



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

0800 86 22 84
info@tepūkenga.ac.nz
tepūkenga.ac.nz

Tim Fowler
Chief Executive
Tertiary Education Commission

7 February 2024

Tēnā koe Tim

Contracts with Specialist Advisors for Te Pūkenga

Thank you for working with Te Pūkenga as we take steps to give effect to the Letter of Expectations (LoE) received from the Minister for Tertiary Education and Skills (the Minister) on 5 December 2023. We are very committed to working with you in a collaborative way to give effect to those expectations.

Te Pūkenga Council has been asked by the Acting Chief Executive to appoint Specialist Advisors to assist with the disestablishment of Te Pūkenga and assist in designing the future state of the new entities. The Council is now considering those proposed contracts and will seek legal advice before they are finalised.

Given that the Tertiary Education Commission has been involved in the selection process in consultation with the Minister, I consider it appropriate on a no surprises basis to outline the risks considered by Management and the Council in relation to these appointments. The council as signatory to these contracts has considered how those risks can best be mitigated. Any feedback from you on these issues would be most welcome.

How best to justify the appointment of five contractors for a relatively lengthy period, in light of the Government's stated position on the use of contractors in the public sector, and the expectations communicated in the LoE to manage costs

- The Council understands that these appointments have been requested by the Minister for Tertiary Education and Skills, and that there is therefore Ministerial support for these appointments.
- In particular, the appointments are considered by the Minister to have the appropriate knowledge and expertise at both sector and regional levels to efficiently and cost-effectively support the transition to a regional delivery model in a timely manner.
- In relation to the cost, as you are aware there is a daily rate and even though there is an estimate of how many days a month each advisor is likely to be involved in the role it is an untested role. We will be expecting the incoming Chief Executive to ensure strong cost control measures will be in place that will help to mitigate some of that expenditure. Additionally, the expert advisory roles are expected to expedite the transition process in terms of both cost-effectiveness and timeframe to constrain the overall costs of disestablishment. The Council understands that it is also possible that additional funding may be sourced or repurposed from the Crown to meet these costs.

Documentation regarding the process for selecting these individuals and how any potential conflicts that they may have will be managed

- The Council understands that the individuals proposed as advisors have particular skills and experience in the sector and are known to the Minister. It is the Council's expectation that the Acting Chief Executive will complete a brief skills matrix for each appointee, including potential conflicts and management strategies, by Friday 16 February 2024.

The implication of these appointments for the ELT and Regional Directors, both of whom may consider that the roles to be performed by these contractors are ones that they are qualified to perform and/or that the appointment of these individuals impacts on their own roles

- The Council understands that the responsibilities of the Specialist Advisors are not intended to impact on the decision-making of Te Pūkenga management, and that the advisors are not intended to have any decision-making or authority over kaimahi, or control over the running of Te Pūkenga and its budgets. Specialist Advisors have no delegated authority. The Acting Chief Executive has advised that Specialist Advisors, ELT members, and Regional Directors have been explicitly briefed on this matter and assured us that Te Pūkenga management decisions regarding usual operational business matters, kaimahi, and budgets remains with ELT/Regional Directors.

Clarity around the mitigation of risks associated with the responsibilities and reporting lines of these contractors, including their interaction with the Council, FRAC, the Disestablishment Working Group, ELT and the Regional Directors

- The Council understands that the Specialist Advisors do not have any decision-making power or delegated authority and that risks around conflicting advice, direction and decision-making will need to be carefully managed by the Council, the Finance Risk and Audit Committee (FRAC), the Disestablishment Working Group and the incoming Chief Executive, with regular consultation and communication. The Specialist Advisors may inform decision-making, but recommendations are not binding and specialist advisors do not operate with delegated authority.
- Other mitigations include having position descriptions and setting clear expectations.

I would be very happy to discuss this further with you.

Ngā mihi nui,



Sue McCormack
Acting Chair, Te Pūkenga Council