



Ref: OI/19/01360

Level 9, 44 The Terrace

PO Box 27048

Wellington, New Zealand 6141

P +64 4 462 5200

www.tec.govt.nz

3 December 2019

s9(2)(a)

Tēnā koe s9(2)

Thank you for your letter of 5 November 2019, which included a request for the following information under the Official Information Act 1982 (the Act):

- *We note that in the response to previous OIA requests published on your website, two documents refer to an Act of Parliament (Act) in 1919 under which the Training Centre (formerly known as the Wairarapa Cadet Training Farm) was established... Can you please provide the full name of the 1919 Act?*
- *Can you please provide the following information:*
  - (a) for the purposes of Education Act 1989 (EA 1989), the status (for example, polytechnic, existing institution, specialist college) of the Training Centre:*
    - (i) immediately prior to its liquidation; and*
    - (ii) immediately prior to royal assent being received in relation to the Education Amendment Act 1990; and*
  - (b) for the purposes of Education Act 1964 (EA 1964), the status of the Training Centre:*
    - (i) prior to the commencement of EA 1964; and*
    - (ii) during the time from the commencement of EA 1964 until the commencement of EA 1989.*
- *Can you also please provide any information you have received from the liquidators appointed in relation to the Taratahi Agricultural Training Centre (Wairarapa) Trust Board in relation to potential options for resuming operation of an educational facility at the Training Centre.*

#### Establishment and status of Taratahi Agricultural Training Centre (Taratahi)

The reference to Taratahi being established by way of a 1919 Act of Parliament was incorrect. The only relevant Act the TEC is aware of is the Taratahi Agricultural Training Centre (Wairarapa) Act 1969.

Taratahi was classified as a private training establishment immediately prior to its liquidation. The TEC does not hold records about its prior status under the Education Act. This part of your request is refused under s18(e), as it does not exist or despite reasonable effort cannot be found.



Liquidator information on potential options for resuming operations

One document and an email are within scope of this part of your request. I am releasing to you the document *Request for Proposal for the Utilisation of the Taratahi Training Centre* along with an email which provides some context to this document.

I am withholding some information from the released email, under section 9(2)(a) of the Act.

I am satisfied, in terms of section 9(1) of the Act, that the need to withhold the information referred to above is not outweighed by other considerations that render it desirable, in the public interest, to make the information available.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or freephone 0800 802 602.

The TEC intends to publish its response to this request on our website with your personal details removed. Consistent with the Act, we are publishing responses in the interests of transparency and accountability, and to improve access to official information.

Nāku noa, nā



Tim Fowler  
Chief Executive  
Tertiary Education Commission

**From:** [Stephen Grevatt](#)  
**To:** s9(2)(a)  
**Subject:** RFP  
**Date:** Tuesday, 17 September 2019 9:34:43 AM  
**Attachments:** [image001.png](#)  
[Request for Proposal\\_Taratahi FV.pdf](#)

Kia ora,

s9(2)(a) I have sent this RFP to 11 interested parties, we took on your suggestions. It will be interesting to see what we get out of this, there does appear to be keen interest. Do you want to catch up in the next few weeks to get an update on progress?

Steve G

I have spoken with many people/parties across our sector it's going to be an interesting future. I don't think anyone really knows what it is going to look like. The table below is how we are expecting the process to work.

Proposed process subject to change as noted in the RFP		
STEP 1	STEP 2	STEP 3
<b>Liquidators put out a Request For Proposals for the re-activation of VET education on Taratahi Campus. As per intent of original Act.</b>	<b>Process and sort proposals</b> <b>Proposals could be for one component or all three.</b>	<b>3. Present preferred Proposals with business case to decision makers:</b>
This would involve 3 components: <ol style="list-style-type: none"> <li>Ownership of assets</li> <li>Running of farm</li> <li>Education</li> </ol> So could involve 1 or multiple entities	This group is focused on finding the proposal/proposals that is the best fit to meet the desired outcomes. Two possible scenarios <ol style="list-style-type: none"> <li>Group will select a preferred proposal/proposals.</li> <li>Rank the most suitable ones.</li> </ol>	<ul style="list-style-type: none"> <li>TEC and the Minister of Education</li> <li>MPI and the Minister of Agriculture</li> </ul>

Please find attached the Request for Proposal – Taratahi. Below are some key points which are covered in the RFP but I want to put to the forefront of the conversation.

## PURPOSE

The purpose of this process is to achieve the following goals:

- To pay all of Taratahi creditors and/or reach an agreement that satisfies any government agencies that are owed money.
- Revisit the original intent of the gift to the crown and ensure that the \*Taratahi Training Farm continues to be a place that provides learners and farmers with education and training in sound, practical, modern profit-earning farming practice.
- \*Taratahi will be lean. Keep it simple, keep it quality at the right scale.
- That \*Taratahi will be considered as part of the Primary Industry Centre of Vocational Excellence. (CoVE)
- A partnership of industry and education.

When \*Taratahi or we is mentioned it is a placeholder for the new Taratahi or whatever the

entity is called.

### KEY COMPONENTS

There are three key components to enable the reactivation of the training Centre:

1. Ownership of assets.
2. Operation of the farming business.
3. Operation of the education business.

Proposals can be submitted as a total solution for all of the above.

Proposals can be submitted by single entities to fulfil the role over one or several of the components.

Proposals can be submitted by a collaboration of entities as a complete solution.

### STRUCTURE

In the RFP document there is an example of a possible operational structure. **This is not meant to restrict thought and parties may want to Greenfield their proposals.**

### TIMELINES

Date	
10/09/19	<ul style="list-style-type: none"><li>• RFP information released.</li></ul>
20/09/19	<ul style="list-style-type: none"><li>• Indicative Expression of interest</li></ul>
4/10/19	<ul style="list-style-type: none"><li>• Proposal lodged by 5pm</li></ul>

#### To save any confusion re dates.

- The EIO interest (20/9/19) is just **Yes/ No** going to put proposal in.
- 4<sup>th</sup> October 5pm is deadline to get proposal in by.

I am available to meet and discuss any points of clarification or help in any way with further information. Please don't hesitate to contact me.

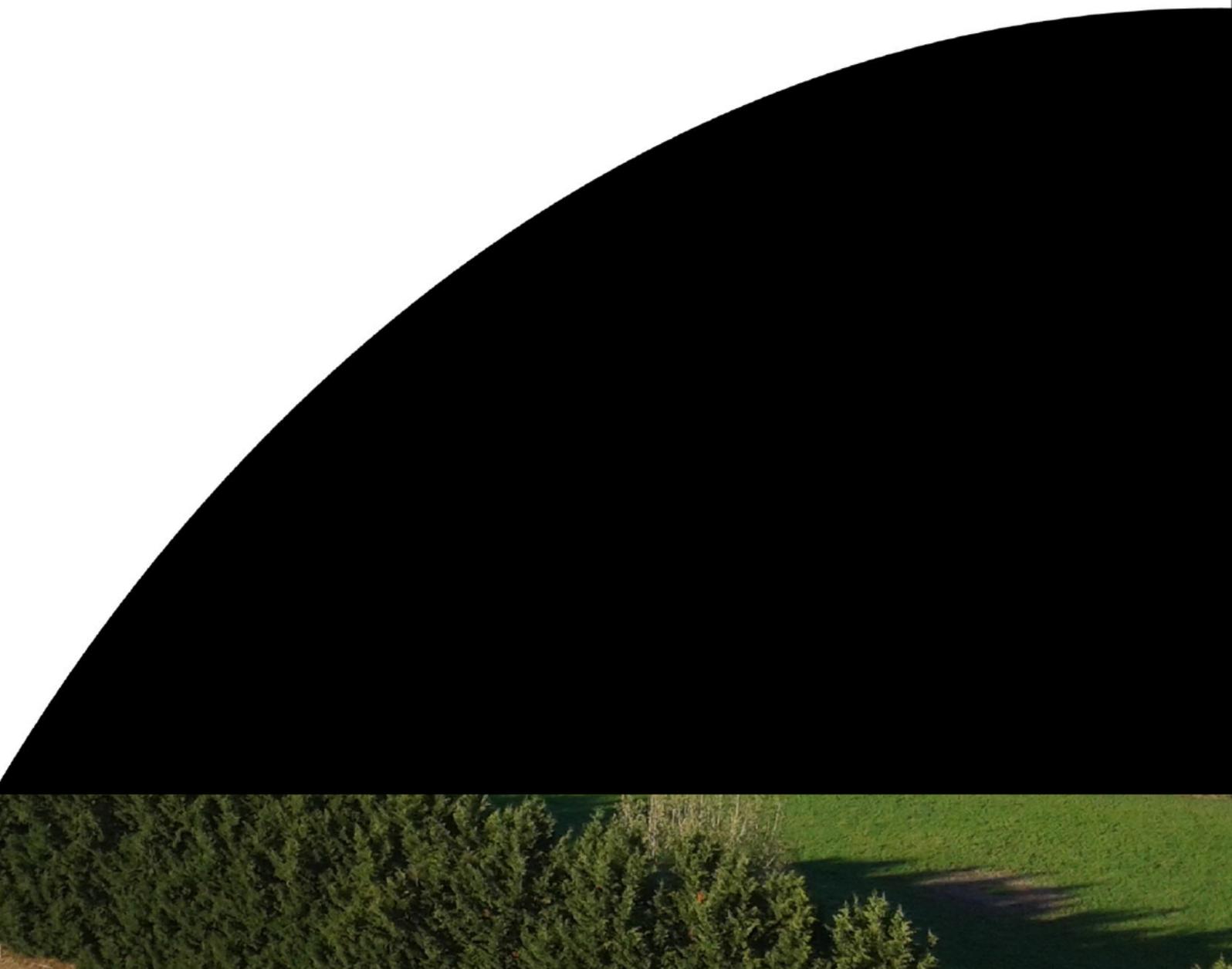
Nga mihi nui  
Steve Grevatt

**Steve Grevatt** | GM  
**Mobile** s9(2)(a)  
Cornwall Road, RD 7, Masterton, 5887



# **Request for Proposal for the Utilisation of the Taratahi Training Centre**

September 2019



# 1 Proposal Process and Timetable

## 1.1 Introduction

The Liquidators of Taratahi Agricultural Training Centre (Wairarapa) Trust Board (In Liquidation) (**Taratahi**) are seeking non-binding indicative proposals for the Masterton Dairy Farm and Education campus (**the business**). The Liquidators are seeking to sell all of the farm and campus assets. The objective of Taratahi is to maximise value and ensure a clean and straight forward transaction is affected with a reputable entity.

The Liquidators invite you to submit a Request for Proposal (RFP). This RFP is being sent to all parties that have indicated a willingness to discuss the future of Taratahi. Proposals will be accepted from a single or group of organisations, wishing to cooperate and operate the Taratahi Agricultural Training Centre.

There are three key components that need to be addressed:

1. Ownership of lands comprising the Taratahi Agricultural Training Centre .
2. Operation of the farming business.
3. Operation of the education business by an Institute of Technology and Polytechnic (ITP)

Proposals can be submitted as a total solution for all, or any, of the options above.

Following the RFP process, the Liquidators may propose to link partial solution submitters with others so groups can submit a total solution.

## 1.2 Proposal Stage

Parties interested in acquiring the business will be required to submit proposals to Grant Thornton by 5pm (New Zealand time) on 4 October 2019.

Non-binding proposal are to be based on the information set out in this document and publicly available information. Indicative proposal should set out the following information:

- Identity of the prospective purchaser and all key parties associated with the offer;
- Proposals should meet industry and learner needs and for the purpose set out in the Taratahi Agricultural Training Centre (Wairarapa) Act 1969;
- An indicative offer price in terms of an ungeared price for the business and the source(s) for funding the proposal;
- Any conditions to which a binding offer would be subject to and the nature of any approvals necessary to satisfy such conditions. Details of the approval process should be provided, including details of approvals obtained prior to submitting an indicative offer. Taratahi will take into account whether a prospective purchaser has obtained approval from its Board of Directors for the submission of the non-binding offer;
- The nature of any further internal approvals to be obtained by the prospective purchaser prior to making a binding offer; and
- The nature and extent of due diligence to be undertaken

### 1.3 Indicative Timetable

The indicative timetable is as follows:

Event	Date
<i>Right for Proposal</i>	
Circulation of Information Memorandum	9 September 2019
Indicative proposals to be lodged with the Liquidators representative by 5.00pm NZT	4 October 2019

This timetable is subject to change or extension without notice.

Proposals should be submitted to Steve Grevatt at [Steve.Grevatt@taratahi.ac.nz](mailto:Steve.Grevatt@taratahi.ac.nz)

### 1.4 Modification/Withdrawal

Taratahi reserves the right at its absolute and sole discretion and without stating a reason to:

- cease discussions with any prospective purchaser;
- amend or vary the timetable without notice;
- terminate the sale process;
- reject any indicative proposal;
- reject any detailed proposal or formal offer lodged by a preferred purchaser;
- not accept any offer;
- deal exclusively with one or more parties at any time before or during any stage of the sale process; and
- take such other actions in relation to the sale process as it considers appropriate.

### 1.5 Restrictions

The Information being made available to a limited number of prospective parties is to assist them in evaluating the home farm and Campus of Taratahi. It does not purport to be all-inclusive or necessarily contain all of the information that a prospective purchaser may desire or should obtain. Further information will be provided to parties who are invited to undertake due diligence.

The liquidators, their employees and agents do not assume any responsibility or liability for any losses occasioned to any party for any reason including as a result of the circulation, publication, reproduction or use of this information

## 2 Request for Proposal Background information

### 2.1 Introduction

The purpose of this document is to provide information necessary for interested parties to submit a proposal on the use of the Taratahi Agriculture training centre at 529 Cornwall Road, Masterton. Proposals could potentially focus on the establishment of a new centre of vocational excellence for the primary sector, utilising the farm & education facilities to ensure that 99-year history of the Taratahi Training Farm is not lost and continues to provide the primary industries with education and training.

#### **Outcomes of Proposals:**

- A sustainable agriculture training centre that serves industry and learners
- Enable repayment/best possible return to the creditors of the Taratahi Agricultural Training Centre

Proposals should meet industry and learner needs and for the purpose set out in the Taratahi Agricultural Training Centre (Wairarapa) Act 1969.

#### **Centres of Vocational Excellence (“CoVEs”)**

As a result of the reforms of vocational education, proposals may want to consider the establishment of Taratahi as a centre of vocational excellence for the primary sector, please refer to Appendix A for the Ministers announcement around this.

CoVEs by description are to be hubs of industry collaboration bringing together other providers, industry experts, researchers and innovators to create Centre’s of excellence. Proposals should outline how they intend to collaborate with other providers and industry.

Education proposals should consider how the centre will integrate with the New Zealand Institute of Training and Skills as this entity forms an integral part of the future of vocational education in New Zealand.

#### **Taratahi Agricultural Training Centre (Wairarapa) Act 1969**

Any proposal will need to consider the historic act that governs the training centre land. Its purpose under the act is:

- (a) as a demonstration farm to provide education to learners and to farmers in sound, practical, modern profit-earning farming practice.
- (b) as a place for training youths in modern practical farming practice:
- (c) for furthering the advancement of practical farming methods generally,

Any transaction involving the lands of the training centre whether it be sale, exchange or lease requires the consent of the Minister of Primary Industries.

The education funding model is reliant on the Minister of Education via the Tertiary Education Commission. Education Proposals should consider how the Training centre operation can be sustained and funded.

## 3 Lands Comprising the Taratahi Agricultural Centre

### Farm Asset Overview:

- Dairy Farm spans 285 hectares excluding campus land
- Dairy platform of 267 hectare effective area
- Valued at \$8,065,000 in December 2017 inclusive of irrigation plant and improvements
- 2019/2020 forecast of a conservative 225,000kgs, milking 540 cows
- 3 Separate houses for farm staff



### Introduction

Taratahi Home Dairy is a well-developed compliant dairy milking platform located approximately 21 KM from Masterton on the Taratahi Plains.

540 cows are forecast to be milked in this coming season with young stock being grazed outside this system. Production is forecast at 225,000 kgs of milk solids being 416 kgs per cow. The general average efficient production off the milking platform area has the potential to be 1050-1100 kgs/effective hectares.

The property has 3 houses that can be used for farm staff accommodation effectively allowing all staff to live on site.

The farm has well developed infrastructure including irrigation of approximately 218ha

### Land

The effective area for valuation purposes includes the land for the dairy unit of around 285 hectares less the ineffective areas of lanes, trees, farm buildings, area allocated to calf rearing etc. which results in an assessed at platform area of 267 hectares.

The 2019-2020 cropping area is 21 ha of winter green feed and 20 ha of summer green feed which is platform area.

In the Autumn of 2019 47 hectares of new grass was also established. The property is all flat and on two terraces, with the lower terrace leading down to the Waingawa River.

### Historical production

Season	Production of Milk Solids
2013/14	267,253 kgs
2014/15	266,173 kgs
2015/16	288,441 kgs
2016/17	231,822 kgs
2017/2018	203,824 kgs
2018/19	157,251 kgs
2019/20	225,000 kgs*

\*Forecast Figure

### Stock Policy 2019-2020

- Dairy Cows – 540 cows to calve, all wintered on the farm
- R1year Heifers – 143 grazed on the farm until 30th June 2019 then grazed off.
- Carry-over cows of 29 that were wintered on the farm until 30th June then grazed off

### Accommodation

- Dairy managers house built 2007 has a floor area of 205m<sup>2</sup>.
- A Workers house had a floor area of 117m<sup>2</sup>.
- A third house located next to the Taratahi campus.

### Dairy Shed

Built approximately 1996 this has been extended to a 46 aside herringbone shed with a 450 cow capacity rectangular concrete yard.

### Soil type

Soil types range from Kokotau Silt loam to Greytown silt loam and are well suited to dairying when irrigated

### Irrigation/Water supply

Stock water is provided by troughs well reticulated over the unit. The property has Resource Consent to take 93 litres per second for irrigation out of the Waingawa River. K Line type irrigation has been put in over an area of 88 hectares, and a centre line irrigation system has also been put in covering a further 86 hectares.

A moveable centre pivot covers an extra 44 hectares between the two pivot points.

## Campus Asset Overview

### Key Facts

- Accommodation for up to 108 persons
- 7 Classrooms on the main campus
- Campus spans 15 hectares
- Valued at \$7,747,000 in November 2017

### History

In 1918, the land known as the Wairarapa Cadet Training Farm (Taratahi Training Farm) was gifted to the crown as a demonstration farm to provide learners and farmers with education and training in sound, practical, modern profit-earning farming practice. Taratahi completed 99 years of vocational training and is widely recognised for its positive contribution to the New Zealand agricultural industry.

### Facilities

The Wairarapa campus comprises a rural based agricultural training college incorporating accommodation, classrooms, administration space and typical rural improvements such as a wool shed and implement storage. The campus spans almost fifteen hectares and as such includes roading, septic treatment and other infrastructure associated with a campus of this size.

This campus accommodates and feeds up to 108 students at any one time through our dormitory (60 beds), pods (48 beds), houses and cafeteria.

### Accommodation

Onsite accommodation sleeps approximately 108 and is made up of 2 types being:

- Dormitories: are single room accommodation with bed, wardrobe and desk. Each room has a heater and uses shared ablutions which are accessed externally. These are separated into three 20 room blocks that range in age.
- Pods: are movable purpose-built student accommodation all less than 10 years old. They provide eight bedroomed accommodation with living rooms, two showers and toilets
- Both accommodation types have full Laundry facilities

### Administration Complex

A purpose-built office block providing office and administration space. Has 13 Offices and staff room.

### Commercial Kitchen/Cafeteria

To cater for residents there is a quality commercial kitchen with walk in chillers and all other the equipment & facilities. It has a large dining room, manager's office, library and TV room.

## Classrooms

There are 7 classrooms on the main campus area with two of them being newly set up in the Gymnasium and the other 5 next to the administration block.



## Other Buildings include

- Gymnasium
- Engineering workshop
- Implement shed
- Butchery shed
- Vehicle Storage Shed
- Common Room Area
- Wool Shed
- Swimming Pool

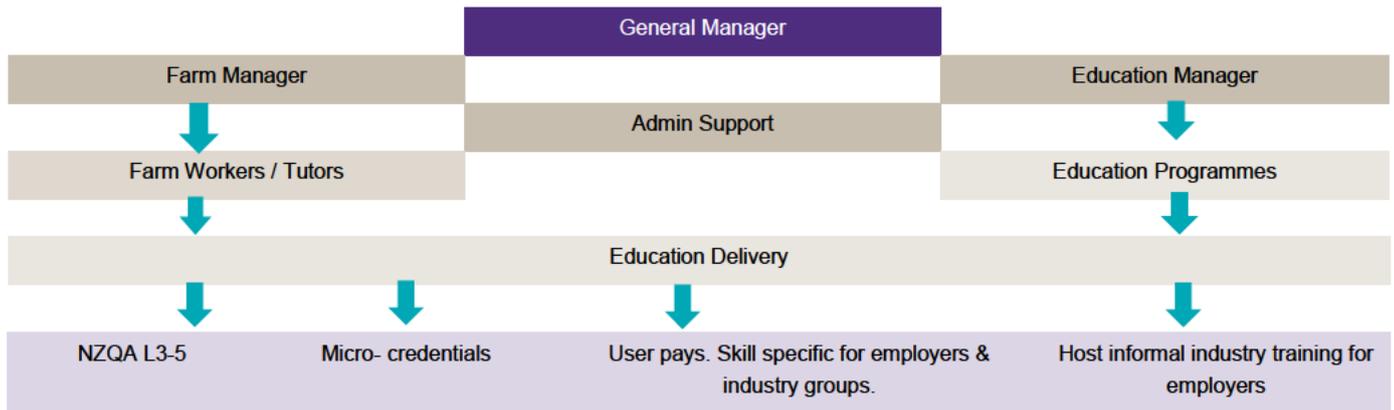


## 4 Example of a possible Operational Structure

**Potential operating structure (example only): proposals could consider how the Training centre could integrate with the submitter’s current organisation and how the farming operations could interact with education operations.**

### Structure

The proposed structure is flat and lean and relies on a cohesive and collaborative team effort to achieve organisational objectives. The makeup of any collaboration will affect the operational structure, but an example of full ownership is below.



### People

Role	Responsibilities
General Manager	Overview of organisational objectives both for farming and education operations. Ensuring that the farm operates as a demonstration farm trialing and showcasing innovative practices. Requires a background in farming and a sound understanding of the education sector.
Administration Support	Financial administration; and General administration support for farm and education operations.
Education Manager	Overall responsibility for the management of education provision, including quality control and achievement of graduate outcomes. An experienced education manager would be required to oversee program approvals, compliance and quality.
Farm Manager	Overall responsibility for the management of farming operations and farm staff management.
Farm Workers / Tutors	Responsible for everyday activities on farm and for training and supporting their cohort of learners. For delivering 'one off' user pays training packages as directed.

### Education Programmes

TEC funded programmes at Taratahi have previously been Primary Industries at levels 3-5 with a workplace component. This would provide a pathway for the learners.

- 50 Full time students initially with the medium-long term goal being 100-120 students.

On top of this would be user pays education as outlined below:

- Micro-credentials focusing on the needs of the sector.
- Industry training including potential for residential PD programmes for larger employers in the industry, to disseminate best practice and showcase the innovative practices at the Training farm.
- User pays, for example:
  - Specific skills for employer/Industry groups;
  - International visiting groups;

- Massey University Vet students – attending a residential programme around farm experience, spending time on farm doing practical farming activities – learning hands on skills that will support them in their vet career:
- Induction programmes for employers such as FMG, where staff need to have be familiar with farming practices.

### Education Delivery

The vocational education model uses the farm as a place of learning to enable a balance of theoretical and applied learning. The farms and classrooms are set up in the home farm for practical hands-on and classroom based learning. Proposed program should be at levels 3-5 Primary Industries with a workplace component. Taratahi has long-standing relationships with farmers and a relationship with Iwi, Pāmu and corporate farmers to support work placement. Taratahi has a long history of teaching and learning on farm “farms are our classrooms”

The current SAC funding model will not change for agriculture in the short term so should be considered as is on a purely educational model. The Government is committed to revisit funding by 2021.

### Residential

The residential programme is recognised as having a place in vocational education in the Primary industries and the campuses onsite accommodation offers this sleeping approximately 108 persons. It is a safe and healthy environment for students and will provide them with an opportunity to make lifelong friendships and deep connections with the agricultural sector.

### The Training Farm

The Training Farm is a place that provides learners and farmers with education and training in sound, practical, modern profit-earning farming practice.

It also serves as a Demonstration Farm, championing research and innovation and sharing best practice with the farming sector. This could involve partnering with industry experts such to trial and showcase innovative practices on the farm. There is work needed to be done with these industry experts and innovators to ensure that the farm is an example of excellence.

The Home farm has is set up for dairy with a 46 aside herringbone shed and the potential for on job training at several supportive dry stock access farms throughout the Wairarapa region.

## 5 Reform of Vocational training

Obtained from: <https://www.beehive.govt.nz/release/new-powerhouse-primary-sector-vocational-education>

15 AUGUST 2019

# New powerhouse of primary sector vocational education



HON CHRIS HIPKINS



HON DAMIEN O'CONNOR

Agriculture

Education

The primary sector has been named the first centre of excellence for vocational education, to drive innovation and strengthen links between education providers and industry, Education Minister Chris Hipkins announced today.

The centre will be a prototype and is part of the wider reform of vocational education announced this month to address the mismatch between training provided and the needs of employers.

It is a response to a serious skills shortage across the sector and the technological changes happening across the primary industries. The centre will be positioned at the forefront of research and lead technological innovations in the primary industries.

“Establishing a Primary Sector Centre of Vocational Excellence is another sign of the Coalition Government’s commitment to the primary sector and to raising the status of vocational education.” Chris Hipkins said.

“For too long, vocational education has been starved of attention and resources and yet we know there are huge skills shortages and great, skilled jobs to be had in the strategically important primary industry. National dropped the ball, but we are changing that.

“The centre will be formed of a consortium that includes education and industry experts and researchers, and will drive innovation and excellence in vocational teaching and learning within the primary sector. It will be hosted by a regional campus of the New Zealand Institute of Skills and Technology, or by a wānanga.”

Functions for the centre could include:

- Sharing high-quality curriculum and programme design
- Sharing applied research with employers and providers
- Sharing learning technologies with providers of vocational education to minimise cost and duplication
- Providing training support for employers
- Strengthening pathways into vocational education, including from school
- Other functions as deemed necessary by the centre.

“I plan to seek proposals before the end of the year to establish where in the vocational educational national network the centre would be located and what functions it will include,” Chris Hipkins said.

“The Government expects to work with the primary sector’s Skills Leaders Working Group and other industry leaders, to move quickly to form proposals for the centre. The sector has signalled a strong need to rebuild and reshape its training institutions following a decline in recent years.”

Cabinet has agreed funding of \$18 million over four years to establish three prototype centres.

Agriculture Minister Damien O’Connor said he’s delighted to see that the first prototype will be for the primary industries.

“I’m also pleased to see that industry representatives, including the Skills Leaders Working Group, will be working with government on the proposals for the pilot.

“I see the centre as a great opportunity to make a difference to the quality of teaching and learning, and ensure that people working in the primary industries have the skills they need now and in the future.”

Chris Hipkins said centres of vocational excellence for other areas of specialist expertise are being considered, and will be announced shortly.