

The background of the cover is a close-up photograph of several hands, likely of Māori descent, resting on a large, dark green leaf. The hands are positioned around the perimeter of the leaf, with fingers spread, suggesting a traditional Māori hongi or a similar cultural gesture. The lighting is warm and focused on the hands and the leaf's texture.

Piki Teitei

August 2025

Piki Teitei NorthTec Tai Tokerau Wānanga

Strategic and Business Plan

Final Report

August 2025

Overview

This independent report was commissioned to address the strategic direction of NorthTec looking toward the future. It recognises the unique character of Te Tai Tokerau and takes an outcome-focused approach, committed to delivering tangible impact for its people. A region with huge potential and an entrepreneurial spirit, the report aims to provide a pathway for sustainable growth in vocational education, aligned with both regional needs and economic development opportunities. While it sets a five-year horizon, the plan is designed to enable quick, practical and implementable steps, from the outset.

We believe it's important to measure NorthTec's achievements in terms of the outcomes it achieves for Northlanders. **We want every youth coming out of school in Te Tai Tokerau Northland going into training, education, a job or self-employment.** We are choosing to measure this by the impact we have on reducing the number of NEETS (Not in Employment, Education or Training) in the Northland region relative to those in other regions across the country. This aligns well with the current whole-of-government approach towards outcomes and the consequential saving of public sector expenditure across a range of social agencies.

Currently, the NorthTec management team is rightly very focused on meeting the short-term requirements of TEC and Te Pūkenga particularly around the achievement of financial viability. This requires significant immediate cost cutting and the aligning of current expenditure with current income. These measures are essential for stabilising operations, but must be balanced with longer-term investment in capability, relevance, and reach.

These objectives, and in particular their time horizons for visible results to be achieved, are necessarily conflicting. In practice, most of the deep systemic issues NorthTec faces require a change in its operating model and this requires both time and investment. The report considers where strategic shifts can unlock long-term value.

In completing the report, we have not focused on the present but rather looked to establish a plan which, successfully executed, will see an operating model change and a resulting progressive increase in vocational education learner numbers across Te Tai Tokerau as needs are met. The underpinning principle involves NorthTec having a shift in emphasis and being able to change from being internally-focused at some levels to being customer-centric, ensuring that every part of the organisation is aligned with learner needs and aspirations.

Enabling that change to occur will require understanding from key central government agencies around the flexibility it will require to be able to allocate its financial resources to achieve the best results. We have identified areas where external constraints are hindering sensible decision-making, especially in a region like Te Tai Tokerau Northland, where non-educational factors play a much larger role in educational decision-making and outcomes, than in other parts of the country.

The Piki Teitei Group has provided strategic oversight throughout the development of this report. We acknowledge Derek Slatter's leadership as Chair until 11 July 2025, and thank Jude Thompson for stepping into the role and guiding the Group through to the report's completion, alongside Murray Bain, Erena Kara, Jo Littin, and Caroline Seeliger.

Piki Teitei Group

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Executive Summary

This report sets a future-focused aspiration for Te Tai Tokerau Northland:

To stand connected with confidence and competence anywhere in the world.

Kia tū kaha ai tātou, puta noa te ao.

This is both a strategic call to action and a cultural affirmation recognising the strength of our Te Tai Tokerau Northland people, our history, and our potential. As a region of first movers, there is a strong record of adapting and innovating through economic, social and political change.

The skills system must evolve, becoming practical, inclusive, and responsive to local needs. Success will depend on delivering capability, confidence, and opportunity that reflects the aspirations of our communities and the demands of industry.

NorthTec is challenged to respond to the profound transformation in the tertiary education sector while at the same time, continuing to carry the aspirations of communities. These aspirations are deeply rooted in whakapapa, regional identity, and the promise of education as a means to equity and prosperity.

This plan calls for a balance between short-term financial viability and long-term community impact. It advocates for capability development that is accessible, nurturing, and is focused on bringing knowledge home to empower our communities from within. It is a call to mobilise every lever of leadership, partnership and innovation to deliver on this call. It requires coordinated leadership, strategic partnerships, and

It forms a cohesive strategy with a distinct sense of who we are: acknowledging Tai Tokerau's position as the birthplace of the nation, anchored in the legacy of He Whakaputanga and Te Tiriti o Waitangi. This foundational identity continues to inform our development, aspirations, and commitment to intergenerational shared prosperity. Targeted innovation to deliver measurable outcomes.

The following section outlines the strategic context shaping this plan including the evolution of education, challenges in vocational training, government reform, and the potential of technology.

Together, these forces shape the dynamic environment in which NorthTec must operate—and require clear strategic decisions to be now. NorthTec must evolve into a resilient, valued, community-embedded institution that cultivates opportunity, builds capability, and delivers impact across Te Tai Tokerau. Our success will be through decisions that are **locally-led, regionally enabled and centrally supported**.

1. Strategic Context – Past, Present, Future

Our Legacy: Te Tai Tokerau by Design

We are a region shaped by design, not chance. We have thrived when we 'go together' – Northtec learners and kaimahi, leaders across the region, Iwi and hapū, employers and community. We have thrived when our decisions have been locally-led, regionally enabled and centrally supported. We have thrived when decision-makers and those in positions of influence, have truly understood the nature, dynamic and complexities of Te Tai Tokerau. We uphold Te Tiriti o Waitangi, invest in lifelong learning, and build intergenerational prosperity through education and innovation.

Current Realities

- Sector reform demands a local reset.
- Financial pressures require immediate cost-cutting and long-term capability investment.
- Regional inequities persist, especially for Māori, disabled, and rural learners.
- Technology offers opportunity but requires infrastructure and training.

Our Future Vision

NorthTec will deliver relevant, high-quality education that reflects the needs and aspirations of Te Tai Tokerau.

1. Rapid Evolution in Education

The global landscape of work is shifting rapidly - driven by accelerating technological change, the rise of the gig economy, and increasing emphasis on work-life balance. These factors are reshaping employer expectations and career pathways, putting pressure on education systems in New Zealand and internationally to evolve. Ākonga/learners and employers alike are demanding more flexible, responsive, and practical learning models that align with real-world skills and employment trends. Rapid evolution in education: The global shift in employment norms, driven by technology, gig-economy flexibility, and emphasis on work/life balance, is pressuring education systems in NZ and internationally to adapt. For NorthTec, this means embracing innovation while remaining grounded in the needs of its communities.

2. Vocational Education and Training (VET) Challenges

Over the past 15 years, change within the VET sector has often been reactive and cyclical, rather than strategic. Persistent concerns remain about whether current legislative frameworks and funding mechanisms are agile enough to keep pace with market demands or to ensure equitable access for diverse ākonga/learners. Without structural innovation, the system risks falling out of alignment with both learner needs and industry requirements particularly in regions like Te Tai Tokerau, where local responsiveness is critical. Change in the last 15 years has often been cyclical. There is concern that legislative and funding models are not agile enough to connect with market needs or ensure equitable access.

3. Recent Government Policy and Sector Reform

The last five years have seen major structural reforms, most notably the establishment, and now the progressive disestablishment of Te Pūkenga, the national institute created to unify polytechnics and industry training organisations. These shifts have created significant uncertainty and disrupted institutional continuity. For NorthTec and other polytechnics, this moment demands a focused internal reset, one that re-establishes local governance, strengthens regional identity, and rebuilds operational stability to meet future learner and community needs. Regarding recent Government policy changes, the sector has been through significant change over the past 5 years with the formation and subsequent progressive disestablishment of Te Pūkenga. In light of these changes, NorthTec and its peers now require a significant internal management reset to respond effectively to the evolving policy landscape.

4. The Role of Technology in Education

Technology is transforming the delivery, accessibility, and personalisation of education. A key strength of NorthTec, consistently evident, is being able to respond rapidly to changing technologies. Digital learning platforms, AI-driven tools, micro-credentials, and hybrid delivery models are reshaping how ākonga/learners engage with content, educators, and each other. These tools offer significant opportunities to increase flexibility, scale, and learner-centred design, especially for remote, part-time, or working students. However, the effective integration of education technology requires investment in infrastructure, staff capability, and robust digital strategies to ensure quality, inclusivity, and relevance. Without sustained investment, particularly in digital infrastructure, there is a risk of deepening inequities for learners in the north, where access and connectivity remain patchy. For NorthTec, embracing these tools is essential, not only to remain competitive but to advance equity and meet the evolving expectations of ākonga/learners, employers, and communities.

5. Regional Realities

Te Tai Tokerau Northland is a proud region of immense potential but also of long-standing structural inequities. These are embedded in systems like education, health, housing and employment, shaping lives. They can limit access to opportunity. Generations of marginalisation have led to entrenched socio-economic deprivation, with many communities facing barriers to education, employment, and wellbeing. These barriers include limited access to tertiary education especially for rural and Māori ākonga /learners and those with disabilities, high unemployment, substandard housing, limited employment opportunities, and inadequate transport and digital infrastructure.

The region's demographic profile of young, predominantly Māori and increasingly diverse, calls for culturally grounded, inclusive approaches - geographic dispersion and uneven service access, increased delivery costs and demand flexible, locally-led solutions. For NorthTec, these realities are central. Equity, access, and regional identity are imperatives not aspirations.

2. Purpose of This Plan

To guide NorthTec's strategic decisions with actionable implementable steps, while preparing for a future shaped by innovation, resilience, and a community-led approach. The plan offers a viable foundation for transformation.

Its recommendations are designed to guide decision-making across the organisation, with the aspirations of ākonga/learners, kaimahi, employers and our wider communities. It acknowledges the complexity of the current tertiary landscape.

At its heart, this plan is about strengthening NorthTec's role as a regional anchor—educationally, economically, and culturally. It seeks to build capability from within, empower and mobilise local leadership, and ensure that learning is accessible, relevant, and enduring.

- **Objective:** Recommend actionable steps, within NorthTec's control, to achieve long-term sustainability and community impact.
- **Timing:** Coincides with NorthTec's internal restructuring and broader Te Pūkenga reforms. While outcomes are fluid, the existing context offers a viable foundation for planning.

3. Key Strategic Recommendations

The following strategic recommendations are designed to support NorthTec's transition toward a more agile, responsive, and community-embedded institution. Each recommendation reflects the values and priorities of Te Tai Tokerau, and is intended to be implemented in a way that is both fiscally responsible and culturally grounded.

A. Strengthen Key Relationships and Alignment

- **Goal:** Better match programme delivery with the job market.
- **Approach:** Forge robust collaborative regional partnerships with schools, kura, Iwi, hapū, employers, community and agency partners.
 - Clarify each party's roles, costs, risks, and rewards.
 - Improve co-ordination to avoid duplication and capture synergies.
 - Align with regional development strategies and plans, and workforce needs
 - Build trust and transparency with stakeholders and partners
 - Reaffirm commitments to Te Tiriti o Waitangi through governance, curriculum, and engagement

B. Lift Productivity and Quality

- **Goal:** Achieve core financial sustainability while delivering educational quality.
- **Approach:** Short-term innovation in systems, processes, technology, and facilities.
 - Measure and manage programme margins at contribution and EBITDA levels.
 - Establish a performance-driven culture with clear learner outcome and financial targets.

C. Re-define organisational focus, structure and operating model

- **Goal:** Present a coherent, distinct identity, product and services for NorthTec
- **Approach:**
 - Conduct a portfolio review (programmes, locations, assets).
 - Shift from supply-side to demand-led delivery.
 - Clarify core priorities and areas of strategic focus
 - Reframe operating models in Te Tai Tokerau Northland.
 - Strengthen governance, leadership, decision-making, clarity and accountability.
 - Urgently review international student provision and Auckland campus viability, focusing on self-funded models and direct-entry opportunities.

D. Prepare for Strategic Growth (post-2026)

- **Condition:** Growth depends on stabilising core operations and achieving a demonstrable pathway to viability by 2026.
- **Growth pillars for Te Tai Tokerau Northland:** NorthTec responding to sector demands
 1. **Strategic Opportunities** (timeline: 2025 onwards) – e.g. Special Economic Zone, Northport expansion, commercial drydock, Marsden Point Rail Link.
 2. **Infrastructure-led pipeline**¹ – e.g., Hospital Development, Northern Expressway, Energy Bridge, Energy Precinct, Digital Improvements, Water projects.
 3. **Social service training** – Allied health, early childhood, teacher aides, mental health and addiction. Leverage partnerships with Ngāpuhi Social Services, Corrections, and other sectors to fund off-plan demand and revenues.

Principle:

All growth must be purposeful and underpinned by strong partnerships, operational flexibility, and accountability to both ākonga/learners and employers, as well as financial integrity. Promises made to ākonga, employers and staff must be kept.

¹ Northland Inc, Te Tai Tokerau Northland's Economic Development Agency is leading and facilitating multiple initiatives to better understand and advance the pipeline of economic development projects in the region through [Te Rerenga](#) and a Regional Infrastructure Plan. Iwi, hapū, employers including the Northland Corporate Group and agencies are all advocates and participants in community and key project advancement.

Next Steps and Timeline Overview

The next steps are designed to ensure that recommendations are tested, refined, and implemented in a way that reflects both internal insight and external partnerships. A detailed timeline will be developed following consultation, with priority actions initiated within the next 6–12 months. This staged approach ensures that NorthTec remains responsive, transparent, and aligned with the aspirations of Te Tai Tokerau.

Phase	Timeline	Focus
Phase 1: Internal Reset	Now – H1 2026	Restructure, productivity lift, programme rationalisation, portfolio review, decision-making refinement, learner recruitment processes, first regional pilot, international student recruitment strategy, delivery system enhancements
Phase 2: Foundation for Growth	H2 2026 onwards	Launch enterprise and social services initiatives, position for Infrastructure and Strategic Projects, and other regional growth, physical asset upgrades
Phase 3: Accelerated Expansion	2027 onwards	Leverage new income streams, physical assets, and academic partnerships

How This Supports NorthTec’s Future

This plan is more than a response to sector reform, it is a reaffirmation of NorthTec’s role as a regional leader. By aligning strategy with local identity, community needs, and national and global trends, NorthTec is positioning itself to thrive in a rapidly changing environment.

The recommendations outlined here support:

- A stronger, more agile organisation that reflects the values of Te Tai Tokerau
- Improved outcomes for ākonga through relevant, high-quality, and accessible education
- Deeper relationships with iwi and hapū, industry, and community—built on trust and shared purpose
- A future-focused operating model that balances innovation with cultural integrity

Ultimately, this plan supports NorthTec’s evolution into an institution that not only delivers education—but cultivates opportunity, equity, and prosperity across the region.

- **Sustainability:** Improved margins and financial stewardship preserve core operations.
- **Market relevance:** Partnerships ensure alignment with real-world demand.
- **Identity:** A renewed, coherent organisational narrative enhances NorthTec’s positioning, brand and appeal.
- **Future readiness:** Once fiscal stability is achieved, NorthTec will be poised to grow where it matters—social services, infrastructure, and regional development.

Critical Success Factors

What is a critical success factor? It's something we've learned, through experience, that we **MUST HAVE** for initiatives to succeed. These are non-negotiables. It is a specific requirement or factors that must be met or achieved in order for a project, a plan, or a strategy to be considered successful.

We apply these critical success factors in all we say and do:

- **Visible Leadership**
Active, transparent leadership that builds trust and drives momentum.
- **Locally Led, Regionally Enabled, Centrally Supported**
Decisions grounded in local voice, enabled by regional collaboration, and supported nationally.
- **Compelling Communication**
Clear, relevant, culturally resonant messaging.
- **Serve Tai Tokerau Whānau at the Decision-Making Tables**
Community priorities are central to governance and planning.
- **Culture of Accountability**
Collective commitment to outcomes, clear responsibilities, and consistent follow-through underpin all actions.
- **Right Skills, Right Time, Right People, Right Place**
Clear pathways and a workforce that meets current and future needs.
- **Build Local Capability**
A regionally grown talent base and leadership pipeline to strengthen regional resilience.
- **Economic Opportunity and Sustainability to Achieve Social Outcomes**
Programmes aligned with regional development, labour market and long-term prosperity.
- **Responsive Delivery Model**
Programmes that flex to meet evolving regional needs.
- **Lifetime Learner Approach**
An ecosystem that supports lifelong learning and coordinated pastoral care.
- **Māori Achievement**
Tangible uplift of Māori ākonga/learners and kaupapa Māori integration.
- **Strong Relationships**
Deep, enduring partnerships with Iwi, hapū, employers, communities, and other providers.
- **Resourced to Succeed, Funded to Flourish**
Sufficient investment to deliver quality outcomes.
- **Bring in Help When Needed**
Strategic use of external expertise to strengthen delivery.
- **Implement Lessons Learned**
Continuous improvement through reflection and adaptation, build on successes.

We agree to these as critical to our success.

Relationship to Existing Strategic Documents

This plan builds upon and aligns with NorthTec’s existing strategic documents, the Regional Investment Plan, and the Learner Success Framework. It does not replace these documents, but rather integrates their insights into a unified, forward-facing strategy.

By drawing from these foundational sources, the plan ensures continuity while also responding to the evolving needs of the region. It reflects a commitment to:

- Embedding learner success as a core organisational priority
- Aligning with regional development goals and workforce strategies
- Honouring Te Tiriti o Waitangi across all levels of governance and delivery
- Strengthening NorthTec’s role as a trusted partner in enabling communities to thrive

This alignment reinforces NorthTec’s strategic coherence and ensures that future actions are both locally grounded and nationally relevant.

The proposed changes are generally neutral against the existing Vision, Purpose and Values, as appended. The existing goals need amendment and re-prioritisation to reflect the recommendations made in this report.

Current Strategic Pou Against Piki Teitei Recommendations

The following table maps NorthTec’s current strategic pou against the recommendations outlined in Piki Teitei. This highlights areas of alignment, identifies gaps, and supports prioritisation of actions that reflect both institutional goals and regional aspirations. It serves as a practical tool to guide implementation, ensuring that strategic decisions are informed by both internal priorities and external expectations.

NorthTec	Current	Proposed	Comment
Vision	Better lives through education	No change	
Purpose	We exist so that the economic, environmental, cultural and social prosperity of Te Tai Tokerau Northland, grows through education.	We exist so that the economic, environmental, cultural and social prosperity of Te Tai Tokerau Northland, grows through equitable education.	

NorthTec	Current	Proposed	Comment
Tikanga/Values	Whakaea (Ambition) We create and role model ambition and leadership	No change	The Tikanga documented remains relevant. However, they need to be made more relevant and lived.
Tikanga/Values	Arotahi (Focus) We put the success of our ākonga and our team at the centre of all we do.	No change	Arotahi is perhaps as much an enabler as Tikanga? It links well to Tutika.
Tikanga/Values	Hiranga (Excellence) We take pride in everything we do	No change. We must be mindful that we are accountable for “good” and that we resolve anything “poor” rapidly.	We need to define excellence for all aspects and link it to Tutika every day. In an achievable way.
Tikanga/Values	Tutika (Accountability) We each take personal responsibility for achieving our Purpose	No change	Accountabilities must be defined and linked to actual outcomes to remain relevant
Goals	Measurably great ākonga outcomes	No change. Great and good are targeted, poor is not tolerated.	Define, measure and manage resources to this end every day. Outcomes are not only aspirational but also achievable.
Goals	Clear commitment to Te Tiriti o Waitangi	No change	Should be evidenced by a trend of improving outcomes for Māori.
Goals	High quality, supported and accountable staff	High quality, supported and accountable staff who are flexible and productive in pursuit of our Purpose	Need a link to Purpose and viability. KPI's are agreed and people are accountable.
Goals	Future focused programmes	Delete - covered by Purpose	Process, not goal
Goals	Equitable access for all learners	Delete - covered by Purpose	Process, not goal. Added equitable into purpose.
Goals	Strong partnerships with our stakeholders	Partnerships with schools and kura, Iwi, hapū, employers and agencies will be central to achieving our Purpose	Specific mechanism for daily relevance.
Goals	Robust financial management	Robust financial management, firmly focused on viability	Key words are management and viability
Goals	Effective and respected systems and processes	Effective and respected systems and processes capable of enabling sector leading productivity	Specific objective for relevance
Goals	Valued Communication	Delete - not needed as a goal	Process, not goal

Investment Required

To realise the opportunities and aspirations outlined in this plan, NorthTec will require targeted investment across several key areas. These investments are not just financial—they also include time, relationships, and cultural capital.

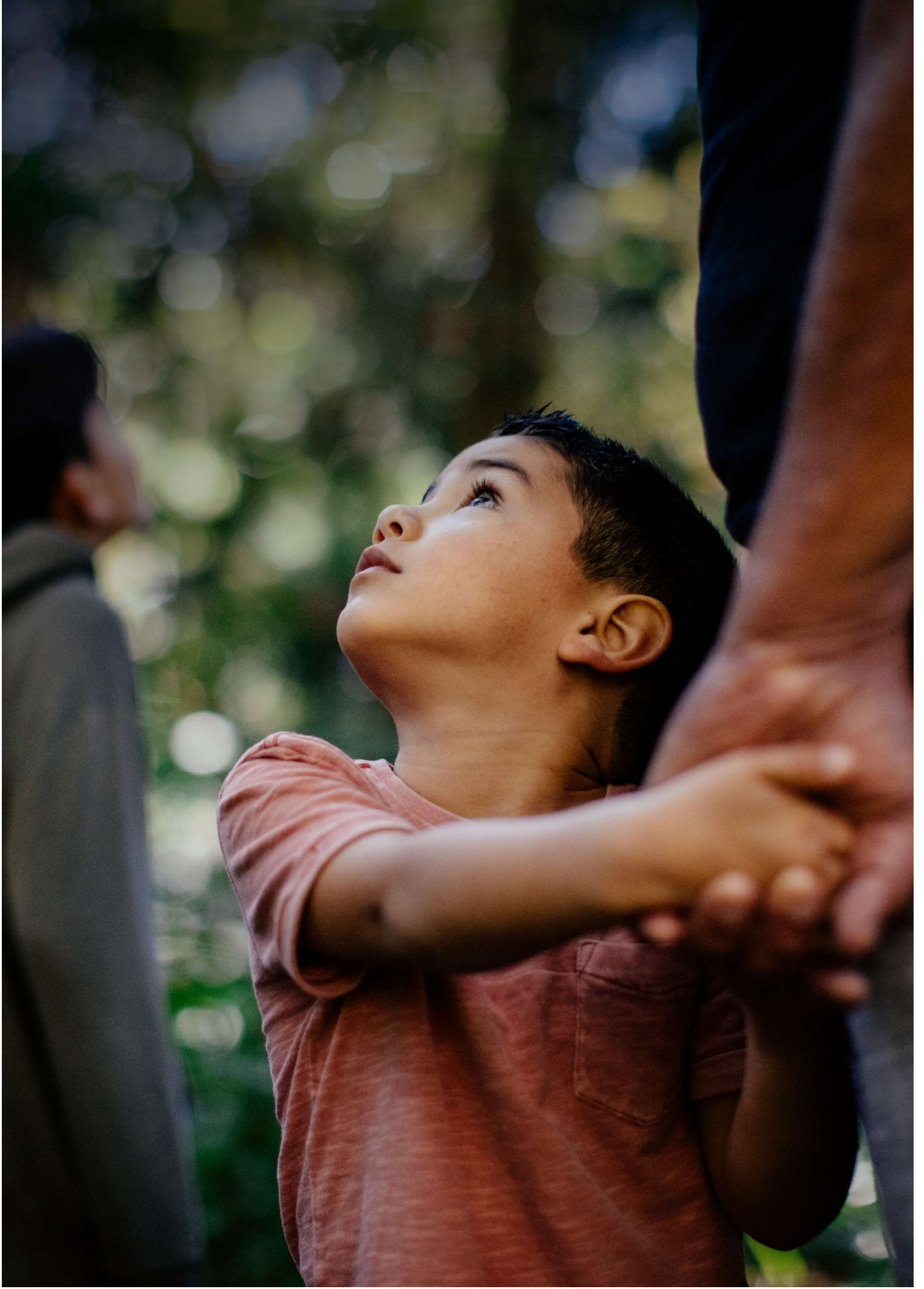
The current fiscal environment however does not allow any additional operating cost. Significant restructuring is underway to address ongoing financial pressures and reduce unsustainable losses. While perspectives may vary on the nature and necessity of these changes, they reflect the present reality within which decisions must be made.

This report is intentionally focused on initiatives that support financial viability, recognising that this is the only realistic pathway to enabling further investment in social good. Recommendations are framed with a clear expectation: they must become self-sustaining within a very short timeframe.

Initiatives such as extended use of AI and other technology will require some investment, minimised via collaboration with other ITPs, and with a very quick payback. Similarly, the focus on improving processes and productivity may involve some initial upfront costs but will only advance where short-term viability and returns are evident.

Where partnership development is recommended such as a proposed pilot with Te Hiku Iwi Development Trust through an agreed programme of work, it builds on an existing relationship and is considered the most viable initial vehicle. While some setup costs are anticipated, the initiative is expected to be self-funding.

Key decisions in this are how the pastoral care, learner vocational advice, and recruitment and integration with schools, Iwi, agencies, employers, community and whānau would be organised. There are different operational and investment implications for each option, that will be carefully scoped and budgeted once the shape of the pilot is confirmed in coming weeks.



Implementation Plan

The implementation of this strategy will be guided by a phased approach, ensuring momentum while allowing for reflection and adaptation. Each phase builds on the previous, with clear milestones and accountability mechanisms. All proposed actions for 2025 must be underpinned by financial viability and operational prudence. Initiatives will only proceed where there is clear evidence of affordability, return on investment, and alignment with core strategic priorities.

2025 actions

What needs to happen first

- Affirm the regional model as a core strategic priority across NorthTec, with internal consensus and external alignment.
- Agree with Te Pūkenga, TEC, and the Minister the importance of commencing a pilot programme in the Far North, which once proven, will be implemented across the region.
- Engage key Northland leaders early, in particular Te Kahu o Taonui, to discuss the proposed direction for NorthTec including the pilot, and invite their input to help shape and support the approach.
- Reach a clear and mutual agreement with Te Hiku Iwi Development Trust—whether through a flexible partnership arrangement or MoU—prioritising pace, action, and shared understanding.
- In partnership with Te Hiku, activate local leadership and co-design a scalable delivery model, based on what the Waka Tapari ecosystem can create, to address workforce needs and equity outcomes, to progress in 2026, with NorthTec's role clearly articulated.

Further 2025 Actions

- Consider structural realignment of corporate services functions, alongside investment in capability and capacity and full transition of services from Te Pūkenga. Collaborate with other ITPs where appropriate.
- Define and launch NEET-focused pilot programmes that embed partnerships with schools, Kura, Iwi, hapū, agencies and employers, and other VET entities where feasible. Desirably, the initial pilot will be in Te Hiku, building on advanced infrastructure in place as well as being aligned with an area of need.
- Set up digital infrastructure improvements and staff training, aimed at productivity improvement, risk management and quality. The first outcome is to build margin reporting by programme, at “contribution” level as well as EBITDA level. A prerequisite is to better define the margin levels and set up reporting that allows allocation of overheads by agreed ratios, for example, pro rata EFTS, ākongā, floor area or department. Ideally, the sector can better measure the value of qualifications, such as by using earnings/employment data five years after completion, to help guide investment. Following this, is training for all staff that ensures full understanding of the importance of margin management, including any required amendments to ensure accountability. Establish monthly management meetings with a set agenda focused on margin, risk, and quality. Lead a culture change to one of active work towards viability and quality.
- Initiate a Portfolio Review to ensure that it is matching the needs of NorthTec's various markets and is providing cohesive pathways, curricula efficiency, elimination of duplication and inclusion of embedded qualification e.g. consolidating foundation and career prep courses and developing or adopting micro-credentials for strand requirements could be far more sustainable and viable if enabled. This review should also consider more efficient delivery models for both ākongā/learners and the organisation.
- Engage as a ‘Federation’ member including relationship-building with other ITPs and federation anchor entities with shared interests or potential synergies in pathways, systems, technologies, or scale.

- Develop policy around applied research, including undertaking work for partner employers, such that research is no less than cash neutral, while allowing for in-kind benefits to employers or other partners.
- Develop a policy that clarifies the basis on which rentals and management contracts are set for use of NorthTec's buildings across the region.
- Implement systems to accurately monitor and forecast teaching time allocations, against ASMs and courses.

Te Hiku Pilot Proposed Pilot Activation

- Appoint a leader for Northtec in Kaitaia and a project leader in Whangarei
- Working with Te Hiku Joint Work Programme for Te Hiku in 2026:
- Appoint a project leader in Whangarei to address the relationships and partner engagements – schools, employers, iwi and hapū, to provide the influential internal link back into NorthTec's Head Office
- What is going to be delivered – workforce needs and other needs in areas such as foundation, iwho are the learners, how it's going to be delivered - online delivery and content partner, remote in-classroom delivery, in-person in-classroom delivery, where it's going to be delivered physically including technology requirements, how and by whom the delivery of non-educational support for learners will happen
- Establish a partnership with MSD (and potentially other relevant government agencies) to utilise their expertise in areas like job seeking, and options around financial support to assist in meeting non-educational learner requirements
- Reach agreement with both Te Hiku and MSD around the measurable outcome objectives including reducing the number of NEETS.

2026 actions

- Scale outreach and re-engagement models.
- Develop regional engagement model, staffing and accountabilities.
- Enhance regional data systems to track learner impact.
- Review and improve the office environment to support inclusion, teamwork, and accessibility.
- Implement property strategy. The final shape of property will become clear once the final decisions are made around provision and staffing. Some aspects will be underway from mid-2025.
- Develop a digital strategy for remote access learning.
- Continue to look for viable off-plan growth pathways, including International, Employer and Agency driven demand.
- Set baselines for continuous improvement and engagement to measure improvement against

2027+ actions

- Continuous evolve programmes using data and community feedback
- Embed NEET-focused pathways across all NorthTec offerings
- Track and respond to changes in regional NEET rates
- Advance the "Roundabout" community integration mode through cross-sector collaboration

This action plan translates strategic intent into practical steps, ensuring NorthTec remains responsive, resilient, and financially viable and sustainable. Each initiative supports a broader vision to deliver high-quality, future-focused education that meets the needs of ākonga/learners, employers, and communities across Te Tai Tokerau.

By aligning operational priorities with long-term goals, we want to see the building of a foundation for growth, impact, and continuous improvement.

Problem identification and proposed solutions

See Appendix 1 for a summary of problems and issues identified during the first phase of outreach and consultation.

Historical Context

Context:

1. Current policy settings require future Polytechnics to be financially viable and sustainable, with options, for those that are not sustainable, being federation, merger or sale.
2. The last ten plus years NorthTec and other divisions of Te Pūkenga, have experienced declining financial viability, compounded by a series of regulatory changes.
3. Employer demand continues to evolve, with foundation learning one opportunity for provision, and technical (including Work Based Learning - WBL) learning to higher levels representing another.
4. Ākonga/learners from communities experiencing deprivation face substantial additional barriers to progression within the education system.
5. NorthTec has good completion rates, but the lowest progression rates in New Zealand. There are funding implications, especially given that research shows lifetime earnings improve at level 4 and above. NorthTec's regional level 4+ provision is proportionally lower than other ITPs.
6. Expectations are that the next two years at least will see a flat or declining VET spend from TEC, alongside limited funding for social initiatives.
7. International provision in Tai Tokerau requires adequate accommodation. This is problematic, particularly post-Covid, as some of the previously available accommodation has been leased commercially for several more years. Immigration setting changes and the challenges with remote provision have further compounded this issue.

Fact base:

1. The net present value of tertiary education in New Zealand is one of the lowest in the OECD.
 - a. This represents an opportunity for improved connections between schools, employers and tertiary.
 - b. It also highlights that accountability in education provision is insufficiently balanced toward outcomes, due to systemic factors that hinder a seamless continuum between school and employment.
2. Tai Tokerau has a relatively high proportion of NEETs and Jobseekers and a relatively low GDP per household.
 - a. Central and local government are key partners in the endeavour to improve these indicators.
 - b. Iwi and hapū are key partners and are actively involved in education, regional development, and workforce planning.

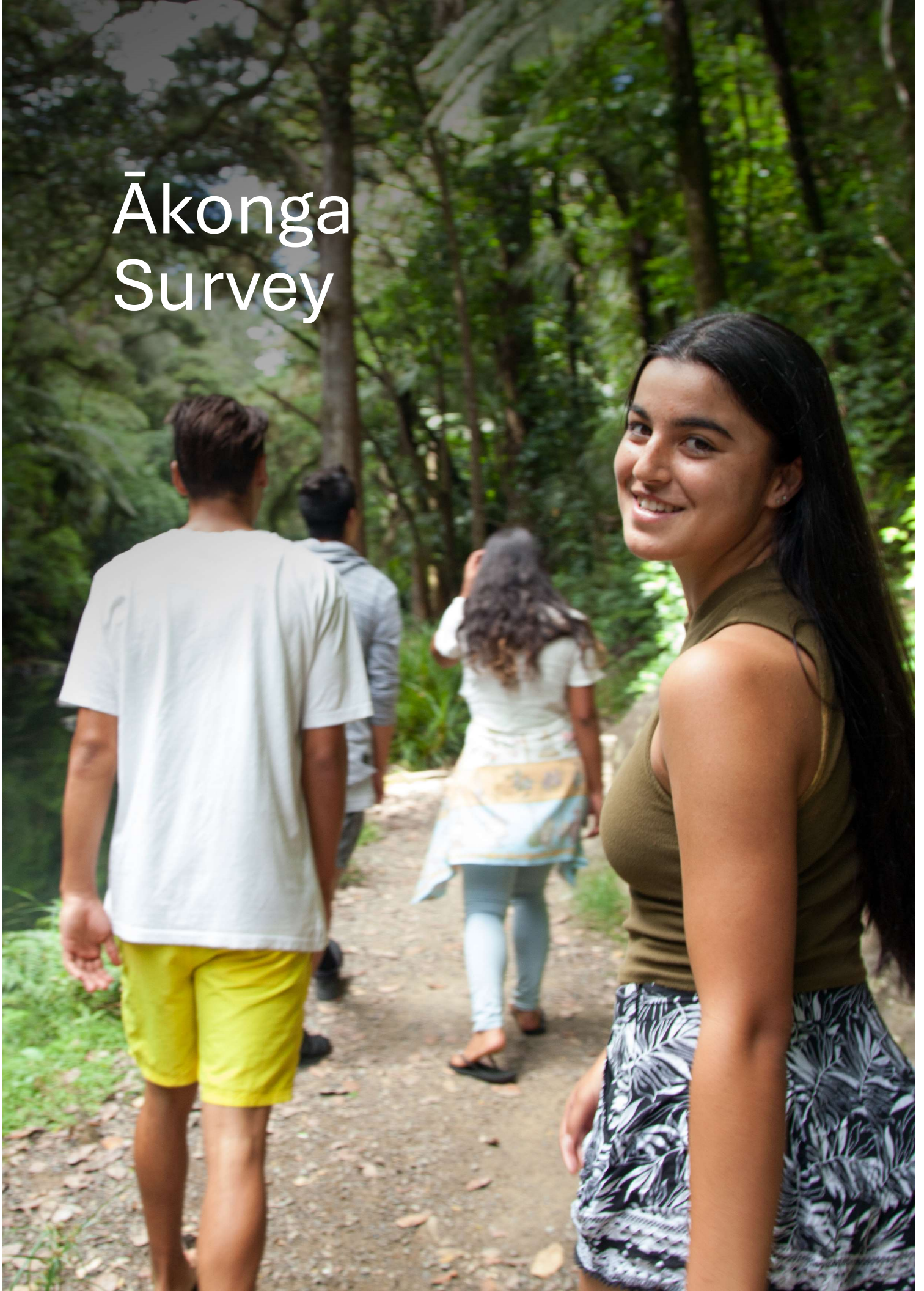
3. Tai Tokerau has a young and growing Māori population, now exceeding 53%.
 - a. Alongside a fast-growing Pākihi Māori business sector, one that is out-stripping other business growth in Te Tai Tokerau, there are employment opportunities across a number of large infrastructure projects, strategic initiatives, and other public and private sector entities. Some are yet to be realised but showing in regional workforce pipelines.

The key conclusions from the data (see appendix three) include:

- a. Like most ITP's in New Zealand, NorthTec has been unable to generate a surplus in recent years.
- b. The place of ITP's within the Tertiary sector remains hard to define and further rapid evolution is likely, necessitating a flexible and innovative structure.
- c. NorthTec performs exceptionally well in some areas, with a small number of well attended programmes such as Nursing and Social work generating healthy surpluses.
- d. NorthTec faces ongoing challenges in several other areas and has not consistently prioritised financial sustainability at a level that supports its current structure and overheads.
- e. There is a core of excellent people, property and programmes that can form the foundation of a successful organisation, but substantial and urgent change is necessary.
- f. Offshore and on-shore delivery of International Education has been identified as a key future financial contributor to operational viability, and needs to be considered carefully.

Please refer to Appendix Three for background, context and history.

Ākonga Survey



Ākonga survey and community inputs to date

Community engagement has included community and iwi providers, schools/kura, and ākonga/learners via survey.

We wanted to ensure that the motivations of potential ākonga, especially school leavers, were well understood. TEC had undertaken a survey of 500 secondary school students in 2019 across Aotearoa. This was useful and contained insights into many of the questions we had, including that cost could be a barrier, and that in the absence of role models, the jump to tertiary could be too high for many. Findings confirmed that financial constraints and lack of visible role models can significantly deter young people from pursuing tertiary education

In 2020, *He Awa Ara rau - A Journey of Many Paths: The Journey of Our Rangatahi Māori Through our Education System* (Berl, Waikato Tainui, Tokona te Raki, Southern Initiative, 2020). was released. This report provides insights into key systemic levers that can influence the successful transition for rangatahi Māori from education through to employment, focussing on educators, government and tertiary providers. Relevant to this piece of work, the four key actions people in tertiary can do to support transitions for young people are:

1. Reduce support and funding for tertiary level study where there is evidence that the course/s are not contributing to our young people's employment prospects or increased earning potential.
2. Arm our rangatahi with better information on quality tertiary study, including the likelihood of future employment and earnings.
3. Ensure the cost of obtaining the tertiary qualification is reflective of the type of future income a young person is likely to earn.
4. Tighten the gap between tertiary providers and employers to ensure that the skills and competencies rangatahi are gaining are valued in the market and likely to be well remunerated. (Berl, Waikato Tainui, Tokona te Raki, Southern Initiative, 2020).

Smooth transitions are critical. As a generalisation ākonga who are set on tertiary study are well catered for assuming they are able to overcome financial and cultural barriers. There is also a cohort who have no interest in tertiary, for various reasons. Further work would see more of this cohort progress to tertiary. The immediate priority is the cohort in between, who are capable and interested, but become easily disheartened by the barriers they face.

There is also a cohort with limited interest in tertiary education, often due to systemic or personal factors. Further work is needed to engage this group. The immediate priority is the cohort in between, those who are capable and interested but discouraged by the barriers they face.

To better understand the context of young people in Te Tai Tokerau, we undertook a survey of local schools and kura to gain insights into the enablers and challenges Year 11–13 students face in transitioning to employment or training. We also sought to understand their perceptions of NorthTec and the factors influencing their pathway choices.

Five schools were asked to participate, and 215 responses were received². Rangatahi in Tai Tokerau are motivated to pursue education and employment, but face real and perceived barriers including location, cost, and limited local options. They would benefit from more proactive, tailored support and a stronger presence from training providers within their communities.

² Other schools intend to complete the survey early next term.

The ākonga surveyed are all in kura or school, often working part-time or helping with whānau responsibilities. Most expressed strong aspirations toward higher education or employment, with interest in pathways including university, apprenticeships, trade training, enterprise, and the military. Their decisions to enter tertiary (or other pathways) were primarily based on getting a good job and earning income.

With respect to tertiary study, most were interested in tertiary study at a university. There was limited interest in NorthTec, with reasons including:

- Lack of awareness
- Desire for university-level qualifications
- Specific career goals not aligned with NorthTec offerings

Whānau, teachers, friends and social media are common influences on their future planning.

Respondents overwhelmingly indicated that career guidance, application support, and scholarship advice—especially one-on-one—would help them navigate their pathways. Many noted uncertainty and limited knowledge of available options, particularly at NorthTec.

Key barriers to study or training are not dissimilar from what has been reported through many other studies:

- Distance to training locations
- Lack of transport (public or private)
- Cost of study
- Lack of clear advice or guidance
- Lack of accommodation

These issues reflect systemic and regional barriers that may require collaborative solutions. Many students were unsure what support was available or needed. Specific suggestions included:

- Help with fees
- Culturally grounded support
- More local educational options
- Students showed a preference for:
 - Blended learning (a mix of online, face-to-face, and hands-on)
 - In-person learning environments, especially workshops and classroom settings

In summary, ākonga suggested changes that would make it easier to succeed include:

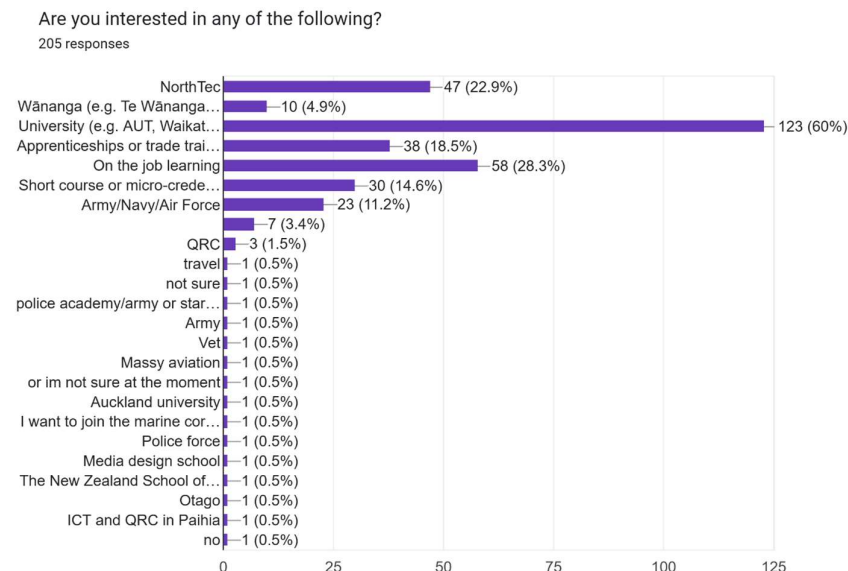
- Lower the cost of living and education
- Expand local education and training options
- Increase financial and transport support
- Improve visibility of pathways and clearer information

Community, provider and Iwi engagement provided us with feedback as follows:

- Enable community/locally-led flexible delivery of programmes:
 - Establish Iwi-led steering committee/s and co-ordinators to bridge between NorthTec schools, and employers
- Improve NorthTec flexibility, responsiveness and quality
 - Expand short-term and modular course offerings (e.g. STAR and community courses), particularly for schools/kura, NEETs and job seekers
 - Increase level 4+ provision in the regions
 - Be flexible with delivery model and course structures
 - Promote quality provision and teaching, particularly for programmes that lead to a professional registration

- Strengthen partnerships with local employers, health and social service providers, schools and work ready providers:
 - Co-design training pathways linked to guaranteed local employment and career pathways, noting social work and health are key industries in the regions
 - Partner with local employers and health/social service providers to inform course development and delivery models with opportunities for shared investment in both development and implementation.
 - Improve engagement with secondary schools through better communication and shared travel coordination
 - Investigate dual-enrolments with schools
- Enhance visibility and communication
 - Develop timely and accessible marketing materials for courses in relevant mediums —distribute early and widely via local networks
 - Assign dedicated people/teams to improve local outreach, co-ordination, and information provision
- Tackle barriers to access and equity, prioritising disability inclusion where needs are unmet
 - Work with Councils and regional government teams to regarding infrastructure
 - Partner with Ministry of Social Development (MSD), or others, to support services such as transport, wraparound services and financial access, noting organisations who currently provide these services
 - Recognise prior learning to support career transitions, particularly for Māori ākonga/learners
- Explore collaborative infrastructure opportunities
 - Investigate the feasibility of a shared tertiary hub (e.g., repurposing the old Kaitaia Pak’nSave building) as a learning, research, and tech space
 - Ensure realistic expectations and funding strategies, given past experiences and funding challenges for capital projects
- Replicate successful outreach models
 - Support and adapt initiatives like He Tamara Whakanui to inspire tertiary engagement.
 - Increase tertiary provider presence in local schools and agencies such as local MSD sites to normalise tertiary pathways
- Localise Campus Management
 - Explore models for locally managed campuses that cover enrolment through to graduation and employment pathways

Example ākonga survey output



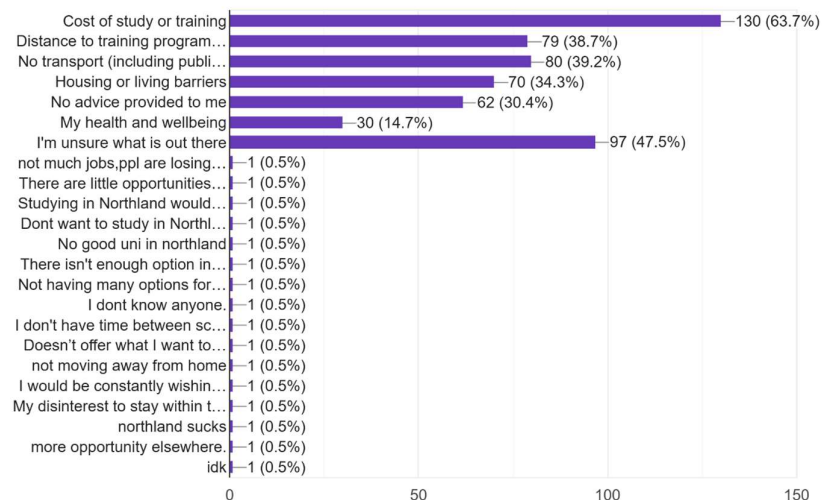
Again, if you were to choose NorthTec, how would you like to study?

176 responses



What are some of the things that will make it hard to study or train in Northland? Please tick your top 3

204 responses



Pastoral and social ecosystems in place now and how improvements might be made

1. Vision and Purpose

To create a holistic, inclusive, and culturally responsive pastoral care system that empowers learners to thrive academically, socially, and personally.

This vision supports NorthTec's broader commitment to learner success and community wellbeing.

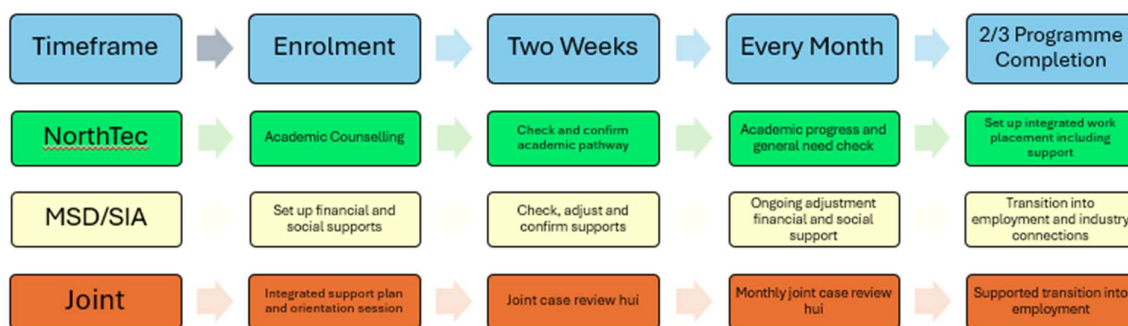
2. Strategic Pillars

(Aligned with the Education - Pastoral Care of Tertiary and International Learners - Code of Practice 2021)

Pillar	Description	Key Actions
Wellbeing & Safety System	Whole-of-provider approach to learner wellbeing	• Develop a strategic wellbeing plan • Appoint a Wellbeing Coordinator • Conduct regular wellbeing audits
Learner Voice	Uphold mana and autonomy of ākonga/learners	• Establish a Learner Advisory Group • Conduct regular feedback surveys • Co-design support services
Safe & Inclusive Environments	Foster physical and digital spaces that support learning	• Conduct accessibility audits • Provide cultural competency training • Implement digital safety protocols\
Health & Support Services	Support ākonga/learners physical and mental health	• Provide on-campus support • Establish peer support networks • Maintain emergency response plans

3. Integrated Support Journey

Stage	NorthTec Role	SIA/MSD Role	Joint Actions
Enrolment	Academic counselling	Set up financial and social supports	Develop integrated support plan and deliver orientation sessions
2 Weeks	Needs check, confirm enrolment	Ensure supports are engaged, review financials	Hols case review meeting
Monthly	Academic progress check	Ongoing review of support plan	Conduct monthly wraparound support review
2/3 Completion	Transition to work, work placement and/or higher learning pathway	Work readiness with Industry connection, transitions and support	Co-host career workshops and facilitate work experience opportunities until transition to employment
18mths post programme completion	Continued pathways into higher learner in employment	Review and continue financial and social supports	Engage with learner to ensure sustainable employment or learning pathway.



4. Recommendations for Improvement

- **Multi-agency approach:** NorthTec, Social Investment Agency (SIA) and MSD as key agency partners explore working together at strategic transition points.
- **Cultural Responsiveness:** Embed Te Ao Māori principles and actively involve Iwi and hapū partners.
- **Digital Tools:** Implement a student wellbeing app for check-ins and referrals.
- **Staff Training:** Provide ongoing professional development on whakawhanaungatanga, mental health, first aid and multi-agency collaboration.
- **Evaluation:** Conduct annual reviews with learner feedback and outcome tracking.

Several of these elements are already present at NorthTec to varying degrees and provide a strong foundation for further development.

Alternative Pathways towards financial viability - Pros and Cons, Risks

There are three pathway options NorthTec can choose to enhance its progress towards achieving financial viability:

1. Growing revenue
2. Reducing expenditure
3. Balancing revenue growth with expenditure reduction

Given NorthTec's purpose to enhance vocational education for the people of Te Tai Tokerau Northland, any approach that results in sustained reductions in learner numbers would not meet this goal.

Our analysis indicates significant opportunities to improve the cost-to-income ratio.

We recommend pursuing efficiency programmes that reduce costs while improving learner experience—leading to increased enrolments and stronger outcomes.

The sections below provide an outline of the challenges and opportunities around achieving these goals.

1. Growing Revenues

The existing sources and options around revenue streams are set out below:

1. Tertiary Education Commission (TEC) revenue is allocated annually to Tertiary Education Organisations (TEOs), based on an Investment Plan submitted to TEC and alignment with the Tertiary Education Strategy (TES) and investment priorities. This plan is reviewed with reference to academic and other performance measures. TEC has also indicated that new and existing funding will need to be proven to be for high quality programmes, and align with sector-specific higher education targeted priorities. TEC revenue is unlikely to increase in the next 12 to 24 months and may decline.
2. The revenue per EFTS³ varies depending on the program and its qualification level. It ranges between \$6,584 for a level 3 course to \$17,032 for a DQ 7+ degree level course, with the number and level of credits also relevant. Note that if EFTS exceed the TEC approved investment plan, it is likely that those EFTS will not be funded by TEC. In respect of growth, without an exception to TEC policy, the highest TEC revenue growth achievable for the next two years is likely to be 5% per annum.
3. Student Fees. The Annual Maximum Fee Movement (AMFM) policy sets limits on fees that tertiary education organisations (TEOs) can charge ākonga/learners. Its purpose is to promote affordable study for ākonga/learners while allowing TEOs some flexibility in setting fees. The 2025 AMFM was set at 6.0%, and applies to delivery at Levels 3-7 (non-degree) and Levels 7+ (degree). Fees must not be applied at Levels 1-2. Student fees may be paid by student loan, personally, through a scholarship or by an employer.

³ Equivalent Full Time Student (EFTS) noting that due to part time study the average is around 1.75 ākonga per EFTS.

4. Export Education/International Activities. NorthTec currently operates the following international provision:
 - a. International Direct. This provision is delivered in China by kaiako from New Zealand and covers level 5 / 6 Diploma courses in Horticulture, Tourism, and International Business. Current revenue is circa \$800,000. There is some academic and contractual risk, warranting assessment and review. Te Pūkenga legal will review contracts and provide a sound basis for future decisions.
 - b. International - Whangarei. NorthTec has between 40 and 60 international EFTS in Whangarei studying mainly Nursing and Engineering. Current revenue is around \$1.1m, which sits within the relevant Pathways as opposed to International.
 - c. International - Auckland campus. NorthTec has around 50 EFTS studying at the Queen Street rented campus, which is under review.
5. Research. Level 7+ degree level courses attract research funding grants (PBRF), totalling \$43,000 last year in revenue against probably five times that in expense. There is potential to grow this amount or do applied research work for employers who are working with NorthTec such as by offering scholarships. There is some significant research and industry infrastructure already present across Tai Tokerau, which could be explored and accessed.
6. Commercial Revenues. NorthTec has a substantial property portfolio (sitting under Te Pūkenga at present) which has some potential for growth. However, any growth is likely to be >100% offset by property change costs. However, as a first step, policy settings need to be developed that stipulate levels of discount from market rentals, which can be applied to various entity types.

2. Cutting costs

The key areas where expenditure could be reduced are as follows:

1. Utilisation of space
2. Internal productivity
3. Efficiency of operations
4. Closing of regional centres
5. Reduction in range of subjects offered
6. Reduction in non-educational support offered to students

These areas present opportunities for cost reduction. Feedback from kaimahi highlights the importance of clarity in operational priorities and objectives to also address perceived productivity concerns. Without this clarity, efforts to improve efficiency may be undermined by misalignment or morale issues.

In relation to regional centres, consolidation may be necessary, but must be balanced with the need and the 'how' to maintain access for ākonga across the region. Facilities should be fit-for-purpose and responsive to local delivery needs.

Reductions in subject offerings have led to diminished learner pathways over time. A strategic approach is needed to clarify which paused programmes may return, and to identify portfolio areas that can be rapidly reactivated to support EFTS recovery.

Regarding non-educational support - evidence from sector hui and internal feedback suggests that high-quality pastoral care is a cornerstone of effective teaching and ākonga/learner success.

Implementing these actions in isolation may impact NorthTec's core objective of increasing vocational education participation and vocational education learner numbers in Te Tai Tokerau Northland.

Financial and educational impacts are still being assessed, with restructuring efforts currently underway.

Details around the potential financial gains and educational impacts remain to be finalised as this document is being completed. There are many moving parts relating to the current restructuring work underway.

3. Taking a balanced approach

As noted in the introduction to this document, NorthTec faces a short-term financial viability problem and longer-term challenges such as assisting to reduce the NEET numbers in Te Tai Tokerau Northland.

We recognise that supporting potential ākonga/learners often requires addressing non-educational barriers alongside educational needs. Agencies such as MSD share this goal, and collaborative approaches with agencies and others, will be essential to improving outcomes and managing costs effectively. Collaboration with agencies such as MSD will improve outcomes and help manage costs.

A balanced approach also means aligning educational provision with the aspirations of local communities and the needs of regional employers. This includes developing capability that remains in the region—building a skilled, resilient workforce that adds long-term value to Te Tai Tokerau. By matching ākonga/learners with meaningful pathways into employment, and by working closely with Iwi, hapū, employers, and other stakeholders, NorthTec can help ensure that education leads to real opportunity, regional prosperity, and enduring community benefit.

The solutions outlined in this document look to take a balanced approach to achieving revenue growth, expenditure reduction and improved productivity. Realising this balance will depend on the urgency of transitioning to viability, the strategic timing of investment capital deployment, and the strength of NorthTec's ability to strengthen and/or build trusted partnerships with aligned external entities. This will shape the optimal path forward and determine NorthTec's capacity to execute at pace.

Productivity, Efficiency and Quality

The establishment of Te Pūkenga had as one of its goals the implementation of system-wide software and technology. Some progress has been made with this, but it is in its early stages with Workday Adaptive still bedding in. Later in 2025 there will be a change to the SMS, aimed at being complete before enrolment season. This has risk attached as there is at present no minimum viable product in place.

Procurement is a focus both for NorthTec and for the region. It is considered likely that substantial financial gain and risk reduction can be made by improving procurement processes and controls using technology on top of process redesign.

Beyond financial efficiency, well-designed procurement practices can also deliver social value by supporting local suppliers/employers, creating jobs, and aligning purchasing decisions with regional procurement goals.

Efficient Delivery

There appears to be minimal focus on allocation of teaching resources and monitoring the workloads of Academic Staff Members. The tools exist to enable improvement. At present the tools are used substantially for rostering, and not for management. Optimising these tools could improve staff workloads, learner experience, and overall productivity.

Portfolio Efficiency

Academic and curriculum development should be reviewed to ensure cohesive pathways, efficient curricula, elimination of duplication, and inclusion of embedded qualifications

Efficiency through Education Technology

- Finding the correct balance of synchronous, face-to-face asynchronous/online/hyflex provision for each programme, will be critical to meeting learner needs and improving delivery efficiency. AI as a tool to enable improved and more efficient online provision is advancing rapidly and also offers significant potential for scalable, personalised learning experiences e.g. NorthTec is already cutting-edge in its use of Tairongo, an AI Agent Kaiako and there is significant potential for scaling up of use of this technology across all delivery.
- Improved implementation of technology, streamlined processes, and AI can increase teaching staff productivity by reducing time spent on administrative tasks. Other system automation that exists outside of AI can also contribute to this, e.g. mobile apps for time accounting, attendance etc to make life easier for kaiako. Opportunity also exists to leverage AI for capability and systems training for both kaimahi and ākonga/learners. The ITP sector in New Zealand has been slow to adopt AI, but there is a clear opportunity to accelerate uptake and lead in this space.
- The use of AR/VR⁴ technology is also a priority in this rapidly evolving sector. Mobile units have potential and could provide better return on investment in this technology across a range of programmes and locations. Understanding how learning will occur, however, and that the focus needs to be on the value for learning, not the technology itself, is paramount. When implementing new technologies projects should include periodic follow up to resolve any barriers to use and gain meaningful and measurable feedback. The KEA (Knowledge, Education and Arts) Group of Whangarei have proposed setting up a “Sim Centre” aimed at healthcare, in the CBD, which may warrant further exploration. VR is rapidly evolving to replace the need to buy and operate expensive equipment such as diggers and trucks, and is gaining traction in technical fields like welding and healthcare.

⁴ Augmented/Virtual Reality

Leverage the Federation

- It is not yet confirmed that NorthTec will become part of the 'Federation' proposed by the Minister of Vocational Education but at this stage is considered the most likely option from which Northtec can grow to future autonomy. The Open Polytechnic of New Zealand (OPNZ) is the anchor organisation. Options for efficiency may include back-office support, Academic Board, online resources, programme partnerships, joint developments, split delivery and others. However, history tells us that a wary scepticism is warranted around any claims of substantial cost savings and the ability to make decisions to meet local needs.
- Develop partnership delivery, where OPNZ provides teaching and assessment and pays NorthTec for F2F pastoral care (e.g. Level 3 & 4 business and administration) - this model can generate additional revenue.
- Develop partnership delivery, where OPNZ provides core theory courses within a programme and NorthTec provides the practical and clinical courses (e.g. Social Work degree). - this approach reduces EFTS consumed against NorthTec's DQ7+ allocation and lowers delivery expenditure.
- Pathway ākonga/learners into OPNZ degree programmes, where viability is tenuous, and NorthTec can support OPNZ distance materials rather than provide the full programme staffing component (Diploma L6 and Degree in Environmental Science) - this reduces expenditure on staffing and maintain resilient learner pathways.
- Adopt iQualify LMS as an additional learner experience platform, particularly for new product development. This will align NorthTec with the Federation's anchor systems. It is noted that NorthTec's dual LMS model (Moodle + iQualify) has supported contextualised, flexible delivery, ability to stand up delivery at low cost, and provides offline digital access for ākonga.
- Develop International pathways where the first year of a degree programme can be delivered offshore through a partnership with OPNZ, and students can then pathway to NorthTec. This creates diversified revenue streams and global reach.
- Enter the Early Childhood Education domain, using OPNZ products, and seek additional funding to deliver in Tai Tokerau. This expands programme offerings, though investment decisions must be carefully assessed in a TEC 'flat' funding environment.
- Deliver OPNZ Level 1 and 2 Te Reo programmes using NorthTec staff to provide some F2F wānanga with Ngāpuhi dialect emphasis. This supports cultural relevance and regional engagement.
- Jointly engage in curriculum and resource development initiatives with other polytechnics to explore shifting some NorthTec theory courses to online products, where appropriate. This improves delivery efficiency and learner flexibility.
- Work initially with Te Hiku pilot programme while strengthening links with schools aimed at improving pipelines to employment via NorthTec. This supports regional workforce development and early engagement.

These recommendations align closely with NorthTec's strategic goals of improving financial viability, enhancing learner outcomes, and deepening regional relevance. By leveraging education technology and strategic partnerships, particularly through the Federation, NorthTec can streamline delivery, reduce costs, and expand access to high-quality, flexible learning. The proposed initiatives support a more agile, collaborative, and future-ready institution, while maintaining a strong commitment to community, cultural identity, and learner success across Te Tai Tokerau.

Organisational Culture

A revitalised culture should prioritise manaakitanga, collaboration, and accountability—anchored in NorthTec’s unique role within Te Tai Tokerau.

NorthTec has experienced significant disruption in recent years, particularly through structural changes associated with Te Pūkenga. The reformation of the CEO role into a co-leadership model across Rohe 1 reduced direct, place-based leadership visibility. This shift contributed to a sense of disconnection among staff and stakeholders, with unintended consequences including:

- Diminished morale and trust, as staff felt distanced from decision-makers and uncertain about the future direction of the organisation
- Unclear lines of accountability, leading to confusion around roles, responsibilities, and strategic priorities
- Weakened regional identity, as NorthTec’s distinctiveness within Te Tai Tokerau was diluted by centralised decision-making and generic national messaging
- Reduced agility and responsiveness, with delays in operational decisions impacting ākonga/learners, employers, and community partners

The disestablishment of Te Pūkenga presents a pivotal opportunity to rebuild a strong, values-driven organisational culture—one that is inclusive, transparent, and responsive to the needs of ākonga, Kaiako, Iwi and hapū, and the wider Te Tai Tokerau Northland community.

Our mission is to create an environment where ākonga can achieve meaningful learning outcomes in ways that are effective, efficient, and mana-enhancing—leading to sustainable employment and long-term value for the region.

A revitalised culture must be shaped not only by visible leadership but by shared purpose, empowered decision-making, and meaningful engagement across all levels of the institution. This includes:

- Leadership visibility and accessibility: The CEO and senior leaders must be present and engaged on the ground—with ākonga, Kaiako, Iwi and hapū, employers, community groups and agencies
- Place-based decision-making: Strategic and operational decisions that affect NorthTec should be made locally, informed by regional priorities and lived experience
- Cultural integrity and manaakitanga: Embedding values such as respect, care, and unity into everyday practice, with a commitment to Te Ao Māori and the aspirations of tangata whenua
- Collaborative practice: Encouraging cross-functional teamwork, open dialogue, and co-design with partners and stakeholders to ensure that strategy is grounded in reality
- Accountability and transparency: Clear roles, honest communication, and a culture of follow-through that builds confidence and credibility

NorthTec’s organisational culture must reflect its unique role within Te Tai Tokerau—not just as a provider of education, but as a catalyst for regional transformation. This is not simply a leadership challenge—it is a collective opportunity to reimagine how we work, relate, and lead together.

Recommendations

1. Clarify and communicate the organisation's operating model and design to unify staff around a shared mission and strategic direction
2. Define and delegate decision-making authority across management roles to foster ownership, agility, and local responsiveness.
3. Implement a shift towards outcome- focused KPI's (including margin) for all managers and budget holders, to reinforce accountability and performance.
4. Clarify roles and responsibilities and set clear expectations including working hours and productivity standards, and professional conduct, to support consistency and fairness.
5. Implement a robust performance management framework that celebrates success and addresses challenges constructively and promptly.
6. Work with Tertiary Institutes Allied Staff Association (TIASA) and Tertiary Education Union (TEU) to achieve provisions that are more flexible and sustainable, and that enable competitiveness with other Te Tai Tokerau Northland providers. This is critical if viability is to be achieved through productivity and quality.
7. Evaluate the viability of creating improved management and administrative work spaces, including open-plan configurations that support collaboration, communication and operational visibility.
8. Establish a regional leadership function in Whangarei, with clear responsibility for ensuring that NorthTec is aware of, and as far as possible, is meeting learning needs across the region.
9. Establish a function aimed at working initially with Te Hiku Iwi Development Trust, Kaitaia College and other schools, employers and MSD to take responsibility for enhancing education in the region by finding synergies with other VET entities, as well as Iwi, hapū, schools, kura, agencies and employers such that a holistic place-based approach is taken to tertiary provision that works for ākonga, employers and communities, including;
 - a. identify and prioritise regional learning needs through collaborative consultation
 - b. grow student enrolments through targeted outreach and community partnerships
 - c. design flexible learning models that integrate asynchronous, synchronous, online, and face-to-face modalities
 - d. support ākonga/learners non-academic needs (e.g. transport, wellbeing, digital access) to improve retention and success
 - e. utilise and/or develop welcoming, multi-purpose educational hubs that reflect a sense of community

Operating Model



Operating Model

Executive Summary

This section outlines an operating model for NorthTec, reflecting its transition to an independent regional polytechnic following its exit from Te Pūkenga. The model reaffirms NorthTec's commitment to serving the unique needs of Te Tai Tokerau, with a focus on:

- Strengthening local operational decision-making in Te Tai Tokerau Northland
- Aligning education delivery with workforce needs and community aspirations
- Reducing the number of young people not in education, employment or training (NEET)
- Reinvigorating international activities to provide financial benefits

Key shifts include rebuilding internal capability post-Te Pūkenga, re-establishing regional governance, enhancing digital infrastructure, and deepening engagement with schools, Iwi, hapū, employers, and youth.

Strategic Objectives

1. Reduce NEET rates in Te Tai Tokerau

- Deliver accessible, flexible programmes that engage youth experiencing hardship
- Build employment-focused pathways from foundation to higher-level study
- Partner with Iwi, hapū, schools, MSD, contracted work ready youth organisations and employers to create wraparound support

2. Restore Regional Autonomy and Agility

- Rebuild governance and leadership structures - that reflect the needs and identity of an independent regional institution
- Ensure operational decisions reflect local realities and priorities for the Far North, Mid-North, Kaipara (Dargaville and Mangawhai) and Whangārei

3. Support Equitable Learner Success

- Improve accessibility, participation, retention and achievement for Māori, Pasifika, disabled and other and under-served ākonga/learners
- Create inclusive, culturally grounded and accessibility-aware support systems
- Enable regional workforce development and work closely with those who enable job creation
- Align programme delivery with regional employer needs
- Design micro-credentials and apprenticeship pathways aligned with genuine employment outcomes
- Explore niche opportunities that may attract external funding through partnerships

4. Modernise Infrastructure and Delivery

- Invest in blended learning tools, delivery and outreach capabilities
- Maintain a presence across campuses while expanding digital access for remote ākonga/learners
- Invest in technology to maximise delivery and teaching productivity
- Invest in technical infrastructure (outside of the learning delivery) such as enrolment systems, website, resulting etc.
- Enhance the quality of learning hubs to support community engagement and learner success across the wider region

Proposed Operating Model - Discussion Points

NorthTec's revised model focuses on learner-centred regional delivery, supported by locally-led services and strong relationships with Iwi, hapū, employers, schools and contracted work-ready youth organisations. This structure ensures that young people have multiple, supported pathways to re-enter learning or transition into employment⁵.

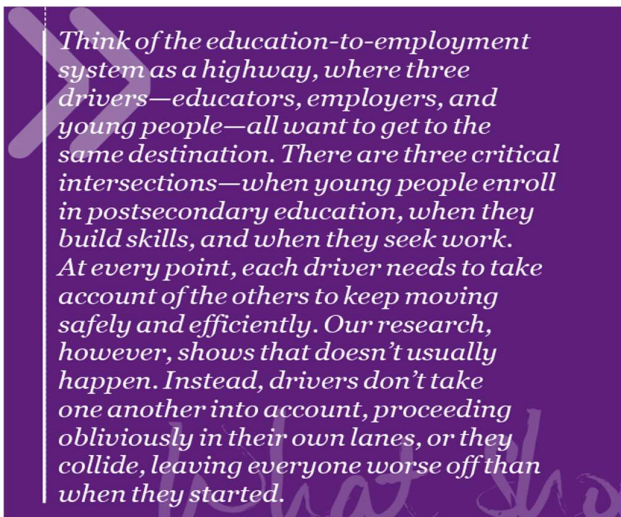
In the course of reviewing operating models, a relevant McKinsey report⁶ lent weight to the concept of a “roundabout” model, replacing siloed approaches with integrated, collaborative systems. The current model sees entities all drive along in their own lanes, oblivious of each other. Some relevant sections are pasted below. Although the report focuses on OECD contexts, its insights are broadly applicable to New Zealand and may in part inform a pilot programme in Te Hiku. It is worth replicating a handful of the key messages, which resonate with the New Zealand experience. It is considered worthwhile to present this for discussion, especially to Iwi, hapū, and employers.

4 Innovative and effective programs around the world have important elements in common.

Two features stand out among all the successful programs we reviewed. First, education providers and employers actively step into one another's worlds. Employers might help to design curricula and offer their employees as faculty, for example, while education providers may have students spend half their time on a job site and secure them hiring guarantees.

Second, in the best programs, employers and education providers work with their students early and intensely. Instead of three distinct intersections occurring in a linear sequence (enrollment leads to skills, which lead to a job), the education-to-employment journey is treated as a continuum in which employers commit to hire youth before they are enrolled in a program to build their skills.

The problem, then, is not that success is impossible or unknowable—it is that it is scattered and small scale compared with the need.



Think of the education-to-employment system as a highway, where three drivers—educators, employers, and young people—all want to get to the same destination. There are three critical intersections—when young people enroll in postsecondary education, when they build skills, and when they seek work. At every point, each driver needs to take account of the others to keep moving safely and efficiently. Our research, however, shows that doesn't usually happen. Instead, drivers don't take one another into account, proceeding obliviously in their own lanes, or they collide, leaving everyone worse off than when they started.

⁵ This approach aligns with the TEC Focus Area Brief: Te Tai Tokerau

⁶ McKinsey & Company. Education to Employment, Designing a System that Works

Academic Delivery

- Programmes aligned to regional demand and entry-level opportunities for NEET youth
- Flexible, modular and stackable offerings (short courses, bridging programmes)
- Targeted wraparound support for ākonga/learners facing multiple barriers
- Campus-based learning integrated with mobile and online options
- Digital platforms for learning management, learner support and career development
- Reinvestment in physical spaces to create youth-friendly and community-accessible environments

Learner and Community Engagement

- Youth outreach teams in partnership with MSD Youth Teams, contracted Work Ready community providers, schools, and Iwi and hapū organisations
- Dedicated “reconnect” pathways for NEETs (e.g. try-a-trade, life skills, micro-credentials)
- Strong focus on pastoral care, mentoring, and community-based delivery

Corporate and Operational Services

- Rebuild core functions locally: Finance, Human Resources, IT, Marketing, Enrolments
- Implement scheduled management meetings with set agendas and consistent management reporting of KPI's by budget holder
- Invest in learner management systems and digital tools to improve access, retention and data-informed decision-making

Industry and Employer Engagement

- Regional employer partnerships to design work-based pathways
- Pre-employment and internship programmes for NEET participants
- Ongoing labour market alignment to ensure relevance and sustainability of career pathways

Te Tai Tokerau Northland is a diverse region with one main city and several smaller town/population centres that face challenges of being physically distant and frequently having different economic drivers and employment opportunities. The operating model must therefore address the ‘iron triangle’ challenges of scale, quality and cost, while remaining responsive to local needs.

In many parts of the region participation in tertiary education in any form is not common and role models can be scarce. Many potential ākonga/learners see significant barriers in front of them and therefore need a higher level of support and pastoral care, across many fronts, than their counterparts in other parts of the country.

Given this environment we propose to establish a network of campuses and ensure that there is strong local involvement in everything NorthTec does across the region. The Operating Model outlined below reflects those principles.

- In practice this means that we propose: A move from the organisation being “supply-side” to being “demand-side” led.
- A realignment of roles and teams to support learner re-engagement and local delivery.
- Taking flexible and innovative approaches to business development functions, including collaborations.
- A culture of being demand-driven and accountable at all levels to agreed KPI's.
- Cross-campus coordination of programme quality and delivery innovation.
- Recognition that each campus would have unique requirements and varying levels of local support

NorthTec's proposed operating model is designed to restore regional autonomy, improve learner outcomes, and respond to the distinct needs of Te Tai Tokerau. By shifting to a demand-led approach, strengthening local governance, and investing in flexible delivery and infrastructure, NorthTec can build a resilient, community-embedded institution. This model supports strategic goals of reducing NEET rates, aligning education with workforce needs, and fostering equitable success across the region.

Operating Model Implications for Organisational Design

NorthTec's future model must prioritise driving demand-led programmes, courses and microcredentials, that meet both viability and quality criteria, across Te Tai Tokerau. Building on this foundation, NorthTec's organisational structure should enable learner-centred regional delivery, supported by locally-led services and enduring partnerships with Iwi, hapū, employers, schools and contracted community organisations.

Any future organisational structure should ensure that students have multiple, supported pathways to enter, or re-enter education or transition to meaningful employment.

We propose five core areas of focus and accountability for NorthTec as follows:

1. Ako Delivery - *"How we teach and assess - effectively and sustainably"*

This function would focus on:

- Day-to-day teaching and facilitation (multiple modalities)
- Conducting assessment and moderation
- Timetabling and course planning
- Classroom and online delivery
- Co-ordination of tutors, facilitators, and learning support/library
- Kaiako/facilitator capability inclusion and community of practice
- Student success initiatives
- Ensuring viable cohorts for sustainable delivery

2. Quality and Development - *"What we teach and is it fit for purpose?"*

This function would focus on:

- Identifying the needs of ākonga/learners and local employers for each campus
- Programme design, review and continuous improvement
- NZQA and TEC compliance and reporting
- Quality management, evaluation and review processes
- Monitoring of assessment and moderation standards
- Data tracking, outcome analysis and performance insights
- Development of the Investment Plan and Mix of Provision
- Enrolment processes, reporting and single data returns
- Support for digital learning design and innovation

** partner agencies are expected to be involved in these areas*

3. Engagement and Partnerships - *“Are students identified, informed, engaged and successful?”*

This function would focus on:

- Regional stakeholder and partner engagement *
- Domestic and international marketing, recruitment and brand positioning
- Potential learner identification*
- Application and enrolment support*
- Learner pastoral support*
- Oversight of learner success
- Negotiating and managing relationships within Federation grouping
- Monitoring key performance metrics - measuring organisational impact across ākonga/ learners, employers, schools, communities

4. Corporate Services - *“Are corporate services well planned, budgeted, aligned and implemented?”*

Consider how the Corporate Services functions could improve efficiency by working together more closely. This reflects the shared nature of the work across these functions, which is often process-driven, compliance and policy-oriented and administratively similar. The teams all rely on data integrity, security and reporting processes.

This could better support:

- integrated planning and strategic alignment
- aligning of budgets
- workforce planning and capability development
- infrastructure and equipment management
- financial systems and controls
- information technology system selection, procurement, implementation and integration
- standardisation of key external agreements
- establishment and reporting of key performance metrics

5. Te Tūāpapa Māori - *“Is NorthTec responsive to Te Tiriti?”*

NorthTec must remain deeply committed to meeting the aspirations of Māori ākonga, their whānau, hapū, and Iwi—anchored by a focus on equity in educational outcomes.

This function would focus on:

- Upholding and embedding Te Tiriti principles
- Advancing Māori learner success and wellbeing
- Championing Mātauranga Māori and Te Reo Māori
- Fostering strong Iwi, Hapū, and Māori community partnerships
- Building Māori leadership and organisational capability
- Embedding and upholding Te Āo Māori within vocational education practice

Financial Projections

Piki Teitei has not included detailed financial analysis for 2026 and out-years, because our timeframe did not align with the Te Pūkenga timeframes for budget and forecast submissions, and the NorthTec Leadership Team were focused on the cost-out transformation processes, and had little availability to support our analyses. There is an understanding that the pathway to financial viability is well underway.

Appendices



Appendix One - Problem definition and discussion.

Operating Model Redesign

Purpose

Define the potential key operating-model changes including resources, decision-making, and organisational design required for NorthTec to function effectively and sustainably.

A. Learner Under-Recruitment

Issues:

- Low local visibility and unclear programme relevance
- Programme discontinuity, lack of vocational confidence among potential ākonga/learners
- Barriers: transport, accommodation, cost
- Pathway Managers and Ākonga Success role overextended—divided focus, inconsistent local engagement
- Shrinking EFTS by ~3% annually
- Limited employer awareness and advocacy of programme pathways

Solutions:

1. Strengthen engagement with schools, Iwi and hapū and employers to pre-identify ākonga/learners, co-design Level 4+ content, and secure placement pathways.
 2. Create Local Area Leadership Roles across Te Tai Tokerau Northland, tasked with relationship building, regional programme design, and learner recruitment.
-

B. Unmet Non-Educational Needs

Issues:

- Learner welfare needs (e.g. finance, mental health, housing) lacking integrated support.

Solutions:

1. Local leader oversees proactive identification/support of non-educational needs.
2. Partner with MSD and Work-Ready Providers to smooth student-allowance transitions.
3. Hire dedicated learner-support facilitators where warranted.

C. Unsustainable Subject Mix in Remote Locations

Issues:

- Small cohorts increase cost-per-learner; fixed delivery impractical.

Solutions:

1. Adopt blended delivery: online content, Hyflex classrooms, local facilitators.
2. Establish small, curated subject portfolios by 2025, with marketing push
3. Partner with aligned providers to share teaching costs and expertise.

D. Poor Regional Programme Alignment

Issues:

- Rohe such as Te Hiku and Kaipara lack input into programme decisions; Level 5+ courses unavailable.

Solutions:

1. Empower the Local Area Leader to co-design regional curriculum with stakeholders.
2. Use Advisory Groups to validate and steer programme offerings.
3. Find synergies between existing agencies, employers and providers who are already engaged in this mahi but in a fractured and ineffective way.

E. Inadequate Facilities

Issues:

- Facilities and equipment in communities across the region are substandard and underutilized. Linked to the cost and difficulty of travel to and from sites.

Solutions:

1. Develop Learning Hubs in communities where demand exists potentially under shared-use leases:
 - a. Raumanga: Migrate some operations to Dyer Street; consolidate buildings;
 - b. Kaitaia: Create a multipurpose education hub.
 - c. Kerikeri/Kaikohē: Options include; Refurbish Kerikeri site; consolidate management; co-specialise with Kerikeri; grow or rationalise Ngawha.
2. Create mobile "subject centres" for specialised equipment usage.

F. Low Enrolment Completion Rates

Issues:

- Slow enrolment processing and weak early-stage support.

Solutions:

1. Streamline enrolment to a few days using AI-aided systems (with partner ITPs and StudyLink).
2. Trigger wrap-around support immediately post-admission - including engaging with no-shows.

G. High Academic Staffing Costs

Issues:

- Rigid leave structures, uneven workload visibility leading to high staff costs.

Solutions:

1. Re-evaluate roles for appropriate award levels.
2. Implement productivity metrics.
3. Introduce workload/roster management tools.
4. Shift content delivery online, supported by lower-cost facilitators.
5. Engage with Unions around CEA provisions, work together to prioritise the ākonga/learners more efficiently

H. Learner Financial Barriers

Issues:

- Ākonga/learners face cost barriers (fees, materials, transport, childcare).

Solutions:

1. Secure scholarships via employers, lwi and hapū and philanthropic groups.
2. Provide study-navigation supports for allowances, loans, and family care.
3. Improve the connections between school, tertiary study and valued employment.

I. Low Awareness of Vocational Pathways

Issues:

- Many ākonga/learners lack knowledge of vocational opportunities and champions.

Solutions:

1. Incorporate community outreach into Local Area Leader roles.
2. Recruit regional vocational champions and coordinate with schools, MSD, and Work Ready providers. Consolidate and improve existing resources in schools and kura. Additional focus on ākonga/learners who are interested in tertiary, but for whom the barriers are perceived as too high.

J. Early Learner Identification

Issues:

- Insufficient early targeting and engagement of prospective ākonga/learners.

Solutions:

1. Local Area Leaders proactively identify early-stage ākonga/learners through schools, lwi and hapū, providers, and employers.
2. Work closely in partnership with organisations like Te Hiku where these exist
3. Do not “re-invent the wheel”.

K. Weak Local Governance and Office Engagement

Issues:

- Whangarei Main Campus can be insufficiently responsive to regional needs; local input is minimal.

Solutions:

1. Establish Community Advisory Groups (comprising Iwi and hapū, schools, employers, MSD, providers) meeting frequently with the Local Area Leader and at least twice a year with NorthTec CE/Board.
2. Give Local Leaders a dotted-line relationship to this Board and direct line to central leadership.

L. Financial Unsustainability and Skill Gaps

Issues:

- NorthTec has reported only one surplus in 18 years; management skillsets need updating for current VET context.

Solutions:

1. Consider alignment of leadership team skills with key drivers of viability.
2. Redesign organisational structure for clearer accountability.
3. Invest in leadership development aligned with the operating model.

M. Te Tiriti o Waitangi Obligations and Priority Ākonga/learners

Issues:

- Flatlined outcomes for priority ākonga/learners; lack of Level 5+ provision in remote areas.

Solutions:

1. Deepen Iwi and hapū partnerships in curriculum, support and delivery.
2. Expand vocational offerings regionally at higher levels (5+)
3. Ensure non-educational challenges voiced by ākonga/learners are being successfully addressed
4. Better align offerings with Iwi and hapū, business growth priorities

N. Organisational Culture and Productivity

Issues:

- Opportunity to strengthen workplace culture and optimise space - underutilised office space, variable work patterns, low enrolment conversion.

Solutions:

1. Introduce performance-focused policies for in-office productivity and hybrid-work accountability.
2. Launch a culture reset using behaviour metrics, supported by Advisory Group/s and local leadership.
3. Set aspirational but achievable goals with accountability.
4. Begin cultural reset programme with clear performance and productivity metrics.

O. International Education

Issues:

- NorthTec has no clear strategy for international education. With limited opportunities to expand revenue generation, export education represents a promising opportunity to achieve diversified revenues.

Solutions:

1. Develop an International Strategy for off-shore and on-shore.
2. Define and acquire relevant programmes that should be delivered off-shore and on-shore.
3. Develop international delivery partnerships.

Summary: Organisational Design Changes – future considerations as NorthTec’s viability is achieved

(Note: It is not yet clear how the proposed Federation model will function in practice)

1. New Roles

- Local Area Leaders (one per region incl. Whangarei) managing stakeholder engagement, identification of local curriculum requirements, identification of potential ākonga/learners and their requirements, facilities, enrolment, and learner wellbeing/non-educational support.
- We note that in most regions non-educational support will be provided by our partner organisations who will potentially also be available to support other educational providers as well.
- Learner-support facilitators and administrative enrolment support.

2. Governance Structures

- Community Advisory Groups bi-annually feeding into CE/Board.
- Local Leaders dotted-line reporting to Advisory Group/s.

3. Delivery System

- Shift to hybrid delivery (online + local facilitation + specialist hubs).
- Facilities strategy with hub leases and mobile subject centres.

4. Systems & Processes

- AI-supported, rapid enrolment systems.
- Workload management and KPI tools for academic staff.

5. Resourcing & Skillsets

- Scholarships and external funding for ākonga/learners.
- Leadership development and external recruitment to strengthen commercial and change competency.

Next Steps

- Finalise Local Leader job description and authority scope.
- Launch Advisory Groups (member selection, Terms of Reference).
- Pilot hybrid delivery and facility hubs in selected regions.
- Deploy enrolment system enhancements.
- Begin cultural reset programme with clear productivity metrics.

Appendix Two: Definition of a region

A NorthTec region is defined as an area of Te Tai Tokerau Northland where there already exists a sizeable population and where there's a recognised commercial and social centre. In each of these regions it's entirely possible that educational needs may differ as will the ability of the local community to provide various types of support. Work should also be done to ensure that any region aligns as far as is practical with hapū or Iwi Rohe.

It is proposed that, over time NorthTec has a focus on multiple regional communities. Given the existence of Te Hiku Joint Work Initiative already it is suggested that this be the first Rohe to start operating as a pilot under the new model and that this be progressed in 2026.



Appendix Three: Background

Sector and NorthTec commentary

1. The Vocational Education sector has been working to ensure it is relevant and appropriately structured to adapt its environment since at least the arrival of the Education Act 1989⁷. This work has been in the form of various reviews and restructures, with examples being the 2020 RoVE reforms, and Te Pūkenga subsequent establishment and disestablishment. Funding caps were added and removed for ITP's, work based learning (WBL) funding structures changed, and the Performance Based Research Fund (PBRF, 2003) had the effect of concentrating the bulk of contestable research away from ITP's to Universities⁸. The net result, especially in recent years, has been a rapidly evolving ecosystem in which structures and funding priorities ebbed and flowed in an effort to find the right balance between Universities, Polytechnics (ITPs), Private (PTE's) and Industry Training Organisations (ITO's). Included was change to Work Based Learning (WBL) provision, and funding arrangements between the Tertiary Education Commission (TEC), and the Ministry of Social Development (MSD).
2. At the time of writing, the Education and Training (Vocational Education and Training System) Amendment Bill⁹ has just had its first reading. Reflecting policy to reverse the 2020 creation of Te Pūkenga, the Bill sets out the future structure of ITP's. Some will be standalone, some will be federated, and some risk closure, sale or merger.
3. NorthTec started in 1978 as the Northland Community College, with ten tutors. By 1987 it was Northland Polytechnic and in 2006 became NorthTec.¹⁰ NorthTec is currently a division of Te Pūkenga, noting that will change as Te Pūkenga is disestablished by the end of 2027.
4. The table below charts the change in NorthTec's ākonga/learner numbers, and offers a broad explanation of the most significant changes. Key step changes were the drop in international students in 2020 due to Covid, and shifts in 2021-22 arising from funding rule changes for WBL. The general trend is an average drop of 181 EFTS per annum over this period (excludes e-campus).

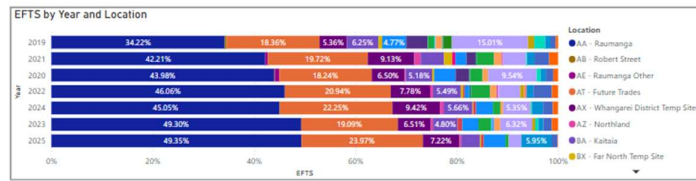
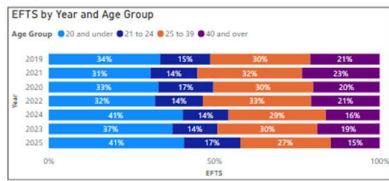


⁷ <https://www.treasury.govt.nz/sites/default/files/2024-05/pc-rp-history-of-tertiary-education-reforms.pdf>

⁸ <https://www.tec.govt.nz/assets/Publications-and-others/4a3e011554/A-brief-history-of-Institutes-of-Technology-and-Polytechnics.pdf>

⁹ <https://www.legislation.govt.nz/bill/government/2025/0150/latest/versions.aspx>

¹⁰ <https://www.northtec.ac.nz/about>



The additional chart below is the same data but for International students, noting Raumanga delivery (International) is generally for nursing. Nursing is not likely to be a source of growth in International students in the medium term.

Year

☒ 2019
 ☒ 2020
 ☒ 2021
 ☒ 2022
 ☒ 2023
 ☒ 2024
 ☒ 2025

Maori

☐ No
 ☐ Yes

Pasifika

☐ No
 ☐ Yes

NZ European

☐ No
 ☐ Yes

Level

All

Subcontracted

No

Funding Source

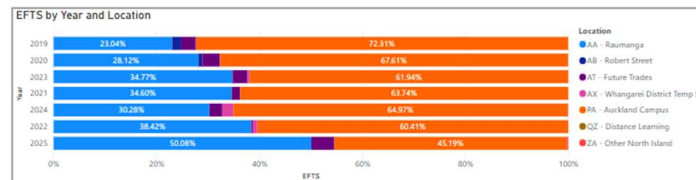
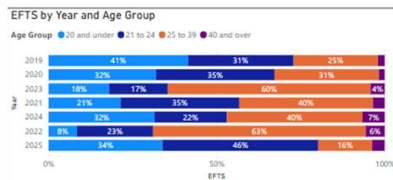
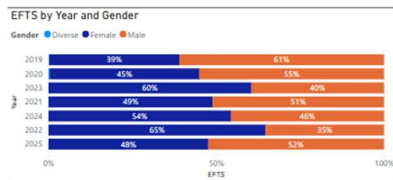
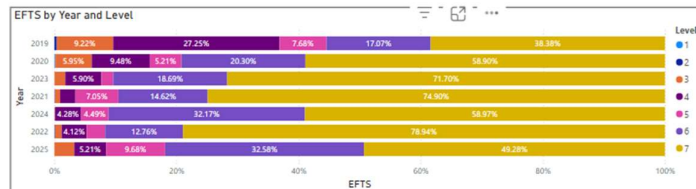
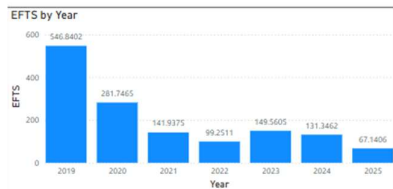
☒ 01 Delivery at NZQF
 ☒ 02 ITP Students
 ☐ 03 Domestic Full Fee
 ☐ 05 STAR funded stud
 ☐ 11 Off Job Training D
 ☐ 12 Other (including o
 ☐ 22 Youth Guarantee
 ☐ 23 ACE (Adult and C
 ☐ 24 Trade Apprentices

Location

☒ Select all
 ☒ AA - Raumanga
 ☒ AB - Robert Street
 ☒ AC - Future Trades
 ☒ AD - Whangarei Distr
 ☒ AE - Auckland Campus
 ☒ AF - Distance Learning
 ☒ AG - Other North Isla

Qualification

☒ Select all
 ☒ ACE Hospitality
 ☒ Bachelor of Applied Arts
 ☒ Bachelor of Applied Information Systems
 ☒ Bachelor of Applied Management
 ☒ Bachelor of Applied Social Work
 ☒ Bachelor of Nursing
 ☒ Barista Skills (Espresso Coffee Preparatio
 ☒ Foundation of Studies



- This chart illustrates the trend for overall tertiary provision in Tai Tokerau. NorthTec enrolls over one third of the approximately 4,300 non-WBL tertiary EFTS in Tai Tokerau.
- In 2026, TEC funding is going to be no more than for 2025 and could be \$1m less. This will see total revenue around \$22m which is around a third less than in recent years.
- Funding of EFTS. For ITP's (excludes WBL) there are two key revenue components, TEC funding, which depends on the course level and some other variables, and student fees. TEC funding sits between \$4,000 and \$18,000 per EFTS and student fees - usually funded by student loans - are usually between \$4,000 and \$8000 per EFTS. International students don't generate TEC funding but contribute fees of around \$25,000 per EFTS. Note that an EFTS averages around 1.7 students, reflecting the fact that many ākonga don't study full time.

8. In 2024, NorthTec's revenue was \$15,104/EFTS and expenses were \$19,213/EFTS, a deficit of \$4,109/EFTS¹¹.
9. TEC funding policy varies over time, but for the next two years, their guidance is that very little flexibility is available, and funding is prioritised towards four key areas; STEM, Health, Food and Fibre, and Construction/Infrastructure. The process is that each institution applies for investment from TEC to a budget, based mainly on prior years. This is then approved or amended for delivery, in advance of enrolments being accepted. If delivery is under budget, TEC will claw back that funding. If it is up to 102% over, that funding is retained, between 102% and 105% is a matter for negotiation, and >105%, is unfunded.
10. The table below illustrates KPI's for NorthTec relative to Te Pūkenga - normalised to allow comparison. Indicators for which NorthTec is close to the Te Pūkenga average have not been included. This is for the most recent ten year period available. In the 2024 and 2025 year to date, NorthTec's financial and EPI performance are understood to have generally worsened against the Te Pūkenga average.%

Table of KPI's sourced from ETIO benchmarking data 2024.

Aspect, normalised to Te Pūkenga	Entity	2014	2023	change %
EFTS	Te Pūkenga	80123	57904	-28%
EFTS	NorthTec	2756	1728	-37%
Core EBITDA Te Pūkenga (\$m)	Te Pūkenga	74	-91	-223%
EBITDA Te Pūkenga (%)	Te Pūkenga	8.7	-11.8	-20.5%
EBITDA NorthTec (%)	NorthTec	4.5	-30.8	-35.3%
Teaching admin cost (\$m)	NorthTec	16.9	15.6	-8%
Teaching admin cost (\$m)	Te Pūkenga	16.3	14.5	-11%
Corporate Admin cost (\$m)	NorthTec	7.1	6.4	-10%
Corporate Admin cost (\$m)	Te Pūkenga	7.3	5.2	-29%
Support Costs (\$m)	NorthTec	4.7	4.1	-13%
Support Costs (\$m)	Te Pūkenga	4.5	4.5	0%
Facilities costs (\$m)	NorthTec	3.4	4	18%
Facilities costs (\$m)	Te Pūkenga	3.4	3.2	-6%
Core staff FTE	NorthTec	340	238	-30%
Core staff FTE	Te Pūkenga	309	230	-26%
Cost of delivery (per \$1000 core revenue)	NorthTec	500	678	36%
Cost of delivery (per \$1000 core revenue)	Te Pūkenga	490	631	29%
Teaching productivity	NorthTec	172	182	6%
Teaching productivity	Te Pūkenga	207	186	-10%
Course completion	NorthTec	79	81	3%

¹¹ Calibre Phase 2b Report

Aspect, normalised to Te Pūkenga	Entity	2014	2023	change %
Course completion	Te Pūkenga	80	79	-1%
Qualification completion	NorthTec	67	67	0%
Qualification completion	Te Pūkenga	55	56	2%
Central administration costs % of revenue	NorthTec	8.7	15.7	7%
Central administration costs % of revenue	Te Pūkenga	4.5	11.5	7%

