

Competenz

Transition Plan (Final Stakeholder Version)

Date: 30 April 2021

Version: 1.5

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Submitted to TEC as separate files as these contain private and/or commercially sensitive information

- *Appendix 1: Summary of TITO's current business*
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Introduction



This plan details Competenz's approach to transitioning all current activities to receiving providers and to WDCs in accordance with the government's mandated transition of ITO functions under the RoVE transformation and the Education and Training Act 2020. This stakeholder version of the Transition Plan excludes private or commercially sensitive information that was able to be provided to the TEC under the statutory provisions of the legislation.

This final iteration of the transition plan is consistent with the first iteration of the plan endorsed by Competenz stakeholders and submitted to the Tertiary Education Commission (TEC) in June 2020.

Competenz in current state

- Competenz has one of the most comprehensive ranges of gazetted coverage, including the following 38 industries:
 - Mechanical engineering, including fitting and machining, general engineering, metal casting, and tool making
 - Engineering fabrication, including heavy and light fabrication and steel construction, and excluding boat building
 - Locksmithing and gunsmithing
 - Lift and escalator servicing
 - Mechanical building services (formerly known as heating, ventilation and air conditioning services)
 - Refrigeration and air conditioning
 - Fire protection systems, including fire detection and protection systems and equipment
 - Food and beverage processing, including general food processing, poultry processing, alcoholic and non-alcoholic beverage processing (including wine production), and cigarette and tobacco product manufacturing, but excl. meat, seafood and dairy product manufacturing
 - Baking, including craft and plant baking of bread, cake, pastry and biscuit products
 - Retail meat, including butchery, cured meat and small goods manufacturing but excluding meat processing
 - Rail operations and infrastructure, including rail passenger and freight transport, but excluding dairy operations
 - Forest industries, including forest establishment, forest nursery operation, silviculture and harvesting
 - Maritime, including the operation of all civilian and Defence Force vessels, but excl. vessels whose primary purpose is commercial fishing
 - Wood manufacturing, including solid wood processing, wood panel manufacturing, pulp, paper, paperboard and fibreboard packaging manufacturing, and tissue converting

- Furniture manufacturing, including wooden, metal and upholstered furniture and bedding, and furniture (polishing)
- Biosecurity industry, including border quarantine activities
- General manufacturing, including steel manufacturing, chemical product manufacturing, cosmetics and toiletry preparation manufacturing, soap and other detergent manufacturing, paint, ink, resin and adhesives manufacturing, pharmaceutical manufacturing (excluding compounding of medicines in community and hospital pharmacies)
- Plastics processing, including basic polymer manufacturing and polymer manufacturing, but excluding tyre and adhesive products
- Glass and glass product manufacturing, including glass processing and engineering for glass blowing and bottle manufacturing
- Apparel and textile manufacturing, including clothing and footwear manufacturing, wool scouring, natural and synthetic textile manufacturing, textile product manufacturing (floor covering, cut and sewn products, and finishing) and knitted product manufacturing
- Laundry and drycleaning services
- Journalism, including print, publishing (newspaper, periodical, book, directory), radio, television and digital media
- Printing production, including printing and printing support services
- Graphic design, marketing and digital communications
- Signmaking, including signwriting and sign erection
- Protective Coatings

- Competenz sets and monitors standards in all 38 sectors and currently arranges training in all but five of these.
- Competenz has budgeted to employ 219 staff (200.3 FTE) in budget year 2021 across the arranging training, standard setting and organisational support functions.
- The Competenz Head Office is in Newmarket, Auckland but staff are based throughout the country.
- Competenz had 12,773 active trainees or apprentices from 3,510 distinct employers enrolled in 418 programmes or variants of programmes leading towards 109 qualifications and covering 26 Competenz qualification groups as at 1 April 2021.
- Competenz is anticipating full year consumption of 6,539 STMs in 2021, comprising 3,504 STMs of industry training and 3,034 STMs of apprenticeship training.
- Competenz is currently approved to deliver 138 Programmes of Industry Training and has approximately 7,000 resource items available to support training and assessment.
- Competenz has not introduced any significant change in the service models used to support arranging training from those described in detail in the initial Transition Plan submitted in June 2020.

- Competenz supports the arranging training function for approximately 360 apprentices employed through its wholly owned subsidiary Apprentice Training New Zealand (ATNZ). ATNZ is a multisector group training scheme.
- Competenz provides extensive support and resourcing for the use of vocational standards through curriculum and Gateway delivery in Schools and for the provision of career advice support for schools.
- Competenz offers a Job Board and recruitment placement service to match prospective apprentices/trainees and employers.
- Competenz provides the national registration, accreditation and audit function for approved forklift training under MBIE (Worksafe) mandate.
- Competenz provides an extensive catalogue of assessment and learning support resources to third party providers for use with non-Competenz learners on a semi-commercial basis.

Section 1: Transition Approach

1.1 Overview of transition approach

- **How the transition will occur and to where**
 - Competenz intends to progress the mandated transitions on the basis indicated in the initial transition plan endorsed by Competenz stakeholders and submitted to the TEC in June 2020.
 - Competenz will complete the transition of arranging training, other activities and support functions to Skills4Work (arranging training for the Retail Meat sector) and Te Pūkenga (arranging training for all other sectors, other activities and all support functions). Staff and assets that support ATNZ learners will be transferred to ATNZ who will support apprentices employed by ATNZ as a Direct Funded Employer. Where roles are substantially similar, employees will be offered corresponding roles with the receiving provider on current terms and conditions and the activities will effectively be transferred as a going concern through a transfer of assets and liabilities.
 - Competenz will transition standard setting functions to four WDCs. This will be achieved through the transfer of documents, files, data and operating polices/processes along with comprehensive hand over documentation outlining key information and history for each sector. Existing employees will be supported in preparing and applying for WDC roles.
 - Competenz will transition arranging training, other activities and support functions to the receiving providers prior to the transition of WDC functions to WDCs. During the period between the transitions, standard setting functions will be retained by the Competenz Trust and employees with roles that support standard setting or both standard setting and arranging training components will continue to be employed by the Competenz Trust. Under a service agreement, this standard setting activity will continue to be supported through the support services transitioned to Te Pūkenga and Competenz Trust employees will undertake any activity relating to programme maintenance and internal moderation (noting that programme maintenance in this period is minimal as a result of the NZQA black out period for receiving and processing new applications).

Changes from the initial Transition Plan

- The most significant change in intention has been to agree an approach under which any future provision of certain arranging training functions by Te Wānanga o Aotearoa are not prejudiced by any transition to Te Pūkenga. Competenz will support any exploration of such opportunities by Te Wānanga

o Aotearoa and will ensure that industry in any sectors in which Te Wānanga o Aotearoa has expressed interest in supporting prior to transition is aware of this interest through a communications plan agreed with Te Wānanga o Aotearoa.

- Other changes in approach from those indicated in the initial plan are minimal.
- Minor coverage changes in WDC sector coverage have resulted in a different receiving WDC than that indicated for the Laundry and Drycleaning sector
- Yoobee Colleges decided not to progress the proposed transition of arranging training for the sign making sector to Yoobee and this function will now transition to Te Pūkenga.

Summary of standard setting and arranging training transitions

Sector	WDC	Arranging Training and Apprenticeship Training Activities
Mechanical Engineering	Manufacturing, Engineering, Logistics	Te Pūkenga
Engineering Fabrication	Manufacturing, Engineering, Logistics	Te Pūkenga
Locksmithing	Manufacturing, Engineering, Logistics	Te Pūkenga
Lift and Escalator Servicing	Construction & Infrastructure (No current unique standards)	No training currently arranged
Mechanical Building Services	Manufacturing, Engineering, Logistics	Te Pūkenga
Refrigeration and Air Conditioning	Manufacturing, Engineering, Logistics	Te Pūkenga
Fire Protection	Manufacturing, Engineering, Logistics	Te Pūkenga
Food and Beverage Processing (with exception of cellar operations)	Manufacturing, Engineering, Logistics	Te Pūkenga
Cellar Operations	Primary Industries	Te Pūkenga
Baking	Manufacturing, Engineering, Logistics	Te Pūkenga
Retail Meat	Manufacturing, Engineering, Logistics	Skills4Work

Rail	Manufacturing, Engineering, Logistics	Te Pūkenga
Forestry	Primary Industries	Te Pūkenga
Maritime	Manufacturing, Engineering, Logistics	Te Pūkenga
Wood Manufacturing	Manufacturing, Engineering, Logistics	Te Pūkenga
Furniture	Manufacturing, Engineering, Logistics	Te Pūkenga
Biosecurity	Primary Industries	No training currently arranged
General Manufacturing	Manufacturing, Engineering, Logistics	Te Pūkenga
Plastics	Manufacturing, Engineering, Logistics	Te Pūkenga
Glass Manufacturing	Manufacturing, Engineering, Logistics	Te Pūkenga
Apparel and Textile Manufacturing	Manufacturing, Engineering, Logistics	Apparel has no current arranging training but is seeking providers for delivery of qualifications and standards that are currently in development Textiles will transition to Te Pūkenga
Laundry and Drycleaning	Manufacturing, Engineering, Logistics	Te Pūkenga
Journalism	Creative, Cultural, Recreational and Technology	No training currently arranged
Print Production	Manufacturing, Engineering, Logistics	Te Pūkenga
Graphic Design	No standards (subsumed into Design).	No training currently arranged
Signmaking	Manufacturing, Engineering, Logistics	Te Pūkenga
Protective Coatings	Manufacturing, Engineering, Logistics	Te Pūkenga



- **When the transition will occur and why**

- Competenz will transition arranging training, other activities and support functions to Te Pūkenga and Skills4Work respectively on 2 August 2021 and will transition staff and assets that support ATNZ learners to ATNZ on the same date.
- The Competenz Trust will transition standard setting functions to the Manufacturing, Engineering & Logistics, Primary Industries, Construction & Infrastructure and Creative, Cultural, Recreation and Technology WDCs on 4 October 2021.
- The Competenz Trust will be wound up as soon as practical after the transition of standard setting functions. The process and timing for winding up will ensure that sufficient operating cash is retained within the Trust to satisfy any known or anticipated liabilities at the time of wind up.
- Competenz has sought to be an early mover throughout the period since the Minister's decision to progress RoVE and has consistently engaged with employers and industry and with TEC's RoVE team to this effect.
- Competenz's primary rationale in seeking early transition is that this offers the greatest opportunity to assist Te Pūkenga in understanding and developing an operating model that meets the needs of work-based learners and employers.
- Competenz also believes that early transition minimises uncertainty for learners, employers and staff and mitigates the risks of disruption in current training activity or loss of critical skills from the vocational education and training system.
- For Te Pūkenga, phasing of TITO transition mitigates risks in managing and challenges in resourcing the very intensive activity required to complete due diligence and transition of ten TITOs in a relatively short period of time.
- For ATNZ and Skills4Work, early transition optimises the ability to justify the significant investment costs required to establish ITR compliant trainee management systems that will have an economic life only through to the introduction of the unified funding system.
- For Te Pūkenga, August transition enables an interim operating model and rhythm to be established before the holiday/summer leave period where the implementation of any culture and process would be challenged by the annual peak cycle of activity in closing out the year and by the staggered leave of employees throughout the summer period.
- For Competenz and Te Pūkenga, August transition optimises the period in which Competenz's experience in work-based learning can inform the operating model development due to be concluded in November.
- Competenz will have no uncompleted projects funded from either the Qualification Development Fund or CoVID funding on the proposed transition data.

- **Other relevant activities**

All other relevant activities currently undertaken by Competenz will be transitioned to Te Pūkenga

- provision and support of Gateway and curriculum-based unit standards in Schools
- careers functions and activities intended to encourage new learners into employment
- provision of job-board and employment placement services to match prospective learners with employers
- licencing and sale of learning and assessment resources to third parties
- the provision of forklift training accreditation and management on behalf of MBIE
- sponsorship and other financial support for industry events, awards and promotion of training opportunities

Te Pūkenga will continue to undertake these services and maintain the current service models using the existing employees, systems and processes.

- **Relevant post-transition activities**

- The Competenz Trust will be wound up on completion of all transition activities. This process will involve identifying and meeting the liabilities to known or anticipated creditors and will follow customary wind up processes.
- Te Pūkenga is currently undertaking design of a future operating model intended to align future service provision with the RoVE vision and the Minister's expectations. The initial transition as a going concern is intended to ensure that there are no unintended disruptions for learners and employers through the transition period and to ensure that consultation with a wide range of stakeholders and full change impact analysis can be undertaken before changes are made to current service models. Competenz is committed to engaging constructively in this process prior to transition and employees, industry and learners will seek to remain engaged following transition. In summary, the initial transition as an integrated business unit is to enable subsequent transformation to the future service model envisaged under RoVE.
- ATNZ will develop the capability, systems and processes to be registered by NZQA as a PTE and will increasingly seek to enhance the range and quality of training and learner support offered to learners, host companies and other employers in the engineering and manufacturing sectors.
- Skills4Work also seeks initially to maintain the current service model following transition but to subsequently enhance this as arranging training regulatory and funding constraints are removed and as change impact and consultation on change is undertaken with learners, employers and industry.
- We anticipate that WDCs will progressively implement their future operating model in the period following transition.

1.2 Alignment with learner, employer, and industry needs

RoVE aims to create a unified system that is ready for a fast-changing future of skills learning and work. The system will:

- Deliver to the unique needs of all learners, including those who have been traditionally under-served, such as Māori, Pacific, and disabled learners,
- Be relevant to the changing needs of employers,
- Be collaborative, innovative and sustainable for all regions of New Zealand, and
- Uphold and enhance Māori-Crown relationships.

This section outlines the priorities and success factors for learners, employers, and industry and explains how the proposed transition aligns with these expectations.

• **Alignment with learners' needs**

- Competenz learners identified the following key expectations for transition through direct engagement with learners by our Training Advisors and thorough or Voice of the Customer surveys conducted through Yabble. These reflect what learners consider important in terms of current arranging training activities.
 - No significant changes in training model or approach for existing learners except where these improve the training experience (noting that any improvement in training approaches/learner support are welcomed but that these must be driven from genuine learner benefit informed by consultation with them and any new approach must work for work-based learners)
 - Retention of existing personnel/relationships with training advisors
 - Retention of assessors that understand current work practices and assessment that can be undertaken when they are ready
 - No increase in off-job requirements
 - No costs/fees charged on learners
- Each of these criteria have been addressed in the transition arrangements we have agreed with the three receiving providers. Specifically, these agreements provide for the transition of existing employees, the retention of current service models for a period following transition, a requirement for consultation with learners before implementing any significant change and retention of the existing network of provision including third party providers and assessors. These specific requirements are specified in the Term Sheets and will be reflected in the final Transition Agreements for each provider.

- Competenz recognises that providing additional support for underserved learners is essential to achieve equitable outcomes for these learners. A range of additional support for these learners has been introduced from 2020 and transitioning providers are expected to maintain these services under the transition arrangements that have been agreed. Competenz believes that each of the receiving providers has or will develop capability that will further enhance support post-transition as the regulatory and funding constraints of industry training are removed.
- The enhanced learner support introduced by Competenz from 2020 includes enhanced disability and learning capability screening on sign-up, enhanced referral to specialist learning support provision for learners, enhanced learner induction to ensure that new learners are better prepared for success and enhanced peer and mentor led virtual learning support groups, supported by topic related webinars. Te Pūkenga has committed to retain these learner support initiatives through until at least 2023 under their commitment to support longer term strategic investment projects that the Competenz Board had committed to prior to due diligence being concluded.
- **Alignment with employer and industry needs**
 - Competenz engaged extensively with employers and industry bodies throughout the RoVE process. Initial consultation in the immediate period following the decision to progress RoVE included employer and industry workshops where transition success criteria for employers and industry bodies were developed respectively. These differ to a small extent with both stated below for completeness.
 - For Employers
 - Nationally aligned/coordinated training approach with no regional variations
 - Single organisational point of coordination/contact
 - Retention of existing service models, including choice and flexibility in approach to meet employer needs
 - Continued support to develop internal capability
 - Support to understand workforce capability needs and develop pathways for employees
 - No changes in training model or approach for existing learners
 - No less (but ideally improved) visibility of training progress
 - No increase in off-job provision in future models
 - No increase in cost
 - No increase in administrative requirements
 - Clear communications on what is happening
 - Retention of existing personnel/relationships for both training support and assessment

- Retention of current third-party providers/assessors to support responsive training as required to support individual employers
- No reduction in assessment quality or consistency
- No reduction in ability to determine qualification or unit standard requirements

- Industry Bodies

- Nationally aligned/coordinated training approach with no regional variations
- Single organisational point of coordination/contact
- No changes in training model or approach for existing learners
- No increase in off-job provision in future models
- No increase in cost
- No increase in administrative requirements
- Clear communication and engagement so that they know what is happening
- Ability to determine standard setting and training arrangements for their sector
- Retention of existing personnel/relationships in key standard setting and industry engagement roles
- No reduction in assessment quality or consistency
- Industry bodies from the forestry sector are seeking enhancement of the service/training model for this sector. These enhancements have not been possible to implement under current funding levels and efforts of the industry bodies and Competenz for increased funding rates for this sector have been unsuccessful. The industry bodies are seeking to have challenges in the current model addressed by the new provider and a sustainable funding rate that reflects the nature of this sector under the unified funding system.

- Again, each of these criteria have been addressed in the transition arrangements we have agreed with the three receiving providers. Specifically, these agreements provide for the transition of existing employees, the retention of current service models for a period following transition, a requirement for consultation with learners before implementing any significant change, retention of the existing network of provision including third party providers and assessors and retention of the existing quality assurance/internal moderation function/expertise. These requirements are specified in the Term Sheets and will be reflected in the final Transition Agreements for each receiving provider.

1.3 Employer and industry support

• Nature of engagement with employers and industry

- Competenz has undertaken extensive engagement with employers and industry in developing our transition intentions and plan since RoVE was first proposed.
- This formal endorsement is therefore the culmination of a process that has been ongoing over the last two years.
- Competenz facilitated a series of workshops for employers and industry during the RoVE consultation period and met with industry bodies, sector advisory groups and key employers. As detailed in Competenz's submission and the overwhelming feedback provided directly by industry stakeholders across Competenz's industry sectors, employers and industry were almost universally not supportive of ITO arranging training being transitioned to providers but in providing this feedback and consultation response, clearly articulated what they believed were important to retain and where they believed there were opportunities for improvement within the VET system. This initial engagement directly informed Competenz's approach.
- Competenz again initiated several general employer and industry workshops immediately after the Minister's decision to progress RoVE was made. The feedback from these workshops informed the transition principles that Competenz adopted immediately after this decision and led directly to the success criteria identified in the previous section being developed.
- Competenz has subsequently discussed RoVE and the available options for transition in our regular meetings since 2019. These meetings occur 3-4 times per year.
- Additionally, Competenz has provided regular updates through email and on our website to all employers and industry groups providing updates on transition intentions and progress through the same period.
- In early April 2021, transition discussions with the potential receiving providers has progressed to the extent that Competenz was comfortable in providing a recommended transition to employers and industry. This was communicated to industry bodies and every individual employer. Letters of endorsement were sought from industry bodies and key employers. Electronic voting was sought from individual employers across all sectors with learners in current training agreements.
- Competenz and the forestry sector industry bodies have established a working group to explore future operating and service model enhancement intended to achieve better outcomes for forestry learners and employers. This group support the proposed transition but wish to progress initiatives to improve current models to the extent possible prior to and after transition. This group also recognise that Te Wānanga o Aotearoa may have a role in achieving such enhancements and are supportive of the proposed approach in relation to Te Pūkenga and Te Wānanga o Aotearoa partnership.

- Industry bodies engaged with**

Competenz has engaged with the current industry bodies and key employers.

Industry body	Representation	Engaged with? Y/N	Supportive? Y/N
Baking New Zealand (Baking Industry Association of NZ [BIANZ])	Baking industry – There are approximately 280 companies as BIANZ members nationwide.	Y	Y
NZ Beverage Council	Non- alcoholic beverage manufacturing – NZBC members make up approximately 75% of businesses in NZ	Y	Y
Retail Meat NZ	Butchers and small goods – RMNZ sell 85% of meat products to the NZ market. There are approximately 2000 Butchers and small goods producers in NZ.	Y	Y
Beef and Lamb NZ	Industry association for beef and lamb, including interest in retail meat	Y	Y
Maintenance Engineering Society NZ (MESNZ)	Maintenance engineering industry – There are approximately 8,000 engineering companies in NZ.	Y	Y
Metals NZ	Metals manufacturing industry - Metals manufacturing employs almost 30,000 of the 241,000 people employed in manufacturing in New Zealand.	Y	Y
Fire Protection Association New Zealand	Fire protection industry – There are approximately 240 members of FPANZ nationwide. The Fire protection industry employs approximately 4,700 people in NZ.	Y	Y
Food & Grocery Council	Manufacturers and suppliers of the food industry - Food and beverage manufacturing is the largest manufacturing sector in New Zealand, representing 45% of total manufacturing income. FGC members directly or indirectly employ more than 493,000 people	Y	Y
New Zealand Forklift Industry Association	Forklift industry – The NZFIA have a membership of 32 large, medium, and small companies in the forklift industry. Employing approximately 2,000 people.	Y	Y
Furniture & Cabinetmaking Association of NZ	Furniture making industry - FCANZ membership includes manufacturers of both residential and commercial furniture in the areas of wooden furniture and cabinetry, furniture finishing, upholstered furniture, metal furniture, bedding, and suppliers to the industry.	Y	Y
Master Locksmiths Association of Australasia	Locksmithing industry – The locksmithing industry employs approximately 550 people nationwide.	Y	Y

Industry body	Representation	Engaged with? Y/N	Supportive? Y/N
Employers and Manufacturer's Association (inc. The Manufacturers Network)	General manufacturing industry – The NZ manufacturing industry has approximately 8,300 business employing up to 61,000 employees.	Y	Y
Marine Transport Association	Maritime passenger sector, including marine tourism, charter and transport – The maritime industry employs up to 5,000 employees across 800 businesses in NZ.	Y	Y
Plastics NZ	Plastics processing (extrusion) - The plastics industry employs approximately 9,000 employees nationwide.	Y	Y
PrefabNZ	Prefabricated construction manufacturing – The prefabrication (offsite manufacture). PrefabNZ has approximately 350 members nationwide.	Y	Y
PrintNZ	Representing the Print, Packaging and Sign Making industries.	Y	Y
New Zealand Sign and Display Association	Association for Sign and Display making	Y	Y
Wood Processors & Manufacturers Association	Wood processing industry – The wood processing industry employs up to 14,500 people across 350 businesses in NZ. WMPA has approximately 80% membership of the wood processing sector.	Y	Y
NZ Timber Industry Federation	Industry association for sawmillers	Y	Y
Red Stag Ltd	Key employer in wood manufacturing sector	Y	Y
The Institute of Refrigeration Heating & Air Conditioning Engineers of New Zealand (IRHACE)	Refrigeration, Heating and Airconditioning industry – The industry employs approximately 8,700 people across 1,300 businesses.	Y	Y
NZ Forest Owners Association (NZFOA)	Plantation Forest Owners	Y	Y
Forestry Industry Contractors Association (FICA)	Association of silviculture and harvesting contractors in the forestry industry	Y	Y
New Zealand Defence Force	Key employer and stakeholder in engineering and maritime sectors	Y	Y
Royal New Zealand Navy	Key employer in the maritime sector (96% of all Competenz maritime learners) and largest single employer other than ATNZ in the mechanical engineering sectors (5% of all Competenz mechanical engineering learners)	Y	Y

Industry body	Representation	Engaged with? Y/N	Supportive? Y/N
Foodstuffs North Island	Key employer for 389 learners in North Island supermarkets under the New World and Pak N' Save brands. Learners are predominantly in baking, retail meat and business sectors	Y	Y
Foodstuffs South Island	Key employer for 262 learners in South Island supermarkets under the New World and Pak N' Save brands. Learners are predominantly in baking, retail meat and business sectors	Y	Y
Transdev	Key employer (100% of learners) in rail operator qualifications.	Y	Y

- Competenz sought endorsement from the New Zealand Shipping Federation which represents the operators of large SOLAS ships in the maritime sector. All current training for this sector is delivered through providers and not through Competenz-arranged industry training. As such, the Federation declined to provide endorsement of Competenz's transition intention.
- Competenz has engaged with the Meat Industry Association who were unable to provide an endorsement within the timeframes required for this transition. This Association represents employers who have learners in Competenz's Food and Beverage Processing qualifications.

• Employers engaged

Sector	Total		Engaged			Supportive		
	Employer #	Learner #	Employer #	Learner #	Employer %	Employer #	Learner #	Employer %
Baking	288	443	All	N/A	100%	14	237	100%
Engineering Fabrication	409	979	All	N/A	100%	112	373	100%
Fire Protection	182	696	All	N/A	100%	49	190	94%
Food and Beverage	148	405	All	N/A	100%	16	33	100%
Forestry	642	2633	All	N/A	100%	44	625	98%
Furniture Making	95	192	All	N/A	100%	21	66	95%
Laundry and Drycleaning	3	19	All	N/A	100%	3	19	100%
Locksmithing	24	41	All	N/A	100%	8	15	100%
Manufacturing	94	757	All	N/A	100%	30	307	96%
Maritime	2	201	All	N/A	100%	2	201	100%
Mechanical Engineering	798	1731	All	N/A	100%	128	323	98%

Pan sector (Business, H&S, Distribution)	110	579	All	N/A	100%	Employers with learners in these programmes are included in the specific sectors.		
Packaging	9	30	All	N/A	100%	2	5	100%
Plastics	51	134	All	N/A	100%	21	93	100%
Print	81	173	All	N/A	100%	19	50	100%
Rail	1	56	All	N/A	100%	1	56	100%
Refrigeration & Air Con.	263	619	All	N/A	100%	62	116	100%
Retail Meat	305	450	All	N/A	100%	15	188	100%
Signmaking	66	88	All	N/A	100%	16	23	100%
Wood Manufacturing	102	411	All	N/A	100%	28	181	100%

- Endorsement was sought from every employer of an active learner on 1 April 2021. 589 employers responded either by endorsement letter or electronic voting.
- Responses were correlated against the number of learners employed by each respondent employer.
- All but 9 employers supported Competenz’s transition intentions (4 in mechanical engineering, 3 in fire protection and 1 each in furniture making and manufacturing. All but 4 employers supported the intention to retain the coordination of arranging training for their sector under a single provider entity.
- 3 of the employers who did not support Competenz’s transition intention indicated in their comments that they did not believe that any change should be occurring.
- NZ Bakels (employer of two apprentices but also a contracted provider of training in the baking sector) provided endorsement of Competenz’s intention to transition current arranging training to Te Pukenga but not for retention of arranging training under a single provider. NZ Bakels are interested in opportunities for becoming a funded provider for arranging training in the baking sector.
- A summary spreadsheet of all employer responses and comments is provided in Appendix 5. All private or sensitive information including the names of individual respondents, contact details and the number of learners employed is not provided in this document for privacy reasons but is held by Competenz.
- **Evidence that key existing employers and industry bodies support the Transition Plan**
 - Letters of endorsement from industry bodies and voting from the key employers identified in the table for industry bodies .
 - Details of electronic voting from employers.

1.4 Status of discussions with Receiving Organisations

Activity	Receiving Organisation	Progress as at 30 April 2021	Next significant milestone	Issues to resolve
Arranging Training	<i>Te Pūkenga</i>	Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity	<p>Formal conditional Transition Agreement concluded (30/5/2021)</p> <p>Approval of Transition Plan by TEC (17/6/2021)</p> <p>Transition (2/8/2021)</p>	Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity
Arranging Training	<i>Skills4Work Ltd</i>		<p>Application submission to NZQA for approval of transition of programme of industry training (15/5/2021)</p> <p>Formal conditional transition agreement concluded (30/5/21)</p> <p>Approval of Transition Plan by TEC (17/6/2021)</p> <p>Transition (2/8/2021)</p>	

Activity	Receiving Organisation	Progress as at 30 April 2021	Next significant milestone	Issues to resolve
Standard Setting	WDCs	Ongoing engagement with TEC's WDC Establishment and TITO Transition Teams	<p>Approval of Transition Plan by TEC (17/6/2021)</p> <p>Comprehensive handover documents for each sector completed and historic files/data available for transition (20/6/2021)</p> <p>Transition (4/10/2021)</p>	<p>Key procedural issues to be addressed are:</p> <ul style="list-style-type: none"> i) Confirmation by WDCs of organisational structure and roles (June 2021) ii) Formal consultation with staff in impacted roles (in conjunction with WDC consultation of structure/roles (June 2021) iii) Recruitment of staff into new/changed roles (in conjunction with WDC recruitment (August/September 2021)

Activity	Receiving Organisation	Progress as at 30 April 2021	Next significant milestone	Issues to resolve
<p>Other Activities</p> <ul style="list-style-type: none"> i) provision and support of Gateway and curriculum-based unit standards in Schools ii) careers functions and activities intended to encourage new learners into employment iii) provision of job-board and employment placement services to match prospective learners with employers iv) licencing and sale of learning and assessment resources to third parties v) the provision of forklift training accreditation and management on behalf of MBIE vi) sponsorship and other financial support for industry events, awards and promotion of training opportunities 	<p><i>Te Pūkenga</i></p>	<p>Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity</p>	<p>Formal conditional Transition Agreement concluded (30/5/2021)</p> <p>Approval of Transition Plan by TEC (17/6/2021)</p> <p>Transition (2/8/2021)</p>	<p>Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity</p>

1.5 Status of Discussions with ATNZ as a Receiver of Staff and Assets

Arranging Training	<i>ATNZ</i>	Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity
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1.6 Conflicts of interest

This section describes interests held by the TITO (or any individuals currently or recently associated with the TITO) and the proposed Receiving Organisations.

- ATNZ is currently a subsidiary of Competenz through control of Trustee appointments. ATNZ and the Competenz Trust have approved changes to the Trust Deed that will be implemented prior to transition that will see ATNZ separate completely from Competenz and be governed by fully independent Trustees. Competenz will retain no interest in ATNZ from this point.
- The Competenz Trust intends winding up on completion of transition activity and distributing any residual assets not already transitioned to Te Pūkenga. The Competenz Trust therefore will not be taking any interest in any entity or receiving organisation.

Section 2: Transition of Arranging Training

2.1 Rationale for preferred provider(s) of Arranging Training

- **Providers that have been considered for Arranging Training**
 - Competenz initiated evaluation of potential providers to receive arranging training functions from the time that the RoVE transformation decision was confirmed by the Minister. This included:
 - reviewing the known capability, EER reports, moderation history and current accreditations/approvals of all known providers in the sectors currently supported by Competenz, particularly those with experience in supporting work-based training.
 - discussing potential providers and options for transition with industry associations, sector advisory groups and key employers throughout 2020
 - Through this evaluation, Competenz identified Skills4Work as a potential receiving provider for the arranging training of butchery training and Yoobee Colleges as a potential receiving provider for the arranging training of sign making training.
 - In accordance with advice from TEC, Competenz did not seek to engage with Wānanga in 2020. However, post the receipt of a letter from Te Wānanga o Aotearoa on 12 January 2021, Competenz was the first TITO to formally engage with Te Wānanga o Aotearoa to better understand each other and find ways of working together. This initial meeting has been followed by several more constructive meetings and Competenz looks forward to continue working with Te Wānanga o Aotearoa pre and post transition.
 - Competenz undertook further evaluation of potential PTEs in response to the 'long-list' supplied by TEC.
 - Competenz provided this evaluation to TEC and discussed this with TEC on 2/2/2021.
 - Following the TEC discussion, Competenz discussed the outcome of the evaluation process with the longlisted providers.
 - Competenz is not aware of any intention from the providers that we have engaged with to challenge Competenz's transition decision and rationale with TEC.

- During the February and March 2021 period when interested PTEs that believed that they met the TEC criteria for transition and had not been contacted by a TITO were invited to contact the TITO directly, Competenz did not receive any contact from any additional providers that could potentially meet this criteria.
- Competenz has met several times with Te Wānanga o Aotearoa in relation to potential transition of some arranging training activity. Details of this engagement are provided in the table on the following page.

Providers considered	Approach to engaging and evaluating this provider	Decision and rationale
Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity		

- ## Preferred providers' approach to Arranging Training

Preferred provider	Preferred provider's approach to Arranging Training	How this will meet learner needs	How this will meet employer needs
Te Pūkenga	<ul style="list-style-type: none"> Te Pūkenga will initially retain the current service models. This includes all of the systems, processes and engagement with learners and employers. The full network of third-party providers, workplace assessors and contracted assessors will continue to support the current service models. These will be delivered through the residual Competenz business unit following other transitions under a work-based training subsidiary that includes other early transitioning TITOs. Te Pūkenga will then seek to fully understand the current approach and seek to evolve and enhance this in conjunction with their new operating model and future integrated delivery. 	This is consistent with all of the success factors identified by learners	This is consistent with all of the success factors identified by employers

Skills4Work	<ul style="list-style-type: none">Skills4Work will initially retain the current service models including all of the systems, processes and engagement with learners and employers. <p>Skills4Work will then seek to evolve and enhance the service model as the regulatory and funding environment changes and through consultation with learners and employers.</p>	This is consistent with all of the success factors identified by learners	This is consistent with all of the success factors identified by employers
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- **ATNZ's Approach to Supporting Training**

Preferred Entity	Approach to Supporting Training	How this will meet learner needs	How this will meet employer needs
<p>ATNZ</p> <p>(Note that ATNZ is not a receiving provider but will support ATNZ learners as a Direct Funded Employer and will become a future Provider for work-based learners prior to the implementation of the Unified Funding System)</p>	<ul style="list-style-type: none"> • ATNZ will legally and structurally separate from Competenz • Staff that currently support the ATNZ service model will be transitioned to ATNZ • ATNZ will initially maintain the current service model for learners/host companies as a direct funded employer under the DFS mechanism. • ATNZ learners will be enrolled as unfunded learners in Te Pūkenga's programmes. Te Pūkenga will continue to provide quality assurance over the programme and provide the block course training delivered under these programmes. Access to the programme, learning & assessment resources, quality assurance and credit reporting will be provided under a licencing arrangement. • ATNZ will continue to provide the direct support to learners and employers and undertake the on-job assessment provided in the current model prior to transition • ATNZ intends then to become a funded PTE prior to the implementation of the Unified Funding System. 	<ul style="list-style-type: none"> • Ensures no disruption or indeed change for learners through transition • Ensures continuity of current quality assurance arrangements • Ensures continued access to current learning resources, assessment and off-job training • Ensures continuity of training support and relationships with their current account manager • Allows for enhanced training provision and learning support as current arranging training regulatory and funding constraints are replaced. 	<ul style="list-style-type: none"> • ATNZ is the employer. • This approach will ensure that ATNZ will continue to be able to support industry through the employment and training of apprentices, particularly in smaller entities that may not otherwise have the capability or capacity to employ or support apprentices.

- Preferred providers' existing capabilities**

Describe the existing capabilities (such as people, operating assets, relationships) for the selected provider(s), and their plans for acquiring additional capability that will allow them to take over transferred assets and Arranging Training responsibilities.

Preferred provider	Preferred provider's existing capabilities	Plan to obtain additional capabilities
Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity		

- Details of transitioning programmes, learners and standard training measures**

A detailed analysis of the programmes and learners (as at 1 April 2021) is provided in Appendix 7.

The following tables provide summarised Mix of Provision details including a forecast STM consumption by provider for the period from 2/08/2021 to 31 December 2021 based on actual learner enrolment at 1 April.

Te Pūkenga

NZQF Level	Learners		Standard Training Measures (STMs)	
	Trainees	Apprentices	Trainees	Apprentices
2	1367		Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity	
3	2434			
4	1229	4685		
5	94			
6	42			
7				

Skills4Work Ltd

NZQF Level	Learners		Standard Training Measures (STMs)	
	Trainees	Apprentices	Trainees	Apprentices
2			Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity	
3				
4		450		
5				

ATNZ (as a Direct Funded Employer)

This section is provided to enable TEC to identify the support requirement for ATNZ as a Direct Funded Employer

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NZQF Level	Learners		Standard Training Measures (STMs)	
	Trainees	Apprentices	Trainees	Apprentices
2			Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity	
3				
4		339		
5				
6				
7				

2.2 Service continuity approach

This section describes the planned approach to ensuring continuity of service during the transition of Arranging Training to preferred providers and in ensuring a seamless movement of learners, employers, and industry groups, while minimising service disruption as much as possible.

Vocational education improvements are expected to be delivered during the integration and unification phases of the reform, which will occur after the TITO transitions have been completed. Competenz is not accountable for these post-transition improvements, however, our employees who will transition to these providers are excited by the opportunity to influence and implement these improvements.

Topic	Planned approach,
Retain relevant assets	<p>All assets including IP in learning/assessment resources will be transferred to the receiving provider to which arranging training is transitioned.</p> <p>It is not intended to transfer any tangible assets to WDCs.</p> <p>Competenz is not intending to retain any assets following transition nor to dispose of these to any entity other than the receiving providers identified in this Plan.</p>
Maintaining service levels for existing learners	<ul style="list-style-type: none"> • Each of the two intended transitions ensure that current service models and relationship will remain unchanged though the immediate transitions and provide for a period under which the receiving provider has agreed to maintain these models for the period following transition. This expectation and the approach under which this will be achieved are outlined in each of the Term Sheets covering the agreed transition approach. • Competenz believes that the commitment of the two receiving providers in this regard is genuine and extends beyond any formal obligation created in the Transition Agreement. • Competenz therefore does not believe that any learners or employers will experience changes in service level, risk or disruption as a result of transition. • In each case, the two receiving providers intend to enhance the current service models once the regulatory and funding constraints for arranging training are removed and once they are able to fully evaluate and manage any impact on learners and employers through a full understanding of the current service models
Manage risks related to under-served learners	
Minimise disruption to employers and industry groups	
Minimise disruption to existing education and training providers	<p>In each case, Competenz has agreed with the receiving provider that the existing network of provision including providers and assessors is to be maintained until at least December 2022.</p>
Continue school-focused activities	<p>Competenz and Te Pūkenga have agreed that all school-focussed activity and the employees involved in this will be transitioned to Te Pūkenga and will continue under current service models.</p>

2.3 Retention of people, skills, knowledge, experience and relationships

- Competenz currently operates a largely integrated service model across the 38 sectors in which training is arranged and where learner/employer facing functions are reliant on support systems and people. As outlined in the initial version of our Transition Plan, the key risk in regard to people, skills, knowledge and experience and the consequential disruption for learners and employers would arise through fragmentation of the currently integrated service model between providers and functions, particularly if this was undertaken without a full understanding of the potential impact. The intended transition in which almost all Competenz's arranging training, other activities and support functions are transitioned to Te Pūkenga effectively as a going concern addresses this risk.
- With the exception of a small number of general administrative and transactional roles, current Competenz staff all have key skills, knowledge, experience and relationships that need to be retained within the system generally but specifically within the standard setting and arranging training functions for the sectors currently supported by Competenz.
- Competenz has consistently sought transition arrangements that best ensure key skills, knowledge, experience and relationships are retained through the transition and so that current service models are not disrupted. This enables receiving organisations to then ensure that they fully understand the current service models, interdependencies and evaluate any impact on learners, employers and employees as they evolve service models.
- Competenz's high level approach has been to:
 - Ensure that particularly critical skills that needed to be retained were identified.
 - Ensure employees are fully informed of progress and thinking as RoVE transition options are developed and ensure that, so far as possible, our people are positive about the proposed changes. This has been and will continue to be achieved through leadership, extensive internal communications, pulse/engagement monitoring and an approach of transparency.
 - Optimise the opportunities available for all staff in the post RoVE system by identifying skills that will be particularly valued and implementing focussed professional development and support at individual, team and organisation levels.
 - Advocate strongly for transition approaches that minimise impact on employees, particularly in ensuring that wherever possible current employees will be directly matched to roles in receiving organisations.
 - Advocating strongly for any required formal staff consultation in current organisations and recruitment into receiving organisations being run synchronously through open and fair processes for all employees in the current system.

- Ensuring that there is personal support available to our people throughout the entire process and, should it eventuate, providing out placement support for any employees not successful in obtaining a role in a post-transition organisation.
- Competenz has reviewed the structure and roles required beyond transition and undertaken change impact analysis on roles. This will inform the formal consultation on future structure that we will consult our people on in June and this may evolve through this consultation. Competenz is prepared to discuss the proposed structure and roles with TEC's RoVE transition team but not to provide it with this submission due to sensitivity in relation to individuals.

Roles that Support Arranging Training Only and Support Roles

- The intended arranging training transitions achieve our objectives to the greatest extent possible.
- Competenz and the receiving organisations have agreed arrangements under which the receiving entities will offer employment on the same terms and conditions for the Competenz direct, indirect and support roles that support only arranging training or other activities as at 1 April 2021.
- For clarity, it is intended that all support staff with the exception of two roles will transition to Te Pūkenga. As a consequence, there are three support roles proposed to be disestablished that Competenz will consult employees on, and if confirmed, will necessitate a selection process for only one future role.
- Competenz and the receiving providers have agreed that there will be no non-compete or non-poaching provisions, primarily in recognition that no consideration that could validate such an approach is proposed.

Standard Setting Roles and Roles that support both Arranging Training and Standard Setting.

- Competenz has a number of roles that support standard setting only or are split between standard setting and arranging training functions; including three roles at Tier 1 and 2. Competenz will consult on the disestablishment of these roles and establishment of future roles within the post transition Te Pūkenga structure.
- This consultation will be run simultaneously with consultation by TEC on proposed WDC structure and roles between 21/06/2021 and 02/07/2021. The timing of this consultation and recruitment into future roles is not impacted by the proposed differences in timing in arranging training and standard setting transition. These processes will continue to run in the same timeframes as all other TITOs.

- Competenz will engage with the WDC Establishment Unit and WDCs in any approach to minimise the number of employees required to undergo selection processes through the adoption of a direct role matching approach. Competenz will seek to ensure that any such approach ensures equitable opportunity for staff of all TITOs where standard setting functions will be transitioned to a particular WDC.

Recruitment into Transitioning Structure

- Recruitment for roles in the post transition Te Pūkenga structure and in WDCs will then also be conducted simultaneously between 2/08/2021 and 27/09/2021.
- The process for recruitment of newly created roles within the post transition Te Pūkenga structure will be consistent with best recruitment practice. Applications will be invited from any interested existing Competenz employees and a selection process will then be undertaken under the leadership of Competenz's GM Employee and Customer Experience (encompassing our People and Culture function).

Recruitment into WDCs

- Competenz will engage constructively with the WDC recruitment process to ensure so far as possible that existing employees secure future roles that require their skill sets and experience and that best fit their personal aspirations.

Risks

- Competenz believes that there are required roles in Te Pūkenga post-transition, or will be in the WDCs, that require the skills and experience of every Competenz role that is proposed to be disestablished.
- There is an unavoidable risk to the system, Te Pūkenga and the WDCs of some employees in the non-support roles choosing not to pursue a role or not to accept an offer. Each of these employees has critical skills and experience in standard setting and in the VET system that are likely to be challenging to acquire. A number of these roles may directly match new WDC role and incumbents may be able to be transitioned under the substantially similar provisions of the legislation. For the balance, Competenz does not believe that this will be possible as future roles are of significantly different size or are substantially different as a result of the splitting of the standard setting and arranging training components of current roles. This risks creating competition for talent between Te Pūkenga and each of the WDCs and an equal risk of critical skills and experience being lost to the system completely.
- Competenz will continue to ensure that employees have a positive mindset regarding future roles through leadership and internal communications.

- We have not identified other mitigation action that Competenz can reasonably undertake but respectfully suggest that Te Pūkenga and TEC/WDCs should consider mitigation actions that they might implement.

2.4 Transition of information and assets

- **Key categories of information needed for transition**

Category of information	Approach to transition	Key risks
Details of employers, providers and learners, and their relationships with TITO	<p>This data is held in the Trainee Management System and document files. In the case of Te Pūkenga, the Trainee Management System will be transferred as an operational system</p> <p>In the cases of ATNZ and Skills4Work, learner and employer records will be extracted from the current system and provided to the respective receiving provider for import into their new system or manual upload. Document files will be physically transferred</p>	<p>No risk identified in relation to Te Pūkenga</p> <p>Dependency on ATNZ and Skills4Work having established ITR compliant trainee management systems by transition date.</p>
Details of the needs of learners, employers and industries, relevant to transitioned activities	<p>ATNZ and Skills4Work both currently work with and have in depth understanding of the learners, employers and industries for which activities are being transitioned</p> <p>The institutional knowledge in relation to all other sectors being transitioned to Te Pūkenga will be transferred with the employees and the intact and integrated service model</p>	<p>No significant risks identified</p>

Category of information	Approach to transition	Key risks
<p>Details of relevant functions, contracts, IP, systems, policies, on-going projects, and how these relate to future needs for learners and employers</p>	<p>The key components of these were identified by both parties to each transfer through the due diligence process.</p> <p>IP, relevant contracts, employment agreements and policies are being transitioned to the respective receiving provider. These are identified in the Term Sheets provided in Appendix 8</p> <p>A number of on-going projects will transition to Te Pūkenga as agreed between the parties. These are identified in the Term Sheet.</p>	<p>Risk of key details not having been identified has been mitigated through the thorough due diligence that had been completed</p> <p>No significant residual risk. Mechanism for required transferred has been identified for each contract, agreement or asset</p> <p>No residual risk as Competenz and Te Pūkenga have agreed that these projects will be completed</p>
<p>Details of careers information guides and related activities</p>	<p>All careers information guides will be transferred in print and digital form to the respective receiving provider, ie, butchery to Skills4Work, ATNZ branded material to ATNZ and everything else to Te Pūkenga</p>	<p>No risks identified</p>
<p>Business roadmap or other plans showing the intended vision for development of Arranging Training activities</p>	<p>A new strategy and business plan has been developed for ATNZ as a stand-alone provider/PTE and has been approved by the Competenz and ATNZ Boards.</p> <p>All other strategy, roadmaps and plans will transition to Te Pūkenga and will continue to guide the business unit within the work-based subsidiary until the work-based learning within Te Pūkenga is integrated into the new operating model and overall strategy/planning frameworks</p>	<p>Key risk is TEC approval for the DFS funding and a path to becoming a funded PTE prior to the introduction of UFS</p> <p>Key risk is that existing strategy/roadmaps will need to be adapted/replaced as Te Pūkenga implements the new integrated operating model.</p>
<p>Any other information being transferred to the Receiving Organisation(s)</p>	<p>No other information has been identified</p>	

- **Key categories of assets needed for transition**

- Competenz intends that all assets needed for transition will be gifted to the receiving organisation. This will be achieved through an asset/liability transfer agreement for notional consideration
- All assets will be transferred through an Asset Transfer Agreement (Sale and Purchase) mechanism.
- Contracts and licences will be novated or replaced with new contracts with the receiving organisation as the contracting party
- Vehicle Registration will be transferred to the receiving entity on the transition date
- Physical assets and any digital content will be physically transferred on or before the transition date

Category of assets	Approach to transition	Key risks
Trainee Management Systems	<p>The Competenz TMS including all functionality, licencing and current/historic data will transition as an asset to Te Pūkenga and will continue to be operated and supported by Competenz staff transitioned to the Te Pūkenga work-based training subsidiary on the agreed date of transition.</p> <p>Data relating to butchery training and learners will be extracted and provided to Skills4Work as a digital file on or before the agreed date of transition for uploading into whichever ITR compliant system is enabled.</p> <p>Data relating to ATNZ training and learners will be extracted and provided to ATNZ as a digital file for uploading into whichever trainee management system is enabled.</p>	<p>No significant risks identified</p> <p>Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity</p>
Employer Key Account systems	This data is integrated within the CRM functionality of the TMS and will be transitioned as above.	As above
Other IT systems	Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity	
Hardware and equipment	Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity	

Category of assets	Approach to transition	Key risks
Vehicles	Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity	
Other assets (e.g. Intellectual Property, Brands)	Details excluded from this Stakeholder version of the Transition Plan for reasons of privacy and commercial sensitivity	

2.5 Commercial and legal processes

This section describes the commercial and legal processes and the proposed due diligence process:

- Te Pūkenga and Competenz have completed extensive due diligence. This was undertaken independently and a comprehensive report has been provided to Te Pūkenga.
- Competenz and Skills4Work have also undertaken extensive due diligence. This ensured that Skills4Work was fully aware of current service models and arrangements and of industry, employer and learner expectations; whilst Competenz sought to ensure that S4W has/will have the capability to support arranging training for butchery apprenticeships and to ensure that there would be no disruption to learners or employers during or arising from transition. In the course of this due diligence, Competenz has reviewed and considered Skills4Work's:
 - Management and staff capability
 - Quality Management System including policies and procedures
 - Financial viability and current Financial Monitoring
 - Existing accreditation and consent to assess covering the programmes and unit standard assessment being transitioned
 - Own physical training facilities/equipment and ability to access additional/workplace equipment as required
 - Most recent EER outcome/report
 - Moderation outcome history
 - Commitment and capability to maintain and support current service models for learners and employers
 - Reputation with employers and learners including ascertaining their support for this transition
- The transition of staff and assets for ATNZ has been considered in depth by the ATNZ and the Competenz Board.

- Competenz has agreed Term Sheets (heads of agreement) detailing the key agreements in relation to the respective transitions. These will be formalised in a formal and conditional Transition Agreement prior to TEC approval of this Transition Plan.
- Each transition is to be completed as an asset transfer. The Competenz Trust will be wound up immediately following completion of transition and neither the Trust nor its employees or Trustees will be responsible for any historic or future liability.
- Competenz and the receiving providers expect TEC to undertake a funding washup on the date of transition.
- A Completion Checklist will be prepared and agreed following approval of the transition to allow monitoring of all activity required to achieve transition.

2.6 Working with external parties

This section outlines the:

- Roles of external parties (other than the TITO, Receiving Organisations and TEC) in delivering on a successful transition;
- Collaboration model (e.g. governance, organisation, and processes) between your organisation, providers and other external parties to ensure a seamless transition.

External Parties

- NZQA transition of existing programme of industry training or approval of replacement programmes of study and consent to assess for some domains/unit standards in sectors being transitioned is a critical activity and milestone. Competenz has discussed the requirements and intention with regard to transition with NZQA. NZQA has confirmed the transition approach and application process to be adopted for Te Pūkenga (emails 18/11/2020 and 15/12/2020) and Skills4Work (email 5/3/2021). Competenz, Te Pūkenga and Skills4Work will ensure that all required applications have been submitted by 30 May 2021.
- Competenz has engaged with schools, third party providers and assessors to ensure that they are aware of Competenz's intended approach to maintaining all current arrangements and service models. This has been agreed with the receiving providers and we will formally communicate confirmation to these interested parties once TEC Board approval is received.
- ATNZ will consult with NZQA from Q3,2021 on the establishment and registration as a PTE, noting that there is no intention to operate as a registered PTE prior to UFS implementation in 2023 at the earliest.

Collaboration and Governance

- Competenz will continue to engage with TEC's RoVE programme team and particularly the TITO Transition Lead and WDC Establishment Unit on an ongoing basis. This activity currently includes scheduled formal meetings and several informal interactions each week involving Competenz alone, meetings of other early mover TITOs with Te Pūkenga and meetings of all TITOs.
- Competenz's transition programme has been led by an assigned Programme Manager since Q4, 2019. Additional project management resource is being deployed as required to support transition. Competenz has adopted a governance group comprising the full Senior Leadership Team to oversee Competenz's RoVE transition programme. This group will continue to meet fortnightly to review progress, any required interventions and to consider risks until transition has been completed.
- A steering group including senior leadership from Te Pūkenga, Competenz, BCITO, Connexis and MITO has been established to oversee the transition of arranging training functions from these TITOs to Te Pūkenga. The steering group will be supported by a forum of the Transition Project Leads. The TITOs and Te Pūkenga functional leads are currently establishing working groups to develop implementation approaches for the transition of Finance & IT, People and Culture, Marketing and Communications and Legal activities.
- Skills4Work and Competenz has established a less formal monthly meeting to provide governance over this transition. This includes Tamai Roff (Skills4Work Chief Executive) and Competenz's RoVE Programme Manager Tim Wilson. TEC's Transition Lead will be invited to join these meetings as appropriate.
- Governance for the ATNZ transition will be provided by the ATNZ Board through scheduled board meetings and special meetings as required. This transition will be supported by an additional dedicated project manager from 20 April 2021.

2.7 High-level work plan

A high-level work plan has been provided. This outlines that workstreams and activities required for transition.

Key information in relation to this work plan is summarised on the following page:

Key Milestones for TEC Tracking

Suggested milestones where Competenz will provide written reporting/confirmation to TEC

- 30 May 2021 Finalisation of conditional Transition Agreements with Te Pūkenga and Skills4Work (and for ATNZ for staff and assets)
- 17 June 2021 Approval of Transition Plan by TEC Board
- 20 June 2021 Confirmation of readiness to initiate staff consultation on WDC and TITO structure/roles
- 1 July 2021 Confirmation of ITR compatible trainee management reporting by Skills4Work (and ATNZ to meet DFS requirements)
- 15 July 2021 Confirmation of decisions in relation to organisational structure and roles by WDCs and Competenz
- 15 July 2021 Confirmation of NZQA approval of Programme/Consent to Assess Transitions
- 15 July 2021 Confirmation of TEC finalising Investment Plans and enabling funding
- 4 August 2021 Confirmation of Transfer Completion
- 1 October 2021 Confirmation of readiness of handover documents and data transfer in relation to standard setting to WDCs
- 5 October 2021 Confirmation of completion for handover of standard setting functions

Management

Te Pūkenga, Competenz and TEC's WDC Establishment Unit have identified the leadership roles with accountability and responsibility for transition and who are supported by programme/project managers with responsibility to plan and ensure seamless transition and to coordinate the workplans for functional teams within these organisations. The high level workplan identifies the Competenz leadership members with accountability for workstreams and for particular activities.

Reporting

- Competenz will provide milestone completion reports against each of the milestones identified above.
- Competenz will report progress, concerns and risk updates verbally in the transition meetings scheduled by TEC's TITO Transition Lead.
- Competenz will continue to provide specific information and updates requested by TEC to the extent that these can reasonably be accommodated within resourcing constraints and realistic timeframes.

Risks

Risk Nr	Description	Raw Rating	Mitigation in Competenz	Managed Rating	Notes on current situation
1	Key staff/skill loss prior to transition	High	Retention incentives, ensuring engagement through leadership & comms, providing enhanced development	High	Risk has escalated again with continuing delays and lack of visibility of WDC operation/roles in particular for standard setting staff. Perceived absence of mitigation action from TEC with regard to this risk
2	Employees in disestablished roles do not seek or are not offered substantially similar roles in providers or WDCs	High	Leadership and comms. Advocacy for empathetic and fair selection process. Providing support and development to ensure staff are well placed for any post-transition roles	High	Key risk is whether scarce talent is lost to the system but secondary risk is redundancy cost for Competenz.
3	Employees unsettled or unwilling to engage positively in transition, leading to disengagement or employees exiting the system following transition	High	Leadership and comms. Expectation that receiving organisations will implement effective change management and that they value employees	Mod	Competenz initiatives have been effective but uncertainty regarding WDC establishment/operating models has led to increased nervousness from standard setting staff.

4	Disruption to employers and learners from ineffective transition	High	Ensuring all required elements of current models, IP and institutional insights transition, that receiving providers understand and have the capability to take over and ensuring that changes are not made to current models until models are understood and change impact undertaken	Mod	Initial risk effectively addressed through continuity provisions in transition agreements. Residual risk requires implementation to be effectively managed and receiving providers to honour the transition commitments.
5	Future operating models and enhancements to service models do not support effective work-based training	High	Seek influence in every potential workstream. Early transition into Te Pukenga and constructive engagement in WDC establishment	Mod	Cz engagement has been very effective but prospect of further delay in Te Pukenga transition risks ability to establish effective interim operating model prior to Christmas/summer period or to sufficiently influence future operating model before the November completion date
6	TEC and NZQA frustrate or fail to approve transitions	High	Ensure requirements are fully understood. Continuous engagement with TEC and NZQA throughout planning	Mod	No stone unturned through Competenz effort but evolving expectations and layers of approval remain problematic
7	Lack of adequate resourcing to plan and manage transitions, particularly alongside BAU operations and responding to growth	High	Effective Planning and adequate budget resourcing. Close monitoring of resource requirements and additional resource engagement before required.	Low/Mod	Additional PM and support resource in recruitment.
8	Receiving organisations fail to value or maintain skills and service models developed in industry training	High	Ensuring that models and strengths are understood while acknowledging opportunities for improvement through engagement and influence in every possible workstream.	Low/Mod	Perception remains that some officials remain unconvinced about strengths from the current system

9 Unable to identify providers/conclude transition terms that meet Competenz's transition criteria	High	Evaluation and discussion, thorough due diligence, negotiation and ensuring key conditions captured in transfer agreement.	Low/Mod	Risk will reduce on completion of transition agreements. Any further transition delay is likely to impact on the proposed Skills4Work transition due to inability to recover investment costs in ITR reporting making the transition financially unviable
10 Industry and Employers do not support transition options	High	Ongoing engagement. Ensuring that proposed transition meets industry success criteria	Low/Mod	Risk has reduced with endorsement process nearing completion and terms for transition with providers well advanced

Section 3: Transition of Apprenticeship Training Activities

- Apprenticeship Training Activities going to same provider as Arranging Training**

Apprenticeship Training Activities will be transitioned to Te Pūkenga and to Skills4Work in conjunction with other arranging training functions and as detailed in the previous section

Section 4: Transition of Standard Setting and Qualification Development

Competenz is currently awaiting the plan being developed by the TEC WDC Establishment Unit for incorporation in this section.

The content below outlines how Competenz's intentions for the transition of standard setting functions as at 30/4/2021.

Any material change from those outlined below in the TEC WDC Establishment Unit text will require Competenz Board approval.

Competenz will have completed all projects funded from the Qualification Development fund for 2021 prior to transition and will have no uncompleted projects funded by CoVID funding. An application for a new CoVID project will be completed and handed over to WDC for submission after transition.

4.1 Policies, Processes and Procedures

This section describes the planned approach to transitioning Standard Setting and Qualification Development-related Policies, Processes and Procedures to the WDC(s).

- Competenz intends that copies of current Policies, Processes and Procedures in relation to Standard Setting and Qualification Development will be provided as digital files to the TEC WDC Establishment Unit if required before WDC establishment or to the respective receiving WDCs if required after WDC establishment.

4.2 People

This section describes the planned approach to ensure existing staff are treated fairly and to ensure that transitioning staff are successfully supported during their move into the WDC(s).

- As advised in the first version of the Transition Plan, Competenz has 22 employees with some component of standard setting within their current role.
- Competenz is committed to ensuring that skilled employees are retained within the system and that they are treated with respect, fairness and empathy throughout the formal processes necessitated by RoVE and due employment process.
- Competenz will continue to ensure that employees are supported throughout transition and that so far as possible they have the skills that will be valued in the post RoVE VET system and are positive about the contribution that they can make in this system. The following activities outline the procedural elements required to implement transition but it is this commitment that is Competenz's key commitment and concern.
- TEC's WDC Establishment Unit and IEBs are currently determining the organisational structure and position descriptions for roles in each of the WDCs. TEC intends that these will be confirmed by the incoming Boards of the WDCs in their initial meetings.
- TEC intends to undertake formal consultation on the proposed structure and roles in the WDCs from 21/6/2021 to 2/7/2021.
- Competenz intends to undertake formal consultation on the proposed post-transition structure and roles that will be available within the Te Pūkenga subsidiary following transition. This will propose the disestablishment of current standard setting and joint standard setting/arranging roles and the creation of new roles that support arranging training only.
- It is intended that WDCs and Competenz will consider consultation feedback and confirm decisions in relation to structures and roles in the subsequent weeks. Competenz will at that stage identify those roles that will be disestablished on transition.
- Once WDC roles in WDC's are finalised, Competenz intends to engage with TEC's WDC Establishment Unit to consider whether any WDC roles are substantially similar to roles to be disestablished in Competenz. Through an engagement process between WDCs and Competenz, the WDC will consider whether it intends to offer employment on substantially similar terms and conditions to any Competenz employees in roles to be disestablished.
- Competenz will then initiate recruitment for those newly established roles in the post-transition structure simultaneously with recruitment by the WDCs of WDC roles that require a recruitment process.

- Competenz will recruit for new post transition roles through best practice recruitment processes led by our People and Culture personnel to ensure that the most suited applicants are offered employment.
- Competenz has an expectation that WDC's will adopt a similar approach.
- Competenz notes risks that skilled employees in roles that are disestablished may choose not to apply for a future role. This will trigger unavoidable redundancy and create unavoidable risk of skilled employees exiting the VET system at the point of transition.
- Competenz also notes that WDCs and the residual business unit that will transition to Te Pūkenga will be competing for scarce skills through the recruitment period. These skills are not readily developed and there is a significant risk that either or both receiving organisation types will face a skills shortage on transition/establishment

4.3 Systems and information

Use this section to describe the planned approach to transitioning Standard Setting and Qualification Development-related systems and information to the WDC(s). This could include business roadmap or other documents describing the vision for developing Standard Setting and Qualification Development activities.

- Competenz does not intend to transition any assets or systems to WDCs following advice on 15 April 2021 that the WDC Establishment Unit intends to adopt and issue common computing and telephony hardware to employees for purpose of ensuring standardisation and minimising support costs.
- Competenz has no dedicated systems that support standard setting functions.
- Competenz intends to provide each WDC with a handover document for each sector that
 - A brief summary of the state of the industry (issues in relation to skills, standards or training delivery), trends, reflections on recent review or new activity, status and schedule of future qual and unit standard reviews), including subscriptions to insights portals
 - Qualifications and unit standards by sector
 - Key industry contact details for sector engagement, qual and unit standard development, as well as guidance (and priorities) for engagement with the stakeholders
 - Details of any contract resource leveraged to support with qualification and unit standard development, including any active (if any) arrangements
 - Details of moderators that undertake external moderation in the sector

- Status of external moderation and challenges under management
- Guidance for engagement with Te Pūkenga (specifically the Cz business unit) as well as other providers supporting training in the sectors

- Competenz will provide a data extraction from our Trainee Management System and supporting applications that included data fields specified by the WDC Establishment Unit to the extent that this can be readily achieved [including the format in which the data is requested] , that this specification is sufficiently specific to identify the data sought and map these to our trainee management system data base and is received in a reasonable timeframe before transition. Competenz anticipates that this data may include employer and industry contact data, data related to qualifications, standards and external moderation. Competenz intends that no data relating to individual learners will be transitioned to WDCs.
- Competenz will provide a digital copy of all files, folders and documents that relate to skills leadership, qualifications, standards and moderation to the respective receiving WDCs

4.4 Working with external parties

- Competenz has insufficient awareness of the requirements of WDCs, NZQA or other organisations at the time of completing this version of the Transition Plan to complete this section.
- Competenz will engage constructively in meeting any such requirements as these are identified by TEC's WDC Establishment Unit and by NZQA

4.5 High-level work plan

- Competenz's high level transition plan for standard setting is integrated with other transitions has been provided

Section 5: Transition of Other WDC Activities

5.1 High-level approach and planning considerations

Competenz has not identified any other activities that would specifically transition to a WDC but we do wish to highlight industry expectation that promotion of careers within the sector coverage of each WDC and support for industry events such as conference attendance/sponsorship are integral to conducting the statutory functions of the WDC. Competenz does not have specific roles or assets that support these activities that could be transitioned to a WDC

Section 6: Transition of Other Activities

6.1 High-level approach and planning considerations

As indicated in section 1.4, Competenz and Te Pūkenga have agreed that all other activities will transition to Te Pūkenga as integrated functions alongside the arranging training function. These include:

- Provision and support of Gateway and curriculum-based unit standards in Schools
- Careers functions and activities intended to encourage new learners into employment
- Provision of job-board and employment placement services to match prospective learners with employers
- Licencing and sale of learning and assessment resources to third parties
- Provision of forklift training accreditation and management on behalf of MBIE
- Sponsorship and other financial support for industry events, awards and promotion of training opportunities

Section 7: Declarations

Please confirm, on behalf of your TITO, that:

X	You are satisfied that the receiving Arranging Training and Apprenticeship Training Activities provider(s) meet the TEC's initial approval criteria.
X	You agree to immediately inform TEC of any risks or issues that could adversely impact your operations in order to allow us to discuss how these could be managed, prior to transition.
X	Where applicable, you agree to factor your Transition Plan and transition date into your annual investment planning process and to work with the TEC to provide for a smooth transition of funding.
X	Your Transition Plan (Second Version) has been signed off by your relevant governance body.

Please provide your details, including your role within your organisation:

Your name:	George Adams
Your position/ role:	Board Chair
Name of TITO:	Competenz
