

Appendix Two: Official Information Act Request TP240085

Summary and extracts from Consultancy Services Order for Phase One agreed scope of work for Regional ITP Viability programme

Provided under section 16(1)(e) of the OIA

Background

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 directed Te Pūkenga to obtain Specialist Help under section 332 of the Education and Training Act 2020. This Specialist Help is considering what is required to support a pathway to viability working in partnership with Te Pūkenga staff (requirements are further outlined later in this document).

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 are subject to a six week consultation process started in early August 2024.

Scope of work for Phase One – Discovery and Information Gathering

Collect information sufficient to understand regional needs and develop an operating model and financial improvement plan. Consideration should be given to:

- a) Understand and confirm the financial position and profitability of each business division (including understanding downside sensitivity analysis and scenario modelling).*
- b) Understand the profitability of the programmes which are currently offered by each ITP, their respective delivery sites, and the overall utilisation of assets.*
- c) Work with regional stakeholders to identify what academic delivery should be delivered in each region and through what mode to support regional and learner needs. These needs should be balanced against financial performance (to ensure financially sustainable operations), anticipated learner demand, and other tertiary delivery that occurs.*
- d) Identify and understand what impacts any proposed changes in (c) would have for learners and regional needs (e.g. examining the impacts of ceasing certain delivery, changes in mode on learner demand/outcomes, closure of delivery sites).*
- e) Engage with Te Pūkenga, and where appropriate fellow specialist Providers, to regularly report:*
 - Key Progress Updates*
 - Emerging themes in discovery or feedback*
 - Identified Opportunities or Challenges*
 - Pain Points and Risks*
 - Significant Information Gaps*