

31 January Finance Risk and Audit Committee



31 January 2024 09:00 AM - 12:00 PM

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Karakia timatanga

Tēnā tātou here are some useful phrases you can use to introduce opening karakia next time you are asked to lead it.

Māku e huaki te wānanga nei.

I'll open our shared space.

Kia huakina te wānanga nei ki te karakia.

May our shared space be opened with karakia.

Kāti anō kia karakia e manawa ora ai te wānanga nei.

It's only fitting that we begin with karakia so we may strengthen our shared space together.

Karakia tīmatanga Opening incantation

**Whakarongo rā e Rongo
ki Te Pūkenga
te manawa nei
ki te rongo taketake,
te whiwhia, te rawea
te whiwhi-ā-nuku
whiwhi-ā-rangi
i takea mai i te kāhui o ngā ariki.
kia tūturu ka whakamau ai kia
tina,
Tina! (everybody)
Hui e?
Tāiki e!**

Listen o Rongo
to Te Pūkenga
offering gratitude
for the peace and harmony
that allows us to enjoy
he gifts of the earth
and the heavens
bequests of a higher order.
And bind it firmly,
firmly!
Do we all concur?
We concur!

When someone has led karakia to open a hui, it is seen as respectful for someone else to then thank them for carrying out that duty. Here are some mihi to the kaikarakia you can try next time.

Tēnā koe i tō karakia mai.

Thank you for delivering karakia.

Ka nui te mihi o te manawa ki a koe, i tō karakia mai.

With heartfelt gratitude, thank you for delivering karakia.

Kia waiho mā ēnei kupu e kawē atu te whakamiha ki a koe, i tō karakia mai. Nāu oti, e manawa ora nei te wānanga.

May these words convey my sincerest appreciation to you for delivering karakia. Because of you, our shared space is now strengthened.

Te Pūkenga Finance Risk and Audit Committee Register of Interests

As at 22 January 2024

Name	Interest	Nature of Interest
Sue McCormack Member	Kiwirail	Deputy Chair
	Canterbury Earthquakes Insurance Tribunal	Judicial Officer
	University of Canterbury	Past Chancellor
	Dress for Success	Honorary solicitor
John Brockies Member	Resolve Group Ltd	Director
	Walworth Ltd	Director
Jeremy Morley Chair	Wellington Free Ambulance	Contractor
	Te Kupenga – Catholic Leadership Institute (A registered PTE)	Contractor
	Racing New Zealand	Director
	Warwick Trust	Settlor, Trustee, and Beneficiary
	YW/Petone Hockey Club Inc	Treasurer
	Wellington Over 60s Cricket	Treasurer
	Wellington Bridge Club Inc	Honorary Auditor
	Caritas NZ Inc	Financial and Commercial Advisor
Bill Moran Member	High Performance Sport New Zealand	Director
	WorkSafe NZ	Deputy Chair
	Southern Generation LP	Chair
	Pioneer Energy	Director

	Chamber Music at the World's Edge Trust USA	Chair
	Youthtown Inc	Trustee
	Youthtown Foundation	Trustee
	Parliamentary Education Trust	Trustee
	New Zealand Symphony Orchestra Foundation	Trustee
	Iti Kōpara Charitable Trust	Trustee
	Hoops and Life Awahi Trust	Trustee
	Sport New Zealand	Director
Teorongonui Josie Keelan Member	Te Pūkenga: Unitec	Supervisor

2024 Schedule of Te Pūkenga Finance Risk and Audit Committee meetings

As at 15 January 2024

Committees

Finance Risk and Audit Committee – unconfirmed dates

Name	Role	Meeting dates	Venue
1. Jeremy Morley	Chair	Wednesday 31 January	MIT Ōtara
2. Bill Moran	Member	Wednesday 14 February	Online
3. Josie Keelan	Member	Wednesday 28 February	Online
4. John Brockies	Member	Wednesday 13 March	TBC
5. Sue McCormack	Ex-officio member	Wednesday 27 March	Online

Further dates for this committee will be confirmed at the 13 March meeting.

Agenda item	Confirmed dates					Dates to be confirmed at end of March																				
	Jan 31	Feb 14	Feb 28	Mar 13	Mar 27	Apr 10	Apr 26	May 8	May 22	Jun 5	Jun 19	Jul 3	Jul 17	Jul 31	Aug 7	Aug 21	Sep 4	Sep 18	Oct 2	Oct 16	Oct 30	Nov 6	Nov 20	Dec 4	Dec 18	
Financial approvals																										
Five-year capital plan intentions										•																
Fee setting (including student levy)														•												
Insurance renewal																					•					
Financial strategy and planning																										
Financial plan update	•		•		•		•		•		•		•		•		•		•		•		•		•	
Enrolment update	•																									
Budget 2025 (if required)																					•					
Financial position and performance																										
Monthly financial report	•		•		•		•		•		•		•		•		•		•		•		•		•	
Budget assumptions review																	•									
Group Treasury Policy																										
Treasury report		•					•					•							•							
Group treasury policy																				•						
Corporate asset planning																										
Major property project update	•			•		•		•		•		•		•		•		•		•		•		•		•
High priority building update	•			•		•		•		•		•		•		•		•		•		•		•		•
CAMS Assessment - internal only for 2024									•																	
Wellington regent make good approval for unbudgeted OPEX	•																									
Property and lease strategy - key decisions review	•																									
Implementation/disestablishment governance																										
Digital transformation update (if still required)	Cadence to be determined if this is still required, otherwise this will be removed from the workplan																									
Topics and timing TBC																										
FMIS/EPM project	•																									
Annual report, including financial statements																										
Te Pūkenga Annual Report			•			•																				
Internal control environment																										
Status of 2024 Audit and Assurance Plan			•					•				•									•					
2023 Internal Audit Reports			•																							
Status of internal audit and assurance recommendations								•				•									•					
Internal audit function																										
2025 Internal audit plan (if required)																						•				
External audit																										
Committee and Audit New Zealand only session	To confirm whether Audit New Zealand needs to attend all FRAC meetings – if so then a placeholder will be added to each meeting for this																									
Audit letter of representation								•																		
Status of external audit recommendations			•										•									•				
External audit								•																		
Going concern assessment								•																		
Audit NZ report to management 31 December 2023								•																		
Crown Financial Statements declaration															•											
2025 external audit and engagement letter (if required)																						•				

Legend: • Approval • Endorsement to Council • Information

Agenda item	Confirmed dates					Dates to be confirmed at end of March																				
	Jan 31	Feb 14	Feb 28	Mar 13	Mar 27	Apr 10	Apr 26	May 8	May 22	Jun 5	Jun 19	Jul 3	Jul 17	Jul 31	Aug 7	Aug 21	Sep 4	Sep 18	Oct 2	Oct 16	Oct 30	Nov 6	Nov 20	Dec 4	Dec 18	
Pre-year-end review of issues and assumptions																										
30 June 2024 FSG audit fee	•																									
Legislative and organisational compliance																										
Contentious legal matters			•					•									•						•			
Conflicts of interest policy			•																							
Legislative compliance				•																						
Risk and assurance policy (TBC)												•														
Risk management																										
Risk report			•					•					•										•			
Risk deep dive (TBC)			•										•													
Risk management framework (TBC)								•																		
Group audit, risk and compliance issues																										
TBC																										
Engagement with tāngata whenua																										
TBC																										
Other responsibilities																										
Terms of Reference review	•																									
2025 meeting dates (if required)																•										
2025 workplan (if required)																					•					
Committee self-review																										•

Legend: • Approval • Endorsement to Council • Information



Open Minutes for 29 November Finance and Capital Investment Committee Meeting

29/11/2023 | 09:00 AM - 12:00 PM - Auckland, Wellington New Zealand Standard Time

Attendees (5)

Peter Winder (Chief Executive), Michelle Teirney (Chief Financial Officer); Jeremy Morley; Teorongonui Josie Keelan; William Moran; John Brockies

Apologies: Murray Strong Attendees: Haley Passmore (Governance Advisor), Teresa Pollard, Chief Digital Officer (item 5.3), Steven Turnbull, Chief Information Security Officer (item 5.3), Ehsan Jacobi, Sustainability Lead (item 7), Jaala Jacobs, Strategic Property Director (items 8.1-8.3)

Karakia timatanga

The Chair delivered the opening karakia.

1. Administration

1.1 Welcome/apologies

Murray Strong was an apology for the meeting.

1.2 Register of interests

No additional interests were noted.

1.3 Schedule of committee membership and meeting dates for 2024

The Committee agreed to meet on 26 January 2024.

1.4 Minutes of the open meeting held 25 October 2023

RESOLVED (*J. Brockies/T. Keelan*)

That the Committee approve the open minutes of the meeting held on 25 October 2023 as a true and correct record.

CARRIED

1.6 Committee workplan 2024

The Committee requested that a separate standing item for the Transformation Plan be added and that a cross-check system be implemented to ensure the workplan reflects the Committee’s delegations.

2. Any other open business

The Chief Executive and Chair of Council advised the Committee that they are meeting with the new Minister of Education on 30 November.

The Chair noted the importance of the Committee maintaining an operational lens in light of the change of government.

The Chair acknowledged management's hard work and the Committee provided feedback that more time to review reports would be useful to improve understanding.

3. Resolution to exclude the public

RESOLVED (T. Keelan/J. Brockies)

That the public be excluded from the remainder of the meeting. This resolution is made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 (LGOIMA) (noting Te Pūkenga Council is specified, in Schedule 2 of LGOIMA, as a body to which LGOIMA applies) and the particular interests protected by section 9 of the Official Information Act 1982 (OIA) which would be prejudiced by the holding of the relevant parts of the proceedings of the meeting in public.

The general subject of each matter to be considered while the public is excluded and the reason for passing the resolution in relation to each matter are as follows:

Item	General subject of each matter to be considered	Section(s)
4.	Administration	
4.1.	Minutes from closed meeting held 25 October 2023	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
4.2.	Confidential action list	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
5.	Financial matters and strategy reporting	
5.1	Finance strategy and plan update	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA

5.2	FMIS update	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
5.3	Financial report	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
5.4	2024 capex budget and related capital plan	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
5.5	Quarterly treasury report	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
5.6	Insurance – final policy	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
5.7	Procurement policy	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
5.8	Crown loan and bank account signatories	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
6.	Transformation Plan	Section 9(2)(b)(ii) OIA Section 9(2)(g)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA Section 9(2)(k) OIA
7.	Emissions Inventory and Reduction Plan	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
8.	Major property projects and high priority buildings programme	
8.1.	Monthly project update	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
8.2.	EIT insurance	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
8.3.	High priority building programme update	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
8.4	Auckland city footprint strategy and maritime move	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA

		Section 9(2)(j) OIA
9.	Any other closed business	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA

Interests

Section	Interest
Section 9(2)(b)(ii) OIA	To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.
Section 9(2)(i) OIA	To enable the organisation holding the information to carry out, without prejudice or disadvantage, commercial activities.
Section 9(2)(j)	To enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

And that certain employees from Te Pūkenga be permitted to remain at the meeting, after the public has been excluded, namely Jaala Jacobs, Teresa Pollard, Steven Turnbull, and Ehsan Jacobi, after the public has been excluded, because of their specific knowledge in relation to the above items. This knowledge, which will be of assistance in relation to the matters above to be discussed, is relevant to those matters because they have assisted in the progression of such matters.

CARRIED

Karakia whakakapi and close of meeting

T. Keelan delivered the closing karakia and the meeting closed at 12.12pm



Open Minutes for 29 November Risk and Audit Committee Meeting

29/11/2023 | 01:00 PM - 04:00 PM - Auckland, Wellington New Zealand Standard Time

Attendees (4)

Jeremy Morley, John Brockies, Murray Strong, Sue McCormack ; Peter Winder (Chief Executive), Michelle Teirney (Chief Financial Officer), Haley Passmore (Governance Advisor); Ziena Jalil (Chief of Staff), Jodie Banner (Risk and Assurance Director) Kara Hiron (Legal Director)

Karakia timatanga

The Chair delivered the opening karakia.

1. Administration (open)

1.1 Welcome/apologies

The Chair welcomed members to the meeting.

1.2 Register of interests

No additional interests were noted.

1.3 Schedule of committee membership and meeting dates for 2024

The Chair noted that his current term as Chair ends at the end of April 2024.

1.4 2024 Workplan

The Committee agreed that a cross-check system be implemented to ensure the workplan reflects the Committee's delegations.

1.5 Minutes of previous meeting held 29 August 2023

RESOLVED (S. McCormack/J. Morley)

That the Committee approve the open minutes of the meeting held on 29 August 2023 as a true and correct record.

CARRIED

Any other open business

There was no other open business.

3. Resolution to exclude the public

RESOLVED (J. Brockies/J. Morley)

That the public be excluded from the remainder of the meeting. This resolution is made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 (LGOIMA) (noting Te Pūkenga Council is specified, in Schedule 2 of LGOIMA, as a body to which LGOIMA applies) and the particular interests protected by section 9 of the Official Information Act 1982 (OIA) which would be prejudiced by the holding of the relevant parts of the proceedings of the meeting in public.

The general subject of each matter to be considered while the public is excluded and the reason for passing the resolution in relation to each matter are as follows:

Item	General subject of each matter to be considered	Section(s)
4.	Administration	
4.1.	Minutes from closed meeting held 29 August 2023	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
4.2.	Confidential action list	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
4.3	Committee self-assessment	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
5.	External audit	
5.1.	Audit NZ Report to Management – 31 December 2022	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
5.2	2024 External Audit Plan and Engagement letter	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
5.3	External Audit Status of Recommendations	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
6.	Internal audit	
6.1.	2024 Internal Audit Plan	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA

6.2.	<i>2024 Internal Audit Procurement Plan and Delivery Options</i>	<i>Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA</i>
6.3.	<i>Status of Internal Audit Plan Delivery</i>	<i>Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA</i>
6.4	<i>Internal Audit Charter</i>	<i>Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA</i>
7.	<i>Risk and compliance</i>	<i>Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA</i>
7.1	<i>Pre-Year-End Review of Issues and Assumptions</i>	<i>Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA</i>
7.2	<i>Chief Executive Environment and Emerging Risks Briefing - General property, transformation, and finance teams' resourcing</i>	<i>Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA</i>
7.3	<i>Risk Register</i>	<i>Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(h) OIA</i>
7.4	<i>Legislative Compliance</i>	<i>Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(h) OIA</i>
7.5	<i>Contentious matters paper</i>	<i>Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(h) OIA</i>
8.	<i>Any other closed business</i>	<i>Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA</i>
9.	<i>Committee and Audit NZ only session</i>	<i>Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA</i>

Interests

Section	Interest
<i>Section 9(2)(b)(ii) OIA</i>	<i>To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.</i>
<i>Section 9(2)(h) OIA</i>	<i>To maintain legal professional privilege.</i>

Section 9(2)(i) OIA	<i>To enable the organisation holding the information to carry out, without prejudice or disadvantage, commercial activities.</i>
Section 9(2)(j) OIA	<i>To enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</i>

And that certain employees from Te Pūkenga be permitted to remain at the meeting, namely Jodie Banner, after the public has been excluded, because of their specific knowledge in relation to the above items. This knowledge, which will be of assistance in relation to the matters above to be discussed, is relevant to those matters because they have assisted in the progression of such matters.

CARRIED

Karakia whakakapi and close of meeting

The Chair delivered the closing karakia.

The meeting closed at 3.26pm.



**Te Tāhuhu o
te Mātauranga**
Ministry of Education

04/01/2024

Michelle Teirney
Chief Financial Officer
Te Pūkenga
Level 1, Wintec House
Cnr Anglesea & Nisbet Streets
HAMILTON 3204

Email: Michelle.Teirney@tepukenga.ac.nz

Tēnā koe Michelle,

Te Pūkenga request for approval of five-year capital plan and setting of new thresholds for unbudgeted capital expenditure

Capital Plan

I refer to your email request to the Tertiary Education Commission (TEC) on 7 November 2023 seeking approval of Te Pūkenga's capital investment plan totalling \$643.9 million over the period 2024 to 2028.

I hold authority under section 327(1)(b) of the Education and Training Act 2020 (the Act), delegated to me by the Secretary for Education, to approve a capital plan of Te Pūkenga, and I hereby approve the proposed five-year capital plan of 8 November 2023. I note that my approval does not automatically authorise Te Pūkenga to enter into contractual agreements to complete the planned works, and that completion of those works remains subject to Te Pūkenga's Delegations Policy and required internal processes.

This approval is conditional upon Te Pūkenga assessing whether all planned capital investment is in line with the letter of expectations from the Minister for Tertiary Education and Skills to Te Pūkenga dated 5 December 2023, and any subsequent Government decisions, before any investment is approved. This condition aims to ensure that the approval of projects is not inconsistent with the Government's intention to disestablish Te Pūkenga and establish regionally based, individual institutions (subject to legislative processes).

I expect you to notify the TEC if there are any changes to the capital plan to give effect to any Government decisions, and to seek the Secretary's approval of the revised plan.

Interim Thresholds

I propose new interim thresholds for unbudgeted capital expenditure through to 31 December 2026. If you agree to these new thresholds, they will replace the current thresholds approved on 25 November 2022, which are due to expire on 31 December 2023.

I propose:

- a. The threshold for an unbudgeted capital expenditure commitment or transaction be increased from \$5.0 million to \$10.0 million.



- b. The aggregate value of unbudgeted capital expenditure in relation to such commitments or transactions across Te Pūkenga be increased from \$8.0 million to \$15.0 million annually.

These increases to the thresholds are conditional on Te Pūkenga agreeing to submit an updated capital plan by 31 December 2024, or earlier in the event of any Government decisions that have a material impact on the approved capital plan.

Section 327(2) of the Act requires the Secretary to consult with Te Pūkenga in setting thresholds for capital projects. Therefore, please let me know by **Wednesday 31 January 2024** if you agree to these thresholds and the condition.

Once I receive your agreement, the new thresholds will be updated on the TEC's website.

I look forward to hearing from you.

Nāku noa, nā



Eleonora Sparagna
General Manager – Tertiary & Evidence Policy (acting)
Ministry of Education

Cc Luke Howard, Manager Monitoring and Crown Ownership, TEC
Jaala Jacobs, Strategic Property Director, Te Pūkenga

Tā Te Pūkenga Komiti Pūrongo

Te Pūkenga Finance Risk and Audit Committee Report

31 January 2024

Title	Draft Finance Risk and Audit Committee Terms of Reference
Provided by	Jeremy Morley, Committee Chair
Author	Rebecca Donne, Council Secretary
For	Recommendation to Council

Te Taunaki | Recommendation(s)

It is recommended that Te Pūkenga Finance Risk and Audit Committee (the Committee):

a.	Receive the report titled 'Draft Finance Risk and Audit Committee Terms of Reference';
b.	Provide feedback on the proposed Terms of Reference; and
c.	Recommend to Council to approve the draft Finance Risk and Audit Committee Terms of Reference.

Te Tāhuhu Kōrero | Background

On 15 December 2023, Te Pūkenga Council resolved to amalgamate the Finance and Capital Investment Committee and Risk and Audit Committee, with membership being combined and the Chair of the Finance and Capital Investment Committee appointed as the Chair of the new Committee. Council also approved the delegation to the new Committee for it to include immediate governance and oversight of all matters relating to the new policy direction of Government to disestablish Te Pūkenga and re-establish individual /regional business units. Council requested that the Committee review its Terms of Reference and membership and report back to Council for approval of any changes in the new year.

Te pūtake o tēnei pūrongo | Purpose of this report

The purpose of this report is to provide proposed Terms of Reference for the new Committee for consideration and recommendation to Te Pūkenga Council for approval.

Ngā Kōwhiringa me Te Tātaritanga | Options and analysis

The proposed Terms of Reference have used the Finance and Capital Investment Committee TORs as a base, with the addition of the Risk and Audit responsibilities showing as a tracked change. Tracked changes have also been proposed to the previous TORs for the Finance and Capital Investment Committee to remove items which are Management responsibility.



In addition, the proposed TORs contain an increase in maximum member numbers from five to seven, and in the minimum number of meetings per annum from four to eight. They also include clarification that Te Pūkenga includes regions and business divisions and provide a new objective for governance and oversight of the disestablishment process, in particular, alignment with any Letter of Expectations from the Minister of Tertiary Education and Skills.

Te Pae Tawhiti | Te Tiriti o Waitangi Excellence Framework

The proposed TORs retain a responsibility for the Committee to set expectations regarding engagement with tāngata whenua in relation to finance and capital asset management.

Ōritetanga me te Angitu Ākonga | Equity Impact and Ākonga Success

Not applicable.

Pānga ki Ngā Ākonga/Kaitukumahi | Employer Impact

Not applicable.

Te Uiuinga Whānui | Engagement/consultation

Group engaged with	Level of engagement ¹	Commentary
Chief Financial Officer and Chief of Staff	Consult	Both were in support of the proposed TORs

Te tirohanga taha pūtea | Financial considerations

There are no immediate financial impacts of the new TORs as the financial delegations are proposed to remain the same.

Te Ahunga Ki Mua | Next steps

The Delegations Register will need to be updated to amalgamate the delegations for the previous Committees into one.

Te Hunga whai koha | Contributors

The Director Risk and Assurance and Director Legal have reviewed the proposed TORs.

¹ Inform, Consult, Collaborate, Partner, Empower. Refer [Engagement Summary 110619 \(tearawhiti.govt.nz\)](https://www.tearawhiti.govt.nz/110619) for guidance. Engagement may be required at different levels for different stakeholder groups.



Ngā Tāpiritanga | Appendices

Appendix 1: Marked up draft Terms of Reference

Appendix 2: Clean draft Terms of Reference

Finance Risk and Audit Committee

Terms of Reference v1

1. Objective

- (a) The Finance Risk and Audit (**Committee**) shall be a committee of the Council of the New Zealand Institute of Skills and Technology (**Te Pūkenga**), established by the Council.
- i. For the purpose of these Terms of Reference, the term “Te Pūkenga” includes its regions and business divisions, including any changes brought about through the disestablishment of Te Pūkenga.
- (b) The objectives of the Committee are to:
- i. recommend to Council the approval of the finance strategy and plan for Te Pūkenga and maintain oversight of its implementation and review;
 - ii. monitor the finances of Te Pūkenga so as to satisfy Council that they are managed in a way that:
 - a. maintains solvency;
 - b. ensures appropriate stewardship of finances that enables Te Pūkenga to operate efficiently and effectively;
 - c. ensures compliance with funding and loan covenants, terms and conditions;
 - d. gives confidence to and provides for appropriate consultation with Ministers, funders and key stakeholders that minimises the risk of external intervention in the affairs of Te Pūkenga; and
 - e. promotes achievement of Te Pūkenga annual budget, regular reforecasts mission and strategic objectives;
 - iii. assist the Council in fulfilling its strategic, financial and compliance responsibilities through governance oversight of the capital assets and infrastructure of Te Pūkenga and its Business Divisions (**the Group**), including the approval of an annual capital plan and upward recommendations to Council as necessary;
 - iv. monitor major strategic projects of Te Pūkenga, to ensure the programme and projects are on track to deliver their intended outcomes.
 - v. governance and oversight of the disestablishment process, in particular, alignment with any Letter of Expectations from the Minister of Tertiary Education and Skills;
 - vi. assist and advise Council to ensure that the Group has appropriate levels of insurance in place over the assets, infrastructure and undertakings of the Group; and
 - vii. assist the Council in fulfilling its financial and compliance responsibilities through oversight of:
 - the internal control environment
 - the risk management framework
 - the internal and external audit functions

- the annual report and financial statements
- the legislative and organisational compliance framework
- audit, risk, and compliance issues.

2. Powers and Authority

- (a) Pursuant to section 73 of the Crown Entities Act 2004, the Council of Te Pūkenga may delegate any of the functions or powers of Te Pūkenga or the Council, either generally or specifically, to a committee by resolution and written notice (other than functions or powers specified in the legislation as not being capable of delegation).
- (b) The Committee has authority to review any matters within its scope of responsibility.
- (c) The Committee is a sub-committee of the Council and has no executive powers, other than those set out in these Terms of Reference, or those powers expressly delegated to it by the Council in accordance with section 73 of the Crown Entities Act and outlined in Te Pūkenga Delegated Authorities policy.
- (d) The Committee members, where necessary to carry out the functions of the Committee, shall have unrestricted access to and direct communication with Te Pūkenga Tumuaki | Chief Executive, Pourangi Pūtea | Chief Financial Officer, Pourangi Kaimahi | Chief of Staff and the management personnel of Business Divisions and to the extent necessary to meet its responsibilities as set out in this Terms of Reference, may obtain external legal or other professional advice.

3. Membership

- The membership of the Committee shall be comprised of members who collectively demonstrate expertise in financial management, capital asset management, governance, public sector management, internal control environments and frameworks. This shall be made up of:
 - up to seven members, with a minimum of three members (and may include up to two members who are independent of Council and management); and
 - the Council Chair as an ex-officio member (with voting rights).
- (a) The Council Chair appoints the Committee Chair and makes recommendations to the Council regarding Committee members. The Council Chair cannot be the Committee Chair.
 - (b) The Committee Chair as well as having the powers and authority detailed in 2. Above, will:
 - represent the Committee to the full Council (including reporting back to the full Council with the recommendations and decisions of the Committee at each Council meeting immediately following a Committee meeting);
 - ensure the effectiveness and integrity of the governance process of the Committee;
 - maintain regular dialogue with the Chief Executive and senior management over operational matters, to the extent necessary and appropriate to carry out their duties;
 - consult with the remainder of the full Council promptly over any matter that gives cause for major concern; and
 - act as facilitator at meetings of the Committee to ensure that appropriate discussion takes place.

- (c) Membership of the Committee shall be periodically assessed as deemed appropriate.
- (d) A person must not be appointed as a member of the Committee unless, before appointment, he or she discloses to the Council the details of any interest the person may have if he or she were a member of such Committee.
- (e) A member of the Council Secretariat team or other person nominated by the Chair of the Committee shall be secretary to the Committee.

4. Meetings

- (a) The Committee shall meet at least eight times each year. Meetings may be conducted by teleconference, videoconference or in person. The Committee may also need to meet on an ad hoc basis to consider approvals requested and/or relevant matters raised by members of the Group. Accordingly, additional meetings may be held if determined necessary by the Chief Executive or Committee, including executive sessions and private meetings with the Council Chair. A special meeting may be convened by a member of the Committee at any time. All Council Members shall be entitled to attend Committee meetings.
- (b) The Pourangi Pūtea | Chief Financial Officer and Pourangi Kaimahi | Chief of Staff shall service the Committee meetings.
- (c) Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. This would normally be a week prior to the date of the meeting but may be shorter as determined by the Chair of the Committee. Minutes of the meetings shall be prepared, retained and distributed to Committee members, management and external auditors, as well being made available to the Council.
- (d) The Committee may request the attendance of representatives from management to assist particular agenda items.
- (e) The Committee Chair may request the attendance of Audit New Zealand and external auditors to assist agenda items.
- (f) A quorum shall consist of a majority of Committee members (including ex-officio members). No business shall be transacted at a Committee meeting in the absence of a quorum, unless formal approvals and/or recommendations have previously been sought through a “round robin” process from members who will be absent from a meeting to the extent that the inclusion of those approvals and/or recommendations means that a quorum for voting has been achieved.

5. Responsibilities and duties

In order to assist the Council in fulfilling its responsibilities and to oversee the areas outlined in the objectives, the Committee shall:

(a) Financial approvals

- i. Approve plans, business cases, transactions, and other business, as outlined and in accordance with the Committee’s powers within Te Pūkenga delegated authorities’ policy including:
 - standing annual setting of learner fees for existing programmes under legislation, fees for the provision of learner services, fees to assist learners suffering exceptional financial hardship and any other fees prescribed by the Finance Risk and Audit Committee;

- limits on treasury financial transactions and financial authorities (as set out in the Treasury Policy);
 - grants or loans to Te Pūkenga Tumuaki | Chief Executive, any kaimahi, ākonga or any association of kaimahi or ākonga or guarantee any loans to any kaimahi members;
 - an annual capital plan which aligns with the Group budget, operating expenditure (including insurances) within the Council approved budget, where the expenditure aligns with the investment plan;
 - operating expenditure in excess of the Council approved budget, where the expenditure aligns with the investment plan;
 - capital expenditure within the Council approved budget and annual capital plan that supports the expenditure which is aligned with the investment plan;
 - individual unbudgeted capital expenditure proposals;
 - tenders for approved capital or operational expenditure projects.
- ii. Make recommendations to Council concerning the approval of the matters noted in i. above where the amounts or transactions exceed the Committee's delegations under the Delegated Authorities policy.
- iii. Approve any other requests not already addressed in these Terms of Reference from Business Divisions for approval from Te Pūkenga relating to operating or capital expenditure, the disposal of property or non-property assets, the approval of an asset management and utilisation plan (or other property related requests), where the approval of such request exceeds the delegated authority of the Tumuaki | Chief Executive of Te Pūkenga as set out in the Delegations Policy for Te Pūkenga or is otherwise referred to the Committee by the Council for a decision.

(b) Financial strategy and planning

Provide advice and recommendations to Council on:

- the appropriateness of the Strategic Plan objectives relating to financial management, including but not limited to the Financial Strategy and Plan;
- major and sensitive assumptions in the financial projections of Te Pūkenga; and
- consistency of the financial projections of Te Pūkenga with the Strategic Plan.

(c) Financial position and performance

Monitor and report to Council on the performance of Te Pūkenga against:

- the Annual Budget and subsequent (re)forecasts;
- TEC financial risk criteria;
- financial management parameters of Te Pūkenga;
- Strategic Plan objectives related to financial strategy, implementation, and management, including the Financial Strategy and Plan; and
- debt-related or any other external covenants.

and where, as a result of its monitoring activity, it believes that corrective action or any changes to policy, practice or financial parameters are appropriate, recommend the same to Council for implementation.

(d) Group Treasury Policy

- review, maintain and monitor the robustness and comprehensiveness of the Group Treasury Policy, including the delegations framework therein.

(e) Corporate asset planning

- Provide governance oversight and where appropriate recommendations or approvals in respect of:
 - asset management policies, strategies and plans;
 - Asset condition, performance and value;
 - Programme or project business cases.

(f) Disestablishment governance

- Provide governance and oversight of the disestablishment of Te Pūkenga.
- Commission independent assurance reviews on project readiness and delivery.

(g) Engagement with tāngata whenua

Set expectations regarding engagement with tāngata whenua in relation to finance and capital asset management.

(h) Annual report, including financial statements

- review the annual financial and non-financial statements; consider whether they are complete, consistent with information known to Committee members, comply with law and reflect appropriate accounting principles, and recommend their signing by the Council;
- review all significant accounting policy changes;
- review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements; and
- satisfy itself that Te Pūkenga has appropriate mechanisms in place to review and implement, where appropriate, relevant external audit reports and recommendations.

(i) Internal control environment

Review policies that fall within the remit of the Finance Risk and Audit Committee, whether as part of the policy development process (as set out in the Document Development Framework) or otherwise and approve amendments which are compliance based and do not impact on the strategic direction of Council.

(j) Internal audit function

- review the Internal Audit Charter to ensure appropriate organisational structures, authority, access, independence, resourcing and reporting arrangements are in place;
- review the internal audit plan, confirm it is risk-based and aligned to the business plan and addresses recommendations made in any external audit report;

- approve any changes to the internal audit plan;
- review significant matters reported by the internal audit function and how management is responding to them;
- satisfy itself that the internal audit function has appropriate mechanisms in place to monitor audit issues and the implementation of audit recommendations; and
- if necessary, meet separately with the Director Risk and Assurance to discuss any matters that the committee or internal audit believes should be discussed privately.

(k) External audit

- review the external audit plan, including the nature and scope of the audit, timetable, coordination with Internal Audit, and ensure that no management restrictions are placed on the auditors;
- review the extent of non-audit services provided by external auditors in relation to their independence;
- review audit reports and provide advice to the Council on significant issues identified in audit reports and action taken on issues raised, including identification and dissemination of good practice;
- satisfy itself on action taken by management on high/significant issues raised, and implementation of external audit recommendations; and
- if necessary, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

(l) Legislative and organisational compliance

- ensure there is a system for monitoring compliance with relevant laws and regulations;
- review the findings of any examinations by regulatory agencies, and any auditor observations; and
- review the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.

(m) Risk management

- ensure that management is implementing the risk management plan/framework and policies of Te Pūkenga;
- monitor of risk assessments and the internal controls instituted;
- ensure that these assessments, policies and controls adequately cover key risk areas; and
- report to the Council on any incident involving fraud or other breakdown of the internal controls of Te Pūkenga.

(g) Internal reporting

- report to the Council about committee activities, issues, and related recommendations; and
- provide an open avenue of communication between internal audit, the external auditors, and the Council.

(h) Group audit, risk, and compliance issues

Ensure Te Pūkenga is able to identify and act as necessary on risks and issues that may arise from any subsidiaries through:

- oversight of any subsidiary audit reports and recommendations, and monitoring the progress of subsidiaries in addressing audit recommendations;
- oversight of subsidiary compliance issues;
- oversight of subsidiary risks and risk mitigation; and
- reporting to Council on emerging subsidiary and consequent Te Pūkenga audit, risk and compliance issues.

(i) Other responsibilities

- Perform other activities related to this Terms of Reference as requested by the Council.
- Oversee special investigations as needed.

6. Council reporting obligations

The Committee Chair will report to the Council using the Council's agenda framework to prioritise those strategic and key issues that most concern the Council. The full minutes of the meetings of the Committee will be available to all Council members and the Committee Chair will respond to Council members' questions.

7. Accountability

The Committee shall:

- Self-assess its performance against these Terms of Reference on an annual basis.
- Confirm annually that all responsibilities outlined in these Terms of Reference have been carried out.
- At its discretion, determine the requirement for an independent review, including the frequency and scope of such a review, to assess its performance against these Terms of Reference.

8. Review of the Terms of Reference

The Committee shall, on an annual basis (or as otherwise necessary), review and if appropriate, update these Terms of Reference for consideration and approval by the Council.

Approved by the Council of Te Pūkenga on 8 February 2024

Sue McCormack

Acting Council Chair

Previous Reviews	Next Review
FinCap V2 – approved by Council 2 August 2023	January 2025
RAC V5 – approved by Council on 6 September 2023	

Finance ~~and Capital Investment~~ Risk and Audit Committee

Terms of Reference v1

1. Objective

(a) The Finance ~~and Capital Investment~~ Risk and Audit (Committee) shall be a committee of the Council of the New Zealand Institute of Skills and Technology (Te Pūkenga), established by the Council.

- i. For the purpose of these Terms of Reference, the term “Te Pūkenga” includes its regions and business divisions, including any changes brought about through the disestablishment of Te Pūkenga.

~~(a)~~(b) The objectives of the Committee are to:

- i. recommend to Council the approval of the finance strategy and plan for Te Pūkenga and maintain oversight of its implementation and review;
- ii. monitor the finances of Te Pūkenga so as to satisfy Council that they are managed in a way that:
 - a. maintains solvency;
 - b. ensures appropriate stewardship of finances that enables Te Pūkenga to operate efficiently and effectively;
 - c. ensures compliance with funding and loan covenants, terms and conditions;
 - d. gives confidence to and provides for appropriate consultation with Ministers, funders and key stakeholders that minimises the risk of external intervention in the affairs of Te Pūkenga; and
 - e. promotes achievement of Te Pūkenga annual budget, regular reforecasts mission and strategic objectives;
- iii. assists the Council in fulfilling its strategic, financial and compliance responsibilities through governance oversight of the capital assets and infrastructure of Te Pūkenga and its Business Divisions (the Group), and including the approval of an annual capital plan and upward recommendations to Council as necessary, ~~with regular reviews and exception reporting from management;~~
- iv. monitor ~~the transformation programme and related~~ major strategic projects of Te Pūkenga, to ensure the programme and projects are on track to deliver their intended outcomes. and there is an appropriate level of compliance with accountability and responsibility matrices, budgets, timelines, milestones and reporting to Council, Ministers, funders, and stakeholders; and
- ~~iv-v.~~ v. governance and oversight of the disestablishment process, in particular, alignment with any Letter of Expectations from the Minister of Tertiary Education and Skills;

vi. ~~assist~~s and advises Council ~~and the Risk and Audit Committee~~ to ensure that the Group has appropriate levels of insurance in place over the assets, infrastructure and undertakings of the Group; ~~and~~.

vii. ~~assist the Council in fulfilling its financial and compliance responsibilities through oversight of:~~

- ~~• the internal control environment~~
- ~~• the risk management framework~~
- ~~• the internal and external audit functions~~
- ~~• the annual report and financial statements~~
- ~~• the legislative and organisational compliance framework~~
- ~~• audit, risk, and compliance issues.~~

~~The management of property (including operating leases), plant, equipment, investments, vehicles, IT infrastructure, strategic databases, brands and intellectual property, monetary assets and liabilities such as working capital, cash and loans and insurance falls within the scope of consideration. In undertaking its role with respect to its oversight of the capital assets and infrastructure of Te Pūkenga, the Committee will consider the following aspects of capital asset management:~~

- ~~• corporate planning~~
- ~~• asset information management~~
- ~~• levels of service~~
- ~~• lifecycle management strategy (including risk management)~~
- ~~• affordability and return on investment~~
- ~~• financial forecasts~~
- ~~• business cases~~
- ~~• implementation governance~~
- ~~• engagement with tāngata whenua.~~

~~These objectives emphasise the cyclical nature of the process and prioritisation of decisions, the importance of defining and understanding desired outcomes, the nature of current assets, the associated current and future needs, the potential solutions, and implementing the optimum decision.~~

Commented [JB1]: The management of these asset classes rests with management. Governance oversight of finance, insurance and CAM are all covered above.

Commented [JB2]: Covered under iii above.

2. Powers and Authority

- Pursuant to section 73 of the Crown Entities Act 2004, the Council of Te Pūkenga may delegate any of the functions or powers of Te Pūkenga or the Council, either generally or specifically, to a committee by resolution and written notice (other than functions or powers specified in the legislation as not being capable of delegation).
- The Committee has authority to review any matters within its scope of responsibility.
- The Committee is a sub-committee of the Council and has no executive powers, other than those set out in these Terms of Reference, or those powers expressly delegated to it by the

Council in accordance with section 73 of the Crown Entities Act and outlined in Te Pūkenga Delegated Authorities policy.

- (d) The Committee members, where necessary to carry out the functions of the Committee, shall have unrestricted access to and direct communication with Te Pūkenga Tumuaki | Chief Executive, Pourangi Pūtea | Chief Financial Officer, Pourangi Kaimahi | Chief of Staff and the management personnel of a-Business Divisions and to the extent necessary to meet its responsibilities as set out in this Terms of Reference, may obtain external legal or other professional advice.

3. Membership

—The membership of the Committee shall be comprised of members who collectively demonstrate expertise in financial management, capital asset management, governance, public sector management, internal control environments and frameworks.

- ∴ This shall be made up of:
- up to five-seven members, with a minimum of three members (and may include up to two members who are independent of Council and management); and
- the Council Chair as an ex-officio member (with voting rights); and
- ~~members who collectively demonstrate expertise in financial management, capital asset management, internal control environments and frameworks.~~

- (a) The Council Chair appoints the Committee Chair and makes recommendations to the Council regarding Committee members. The Council Chair cannot be the Committee Chair.
- (b) The Committee Chair as well as having the powers and authority detailed in 2. Above, will:
- represent the Committee to the full Council (including reporting back to the full Council with the recommendations and decisions of the Committee at each Council meeting immediately following a Committee meeting);
 - ensure the effectiveness and integrity of the governance process of the Committee;
 - maintain regular dialogue with the Chief Executive and senior management over operational matters, to the extent necessary and appropriate to carry out their duties;
 - consult with the remainder of the full Council promptly over any matter that gives cause for major concern; and
 - act as facilitator at meetings of the Committee to ensure that appropriate discussion takes place.
- (c) Membership of the Committee shall be periodically assessed as deemed appropriate.
- (d) A person must not be appointed as a member of the Committee unless, before appointment, he or she discloses to the Council the details of any interest the person may have if he or she were a member of such Committee.
- (e) ~~The Council Secretary~~ A member of the Council Secretariat team or other person nominated by the Chair of the Committee shall be secretary to the Committee.

4. Meetings

- (a) The Committee shall meet at least four-eight times each year. Meetings may be conducted by teleconference, videoconference or in person. The Committee may also need to meet on an ad

Commented [RD3]: Is this sufficient?

hoc basis to consider approvals requested and/or relevant matters raised by members of the Group. Accordingly, additional meetings may be held if determined necessary by the Chief Executive or Committee, including executive sessions and private meetings with the Council Chair. A special meeting may be convened by a member of the Committee at any time. All Council Members shall be entitled to attend Committee meetings.

- (b) The Pourangi Pūtea | Chief Financial Officer and Pourangi Kaimahi | Chief of Staff shall service the Committee meetings.
- (c) Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. This would normally be a week prior to the date of the meeting but may be shorter as determined by the Chair of the Committee. Minutes of the meetings shall be prepared, retained and distributed to Committee members, management and external auditors, as well being made available to the Council.

~~(d)~~ The Committee may request the attendance of representatives from management ~~and external auditors~~ to assist particular agenda items.

(e) The Committee Chair may request the attendance of Audit New Zealand and external auditors to assist agenda items.

~~(d)~~

(e)(f) A quorum shall consist of a majority of Committee members (including ex-officio members).

No business shall be transacted at a Committee meeting in the absence of a quorum, unless formal approvals and/or recommendations have previously been sought through a “round robin” process from members who will be absent from a meeting to the extent that the inclusion of those approvals and/or recommendations means that a quorum for voting has been achieved.

5. Responsibilities and duties

In order to assist the Council in fulfilling its responsibilities and to oversee the areas outlined in the objectives, the Committee shall:

(a) Financial Approvals

- i. Approve plans, business cases, transactions, and other business, as outlined and in accordance with the Committee’s powers within Te Pūkenga delegated authorities’ policy including:
 - standing annual setting of learner fees for existing programmes under legislation, fees for the provision of learner services, fees to assist learners suffering exceptional financial hardship and any other fees prescribed by the Finance ~~and Capital Risk and Audit~~ Committee;
 - limits on treasury financial transactions and financial authorities (as set out in the Treasury Policy);
 - grants or loans to ~~the~~ Te Pūkenga Tumuaki | Chief Executive, any kaimahi, ākonga or any association of kaimahi or ākonga or guarantee any loans to any kaimahi members;
 - an annual capital plan which aligns with the Group budget, which can then be delegated to Te Pūkenga Tumuaki | Chief Executive the CEO for implementation with exception-based reporting at each meeting and regular reviews of that plan throughout the financial year.

Commented [JB4]: This is for management, and for the workplan - does it need to be in ToR?

- operating expenditure (including insurances) within the Council approved budget, where the expenditure aligns with the investment plan;
- operating expenditure in excess of the Council approved budget, where the expenditure aligns with the investment plan;
- capital expenditure within the Council approved budget and annual capital plan that supports the expenditure which is aligned with the investment plan;
- individual unbudgeted capital expenditure proposals;
- tenders for approved capital or operational expenditure projects.

~~ii. ii.~~ — Make recommendations to Council concerning the approval of the matters noted in i. above where the amounts or transactions exceed the Committee’s delegations under the Delegated Authorities policy.

~~ii.iii.~~ Approve any other requests not already addressed in these Terms of Reference from Business Divisions for approval from Te Pūkenga relating to operating or capital expenditure, the disposal of property or non-property assets, the approval of an asset management and utilisation plan (or other property related requests), where the approval of such request exceeds the delegated authority of the Tumuaki | Chief Executive of Te Pūkenga as set out in the Delegations Policy for Te Pūkenga or is otherwise referred to the Committee by the Council for a decision.

Commented [RD5]: Moved up from former point (k)

(b) Financial Strategy and planning

Provide advice and recommendations to Council on:

- the appropriateness of the Strategic Plan objectives relating to financial management, including but not limited to the Financial Strategy and Plan;
- major and sensitive assumptions in the financial projections of Te Pūkenga; and
- consistency of the financial projections of Te Pūkenga with the Strategic Plan.

(c) Financial position and performance

Monitor and report to Council on the performance of Te Pūkenga against:

- the Annual Budget and subsequent (re)forecasts;
- TEC financial risk criteria;
- financial management parameters of Te Pūkenga;
- Strategic Plan objectives related to financial strategy, implementation, and management, including the Financial Strategy and Plan; and
- debt-related or any other external covenants.

and where, as a result of its monitoring activity, it believes that corrective action or any changes to policy, practice or financial parameters are appropriate, recommend the same to Council for implementation.

(d) Group Treasury Policy

- review, maintain and monitor the robustness and comprehensiveness of the Group Treasury Policy, including the delegations framework therein.

- review and monitor the implementation of the Group Treasury Policy through receiving regular treasury reports;
- receive and review issues raised by auditors (both internal and external) in respect of any significant weaknesses in the treasury or other financial functions;
- receive submissions from the Pourangi Pūtea | Chief Financial Officer notifying any matters of non-compliance with the Group Treasury Policy and reporting these to Council for review/approval;
- annually receive the internal review of the Group Treasury Policy and recommend any changes to Council for approval; and
- receive the two yearly fundamental Policy review report and recommend any Group Treasury Policy changes to Council.

Commented [JB6]: Part of review, maintaining and monitoring the Treasury Policy/Function as above?

(e) Corporate asset planning

- Provide governance oversight and where appropriate recommendations or approvals in respect of:
 - review asset management policies, and strategies and plans;
 - Asset condition, performance and value;
 - Programme or project business cases.
- recommend basis for Asset Management Plan;
- recommend level of organisational commitment; and
- recommend a Group capital and asset strategy and provide oversight of the execution of that strategy.

(f) Asset information management

- recommend information management requirements;
- review asset condition assessments;
- review asset performance reporting;
- review valuations; and
- commission asset information quality assurance reviews.

(g) Levels of Service

- establish strategic linkages;
- recommend statements; and
- establish measures and targets.

Commented [JB7]: G and H seem to be management responsibilities, therefore have not added to the bulleted list above. I included in financial reporting.

(h) Lifecycle management and prioritisation strategy (including risk management)

- review lifecycle strategies;
- review risk management strategies; and
- review usage and maintenance forecasting.

~~(i) Financial forecasts~~

- ~~• review lifecycle analysis; and~~
- ~~• review depreciation funding.~~

~~(j) Business cases~~

- ~~• review the Asset Improvement plan;~~
- ~~• review the annual plan; and~~
- ~~• review individual programme and project business cases in particular with respect to the transformation programme of Te Pūkenga.~~

~~(k) Approvals~~

~~Approve any other requests not already addressed in these Terms of Reference from Business Divisions for approval from Te Pūkenga relating to operating or capital expenditure, the disposal of property or non-property assets, the approval of an asset management and utilisation plan (or other property related requests), where the approval of such request exceeds the delegated authority of the Tumuaki | Chief Executive of Te Pūkenga as set out in the Delegations Policy for Te Pūkenga or is otherwise referred to the Committee by the Council for a decision.~~

~~(l)(f) Implementation/Disestablishment governance~~

- ~~• Provide governance and oversight of the disestablishment of Te Pūkenga.~~
- Commission independent assurance reviews on project readiness and delivery.

~~(m)(g) Engagement with tāngata whenua~~

Set expectations regarding engagement with tāngata whenua in relation to finance and capital asset management.

~~(h) Annual report, including financial statements~~

- ~~• review the annual financial and non-financial statements; consider whether they are complete, consistent with information known to Committee members, comply with law and reflect appropriate accounting principles, and recommend their signing by the Council;~~
- ~~• review all significant accounting policy changes;~~
- ~~• review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements; and~~
- ~~• satisfy itself that Te Pūkenga has appropriate mechanisms in place to review and implement, where appropriate, relevant external audit reports and recommendations.~~

~~(i) Internal control environment~~

~~Review policies that fall within the remit of the Finance Risk and Audit Committee, whether as part of the policy development process (as set out in the Document Development Framework) or otherwise and approve amendments which are compliance based and do not impact on the strategic direction of Council.~~

(j) Internal audit function

- review the Internal Audit Charter to ensure appropriate organisational structures, authority, access, independence, resourcing and reporting arrangements are in place;
- review the internal audit plan, confirm it is risk-based and aligned to the business plan and addresses recommendations made in any external audit report;
- approve any changes to the internal audit plan;
- review significant matters reported by the internal audit function and how management is responding to them;
- satisfy itself that the internal audit function has appropriate mechanisms in place to monitor audit issues and the implementation of audit recommendations; and
- if necessary, meet separately with the Director Risk and Assurance to discuss any matters that the committee or internal audit believes should be discussed privately.

(k) External audit

- review the external audit plan, including the nature and scope of the audit, timetable, coordination with Internal Audit, and ensure that no management restrictions are placed on the auditors;
- review the extent of non-audit services provided by external auditors in relation to their independence;
- review audit reports and provide advice to the Council on significant issues identified in audit reports and action taken on issues raised, including identification and dissemination of good practice;
- satisfy itself on action taken by management on high/significant issues raised, and implementation of external audit recommendations; and
- if necessary, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

(l) Legislative and organisational compliance

- ensure there is a system for monitoring compliance with relevant laws and regulations;
- review the findings of any examinations by regulatory agencies, and any auditor observations; and
- review the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.

(m) Risk management

- ensure that management is implementing the risk management plan/framework and policies of Te Pūkenga;
- monitor of risk assessments and the internal controls instituted;
- ensure that these assessments, policies and controls adequately cover key risk areas; and
- report to the Council on any incident involving fraud or other breakdown of the internal controls of Te Pūkenga.

(g) Internal reporting

- report to the Council about committee activities, issues, and related recommendations; and
- provide an open avenue of communication between internal audit, the external auditors, and the Council.

(h) Group audit, risk, and compliance issues

Ensure Te Pūkenga is able to identify and act as necessary on risks and issues that may arise from any subsidiaries through:

- oversight of any subsidiary audit reports and recommendations, and monitoring the progress of subsidiaries in addressing audit recommendations;
- oversight of subsidiary compliance issues;
- oversight of subsidiary risks and risk mitigation; and
- reporting to Council on emerging subsidiary and consequent Te Pūkenga audit, risk and compliance issues.

(*) (i) Other responsibilities

- Perform other activities related to this Terms of Reference as requested by the Council.
- Oversee special investigations as needed.

6. Council reporting obligations

The Committee Chair will report to the Council using the Council's agenda framework to prioritise those strategic and key issues that most concern the Council. The full minutes of the meetings of the Committee will be available to all Council members and the Committee Chair will respond to Council members' questions.

7. Accountability

The Committee shall:

- Self-assess its performance against these Terms of Reference on an annual basis.
- Confirm annually that all responsibilities outlined in these Terms of Reference have been carried out.
- At its discretion, determine the requirement for an independent review, including the frequency and scope of such a review, to assess its performance against these Terms of Reference.

8. Review of the Terms of Reference

The Committee shall, on an annual basis (or as otherwise necessary), review and if appropriate, update these Terms of Reference for consideration and approval by the Council.

Approved by the Council of Te Pūkenga on 2 August 2023/8 February 2024

Murray W. Strong
Sue McCormack

Acting Council Chair

Previous Reviews

FinCap V2 – approved by Council 2 August 2023

RAC V5 – approved by Council on 6 September 2023

Next Review

January 2025

Te Pūkenga Finance Risk and Audit Committee Meeting

3. Resolution to exclude the public

It will be moved by the Chair that the public be excluded from the remainder of the meeting. This resolution will be made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 (LGOIMA) (noting Te Pūkenga Council is specified, in Schedule 2 of LGOIMA, as a body to which LGOIMA applies) and the particular interests protected by section 9 of the Official Information Act 1982 (OIA) which would be prejudiced by the holding of the relevant parts of the proceedings of the meeting in public.

The general subject of each matter to be considered while the public is excluded and the reason for passing the resolution in relation to each matter are as follows:

Item	General subject of each matter to be considered	Section(s)
1.	Administration (open)	
1.5	Open minutes of 29 November 2023 Finance and Capital Investment Committee	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
1.6	Open minutes of 29 November Risk and Audit Committee	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
6.	Administration (closed)	
6.1	Closed minutes of 29 November 2023 Finance and Capital Investment Committee	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
6.2	Closed minutes of 29 November 2023 Risk and Audit Committee	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
6.3	Summary of resolutions for this meeting	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA

Item	General subject of each matter to be considered	Section(s)
7.	Corporate asset planning	
7.1	Major property projects update	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
7.2	High priority programme	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
8.	Implementation/disestablishment governance	
8.1.	FMIS/EPM project	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
8.2.	FMIS/EPM correspondence	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
9.	Financial strategy and planning	
9.1	Enrolment update	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
10.	Finance position and performance	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
10.1	Verbal update on December 2023 financials	
11.	Corporate asset planning	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA

Item	General subject of each matter to be considered	Section(s)
		Section 9(2)(j) OIA
11.1	Property and lease strategy – key decisions review	
12.	Committee membership	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
13.	Corporate asset planning	
13.1	Wellington regent make good approval for unbudgeted OPEX	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA
14.	External audit	
14.1	30 June 2024 Financial Statements of the Government (FSG) audit fee	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
15.	Any other closed business	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA
16.	Committee and Audit NZ only session	Section 9(2)(b)(ii) OIA Section 9(2)(i) OIA Section 9(2)(j) OIA

Interests

Section	Interest
Section 9(2)(b)(ii) OIA	To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

Section	Interest
Section 9(2)(i) OIA	To enable the organisation holding the information to carry out, without prejudice or disadvantage, commercial activities.
Section 9(2)(j)	To enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

And certain employees from Te Pūkenga be permitted to remain at the meeting, after the public has been excluded, namely Jaala Jacobs, Katherine Harbrow, and Jonathan Cooke because of their specific knowledge in relation to the above items. This knowledge, which will be of assistance in relation to the matters above to be discussed, is relevant to those matters because they have assisted in the progression of such matters.

Karakia whakakapi

Tēnā tātou here are some useful phrases you can use to introduce closing karakia next time you are asked to lead it.

Māku e whakakapi te wānanga nei.

I will conclude our shared space.

Kia whakakapia te wānanga nei ki te karakia.

May our shared space be concluded with karakia.

Kua pau tonu te wā, nā reira māku e whakakapi te wānanga nei ki te karakia.

We're just about out of time, therefore I will conclude our shared space with karakia.

Karakia whakakapi Closing incantation

Puritia,
puritia ngā kōrero o te wānanga
puritia Kia ū, kia mau
puritia kia ita
Unuhia, unuhia atu rā
Te tapu o te kāhui o ngā ariki
mauria atu rā ko te kahu ora o
Rongo
he rongo taketake
he rongo mau tonu
ka whakamau kia tina,
Tina! (*everybody*)
Hui e, Tāiki e!

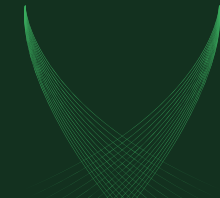
Hold fast,
hold firmly the words of the
academy
cement them firmly
fixed in the mind.
Release ourselves
of the decorum of formality
let us take up the life giving
cloak of Rongo
the permanence of peace
and harmony
and bind it firmly,
Firmly!

Our values



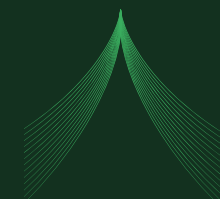
Manawa nui

We reach out and welcome in



Manawa roa

We learn and achieve together



Manawa ora

We strengthen and grow
the whole person