

Cabinet Paper material

Proactive release

Minister & Portfolio	Hon Penny Simmonds Minister for Vocational Education and Training
Name of package	Proposed establishments of institutes of technology and polytechnics proposal
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Proposed establishment of Institutes of Technology and Polytechnics proposal

Date considered: 30 June 2025

Author: Office of the Minister for Vocational Education

Cabinet Social Outcomes Committee minute SOU-25-MIN-0076

Date considered: 25 June 2025

Author: Committee Secretary

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Date considered: 30 June 2025

Author: Secretary of the Cabinet

Material redacted

Some deletions have been made from the documents in line with withholding grounds under the Official Information Act 1982. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

The applicable withholding grounds under the Act are as follows:

Section 9(2)(ba)(i) to protect information which is subject to an obligation of confidence where making the information available would likely prejudice the supply of similar information

Section 9(2)(f)(iv) to protect the confidentiality of advice tendered by Ministers of the Crown and officials

Section 9(2)(g)(i) to maintain the effective conduct of public affairs through the free and frank expression of opinion

Some deletions have been made from the documents as the information withheld does not fall within scope of the Minister's portfolio responsibilities, and is not relevant to the proactive release of this material.

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In Confidence

Office of the Minister for Vocational Education
Cabinet Social Outcomes Committee

Proposed establishment of Institutes of Technology and Polytechnics

Proposal

1. This paper seeks Cabinet’s agreement to the establishment of ten Institutes of Technology and Polytechnics (polytechnics) on 1 January 2026. These proposed decisions are in-principle, subject to legislation passing in the House and Cabinet’s approval of the Order in Council for each polytechnic later in 2025. Options for the remaining polytechnics will be proposed during the first half of 2026. If these are all established, a total of six polytechnics will be designated as federation polytechnics alongside the Open Polytechnic as the anchor polytechnic.
2. This paper also reports back, in conjunction with the Minister for Social Development and Employment, on the impacts on learners of the proposed changes to the Vocational Education and Training (VET) system, and the continued operation of Trades Academies and vocational learning in secondary schools [SOU-24-MIN-0174 refers].

Relation to Government priorities

3. The Government made a commitment as a part of its 100-day plan to disestablish Te Pūkenga and restore local decision-making in the VET system. These decisions build on earlier decisions by Cabinet to progress this commitment.

Executive Summary

4. We have made significant progress in advancing our 100-Day plan commitment to disestablish Te Pūkenga and replace it with a network of regional polytechnics that will meet local needs. We can now reestablish polytechnics.
5. Work within Te Pūkenga’s polytechnic business divisions to improve their financial performance means that we can establish eight polytechnics (with recapitalisation funding from Te Pūkenga cash assets and the Te Pūkenga Disestablishment and Transition Contingency [‘the contingency’]) from 1 January 2026. Although there are some risks attached to some of these, I have assessed these are manageable. A further two can also be established on that date but carry a degree of risk around the implementation of financial improvement plans. To reestablish these polytechnics, debts carried within the Te Pūkenga network by former polytechnics will need to be paid for from cash from across the Te Pūkenga group.
6. A further four polytechnic business divisions, located in Northland, Taranaki, the Wellington region, and the South Island West Coast, need to remain within Te Pūkenga until next year while further work is completed. 9(2)(g)(i)
[REDACTED]
7. To support the establishment period, the strategic funding approved by Cabinet will be used [SOU-25-MIN-0026 refers].9(2)(f)(iv)
[REDACTED]

8. Officials will monitor impacts of the necessary changes polytechnics have been making within Te Pūkenga, and the new system more generally. A report back on impacts on learners and secondary tertiary opportunities requested by Cabinet is attached in Annex 3. I am working within the funding provided by Cabinet for these reforms. Ensuring all 9(2)(f)(iv)
9. If Cabinet agrees in principle to establish the ten polytechnics proposed for 1 January 2026, I will return to Cabinet Legislation Committee in November 2025 once the Bill has Royal assent, proposing Orders in Council to formalise these in-principle decisions.

Background

10. In December 2024, Cabinet agreed to amend the Education and Training Act 2020 to disestablish Te Pūkenga and replace it with a network of regionally based polytechnics. This will allow for a network of between ten and fourteen polytechnics based in New Zealand's regions, some of which will be part of a federation that can draw shared services and programmes from an anchor polytechnic (or elsewhere). The amendment Bill gives effect to the changes agreed by Cabinet and is expected to be passed in October 2025, coming into force on 1 January 2026.

Polytechnics are key providers of regional education

11. Polytechnics are important hubs in their regions for post school education, including VET. Polytechnics in areas without a major population centre – where there are relatively few alternative tertiary education providers – are often highly valued locally. These are also areas where maintaining a viable polytechnic is more difficult. Annex 1 includes descriptions of exploratory proposals from Northland, Whanganui and South Island's West Coast, for example which I will continue to work on.

Work has been undertaken in the sector to achieve the financial viability needed to be independent

12. In June 2024 the Tertiary Education Commission (TEC) required Te Pūkenga to obtain independent specialist help to improve the financial performance of its polytechnic divisions. In January 2025 Te Pūkenga's Council approved the implementation of financial improvement plans for each of the former polytechnic business divisions. For some former polytechnics there was no clear pathway to financial viability, but work was still planned to reduce their operating losses.
13. The proposed level of change coming out of this work is substantial, and while much work has been done, there are still significant changes to be implemented. As at 15 May 2025, 257 qualifications have been or will be paused or closed during 2025 across the network. There is expected to be a reduction of around 620 full-time equivalent employees within the sector by the end of 2025 (the reduction started in 2024)¹, generating an estimated \$46.5 million in savings. 9(2)(ba)(i)
14. Changes to provision (including delivery sites and programmes) are operational decisions made by providers, but many of the programme offerings were no longer viable or fit-for-purpose. Polytechnics have based these decisions on current funding. I have repurposed funding from within Vote Tertiary Education, primarily from agencies, and programmes not aligned with Government priorities, to provide \$20 million in transitional funding for

¹ The network employs just under 7,000 FTEs in total

polytechnics for up to 2 years and would intend this to be an ongoing arrangement subject to future funding decisions about the level and purpose of this funding. This strategic funding will need to be built into their financial forecasting as soon as possible, as it will impact on the decisions they are making about programme closures.

15. Once these changes are completed, polytechnics can potentially increase enrolments in areas which align with growth opportunities in regions, for example mining on the South Island West Coast and tourism in Northland.

Impact of viability work and other aspects of the reforms on learners and secondary tertiary opportunities

16. Cabinet invited the Minister for Social Development and Employment and I to report back to SOU in June 2025 with interim analysis on how the proposed changes to the VET system are expected to impact learners, the Jobseeker Government target and Trades Academies [SOU-24-SUB-0174].
17. This report is set out in Annex 3. Officials have developed a plan to monitor impacts of the changes. Learners in five regions (Northland, the West Coast, Taranaki, Whanganui-Manawatū, and the Bay of Plenty) are considered most likely to be impacted due to the extent of cost-cutting measures required for these polytechnics to reach viability². Learners considered to be most at risk of negative impacts during the transition include learners with low prior achievement, some disabled learners, and learners with barriers to relocating or studying online.
18. These regions and learners will be of particular focus when allocating the \$20 million of transitional funding we have set aside to support strategically important provision in 2026 and 2027.
19. The Ministry of Social Development will also closely monitor the number of people exiting benefits to study, and the number of people on Jobseeker Support benefits, in these regions. A full set of mitigations are provided in Annex 3. The Minister for Social Development and Employment and I will report back to Cabinet by the end of 2026 with updates on learner impacts.

Proposed network of polytechnics

20. I propose to establish ten polytechnics on 1 January 2026³. Annexes 1 and 2 set out key information about each polytechnic business division including forecast surpluses and deficits, debts and reserves and the approach to recapitalisation of the proposed polytechnics. These polytechnics would meet the characteristics of a polytechnic under the proposed legislation.
21. Of these ten, eight are now viable or soon will be and can therefore operate independently, although the polytechnics towards the bottom of Table 1 present more risk than those towards the top. For the remaining two (Otago Polytechnic and Universal College of Learning) financial improvement plans provide a clear pathway to viability but with the risk that this may not be achieved within two years. However, these two have been viable in the past.^{9(2)(f)(iv)}

² Foundation education is key provision for disadvantaged learner groups. In 2024, across all types of TEC-funded foundation education, 35% of equivalent full-time students nationally were delivered by Private Training Establishments, 35% by wānanga, and 26% by Te Pūkenga (to become the polytechnic network).

³ There will be requirements in the proposed legislation I will meet before recommending Orders in Council to Cabinet and the Executive Council.

9(2)(f)
(iv)

Table 1: Polytechnics assessed as able to be established on 1 January 2026

Proposed polytechnic	Region	Membership of federation
The Open Polytechnic of New Zealand	National online learning	Anchor polytechnic of federation
Ara Institute of Canterbury	Canterbury	Stand alone
Unitec / Manukau Institute of Technology (see paragraph 26)	Auckland	Stand alone
Eastern Institute of Technology	Hawke's Bay and Tairāwhiti	Stand alone
Toi Ohomai	Bay of Plenty	Stand alone
Wintec	Waikato	Stand alone
Nelson Marlborough Institute of Technology	Top of South Island	Stand alone
Southern Institute of Technology	Southland / Queenstown	Stand alone
Otago Polytechnic	Otago including Central Otago	Stand alone within the federation
Universal College of Learning	Manawatū, Whanganui, Wairarapa, Horowhenua	Stand alone within the federation

22. Work can start on implementing the federation in the second half of this year, and I anticipate that it will begin full operation in July 2026, once decisions are made about all the polytechnics. By sharing back office and academic services and accessing a wider range of programmes than might otherwise be possible, savings can be generated for federation members⁵. Polytechnics would be accountable through the quality assurance and funding systems for delivering quality programmes focused on outcomes.

23. I intend to consider establishing a further four polytechnics (set out in Table 2), with a target date of July 2026, so long as a model can be developed which provides a pathway to viability for them. For some we will continue to explore local solutions with regional and community leaders (see Annex 1). I will return to Cabinet for final decisions on these polytechnics including options which may include closures or mergers in the first half of 2026.

Table 2: Polytechnics to remain in Te Pūkenga and considered for establishment on 1 July 2026 as Federation polytechnics

Proposed ITP	Region
NorthTec	Northland
Western Institute of Technology - Taraaki	Taranaki
Whitireia / WelTec	Wellington Metro area, Porirua, Kapiti
Tai Poutini Polytechnic	South Island West Coast

Polytechnics will need to operate in a financially responsible manner

24. The polytechnic will need to operate on a financially responsible basis. The Education and Training Act 2020 provides a strong monitoring and interventions framework. If a polytechnic becomes unviable in the future, the full set of options would be considered to retain VET provision for its region⁶. 9(2)(f)(iv)

25. It is recognised that current grant funding associated with 2025/2026 programme closures will be needed again in the future as ITPs rebuild their learner numbers. TEC will need to manage the allocation of funding to the sector to ensure that new growth across the regions can be supported in the future. 9(2)(f)(iv)

⁴ Officials will undertake work on long term funding options to support strategically important provision.

⁵ Estimating such savings and the impact on enrolments is difficult and we will not know the size of its contribution to viability, especially for the polytechnics in Table 2 (below), until it is operating.

⁶ For example, mergers with stronger institutions or using alternative providers

9(2)(f)(iv)

Manukau Institute of Technology (MIT) and Unitec to be established as a merged institution, and WelTec and Whitireia Polytechnic to also be established as a single institution

26. Manukau Institute of Technology and Unitec have developed a business case, and Te Pūkenga has done preliminary work, to merge these two business divisions. While both institutions could be viable as standalone polytechnics, there are significant benefits from creating a single institution delivering into the Auckland region, both financially and for stakeholders. Initial consultation with stakeholders was favourable. Their intention is therefore to proceed with this proposal with Cabinet's agreement. I expect all merger costs to be funded from within MIT/Unitec and not the Crown.
27. The two main Wellington polytechnics, WelTec and Whitireia polytechnic, have operated in close alignment with a single Council and management since before they were brought into Te Pūkenga. While there is substantial further work for WelTec and Whitireia to do to demonstrate viability, if that can be achieved, it would be my intention to establish these as a merged entity in the first half of 2026.

Southern Institute of Technology's Telford campus

28. A number of polytechnics plan to exit campuses, but I wish to draw your attention in particular to the Telford campus due to its history and previous government support⁷. Southern Institute of Technology has operated the Telford campus in Balclutha since 2019. However, it currently loses \$1.5 million per year given its residential delivery model, and Southern Institute of Technology is considering it for closure. Telford is valued as a long-standing contributor to rural provision in the South Island and attracts students from around New Zealand. I seek Cabinet's decision about retaining this campus pending a funding solution being found by mid-2026, as part of long-term support for strategically important provision. This would require \$1.5 million per annum from the \$20 million strategic fund for up to two years.

To be established each polytechnic will need sufficient working capital

29. To be established, polytechnics will need to have sufficient working capital to be solvent and to make the necessary changes to ensure they can continue to operate as going concerns. Over time the regular income from funding and student fees will become sufficient to allow them to manage operations. 9(2)(f)(iv)

30. 9(2)(ba)(i) This will be used to:

- 30.1. Provide capitalisation for the new polytechnics to be established on 1 January 2026 and any that are established subsequently, and Work-based Learning divisions as they move into Industry Skills Boards.
- 30.2. Support polytechnic divisions that will not be established on 1 January 2026 but may be during 2026. These may be loss making in the meantime.

⁷ Annex one has a full list of current proposals e.g. at Wintec, Toi Ohomai, Otago Polytechnic and Universal College of Learning

- 30.3. A small amount to support Te Pūkenga’s operations until it is disestablished, wind down and fund liabilities (e.g. debts that are not transferred, redundancies etc).
31. Growth of international student numbers back to pre-covid levels or better is central to the viability of most polytechnics and enabling policy settings as well as a proportionate risk approach by Immigration New Zealand will be key to facilitating this.
32. Paragraph 38 indicatively sets out how the Contingency of \$157 million will need to be allocated over two years to facilitate the transition to the new system.9(2)(f)(iv)

[REDACTED]

9(2)(f)(iv)

[REDACTED]

Risks and Mitigations

34. Annex 4 updates the risks and mitigations reported in December 2024 [SOU-24-SUB-0174]

Implementation

35. If Cabinet agrees to establish the proposed ten polytechnics, establishment advisory groups will be put into place to prepare for Day 1 (1 January 2026). I have sought nominations for these. The TEC will support these establishment groups, and as far as possible I intend for the members of these groups to become members of the first governing Council for the polytechnic so that their decisions will not be reversed by new people. The first appointments to Councils will be proposed to the Appointments and Honours Cabinet Committee as soon as possible following the passage of the Education and Training (Vocational Education and Training System) Amendment Bill. Community Advisors have also joined most of the polytechnics to provide a link between their establishment activities and the needs of the communities they serve. Annex 6 provides a list of these Community Advisors. A full timeline is included as Annex 5.
36. Following the passage of the legislation, I will come back to Cabinet Legislation Committee, most likely in November, with proposed Orders in Council, which will formally establish each proposed polytechnic on 1 January 2026⁸.

⁸ Because the Bill is in the House, a certain amount of preparatory work can be done to ensure the legislation’s implementation goes smoothly, but more formal work can only be completed once the Bill is passed. Any

43. A Regulatory Impact Statement will be provided alongside final decisions about the entities to be established in January 2026, once the Education and Training (Vocational Education and Training System) Amendment Bill has passed.

Climate Implications of Policy Assessment

44. The Climate Implications of Policy Assessment (CIPA) team was consulted on the proposal in December 2024 to disestablish Te Pūkenga and re-establish a network of polytechnics [CAB-24-MIN-0234]. They confirmed that the CIPA requirements do not apply, as the threshold for significance is not met.

Population implications

45. The population implications of the proposed changes were addressed in my earlier Cabinet paper [SOU-24-SUB-0076]. These remain current. This paper proposes to establish ten polytechnics with responsibility to meet needs in their regions. There may be impacts on population groups in the regions served by the four polytechnics for which decisions are deferred – Northland, Taranaki, Wellington and South Island West Coast. Learners with low prior achievement, some disabled learners, and learners with barriers to relocating or studying online may be impacted. These will be considered when proposing options for these regions in the first half of 2026. Further impacts on learners are provided in Annex 3 to this paper.

Human rights

46. The Education and Training (Vocational Education and Training System) Amendment Bill has been subject to the standard Bill of Rights Act vet. The Ministry does not consider those rights and freedoms are limited by the operation of the provisions in the Bill.

Use of external resources

47. A programme manager has been contracted by the Ministry of Education since June 2024 to lead the work programme Te Pūkenga has engaged, from time to time, external consultants to contribute to financial improvement work.

Consultation

48. Public consultation has been carried out on options for a redesigned vocational education system during August - September 2024 and January - February 2025.
49. The following agencies were consulted on drafts of this paper: the Department of the Prime Minister and Cabinet, the Treasury, the Public Services Commission, the Ministry of Business, Innovation and Employment, the Ministry of Social Development, the Ministry for Primary Industries, the Ministry of Health, Ministry of Disabled People, Te Puni Kōkiri, the Ministry for Pacific Peoples, the Ministry for Women, the Tertiary Education Commission, Education New Zealand and the New Zealand Qualifications Authority.

Communications

50. Subject to Cabinet's agreement to the proposals in this paper, I will issue a press release outlining the polytechnics the Government has agreed to establish subject to Parliament's passing of the legislation.

Proactive Release

51. I intend to release the material within this Cabinet paper within 30 days after decisions have been made by Cabinet, subject to any redactions as appropriate under the Official Information Act 1982.

Recommendations

The Minister for Vocational Education recommends that the Committee:

1. **note** that in December 2024, the Cabinet Social Outcomes Committee agreed to amend the Education and Training Act 2020 to disestablish Te Pūkenga and replace it with a network of regionally based polytechnics
2. **note** that the Education and Training (Vocational Education and Training System) Amendment Bill is currently being considered by the Education and Workforce Committee
3. **note** that significant establishment work is required so the proposed new entities can begin operation from 1 January 2026, and that Cabinet’s agreement is now sought to enable this work to begin
4. **note** that financial analysis shows that ten polytechnics can be established in line with the proposed legislation in January 2026, and that risks are manageable for them
5. **agree** in principle, subject to the legislation passing and the approval of Orders in Council, to establish the following as polytechnics:

Table 1: Polytechnics assessed as able to be established on 1 January 2026

Proposed polytechnic	Region	Membership of federation
The Open Polytechnic of New Zealand	National online learning	Anchor polytechnic of federation
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Eastern Institute of Technology	Hawke’s Bay and Ta rāwhiti	Stand alone
Toi Ohomai	Bay of Plenty	Stand alone
Wintec	Waikato	Stand alone
Nelson Marlborough Institute of Technology	Top of South Island	Stand alone
Southern Institute of Technology	Southland / Queens own	Stand alone
Otago Polytechnic	Otago including Central Otago	Stand alone within federation
Universal College of Learning	Manawatū, Whanganui, Wairarapa, Horowhenua	Stand alone within federation

6. **agree** in principle to establish Unitec and Manukau Institute of Technology as a single merged entity
7. **note** that should WelTec and Whitireia Polytechnic be established in 2026, it would be as a single merged entity
8. **agree** that Northtec, Western Institute of Technology Taranaki, Whitireia Polytechnic / WelTe (combined), and Tai Poutini Polytechnic remain within Te Pūkenga in the interim while further financial improvement work is undertaken, and that the Minister for Vocational Education report back with options on the future of these polytechnics in the first half of 2026

Financial implications

9. **note** that cash reserves within Te Pūkenga 9(2)(ba)(i) contribute to funding transition costs for polytechnics, and that Cabinet has provided for a Disestablishment and Transition Contingency, and strategic funding of \$20 million in 2025/26 and 2026/27, to ensure important provision is maintained pending further funding system changes for the longer term
10. **note** that the Te Pūkenga Disestablishment and Transition Contingency will begin to be drawn upon later in 2025, and that, indicatively, it will be split as follows:

9(2)(f)	
(iv)	

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- 13. **note** that short-term reductions in funding to polytechnics resulting from reducing unviable provision will be reinvested in the polytechnic sector 9(2)(f)(iv)
- [REDACTED]
- [REDACTED]
- [REDACTED]

Other issues

- 14. **note** that officials have developed a plan to monitor impacts of the changes, and that learners in Northland, the West Coast, Taranaki, Whanganui-Manawatū, and the Bay of Plenty, and learners with low prior achievement, some disabled learners, and learners with barriers to relocating or studying online, will be of particular focus when allocating transitional funding to support strategically important provision in 2026 and 2027
- 15. **invite** the Minister for Social Development and Employment and the Minister for Vocational Education to report back to Cabinet with proposals for the long-term support of strategically important provision by mid-2026, and with an update on learner impacts by the end of 2026
- 16. **note** that Southern Institute of Technology’s Telford campus is a valued part of rural education in the South and that the Southern Institute of Technology is proposing to close it as it costs approximately \$1.5 million per year
either:
 - 17. **agree** that strategic transition funding be used to keep Telford open pending decisions in mid 2026 on long term solutions to strategically important provision
 - 18. **note** that Southern Institute of Technology is likely to close its Telford Campus as part of its financial improvement work
 - 19. **authorise** the Minister for Vocational Education to issue drafting instructions to the Parliamentary Counsel Office for Orders in Council to implement the decisions in recommendation 5
 - 20. **delegate** to the Minister for Vocational Education any further detailed decisions to support the drafting of the Orders in Council
 - 21. **note** that the Minister for Vocational Education will issue a press release announcing the polytechnics that have in-principle agreement to be established.

Hon Penny Simmonds

Minister for Vocational Education

Annexes

- Annex 1 Summaries of each Polytechnic
- Annex 2 ITP Financial information
- Annex 3 VET impact slides
- Annex 4 Risks and Mitigations table
- Annex 5 Timeline for decisions and implementation
- Annex 6 Community Advisors

Annex 2 and 5 withheld in full under 9(2)(f)(iv)

Proactively Released

Annex 1: Summaries of each polytechnic

Open Polytechnic of New Zealand

Open Polytechnic of New Zealand (OPNZ) is distinct within the ITP network, with the entirety of its delivery occurring extramurally functioning as a digital distance learning provider. It focuses on developing and scaling learning courses, which are delivered online to students throughout New Zealand. Its business model differs to other ITPs, with higher upfront development costs and lower marginal costs when compared to traditional face to face delivery. OPNZ delivered to 8,700 EFTS in 2024, making it the largest ITP in New Zealand. The majority of delivery is to domestic students, with only a small amount of delivery to full-fee international students (70 EFTS in 2024).

OPNZ employs around 600 staffing FTEs and its campus is in Waterloo, Lower Hutt (although around one-quarter of staff work remotely). It has historically had strong financial performance (which was only impacted by a change in funding rates by the Unified Funding System for 2023 and 2024) 9(2)(ba)(i)

Unlike other ITPs, OPNZ has not needed to undertake a large-scale change process to improve its performance in preparation to be established as a standalone ITP. It has capable management, good scale, and an operating model that should continue to be financially sustainable, given the changes that have been made in 2025 (and will be made in 2026) to extramural funding rates. Prior to joining Te Pūkenga, it had \$5.5 million in ring-fenced reserves which can be used to support further investment. 9(2)(ba)(i)

OPNZ is intended to be the anchor of the new federation model. Further work is needed to determine the costs to operate the federation (including what capability would be needed) and what impact that may have on OPNZ's overall financial performance.

Ara Institute of Canterbury

Ara Institute of Canterbury (Ara) was formed in 2016 from the merger of Christchurch Polytechnic Institute of Technology and Aoraki Polytechnic. It is the largest South Island based ITP and primarily delivers to the Canterbury region. It has over 900 FTE staff across its main campus in Christchurch City, its two smaller campuses located Christchurch; as well as from campuses in Ashburton, Timaru, and Oamaru.

In 2024, Ara delivered around 6,800 EFTS (with 460 full-fee international EFTS), making it the second largest ITP behind Open Polytechnic (or third biggest if Unitec/MIT is re-established as a single entity).

9(2)(f)(iv)

9(2)(ba)(i)

and has plans in place to continue to make financial improvements. It has capable management, scale, and a history of robust financial management. While there is the potential that international enrolment forecasts are not achieved, Ara has options available to it to mitigate any negative impact.

Ara has \$48 million in ring-fenced reserves (including proceeds from a historical insurance settlement) which will support long-term financial sustainability.

Unitec Institute of Technology/Manukau Institute of Technology

Unitec Institute of Technology (Unitec) is located in Auckland with its main campus in Mt Albert. It also has a smaller campus in Waitākere. Manukau Institute of Technology (MIT) is located in South Auckland, with its main campus in Manukau including its TechPark. It also has campuses in Ōtara, Warkworth (Mahurangi), and Auckland city (the New Zealand Maritime School). MIT and Unitec have operated a joint council/board and leadership team since 2020.

In 2024, Unitec delivered around 5,100 EFTS (1,100 of which were full-fee international EFTS) while MIT delivered 5,000 EFTS (440 of which were full-fee international EFTS). Around 22 percent of Unitec's delivery is to international students, which is behind only EIT in the ITP sector. Unitec has around 500 staffing FTEs while MIT has around 415 FTEs. Both ITPs deliver a wide range of provision while Unitec also offers a range of post-graduate programmes.

While both institutions could be viable as standalone institutions, there are significant benefits from creating a single institution delivering into the Auckland region (both financially and for stakeholders) and it reduces financial risk. Te Pūkenga has developed a business case recommending that the two institutions are merged and outlining the benefits that will be delivered by such a merger. This includes considerable savings from operating a shared leadership 9(2)(ba)(i) as well as other operational efficiencies. The new entity would also have significant scale.

In addition to the savings that can be made through merging, MIT and Unitec are implementing their own financial improvement plans 9(2)(f)(iv)

9(2)(ba)(i)

This is based on the implementation of their respective financial improvement plans. The full benefits (and costs) of the merger have not been included in the forecasts but this will improve the forecast position. Unitec/MIT's forecast assumes robust full-fee international enrolment growth over 2026 and 2027. We consider this is achievable based on the strong growth reported in 2025 and opportunities associated with operating as a single entity.

While it there are clear benefits of Unitec and MIT being created as a single entity, there are implementation costs and risks associated with the merger that will need to be carefully managed. To support this work, it will be important priority to bolster leadership capability. It should be noted that all merger costs will be funded from MIT/Unitec and not the Crown.

Unitec and MIT are currently undertaking a strategic property review. 9(2)(f)(iv)

In 2018, Unitec encountered critical cashflow issues and required Crown support to meet its operating commitments. These cashflow issues arose because of a decline in enrolments, a failed transformation programme which involved significant property initiatives, and ultimately poor management and governance. This resulted in a \$50 million no-interest Crown loan being provided to Unitec over the 2018 to 2020 period. The support was structured as a loan, rather than a capital injection, given the underlying operations were profitable and because Unitec had land it could sell to repay the Crown.

In 2022, Unitec sold land for \$67 million and repaid \$29 million of the \$50 million Crown loan. Full repayment was not made given Unitec were still recovering from its financial issues. 9(2)(f)(iv)

Eastern Institute of Technology

Eastern Institute of Technology (EIT) is situated on the East Coast of New Zealand. Its two primary campuses are in Napier, and Gisborne, Tairāwhiti (following a merger with Tairāwhiti Polytechnic in

2010). It also has a satellite campus in Auckland, focussed on attracting international learners. The Auckland campus is highly profitable and subsidises delivery to EIT's regional sites, whilst also helping to attract international students to its regional campuses.

EIT employs around 530 staffing FTEs and has a relatively broad and well-diversified programme portfolio. It has limited competition in the local region. In 2024, it delivered to around 5,000 EFTS with around 30 percent of this delivery to full-fee international EFTS. EIT attracts more full-fee international students than any other ITP and its financial performance is highly reliant on the continued attraction of international students.

EIT's Taradale campus suffered extensive damage from Cyclone Gabrielle in February 2023. While some of the damage to the campus has been repaired, work remains ongoing. 9(2)(g)(i)

This will need to be carefully managed. However, EIT has \$14.7 million in ring-fenced reserves which will assist to cover these critical capital costs. The Cyclone reduced EIT's delivery capacity and resulted in a loss of domestic enrolments which EIT is still looking to recover from but it has experienced strong domestic growth in 2025. EIT is assuming domestic enrolments will return to pre-cyclone levels to ensure ongoing financial sustainability, there is an inherent risk that this does not occur.

EIT has a history of strong financial performance and is forecasting 9(2)(ba)(i) through the realisation of cost saving initiatives and growth in international enrolments. It will be important that financial sustainability and cost control remains a focus going forward (particularly if enrolments do not eventuate) and that it has appropriate financial capability in place.

As part of improving financial performance, EIT plans to reduce staff 9(2)(f)(iv)

Consultation on the proposed structure began in May 2025. There are also several smaller savings initiatives which have already or are being implemented to reduce both operating costs or increase revenue.

Waikato Institute of Technology

Wintec covers the Waikato region and operates from three main delivery sites in Hamilton City (Hamilton City, Rotokauri Campus, Hamilton Gardens Campus). Wintec also has a small trades centre located in Thames and a regional hub in Ōtorohanga. In 2024, Wintec had around 4,700 EFTS and nearly 650 full-fee international EFTS. There were just over 615 FTE staff.

Between 2016 and 2023, Wintec has faced increasing financial pressure due to falling enrolments. Over this period, total enrolments fell by 37 percent from 7,000 EFTS in 2016 to 4,400 EFTS in 2023 with full-fee international enrolments down by 62 percent. This decline has heavily contributed to Wintec reporting large deficits over the past five years. Wintec has been unable to reduce costs and staffing numbers in line with declining enrolments. Although enrolments have been declining, Wintec has a wide course offering, many with small numbers of enrolments and that are unprofitable.

Wintec management has made good progress in implementing its financial improvement plan over the past nine months, which has largely been completed. Wintec management moved hard and fast on the implementation of the improvement plan which is reflected in its positive forecasts. 9(2)(f)(iv)

[Redacted text block]

9(2)(ba)(i) 9(2)(ba)(i) before significant

improvements in 2027 as the benefits of the financial improvement plan are realised and international enrolments continue to increase (which have risen strongly in 2025).

Prior to joining Te Pūkenga, Wintec had \$25 million of bank debt which increased to \$31 million in 2020 and was forecast to reach \$40 million in 2021. This debt resulted from high levels of capital expenditure on upgrading facilities. When Wintec joined Te Pūkenga and it implemented its central treasury function, this external debt was repaid. It will not be reinstated as part of the recapitalisation of the new ITP network.

9(2)(f)(iv), 9(2)(ba)(i)

Nelson-Marlborough Institute of Technology

Nelson-Marlborough Institute of Technology (NMIT) delivers into the Nelson-Marlborough region and operates from four campuses. Its main campus is in Nelson City and it has three smaller satellite campuses in Richmond, Marlborough, and Blenheim. In 2024, NMIT had approximately 230 FTE staff to support delivery to 2,300 EFTS, of which 270 were full-fee international EFTS. This makes NMIT a smaller than average ITP. Despite its size, it has historically performed well for a smaller regional ITP and has a strong community backing.

9(2)(ba)(i)

Whether this level of financial performance is achieved is unknown, but its short-term future looks strong. 9(2)(f)(iv)

Most of the planned personnel changes – to both back office and academic staff – have already been achieved delivering \$2.3 million in savings. Programme reviews and other operating expenditure savings are planned to be achieved by 2026.

NMIT has also reported a 12 percent increase in domestic enrolments in 2025 and a 37 percent increase in full-fee international enrolments, which were well above budget.

Despite its strong short-term future, NMIT still has relatively small scale, however, and remains vulnerable to shocks. It will also need to carefully manage its long-term capital expenditure plans. If a negative event occurred in coming years, NMIT has limited levers to pull (given the implementation of its financial improvement plan), and overall risk will need to be carefully managed.

9(2)(ba)(i)

Toi Ohomai Institute of Technology

Bay of Plenty Polytechnic (Tauranga) and Waiariki Institute of Technology (Rotorua, Taupo, Tokoroa and Whakatane) merged in 2016 to form Toi Ohomai Institute of Technology (Toi Ohomai). Toi Ohomai covers the wider Bay of Plenty and South Waikato region. It is geographically spread, with two main campuses – Tauranga (Windermere) and Rotorua (Mokoia) – and three regional campuses – Taupo, Tokoroa and Whakatane. It also undertakes delivery in Waipa, Ōpōtiki, Nelson/Blenheim.

Toi delivers into a wide regional catchment area and delivered large deficits over 2023 and 2024. It has historically relied on tuition fee income from international learners to support the high cost of regional delivery. While the cost of delivering to geographically distributed EFTS is high, it is focused on providing accessible learning opportunities to underserved communities, particularly Māori.

In 2024, Toi Ohomai had 4,500 EFTS with over 500 full-fee international EFTS and around 620 FTE staff. Full-fee international EFTS have fallen by 59 percent since 2016 which has had a material impact on Toi Ohomai's financial performance. Given Toi Ohomai's poor starting position, a wide

range of financial improvements need to be made to achieve financial sustainability. Management is implementing a plan that will ultimately 'reset' the organisation and includes delivery site consolidation, programme cuts, a restructure of student support, and the implementation of a new operating model. Some of the operating model work that needs to occur is to address issues that were never dealt with in the original merger of Waiariki Institute of Technology and Bay of Plenty Polytechnic.

9(2)(ba)(i)

9(2)(ba)(i)

9(2)(ba)(i)

However, the scale of change required for Toi Ohomai to turn around its financial performance and achieve the targeted savings is high and comes with risks including potential impacts on operational efficiency, workforce capability, and service delivery. There is also a risk that the reduction in programmes negatively impacts on enrolments and revenue.

9(2)(f)(iv)

Otago Polytechnic

Otago Polytechnic (Otago) operates in the Otago region. Its main campus is in Dunedin with additional campuses in Wanaka, Cromwell and Bannockburn. It also has a satellite campus in Auckland, focussed on attracting international students. Otago delivers across a broad range of programmes (but has a strong health presence) and delivered to approximately 4,700 EFTS in 2024. Otago had approximately 780 full-fee international EFTS in 2024 (17 percent of total EFTS). It has around 600 FTE staff.

Otago reported large deficits in 2023 and 2024 as enrolments fell but expenditure increased. There is an urgent need for Otago to adjust its staffing numbers to the current level of enrolments and remove costs.

When the financial improvement plans were developed in the second half of 2024, Otago was seeking to 9(2)(ba)(i) However, it was also looking to achieve significant revenue growth in 2025 through an 8 percent increase in domestic EFTS and a 6 percent increase in international EFTS. These optimistic growth targets have not been achieved in 2025, which means Otago now needs to implement further cost-savings initiatives.

To date, staffing levels have been reduced by 29 FTEs. 9(2)(f)(iv)

9(2)(ba)(i)

This forecast is reliant on achieving international enrolment forecasts and successfully implementing its financial improvement plan. Given the large fall in international enrolments in 2025 (when growth had been expected), there is a risk that the international enrolment forecasts are not achieved, and financial performance is worse. This would likely lead to deficits across both 2026 and 2027 in the absence of further change. Furthermore, the scale of change currently underway at Otago is considerable and comes with execution risks and potential impacts on service delivery.

As part of the financial improvement plan, Otago have begun the process to exit from the Cromwell campus and will move provision to Bannockburn.

9(2)(f)(iv)

In 2020, Otago received a \$10 million grant and an \$18 million no-interest Crown loan through the Government's Infrastructure Reference Group fund for "shovel-ready" projects to build a new trades training centre. The centre has been completed, and the first repayment of \$2 million was made in 2024. Otago must repay \$2 million per annum until the loan is repaid.

Southern Institute of Technology

Southern Institute of Technology (SIT) is based in Invercargill with satellite locations in Gore, Queenstown, Telford, and Christchurch. In addition to its campus-based provision, SIT also has substantial extramural delivery options through its SIT2LRN programme. Prior to joining Te Pūkenga, SIT offered free study through its Zero Fees scheme, which made it unique across the ITP sector.

SIT had approximately 400 FTE staff and 3,900 EFTS in 2024 with approximately half delivered through distance learning. SIT has historically been reliant on full-fee international EFTS to cross subsidise its operating model. It was able to offer lower fees relative to the rest of the ITP sector to attract large international enrolment numbers, however fee setting was standardised under Te Pūkenga, which negatively impacted SIT's point of difference. In 2016, SIT had nearly 1,100 international EFTS. This had fallen to 350 EFTS in 2024, impacting on SIT's financial viability.

9(2)(ba)(i)

9(2)(f)(iv)

While SIT is implementing a financial improvement plan and is looking to remove \$2.9 million per annum in operating costs by 2026, further cost-saving work is needed to ensure its long-term financial sustainability. SIT has not achieved its enrolment forecasts in 2025 (based on year-to-date performance) and there is a high risk that it underperforms against future forecasts, particularly for international EFTS. There is also a risk that domestic enrolments are driven by growth in SIT2LRN and that this growth is not funded by the TEC. Fiscal constraints mean that funding is being directed to priority areas and, for many tertiary education organisations (including SIT), this may restrict future growth in non-priority areas or where there are low completion rates. As such, we consider further cost-saving initiatives will need to be implemented as well as the strengthening of management capability to ensure future financial sustainability.

In 2019, SIT took over operations at the Telford campus in Balclutha following Taratahi Agricultural Training Centre entering liquidation. The provision at Telford was not financially sustainable and the campus had urgent capital work that needed to be addressed. Over the 2019 to 2023 period, the Government provided a \$5.2 million grant to SIT to address these capital needs and support SIT to make Telford financially viable.

9(2)(f)(iv)

9(2)(f)(iv)

9(2)(f)(iv)

[REDACTED]

Universal College of Learning

Universal College of Learning (UCOL) is based in the central North Island. Delivery is predominantly based in Palmerston North, with three satellite campuses in Masterton, Whanganui, and Levin. In 2024, UCOL had approximately 400 FTE staff and 2,700 EFTS (6 percent of which were full-fee international students). Only four ITPs are smaller than UCOL. UCOL has a heavy reliance on nursing delivery and the contribution margin it delivers. The former Wanganui Regional Community Polytechnic merged with UCOL in 2002.

UCOL has experienced a strong decline in enrolments over the past 15 years, which are down by 34 percent, and which has led to large deficits in recent years. 9(2)(g)(i)

[REDACTED]

This would be a significant turnaround in performance and is based on the implementation of an ambitious financial improvement plan and ongoing growth in international enrolments.

UCOL's leadership team has put a plan in place to return to financial viability. 9(2)(f)(iv)

[REDACTED]

[REDACTED]

Given the scale of the changes being proposed, there is likely to be an impact on revenue and service delivery, and enrolment forecasts may also not be achieved. While the leadership team has started leaning into the financial challenges, this follows an extended period of poor performance. Given the uncertainty, there remains considerable risks to UCOL's future financial performance. As such, it makes sense that UCOL becomes part of the new federation model.

9(2)(ba)(i)

[REDACTED]

As part of its overall financial plan, UCOL needs to address seismic issues at its Palmerston North Campus. The cost of this is 9(2)(ba)(i) of which is being paid by the Crown through the High Priority Building funding Te Pūkenga received in 2023). 9(2)(ba)(i)

Ongoing property issues have plagued UCOL's operations for many years and any remedial work is likely to be highly disruptive. There is also the additional risk that UCOL would need to carefully manage any cost overruns.

UCOL has an historical \$3.6 million Crown loan that will likely need to be addressed as part of the recapitalisation and establishment of UCOL as an ITP.

WelTec/Whitireia

Wellington Institute of Technology (WelTec) and Whitireia Community Polytechnic (Whitireia) has three main campuses in Lower Hutt, Porirua, and Wellington City. It delivered around 3,900 EFTS in 2024 with 300 EFTS being full-fee international EFTS. Enrolments have fallen by more than half over the past ten years from around 8,000 EFTS in 2014 to less than 4,000 in 2024. Around 570 FTE staff are employed at WelTec/Whitireia. Key delivery includes construction, nursing, health, and social services.

WelTec/Whitireia have had a strategic partnership since 2012, including a combined council, and from 2015, a combined chief executive. Despite operating largely as a single entity, WelTec and Whitireia have never formally been merged.

Due to a sharp decline in both domestic and international enrolments over the mid-2010s, poor investment decisions by the council regarding the fit out of its central Wellington campus (known as Te Kāhui Auaha (TKA)), and a lack of focus on reducing costs in line with falling enrolments, Whitireia experienced a liquidity crisis in 2018. As a result, the then Minister of Education formally dissolved the combined council and appointed a Crown Commissioner to govern both ITPs. A total of \$20 million in financial support was provided by the Crown over 2018 to 2020 to ensure Whitireia and WelTec could remain operational and meet its day-to-day commitments. Ongoing funding would have been likely had WelTec/Whitireia not become part of Te Pūkenga.

The lease commitments associated with TKA (alongside other property related issues) are having a significant impact on WelTec and Whitireia's financial sustainability and is impeding its ability to operate as a standalone entity. 9(2)(ba)(i)

9(2)(f)(iv)

While WelTec/Whitireia have been actively reducing costs for many years, which has led to considerable declines in domestic enrolments over the past seven years. Nevertheless, the successful implementation of the cost-out initiatives is expected to result in underlying operations at Petone and Porirua being viable (property consolidation is also ongoing 9(2)(f)(iv)), the loss from the TKA lease will mean the overall entity continues to report a deficit unless a solution can be found.

9(2)(f)(iv)

These funds could be used to support WelTec/Whitireia's ongoing financial sustainability.

Western Institute of Technology at Taranaki

Western Institute of Technology at Taranaki (WITT) is a small ITP based in the Taranaki region. Its main campus is based in New Plymouth with a small satellite campus in Hawera. WITT is the primary provider in the region but is small by comparison to the rest of the ITP sector.

In 2024, WITT had around 170 FTE staff and 1,300 EFTS (2 percent of total ITP EFTS). Only Tai Poutini Polytechnic on the West Coast has fewer EFTS. Around 13 percent of delivery is to full-fee international students. Delivery at WITT is focussed on engineering and logistics as well as nursing.

Given its small scale, WITT has experienced financial difficulties for the past 20 years. The Crown has provided loans totalling nearly \$18 million and was required to undertake a statutory intervention in December 2006, with the replacement of its Council and appointment of a Crown Commissioner. The majority of the loan was converted to equity by 2013 (based on the achievement of performance targets) although \$5 million was due to be repaid over the 2020 to 2024 period. While \$1 million was repaid in 2020, the remaining \$4 million was written off by the Government in 2021.

Prior to the establishment of Te Pūkenga, the TEC assessed WITT as 'high risk' and an independent financial advisor to WITT's Council was in place from 2017 to 31 March 2020 when WITT became part of Te Pūkenga. The fundamental issues at WITT have not been resolved.

9(2)(ba)(i) [REDACTED] As the result of implementing financial improvement initiatives WITT consider it can potentially reach a breakeven position on an ongoing basis. However, there is a risk that even a breakeven position will be difficult to achieve. In particular, achieving growth in international enrolments will be difficult following a large decline in 2025.

Independent consultants appointed to review WITT's financial position confirmed that WITT was unlikely to be able to achieve financial sustainability as a standalone institution and should be a satellite campus of either another institution or the federation. Until such a decision is made, WITT has been working on minimising losses. 9(2)(f)(iv) [REDACTED]

NorthTec

NorthTec delivers into the Northland region and is geographically spread. It has two main campuses in Whangārei as well as five regional campuses and other mobile sites. The five regional campuses include Kerikeri, Kaitia, Kaikohe (Ngāwhā campus), Kaipara (Dargaville campus), and Auckland. All of these campuses have around 100 EFTS or less and much of the delivery is unprofitable.

In 2024, NorthTec delivered approximately 1,700 EFTS making it the third smallest ITP behind WITT and TPP. It delivered around 130 full-fee international learners in 2024 and had around 240 FTE staff. Enrolments at NorthTec have fallen significantly since 2016 – down 56 percent from around 3,900 EFTS in 2016 to 1,700 EFTS in 2024.

NorthTec has reported relatively substantial deficits since 2017 that have generally trended upwards as expenditure has been unable to be reduced at the same speed as the decline in revenue.

9(2)(ba)(i) [REDACTED]. This improvement is on the back of a forecast strong growth in international enrolments and the implementation of financial improvement initiatives. There is a risk that performance is even worse than expected if enrolment projections are not achieved or the full benefits from the financial improvement plan are not realised.

9(2)(f)(iv) [REDACTED] Despite the changes, NorthTec is not viable as a standalone entity. It is forecasting to report large, ongoing deficits and will require financial support.

9(2)(ba)(i) [REDACTED]

9(2)(ba)(i)

9(2)(g)(i)

Tai Poutini Polytechnic

Tai Poutini Polytechnic (TPP) delivers to the West Coast with its main campus in Greymouth. It also has campuses in Reefton and Westport as well as undertaking delivery in Wanaka, Auckland, and Christchurch. TPP is by far New Zealand's smallest ITP delivering to fewer than 300 EFTS in 2014 (with 7 full-fee international EFTS) and 55 FTE staff. It has been plagued by financial issues since 2016 and is not financially viable on a standalone basis.

In 2016, it became apparent there were serious financial issues at TPP and that it would not be able to meet its financial obligations by early 2017. In addition, an investigation undertaken in 2015 and 2016 by Deloitte, on behalf of the TEC, found significant under-delivery in 13 of 14 programmes investigated, with some dating back to 2010. The under-delivery resulted in TPP owing \$21 million to the TEC.

In December 2016, the then Minister for Tertiary Education, Skills and Employment appointed a Crown Manager under the Education Act 1989 to take over responsibility of the financial management and the quality of programmes at TPP from the Council. The Crown Manager submitted a business case to the Minister of Education in November 2017. It proposed two options for the future structure and ownership of vocational education delivery on the West Coast – a regional ownership model, with joint ownership between the Crown and local stakeholders, or a merger with SIT.

The business case was clear that TPP could not survive without ongoing Crown support. Under both structural options, the business case proposed a regional remote subsidy to account for the higher costs of providing tertiary education in this region and to ensure the financial sustainability of tertiary education on the West Coast. The West Coast has particular challenges accessing tertiary education due to its small population, which is spread over a large geographic area (even compared with other regional polytechnics).

Following consideration of the business case in early 2018, the Minister of Education decided to postpone making any decision on TPP's future preferring to align any decision with the outcome of the Reform of Vocational Education proposals. In total, \$25 million of debt owed to the TEC by TPP was written off in 2018 while over \$19 million in Crown capital injections were provided over the 2018 to 2020 period so that TPP could meet its operating costs. Since joining Te Pūkenga, the issues at TPP have not been resolved, and it continues to operate at a substantial loss requiring ongoing financial support. Its operations are currently being managed by Ara.

9(2)(ba)(i)

TPP, or provision on the West Coast more generally, is not financially viable in any form and is not anticipated to ever be profitable.

Outside of operating losses, there are deferred maintenance issues that need to be addressed to ensure premises and teaching facilities remain fit for purpose. There are also operational challenges that need to be managed with such a small workforce, and to ensure TPP can continue to meet its pastoral care obligations.

To retain provision on the West Coast would require the Crown to underwrite these losses on a permanent basis. 9(2)(ba)(i)

The local mayors have been vocal in the need to retain provision on the West Coast. Further work is needed, but it is likely that the West Coast needs a bespoke community solution which

9(2)(ba)(i)

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Annex 3 - Implications of the VET redesign for learners

Report back to Cabinet – June 2025

An effective VET system supports improved earnings, protection from poor labour market outcomes, and reduces inflows into the benefit system. VET qualifications and foundational education are particularly important for young people exiting the schooling system, mid-career changers, and people with low prior achievement.

Key findings

- Learners considered to be most at risk of negative impacts during the transition include **learners with low prior achievement, some disabled learners, and learners with barriers to relocating or studying online**. Risks are compounded if at risk learners are located in regions where the impact of the changes are likely to be most acute (**Northland, the West Coast, Taranaki, Whanganui-Manawatū, and the Bay of Plenty**).
- Where face-to-face provision (at either vocational or foundational levels) is reduced due to cost-cutting at polytechnics, some learners may not be able to access their first-choice programme locally. This could result in learners choosing different programmes, studying online, relocating, or not studying.
- In some cases, private training establishments (PTEs), Wānanga or universities will fill the gaps. However, these gaps may take time to fill, and some gaps may not be filled if provision is not profitable.
- Due to uncertainty in how the market will respond to the redesign, and as cost-cutting measures are ongoing, it is not yet clear what the realised impact on learners of the redesign will be. Officials intend to monitor these impacts through the transition and beyond (see slides nine and 10).
- The \$20 million fund for strategically important provision is intended to help polytechnics retain core provision during the transition. Options for long-term support of core provision will be considered in mid-2026.
- More than half of Trades Academies rely on polytechnics for their delivery. Closure of polytechnics could have a substantial impact on the delivery of these programmes and secondary students' pathway into tertiary education, particularly in regions where Trades Academies are most reliant on polytechnics (see slide eight).

9(2)(f)(iv)

Proactively Released

Regional analysis of vocational provision by PTEs in 2024

		Qualification New Zealand Standard Classification of Education (NZSCED)												Total
Delivery site region	01 - Natural and Physical Sciences	02 - Information Technology	03 - Engineering and Related Technologies	04 - Architecture and Building	05 - Agriculture, Environmental and Related Studies	06 - Health	07 - Education	08 - Management and Commerce	09 - Society and Culture	10 - Creative Arts	11 - Food, Hospitality and Personal Services	12 - Mixed Field Programmes		
Number of PTEs	Auckland Region	1	12	15	6	3	9	4	17	32	7	12	8	73
	Bay of Plenty Region		1	6	2	5	5	2	5	7	1	4		25
	Canterbury Region	1	2	9	1	3	6	2	4	11	3	4	1	32
	Gisborne Region				1	1		2	1					3
	Hawke's Bay Region			2	1	1		2	1	1	2			9
	Manawatu-Wanganui Region	1		1	2	2	3	2	2	6	2	2	1	17
	Marlborough Region			2										2
	Nelson Region	1		4			1	1		1			1	8
	Northland Region	1	1	1	2		3	3	4	2	3	5	1	17
	Otago Region	1	1	3	2		3	1	2	3	1	2		15
	Southland Region			2			1			1				4
	Taranaki Region	1	1		1	2		1	1				1	7
	Tasman Region			2			1							3
	Waikato Region		1	4	2	3	4	3	5	11	1	4	4	27
	Wellington Region	1	3	3			3	2	3	7	5	2	2	21
	West Coast Region			1		1	1							2
	Total with identifiable regions	1	15	32	15	14	17	7	24	53	12	23	12	136
	Extramural	4	5	1	1	2	12	3	8	20	4	2	6	44
Overseas										1			1	
Total without identifiable regions	4	5	1	1	2	12	3	8	20	5	2	6	45	
Total number of PTEs	4	15	32	15	15	22	10	26	59	14	24	17	151	
Volume of Delivery (EFTS)*	Auckland Region	4.3	973.7	1,716.1	1,044.3	112.0	726.9	80.5	968.0	2,215.3	652.6	1,150.2	178.7	9,822.4
	Bay of Plenty Region		12.3	172.8	398.6	153.9	56.9	46.9	39.8	142.1	1.0	79.0		1,103.3
	Canterbury Region	1.9	39.9	556.1	4.2	46.9	164.2	12.5	155.5	336.6	163.0	127.9	15.5	1,624.2
	Gisborne Region				1.7	31.5		19.4	2.0					54.6
	Hawke's Bay Region			104.3	1.1	6.1		30.0	6.0	18.3	18.0			183.7
	Manawatu-Wanganui Region	2.1		19.6	57.1	360.9	33.1	11.7	9.0	120.4	20.6	59.8	21.0	715.3
	Marlborough Region			36.9										36.9
	Nelson Region	0.1		68.9			0.5	1.5		5.0			14.2	90.2
	Northland Region	0.2	7.8	0.5	8.6		144.8	42.1	143.8	58.8	17.9	92.4	24.6	541.5
	Otago Region	0.1	0.5	262.5	7.7		26.5	1.0	245.1	60.1	1.1	2.9		607.5
	Southland Region			18.4			0.3			10.9				29.6
	Taranaki Region	1.6	6.3		29.8	21.7		16.6	2.3	36.4			7.4	122.0
	Tasman Region			69.6			3.2							72.8
	Waikato Region		2.7	255.3	30.5	87.0	181.5	33.0	141.3	462.8	7.8	271.6	51.3	1,524.7
	Wellington Region	1.2	51.5	226.6			98.2	14.0	128.9	281.1	374.1	149.1	45.1	1,370.0
	West Coast Region			17.9		83.9	0.9							102.7
	Total with identifiable regions	11.5	1,094.7	3,525.4	1,583.5	903.9	1,436.9	309.2	1,841.8	3,747.7	1,256.0	1,933.0	357.8	18,001.4
	Extramural	132.6	370.5	23.0	16.6	260.5	496.7	55.7	1,562.3	2,316.4	445.2	29.5	106.9	5,815.9
Overseas										5.1			5.1	
Total without identifiable regions	132.6	370.5	23.0	16.6	260.5	496.7	55.7	1,562.3	2,316.4	450.3	29.5	106.9	5,821.0	
Total Volume of Delivery (EFTS)	144.0	1,465.2	3,548.4	1,600.1	1,164.4	1,933.6	364.9	3,404.1	6,064.1	1,706.4	1,962.4	464.7	23,822.4	

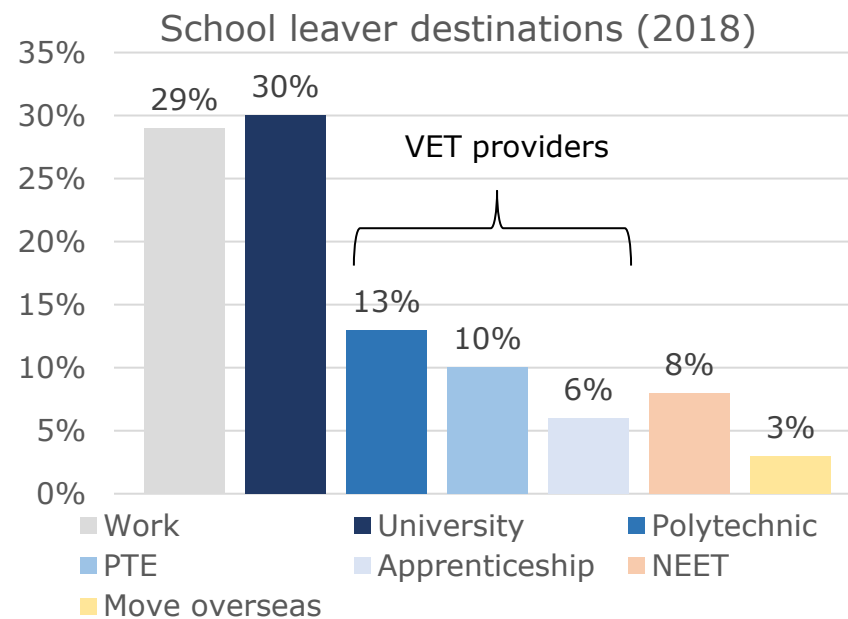
* EFTS are Equivalent Fulltime Students. Provider-based vocational provision only.

Completing a vocational programme offers improved employability and earnings

- VET graduates have higher employment than people with lower-level qualifications on average. Adults with a level 4-6 tertiary qualification also earn around 23 percent more than adults with school qualifications only.
- The practical orientation of VET can help to keep learners engaged who may have limited interest in or struggle with academic learning
- VET providers also deliver foundational education for people who have not achieved lower-level qualifications. Evidence shows that achievement of foundational education promotes stronger labour market attachment, a lower likelihood of being on benefit, and higher incomes (when compared to people with no or lower qualifications).

VET is a critical pathway for school leavers, mid-career professionals, and people not in employment, education or employment (NEETs)

- **Approximately 60 percent of people who left school in 2018 moved to tertiary study.** Of those students:
 - 36 percent studied at foundational levels (1-3)
 - 25 percent studied at vocational levels (4-6)
 - 39 percent studied at degree level (7+).
- Of 2018 school leavers, 29 percent moved into work, some of whom will move into VET level study in later years. The median age of VET learners is 32 (26 for apprentices), indicating that many VET learners are career changers or people who choose to take up tertiary study after entering the workforce.
- For those not in employment, education or training (NEETs), foundation education offers a pathway for learners who have left school with low or no qualifications. This can be the first step towards higher level vocational study or to improve employment prospects.



The work to achieve financial stability in the VET system could have a significant impact on learners

There is a trade-off between a financially viable ITP network and maintaining current ITP footprint and programme offerings

- Re-establishing ITPs in their local communities means that regions can make decisions about how best to achieve financial viability, balancing cost-savings with ensuring learners have access to strategically important provision in their region.

• 9(2)(b)(ii)

Potential impacts

- **Changes to provider-based ITP provision** would mean some learners may not be able to access their first-choice programme locally. This could result in learners choosing different programmes, choosing to study online, relocating, or not participating in VET.
- **Changes to the work-based learning system** will see a shift in who delivers work-based learning. As new work-based learning providers enter the market, employers and learners/trainees will have increased choice over who they enrol with. However, there is uncertainty about how many providers will take on work-based learning programmes, and uptake could be patchy across regions and sectors.

Three learner cohorts have been identified as most at risk of negative impacts from the changes – these cohorts are more at risk of facing persistent disadvantage and may face greater challenges in overcoming barriers to learning:

- **Learners with low prior achievement** may have fewer educational and/or employment opportunities and be more at risk of becoming NEET. They may be more affected by a loss of foundational courses and/or face to face provision.
- **Some disabled learners** may experience barriers to participating in online learning or accessing provision out of their home region.
- **Learners with barriers to relocating or studying online**, including geographically isolated learners, learners from low socio-economic backgrounds who may have poor internet or technology access, or with transport issues. VET learners are older than non-VET learners with a median age of 32. They may be less able to relocate due to family or community commitments.

Cabinet has agreed to \$20 million in funding to support strategically important provision delivered by polytechnics during the transition

Funding will be available to polytechnics during the 2026 and 2027 calendar years.

9(2)(g)(i)

There may be implications for the Jobseeker Support Reduction Target

VET qualifications act as a protective factor for graduates, supporting greater attachment to the labour market and less benefit inflows

- A strong VET system supports progress toward the Jobseeker Support Reduction Target as VET qualifications improve an individual's likelihood of obtaining and retaining employment. The value of VET qualifications is particularly strong where it supplies graduates with the skills that industry needs.
- However, there is a risk that potential changes to provision (outlined in slide five) could have a negative impact on benefit inflows in some regions if some people who are disadvantaged in the labour market can't access suitable learning. The effect on inflows has not been quantified due to the range of uncertainties in the future VET system and difficulty determining the direct effect this will have on individuals' choices.
- Changes to provision could mean fewer people on a Jobseeker Support benefit move into study and less people access face-to-face learning. A potential reduction in VET graduates may mean some people are less protected from economic shocks and are more likely to spend a prolonged period on benefit. These effects could be mitigated by ensuring access to strategically important provision and by the response of PTEs.

The VET system also supports benefit outflows, but the effect on outflows is likely small

- A reduction in VET provision in some regions could result in reduced benefit outflows. However, we expect this effect to be minimal given most exits are to work.
- Between July 2018 and June 2022, nearly 10 percent of all people exiting a main benefit left to tertiary education (7.6 percent) or industry training (1.6 percent) at any level - approximately 46,200 people in total.* The number of exits to study in any given year fluctuates based on economic conditions.
- A high proportion of people who exited a main benefit to industry training remained off benefit for more than 12 months (ranging from 58.0 to 73.1 percent from financial years 2018/19 - 2021/22).*

MSD will monitor changes in key regions and continues to deliver ALMPs

- The potential for negative impacts are greatest in regions where significant property divestment and programme cuts are necessary, and where PTEs are less prominent. MSD will monitor the number of people exiting benefit to study and the number of people on Jobseeker Support benefits in areas where VET access is changing.
- While MSD's active labour market programmes (ALMPs) can address small gaps in provision or access to training by providing alternative employment and upskilling opportunities, they are relatively small scale, targeted, and do not substitute VET learning. In some instances (such as for the Training Incentive Allowance, which provides financial assistance to help some learners study) they are also reliant on access to VET learning.

*These results are not official statistics. They have been created for research purposes from the Integrated Data Infrastructure (IDI) which is carefully managed by Stats NZ. For more information about the IDI please visit www.stats.govt.nz/integrated-data. The results are based in part on tax data supplied by Inland Revenue to Stats NZ under the Tax Administration Act 1994 for statistical purposes. Any discussion of data limitations or weaknesses is in the context of using the IDI for statistical purposes and is not related to the data's ability to support Inland Revenue's core operational requirements.

The VET redesign could impact how VET is delivered in schools

Changes to polytechnic provision will have implications for Trades Academies

- Most Trades Academy programmes, and foundational programmes through the Youth Guarantee, are delivered in partnership with local tertiary education providers (including polytechnics).
- Trades Academy delivery is led by tertiary providers or by schools. Almost half are led by polytechnics and they deliver 62% of the provision.
- The closure or merger of some polytechnics could create accessibility and capacity issues for some learners. If these polytechnics removed their Trades Academy courses, then these would need to be picked up by alternative providers (PTEs or Wānanga) or learners would lose access to these programmes. Alternatively, a Trades Academy programme could transition to being entirely school based.
- Of the **24** Trades Academies across New Zealand:
 - **12** are led by tertiary providers (10 led by polytechnics, 1 by Te Wānanga o Aotearoa, 1 by a PTE (National Trades Academy Ltd))
 - **11** are led by schools
 - **One** is led by a Primary Industry Training Organisation situated within Te Pūkenga's work-based learning division (it will rely on an Industry Skills Board to maintain it).
- 9(2)(f)(iv)

The Minister of Education is preparing changes to strengthen NCEA, which will have implications for VET in schools

- This includes ensuring the skills, knowledge and competencies for learners doing VET in schools is credible and coherent, supporting them for success post-school.
- A Cabinet paper and discussion document with an overall package of potential changes to NCEA is before SOU for consideration today [Drafting note: update if changes from SOU date 25/6]

How vocational education and training is delivered in schools

- Integrates work-based and school-based learning helping learners gain industry-specific skills to work in a particular role and/or industry or as a springboard to further training.
- **Learners** do industry-developed unit and skill standards and also gain credits towards NCEA or other qualifications on the NZQCF, including micro credentials.

Secondary-Tertiary programmes include Gateway and Trades Academy

- These are the main formal programmes delivered in years 11-13. Schools can also use Secondary-Tertiary Alignment Resource (STAR) funding to purchase tertiary provision.
- **24 Trades Academies** provide trades training for around 11,000 learners in 401 schools. Trades Academies rely on tertiary providers partnering with schools.
- **Gateway** provides workplace learning experiences for 15,670 learners in 380 schools.
- Both programmes are continuing to lead to better education and employment outcomes for students. [Drafting note: 2025 monitoring report add link once finalized early June].

62 percent of Trades Academy provision is delivered by polytechnics (2023 data)...

Region	Polytechnic Trades Academy provision	# of Polytechnic Trades Academy learners in regions	Polytechnic provision as %age of region's provision	Other non-polytechnic Trades Academy provision (# learners)
Northland	Northtec	92	12.1%	15 Schools - 413 6 PTEs - 159 Te Pūkenga WBL - 87 Wānanga - 12
Auckland	Unitec	384	47.1%	6 Schools - 491 13 PTEs / University - 918 Te Pūkenga WBL - 135
	Manukau Institute of Technology	988		
Waikato	Waikato Institute of Technology	799	82.3%	Te Pūkenga WBL - 196 6 PTEs - 34
	Toi Ohomai Institute of Technology	216		
	Manukau Institute of Technology	31		
	Universal College of Learning (UCOL)	12		
Bay of Plenty	Unitec	9	61.6%	8 PTEs - 166 Te Pūkenga WBL - 132 Wānanga - 87
	Toi Ohomai Institute of Technology	612		
	Waikato Institute of Technology	5		
Hawke's Bay	Eastern Institute of Technology	547	89.7%	Te Pūkenga WBL - 63
Gisborne	Eastern Institute of Technology	347	93.3%	Te Pūkenga WBL - 25
Taranaki	Western Institute of Technology at Taranaki	337	69.3%	1 PTE - 58 Te Pūkenga WBL - 91
Manawatū-Whanganui	Universal College of Learning (UCOL)	567	61.6%	Te Pūkenga WBL - 159 2 PTEs - 139 1 School - 83
	Wellington Institute of Technology	1		
Wellington	Wellington Institute of Technology	339	79.4%	Te Pūkenga WBL - 116 2 PTEs - 54
	Universal College of Learning (UCOL)	234		
	Whitireia Community Polytechnic	81		
Nelson	Nelson Marlborough Institute of Technology	86	61.9%	PTE (Whenua Iti Trust Inc) - 53
Marlborough	Nelson Marlborough Institute of Technology	91	58.3%	PTE (Whenua Iti Trust Inc) - 65
Tasman	Nelson Marlborough Institute of Technology	96	55.5%	PTE (Whenua Iti Trust Inc) - 62 Te Pūkenga WBL - 15
West Coast	Tai Poutini Polytechnic	154	66.1%	2 PTEs - 79
Canterbury	Ara Institute of Canterbury	509	64.4%	Te Pūkenga WBL - 159 4 PTEs - 139
	Southern Institute of Technology	29		
Otago	Otago Polytechnic	291	81.3%	Te Pūkenga WBL - 91
	Southern Institute of Technology	60		
	Ara Institute of Canterbury	41		
Southland	Southern Institute of Technology	194	77.9%	Te Pūkenga WBL - 55
Grand Total		7152		4422

9(2)(g)(i)

Summary:

- Polytechnics deliver 61.8 percent of the national Trades Academy VET provision.
- The remaining 38.2 percent is either delivered by schools, Private Training Establishments (PTE), Wānanga or work-based learning divisions of Te Pūkenga.

• 9(2)(g)(i)

[Redacted content]

The transition to the final state will take time

- **Provider-based provision:** As cost-cutting measures, including programme reductions and property divestment, are undertaken by polytechnics in the coming years, there may be a delay before PTEs and/or Wānanga respond to opportunities in the market, leaving gaps in provision for some learners. This will likely occur in regions where ITPs make up a larger proportion of VET provision and where changes to become viable are more substantial. Funding to support strategically important provision should help to mitigate the risk of creating gaps in core provision.
- **Work-based learning transition:** Changes to work-based learning during the two-year transition period may mean learners (and staff) change provider more than once during their qualification. These changes through the transition period could result in employers disengaging from work-based learning, with knock-on effects on skills, productivity and labour market mobility. This risk is likely greater for employers that have only engaged recently with work-based learning (e.g. those incentivised by the Apprenticeship Boost Initiative). However, future learners (and employers) should have greater choice amongst work-based learning providers in the future state.

TEC monitors a number of factors as part of its role which can help us understand where additional support may be required for learners.

Indicators for monitoring impacts during the transition include:

- Feedback from key stakeholders
- Percentage of learners with low prior achievement (and changes to NCEA achievement)
- Any changes in tertiary education organisation delivery, i.e., where a PTE or Wānanga may take over delivery of programme(s) formerly delivered by ITPs
- Educational Performance Indicators and organisational approaches to improving learner success

Provider-based learning

- Changes in learner participation (enrolments) in provider-based learning
- Changes in course completion rates for provider-based learning, with particular attention on changing completion rates for underserved learners

Work-based learning

- The number of learners enrolling in work-based learning
- The number of learners being placed on 'hold'
- Changes to the number of employers actively engaged in work-based learning

Secondary-tertiary programmes

- MoE will monitor demand for secondary-tertiary programmes

9(2)(g)(i)

[Redacted]

[Redacted]

[Redacted]

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

9(2)(g)(i)

[Redacted]

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[Redacted]

[Redacted]

Proactively Released

Annex 4: Establishing polytechnics – risks and mitigations

Risks/trade-offs	Mitigations/rationale
The work required for the polytechnics to begin operating on 1 January 2026 is not sufficiently advanced	<p>Agreement in-principle in this Cabinet paper allows preparatory work to begin quickly, e.g. setting up Establishment Advisory Groups</p> <p>Implementation steering group is being set up; intention is to include officials from outside the education agencies</p>
The federation is not able to deliver all the cost savings needed for members to be financially viable	<p>Federation membership provides further cost saving options that will need to combine with changes in provision and capital</p> <p>9(2)(f)</p> <p>(iv)</p>
Newly established polytechnics are financially vulnerable to shocks and the government needs to provide emergency support within the first few years	<p>9(2)(f)(iv)</p> <p>Tertiary Education Commission monitors the polytechnics and applies graduated risk intervention levels if necessary</p>
A reduction in polytechnic provision leads to a reduction in learner numbers	<p>Polytechnics will focus on a smaller amount of high-quality provision relevant to industry, leading to improved outcomes for learners.</p> <p>Private Training Establishments may choose to fill gaps in provision where there is sufficient demand.</p>
Shift to online and blended learning increases access and equity issues	<p>Increasing the amount of online and blended learning is a necessary trade-off if we are to achieve a financially viable VET system. The Open Polytechnic and Southern Institute of Technology's SIT2Learn will fill the gaps in provision where possible.</p>
Transitional risks	Mitigations
Short timeframe between legislation passing and commencement of new polytechnics	<p>We are deferring decisions on four polytechnics that are furthest from being viable until next year</p> <p>Retaining NZIST (Te Pūkenga) as a short-term residual entity will ensure continuity of VET provision if necessary.</p> <p>Use of Establishment Advisory groups, comprised of those with local community and business acumen, to do work in anticipation of the legislation passing.</p>
The required strong leadership for polytechnics is not found	<p>Establishment Advisory Groups will have skills required to establish the Polytechnics and are intended to include people who can transition onto Polytechnic Councils.</p> <p>The Council members will be appointed on the basis of the skills they bring and their experience with governing organisations in transition. A search is underway for suitable candidates.</p>
Underserved learners including disabled learners are unaware of changes to programmes or may not be able to access their first-choice programmes	<p>Underserved learners will be included in communications strategies on the change. Te Pūkenga and future polytechnics will put in place support for learners affected by the changes</p>

Annex 6: Polytechnic Community Advisors

Community advisors have been appointed to assist the following polytechnic divisions of Te Pūkenga.

Polytechnic division	Name	Month appointed
Eastern Institute of Technology	9(2)(a) [REDACTED]	March 2025
Southern Institute of Technology	9(2)(a) [REDACTED]	
Nelson Marlborough Institute of Technology	9(2)(a) [REDACTED]	
Ara Institute of Canterbury	9(2)(a) [REDACTED]	
Toi Ohomai	[REDACTED]	April 2025
Otago Polytechnic	9(2)(a) [REDACTED]	
Wintec	9(2)(a) [REDACTED]	
Unitec/Manukau Institute of Technology	9(2)(a) [REDACTED]	
NorthTec	9(2)(a) [REDACTED]	
Universal College of Learning	9(2)(a) [REDACTED]	Early May 2025
Western Institute of Technology Taranaki	9(2)(a) [REDACTED]	



Cabinet Social Outcomes Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Institutes of Technology and Polytechnics: Proposed Establishment

Portfolio **Vocational Education**

On 25 June 2025, the Cabinet Social Outcomes Committee (SOU):

Background

- 1 **noted** that in December 2024, SOU agreed to amend the Education and Training Act 2020 (the Act) to disestablish Te Pūkenga and replace it with a network of regionally based polytechnics [SOU-24-MIN-0174];
- 2 **noted** that the Education and Training (Vocational Education and Training System) Amendment Bill is currently being considered by the Education and Workforce Committee;
- 3 **noted** that significant establishment work is required so the proposed new entities can begin operation from 1 January 2026, and that Cabinet’s agreement is now sought to enable this work to begin;

Establishment of polytechnics

- 4 **noted** that financial analysis shows that ten polytechnics can be established in line with the proposed legislation in January 2026, and that risks are manageable for them;
- 5 **agreed in principle**, subject to the legislation passing and the approval of Orders in Council, to establish the following as polytechnics:

Proposed polytechnic	Region	Membership of federation
The Open Polytechnic of New Zealand	National online learning	Anchor polytechnic of federation
Ara Institute of Canterbury	Canterbury	Stand alone
Unitec / Manukau Institute of Technology	Auckland	Stand alone
Eastern Institute of Technology	Hawke’s Bay and Tairāwhiti	Stand alone
Toi Ohomai	Bay of Plenty	Stand alone
Wintec	Waikato	Stand alone
Nelson Marlborough Institute of Technology	Top of South Island	Stand alone
Southern Institute of Technology	Southland / Queenstown	Stand alone
Otago Polytechnic	Otago including Central Otago	Stand alone within federation
Universal College of Learning	Manawatū, Whanganui, Wairarapa, Horowhenua	Stand alone within federation

- 6 **agreed in principle** to establish Unitec and Manukau Institute of Technology as a single merged entity;
- 7 **noted** that should WelTec and Whitireia Polytechnic be established in 2026; it would be as a single merged entity;
- 8 **agreed** that:
 - 8.1 Northtec, Western Institute of Technology Taranaki, Whitireia Polytechnic/ WelTec (combined), and Tai Poutini Polytechnic remain within Te Pūkenga in the interim while further financial improvement work is undertaken; and
 - 8.2 the Minister for Vocational Education (the Minister) will report back with options on the future of these polytechnics in the first half of 2026;

Financial implications

9 **noted** that cash reserves within Te Pūkenga ^{9(2)(f)(iv)} [redacted] will contribute to funding transition costs for polytechnics, and that Cabinet has provided for a ‘Disestablishment and Transition’ Contingency, and strategic funding of \$20 million in 2025/26 and 2026/27, to ensure important provision is maintained pending further funding system changes for the longer term;

10 **noted** that the Te Pūkenga Disestablishment and Transition Contingency will begin to be drawn upon later in 2025, and that, indicatively, it will be split as follows:

^{9(2)(f)(iv)} [redacted]

11

12

13 **noted** that short-term reductions in funding to polytechnics resulting from reducing unviable provision will be reinvested in the polytechnic sector, ^{9(2)(f)(iv)} [redacted]

Other matters

- 14 **noted** that officials have developed a plan to monitor impacts of the changes, and that learners in Northland, the West Coast, Taranaki, Whanganui-Manawatū, and the Bay of Plenty, and learners with low prior achievement, some disabled learners, and learners with barriers to relocating or studying online, will be of particular focus when allocating transitional funding to support strategically important provision in 2026 and 2027;
- 15 **invited** the Minister for Social Development and Employment and the Minister to report back to the Cabinet Social Outcomes Committee with proposals for the long-term support of strategically important provision by mid-2026, and with an update on learner impacts by the end of 2026;
- 16 **noted** that Southern Institute of Technology's Telford campus is a valued part of rural education in the South and that the Southern Institute of Technology is proposing to close it as it loses approximately \$1.5 million per year;
- 17 **agreed** that strategic transition funding be used to keep Telford open pending decisions in mid-2026 on long term solutions to strategically important provision;
- 18 **authorised** the Minister to issue drafting instructions to the Parliamentary Counsel Office for Orders in Council to implement the decisions in paragraph 5;
- 19 **authorised** the Minister to take further detailed decisions as necessary to support the drafting of the Orders in Council referred to in paragraph 18, in line with the decisions under SOU-25-SUB-0076;
- 20 **noted** that the Minister will issue a press release announcing the polytechnics that have in-principle agreement to be established;
- 21 **noted** that the Minister will communicate that the relevant legislative provisions that allow for the disestablishment or merger of polytechnics will be used if it becomes clear that particular polytechnics are unable to reach viability.

Jenny Vickers
Committee Secretary

Present:

Hon David Seymour
Hon Nicola Willis
Hon Simeon Brown
Hon Erica Stanford
Hon Louise Upston (Chair)
Hon Dr Shane Reti
Hon Mark Mitchell
Hon Tama Potaka
Hon Matt Doocey
Hon Nicole McKee
Hon Casey Costello
Hon Penny Simmonds
Hon Karen Chhour

Officials present from:

Office of the Prime Minister
Officials Committee for SOU
Office of the Minister of Education
Office of the Minister for Vocational Education

SOU-25-MIN-0076

**Institutes of Technology and
Polytechnics: Proposed
Establishment**
Portfolio: Vocational Education

CONFIRMED



