



Te Pūkenga

5 September 2025

Te Pūkenga - Proactive release of Regional ITP Viability reports

Purpose

This document provides background to the following proactively released Regional ITP¹ Viability report conducted for each Te Pūkenga ITP business division in 2024. It also provides context for the reader to understand the report and the environment in which it was developed and how it has informed subsequent work by each Te Pūkenga ITP business division.

Background

The Government via the Minister for Vocational Education announced on 7 December 2023 that the Government had begun its process to disestablish Te Pūkenga. [Disestablishment of Te Pūkenga begins | Beehive.govt.nz](https://www.beehive.govt.nz/disestablishment-of-te-pukenga-begins)

In a letter dated 20 May 2024 - *Progressing financial sustainability initiatives* – sent to Te Pūkenga Council Acting Chair, Minister Simmonds set out her expectations that Te Pūkenga take action to improve the financial performance and viability of our whole network. The letter is available publicly: www.tepukenga.ac.nz/assets/Publications/Letter-of-expectations-Dec-2023/Letter-to-Te-Pukenga-clarifying-aspects-of-Letter-of-Expectations.pdf.

In June 2024, Te Pūkenga was directed by the Tertiary Education Commission (TEC) to obtain specialist support to review and improve the financial viability of our 16 ITP business divisions to support their ability to become standalone entities in future. Calibre Partners, Volte, PricewaterhouseCoopers, and Deloitte (the Consultants) undertook this work as part of the Regional ITP Viability (RIV) programme. The TEC letters are available here:

- [2024.06.14-Notice-requiring-Te-Pukenga-to-obtain-specialist-help.pdf](https://www.tepukenga.ac.nz/assets/Publications/2024.06.14-Notice-requiring-Te-Pukenga-to-obtain-specialist-help.pdf)
- [2024.07.09-Letter-to-Sue-McCormack-Te-Pukenga-re-specialist-help.pdf](https://www.tepukenga.ac.nz/assets/Publications/2024.07.09-Letter-to-Sue-McCormack-Te-Pukenga-re-specialist-help.pdf)

In July 2024, the Consultants were engaged and began working with their allocated ITP business divisions to confirm the financial position of each ITP business division, including, understand the profitability of programmes and delivery sites, and assess the utilisation of assets.

Following this work, the Consultants were requested to develop reports with options and possible initiatives and activities that could improve the financial viability and financial positions of each business division. The Consultants submitted draft reports to Te Pūkenga in October 2024 on how each ITP division could become a viable, stand-alone entity, or how it might minimise financial losses and operate as part of a federation or merger.

¹ Institute of Technology and Polytechnic (ITP)

On 20 December 2024, the Government announced the high-level design of the vocational education and training sector, although these decisions did not outline which ITP business divisions would be established, federated or merged: [Vocational education and training decisions support return to regions | Beehive.govt.nz](#)

In January 2025, after waiting for the Government's announcement, Te Pūkenga Council considered and approved the draft consultant reports for ITP Business Divisions to inform the development of divisional operational implementation plans.

While some business divisions began activities in 2024, this work continued and accelerated in 2025.

On 14 July 2025, the Government announced that ten ITP business divisions would be stood up as standalone entities, two of which would be federated with Open Polytechnic as the anchor ITP, and that four would remain within Te Pūkenga from 1 January 2026: [Regional governance will return to ten polytechnics | Beehive.govt.nz](#)

Important points to note when reading these reports

Assumptions

A significant number of assumptions had to be made by Te Pūkenga and the Consultants, informed by TEC, given the context in which this work was undertaken. Many of the assumptions made are included in the reports and relate to a range of matters. The context for the assumptions included:

- The Government was consulting with the public on proposals for the future structure of the vocational education and training system at the same time as the Consultants were undertaking this work;
- No decisions had been made by the Government on the business divisions that would standalone, and for which merger, federation or another collaborative model could be an option;
- Uncertainty of the funding model and levels of funding in 2026;
- A fiscally constrained environment with relation to government funding in the tertiary sector.

In most cases, the Consultants undertook scenario modelling of a “base case” and a “downside scenario” and the related assumptions are outlined in the reports.

Financial information and data

The financial, staffing and enrolment data and information (current and forecast) contained in these reports were provided to the Consultants at a point in time (during July-September 2024) for the purposes of their analysis. Therefore, this data and information may not align with other data and information within end of year regular reporting and forecasting processes at a business division and Te Pūkenga network level and is not a reflection of where divisions might be at the present time.

Financial viability metrics

While no specific criteria for viability was provided by the Government or agencies, Te Pūkenga instructed the Consultants to consider the Tertiary Education Commission's Financial Monitoring Framework (FMF) as a guide when assessing financial viability of each ITP business division. The FMF can be found here: [Financial monitoring of tertiary education institutions | Tertiary Education Commission](#). We provided the Consultants guiding metrics to use in their assessment to support this work.

Kaimahi (people/staffing)

Information related to kaimahi and forecasted financial modelling in the reports helped inform possible areas that could be reviewed at each business division. The information within the reports was a point in time and provided options and suggestions for the business divisions to consider as they looked at ways to improve their financial position. The reports were not definitive in their options, final decisions around what would be consulted on followed a sign off process and a set of principles.

In deciding on change, business divisions carefully considered a range of matters such as enrolments, ākonga to kaiako (teacher) ratios, programme and course viability, profitability, support functions and personnel costs among other variables to support improving their financial position. These matters then informed the rationale within the change proposals.

Formal change proposals were developed by each business division, which subsequently led to formal consultation processes with affected kaimahi. During consultation kaimahi are encouraged to provide feedback. This is then reviewed before any final decisions are made by business divisions.

Approved

Wintec

Financial Improvement Plan

15 November 2024

PROACTIVELY RELEASED



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On 5 December 2023 Te Pūkenga Council (the Council) received a letter of expectations (LoE) from the Minister for Tertiary Education and Skills (the Minister) which confirmed the intention to disestablish Te Pūkenga and re-establish regional Institutes of Technology and Polytechnics (ITPs).

On 20 May 2024, the Minister sent a follow up letter to the Council stating that “it is important that Te Pūkenga takes whatever actions it considers necessary to improve the financial performance of the network as a whole, through ensuring each of the individual business divisions can become financially sustainable.”

Over May and June 2024, Te Pūkenga undertook financial forecasting and modelling with the Tertiary Education Commission (TEC) to inform advice to the Minister about re-establishing existing Regional Business Divisions (the former ITP business divisions) as possible standalone viable and sustainable entities by 2026.

TEC has also directed Te Pūkenga obtain Specialist Help under section 332 of the Education and Training Act 2020. This Specialist Help will focus on considering what is required to support a pathway to viability working in partnership with Te Pūkenga staff.

Cabinet considered proposals on the future of regional business divisions (ITPs) and work-based learning divisions of Te Pūkenga presented by the Minister on 1 July 2024. These proposals were subject to a six-week consultation process.

Four phases of work are envisaged:

Phase 1 Discovery and Information Gathering - Initial Findings Report

- Confirm Phase 2 requirements

Phase 2 Operating Model and Financial Improvement Plan

- Decision / Government engagement

Phase 3 Implementation Plan Development

Phase 4 Implementation

This report covers Phase 2 and reflects the following scope:

- Design and propose a preferred operating model, including academic and non-academic staffing requirements.
- Identify what capital assets would be required to deliver the chosen operating model and support the proposed delivery. This should consider the divestment opportunities of any surplus assets or identified additional working capital.

Phase 2 is to cover the following requirements:

- Provide analysis and assessment of ITP viability, the scale and scope of change required to achieve this, and identified key risks.
- Design and propose a preferred Operating Model (including academic and non-academic staffing requirements to meet regional vocational training needs)/Financial Improvement Plan / Merger Plan, including a Profit and Loss and Balance sheet to 2030 FY, and initiatives that underpin this.
- Identify what property and capital assets would be required to deliver the chosen operating model and support the proposed delivery. This should consider the divestment opportunities of any surplus assets or identified additional working capital.
- Consider the key risks and provide financial analyses to support the proposed approach to making the entity viable, if possible.

Phase 2 also originally included undertaking engagement with key regional stakeholders to determine the impact of any proposed plans at a high level for regional vocational education and training. However, this section of the scope was withdrawn.

This report should be read in conjunction with the terms and conditions of the CSO dated 10 September 2024 and our Phase 1 report dated 4 September 2024.

Introduction

Wintec has been highly engaged throughout this project. Together we have developed a Financial Improvement Plan that will achieve the objective of the RIV Project.

Engagement with ELT

- Consistent with our Phase 1 review, engagement with ELT has been constructive and we continued to hold meetings with ELT throughout Phase 2 of the review.
- Most of the engagement with ELT was centred around developing the Financial Improvement Plan (FIP) and associated financial monitoring framework.
- ELT are committed to effecting permanent change to secure the ongoing viability of Wintec.
- From our engagement with ELT, it is apparent that Wintec has the necessary capability and capacity within its leadership team to drive and track achievement of the FIP.

Information gaps and risk

- Information provided during Phase 2 was detailed and consistently provided in a timely manner.
- There are two key areas where information is limited that pose a risk to the financial improvement plan:
 - Support cost integration into programme profitability. The relationship between programme profitability and support costs is not clearly defined or well understood. Understanding systems that draw this relationship together need to be established to enable an ongoing review of programme profitability at a fully-costed net profit and loss level. We have discussed this at detail further in the report.
 - Revenue retention. Revenue retention relates to learners from discontinued programmes retained in other programmes. We have been unable to gain comfort over the strategy to retain EFTS or verify the percentage of EFTS that have historically been retained from discontinued programmes. We have commented on this risk further in the report.
 - The FIP does have capacity to absorb impacts of these risks to a certain degree (as outlined).

Engagement strategy

- As noted in the scope, the focus of the engagement centred around designing and proposing a preferred operating model underpinned by the FIP.
- Through the engagement, we have narrowed the focus to three key financial improvement initiatives:
 - Programme profitability improvement;
 - Support cost restructure; and
 - Property rationalisation.
- Work was undertaken to assess the financial monitoring framework to ensure that achievements made continue long-term.

Introduction

Financial improvement initiatives

Wintec's financial improvement plan is predicated on executing three inter-linked financial improvement strategies that have been developed over Stages 1 and 2.



01. Programme profitability improvement

- 58 programmes will be discontinued due to negative contribution or inadequate EFTS
- Wintec is also reviewing continuing programmes to improve contribution
- Discontinuation, optimisation and revenue retention will deliver combined savings of \$2.5 million



02. Support cost restructure

- \$2.6 million support cost savings have been identified
- Consultation processes have commenced for support cost centre restructuring



03. Property rationalisation

- Early exit of the Hamilton Gardens is targeted due to poor utilisation and negative contribution
- Other properties have been identified for exit/disposal to deliver further cost savings

Introduction

Financial Improvement Plan

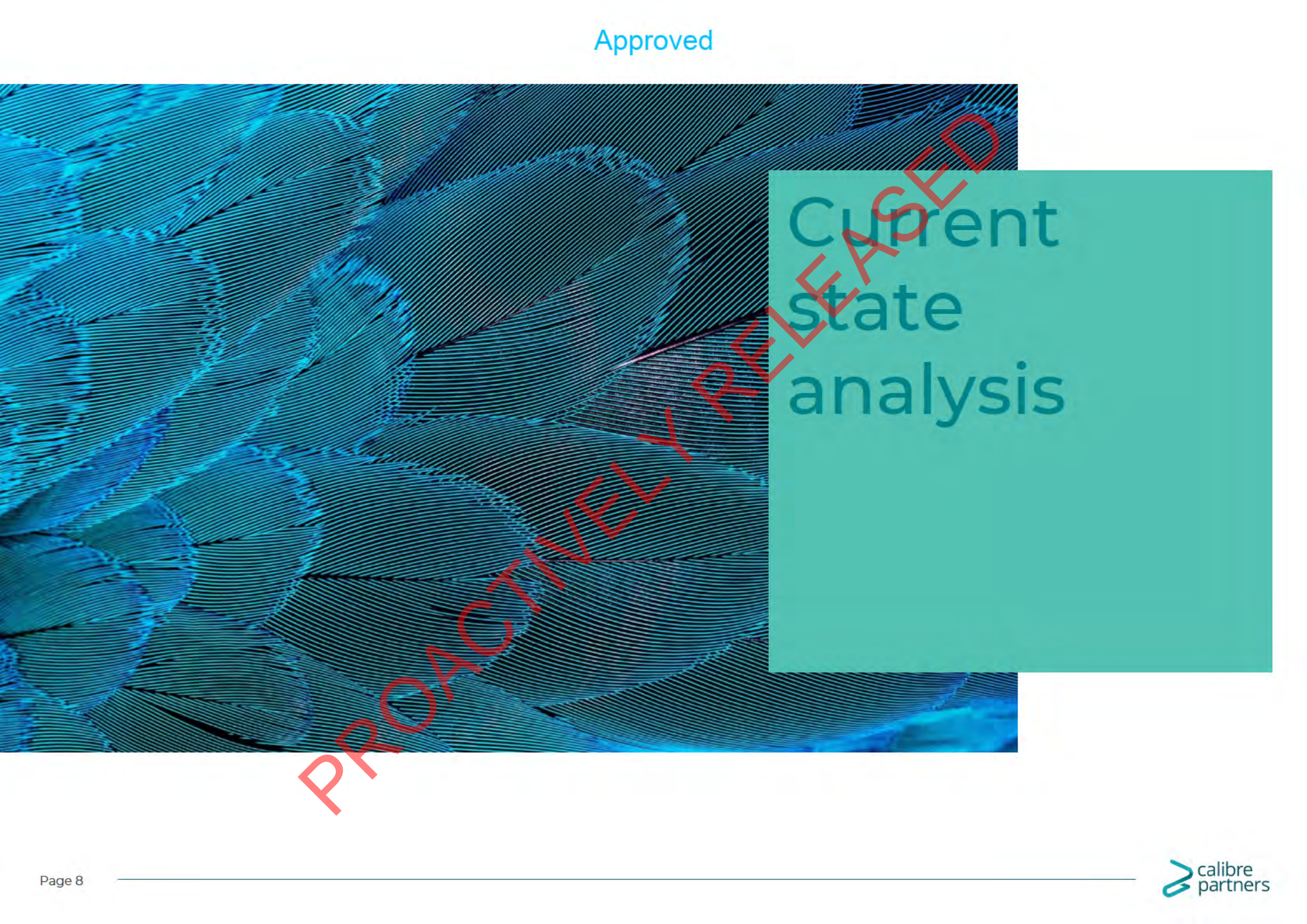
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We believe Wintec can become a financially viable standalone ITP by 1 January 2026, following execution of the financial improvement plan outlined in this report. Wintec has the necessary capability and capacity within its leadership team to drive and track achievement of the FIP.

Profit and loss FY23-FY29 (\$'000s)





Current state analysis

Current state analysis

FY24 key metrics

Approved



Wintec is forecasting a net deficit of \$8m in FY24 on the back of an 8% increase in EFTS.

\$8m
Loss

FY24 vs \$19m loss FY23

201
Programmes

Across 11 Departments

315
Teaching FTEs

+1 (0%) vs 2023

3,957
Domestic
EFTS

+77 (2%) vs 2023

626
International
EFTS

+251 (67%) vs 2023

333
Non-teaching FTEs

-26 (7%) vs 2023

Current state analysis

Financial overview – trading waterfall

Approved



The FY24 reforecast (incorporating October YTD actual results) projects an \$8 million net deficit, c\$11 million lower than the FY23 net deficit. This was driven by growth in International EFTS.



Current state analysis

Financial overview - trading

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Despite the improvements, the FY24 re-forecast remains a loss. The objective of the Regional ITP Viability ('RIV') project is to formulate a strategy to accelerate Wintec's turnaround from losses to sustained profits.

Profit and Loss FY23 and FY24 reforecast (\$000s)

Revenue	FY23 Actual	FY24 Re-forecast	Variance
Government Funding	39,565	42,702	3,136
Domestic Student Fees	15,662	18,430	2,768
International Student Fees	7,505	14,706	7,201
Research Funding	1,746	216	(1,529)
Other Teaching Income	4,835	5,336	501
Interest Income			0
Trading Income	1,968	3,748	1,780
Other Income	7,338	3,251	(4,087)
Total Revenue	78,619	88,389	9,770
Expenses			
Personnel Expenses	57,945	58,603	(658)
Teaching Delivery	9,841	10,875	(1,034)
Infrastructure	7,210	7,534	(323)
Administration	10,260	9,669	591
Restructuring Costs	998	886	112
Unusual and Non-Recurring Items	236	0	236
Total Expenses	86,491	87,566	(1,075)
EBTIDA	(7,872)	822	8,694
Net interest	2,086	(636)	2,722
Depreciation and amortisation	9,483	8,183	1,300
Net Surplus/Deficit	(19,441)	(7,996)	(11,445)
Domestic EFTS	3,880	3,957	77
International EFTS	375	626	251
Total EFTS	4,255	4,583	328

Government funding, domestic and international student fees are up due to increased student numbers and course mix

Wintec received "one-off" research funding in FY23 that will not reoccur in FY24

Trading income is forecast to increase in FY24 due to an increase in international offshore delivery programmes being provided in China

FY23 other income included Indonesia consultancy projects provided to ITPs that do not repeat in FY24

Reductions in staff numbers are offset by increased remuneration rates (+4%), pay parity for nurses and the repatriation of some Te Pūkenga costs

Higher teaching delivery costs reflects higher EFTS

Depreciation is lower due to property revaluations

International and domestic EFTS are to be 2% and 67% above FY23 levels respectively

Current state analysis

Financial overview – balance sheet

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Wintec has a significant asset base with a moderate level of liabilities. The fixed assets are primarily comprised of the Hamilton City and Rotokauri assets, while the liabilities are largely comprised of long-term borrowings from Te Pūkenga.

Balance sheet (\$000s)

Assets	Dec-23	Oct-24	Variance
Cash	9,021	2,083	(6,937)
Trade & Other Receivables	19,758	21,254	1,497
Prepayments	331	0	(331)
Inventory	307	307	0
Fixed Assets	184,319	178,770	(5,549)
Long Term Assets	3,322	3,050	(271)
Total Assets	217,056	205,465	(11,591)
Liabilities			
Trade & Other Payables	2,595	4,980	2,385
Employee Entitlements	4,386	5,516	1,131
ST Loans & Borrowings	52	10	(42)
Revenues in Advance	30,428	29,322	(1,105)
Other Non-Current Liabilities	0	(215)	(215)
LT Loans & Borrowings	51,023	45,274	(5,749)
Total Liabilities	88,483	84,888	(3,595)
Net Surplus / (Deficit)	(19,441)	(7,996)	11,445
Equity	148,014	128,573	(19,441)
Total Liabilities and Equity	217,056	205,465	(11,591)

Most of Wintec's programme delivery takes place at the Hamilton City and Rotokauri campuses. These two properties comprise over 99% of the total fixed assets. Programme delivery also takes place in Hamilton Gardens, Ōtorohanga and Thames.

Location	Oct-24 (\$000s)
Hamilton Gardens	s 9(2)
Hamilton City	(b)(ii), s 9(2)(j)
Rotokauri	
Other	

Long term loans and borrowings represents funding from Te Pūkenga. We understand this largely operates like a revolving facility with funds drawn and repaid to manage net interest costs and when cashflow permits. Our modelling assumes the debt owing at 31 December 2025 is written off on that date. This also eliminates the related interest expense.

Current state analysis

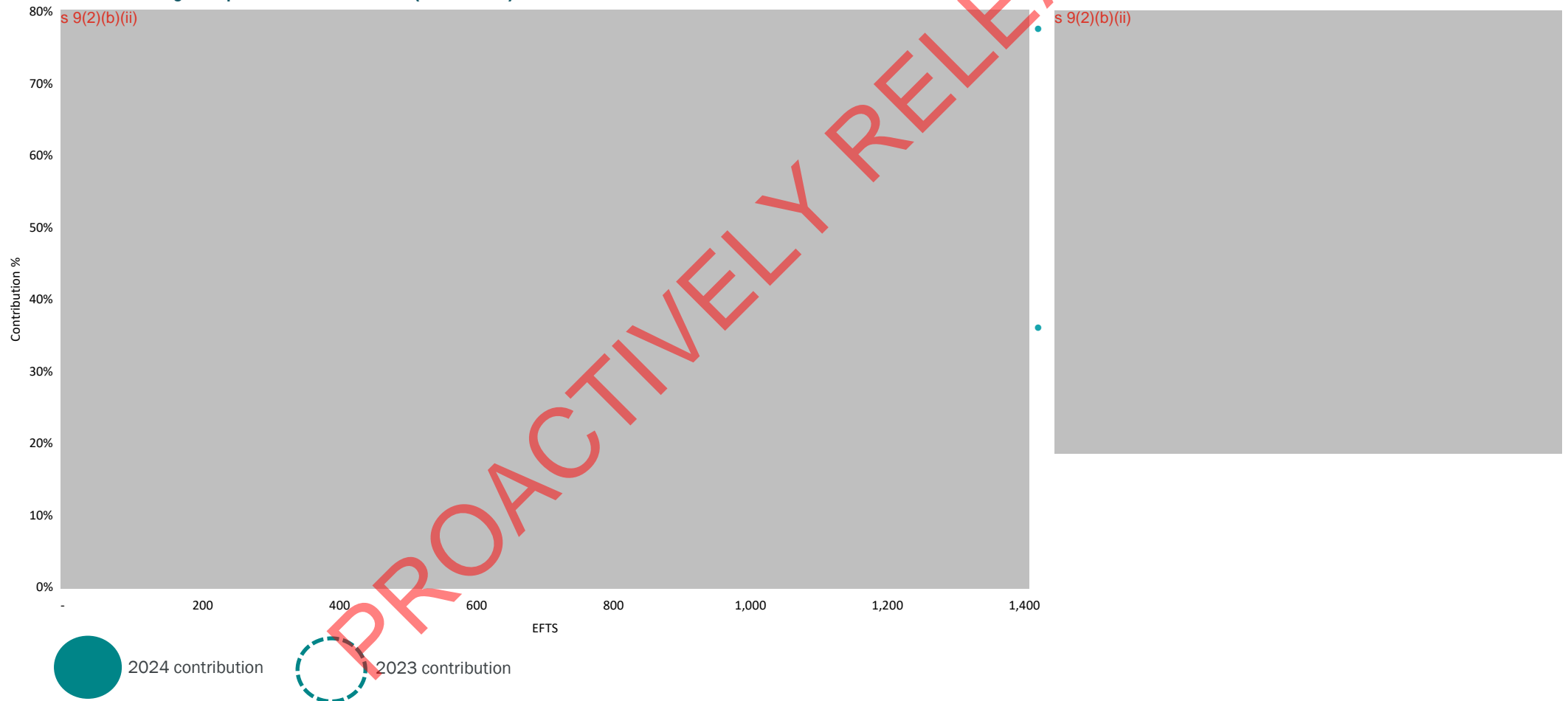
Programme overview

Approved



Overall contribution has increased from \$30.8 million in 2023 to \$39.5 million in 2024. This was largely driven by the [REDACTED] departments which contributed an additional [REDACTED] million and [REDACTED] million respectively. The contribution margin at the [REDACTED] remains at an unacceptable level [REDACTED] which has caused the ELT to examine this department closely.

Contribution by department 2024 (vs 2023)



Current state analysis

Programme overview - 2024

Approved



The composition of programmes in 2024 resulted in a shift to more amber programmes from green and red with 24% of programmes in red, 43% in amber and 32% in green.

Contribution by programme 2024



Financial improvement initiatives

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Financial improvement initiatives

Strategies

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Three financial improvement strategies have been the focus of Stages 1 and 2. A programme profitability review has been undertaken to refine the mix of provision to programmes that are financially sustainable. Based on the revised mix of provision, property rationalisation, and support cost savings, analysis has been undertaken to determine further cost savings to make Wintec financially viable.

	Description	Scale of change	Financial impact vs FY25 Budget
01 Programme profitability improvement	<ul style="list-style-type: none"> 221 programmes were reviewed, 58 programmes will be discontinued. Wintec has also reviewed remaining programmes to improve their contribution ('optimisation'). Wintec ELT are currently undertaking consultation processes for discontinuing programmes which are expected to conclude in January 2025. 	 22 FTE impacted	 \$2.5m forecast savings
02 Support cost savings	<ul style="list-style-type: none"> Interest expense is removed due to Te Pūkenga debt write off. Wintec is in the process of closing Te Kotahi Oranga. Other support cost centres restructured. Consultation processes have already commenced for some support cost centres. Other consultation processes will run from January-March 2025. 	 23 FTE impacted	 \$2.6m forecast savings
03 Property rationalisation	<ul style="list-style-type: none"> Early exit of the Hamilton Gardens is targeted due to poor utilisation and negative contribution. Wintec intends to exit one of the Thames properties at the end of 2024. Surplus land in Rotokauri is forecast to be sold in 2026. This process will be managed by the Te Pūkenga property team. 	 s 9(2)(b)(ii), s 9(2)(i) from Rotokauri sale	 \$400k forecast savings from site consolidation
04 Post restructuring state	<ul style="list-style-type: none"> Financial monitoring framework implemented involving Strategic Pou / Kaupapa Mahi (establishing strategic focus and goal setting). Governance and reporting framework also being established to support execution of the Financial Improvement Plan (FIP). 	 Monthly review at ELT level	 +\$4.7m FY25 surplus (pre legacy and restructuring costs)

Financial improvement initiatives

Approved

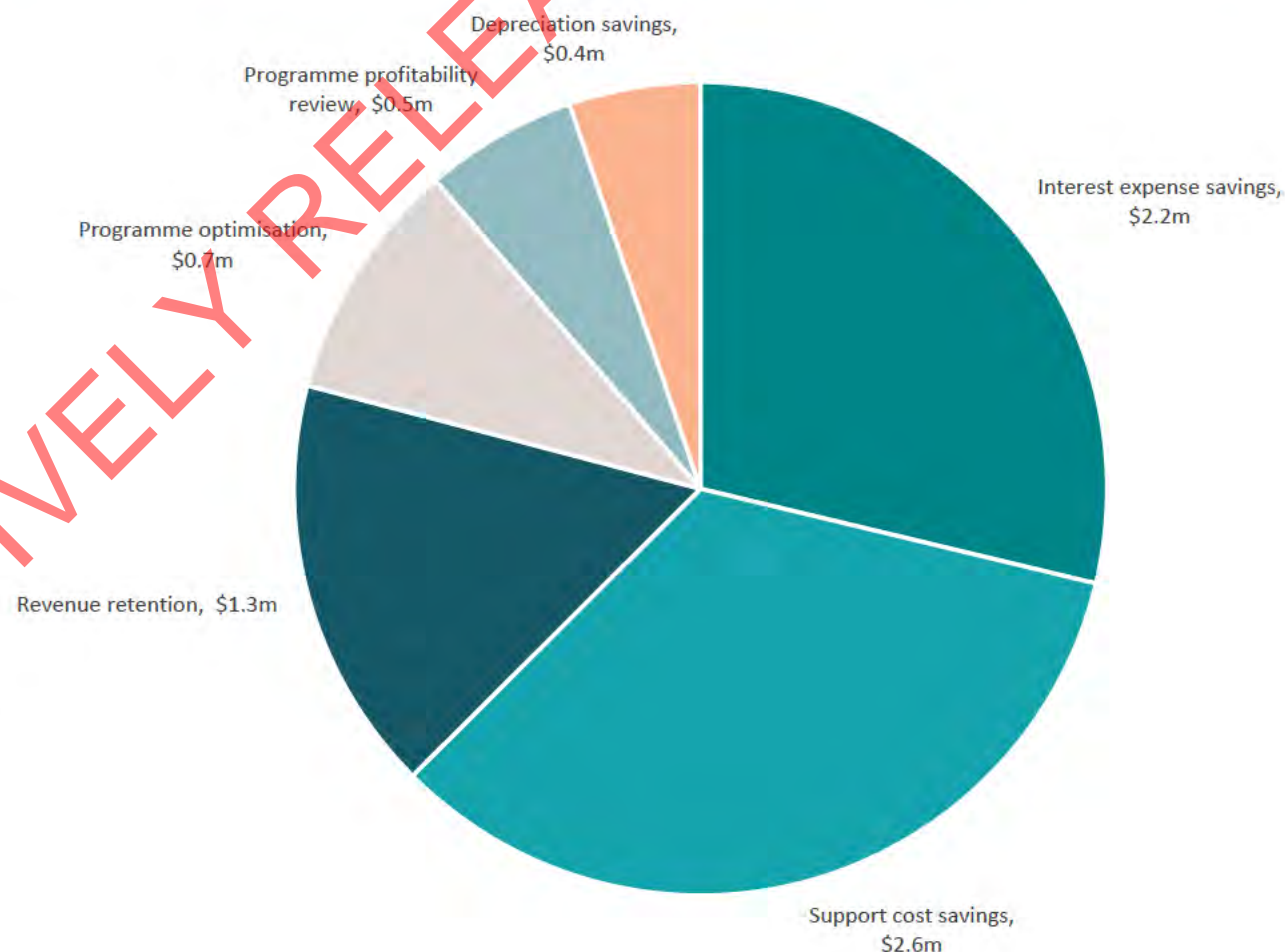


Savings targets

The financial improvement initiatives are forecast to deliver \$7.7 million in savings when compared with the original FY25 budget. While this is largely driven by support cost and interest expense savings, the benefits are achieved as a result of changes to the mix of provision.

Financial improvement initiatives

- As illustrated in the chart opposite, the reductions in interest expense and support costs contribute over 62% of cost savings.
- However, the benefits from support cost savings, programme optimisation and revenue retention are all predicated on changes to the mix of provision. Direct and indirect cost savings of \$5.1 million are forecast to be captured as a result of changes to the mix of provision and associated restructuring.
- The interest expense saving is a result of Te Pūkenga writing off the debt owed by Wintec.
- We comment on revenue retention, programme optimisation and programme profitability in further detail on pages 25.
- Given the scale and execution risk of the proposed changes, we have applied a \$0.5 million risk allowance to the forecasts. This is calculated as a risk weighting to forecast cost savings. Wintec has developed a detailed plan for each of the cost saving initiatives. This mitigates execution risk, as the steps/changes required are known and risks can be managed accordingly.



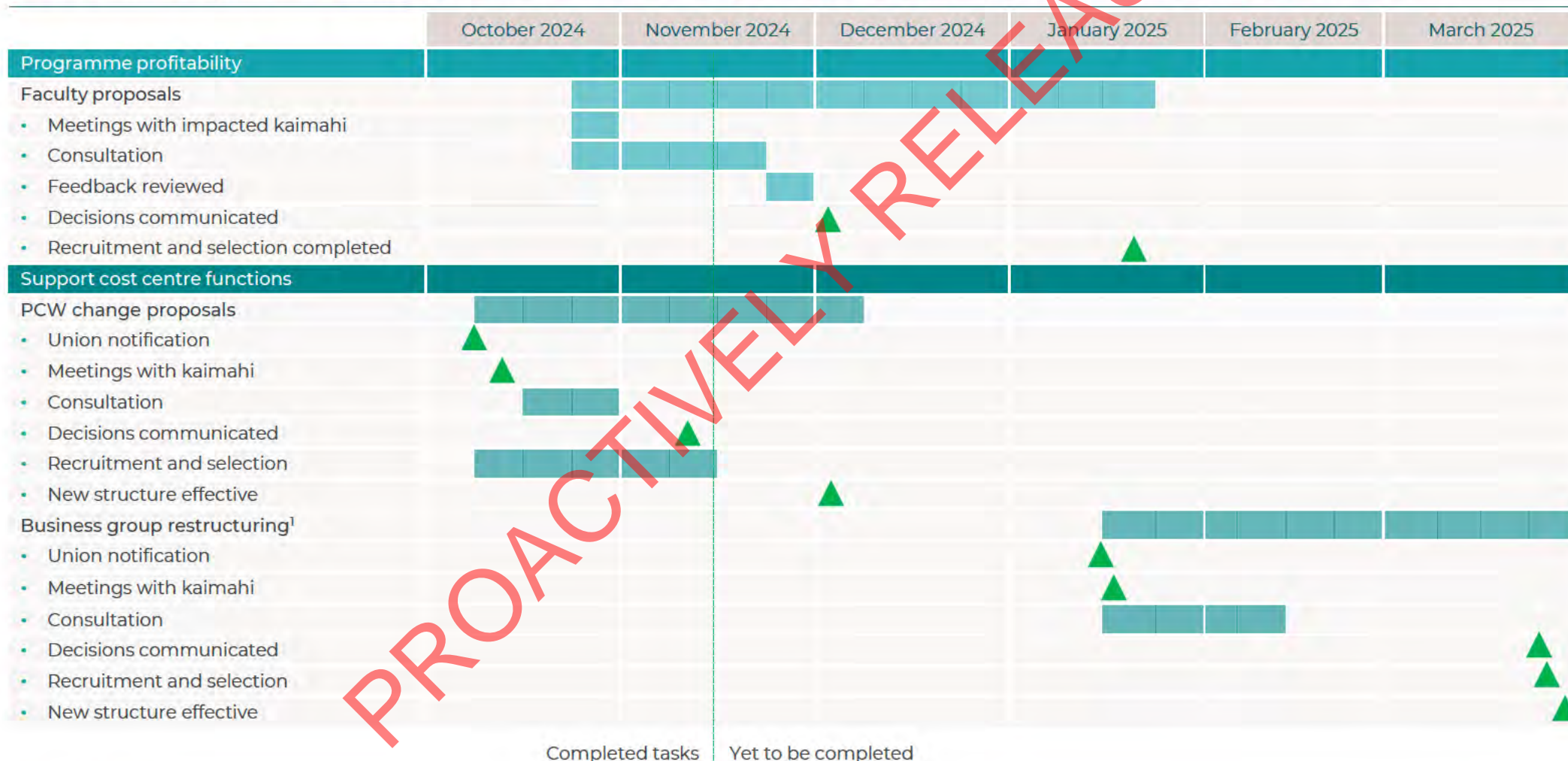
Financial improvement initiatives

Approved



Timing

Faculty proposals for programme restructuring have commenced and are expected to conclude on 20 January 2025. People, Culture and Wellbeing (PCW) change proposals have commenced and are expected to conclude on 2 December 2024. Restructuring for the other support cost centres will commence in January 2025 and are forecast to take effect on 31 March 2025.



Financial forecasts

Profit and loss 2025 - 2029

Approved



A net surplus (post-restructuring) of \$4.6 million demonstrates that achieving the restructuring benefits will result in Wintec being profitable in its future state. Other metrics identified by Te Pūkenga also trend positively. The net surplus margin has capacity to absorb variances but strong financial and operational management will be critical to Wintec's ongoing viability.

Profit and loss FY25-FY29 (\$000s)

Revenue	2025	2026	2027	2028	2029
Government Funding	48,790	49,871	50,976	52,106	53,262
Fees (Domestic & international)	38,893	40,149	41,449	42,796	44,191
Other Income	13,389	13,695	14,009	14,329	14,658
Total Income	101,071	103,715	106,434	109,232	112,111

Expenses

Personnel Expenses	59,694	61,008	62,350	63,722	65,123
Teaching Delivery	9,958	10,186	10,419	10,658	10,902
Infrastructure	7,666	7,841	8,021	8,205	8,393
Administration	12,859	13,142	13,431	13,726	14,028
Depreciation & Amortisation	6,303	6,317	6,305	6,582	6,894
Total Expenses	96,481	98,494	100,526	102,892	105,341

Net Surplus (post-restructuring)	4,591	5,221	5,908	6,340	6,770
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Legacy & Restructuring Costs

Interest expense	(906)	-	-	-	-
Non-continuing Expenses	(6,333)	-	-	-	-
Programme Teach-out	(2,771)	(379)	-	-	-
Redundancy (provision)	(1,200)	-	-	-	-
Restructure costs	(1,000)	-	-	-	-

Net Surplus / (Deficit)	(7,620)	4,841	5,908	6,340	6,770
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Depreciation	6,303	6,317	6,305	6,582	6,894
Capex	(6,932)	(5,226)	(4,351)	(3,746)	(3,680)

Free cashflow pre-asset sales	(8,249)	5,932	7,862	9,175	9,984
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Free cash flow - Scenario A	(8,249)	4,163	4,674	4,524	3,821
Free cash flow - Scenario B	(8,249)	2,595	2,164	1,101	(485)

Performance metrics

Wintec	Target	FY 25	FY 26	FY 27	FY 28	FY 29
Personnel to Revenue ratio	<60%	59.1%	58.8%	58.6%	58.3%	58.1%
EBITDA Margin	11%+	10.8%	11.1%	11.5%	11.8%	12.2%
Net Operating Surplus Margin	2%+	4.5%	5.0%	5.6%	5.8%	6.0%
Academic SSR	19:1	16.09	16.15	16.20	16.26	16.32
Allied to Academic Staff Ratio		n/a	n/a	n/a	n/a	n/a
Domestic Students		3,912	3,912	3,912	3,912	3,912
International Students		809	825	841	858	875
Total Students		4,720	4,737	4,753	4,770	4,787
Staff – Academic Total		293	293	293	293	293
Staff – Non-Academic Total		309	309	309	309	309
Staff – Total FTE		603	603	603	603	603
Total Programmes delivered		163	163	163	163	163
Programmes discontinued		58	-	-	-	-

Illustrative downside scenarios assume from 2026:

- (a) Domestic EFTS are 2.5% lower p.a. and International 2% one-off; and
- (b) Domestic EFTS are 5% lower p.a. and International 5% one-off.

Financial forecasts

Balance sheet 2024-2029

Approved



The balance sheet is an extrapolation of the forecast 2025 year-end position, adjusted for a \$15 million recapitalisation. \$10 million of this is for working capital in year 1, which could be temporary and repaid from subsequent year surpluses.

Balance sheet FY25-FY29 (\$000s)

Assets	2025	2026	2027	2028	2029
Cash - capitalisation and trading	16,307	22,277	29,597	38,273	47,624
Cash - asset sales	-	s 9(2)(b)(ii), s 9(2)(j)			
Trade & Other Receivables	20,715	20,678	21,220	21,718	22,352
Inventory	307	307	307	307	307
Fixed Assets	180,593	s 9(2)(b)(ii), s 9(2)(j)			
Long Term Assets	3,050	3,050	3,050	3,050	3,050
Total assets	220,972	s 9(2)(b)(ii), s 9(2)(j)			
Liabilities					
Trade & Other Payables	5,904	5,904	5,904	5,904	5,904
Employee Entitlements	3,716	3,716	3,716	3,716	3,716
Revenues in Advance	34,548	34,548	34,548	34,548	34,548
Loans and borrowings	-	-	-	-	-
Total liabilities	44,168	44,168	44,168	44,168	44,168
Equity	176,804	s 9(2)(b)(ii), s 9(2)(j)			

- The 2025 balance sheet adjusts for a \$15 million recapitalisation.
- Cash is forecast to increase through the forecast period as a result of positive free cash flow from 2026 onwards and the Rotokauri sale.
- Fixed assets decrease by s 9(2)(b)(ii), s 9(2)(j) in 2026 primarily as a result of the Rotokauri sale then are forecast to steadily decrease. Capex requires further investigation as it is currently forecast at 60% of depreciation.
- Loans and borrowings are forecast to be nil as we have assumed the debt owed to Te Pūkenga is written off.

Recapitalisation 2025

Capital requirements	\$000s	Comments
PP&E deferred maintenance	2,424	This reflects the difference between 2025 capex & the average capex calculated between 2026 - 2029
Digital deferred capex	258	This reflects the difference between 2025 capex & the average capex calculated between 2026 - 2029
Redundancy (est.)	1,200	This reflects Wintec's budgeted redundancy cost
Change project management / support	1,000	Given the scale of change required, we have adopted a \$1 million provision for additional support
25% capital buffer	1,220	Capital buffer is calculated as 25% on the preceding items
Working capital	10,000	Working capital funding is calculated using the 2024 intra-month requirement. This approximates 1 month of forecast expenses
Forecast cash 1 Jan 2025	-2,000	Reflects the August reforecast cash balance
Potential capital requirement	14,102	Estimated \$15m

- We estimate approximately \$15 million will be required to recapitalise Wintec. The cash outflow in 2025, excluding one-off and non-recurring costs, is assumed to be funded by Te Pūkenga through the loan account which is then written off at 31 December 2025.

Financial improvement initiatives

Programme profitability

Financial improvement initiatives

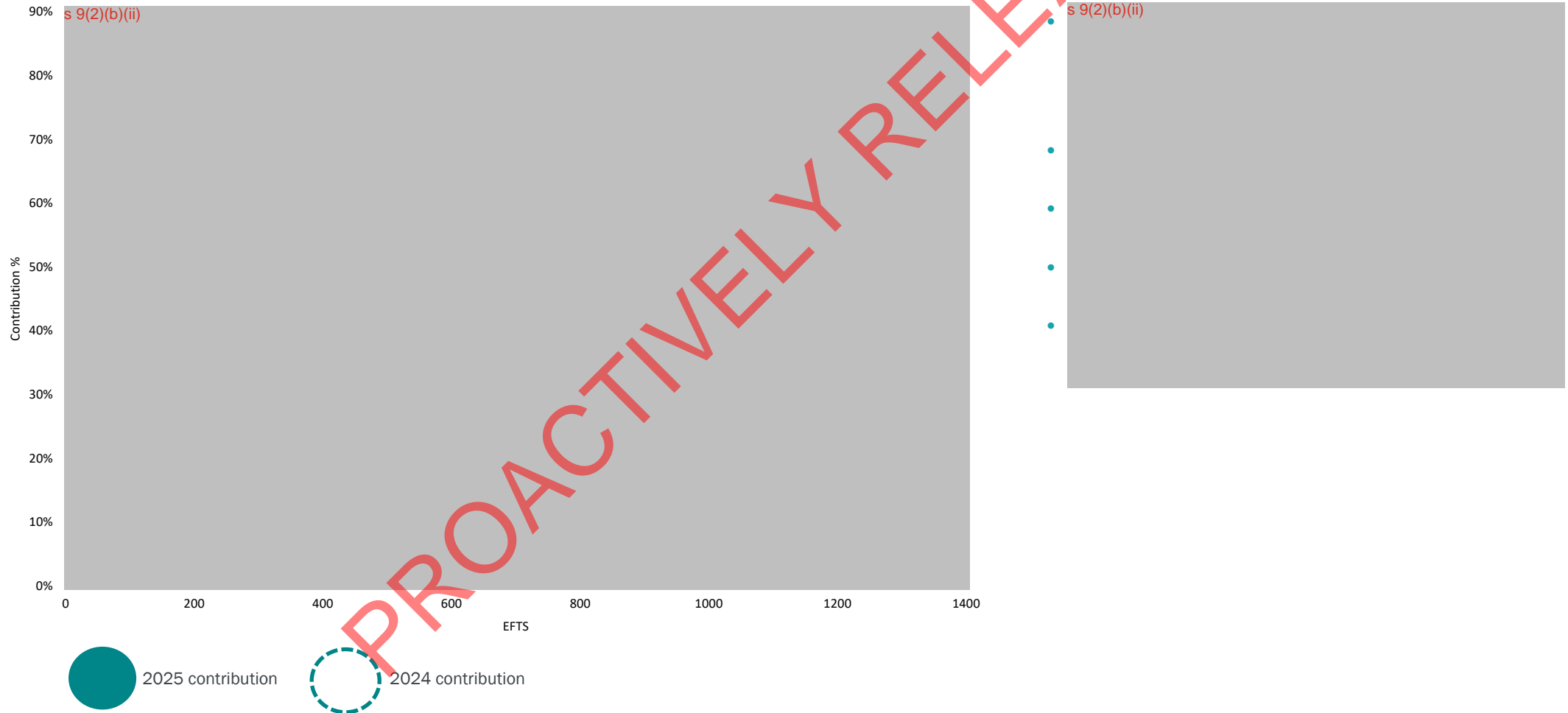
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Programme overview

Contribution is forecast to increase by \$7.7 million in 2025 (19%). This is primarily driven by funding and tuition fee increases s 9(2)(b)(ii) while s 9(2)(b)(ii) million of the contribution increase is driven by an uplift in EFTS. The increase in EFTS is supported by the latest enrolment data which shows applications are trending toward the targeted EFTs growth. Detailed revenue movements are shown on the following page.

Budgeted contribution by department 2025 (vs 2024)



Financial improvement initiatives

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Revenue

The budgeted increase in revenue in FY25 is largely driven by the increase in government funding, tuition fee rates and international EFTS growth. International EFTS are budgeted to increase by 29% which is relatively consistent with the latest application data, based on FY24 trends.

Budgeted revenue 2025 (vs 2024)



- Discontinued programmes drive a \$3.6 million reduction to revenue. This is offset by the teach out revenue and revenue retention forecast in 2025 of \$3.0 million. We have explained these in further detail at page 25.
- Government funding and fee increases drive a \$7 million increase in revenue. This is derived from:
 - 12% increase in government funding (\$5.3 million),
 - 6% increase in domestic tuition fees (\$1.1 million),
 - 4% increase in international tuition fees (\$0.6 million).
- International EFTS are forecast to grow by 29% driving a \$4.3 million increase in revenue. Performance is sensitive to this growth being achieved in FY25 and under the FIP restructuring.
- Domestic EFTS are forecast to reduce by 1% driving a \$0.6 million reduction in revenue.
- Other items include government grants, trading revenue and other items that are not driven by EFTS or funding.

Financial improvement initiatives

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Programme overview

Our Phase 1 analysis centred around identifying programmes with negative contribution, low EFTS and marginal contribution. During Phase 2 we have updated this analysis for the projected 2025 programme profitability. Wintec has concurrently reviewed programmes that are low/negative contribution or low EFTS to see if there is a clear path towards achieving a better contribution or increasing the number of EFTS.

Programme profitability review across Phases 1 and 2:

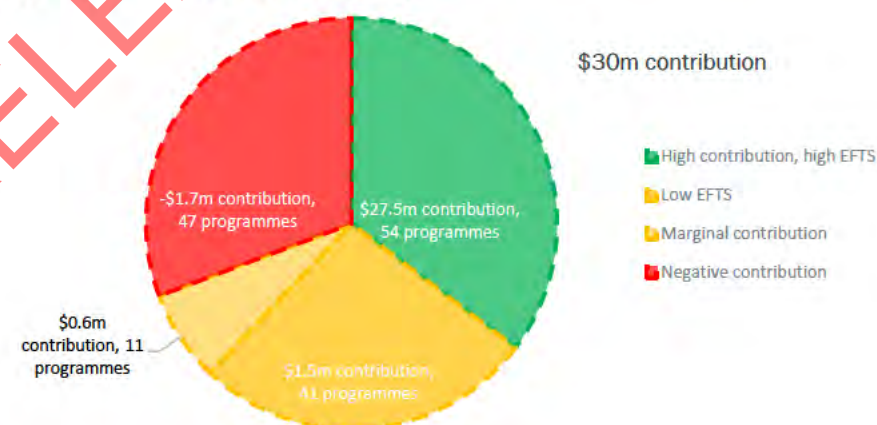
Phase 1

- Phase 1 involved a detailed review of 2023 programme profitability and categorisation by:
 - Negative contribution ('Red' programmes). Red programmes would be reviewed for discontinuation.
 - Low contribution (<30%) or low EFTS (< 10 EFTS) ('Amber' programmes). Amber programmes would be reviewed for discontinuation if material improvement is not achievable.
 - High contribution (>30%) and high EFTS ('Green' programmes). Green programmes would be reviewed for continuous improvement.
- 2024 programme contribution is forecast at \$39.5m.

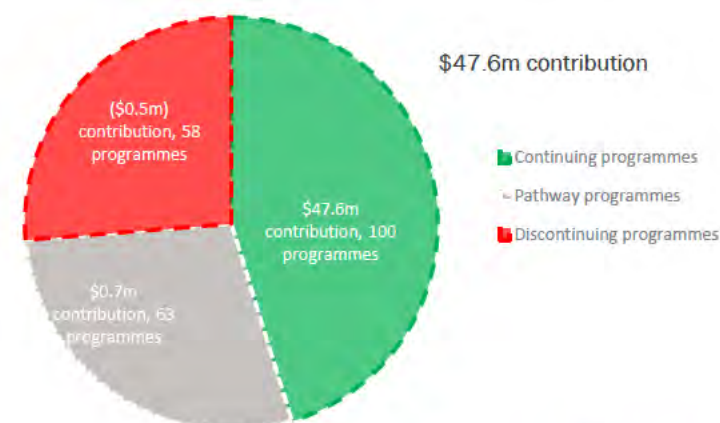
Phase 2 and Wintec overlay

- During Phase 2 we updated the programme profitability analysis to reflect 2025 budgeted profitability.
- Wintec undertook a detailed review of the practical implications of restructuring programmes:
 - Some red and amber programmes were identified that can be improved by restructuring the delivery mode ('optimisation'). These programmes have been moved to the green category.
 - Amber programmes without a clear trajectory to profitability or viable number of EFTS were moved to red.
 - Pathway programmes were separated out from the red, amber and green categories. Some pathway programmes have been moved to red, others are subject to ongoing review.
 - A full review was undertaken of the Business department given underperformance in 2024 to identify how improvements can be made.

2023 programme profitability



2025 budgeted programme profitability



Financial improvement initiatives

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Programme overview

As a result of programme offering changes, there are other factors that will impact the financial forecasts. These include programme optimisation, revenue retention and teach out.

	Programme optimisation	Revenue retention	Teach out
Financial implication	\$0.7 million cost savings p.a. (target year)	\$1.3 million contribution p.a. (target year).	2025: \$2.8 million negative contribution 2026: \$0.4 million negative contribution
Description	As noted on page 16, Wintec has identified some programmes that they consider can be 'optimised'. This refers to improvement of underperforming programmes through changing delivery methods such as reducing FTEs and frequency of delivery.	Revenue retention reflects learners from discontinued programmes retained in other programmes. This mitigates the full impact of discontinued programmes.	Staff have identified some programmes that cannot be discontinued immediately. Ongoing provision of these programmes (teach-out) has been modelled into the years that staff consider they need to be taught.
Method of calculation	Savings from programme optimisation have been calculated based on the FTE reduction across the optimised programmes.	50% of EFTS from discontinued programmes in Programmes Levels 3+ will be retained. The revenue from these EFTS is then assumed to contribute at a 30% margin.	Staff have identified 12 and 2 programmes that require teach out in 2025 and 2026 respectively. The negative contribution from these programmes is assumed to be incurred in these years.
Other comments	Wintec is implementing a financial monitoring framework which will enable identification of underperforming programmes. This should allow ELT to identify and optimise programmes quickly if any underperform in the future.	Given the size of the contribution and uncertainty in predicting revenue retention, we have factored this into our 'risk allowance'.	While programme optimisation and revenue retention would result in permanent changes to the financial forecasts, teach out costs would discontinue beyond 2027.

Financial improvement initiatives

Support cost functions

\$2.6 million in support cost savings have been identified as well as \$2.2 million in interest expense compared with the FY25 budget. The support cost savings are generated from \$1.9 million in staff costs and \$0.7 million in other costs.



Interest expense removal

- Wintec has budgeted an interest expense in 2025. Wintec currently has a \$45 million loan from Te Pūkenga.
- We understand that the debt owing will be written off at 31 December 2025. We have captured the interest expense in 2025 as a legacy expense with no interest incurred beyond 2025.



Toia Mai

- Toia Mai cost centre incurs \$9(2)(b)(ii) per annum.
- Staff have identified \$9(2)(b)(ii) FTE reduction and \$9(2)(b)(ii) that will deliver \$264,000 cost savings.



Te Kotahi Oranga closure

- Te Kotahi Oranga is an Ākonga led health and wellness centre in Wintec that is budgeted to lose \$486,000 in 2025.
- Given the material losses budgeted, Wintec has decided to close this operation in 2025.
- Closure of Te Kotahi Oranga will result in \$486,000 cost savings.



Information technology

- Information technology cost centre is budgeted to incur \$8.5 million in 2025.
- Staff consider \$250,000 savings can be achieved.



Enrolment cost centre

- Enrolment cost centre incurs \$2.8 million in cost per annum.
- Staff have reviewed this cost centre and identified a \$9(2)(b)(ii) FTE reduction and vacancy management that will deliver \$9(2)(b)(ii) cost savings.



Other

- Across the other cost centres, \$0.8m and \$0.2m cost savings have been identified in staff and other costs respectively.
- The staff costs have been driven by c. 16 FTE reduction across the other cost centres.

Financial improvement initiatives

Support cost functions

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All cost centres are impacted by the financial improvement initiatives.

Support cost functions – savings vs FY25 budget

Cost Centre (\$000s)	Total expenditure	Staff cost savings	Other cost savings	Revised expenditure	FTE reduction	Compliance costs (non-reducible)	Comments
Facilities	12,226	§ 9(2)(a), § 9(2)(b)(ii)	§ 9(2)(b)(ii)	12,086	§ 9(2)(a)	§ 9(2)(b)(ii)	Includes R&M and other property related costs. Potential savings are limited due to c.79% of facilities cost being compliance related.
IT	8,565			8,315			As noted on the previous page, staff have identified \$250k of IT cost savings.
Finance	5,168			5,083			§ 9(2)(b)(ii) Similarly to facilities, savings are limited due to a large portion (64%) being compliance related.
International	4,876			4,791			§ 9(2)(b)(ii) FTE reduction identified which will deliver § 9(2)(a), § 9(2)(b)(ii) savings. Savings are limited due to c. 60% of the expense being compliance related.
Enrolment Centre	2,767			2,492			§ 9(2)(b)(ii) FTE reduction identified which will deliver § 9(2)(a), § 9(2)(b)(ii) savings.
Te Kete Manaaki	1,662			1,526			§ 9(2)(b)(ii) FTE reduction identified which will deliver § 9(2)(a), § 9(2)(b)(ii) savings.
Early Childhood Education	999			899			Early childhood education centre is budgeted to lose § 9(2)(b)(ii) in 2025. Wintec have recognised § 9(2)(b)(ii) savings.
Other	18,956			17,441			
Staff and operating cost savings	55,220	1,888	698	52,633	23.2	22,504	
Interest expense	2,200		2,200	-	-	-	As noted previously, debt with Te Pūkenga will be written off which will reduce the interest expense.
Total	57,420	1,888	2,898	52,633	0	22,504	

Financial improvement initiatives

Property rationalisation

Financial improvement initiatives

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Property rationalisation

Leased and owned properties

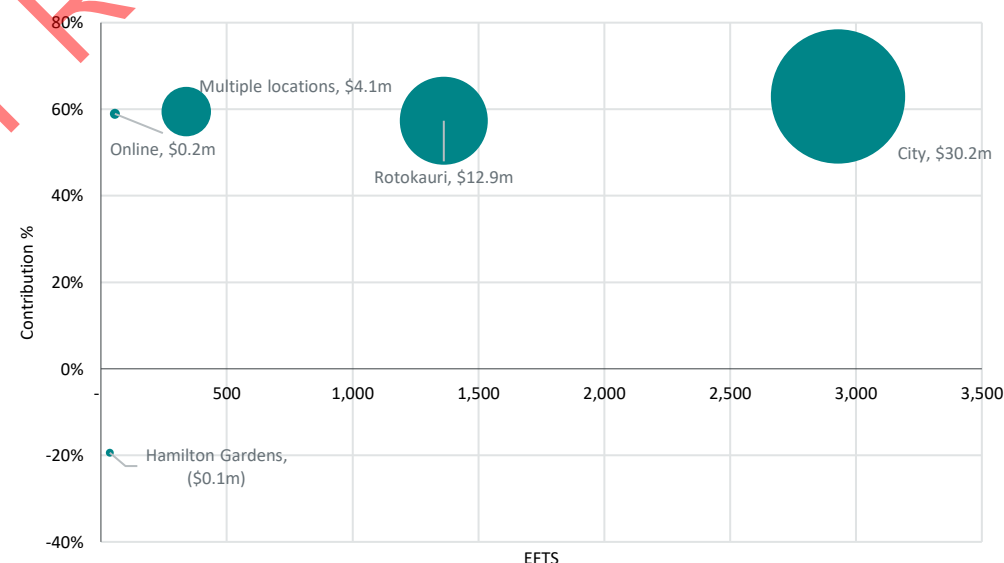
- Wintec primarily operates out of the City, Rotokauri and Gardens sites in Hamilton. These three sites account for 91% of total EFTS.
 - The Rotokauri site is owned.
 - The City campus land is leased from Tainui Group Holdings but Wintec owns the buildings/improvements.
 - Gardens is leased from Hamilton City Gardens.
- In addition, there are regional leased sites in Ōtorohanga and Thames:

Lease summary

Property	Purpose	Current		Annual Rent
		Start	End	
Angelsea St. Hamilton	City campus	Sep-16	s 9(2)(b)(ii), s 9(2)(j)	\$2,051,498
Angelsea St. Hamilton	City campus carparks	Jan-23		
96 Tristram St. Hamilton	Additional carparks	Jan-18		
Hamilton Gardens	Gardens campus	Sep-18		
52 Alexandra St. Hamilton	Media Arts	Jan-20		
29 Gilchrist St. Hamilton	WTA* and Trades	Jan-23		
Maniapoto St. Ōtorohanga	Regional site	Jan-11		
25 Kopu Road Thames	Regional site	Jan-23		
414 Queen St Thames	Regional site	Jul-10		
Total				

Profitability by location (2025 revised budget)

- The City and Rotokauri campuses account for \$47.2 million (91%) of total contribution.
- Some programmes are provided across multiple locations, but the data was not immediately available to establish the profitability of a specific programme run in multiple locations.
- Hamilton Gardens currently generates a negative contribution. Wintec are currently developing a plan to cease delivery at this site and exit the lease early.



Financial improvement initiatives

Property rationalisation

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Property rationalisation

- Wintec intends to undertake the following changes across the campuses:

Property	Plan	Financial implications
Hamilton City	<ul style="list-style-type: none">Wintec does not intend to dispose of any city propertiesWintec is considering options for reducing the number of blocks s 9(2)(b)(ii), s 9(2)(j) [REDACTED]. No financial implications have been assumed from such changes	<ul style="list-style-type: none">No financial implications assumed
Hamilton Gardens	<ul style="list-style-type: none">Hamilton Gardens is poorly utilised and currently suffers a loss at a contribution level, prior to allocation of support costsELT are currently working through plans to cease delivery of programmes at this site and relocate the residual programmes to RotokauriAn early exit of the Gardens lease is targeted, timing of which is to be determined	<ul style="list-style-type: none">s 9(2)(b)(ii), s 9(2)(j) rent savings p.a.\$200,000 depreciation savings p.a.Support cost savings TBD
Rotokauri	<ul style="list-style-type: none">Opportunities to sell surplus land have been identified and this property is currently being subdividedDisposal of this site is targeted for early 2026	<ul style="list-style-type: none">s 9(2)(b)(ii), s 9(2)(j) sale valueSupport cost savings TBD
Thames	<ul style="list-style-type: none">There are currently two sites leased at ThamesThe Queen Street lease will end in December 2024. Wintec intends to exit the property on this date	<ul style="list-style-type: none">s 9(2)(b)(ii), s 9(2)(j) rent savings p.a.
Ōtorohanga	<ul style="list-style-type: none">Ongoing teaching at Ōtorohanga is under review by ELT. ELT accept that this location is poorly utilised and delivers programmes with low EFTS and contributionAn early exit of this location is being considered	<ul style="list-style-type: none">No financial implications assumed

Financial improvement initiatives

Post structured state

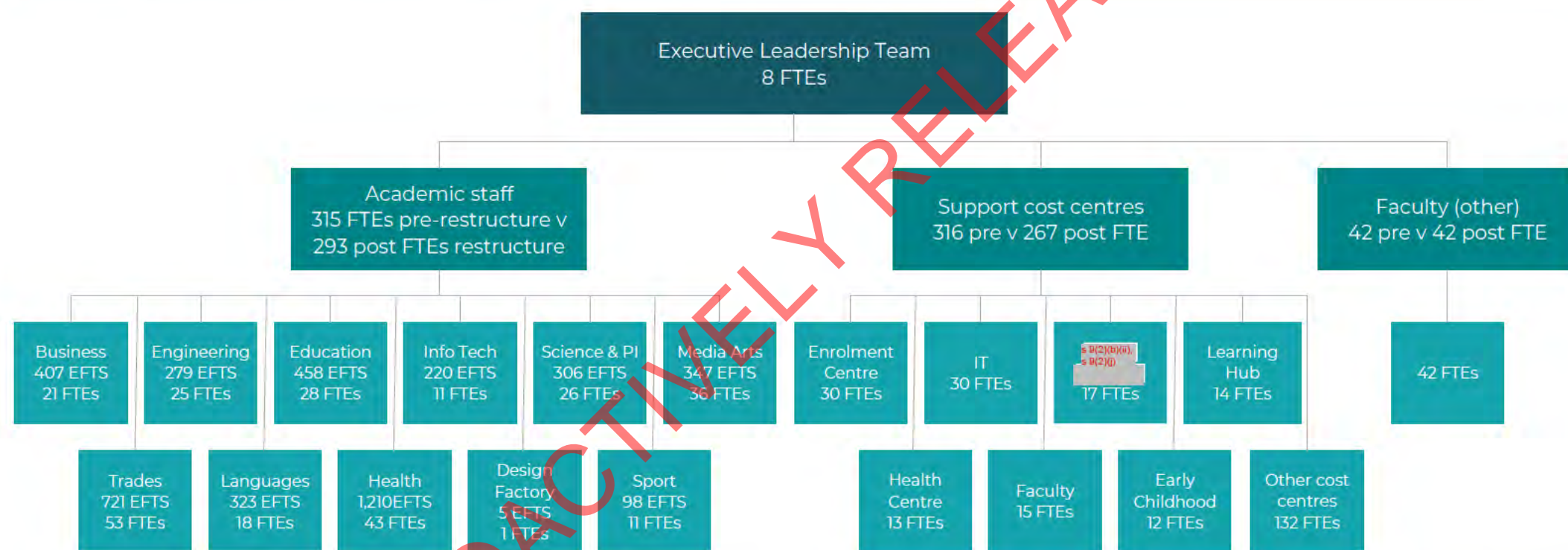
Financial improvement initiatives

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Organisational Structure (post restructuring)

Implementing the financial improvement initiatives will result in a significantly restructured Wintec. The organisational structure following these changes would be as below.



- In 2024 Wintec employed 315 FTEs to deliver 221 programmes
- Post restructuring, 293 FTEs would be required to deliver 163 programmes (22 FTE reduction (8%))

- \$1.9 million in support cost centre savings have been identified. This is achieved by a 23.2 FTE reduction
- Enrolment centre, IT and [redacted] employ the largest number of FTEs with 30, 30 and 17 FTEs respectively

- [redacted] Academic Administrators
- [redacted] technicians
- [redacted]

Financial monitoring framework

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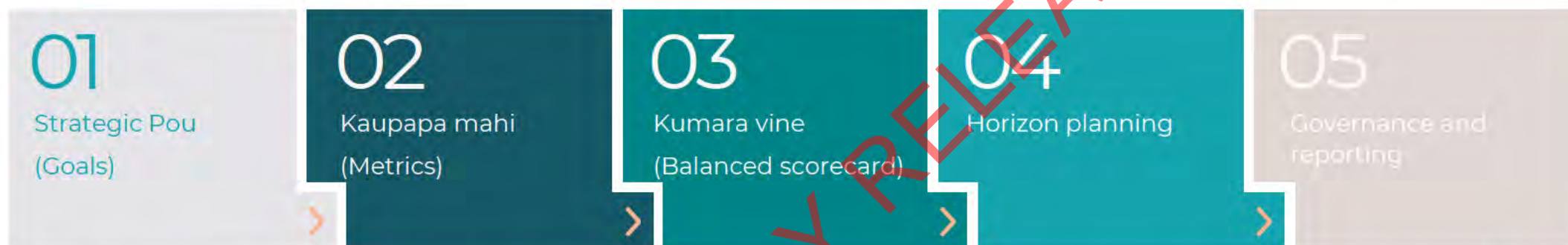
Financial monitoring framework

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Financial management practices

Wintec's financial management practices are structured around five key pillars. These pillars are designed to maintain a focus on key strategic pou/goals while ensuring a system of reflection and continuous improvement.



- Wintec's strategic pou / goals centre around:
 - Maximising Ākonga success
 - Ensuring financial sustainability
 - Honouring Te Tiriti
 - Instilling whakauma, a constant state of improvement
 - Maintaining and promoting a strong organisational culture
- Kaupapa mahi are categories of operations with strategic initiatives attached for tracking and monitoring. These include:
 - External metrics such as TEC defined EPIs, performance expectations set by Te Pūkenga and compliance measures set by TEC, NZQA, and ITS
 - Internal metrics such as financial tracking, stand-alone financial viability, EFTS growth targets and existing organisational efficiencies
- The kumara vine represents Wintec's scorecard for assessing the metrics and measures connected to strategic development.
 - This component is still being developed
- Horizon planning reflects Wintec forecasting activity over the next 1-5 years and the areas of focus
- Wintec have identified a project team for governing the execution of the FIP
- The reporting cycle currently assumes:
 - Weekly updates on EFTS and applications
 - Monthly updates at an ELT/SLT level
 - Quarterly updates on financial and SPE matters

While Wintec already has existing reporting channels, the ELT agree improvements can be made by including programme profitability reviews into established reporting cycles and integrating support cost analysis.

Reporting and governance, budgeting process

- Wintec is establishing reporting and governance structures as part of the financial monitoring framework. It is important that the programme profitability strategy developed in this process continues and is integrated into Wintec's planning and reporting cycle. This would ensure the ELT remain informed on programme performance and can make timely decisions.
- Timing of programme profitability and reporting is important to enable decisions around continuation of programmes. Delays to programme profitability analysis can result in enrolments being taken for an already unprofitable programme and therefore incurring avoidable cost.
- To improve reporting, support costs should be integrated into the programme profitability model. We have commented on this in detail on the following page.

Capability and adequacy of controls

- ELT is integral to execution of the change programme. Initial conclusions have been well received, ELT have been proactive in identifying areas for improvement and have already initiated change proposals with consultations underway.
- No resourcing constraints have been identified but should be monitored to support confidence of execution within 2025.
- Financial controls should be regularly reviewed to ensure effectiveness. Any gaps identified in controls should be addressed immediately.

The management of support cost functions and programme delivery (teaching and learning direct costs) has not been integrated historically.

The operating environment and organisational culture has not drawn together the mix of provision and the other costs associated with programme delivery (i.e. support costs). Each has been managed separately.

- The relationship between programme profitability and support costs is not clearly defined or well understood.
- There is minimal allocation of support costs to programmes/departments so it is not possible to establish a fully costed net profit/loss position within programmes.
- This division has led to an operating environment and organisational culture where the link has not been recognised in financial management planning and practices.

Developing Wintec's management, planning and reporting processes to support ongoing active management of programme profitability and support costs together will help Wintec remain a financially viable standalone ITP.

- Financial systems and practices that draw this relationship together need to be established to enable an ongoing review of programme profitability at a fully-costed net profit and loss level.
- Programme profitability analysis should be integrated into the annual financial planning process. We suggest this occurs at the start of the process to establish the contribution that will be available to fund support costs. The planning process will then involve changes to both to reach a balanced position to optimise profitability.
- This has been a focus of the FIP work e.g. identifying where support costs are variable to the mix of provision, ākonga and kaimahi numbers
- Efficiencies have been targeted by managing the combined impacts of the mix of provision and programme profitability to enable support costs to be funded and (where necessary) restructured.

Integrating support costs with programme profitability analysis would assist decision making and help Wintec remain financially viable as a standalone institution.

01

As a first step, deeper analysis and financial modelling needs to be undertaken to identify the nexus between programmes and support costs

- We have not been able to undertake this analysis within the scope of this review.
- We expect such a project would establish principles that could be applied across the ITP sector, although each ITP would need to tailor the allocation methodology to its business model.

02

Wintec will then be able to establish programme performance metrics (e.g. contribution hurdle, etc.) against which programmes can be measured

- Assessing pre-establishment, giving confidence that programmes will contribute positively to Wintec's financial position; and
- Assessing on an ongoing basis (while programmes are being offered), as a leading indicator to highlight where intervention might be necessary to maintain the financial health of a programme.

03

Aligning programme profitability and support costs in this way will also instil accountability across the organisation and help identify inefficiencies at a support cost level

- Wintec's ELT will need to be accountable for its overall financial performance and position.
- Programme leads can be held accountable for ongoing programme performance. This should be a continuous process, not one that only occurs in the planning process.
- Cost centre leads will be able to actively manage their departments throughout the year to maintain an efficient cost structure.

Financial monitoring framework

Approved



Key risks of financial improvement plan

Implementing and achieving the financial improvement initiatives poses several risks to the financial viability of Wintec. However, post restructuring the risks will shift to maintaining an ongoing financially viable state. We have applied a risk allowance of \$500k (12%) to the less certain elements of the FIP.

Key risks	Risk description	Risk rating	Mitigation
Programme profitability change implementation	<ul style="list-style-type: none">Programme profitability change implementation doesn't generate the required savings		<ul style="list-style-type: none">Detailed plans to capture the savings have been developed.ELT are currently undertaking change proposals.
Property rationalisation	<ul style="list-style-type: none">Property rationalisation doesn't achieve required cost savings		<ul style="list-style-type: none">Thames site exit has been confirmed by ELT and the lease ends in December 2024, therefore savings from this site have a high degree in confidence.Further work is required to firm up timing and savings from discontinuing at Hamilton Gardens.
Support cost savings implementation	<ul style="list-style-type: none">Support costs savings are delayed or don't achieve budgeted cost savings.		<ul style="list-style-type: none">Detailed plans for each cost centre have been developed.
Lag impact of programme review	<ul style="list-style-type: none">There is a risk that programmes become unprofitable and delays to reviewing these result in losses being incurred before the programme is discontinuedFuture inaccuracies in programme profitability data		<ul style="list-style-type: none">Wintec's financial monitoring framework has been designed to ensure any programmes that become unviable should be identified in a timely manner.
Revenue retention	<ul style="list-style-type: none">Risk that EFTS retention is lower than assumed in the financial forecast.		<ul style="list-style-type: none">Wintec could train enrolment advisers to actively target conversion from one programme to another and undertake targeted marketing campaigns to maximise EFTS retention from discontinued programmes.
Capability and capacity	<ul style="list-style-type: none">Resourcing constraints to implement change proposals and achieve cost savings		<ul style="list-style-type: none">As noted on page 36, ELT appears committed to effecting sustainable change. Challenges could be faced by resourcing levels below ELT.

Financial monitoring framework

Approved



Key performance indicators

Financial management practices

The KPIs developed by Wintec revolve around 'impact projects'. These impact projects are a set of goals to provide measurable effects on the ITP and generate financial returns.

Impact Project	KPIs	Risk	Risk mitigation	Calibre Partners comment
EFTS Revenue growth	<ul style="list-style-type: none"> Of the S1/S2 applications, X have been reallocated 	<ol style="list-style-type: none"> Unable to reallocate EFTS Unable to reallocate EFTS from TP to Wintec Application of reallocation principles 	<ol style="list-style-type: none"> Tracking, monitoring TP and TEC engagement Change management 	<p>Wintec should consider setting specific short-term (2025) and long-term (2026-2029) KPIs as part of this impact project.</p> <p>This would help focus efforts on improving revenue through the forecast period and on achieving the FIP in the short term.</p>
Programme optimisation	<ul style="list-style-type: none"> Achieve contribution above 50% 	<ol style="list-style-type: none"> Low demand or unable to meet demand Efficiencies not managed 	<ol style="list-style-type: none"> Investigate alternative pathways Tracking and monitoring of initiatives and capability development 	<p>This is an effective KPI for maximising programme profitability. However, the relationship between programme profitability and support cost remains unclear. Therefore, 50% may be an adequate contribution for some programmes while inadequate for others.</p> <p>Further work needs to be undertaken to understand the relationship between programme profitability and support costs. We've commented on this further at pages 37-38.</p> <p>This goal is aligned to the FIP.</p>
Support services	<ul style="list-style-type: none"> Cost savings of \$3.5 million Natural staff attrition of \$1 million 	<ol style="list-style-type: none"> Decisions from change proposals prevent the realisation of cost savings Staff attrition does not meet expected cost savings targets Change management plan is not progressed to meet expected outcomes 	<ol style="list-style-type: none"> Ensure final decisions don't prevent cost savings being realised Manage other costs – monthly and quarterly reforecast Change lead engagement, monitor progress, SLT engagement in implementation 	<p>As noted above, further work is required to understand the relationship between programme profitability and support costs to ensure support costs are actively managed.</p> <p>We've commented on this at pages 37-38.</p>

Financial monitoring framework

Key performance indicators

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Financial management practices (continued)

The KPIs developed by Wintec revolve around 'impact projects'. These impact projects are a set of goals to provide measurable effects on the ITP and generate financial returns.

Impact Project	KPIs	Risk	Risk mitigation	Calibre Partners comment
Vacancy management	<ul style="list-style-type: none">Cost savings from reduction in staff, restructure and vacancy management are realised within Q1	<ol style="list-style-type: none">Timeline not metVacancies are not managed as plannedTalent application for roles or specific skills/knowledge is inadequateLow staff morale	<ol style="list-style-type: none">Allow sufficient time for change proposal processMonitor vacancies, recruitment practices and appointment processImprove/develop brand awareness, apply recruitment strategyFacilitate staff well-being initiatives	<p>This KPI will assist in achieving 2025 cost savings. However, further consideration is required of how this KPI could be adjusted to achieve continuous cost savings over the long-term.</p> <p>Wintec could consider structuring the KPI around staff to student ratios as this would help provide a measurable, long-term goal.</p>
International EFTS growth	<ul style="list-style-type: none">30% growth in international EFTS year on year	<ol style="list-style-type: none">Offshore delivery targets are not metUnable to meet international programme demandConversion improvement plan not metNo capacity to delivery or no demand for shared services	<ol style="list-style-type: none">Improve/develop brand awarenessDevelop marketing and recruitment strategyTrack, monitor conversion planAchieve revenue and cost savings targets as planned for 2025	<p>Wintec's overall profitability remain exposed to International EFTS (fees represent 16% of total revenue).</p> <p>30% growth in international EFTS will support long term financial viability as modelled in the FIP. However, achievability of this KPI could be influenced by factors outside of Wintec's control (e.g. visa regulations).</p> <p>It is important that Wintec is prepared to enact change that mitigates any losses from not achieving this KPI, such as adjusting the mix of provision or support cost centres.</p>

Financial monitoring framework

Approved



Key performance indicators

Financial management practices (continued)

The KPIs developed by Wintec revolve around 'impact projects'. These impact projects are a set of goals to provide measurable effects on the ITP and generate financial returns.

Impact Project	KPIs	Risk	Risk mitigation	Calibre Partners comment
Property utilisation	<ul style="list-style-type: none"> Utilisation achieves X% Market value achieved for Rotokauri sale 	<ol style="list-style-type: none"> Land sale is delayed No profit returned after sale Savings from lease agreements are not realised s 9(2)(b)(ii), s 9(2)(j) Application of principles for campus utilisation Deferred property maintenance disrupts delivery 	<ol style="list-style-type: none"> Property sale project plan, track and monitor Achieve revenue and cost savings targets as planned for 2025 s 9(2)(b)(ii), s 9(2)(j) Monitor application of principles in decision-making Develop property maintenance schedule from Semester 2 2025 	<p>Our property utilisation review in Phase 1 identified significant scope for utilisation improvements.</p> <p>Wintec needs better, relevant utilisation data to set targets and track actual results.</p> <p>Setting a utilisation target will maintain a focus on improving financial viability. However, utilisation targets should be tailored to properties depending on the programmes run.</p> <p>The market value for Rotokauri will largely be outside of Wintec's control.</p>
Strategic partnerships	<ul style="list-style-type: none"> Stakeholder engagement informs organisational strategy and leads to an increase in organisational opportunities 	<ol style="list-style-type: none"> Application of comms strategy Stakeholder engagement and satisfaction Deferral of the launch of a Wintec Strategic direction 	<ol style="list-style-type: none"> Track and monitor Stakeholder survey Stakeholder engagement in Wintec and non-Wintec related events 	<p>Further consideration is required of how this KPI could be measurable.</p>

Appendices

Appendix 1

Modelling process

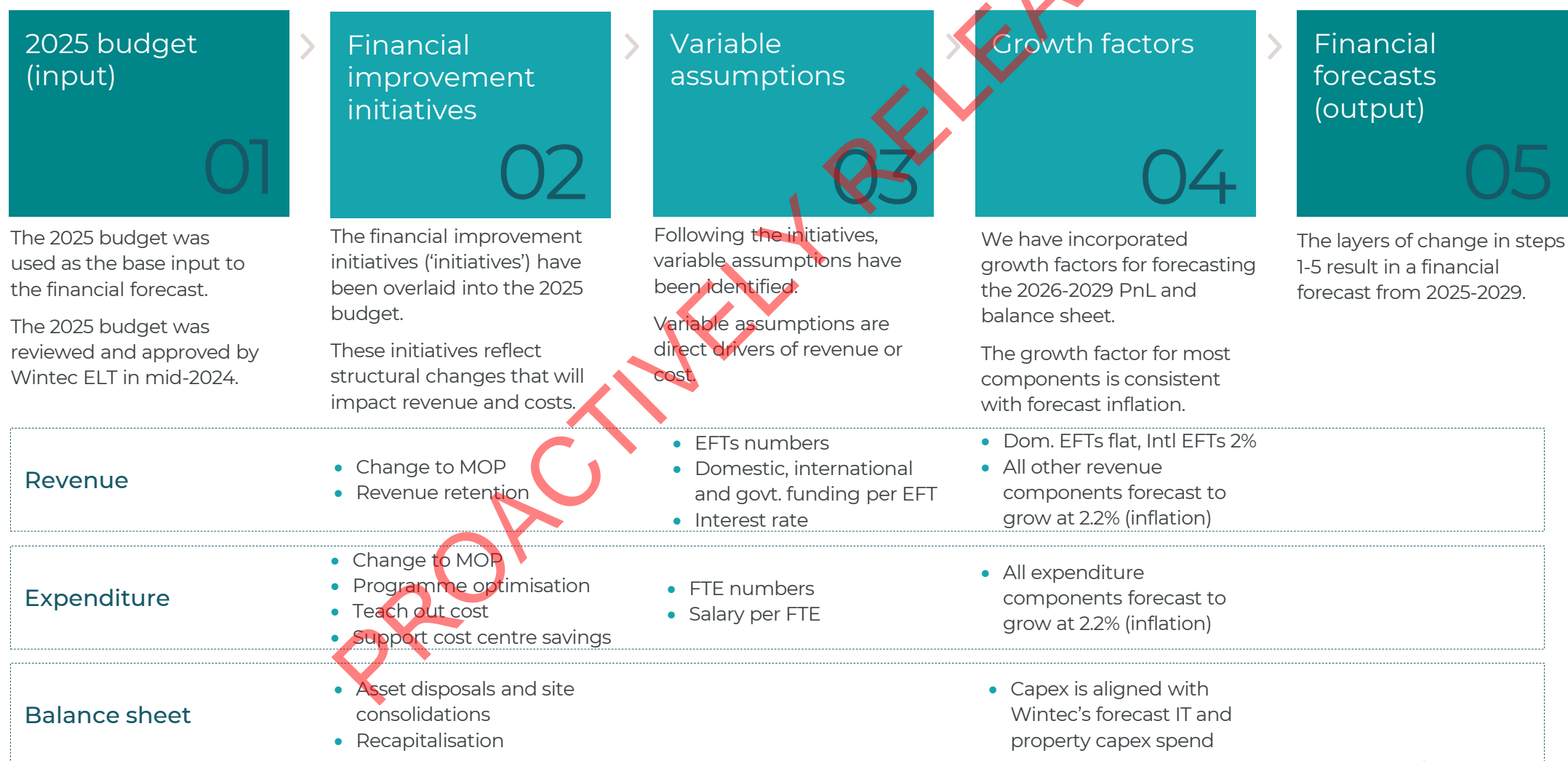
Financial forecasts

Key modelling assumptions

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By applying the financial improvement initiatives to the budget and overlaying variable assumptions, we have produced a financial forecast for FY25-FY29.



Appendix 2

Restrictions

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In preparing this report we have relied on information provided to us by others. We have not independently audited or verified that information and express no opinion on its accuracy, completeness or reliability. We reserve the right (but will be under no obligation) to review this report and if we consider it necessary to revise the report in light of any information existing at the date of this report that becomes known to us after that date.

The information provided to us may include forecasts of future revenues and expenditures, profits and cashflows. Forecasts by their very nature are uncertain, and some assumptions inevitably will not materialise. Therefore actual results achieved may vary significantly from those in any forecasts. the

In addition to the above, this report is submitted pursuant to a CSO that is dated 10 September 2024 and the terms and conditions that are outlined therein.

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