

# Briefing to the Incoming Minister

**November 2020**

Te Pūkenga  
New Zealand Institute  
of Skills and Technology



**Te Pūkenga**

# Whakataukī

Nau mai, nau ake, ka roi i tō kete aronui  
Hei amonga mōhou ki te pūtake o te wānanga  
Whakarewaia rā ki runga i te pakihwi  
He hikitanga, he hāpainga,  
He amonga, he ārewa, he tauira,  
Ka rongo te pō, ka rongo te ao  
Ka huakina ki te ao mārama  
Hei tohu tātai kura tāngata e

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Come forth and secure your basket of knowledge  
To carry you through to the source of learning  
Hoist it upon your shoulders  
For you to carry, for you to shoulder  
Learning that is valued, to lift up as an exemplar  
To be heard of during the night, and throughout the day  
To emerge into a world of light  
To be recognised and acknowledged as a treasured person  
(replete with skills and knowledge to benefit the community)



Tēnā koutou

## He akoranga whaihua – kia waihanga i te ao o āpōpō

### Learning with purpose – creating our futures

Earlier this year, on 1 April, I hosted our first ever Te Pūkenga Council meeting. The 16 Institutes of Technology and Polytechnics had just been incorporated as subsidiary companies, now wholly owned by Te Pūkenga –New Zealand Institute of Skills and Technology. Overnight Te Pūkenga became the country's largest tertiary education provider, and globally, the 35th largest provider of vocational education.

Before us, we have a once-in-a-generation opportunity to design a vocational education and training system that is simple to understand and navigate, responsive to the needs of learners and employers, delivers equitable access and outcomes for all learners and is flexible enough to change as the future develops – to help New Zealand thrive in the future.

Our journey is guided by a range of key documents and principles:

- We will build an institute that gives effect to the Charter of Te Pūkenga and the Minister's Letter of Expectation
- We will have an unwavering focus on Māori equity
- We will keep learners at the centre of everything that we do and every decision that we make
- We will develop a deeper understanding of business and employer requirements, ensuring we understand how a national network of provision can meet their needs with an integrated offering across New Zealand

We will retain our relentless focus on equity, accessibility, consistency and excellence as we transform our network into a connected integrated community that delivers on New Zealanders aspirations as employers, learners and whānau.

It's a significant responsibility and one that we take very seriously. Across the country, approximately 240,000 people are participating in some form of vocational education and training. There are about 10,000 full time staff supporting those learners in classrooms and teaching spaces. There are thousands of businesses training people on-the-job in a wide array of industries across the motu. Beyond that are many whānau and communities participating too.

Our role is to transform all these lives, in some way, through vocational education. It's a journey we know will be challenging and will be keenly watched. The transition to a fully functional national Institute will take some time, but we have a strong foundation on which to build.

The vision of Te Pūkenga is learning with purpose, creating our futures. It underpins our very existence and will guide our transformation. We welcome the challenge before us and the journey we will take together to get there.

Noho ora mai

Murray Strong  
**Te Pūkenga Council Chair**



## Introduction

This document is intended to build on your understanding of the role that Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga) plays in the tertiary education system in New Zealand.

The opportunities presented by the ambitious transformation we are undertaking are enormous, but the ability of the system to realise the potential benefits fully is at risk. We would like to talk with you about these risks and our ideas about how to address them (see *Working with you*).

We are a new organisation established by legislation on 1 April 2020. We have set out the role of Te Pūkenga, including the functions and contributions that we make to the Government's goals (see *The role of Te Pūkenga*).

Te Pūkenga is committed to delivering equitable outcomes for Māori. We outline how we are going about giving effect to Te Tiriti o Waitangi in all we do (see *Māori Success*).

We are the largest provider of education and training in New Zealand, and we are committed to designing our operating model around learner success, particularly for Māori, Pacific and disabled learners (see *Learners at the Centre*).

Lifting the supply of skilled employees and uptake of workplace-based training are important priorities, particularly in many parts of provincial New Zealand where we will be the largest, and often the sole, provider of on-the-job education and training (see *Working with employers*).

Strengthening our engagement with stakeholders is crucial to enable us to be a long-term skills training partner for business, iwi, local government and community organisations (see *Key Partnerships*).

We have a significant regional and national footprint. Our network encompasses 163 campuses and delivery sites across New Zealand, on-job training and online delivery (see *How we operate*).

Designing the future of vocational education and training means that we will need to transform our network (see *Building a new organisation*).

We are making these changes in an operating context that is influenced in myriad ways by the economic and social changes engendered by the COVID-19 pandemic and the key role we play in enhancing the long-term resilience of New Zealand's communities (see *Our current environment*).

These changes will strengthen our capacity to contribute to the Government's wellbeing agenda and priorities for the education system (see *Contribution to your priorities*).

## Working with you

*The Council and staff of Te Pūkenga are committed to a partnership with you as Minister of Education to deliver on the government's aspirations for vocational education and training.*

As you know, Te Pūkenga is among the largest Crown entities in the New Zealand state sector providing a unique capacity to take practical steps to meet the education and training needs of all regions of New Zealand and their learners, industries, employers, and communities.

We offer the promise of making better use of the nation's investment in education and training to deliver nationally coordinated transformational economic and social change that benefits learners, communities and employers, particularly in provincial New Zealand.

Our extensive network of partnered provision is enabling education and training that is close to market, offers deep insights about need and enables flexible responses that make better use of the extensive capital and human resources of our network.



The opportunities of this change are exciting, but as you appreciate the scale of the transformation that is before us should not be underestimated. The transition will have impacts across our network demanding new ways of working from our staff and the agencies, particularly given the exciting obligations we have to partner with Māori across governance, management and operations.

We see three key risks to realising the full benefits of the new vocational and education system

**The current funding model is in urgent need of an overhaul** - We are sharply constrained by the current funding model for vocational education and training, which lacks flexibility, demands minimum levels of enrolments that many communities cannot generate and challenges our ability to maintain essential education and training capability.

The plan to develop a Unified Funding System should contribute to addressing these challenges provided it is delivered in a timely fashion. However, the scope of the current review accounts for only 40% of the total revenue of our network. This limited scope means that the changes need to be very ambitious to have a meaningful impact on the sustainability of our network.

We would welcome the opportunity to discuss our ideas to accelerate and optimise the delivery of the Unified Funding System.

**We need the flexibility to succeed** - There is a reflexive preference of the staff of central government agencies to manage perceived risks through a high degree of oversight and control.

The full benefits of the reformed vocational education and training system will be realised only if Te Pūkenga has sufficient latitude to respond to the learner, employer and community need that we will inevitably understand better than the state sector agencies that we partner with.

We think that government agencies should focus their energies on putting in place the enabling policy, investment and regulatory settings that are needed to realise the full benefits of the transformation we are delivering in partnership with employers, communities and Māori.

We would like to discuss our ideas about how we can forge a new relationship with you and other Ministers, particularly regional and economic development and Māori development.

**Responsibility for standard-setting and qualification development is unclear** - There is considerable uncertainty about the role of the New Zealand Qualifications Authority and the soon to be established Workforce Development Councils, particularly clarity around how each of the seven entities will approach their standard-setting and qualification development roles.

Uncertainty about which entity is responsible for these core enabling functions of the system puts at risk our transition planning and development of our operating model.

We would welcome the opportunity to discuss how we think these roles may be clarified.



# The role of Te Pūkenga

Te Pūkenga is New Zealand's largest provider of tertiary education

## Overview

Te Pūkenga is a Tertiary Education Institution comprising sixteen Crown Entity Subsidiaries made up of the former Institutes of Technology and Polytechnics, together with a small head office.

Our functions and Charter are defined through legislation. We operate in accordance with expectations set for us by you as Minister of Education and contribute to the objectives of the Tertiary Education Strategy.

At the time of writing, Te Pūkenga was in the process of developing its strategic plan and defining its distinctive mission. We have developed a set of priorities and principles that govern how we operate.

### **Our functions and Charter are defined in the Education and Training Act**

Te Pūkenga exists to provide education and training, conduct research, be responsive to and empowering of stakeholders, improve consistency of vocational education and training, and improve outcomes for the system as a whole, and equity for Māori learners and communities in particular (see **Table 1**).

The Charter embodies enduring principles for the way that Parliament expects Te Pūkenga to operate (see Appendix A).

### **Our vision**

Our vision is:

*He akoranga whaihua – kia waihanga i te ao o āpōpō*

*Learning with purpose, creating our futures*

### **Our priorities**

The priorities of Te Pūkenga are:

- A relentless focus on equity and ensuring participation – we honour and uphold Te Tiriti o Waitangi in all we do.
- Delivering customised learning approaches that meet the needs of learners and trainees wherever they are.

- Using our size and scale to strengthen the quality and range of education delivery throughout Aotearoa. Excellence in educational provision for all.
- Services that meet the specific regional needs of employers and communities.
- Transitioning educational services smoothly and efficiently.

The principles that govern how we operate are set out in **Table 2**.

### **As Minister of Education, you set expectations of Te Pūkenga**

Te Pūkenga operates in line with expectations set by you as Minister of Education. The current expectations guide our priorities for the medium term, including specific guidance for the remainder of 2020.

At their heart, your expectations challenge us to ask “what will this actually mean for students, trainees, apprentices and employers and their communities?”

The current priority expectations call on Te Pūkenga to support the Government's goals for building a productive, sustainable and inclusive economy and improving the wellbeing of all New Zealanders, and our long-term vision for the education system.

These goals reflect the Tertiary Education Strategy objectives:

- Learners at the centre.
- Barrier-free access.
- Quality and leadership.
- Focus on the future of learning and work.
- World class inclusive education.

The current expectations also identify six areas of focus for 2020 (see **Table 1**).

The expectations set for Te Pūkenga inform the priorities we determine in line with our functions, Charter and our strategic planning processes.



**Table 1: The functions, Charter and expectations of Te Pūkenga**

**The functions and Charter of Te Pūkenga are defined in the Education and Training Act**

Te Pūkenga has the following functions:

- provide or arrange, and support, a variety of education and training, including vocational, foundation, and degree-level or higher education and training;
- conduct research, with a focus on applied and technological research;
- be responsive to and to meet the needs of the regions of New Zealand and their learners, industries, employers, and communities by utilising our national network of tertiary education programmes and activities;
- improve the consistency of vocational education and training by using skill standards and working in collaboration with workforce development councils;
- improve outcomes in the tertiary education system as a whole, including (without limitation) by making connections with schools and other organisations involved in tertiary education and by promoting and supporting life-long learning;
- improve outcomes for Māori learners and Māori communities in collaboration with Māori and iwi partners, hapū, and interested persons or bodies;
- carry out any other functions consistent with its role as a tertiary education institution.

The Charter of Te Pūkenga is presented in Appendix A. The Charter embodies enduring principles for the way that Parliament expects Te Pūkenga to operate. These principles underpin how we operate and respond to the expectations set for us.

**As Minister of Education, you set expectations for Te Pūkenga**

The role of Te Pūkenga is further defined through the expectations you set for us as Minister of Education.

The areas of focus for Te Pūkenga over the remainder of 2020 are:

- ensuring our priorities reflect the Tertiary Education Strategy.
- demonstrating genuine commitment to Te Tiriti o Waitangi and the principles that underpin the relationship between Government and Māori.
- leading the transformation of the tertiary education system in putting learners at the centre.
- working collaboratively, collectively and inclusively with stakeholders.
- repositioning vocational education for international students to quality, sustainability and student experience and wellbeing.
- managing the network to deliver core business-as-usual functions against standards of excellence, mobilise opportunities inherent in the transformation and take advantage of rationalisation where possible.



**Table 2: The principles of Te Pūkenga**

**We have developed principles to guide our work**

1. The tertiary and vocational system delivered by Te Pūkenga ("the system") will be a partnership between the staff of Te Pūkenga, industry at all levels, iwi, and communities, driven by both current and future work requirements. Staff of Te Pūkenga will work with WDCs, RSLGs, iwi, government agencies, and the compulsory sector to ensure the network will be integrated, non-competitive, and directed through one centrally led organisation, delivering locally and nationally using on-job, on-campus, and online approaches, with higher quality and better outcomes than currently.
2. The network will operate in a manner that ensures its regional representatives are empowered to make decisions about delivery and operations that are informed by local relationships and to make decisions that meet the needs of their communities.
3. Learners will be supported throughout their lifetime journey in the tertiary education system and at work, recognising the importance of flexing around the learner, their life skills and experiences, in partnership with other agencies.
4. The network will target all potential learners, national and international, full-time, part-time and casual, maximising the potential of the local and online presence of the network for all communities, to enable lifelong engagement with learning.
5. Ngā kete wānanga - We use data, experience, and expertise from all stakeholders to ensure quality, relevant, and accessible vocational education and training which validates and uses Mātauranga Māori and western knowledges, systems, and institutions.
6. Te Pūkenga will have a strong international education approach which will be developed working together with Education NZ, MBIE...recognising the value of both international students studying within our network and in NZ, and domestic students having international opportunities
7. The network will invest in appropriate people, systems, products, infrastructure and the management structures required in order to deliver the outcomes stated above, in the Charter of Te Pūkenga, and in the Tertiary Education Strategy.



## Māori Success

*Te Pūkenga is committed to delivering equitable outcomes for Māori, particularly for the 50% of Māori learners who do not complete their studies.*

### Overview

Our scale and potential impact for Māori gives urgency to our efforts. Te Pūkenga is the largest Māori provider and among the largest providers to indigenous communities globally.

Our overlapping expectations and obligations require Te Pūkenga to ensure that governance, management, and operations give effect to Te Tiriti o Waitangi, recognise that Māori are key leaders in regional social, environmental, and economic development and respond to the needs of and improve outcomes for Māori learners, whānau, hapū and iwi, and employers.

### **We have clear obligations and expectations**

In accordance with Te Tiriti o Waitangi, Te Pūkenga is focused on ensuring our services work well and respond with excellence to the needs of Māori learners and their whānau, and to the aspirations of iwi and Māori communities throughout Aotearoa.

This objective is driven from our intrinsic motivation to deliver equitable outcomes for Māori, as well as the requirements set for us through legislation including our functions and Charter, the expectations you set as Minister of Education and the direction of our governing Council.

Our Charter duties that give effect to our commitment to Māori success are:

- ensuring that our governance, management and operations give effect to Te Tiriti of Waitangi.
- recognising that Māori are key actors in regional social, environmental, and economic development.
- responding to the needs of and improve outcomes for Māori learners, whānau, hapū and iwi, and employers.

We are guided in our work by Ka Hikitia – Ka Hāpaitia The Māori Education Strategy which asserts the goals that *Māori are enjoying and achieving education success as Māori, as they develop the skills to participate in te ao Māori, Aotearoa and the wider world.*

### **Partnering with Māori**

A commitment to Māori success through meaningful partnerships is at the centre of our operating and relationship model.

We are committed to ensuring our systems and services work well for Māori and to co-designing approaches that deliver partnership with Māori and to facilitate Māori succeeding as Māori throughout vocational education.

### **We are building our operating model around the needs of Māori**

We are embedding Te Tiriti o Waitangi partnership in our governance and design.

Te Pae Tawhiti: 2020 to 2025, our Te Tiriti o Waitangi Excellence Framework is a self-reflective tool for the whole organisation to guide our organisation to achieve demonstrable Tiriti o Waitangi partnerships and inclusivity and equity for Māori.

Our planned Māori Advisory Committee is a committee of the Council. The committee is charged with making sure we engage key Māori stakeholders as we change and deliver equity for Māori.

We are also investing in learner success in line with the government's Tertiary Education Strategy priorities. Application of the Learner Success Framework in collaboration with the Tertiary Education Commission across our network includes a focus on subsidiaries with the highest concentration of Māori learners.



## Learners at the centre

*By the end of 2022, we will provide education and training to approximately 240,000 learners - accounting for half of all tertiary learners in New Zealand*

### Overview

We are the largest provider of education and training by a significant margin.

In 2019, we enrolled 110,000 domestic and international students in a wide range of foundation, vocational, professional and applied programmes.

We will assume responsibility for another 138,000 trainees and apprentices over the next two years.

Our learner population is reflective of the ethnic diversity in society as a whole, with the share by main ethnic groupings as follows: European (56%), Māori (20%), Asian (10%), Pasifika (8%), and Middle Eastern Latin American and African (2%).

We offer high-quality programmes of teaching and learning at all levels on the New Zealand Qualifications Framework across New Zealand (see *How we operate*).

### Designing our operating model around learner success

Our programmes lead to excellent employment and other positive outcomes for learners. Still, we recognise that the tertiary education system has delivered a persistent pattern of inequitable outcomes for Māori, Pasifika and disabled learners.

We have conducted a deep and systematic examination of the experience of learners. This attempt to hear and understand how we can deliver on the reform of vocational education provided us with deep insights.

The result of this work, the *Mobilising the New World* reports, challenged us to ensure that a system, structures, and processes are created that work for all learners.

The reports explored the implications of our new capacity for the national and regional reach including enabling learners to move between workplaces, other educational offerings and locations as their needs change.

Seamless pathways for learners is a key opportunity for Te Pūkenga to transform vocational education across our network, particularly as we increasingly integrate work-based training.

We are already employing these approaches as part of our response to COVID-19. Support for apprentices displaced from employment is designed to tailor educational options for them based on their progress to date.

The potential of flexible transitions between different modes of delivery for learners and employers is clear.

Our efforts to promote seamless pathways will need to encompass learning resources and flexible blended learning options that are designed for this purpose.

We recognise that programmes and other educational products will need to include multiple options to transition between on-job, on-campus, and online learning as well as across different regions.

We are collaborating closely with learners, transitional Industry Training Organisations and employers to design and deliver the solutions we need to realise the potential of these newly seamless pathways.

We are focused on a deliberate set of actions linked to our overall transition (see *Building a New Organisation*) including:

- extending the work to map the learner journey across our network.
- building on a single Academic Board across the network to drive the shift to a single entity.
- beginning the process of integrating on-job, on-campus, and online delivery.



## Working with employers

*Our 65,000 graduates each year meet the skill needs of businesses throughout New Zealand, and by 2022 we will be partnering with around 35,000 employers to deliver training in the workplace*

### Overview

Te Pūkenga subsidiaries, together with the transitional Industry Training Organisations, helped 65,000 people complete qualifications at all levels of the New Zealand Qualifications Framework in 2019.

During the next two years as we integrate industry training into our new network, we will forge direct relationships with the 35,000 employers that make their workplaces available for on the job training.

The market penetration of vocational education and training will be very significant, accounting for around 35,000 of the 150,000 businesses with at least one employee.

In many provincial communities, we will be the sole provider of tertiary education and training in the workplace.

### Working closer with employers

But there is much more to be done. For many small and medium-sized enterprises, Te Pūkenga will be the face of government support for their efforts to develop the pipeline of skilled employees they require.

The successful delivery of the wider reform of vocational education and the transformation embodied in the establishment of Te Pūkenga offers a tangible expression of the government's commitment to supporting the success of business.

This commitment is reflected in the aspiration to ensure education and training is relevant to the lives of New Zealanders throughout their lives.

We can give effect to that aspiration by focussing teaching and learning strongly toward workplaces and by collaborating with employers to upskill employees.

We are building a new approach to engaging with employers that emphasises seamless pathways into work-based learning, enables customised skill development embedded into workplaces and recognises the changing nature of work.

### A shared challenge

There is an exciting opportunity before us to proactively engage more employers in workplace-based training, offer education and training at scale nationally and demonstrate the kind of leadership that our changing economy and society demands.

We provide government with access to a national tertiary education and training provider for the first time.

Our footprint and scale mean that we can be a strategic partner to business and government in meeting the skill needs of employers.

Te Pūkenga is well-placed to provide the skilled people that employers will need to deliver transformational change in key areas such as the transition to a low-carbon economy, widespread uptake of medium-density housing and building the major infrastructure assets our communities require.

The necessary transition for the tourism industry or the reskilling of people needed by the primary industries are examples of changes that we can enable in a nationally coordinated way.

Additionally, deepening our partnerships with Māori business will also be vital as we support iwi to make better use of their assets and provide Māori learners with pathways to skilled employment.



## Key partnerships

*We have the capacity to be a long-term skills training partner for business, iwi, local government and community organisations*

### Overview

Our regional and national footprint (see *How we operate*) means that we have significant partnerships with local government, iwi, business and community organisations.

Our relationships are sustained through our Council, the boards of directors of each of our subsidiaries, our management team and the work that our staff do to connect with learners, whānau and other stakeholders.

Across our national network, we work closely with regional economic development agencies, major iwi bodies and iwi-owned businesses and peak bodies for business.

Our existing programme advisory committees provide connections with employers across New Zealand, and we maintain strong relationships with professional organisations such as the Nursing Council of New Zealand and Engineering New Zealand.

We are well-connected with the other actors in the vocational education and training system.

### **Our network of partnerships is expanding**

From this platform, we are building new and more extensive relationships.

The transition of work-based training from the transitional Industry Training Organisations to Te Pūkenga is one prominent example. Currently, more than 35,000 employers offer traineeship and apprenticeships to almost 140,000 learners.

We are building a process to transition these relationships into our network. These new relationships will expand our understanding of the needs of workplaces across New Zealand and enhance our capacity to offer seamless pathways.

We are expecting that the new Workforce Development Councils and Regional Sector Leadership Groups will operate effectively and offer meaningful insights into the needs of employers and communities.

The Workforce Development Councils should offer better information about the future skill needs of employers.

The skills standards, training schemes and qualifications they develop will offer industry-validated standards to inform our programmes of teaching and learning.

The Regional Skills Leadership Groups are beginning to develop their capability to offer insights into immediate labour market challenges and opportunities.

We expect that these groups will help our network to understand where to prioritise our efforts in terms of programme development and the particular learner groups who are most affected by the economic displacement arising from the pandemic.

### **We are building a new partnership model**

We are strengthening our engagement with stakeholders. The key elements of this approach are:

- acknowledging, honouring, and supporting existing partner and stakeholder relationships,
- making Te Tiriti o Waitangi as the foundation of power-sharing,
- taking a strategic approach to stakeholder engagement,
- co-designing education and training solutions with Māori, Pacific and disabled learners, as well as employers and industries,
- engaging early and often with employers, and
- coordinating our communications and engagement well.

These approaches will inform how we build new, more effective engagement approaches across Te Pūkenga.

Our engagement approach will also embody the obligations we welcome under legislation to ensure representation of staff, students and a member of our Māori advisory committee on our council.

We are establishing advisory committees to Council for staff, students and Māori to ensure that each of these groups has a strong voice in our decision-making.



## Te Pūkenga at a glance

**240,000**

Learners  
from 2022

**10,000+**  
Academic and  
professional staff

**\$1.9b**  
Physical assets

**69,800**

EFTS for 2021

**+11.6%**

Domestic  
growth

**-45.1%**  
International  
decline

**7%**

Foundation  
learners

**58%**

Level 3-7 (non-  
degree) learners

**34%**

Degree and  
Postgrad

**65,000**

Graduates

**35,000**

Employers

**42**

Main campuses

**50%**

Māori do not  
complete

**81%**  
of all courses  
completed

**66%**  
First-year  
retention rate

## Key areas of provision

**18%**

Engineering

**17%**

Society and  
Culture

**16%**

Architecture  
and Building

**12%**

Management  
and Commerce

**11%**

Health

**7%**

Primary



## How we operate

*Our network encompasses 163 campuses and delivery sites across New Zealand touching the entirety of New Zealand from Kaitaia to the Bluff and out to the Chatham Islands.*

### Overview

Te Pūkenga currently operates through sixteen subsidiaries with a physical and online presence across New Zealand, together with a small head office based in Hamilton.

Our teaching staff work with learners at 163 campuses and delivery sites from Kaitaia to Bluff, offering options for people in employment and online.

Our central challenge is to deliver our core functions to an excellent standard, mobilise the opportunities inherent in the transformation and take advantage of the opportunities that rationalisation presents to enhance our financial sustainability.

### Developing a new operating model

Our focus is on realising the aspiration of the Reform of Vocational Education.

The cornerstone of the reform is the design and implementation of a longer-term operating model for Te Pūkenga to create a sustainable, national network of regionally accessible vocational education and training, which is responsive to the needs of all regions of New Zealand, their learners, industries, employers and communities.

We offer an unmatched potential to provide the skilled people that the regions of New Zealand require. These needs are evident across the major urban areas of New Zealand through to our least urbanised and predominantly rural communities. We meet these needs through a mix of on-job, on-campus, and online delivery.

We are progressively bringing the sixteen former Institutes of technology and polytechnics into a single network and will, over the next two years, plan to transition the majority of trainees and apprentices currently supported by the transitional Industry Training Organisations into a single network.

Our operating model will also need to take account of the other changes involved in the Reform of Vocational Education.

We will be working with Regional Skills Leadership Groups, Centres of Vocational Excellence and Te Taumata Aronui and adapting to changes in the way government invests through the planned Unified Funding System.

We are also repositioning the place of international education in our portfolio. Our focus is to shift from being focused on student volume and revenue generation to high-quality education provision, enhancing the learner experience and their wellbeing, exploring offshore provision and enabling long term sector sustainability.

### Maintaining business as usual

As we build our new operating model, we must still maintain our range of high-quality and valued education and training.

We offer programmes at all levels of the New Zealand Qualifications Framework. Our programmes reflect the needs of learners, business and communities and the demands of the economic and social response to the COVID-19 pandemic.

We will maintain our wide base of foundation, vocational, professional and applied programmes across the country.

Programmes in health (17%), engineering (11%), building (11%), social services (15%) and business management (14%) account for around two-thirds of our provision.

We are expanding our provision in 2020 and 2021 to adapt to the emerging economic development priorities, particularly construction (19% of new delivery), primary industries (15%), professional services (12%), aged care (9%) and other areas of identified skill shortage (10%). We are also expanding our distance delivery considerably to offer learners more flexibility.



## Building a new organisation

Our *Transition Pathway* sets out the direction we will take to design the future of Vocational Learning in New Zealand.

At Te Pūkenga, we are designing the future of Vocational Learning for New Zealand. Our establishment and transformation programme through to 2022 will:

- bring our legacy Institute of Technology and Polytechnics and transition Industry Training Organisations into a single institution,
- transform the network, its delivery models, its Te Tiriti o Waitangi relationships, its physical and digital presence, and engagement approaches, and
- actively manage the provider network, so it continues to operate effectively through significant financial stress.

Key to these changes is our Transition Pathway (see **Figure 1**) built around six key *Transformation* workstreams and three *Core Capabilities* workstreams.

The Transformation workstreams are the priority workstreams designed to meet the needs of the Letter of Expectations and adhere to the intent of the reform of vocational education. The *Transformation* workstreams are:

- Academic Delivery Innovation, which will deliver innovative and flexible delivery products, modes and practices that meet the changing needs of learners.
- Learners at the Centre, which will deliver a greater understanding of ākonga so we can deliver for the unique needs of all learners, including those who have been traditionally under-served.

- Māori Partnerships and Equity, which will deliver collaborative approaches with Māori; embed Te Tiriti o Waitangi Excellence Framework throughout all Te Pūkenga activities, and articulate core objectives within a rautaki co-designed and agreed to with Māori partners.
- Operating Model, which will deliver a design putting learners at the centre, meeting employer and community need and delivering equitable outcomes for Māori.
- TITO Transition and Work-based Learning, which will deliver our readiness for work-based training and support.
- Employer Aligned, which will ensure we are aligned to the needs of employers throughout the transformation programme.

Alongside these workstreams are the *Core Capabilities* workstream, a series of smaller projects to establish our head office and ensure the Transformation workstreams meet financial and quality expectations.

This Transition Pathway is the key mechanism whereby we lay the foundation to successfully transform Te Pūkenga into the leading provider of on-job, off-job and online vocational education in Aotearoa which is responsive to the needs of all regions of New Zealand, their learners, industries, employers and communities.



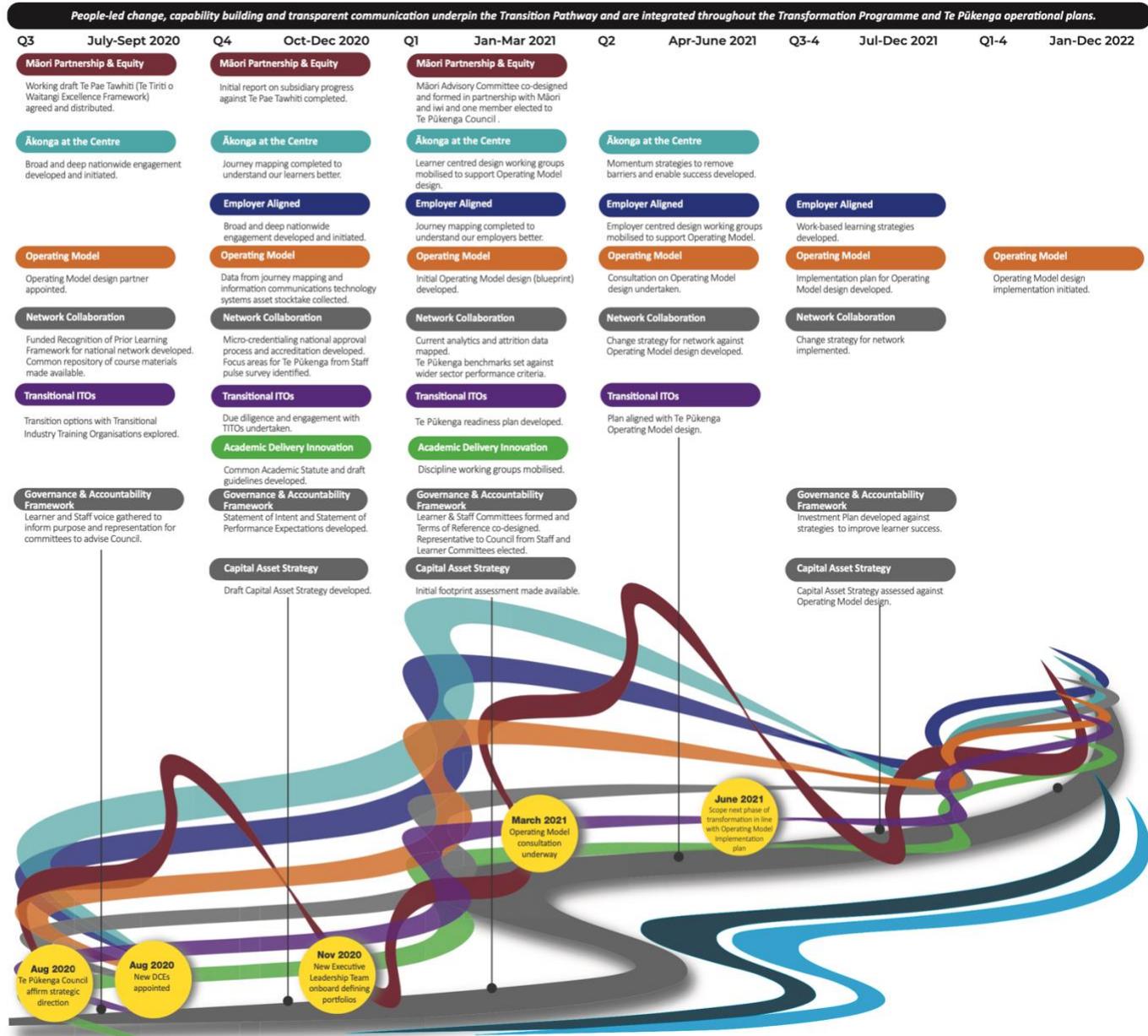
Figure 1: Te Pūkenga Transition Pathway



**Designing the future of vocational learning for New Zealand**  
**Transition Pathway**

- Māori Partnership & Equity  
*Mana Ōrite*
- Ākonga at the Centre  
*Ko te Ākonga te Putake*
- Employer Aligned  
*Hāngai ki te Kaitiaki*
- Operating Model  
*Whakauma i te ako*
- Network Collaboration  
*Whānui Mahi Tahi*
- Transitional ITOs  
*Ahuhahi, Ahuaka*
- Academic Delivery Innovation  
*He Tukunga Auaha*
- Governance & Accountability Framework  
*Mana Tiaki, Mana Mātai*
- Capital Asset Strategy  
*Tātai Rawa*

**DRAFT**  
 This is a living document that will be amended as the design and planning of the transformation programme progresses.  
 Version 1.0



## Our current environment

Our short-term planning and financial outlook is unclear as we balance uncertain domestic demand, a constrained international market and more complex needs.

### Overview

Our operating environment is uniquely stressed by the cumulative challenges of a 'once in a century' public health shock and the uncertainties associated with a 'one in a generation' reform programme.

Our subsidiaries are struggling to balance the needs of learners who are presenting with ever more complex needs, meeting the immediate skill needs of industry at scale nationally and increasingly stressed staff.

### An uncertain context

The COVID-19 pandemic is expected to have profound and sustained impacts - particularly wellbeing impacts for vulnerable populations.

These impacts are being felt through changing patterns of economic activity, migration, geopolitics, work, employer need, how public services are designed and delivered and how financial policies and social systems operate.

The effects of the pandemic will be felt unevenly between regions, industry sectors and population groups.

The future trajectory of the New Zealand economy is uncertain given the impacts of the COVID-19 pandemic, and the implications for individual industries are not yet understood.

Domestic students who have been able to continue their studies are reporting increased anxiety, stress levels and financial pressures.

### Enhancing resilience

We have a key role in enhancing the resilience of communities in the face of the economic impacts of the pandemic, impacts which are felt most acutely by young people, Māori, Pasifika and disabled people.

Our education and training pathways are key to avoiding the economic scarring resulting from the pandemic.

The government's Targeted Training and Apprenticeships Funding is proving popular, but we see opportunities to address equity issues in the national response. Pathways such as enrolled nursing and information technology programmes which are popular with young women ought to be eligible for free trades training.

We are reducing the impact on current learners through effective use of new hardship and technology access funding. Feedback from learners clearly shows that it has made a significantly positive difference in their lives and ability to learn.

We are concerned that the current allocation to Te Pūkenga has been largely exhausted, putting at risk our ability to respond to future disruptions in a timely way.

### Our financial position is fragile

Our planning and financial outlook is unclear as we balance uncertain domestic demand and a sharply constrained access to international markets.

A sharp fall (-65%) in international learners is forecast to reduce our revenue by \$110m by 2021 compared to 2019.

Indications from application and enrolment data indicate that domestic learners will increase by around 12% in 2021, while international learners will fall by 45%.

The result is that between 2020 and 2021 our overall enrolments will increase by 4.9%. At the same time, our total revenue is forecast to increase by just 4.4%.

**Table 3: EFTS and revenue forecasts, Te Pūkenga**

|                             | 2019 Actual | 2020 Forecast | 2021 Budget | % change (2020-2021) |
|-----------------------------|-------------|---------------|-------------|----------------------|
| EFTS (domestic) (000s)      | 57.6        | 57.3          | 64.8        | 11.6%                |
| EFTS (international) (000s) | 10.7        | 9.1           | 5.0         | (45.1%)              |
| EFTS (total) (000s)         | 68.3        | 66.4          | 69.8        | 4.9%                 |
| Revenue (000s)              | \$1,053     | \$1,072       | \$1,122     | 4.4%                 |



## Contribution to your priorities

*Te Pūkenga has a central role to play in delivering on the Government's goals for building a productive, sustainable and inclusive economy and improving the wellbeing of all New Zealanders, and our long-term vision for the education system.*

### Overview

Te Pūkenga has a key role in contributing to the Government's wellbeing agenda and the priorities for the education system.

### Tertiary Education Strategy

The current draft Tertiary Education Strategy sets out the Government's long-term strategic direction and current and medium-term priorities for tertiary education.

The priorities of this draft strategy are reflected in the expectations set by you. These are Learners at the centre, Barrier-free access, Quality and leadership, Focus on the future of learning and work and World class inclusive education.

*Learners at the centre involves making sure learners and their whānau are at the centre of education.*

We have a comprehensive programme of work underway to place learners at the centre of the education and training we deliver (see *Learners at the Centre*) and to ensure that we develop and maintain deep relationships with our stakeholders (see *Key Partnerships*) within the context of our partnership with Māori (see *Māori Success*).

*Barrier-free access involves enabling great education opportunities and outcomes are within reach for every learner.*

Our aspiration to create a welcoming and engaging experience and deliver better outcomes for learners is a key element of our work to put learners at the centre.

We offer educational opportunities through our national network of delivery sites and flexible learning options, such as the new 1,000 places at Trades Academies in 2020.

We are also building through our new operating model (see *How we operate*) a seamless system of on-job, on-campus, and online education.

*Quality and leadership involves making sure we have a diverse, skilled well-qualified education workforce at the right place at the right time.*

Our transition pathway includes an Academic Delivery Innovation workstream (see *Building a new organisation*). This workstream involves engaging our academic staff to design and support our transformation of teaching and learning.

We also supply a significant number of qualified teachers each year who are equipped for today's learners and pedagogies.

*Focusing on the future of learning and work involves making sure learning is relevant to the lives of New Zealanders today and throughout their lives.*

We are strongly committed to preparing New Zealanders for the future. We are building a seamless system of vocational education, integrating work-based learning more fully into our network and leveraging our capacity to be a long-term skills training partner for employers and for learners across their lives.

We are employing innovative approaches to help workers to transition to employment and training through our response to the demand of the COVID-19 pandemic.

*World class inclusive education involves making sure that a New Zealand education is trusted by stakeholders.*

The creation and realising of the benefits of Te Pūkenga is central to the achievement of this objective. Our organisation is creating a unified, sustainable public network of regionally accessible vocational education.

We are underpinning trust in the system by giving effect to the partnership between Māori and the Crown through our commitment to deliver equitable outcomes for Māori (see *Māori Success*).



# Appendices



## Appendix A: Charter of Te Pūkenga

Te Pūkenga exists to perform the functions set out in section 315 of the Education and Training Act.

Te Pūkenga is to be responsive to the needs of all regions of New Zealand and their learners, industries, employers, and communities.

To meet the needs of regions throughout New Zealand, Te Pūkenga must—

- offer in each region a mix of education and training, including on-the-job, face-to-face, and distance delivery that is accessible to the learners of that region and meets the needs of its learners, industries, and communities; and
- operate in a manner that ensures its regional representatives are empowered to make decisions about delivery and operations that are informed by local relationships and to make decisions that meet the needs of their communities; and
- ensure that international learners are attracted to train and study in regions throughout New Zealand; and
- ensure that there is collaboration across its national network; and
- maintain a high-quality, coherent network of infrastructure that meets regional skills needs.

Te Pūkenga must operate in a way that allows it to—

- empower students and staff on academic, non-academic, and wellbeing matters and matters relating to the organisation's practices and services; and
- develop meaningful partnerships with—
  - Industry across the country, including Māori and Pacific employers, smaller employers, and those operating in niche sectors; and
  - communities at a local level, including hapū and iwi, and Pacific communities; and
- use the insights gained through partnerships to—
  - develop and provide vocational education and training that meets short-term and long-term skills needs; and
  - expand industry training into smaller employers and niche sectors; and
  - align education and training delivery to support the unique social and economic goals of local communities; and
  - work towards equity for learners and staff of different genders, ethnicities, cultures, and abilities; and
- reflect Māori-Crown partnerships in order to—
  - ensure that its governance, management, and operations give effect to Te Tiriti o Waitangi; and
  - recognise that Māori are key actors in regional social, environmental, and economic development; and
  - respond to the needs of and improve outcomes for Māori learners, whānau, hapū and iwi, and employers; and
- hold inclusivity and equity as core principles, recognising and valuing the diversity of all of its learners, and providing the unique types of support different learners need to succeed; and
- meet the needs of all of its learners, in particular those who are under-served by the education system, including (without limitation) Māori, Pacific, and disabled learners; and
- promote equitable access to learning opportunities for learners across all regions; and
- have culturally responsive delivery approaches, whether on campus, in the workplace, online, or otherwise; and
- work collaboratively with schools, wānanga, and other tertiary education organisations (including workforce development councils) to improve the outcomes of the education system as a whole, including the transition of learners into employment.

In giving effect to clause 4, Te Pūkenga must ensure that—

- students and employers can transition seamlessly between delivery sites and educational modes, including between workplaces and other forms and places of learning; and
- programmes of study and qualifications are portable and consistent, yet flexible enough to meet local needs; and
- the academic integrity of the education and training programmes it delivers is protected; and
- New Zealand's reputation as a quality study destination for international learners is sustained; and
- the range of education and training options available to learners and employers is appropriately broad and current; and
- future skill needs are anticipated and quickly responded to; and
- teaching and learning is supported by research, evidence, and best practice; and
- learning pathways provide learners with a range of opportunities to progress to higher levels of education and training, and also into employment; and
- the needs of adult and second-chance learners are afforded high priority.

## Appendix B: Te Pūkenga Board and Executive Leadership Team

### Te Pūkenga Council

Te Pūkenga is governed by a Council. The Council currently has eight members, chaired by Murray Strong. The Chair and Council members are appointed by you as Minister. You can appoint one further member.

A further three members elected from among the staff, students and the Council's Māori advisory committee are in the process of being appointed.

Each of the 16 subsidiaries of Te Pūkenga has their own Board of Directors.



#### ***Murray Strong, Chair***

Murray Strong is an independent director and Chair, and a member of the Institute of Directors in New Zealand. Mr Strong has governance and senior management experience across many sectors, including tertiary education.

He was the IST Establishment Unit Executive Director, where he was closely involved with all workstreams, key stakeholders and the future direction. He is chair of the Centre of Digital Excellence in Dunedin.



#### ***Kim Ngārimu, Deputy Chair***

Kim Ngārimu (Te Aitanga ā Mate, Ngāti Porou) is a director of Tāua Limited, a consultancy specialising in public policy and management advice. Earlier in her career, Ms Ngārimu held a range of senior public sector roles in Wellington.

She is a member of the Medical Council of New Zealand and the Waitangi Tribunal, Chair of Tairāwhiti District Health Board, and a council-appointed member of the Eastern Institute of Technology. She was Deputy Chair of the IST Establishment Board.



#### ***Tania Hodges JP, Council Member***

Tania Hodges JP (Ngāti Pāhauwera, Ngāti Ranginui, Ngāti Hauā, Tuwharetoa, Maniapoto, Kahungunu) is Managing Director of Digital Indigenous.Com Ltd, providing advice on governance and leadership, strategic development, change management, Māori and Iwi relationships, and community development.

Ms Hodges has an MBA and qualifications in social science, business research and Te Reo Māori to complement her Registered Psychiatric Nursing qualification.



#### ***Maryann Geddes, Council Member***

Maryann Geddes is the Group Manager Risk & Compliance at Skyline Enterprises, based in Queenstown. She has worked for Skyline since 1994 and is a board member of ServiceIQ.

Other governance roles have included RNZRSA, the Tourism Industry Association, the Otago Southland Employers Association, the Aviation, Tourism and Travel Training Organisation and the Hospitality Standards Institute.



***Kathy Grant, Council Member***

Kathy Grant is a former Associate in the Dunedin legal practice of Gallaway Cook Allan.

Mrs Grant has been a Ministerial appointee and Chair of the Otago Polytechnic Council since 2010. She was previously a member of the University of Otago Council and council Chair of the Dunedin College of Education.

In 2015, the Minister of Health appointed Mrs Grant as Commissioner of Southern District Health Board following the disestablishment of the DHB.



***Sam Huggard, Council Member***

Sam Huggard is the former National Secretary of the New Zealand Council of Trade Unions 2014–2019, where he led the union movements' work on just transitions. He is now a Strategic Researcher with E tū, which represents >50,000 workers.

Mr Huggard is an experienced not-for-profit sector leader, with 20 years' service across trade unions, the community sector and students' associations. His governance experience includes government, not-for-profit, academic and industry advisory bodies.



***Peter Winder, Council Member***

Peter Winder is a Director of McGredy Winder & Co. He has been a Ministerial appointee and Chair of Manukau Institute of Technology since 2013 and is a Member of the Advisory Committee to the Commissioner at Unitec.

Mr Winder was Chief Executive of Auckland Regional Council (2005–2010) and Local Government New Zealand (2001–2003). He was Crown Manager of the Kaipara District Council and is a member of the State Services Commission Risk and Audit Committee.



***John Brockies, Council Member***

John Brockies is an experienced independent director with a professional background in executive roles in large New Zealand companies such as Siemens and Transfield. His governance experience includes Naylor Love, the Waiāri Project Advisory Board for Tauranga City Council, the Resolve Group Ltd, and BRANZ.

Mr Brockies was a Ministerial appointee to the Commissioner's Advisory Panel for Unitec and was an independent member of the RoVE Programme Board.

## Our leadership team

Our Te Pūkenga Leadership Team is set out below. Each subsidiary organisation has its own Chief Executive.



### ***Stephen Town, Chief Executive***

Stephen has held executive positions for over 20 years in tertiary education, local government, and transport. He is a former Chief Executive of Auckland Council.

Previous roles include leading the Franklin District and Tauranga City Councils, and Regional Director of the NZTA in Northland/Auckland.

His first chief executive role was at Wanganui Regional Community Polytechnic in 1994, making him the youngest CE in New Zealand at the time.



### ***Dr Angela Beaton, Deputy Chief Executive – Delivery and Academic***

Angela is an academic leader and researcher with a broad range of experience in the public sector. She has delivered large scale, academic innovations, collaborating with learners, industry, employers, researchers, communities, iwi, marae, Pacific leaders and education providers.

She has held academic and research leadership and governance roles in education, health, and research-based organisations. Prior to joining Te Pūkenga, she was GM National Women's Health, Auckland DHB.



### ***Merran Davis, Deputy Chief Executive – Transformation and Transition***

Merran has diverse public and private sector experience in teaching, research, executive leadership, complex collaboration, technology commercialisation, consulting and governance.

Prior to joining Te Pūkenga, Merran was Interim CE of Unitec, leading the institution's turnaround in performance based on deep respect for people, shared values and Te Tiriti o Waitangi. She is passionate about lifelong learning, inclusion and supporting people and organisations to realise their potential.



### ***Ana Morrison, Deputy Chief Executive – Partnerships and Equity***

Ana (Ngāti Whakaue, Ngāti Tūwharetoa) joins Te Pūkenga from the Institute of Technology and Polytechnic sector and her previous role as Executive Director Strategic Partnerships & Māori Success at our Toi Ohomai subsidiary. She is an experienced executive leader and governor in both public and private sectors.

Ana holds law and science degrees and is an influential advocate for Tiriti excellence, equitable outcomes for Māori, and Aotearoa Inc.



### ***Vaughan Payne, Deputy Chief Executive – Operations***

Vaughan is from the Bay of Plenty iwi of Whakatōhea (Mataatua) and Ngāi Tai (Tainui). Prior to joining Te Pūkenga, he was CE of Waikato Regional Council, working to unlock the region's growth potential while looking after its environment and people well.

He has helped lead national system improvements in planning and freshwater management and is a steering group member of He Waka Eke Noa Primary Sector Climate Action Partnership. Vaughan has experience in the public and private sectors.



### ***Warwick Quinn, Deputy Chief Executive – Employer Journeys***

Warwick is the Chief Executive of the Building and Construction Industry Training Organisation, Motor Trade Association and Registered Master Builders Association.

He has held the role of General Manager Regulatory in LINZ, and statutory positions of Valuer-General and Chief Crown Property Officer.

Warwick has worked in local authorities, multi-national property companies and banks. A registered valuer, he is past Chair of the Valuers Registration Board and a Fellow of the New Zealand Institute of Valuers and the Property Institute of NZ.



### ***Tania Winslade, Deputy Chief Executive – Learner Journey and Experience***

Tania (Ko Ngāti Awa te iwi. Ko Te Patuwai te hapū) joins Te Pūkenga after an executive leadership role at Auckland Council. She has worked around the globe as an international commercial lawyer and in international development.

Since returning home, she's held senior leadership roles that focus on supporting Māori and all New Zealanders to thrive, including in public law and policy, strategy, economic development, governance, people and organisational performance, and local government.

# He maire au ka pūkengatia

Through the expertise  
passed to me,  
I stand tall and strong  
like the Maire tree



**Te Pūkenga**