

Interim thresholds for capital projects of Te Pūkenga—New Zealand Institute of Skills and Technology (Te Pūkenga) or a Te Pūkenga—New Zealand Institute of Skills and Technology subsidiary (Te Pūkenga subsidiary)ⁱ

1. Budgeted capital expenditure:

A capital expenditure commitment or transaction, or related series of transactions, is deemed to be within the Secretary's approved limits of cost and risk where:

By entering into the relevant commitment or transaction, Te Pūkenga or a Te Pūkenga subsidiary will not exceed its Budgeted Capital Expenditure.

Where **Budgeted Capital Expenditure** means capital expenditure provided for in the annual budget for 2021 that was approved by the Council of Te Pūkenga.

2. Un-budgeted capital expenditure:

A capital expenditure commitment or transaction, or related series of transactions, is deemed to be within the Secretary's approved limits of cost and risk where:

By entering into the relevant commitment or transaction, the Te Pūkenga Entity will exceed its Budgeted Capital Expenditure;

AND

The value of the commitment or transaction, or related series of transactions, is less than \$1 million.

AND

The aggregate value of the Unbudgeted Expenditure in relation to such commitments or transactions across the Te Pūkenga Entity in respect of 2021 does not exceed \$5 million.

Where **Te Pūkenga Entity** means the Te Pūkenga subsidiary undertaking the capital expenditure, or Te Pūkenga (the unconsolidated parent entity) if it is undertaking the capital expenditure.

Where the **Un-budgeted Expenditure** means capital expenditure that is not provided for in the annual budget for 2021 that was approved by the Council of Te Pūkenga.

3. Any other capital expenditure:

Any capital expenditure or commitment, or related series of transactions, not falling within the above 1) and 2) requires the Secretary's consent, unless:

Such consent has already provided in writing, OR the relevant commitment or expenditure has been approved by the Secretary as part of an approved capital plan.

ⁱ These interim thresholds have been set by the Secretary for Education under section 327(2) of the Education Act 2020, for the purposes of section 327(1)(a).