

Te Pūkenga Finance and Capital Investment Committee

Taipitopito | Details

Te rā Date	Friday 21 July 2023
Te wā Time	11am-2pm
Te wāhi Location	Zoom

Te hunga i tae mai | Attendance

Ngā tāngata i tae atu Attendees	Jeremy Morley, Josie Keelan, Murray Strong
Ngā tāngata i tamō Apologies	Bill Moran, John Brockies
In attendance	Peter Winder (Chief Executive), Michelle Teirney (Chief Financial Officer), Martyn Sinclair (Marsh, item 5.1.), Fiona Kullar (Marsh, item 5.1.) Phil O'Callaghan (Financial and Commercial Advisor, items 5.2. and 6.3.), Jaala Jacobs (Strategic Property Director, items 6. – 8.)
Heamana Chair	Jeremy Morley
Ngā meneti Minutes	Haley Passmore (Governance Advisor)

Rārangi take | Open Agenda

Nama take Agenda item
Karakia timatanga
1. Administration
1.1. Welcome/apologies
1.2. Register of interests
1.3. Schedule of Committee Membership and Meeting Dates for 2023
1.4. Minutes of the open meeting held 31 May 2023
1.5. Open action list
2. Any other open business

Nama take | Agenda item

2.1 Terms of Reference review

3. Resolution to exclude the public
Rārangi take | Closed Agenda
Nama take | Agenda item
4. Administration

4.1 Minutes of the closed meeting held 31 May 2023

4.2 Confidential action list

4.3 Summary of recommendations for this meeting

5. Financial matters and strategy reporting

5.1. Insurance renewal

5.2. Financial plan

5.3. Transformation roadmap

5.4. Verbal update on fees

5.5. Reporting

- Digital Initiatives
- Progress against financial plan
- Progress against roadmap

5.6 Digital governance

Whakatā | Break
6. Major projects and high priority buildings programme

6.1 Major projects update

6.2 High priority buildings update

6.3. Wellington strategy

7. Capital Asset Management Planning and Assessment

7.1. CAMS assessment

Nama take Agenda item	
8.	Land Divestment Strategy and Disposal Programme
8.1.	Property disposals update
9.	Any other closed business
	Karakia whakakapi and close of meeting

1. Administration

1.1. Welcome/apologies

For Reference

Presented by Jeremy Morley

Te Pūkenga Finance and Capital Investment Committee Register of Interests

As at 1 July 2023

Name	Interest	Nature of Interest
Murray Strong Chair	Centre of Digital Excellence of NZ Ltd	Chairman
	Southern Digital Transformation Programme – Te Whatu Ora	Chairman
John Brockies Member	Resolve Group Ltd	Director
	Walworth Ltd	Director
Jeremy Morley Member	Wellington Free Ambulance	Contractor
	Te Kupenga – Catholic Leadership Institute (A registered PTE)	Contractor
	Racing New Zealand	Director
	Warwick Trust	Settlor, Trustee, and Beneficiary
	YW/Petone Hockey Club Inc	Treasurer
	Wellington Over 60s Cricket	Treasurer
Bill Moran Member	High Performance Sport New Zealand	Chair until 30 June 2023 Director from 1 July 2023
	WorkSafe NZ	Deputy Chair
	Southern Generation LP	Chair
	Pioneer Energy	Director
	Chamber Music at the World's Edge Trust USA	Chair
	Youthtown Inc	Trustee
	Youthtown Foundation	Trustee

	Sky City Casino Charitable Trust Queenstown	Trustee
	Parliamentary Education Trust	Trustee
	New Zealand Symphony Orchestra Foundation	Trustee
	Iti Kōpara Charitable Trust	Trustee

2023 Schedule of Te Pūkenga Finance and Capital Investment Committee meetings

As at 6 July 2023

Committees

Finance and Capital Investment Committee

Name and role	Meeting dates	Venue
1. Jeremy Morley, Chair 2. Bill Moran, Member 3. Josie Keelan, Member 4. John Brockies, Member 5. Murray Strong, Ex-officio member	22 February 2023	Zoom
	29 March 2023	Zoom
	26 April 2023	Zoom
	31 May 2023	MITO, Wellington
	21 July 2023	Zoom
	30 August 2023	Zoom
	27 September 2023	Auckland
	25 October 2023	Zoom
	29 November 2023	TBC (in person)

Confidential Minutes of a meeting of the Finance and Capital Investment Committee (the Committee) of the Council of Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga Council)

Held on Wednesday 31 May 2023 at 1pm at MITO Boardroom, Level 3, 50 Customhouse Quay, Wellington

Present: Jeremy Morley (Chair), Bill Moran, Josie Keelan, Murray Strong

In Attendance: Peter Winder (Chief Executive), Michelle Teirney (Chief Financial Officer), Rebecca Donne (Council Secretary), Andrew Sweeney (Deputy Chief Executive Learner and Employer Experience and Attraction, item 5.2.), Jaala Jacobs (Strategic Property Director, items 6. – 9.), Rachel Clarke (Senior Project Manager, item 7.)

Apologies: John Brockies

Open minutes

1. Administration

1.1. Welcome/Apologies/Notices

The Chair welcomed everyone to the meeting and noted apologies from John Brockies.

1.2. Register of Interests

The register of interests was noted and no conflicts with matters on the agenda were declared.

1.3. Schedule of Committee membership, meeting dates for 2023, and annual workplan

Council Secretary to schedule combined June/July FinCap meeting for week of 17 July. The Chief Financial Officer noted that the CAMS independent assessment can be removed from the workplan as this has gone to the TEC.

Action: F3105.01 Council Secretary to schedule combined June/July FinCap meeting for week of 17 July.

2. Other open business

2.1 Terms of Reference discussion

Terms of Reference (ToR) needs review to ensure that it aligns with revised delegations. ToR should also be condensed, to include focus on presenting a full capital plan at the start of each year that Council then delegates to the Chief Executive and Chief Financial Officer, with a mid-year review and regular exception based reporting. The ToR will also incorporate a refocused monitoring of the financial strategy, plan, and performance. The Chief Financial Officer requested a point of direction about insurance – whether this should come back to the Committee or go to the Risk and Audit Committee.

Action: F3105.02 Council Chair, Chair of Finance and Capital Investment Committee, and Chair of Risk and Audit Committee to discuss whether insurance should be the responsibility of this Committee or the Risk and Audit Committee.

2.2. *Quorum and format of future meetings*

The Committee discussed whether it is happy to proceed with current membership numbers given John's absence or whether to add a member.

Action: F3105.03 Council Chair and Chair of Finance and Capital Investment Committee to discuss whether the Committee should proceed with present membership numbers.

3. **Formal Motion for Moving into Committee**

RESOLVED (J. Morley/B. Moran)

That the public be excluded from the remainder of the meeting. This resolution will be made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 (LGOIMA) (noting Te Pūkenga Council is specified, in Schedule 2 of LGOIMA, as a body to which LGOIMA applies) and the particular interests protected by section 9 of the Official Information Act 1982 (OIA) which would be prejudiced by the holding of the relevant parts of the proceedings of the meeting in public.

The general subject of each matter to be considered while the public is excluded and the reason for passing the resolution in relation to each matter are as follows:

Item	General subject of each matter to be considered	Section(s)
4.	Administration	
4.1	Minutes of previous meeting held 26 April 2023	Section 9(2)(a) OIA Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
4.2	Confidential action list	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
4.3	Summary of recommendations for this meeting	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
5.	Financial reports	
5.1	Finance strategy and updates from May Council meeting on decisions and endorsements	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
5.2	International fees and study grants 2024	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
5.3	2023 Financial Forecast	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
5.4	Transformation design savings (verbal update)	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
6.	Land divestment strategy and disposal programme	
6.1	Wintec Land Sales	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
7.	Capital asset management planning and assessment	
7.1	Five-year capital plan intentions	Section 9(2)(i) OIA Section 9(2)(g)(i) OIA

Item	General subject of each matter to be considered	Section(s)
8.	Major projects and investment cases	
8.1	Monthly project update	Section 9(2)(a) OIA Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
8.2	EIT Taradale Remediation	Section 9(2)(a) OIA Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
9.	High priority buildings programme	
9.1	High priority building programme updates	Section 9(2)(a) OIA Section 9(2)(i) OIA Section 9(2)(g)(i) OIA
9.2	Seismic assessment plan	Section 9(2)(a) OIA Section 9(2)(i) OIA Section 9(2)(g)(i) OIA
10.	Any other closed business	Section 9(2)(a) OIA Section 9(2)(i) OIA Section 9(2)(g)(i) OIA

Interests

Section	Interest
Section 9(2)(a) OIA	To protect the privacy of natural persons, including that of deceased natural persons.
Section 9(2)(g)(i) OIA	To maintain the effective conduct of public affairs through the free and frank expression of opinion by or between members of any organisation or employees of any organisation in the course of their duty.
Section 9(2)(i) OIA	To enable the organisation holding the information to carry out, without prejudice or disadvantage, commercial activities.
Section 9(2)(j) OIA	To enable the organisation to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

And that certain employees from Te Pūkenga be permitted to remain at the meeting, namely Jaala Jacobs, Rachel Clarke, and Andrew McSweeney, after the public has been excluded, because of their specific knowledge in relation to the above items. This knowledge, which will be of assistance in relation to the matters above to be discussed, is relevant to those matters because they have assisted in the progression of such matters.

CARRIED

The open session meeting closed at 1.07pm and moved into closed session at 1.08pm.

The meeting closed at 3.19pm

Meeting Date	Agenda item	Action type	Action No	Action	Assigned To	Status	Deadline	Update
31-May-23	Other open business	Open	F2305.02	Discuss whether insurance should be the responsibility of this Committee or the Risk and Audit Committee.	Murray Strong, Jeremy Morley, and John	Open	22-Jul-23	
31-May-23	Quorum and format of future meetings	Open	F2305.03	Discuss whether the Committee should proceed with present membership numbers.	Murray Strong and Jeremy Morley	Open	22-Jul-23	
31-May-23	Administration	Open	F2305.01	Council Secretary to schedule combined June/July FinCap meeting for week of 17 July.	Council Secretary	Closed-31/05/23		

2. Any other open business

Pūrongo Kaunihera a Te Pūkenga

Finance and Capital Investment Committee Report

21 July 2023

Title	Finance and Capital Investment Committee - Terms of Reference
For	Finance and Capital Investment Committee

Te Taunaki | Recommendation(s)

It is recommended that the Finance and Capital Investment Committee (the Committee):

a.	Review and provide feedback on the draft Finance and Capital Investment Committee Terms of Reference;
b.	Recommend to Te Pūkenga Council to approve the Terms of Reference subject to any changes requested by the Committee.



Finance and Capital Investment Committee

Terms of Reference

1. Objective

- (a) The Finance and Capital Investment (**Committee**) shall be a committee of the Council of the New Zealand Institute of Skills and Technology (**Te Pūkenga**), established by the Council.
- (b) The objectives of the Committee are to:
- i. recommend to Council the approval of the finance strategy and plan for Te Pūkenga and maintain oversight of its implementation and review;
 - ii. monitor the finances of Te Pūkenga so as to satisfy Council that they are managed in a way that:
 - ~~a.~~ maintains solvency;
 - b. ensures appropriate stewardship of finances that enables Te Pūkenga to operate efficiently and effectively;
 - ~~a-c.~~ ensures compliance with funding and loan covenants, terms and conditions;
 - b-d. gives confidence to and provides for appropriate consultation with Ministers, funders and key stakeholders that minimises the risk of external intervention in the affairs of Te Pūkenga; and
 - ~~e-e.~~ promotes achievement of Te Pūkenga annual budget, regular reforecasts, mission and strategic objectives; ~~and~~
 - iii. assists the Council in fulfilling its strategic, financial and compliance responsibilities through oversight of the capital assets and infrastructure of Te Pūkenga and its Business Divisions (the **Group**), and the approval of an annual capital plan and upward recommendations to Council as necessary, with regular reviews and exception reporting from management;
 - iv. monitor the transformation programme and related projects of Te Pūkenga, to ensure the programme and projects are on track and there is an appropriate level of compliance with accountability and responsibility matrices, budgets, timelines, milestones and reporting to Council, Ministers, funders, and stakeholders;-and
 - ~~iii-v.~~ assists and advises Council and the Risk and Audit Committee to ensure that the Group has appropriate levels of insurance in place over the assets, infrastructure and undertakings of the Group.

The management of property (including operating leases), plant, equipment, investments, vehicles, IT infrastructure, strategic databases, brands and intellectual property, monetary assets and liabilities such as working capital, cash and loans and insurance, falls within the scope of consideration. In undertaking its role with respect to its oversight of the capital assets and infrastructure of Te Pūkenga, the Committee will consider the following aspects of capital asset management:

- corporate planning
- asset information management

- levels of service
- lifecycle management strategy (including risk management)
- affordability and return on investment
- financial forecasts
- business cases
- implementation governance
- engagement with tūāngata whenua.

These objectives emphasise the cyclical nature of the process and prioritisation of decisions, the importance of defining and understanding desired outcomes, the nature of current assets, the associated current and future needs, the potential solutions, and implementing the optimum decision.

2. Powers and Authority

- (a) Pursuant to section 73 of the Crown Entities Act 2004, the Council of Te Pūkenga may delegate any of the functions or powers of Te Pūkenga or the Council, either generally or specifically, to a committee by resolution and written notice (other than functions or powers specified in the legislation as not being capable of delegation).
- (b) The Committee has authority to review any matters within its scope of responsibility.
- (c) The Committee is a sub-committee of the Council and has no executive powers, other than those set out in these Terms of Reference, or those powers expressly delegated to it by the Council in accordance with section 73 of the Crown Entities Act and outlined in Te Pūkenga Delegated Authorities policy.
- (d) The Committee members, where necessary to carry out the functions of the Committee, shall have unrestricted access to and direct communication with Te Pūkenga Tumuaki | Chief Executive, Pourangi Pūtea | Chief Financial Officer and the management personnel of a Business Division and to the extent necessary to meet its responsibilities as set out in this Terms of Reference, may obtain external legal or other professional advice.
- ~~(d)~~(e) The Committee Chair, where necessary to carry out the functions of the Committee, and after consulting with other members of the Committee and the Chair of Council to ensure appropriate communication protocols are maintained, shall have the ability to consult and communicate with Ministers, funders, and other key stakeholders.

3. Membership

- (a) The membership of the Committee shall be comprised of:
 - up to five members, with a minimum of three members (and may include up to two members who are independent of Council and management);
 - the Council Chair as an ex-officio member; and
 - members who collectively demonstrate expertise in financial management, capital asset management, internal control environments and frameworks.
- (b) The Council Chair appoints the Committee Chair and makes recommendations to the Council regarding Committee members. The Council Chair cannot be the Committee Chair.

- (c) The Committee Chair as well as having the powers and authority detailed in 2. above. will:
- represent the Committee to the full Council (including reporting back to the full Council with the recommendations and decisions of the Committee at each Council meeting immediately following a Committee meeting);
 - ensure the effectiveness and integrity of the governance process of the Committee;
 - maintain regular dialogue with the Chief Executive and senior management over operational matters, to the extent necessary and appropriate to carry out their duties;
 - consult with the remainder of the full Council promptly over any matter that gives cause for major concern; and
 - act as facilitator at meetings of the Committee to ensure that appropriate discussion takes place.
- (d) Membership of the Committee shall be periodically assessed as deemed appropriate.
- (e) A person must not be appointed as a member of the Committee unless, before appointment, he or she discloses to the Council the details of any interest the person may have if he or she were a member of such Committee.
- (f) The Council Secretary or other person nominated by the Chair of the Committee shall be secretary to the Committee.

4. Meetings

- (a) The Committee shall meet at least four times each year. Meetings may be conducted by teleconference, videoconference or in person. The Committee may also need to meet on an ad hoc basis to consider approvals requested and/or relevant matters raised by members of the Group. Accordingly, additional meetings may be held if determined necessary by the Chief Executive or Committee, including executive sessions and private meetings with the Council Chair. A special meeting may be convened by a member of the Committee at any time. All Council Members shall be entitled to attend Committee meetings.
- (b) The Pourangi Pūtea | Chief Financial Officer shall service the Committee meetings.
- (c) Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. This would normally be a week prior to the date of the meeting but may be shorter as determined by the Chair of the Committee. Minutes of the meetings shall be prepared, retained and distributed to Committee members, management and external auditors, as well being made available to the Council.
- (d) The Committee may request the attendance of representatives from management and external auditors to assist particular agenda items.
- (e) A quorum shall consist of a majority of Committee members. No business shall be transacted at a Committee meeting in the absence of a quorum, unless formal approvals and/or recommendations have previously been sought through a "round robin" process from members who will be absent from a meeting to the extent that the inclusion of those approvals and/or recommendations means that a quorum for voting has been achieved.

5. Responsibilities and duties

In order to assist the Council in fulfilling its responsibilities and to oversee the areas outlined in the objectives, the Committee shall:

Commented [JM1]: Ok - what defines "business" as this may not allow us to transact or seek approvals through round robin and may need to be clarified - I have therefore added in something which we can consider.

(a) Financial Approvals

i. Approve plans, business cases, transactions, and other business, as outlined and in accordance with the Committee's powers within Te Pūkenga delegated authorities' policy including:-

- o standing annual setting of learner fees for existing programmes under legislation, fees for the provision of learner services, fees to assist learners suffering exceptional financial hardship and any other fees prescribed by the Finance and Capital Committee;
- o limits on treasury financial transactions and financial authorities (as set out in the Treasury Policy);
- o grants or loans to the Chief Executive, any kaimahi, ākonga or any association of kaimahi or ākonga or guarantee any loans to any kaimahi members;-
- o an annual capital plan which aligns with the Group budget, which can then be delegated to the CEO for implementation with exception-based reporting at each meeting and regular reviews of that plan throughout the financial year;
- o operating expenditure (including insurances) within the Council approved budget, where the expenditure aligns with the investment plan;
- o operating expenditure in excess of the Council approved budget, where the expenditure aligns with the investment plan;
- o capital expenditure within the Council approved budget and annual capital plan that supports the expenditure which is aligned with the investment plan;
- o individual unbudgeted capital expenditure proposals;
- o tenders for approved capital or operational expenditure projects.

Commented [JM2]: I thought we could already approve this without reference to Council?

ii. make recommendations to Council concerning the approval of the matters noted in i above where the amounts or transactions exceed the Committee's delegations under the Delegated Authorities policy:-

- The annual operating expenditure within the Council approved budget, where the expenditure aligns with the investment plan;
- operating expenditure in excess of Te Pūkenga (the Council approved budget, where the expenditure aligns with the investment plan
- o capital and operating) expenditure within the Council approved budget where there is a robust business plan that supports the expenditure which is aligned with the investment plan;
- o Reviews of any individual unbudgeted capital plan or financial projections, and expenditure proposals;

Commented [JM3]: I thought we could already approve this without reference to Council?

• Student fees.

— accept:

— tenders for approved capital or operational expenditure projects.

(b) Financial Strategy and planning

Provide advice and recommendations to Council on:

- the appropriateness of the Strategic Plan objectives relating to financial management, including but not limited to the Financial Strategy and Plan;
- major and sensitive assumptions in the financial projections of Te Pūkenga; and
- consistency of the financial projections of Te Pūkenga with the Strategic Plan.

(c) Financial position and performance

Monitor and report to Council on the performance of Te Pūkenga against:

- the Annual Budget and subsequent (re)forecasts;
- TEC financial risk criteria;
- financial management parameters of Te Pūkenga;
- Strategic Plan objectives related to financial strategy, implementation, and management, including the Financial Strategy and Plan; and
- debt-related or any other external covenants.

and where, as a result of its monitoring activity, it believes that corrective action or any changes to policy, practice or financial parameters are appropriate, recommend the same to Council for implementation.

(d) Group Treasury Policy

- review, maintain and monitor the robustness and comprehensiveness of the Group Treasury Policy, including the delegations framework therein;
- review and monitor the implementation of the Group Treasury Policy through receiving regular treasury reports;
- receive and review issues raised by auditors (both internal and external) in respect of any significant weaknesses in the treasury or other financial functions;
- receive submissions from the Pourangi Pūtea | Chief Financial Officer, Director, Finance notifying any matters of non-compliance with the Group Treasury Policy and reporting these to Council for review/approval;
- annually receive the internal review of the Group Treasury Policy and recommend any changes to Council for approval; and
- receive the two-yearly fundamental Policy review report and recommend any Group Treasury Policy changes to Council.

(e) Corporate planning

- review asset management policies and strategies;
- recommend basis for Asset Management Plan;
- recommend level of organisational commitment; and
- recommend a Group capital and asset strategy and provide oversight of the execution of that strategy.

(f) Asset information management

- recommend information management requirements;
- review asset condition assessments;
- review asset performance reporting;
- review valuations; and
- commission asset information quality assurance reviews.

(g) Levels of Service

- establish strategic linkages;
- recommend statements; and
- establish measures and targets.

(h) Lifecycle management and prioritisation strategy (including risk management)

- review lifecycle strategies;
- review risk management strategies; and
- review usage and maintenance forecasting.

(i) Financial forecasts

- review lifecycle analysis; and
- review depreciation funding.

(j) Business cases

- review the Asset Improvement plan;
- review the annual plan; and
- review individual programme and project business cases in particular with respect to the transformation programme of Te Pūkenga.

(k) Approvals

Approve any other requests not already addressed in these Terms of Reference from Business Divisions for approval from Te Pūkenga relating to operating or capital expenditure, the disposal of property or non-property assets, the approval of an asset management and utilisation plan (or other property related requests), where the approval of such request exceeds the delegated authority of the Tumuaki | Chief Executive of Te Pūkenga as set out in the Delegations Policy for Te Pūkenga or is otherwise referred to the Committee by the Council for a decision.

(l) Implementation governance

Commission independent assurance reviews on project readiness and delivery.

(m) Engagement with tāngata whenua

Set expectations regarding engagement with tāngata whenua in relation to finance and capital asset management.

(n) Other responsibilities

- Perform other activities related to this Terms of Reference as requested by the Council.
- Oversee special investigations as needed.

6. Council reporting obligations

The Committee Chair will report to the Council using the Council's agenda framework to prioritise those strategic and key issues that most concern the Council. The full minutes of the meetings of the Committee will be available to all Council members and the Committee Chair will respond to Council members' questions.

7. Accountability

The Committee shall:

- Self-assess its performance against these Terms of Reference on an annual basis.
- Confirm annually that all responsibilities outlined in these Terms of Reference have been carried out.
- At its discretion, determine the requirement for an independent review, including the frequency and scope of such a review, to assess its performance against these Terms of Reference.

8. Review of the Terms of Reference

The Committee shall, on an annual basis (or as otherwise necessary), review and if appropriate, update these Terms of Reference for consideration and approval by the Council.

Approved by the Council of Te Pūkenga on ~~5 April~~ 2 August 2023

Murray W. Strong
Council Chair

Finance and Capital Investment Committee

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 - a. maintains solvency;
 - b. ensures appropriate stewardship of finances that enables Te Pūkenga to operate efficiently and effectively;
 - c. ensures compliance with funding and loan covenants, terms and conditions;
 - d. gives confidence to and provides for appropriate consultation with Ministers, funders and key stakeholders that minimises the risk of external intervention in the affairs of Te Pūkenga; and
 - e. promotes achievement of Te Pūkenga annual budget, regular reforecasts mission and strategic objectives;
 - iii. assists the Council in fulfilling its strategic, financial and compliance responsibilities through oversight of the capital assets and infrastructure of Te Pūkenga and its Business Divisions (the **Group**), and the approval of an annual capital plan and upward recommendations to Council as necessary, with regular reviews and exception reporting from management;
 - iv. monitor the transformation programme and related projects of Te Pūkenga, to ensure the programme and projects are on track and there is an appropriate level of compliance with accountability and responsibility matrices, budgets, timelines, milestones and reporting to Council, Ministers, funders, and stakeholders; and
 - v. assists and advises Council and the Risk and Audit Committee to ensure that the Group has appropriate levels of insurance in place over the assets, infrastructure and undertakings of the Group.

The management of property (including operating leases), plant, equipment, investments, vehicles, IT infrastructure, strategic databases, brands and intellectual property, monetary assets and liabilities such as working capital, cash and loans and insurance falls within the scope of consideration. In undertaking its role with respect to its oversight of the capital assets and infrastructure of Te Pūkenga, the Committee will consider the following aspects of capital asset management:

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- (b) The Committee has authority to review any matters within its scope of responsibility.
- (c) The Committee is a sub-committee of the Council and has no executive powers, other than those set out in these Terms of Reference, or those powers expressly delegated to it by the Council in accordance with section 73 of the Crown Entities Act and outlined in Te Pūkenga Delegated Authorities policy.
- (d) The Committee members, where necessary to carry out the functions of the Committee, shall have unrestricted access to and direct communication with Te Pūkenga Tumuaki | Chief Executive, Pourangi Pūtea | Chief Financial Officer and the management personnel of a Business Division and to the extent necessary to meet its responsibilities as set out in this Terms of Reference, may obtain external legal or other professional advice.
- (e) The Committee Chair, where necessary to carry out the functions of the Committee, and after consulting with other members of the Committee and the Chair of Council to ensure appropriate communication protocols are maintained, shall have the ability to consult and communicate with Ministers, funders, and other key stakeholders.

3. Membership

- (a) The membership of the Committee shall be comprised of:
 - up to five members, with a minimum of three members (and may include up to two members who are independent of Council and management);
 - the Council Chair as an ex-officio member; and
 - members who collectively demonstrate expertise in financial management, capital asset management, internal control environments and frameworks.
- (b) The Council Chair appoints the Committee Chair and makes recommendations to the Council regarding Committee members. The Council Chair cannot be the Committee Chair.

- (c) The Committee Chair as well as having the powers and authority detailed in 2. above, will:
- represent the Committee to the full Council (including reporting back to the full Council with the recommendations and decisions of the Committee at each Council meeting immediately following a Committee meeting);
 - ensure the effectiveness and integrity of the governance process of the Committee;
 - maintain regular dialogue with the Chief Executive and senior management over operational matters, to the extent necessary and appropriate to carry out their duties;
 - consult with the remainder of the full Council promptly over any matter that gives cause for major concern; and
 - act as facilitator at meetings of the Committee to ensure that appropriate discussion takes place.
- (d) Membership of the Committee shall be periodically assessed as deemed appropriate.
- (e) A person must not be appointed as a member of the Committee unless, before appointment, he or she discloses to the Council the details of any interest the person may have if he or she were a member of such Committee.
- (f) The Council Secretary or other person nominated by the Chair of the Committee shall be secretary to the Committee.

4. Meetings

- (a) The Committee shall meet at least four times each year. Meetings may be conducted by teleconference, videoconference or in person. The Committee may also need to meet on an ad hoc basis to consider approvals requested and/or relevant matters raised by members of the Group. Accordingly, additional meetings may be held if determined necessary by the Chief Executive or Committee, including executive sessions and private meetings with the Council Chair. A special meeting may be convened by a member of the Committee at any time. All Council Members shall be entitled to attend Committee meetings.
- (b) The Pourangi Pūtea | Chief Financial Officer shall service the Committee meetings.
- (c) Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. This would normally be a week prior to the date of the meeting but may be shorter as determined by the Chair of the Committee. Minutes of the meetings shall be prepared, retained and distributed to Committee members, management and external auditors, as well being made available to the Council.
- (d) The Committee may request the attendance of representatives from management and external auditors to assist particular agenda items.
- (e) A quorum shall consist of a majority of Committee members. No business shall be transacted at a Committee meeting in the absence of a quorum, unless formal approvals and/or recommendations have previously been sought through a “round robin” process from members who will be absent from a meeting to the extent that the inclusion of those approvals and/or recommendations means that a quorum for voting has been achieved.

5. Responsibilities and duties

In order to assist the Council in fulfilling its responsibilities and to oversee the areas outlined in the objectives, the Committee shall:

(a) Financial Approvals

- i. Approve plans, business cases, transactions, and other business, as outlined and in accordance with the Committee's powers within Te Pūkenga delegated authorities' policy including:
 - standing annual setting of learner fees for existing programmes under legislation, fees for the provision of learner services, fees to assist learners suffering exceptional financial hardship and any other fees prescribed by the Finance and Capital Committee;
 - limits on treasury financial transactions and financial authorities (as set out in the Treasury Policy);
 - grants or loans to the Chief Executive, any kaimahi, ākonga or any association of kaimahi or ākonga or guarantee any loans to any kaimahi members;
 - an annual capital plan which aligns with the Group budget, which can then be delegated to the CEO for implementation with exception-based reporting at each meeting and regular reviews of that plan throughout the financial year;
 - operating expenditure (including insurances) within the Council approved budget, where the expenditure aligns with the investment plan;
 - operating expenditure in excess of the Council approved budget, where the expenditure aligns with the investment plan;
 - capital expenditure within the Council approved budget and annual capital plan that supports the expenditure which is aligned with the investment plan;
 - individual unbudgeted capital expenditure proposals;
 - tenders for approved capital or operational expenditure projects.
- ii. Make recommendations to Council concerning the approval of the matters noted in i. above where the amounts or transactions exceed the Committee's delegations under the Delegated Authorities policy.

(b) Financial Strategy and planning

Provide advice and recommendations to Council on:

- the appropriateness of the Strategic Plan objectives relating to financial management, including but not limited to the Financial Strategy and Plan;
- major and sensitive assumptions in the financial projections of Te Pūkenga; and
- consistency of the financial projections of Te Pūkenga with the Strategic Plan.

(c) Financial position and performance

Monitor and report to Council on the performance of Te Pūkenga against:

- the Annual Budget and subsequent (re)forecasts;
- TEC financial risk criteria;
- financial management parameters of Te Pūkenga;
- Strategic Plan objectives related to financial strategy, implementation, and management, including the Financial Strategy and Plan; and

- debt-related or any other external covenants.

and where, as a result of its monitoring activity, it believes that corrective action or any changes to policy, practice or financial parameters are appropriate, recommend the same to Council for implementation.

(d) Group Treasury Policy

- review, maintain and monitor the robustness and comprehensiveness of the Group Treasury Policy, including the delegations framework therein;
- review and monitor the implementation of the Group Treasury Policy through receiving regular treasury reports;
- receive and review issues raised by auditors (both internal and external) in respect of any significant weaknesses in the treasury or other financial functions;
- receive submissions from the Pourangi Pūtea | Chief Financial Officer notifying any matters of non-compliance with the Group Treasury Policy and reporting these to Council for review/approval;
- annually receive the internal review of the Group Treasury Policy and recommend any changes to Council for approval; and
- receive the two-yearly fundamental Policy review report and recommend any Group Treasury Policy changes to Council.

(e) Corporate planning

- review asset management policies and strategies;
- recommend basis for Asset Management Plan;
- recommend level of organisational commitment; and
- recommend a Group capital and asset strategy and provide oversight of the execution of that strategy.

(f) Asset information management

- recommend information management requirements;
- review asset condition assessments;
- review asset performance reporting;
- review valuations; and
- commission asset information quality assurance reviews.

(g) Levels of Service

- establish strategic linkages;
- recommend statements; and
- establish measures and targets.

(h) Lifecycle management and prioritisation strategy (including risk management)

- review lifecycle strategies;

- review risk management strategies; and
- review usage and maintenance forecasting.

(i) Financial forecasts

- review lifecycle analysis; and
- review depreciation funding.

(j) Business cases

- review the Asset Improvement plan;
- review the annual plan; and
- review individual programme and project business cases in particular with respect to the transformation programme of Te Pūkenga.

(k) Approvals

Approve any other requests not already addressed in these Terms of Reference from Business Divisions for approval from Te Pūkenga relating to operating or capital expenditure, the disposal of property or non-property assets, the approval of an asset management and utilisation plan (or other property related requests), where the approval of such request exceeds the delegated authority of the Tumuaki | Chief Executive of Te Pūkenga as set out in the Delegations Policy for Te Pūkenga or is otherwise referred to the Committee by the Council for a decision.

(l) Implementation governance

Commission independent assurance reviews on project readiness and delivery.

(m) Engagement with tāngata whenua

Set expectations regarding engagement with tāngata whenua in relation to finance and capital asset management.

(n) Other responsibilities

- Perform other activities related to this Terms of Reference as requested by the Council.
- Oversee special investigations as needed.

6. Council reporting obligations

The Committee Chair will report to the Council using the Council's agenda framework to prioritise those strategic and key issues that most concern the Council. The full minutes of the meetings of the Committee will be available to all Council members and the Committee Chair will respond to Council members' questions.

7. Accountability

The Committee shall:

- Self-assess its performance against these Terms of Reference on an annual basis.
- Confirm annually that all responsibilities outlined in these Terms of Reference have been carried out.

- At its discretion, determine the requirement for an independent review, including the frequency and scope of such a review, to assess its performance against these Terms of Reference.

8. Review of the Terms of Reference

The Committee shall, on an annual basis (or as otherwise necessary), review and if appropriate, update these Terms of Reference for consideration and approval by the Council.

Approved by the Council of Te Pūkenga on 2 August 2023

Murray W. Strong
Council Chair

Te Pūkenga Council Finance and Capital Investment Committee Meeting

3. Resolution to exclude the public

It will be moved by the Chair that the public be excluded from the remainder of the meeting. This resolution will be made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 (LGOIMA) (noting Te Pūkenga Council is specified, in Schedule 2 of LGOIMA, as a body to which LGOIMA applies) and the particular interests protected by section 9 of the Official Information Act 1982 (OIA) which would be prejudiced by the holding of the relevant parts of the proceedings of the meeting in public.

The general subject of each matter to be considered while the public is excluded and the reason for passing the resolution in relation to each matter are as follows:

Item	General subject of each matter to be considered	Section(s)
4.	Administration	
4.1.	Minutes from closed meeting held 31 May 2023	Section 9(2)(a) OIA Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
4.2.	Confidential action list	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
4.3.	Summary of recommendations for this meeting	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
5.	Financial matters and strategy reporting	
5.1.	Insurance renewal	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
5.2.	Financial plan	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
5.3.	Transformation roadmap	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA

Item	General subject of each matter to be considered	Section(s)
5.4.	Verbal update on fees	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
5.5.	Reporting <ul style="list-style-type: none"> • Digital Initiatives • Progress against Financial Plan • Progress against roadmap 	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
5.6.	Digital governance	Section 9(2)(g)(i) OIA Section 9(2)(i) OIA
6.	Major projects and high priority buildings programme	
6.1.	Monthly project update	Section 9(2)(i) OIA Section 9(2)(g)(i) OIA
6.2.	High priority building programme updates	Section 9(2)(i) OIA Section 9(2)(g)(i) OIA
6.3.	Wellington strategy	Section 9(2)(i) OIA Section 9(2)(g)(i) OIA
7.	Capital asset management planning and assessment	
7.1.	CAMS assessment	Section 9(2)(i) OIA Section 9(2)(g)(i) OIA
8.	Land divestment strategy and disposal programme	
8.1.	Property disposals update	Section 9(2)(i) OIA Section 9(2)(g)(i) OIA
9.	Any other closed business	Section 9(2)(a) OIA Section 9(2)(i) OIA Section 9(2)(g)(i) OIA

Interests

Section	Interest
Section 9(2)(a) OIA	To protect the privacy of natural persons, including that of deceased natural persons.
Section 9(2)(g)(i) OIA	To maintain the effective conduct of public affairs through the free and frank expression of opinion by or between members of any organisation or employees of any organisation in the course of their duty.
Section 9(2)(i) OIA	To enable the organisation holding the information to carry out, without prejudice or disadvantage, commercial activities.

The Chair will also move that certain employees from Te Pūkenga be permitted to remain at the meeting, after the public has been excluded, because of their specific knowledge in relation to the above items. This knowledge, which will be of assistance in relation to the matters above to be discussed, is relevant to those matters because they have assisted in the progression of such matters.