Approve the recommendation from Whatitata Whakau to approve the updated Internal Audit Charter dated February 2022; and
- B. Approve the Internal Audit Work Plan 2021-2022 as endorsed by Whatitata Whakau.

Information and items for noting

9. Reform of Vocational Education (RoVE) – Programme Update

Minute No. TEC220224/9

The Board noted that both Te Pūkenga and UFS had been covered earlier in the meeting. The Chair invited the Chief Executive and Deputy Chief Executive (DCE), Delivery to further update the Board.

The Board asked for an explanation on the deployment mechanism for funds and the accountability framework. The DCE, Delivery gave an overview of the components for funding and deployment at scale of workplace based programmes.

Commissioner Ngata informed the Board that Te Taumata Aronui (TTA) had made submission to the Minister that incorporates the UFS work. The Board agreed to spend time exploring how this links with TEC when it is released.

Te Pūkenga's operational plan contains no visible strategy to integrate WBLs and ITOs into existing institutes. This critical path piece (integrated workplace learning) is expected to be delivered to TEC in April.

The DCE, Delivery clarified for the Board that Te Pūkenga is ultimately responsible for students.

TEC is seeing good collaboration within WDC's with the majority of the Senior Leadership Teams (SLT) in place and recruitment of tier three management and industry engagement starting.

Tactical Strategy – January – June 2023

10. Sector outlook for the next six months

Minute No. TEC220224/10

The Deputy Chief Executive – Delivery expanded on the tabled paper:

- › Universities are concerned first year students will not get face to face classes. TEC is working with closely with Universities.
- › s9(2)(b)(ii) or next year. Many PTEs have s9(2)(b)(ii).
- › Lifting the performance of Māori and Pasifika continues to include issues Māori and Pasifika face with Covid. The Board noted that even though the percentage of unvaccinated is low, it is likely that these people are from the groups TEC is trying to support into education. The DCE, Delivery assured the Board that these conversations are happening and support is there.
- › The Board explored the lack of the right digital devices and access to digital service for the hardest to reach communities and agreed that this has many facets that are relevant to TEC. The Board requested a deep dive into the digital system including learner success and data analytics. The Board also noted that there was a gap in digital literacy for students coming into tertiary education.
- › There is s9(2)(b)(ii), at the Universities. The Board agreed that it was important to ensure operating models were robust and took into consideration the need for future capital investment that benefits the whole of New Zealand.

11. Covid-19 and Business Continuity Plan response

Minute No. TEC220224/11

The Board was impressed with how upbeat people were this year particularly with Working From Home (WFH).

- › There was concern that while TECs project are on time, the environment may not be ready to receive them. The Board agreed to evaluate the environment readiness and flag any concerns early and be prepared to put projects on hold while the environment prepares for successful uptake.

- › The s9(2)(b)(ii) facing TEC. This is sector and industry wide. The Board agreed and asked for a sense check on potential roadblocks to deliverables to be brought to the Board.
- › Te Pūkenga will also be struggling in this environment to secure the right people. The Board was concerned that this may have an impact on the timeline and directed management to monitor this closely. Management acknowledged that Te Pūkenga's SLT are working hard and that the strategic review to rationalise priorities will be critical in this space.
- › The Chair informed the Board that proactive delegations for both the DCE, Delivery and DCE, Corporate & Finance were in place to act for the CE should he contract Covid. A waterfall structure of delegations was also in place to cover the Executive Leadership Team.

Action 220224/11.1: Evaluate the environment readiness to receive projects and flag any concerns early.

Action: 220224/11.2: Sense check potential roadblocks to deliverables that could be created by resourcing issues.

Investment decisions and project reporting

12. Research, Science and Innovation Future Pathways green paper response

Minute No. TEC220224/12

The Board commended the Management team on an excellent paper that covers TEC's response well and challenges the authors to justify and provide evidence to the nebulous conclusions reached in the paper.

Commissioner Ngata informed the Board that TTA had also submitted a response that supported that of TEC.

The Board agreed that Te Tiriti o Waitangi must be acknowledged and honoured as a legislative obligation.

13. Plan Guidance for 2023

Minute No. TEC220224/13

Noted that these changes have been signaled to TEOs for a long time, there should not be any surprises. These changes put learner success at the heart of the plan include UFS updates and focus on delivering the plan as simply as possible.

TEOs know that TEC expects to see implementation and delivery on learner success and that the lack of appropriate progress will result in financial implications.

Noted that only one threshold has changed to align more consistently. This was endorsed by the Board in December.

The Board suggested the following:

- › Page 30, under construction add women.
- › Page 38, paragraph 2 of the learner component mentions “you not need to submit anything additional in your Plan” providers could have questions or need individual conversations.

Action: 220224/13 Write to Massey University informing them that if the s9(2)(b)(ii) TEC will include this next year.

Resolved to:

- A. Approve the Plan Guidance for 2023, with minor amendments noted above.
- B. Delegate the approval of minor changes to the Plan Guidance for 2023 to the Chief Executive.

14. Primary ITO Transition Plan Presentation

Minute No. TEC220224/14

The Chair welcomed Primary ITO to the meeting (noting her association with Bruce Wills) and invited them to present and discuss their transition experience.

Primary ITO has taken a cautious approach to the transition with experience in numerous amalgamations and their challenges, a rapidly changing primary sector with extreme shortages of skilled workers in the industry. An important factor in the transition was understanding the role of Work Based Learning (WBL) and assurances around Primary ITOs six transferring networks. Primary ITO has joined WBL's working group. However, Primary ITO still have concerns with Te Pūkenga's operational plan.

Primary ITO would like the Apprenticeship Boost to continue past August 2022 if possible but recognised that this was the Ministers call to make.

15. Skills Org Transition Plan Presentation

Minute No. TEC220224/15

The Chair welcomed Skills Org to the meeting and invited them to present and discuss their transition experience.

Key learnings and challenges for Skills Org in transitioning 11 plans to Te Pūkenga were keeping industry engagement and ensuring pace and momentum continue to transition on time.

Key concerns through the process were retaining staff and stakeholder engagement, particularly through staff changes. Going forward the concern is the volume to receive, it is big and complex. Getting through this on time will be challenging but they were confident.

16. Te Pūkenga - MPTT Consortia Funding 2022

Minute No. TEC220224/16

Resolved to:

- A. Approve the 2022 proposed allocation for Te Pūkenga's Māori and Pasifika Trades Training Consortium of s9(2)(i),(j) (excluding GST), comprising MPTT consortium activities of s9(2)(i), (j) (excluding GST) and MPTT Learner Support of s9(2)(i),(j) (excluding GST).

17. Vote Tertiary Education Estimates of Appropriation

Minute No. TEC220224/17

The Board discussed s9(2)(g)(i) with measures based on Te Pūkenga's annual report. The DCE, Corporate & Finance clarified for the Board that the measure in question is only related to a new national and regional strategic fund for UFS.

Resolved to:

- A. Delegate to the Chair of the Board and the Chief Executive the authority to approve the final measures for the Vote Tertiary Education Estimates of Appropriations 2022/23 until 30 June 2022, following feedback from the Ministry of Education and the Minister of Education.

18. Skills Org Transition Plan (continued)

18.1. Ignite Organisation Plan

Minute No. TEC220224/18.1

The Chair welcomed Ms s9(2)(a) and Mr s9(2)(a) to the meeting and invited them to present and discuss their transition experience.

The Board was impressed with the consistency and clear transition process between Ignite and Skills Org, particularly the care taken to align to a common learner centric culture.

The Board was interested to hear about 'badging' and Ignite's innovative thoughts on how this could be applied to or incorporated with micro credentials.

18.2. ICE Organisation Plan

Minute No. TEC220224/18.2

The Chair welcomed Mr Ivill and Mr s9(2)(a) to the meeting and invited them to present and discuss their transition experience.

The Board congratulated ICE on receiving NZQA registration as a PTE and commended ICE on their goal to commit to Māori, Pasifika and disabled learners.

18.3. VHNZ Organisation Plan

Minute No. TEC220224/18.3

The Chair welcomed Mr Johnstone to the meeting and invited him to present and discuss their transition experience.

The Board heard about the marae based training and the intention to use this model to complement and expand block course delivery by partnering with the Ministry of Social Development and Te Puni Kōkiri.

The Board was impressed with the highly joined model put forward by Skills Org.

18.4. Etco Organisation Plan

Minute No. TEC220224/18.4

The Chair welcomed Mr Sole and Mr s9(2)(a) to the meeting and invited them to present and discuss their transition experience.

The Board was excited that Etco intends to expand its presence in the sector and that it has s9(2)(b)(ii) for a Women's advisory board as well as an advisory board for Māori and Pasifika. In particular, the Board noted the increase of female students and their high achievements in the industry.

19. Te Pūkenga

Minute No. TEC220224/19

The Chair welcomed Mr Beaglehole and Mr Town to the meeting and invited them to present and discuss their transition experience.

Skills Org

The Te Pūkenga internal project team are meeting with Skills Org regularly, with a focus on the successful transition of people and legacy data systems. Te Pūkenga has also involved the Skills Org leadership team in advisory groups.

Key risks identified by Te Pūkenga are people and systems, particularly as a multiple receiver making this transition more difficult.

The Board heard that an issue to the transition has arisen this week is in relation to Intellectual Property (IP).

Primary ITO

Te Pūkenga acknowledged the “speed wobbles” last year and assured the Board that they now has a clear runway with critical success factors and reporting protocols in place. Primary ITO are actively involved in the operating model group and WBLs pilot delivery models.

20. Primary ITO Transition Plans Approvals

Minute No. TEC220224/20

Resolved to:

- A. Approve the Primary Industry Training Organisations (Primary ITO) transition plan which provides for all of its Arranging Training (AT) to transfer to Te Pūkenga WBL on s9(2)(i).
- B. Note Primary ITO’s Qualifications Systems Functions (QSF) transferred to Muka Tangata Workforce Development Council (WDC) on 04 October 2021.
- C. Approve that TEC’s residual 2022 Investment Plan funding (currently provided to Primary ITO) be reallocated to Te Pūkenga WBL.
- D. Delegate authority to the Chief Executive and DCE, Delivery Directorate, who will take any reasonable action if necessary to give effect to these recommendations.
- E. Share the Board’s approval decisions, and the rationale if approval is not granted, with Primary ITO and Te Pūkenga.

21. Skills Org Transition Plans Approvals

Minute No. TEC220224/21

The Board discussed the issue with IP and suggested that this could be added as a condition for successful resolution of the IP issue on the dependency letter.

Resolved to:

- A.** Approve the Skills Organisation Incorporated's (Skills) Transition Plan and formal Addendum in the form of a Dependency Letter which provides for its Arranging Training (AT) to be split and transferred to six PTEs and Te Pūkenga WBL on s9(2)(i) [REDACTED]
- B.** Approve TEC's residual 2022 Investment Plan funding provided to Skills be reallocated amongst the six PTEs and Te Pūkenga WBL.
- C.** Delegate authority to the Chief Executive and DCE, Delivery Directorate to take any reasonable action (if necessary) to give effect to these recommendations.
- D.** Note Skills' Qualifications Systems Functions (QSF) functions transferred to Waihanga Ara Rau (Construction and Infrastructure), Toitū te Waiora (Community, Health, Education and Social Services) and Ringa Hora (Services) WDCs on 04 October 2021.
- E.** Note the supporting TEC Board paper titled 'Evaluation of the seven Receiving Plans related to the Transition Plan of The Skills Organisation' also tabled at today's Board meeting.
- F.** Note that the Addendum/Dependency Letter has been provided by Skills in order to address some of TEC's concerns and mitigate some of the risks in respect of the transition.
- G.** Share the Board's approval decisions, and the rationale if approval is not granted, with Skills, the six PTEs and Te Pūkenga WBL.

Commissioner McCormack was thanked for his attendance and left the meeting at 3.33pm.

Information and items for noting (continued)

22. Tahatū – reliable, practicable, still innovative

Minute No. TEC220224/22

The Board thanked Danny Martorana for his leadership and welcomed Nina Ive as business owner for this key project.

- › Key advice from Mr Martorana is to ensure the project stays focused on core deliverables to build a solid foundation.
- › Getting the balance right between robust/solid and nimble will be a constant challenge.
- › Tahatū is bigger and broader than careers. How this is presented to its audience will impact its success.
- › The CEO was pleased with the responsiveness of the work and issue resolution.

Meeting close

The Chair thanked the Executive Leadership Team for their time and contribution and they left the meeting at 4.48pm.

Commissioner Ngata closed the meeting with a karakia acknowledging seeing people, the challenges we are all facing and asked for a blessing from the elements for the Board.

Commissioners and CE session

23. Board Evaluation Survey Results

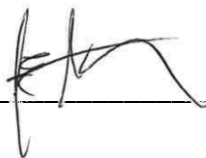
The Board agreed to discuss a TEC Board charter when kanohi ke to kanohi (face to face).

The survey revealed that Director and Board development and external monitoring were important focus points for 2022.

The hui closed at 5.09pm.

Signed as a true and correct record:

Chair: _____



Date: 24 March 2022



Emailed

Jenn Bestwick (Chair)
Alastair MacCormick
John Russell
Kirk Hope

Nancy McConnell
Vivien Sutherland Bridgwater
Wayne Ngata

Approval to delegate funding to persons or bodies; and Delegation to fund Workforce Development Council Establishment activities

Minute No. TEC210128/1

The Board noted the 'Approval to delegate funding to persons or bodies; and Delegation to fund Workforce Development Council Establishment activities' paper dated 28 January 2021

This paper was approved out of cycle to enable payments to be made in a timely manner.

Resolved

The Board resolved to:

- › **delegate** funding decisions of an amount of less than or equal to \$2million per body/person per fund to TEC's:
 - Chief Executive; or
 - Deputy Chief Executive, Delivery.

- › **delegate** funding decisions associated with funding establishment activities to be completed on behalf of WDC Interim Establishment Boards and incoming WDC Boards, up to \$5.7 million to 30 June 2021 to TEC's:
 - Deputy Chief Executive, Delivery; or
 - Portfolio Director (Reform of Vocational Education)
- › **rescind** the original delegation made in July 2020 permitting funding of up to \$1.7 million to be paid to WDC Interim Establishment Boards, valid until 16 March 2021.

Remaining 2021 Investment Plan Approvals

Minute No. TEC210128/2

The Board noted the 'Remaining 2021 Investment Plan Approvals' paper dated 28 January 2021.

This paper was approved out of cycle to enable payments to be made in a timely manner.

Resolved

Based on the advice and recommendations of the Chief Executive, the Board resolved to:

- › **approve** for 2021, the 'post right of response' final recommended allocation of Student Achievement Component Level 3 and above funding of \$2.253 million for G & H Training and \$3.719 million for Future Skills Academy
- › **approve** for 2021, our recommended allocation of \$674,809 for Ngāti Maniapoto Marae Pact Trust, and
- › **agree** to note, in the minutes of your meeting, any details of the proposed funding recommendations or conditions that you do not approve, the reasons why, and any alternative decisions.

Signed as a true and correct record:



Chair:

Date: 18 February 2021

TEC, Out of Cycle Board Decision – minute – 28 January 2021 – approved 18 February 2021

Approval to delegate funding to persons or bodies; and Delegation to fund Workforce Development Council Establishment activities

And Remaining 2021 Investment Plan Approvals

A1679956

Confidential to meeting participants