

# Service IQ

Whakangungu Ahumahi Ratonga

HELPING OUR CUSTOMERS SUCCEED  
BY GROWING THEIR TALENT

## Transition Plan

Edition 2



---

# Contents

- Part 1: Guidance and Template ..... 1**
  - Section 1: Transition approach ..... 1
  - Section 2: Transition of Arranging Training..... 13
  - Section 3: Transition of other activities ..... 26
  - Section 4: Declarations ..... 27
  
- Part 2: Appendices..... 28**
  - Supporting information ..... 28

# Part 1: Guidance and Template



## Section 1: Transition approach

This section will describe the overall approach to the TITO's transition. Identify the Receiving Organisations for each transferring activity, and describe how and when these activities will transfer. Provide assurance that the Receiving Organisations will be able to adequately deliver the transferred activities. Demonstrate how the planned approach aligns with the needs of learners, employers and industry, and show that the planned approach is supported by employers and industry groups. TEC will use this information to build a sector-wide view of transition preferences, understand the priorities of employers and learners, and assess how the approaches described will contribute to the benefits sought through the RoVE changes. TEC may also engage with the Receiving Organisations to assess their capability to deliver activities which they receive (including understanding their plans to develop this capability, if required).

*Note: TITO Transition Plans are not expected to include details of post-transition changes planned at Receiving Organisations (such as the integration of Arranging Training activities received from multiple TITOs by Te Pūkenga). However, if post-transition changes are already known, it will be helpful for TEC to have these changes identified.*

### 1.1 Overview of transition approach

Use this section to identify the Receiving Organisations that will take on the transferring activities, and describe the legal and commercial mechanisms that will be used. Summarise the key transition events or stages, and planned timeframes, and identify key assumptions, dependencies, risks and mitigations. If any of this information has changed since the first version of the TITO Transition Plan, please ensure this change is clearly stated.

#### *How the transition will occur and where activities will be transferred*

Provide a general overview of how the transition will occur, and to which providers and WDC(s), including any work required to develop capabilities at the Receiving Organisation prior to transition.

**Standard Setting Board (SSB) / Qualification Systems Functions (QSF):** ServiceIQ has transitioned some of its staff to the Ringa Hora – Services WDC as per the ServiceIQ WDC Transition Plan (submitted to TEC) in anticipation of the WDC being operational by 4 October 2021. To date, this includes our qualification development staff and quality assurance-moderation staff, who have been offered roles on existing terms and conditions. ServiceIQ staff who work across the remaining WDC functions, such as industry engagement and skills leadership/workforce development, are either waiting for roles to be advertised or involved in a contestable recruitment process. 9(2)(a)

ServiceIQ is currently working with the WDC Establishment Unit with regards to Data Migration requirements.

**Arranging Training:** Verbal and written feedback from consultation with industry, industry associations, employers, unions, iwi and our Board in the last three months, resulted in all parties agreeing that ServiceIQ's arranging training function should transfer to Te Pūkenga. One large employer, who supports ServiceIQ's transition to Te Pūkenga, has indicated they may consider looking at becoming a PTE in the future. ServiceIQ has confirmed that the transfer of its overall arranging training function and staff will be based on a 'lift-and-shift' as a Business Division, into the Te Pūkenga Work Based Learning Subsidiary (WBL). And, that staff transferring include all remaining ServiceIQ staff, post the staff reduction through transfer of SSB functions. ServiceIQ stated in its Terms Sheet negotiations with Te Pūkenga, that 'for the avoidance of doubt, this will include all employees employed, or under offer of employment, by ServiceIQ at the Completion Date.'<sup>1</sup>

<sup>1</sup> Completion means the completion of the Transfer in accordance with Transfer Agreement and, where the context requires, also means the time at which Completion takes place or is to take place; Completion date is the first day with Te Pūkenga.

### **Terms Sheet Section 12 'Employees' Excerpt:**

“ServiceIQ will confirm those employees to be offered the opportunity to transfer to WBL. Employees transferring to WBL are referred to as Transferring Employees. To ensure operational continuity for the new business division, it has been agreed that WBL will issue an offer of employment to all Transferring Employees of ServiceIQ. For the avoidance of doubt this will include all employees employed, or under offer of employment, by ServiceIQ at the Completion Date. It is not intended that Te Pūkenga (or WBL) will select employees to transfer.”

### **When the transition will occur and rationale**

Describe when the transition will occur and explain the rationale for the proposed timing.

Consultation with industry, industry associations, employers, unions, iwi and our Board in the last three months, has resulted in a range of views on when it might be appropriate for ServiceIQ to transition its arranging training function and related staff Te Pūkenga. Originally, all of our customers consulted, indicated they wanted ServiceIQ to move near the end of 2022. However, following recent discussions, there was a mix of views as to timing, ranging from earlier to later in 2022. As of the date of this Plan, approximately half of the 50 employers and organisations, consulted 1:1 or in groups, have provided ServiceIQ with a letter of endorsement as to the proposed transfer of arranging training activities to Te Pūkenga, including a preference as to when. We expect to receive the remaining letters in due course and suspect that the recent COVID lockdown has taken priority for many of the employers we consulted. A total of 65% of those employers, including ServiceIQ's largest customer, indicated a preference for ServiceIQ to transition from mid-year (June–July) 2022 onwards. ServiceIQ's Board has agreed that **ServiceIQ will transition to Te Pūkenga WBL Ltd on Monday 4 July 2022**. See additional information in the tables following, under 'Employer engagement and support'.

### **Provide rationale for lift and shift to Te Pūkenga**

Te Pūkenga is considered by all employers contacted (except two SMEs <sup>2</sup>), as the preferred destination for the transfer of ServiceIQ's arranging training function, given its overall scale; capability; capacity; national and regional network of coverage; and that it will be able to offer the 'best-of-breed' in terms of classroom-based, on-line/distance-based, and work-based learning. Noting also, that except for 9(2)(b)(ii) the PTEs and Wānanga we engaged with do not currently meet all of the above points, or are unlikely to at the point of ServiceIQ's transfer to Te Pūkenga. The transfer to Te Pūkenga is also seen as the least disruptive at transition, given the "lift and shift" approach for ServiceIQ staff and continuity for learners and employers.

### **Transition of other activities**

Describe how any other relevant activities (including Government-funded activities such as Trades Academies) will be delivered during and after transition.

ServiceIQ has included its Talent Supply and Transition's Team (TST), as indirectly related to arranging-training activities and that all the TST employees (16 roles) will transition to Te Pūkenga. The TST team deliver well-established, and industry supported, Schools and Gateway Programmes, including cultural tourism marae-based Gateway Camps. All of the TST programmes play a significant role in cultivating and providing a pipeline of students from secondary school into work-based training, many of which go on to secure employment in the Service Sector. It is proposed that the TST team will transition to Te Pūkenga, alongside and at the same time as ServiceIQ's arranging training function.

---

<sup>2</sup> Two (2) SMEs constituting (0.34%) of the 588 employers contacted, did not indicate support for the proposal. Each of the two SMEs has only one learner.



All of the ‘other activities’ noted in ServicelQ’s initial Transition Plan (June 2020), have either been incorporated into the Ringa Hora Services’ WDC organisational design, or the agreed lift-and-shift of arranging training, direct and related functions, to Te Pūkenga. See additional comments on page 26, Section 3.1 titled “High-level approach and planning considerations”.

### **Relevant post-transition activities**

Provide high-level information about relevant post-transition activities (if these are known).

ServicelQ has developed a ‘ServicelQ Business Transition Plan’, which provides a roadmap for the eventual wind-up of ServicelQ as a business entity. Wind-up activity will need to be aligned to ServicelQ’s formal legal status, both as a Charitable Trust and an Incorporated Society, as well as any other legal provision detailed in ServicelQ’s Term Sheet and final Transition Plan, which will be given legal effect through a Transfer Agreement. The process for wind-up will commence post ServicelQ’s transition to Te Pūkenga on 4 July 2022 and may take anywhere between three to six months. The date of March 2023 noted below is in the event of any unforeseen circumstances arising that may require a longer period of wind-up.

### **Proposed Process for Winding-up ServicelQ Post Transition to Te Pūkenga (No later than March 2023)**

1. Rule 19 of the Constitution provides that Service Skills Institute (SSI) may be wound up pursuant to section 24 of the Incorporated Societies Act 1908. Section 24 provides that members may resolve to wind-up a society in a general meeting. Any such resolution must be confirmed by a second general meeting. The second meeting is required as a safeguard to protect the interests of members who may have missed the first meeting.
2. Notice of the proposed confirming motion must be given to all members. The resolution of each meeting must be “carried by a majority of the valid votes cast by members voting at the general meeting in person or, if allowed by the society’s rules, by proxy”.
3. Following the confirmation of the resolution to wind-up an incorporated society, the Incorporated Societies Regulations require the members in general meeting to appoint a Liquidator.
4. Once the decision is made to wind an Incorporated Society up, the liquidation process is governed by parts 16 and 17 of the Companies Act 1993.
5. The Liquidator will look at things such as the disposal of non-core assets, with any proceeds used to discharge any liabilities – likewise any accumulated reserves should be applied to reduce or eliminate ongoing liabilities, so as to reduce the role of the Liquidator.
6. If there is a surplus after paying all debts and liabilities, including the costs of liquidation, the net assets of a society are distributed as directed by the rules, which may include division among members.
7. The rules of SSI provide that the surplus assets “shall be just distributed to one or more organisations (as determined by the Industry Advisory Groups then by the Members) for charitable objects relating to education and training in the industry sectors that are served by SSI, and otherwise in conformity with the Charities Act 2005”.

## 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.

To help meet these goals, TEC wishes to ensure that the Transition Plan addresses the priorities of learners, employers, and industry, and that the Transition Plan is informed by what success looks like for these groups.

### *Alignment with learners' needs*

Describe what is important for your **learners (including under-served learners)** in terms of the Arranging Training and Apprenticeship Training Activities you currently provide and how the proposed transition approach supports these needs:

Given that existing ServiceIQ staff will transition to Te Pūkenga Work Based Learning Limited (WBL), we are confident there will be no loss of capacity or capability in meeting the future needs of learners (including under-served learners) in terms of the Arranging Training and Apprenticeship Training Activities we currently provide.

With regard to under-served learners, ServiceIQ has well developed strategies and action plans that support parity of educational achievement, including Māori, Pasifika, Young People, Disabled People and those with Literacy, Language or Numeracy need. One of ServiceIQ's key objectives is to provide all relevant ServiceIQ staff, including our employer and learner-facing field staff, with training and awareness in cultural capability, diversity and inclusiveness.

ServiceIQ regularly surveys the level of satisfaction of its employers and learners, and through this process, has developed a deep understanding of the needs of both groups.

Our employers are most engaged and satisfied when training is aligned to what happens in the workplace, where naturally occurring evidence can be seamlessly gathered, verified, and assessed; and where ServiceIQ can provide a one-stop-shop.

Our learners are most engaged and satisfied when programmes of learning are relevant to their job, easy to follow, and where they are provided appropriate levels of pastoral care and support.

See Employer and Learner Satisfaction Survey following, for more information. The transition to WBL will see these outcomes continue.

### *Alignment with employers' and industries' needs*

Describe what is important for your **employers and industry** in terms of the Arranging Training and Apprenticeship Training Activities you currently provide and how the proposed transition approach supports these needs:

ServiceIQ, since its inception in 2013, has become a 'trusted partner' with its industry, industry associations, professional bodies, employers and unions. One important aspect that our employers value, is the various bespoke industry engagement business models that have evolved over time. These models and the administration of them by experienced ServiceIQ staff, are seen as fundamental to the ongoing maintenance of our arranging training function.

ServiceIQ conducted extensive engagement with its industries and employers when RoVE was first introduced. Feedback from employers was that they felt the current system was working fine, and that they weren't keen to see any changes to it that would make workplace learning any more onerous than it needed to be, or new rules and regulations that would mean it was more burdensome.

This Transition Plan, along with the lift-and-shift of ServiceIQ staff, will, at least in the short term, give employers the confidence and comfort they are looking for in the implementation of the government's reform of vocational education and training. As mentioned above, given that existing Industry Engagement staff will transition as part of a the ServiceIQ Business Division of Work Based Learning Ltd, we are confident there will be no loss of capacity or capability, or employer trust and confidence, in continuing to meet the needs of employers and industry in terms of the Arranging Training and Apprenticeship Training Activities we currently provide.

### ***Employer and Learner Satisfaction Survey***

The following is a sample of different types of ServiceIQ customer satisfaction surveys that show pleasing results.

#### **Trainee Satisfaction Summary (2019-2021):**

- ▶ 2019 Customer Satisfaction Survey by Research First where 567 of 14,550 trainees responded (4% response rate) **82%** satisfaction
- ▶ 2020 Trainee Programme Survey where 494 of 5,280 trainees responded (9.36% response rate) **79%** satisfaction
- ▶ 2021 Combined Consistency Review where 1,399 of 8,583 trainees responded (16% response rate) **83%** satisfaction

#### **Results for Research First Survey:**

- ▶ 82% of trainees and 75% of employers responded that ServiceIQ's training and qualifications are relevant to their industry.
- ▶ 80% of trainees and 75% of employers responded that ServiceIQ's training programmes meet the needs of those in their industry.

#### **The top three reasons for employees were:**

- ▶ To gain practical on-job training and experience (66%)
- ▶ Career development/progression (62%)
- ▶ Improve my management/leadership capability (48%)

#### **For employers, the top four reasons were:**

- ▶ Career development/progression and reward/recognise achievement (62%)
- ▶ Employee interest and commitment to learning (42%)
- ▶ Improved customer satisfaction and product/service quality (35%)
- ▶ Improved employee efficiency and self-reliance (35%)

### 1.3 Employer and industry support

TEC needs to ensure that each TITO has been through an appropriate process, including adequate engagement with substantially affected parties, to enable the TEC to understand the views of those engaged on the proposed transition. This will help to ensure that the transferred activities do not disrupt service to employers and industry groups, and it minimises the risk of a successful judicial review in the event of a challenge to a decision related to a TITO Transition Plan. It is important a robust process is followed that meets the standards of administrative law.

#### Employer engagement and support

Based on your TITO's *current employer and learner base* (at the time you complete the Transition Plan), please provide details of the number of employers and learners in each sector, the numbers and percentages of your employers engaged with regarding the proposed transition (and the number of learners they represent), and the numbers and percentages of engaged employers who have supported the proposal.

Employer and industry association engagement on the transition approach was carried out during the months of June–August 2021, and involved either 1:1 meetings or group meetings (face-to-face and Zoom) for larger employers, or an online survey for our remaining smaller employers. This followed what has seen regular communication with industry on the reforms over the last two years.

The larger employers in Table A below, were either involved in 1:1 in-person meetings, or attended online meetings, or participated in regional group meetings, in person or online. All participants were given a presentation regarding ServiselQ's options for transitioning its Arranging Training function and the possible timing of that transition. All participants agreed in principle to ServiselQ's proposal to transfer its Arranging Training function to Te Pūkenga, and over half have since provided ServiselQ with a letter of support, see Appendices for a copy of the letters received to date.

ServiselQ also contacted its remaining (smaller) employer database (by online survey), to provide the same update and to welcome any feedback they might have to the proposed transfer of our Arranging Training function. The results of this exercise are detailed in Table B and Table C, further below.

**TABLE A – Larger Employers Engaged 1:1 or who attended Regional Group Meetings**

Sector	TOTAL		Employers Engaged			Employers Supportive		
	Employer #	Learner #	Employer #	Employer %	Learner #	Employer #	Employer %	Learner #
Aviation	9(2)(b)(ii)	236	na	na	na	Yes	na	na
	9(2)(b)(ii)	13	na	na	na	Yes	na	na
	9(2)(b)(ii)	0	na	na	na	Yes	na	na
	9(2)(b)(ii)	2	na	na	na	Yes	na	na
	9(2)(b)(ii)	6	na	na	na	Yes	na	na
	9(2)(b)(ii)	0	na	na	na	Yes	na	na
	9(2)(b)(ii)	150	na	na	na	Yes	na	na
	9(2)(b)(ii)	494	na	na	na	Yes	na	na
	9(2)(b)(ii)	14	na	na	na	Yes	na	na
	9(2)(b)(ii)	21	na	na	na	Yes	na	na
	9(2)(b)(ii)	3	na	na	na	Yes	na	na
Aviation Sub-total		939						
Hospitality	9(2)(b)(ii)	40	na	na	na	Yes	na	na
	9(2)(b)(ii)	18	na	na	na	Yes	na	na
	9(2)(b)(ii)	16	na	na	na	Yes	na	na
	9(2)(b)(ii)	1	na	na	na	Yes	na	na
	9(2)(b)(ii)	20	na	na	na	Yes	na	na
	9(2)(b)	2	na	na	na	Yes	na	na

CONTINUED ON NEXT PAGE



Sector	TOTAL		Employers Engaged			Employers Supportive		
	Employer # <sup>3</sup>	Learner #	Employer #	Employer %	Learner #	Employer #	Employer %	Learner #
... Hospitality	9(2)(b)(ii)	0	na	na	na	Yes	na	na
	9(2)(b)(ii)	28	na	na	na	Yes	na	na
	9(2)(b)(ii)	159	na	na	na	Yes	na	na
	9(2)(b)(ii)	107	na	na	na	Yes	na	na
	9(2)(b)(ii)	226	na	na	na	Yes	na	na
	9(2)(b)(ii)	19	na	na	na	Yes	na	na
	9(2)(b)(ii)	26	na	na	na	Yes	na	na
	9(2)(b)(ii)	31	na	na	na	Yes	na	na
	9(2)(b)(ii)	0	na	na	na	Yes	na	na
	9(2)(b)(ii)	4,171	na	na	na	Yes	na	na
<b>Hospitality Sub-total</b>		<b>4,864</b>						
Museums	9(2)(b)(ii)	14	na	na	na	Yes	na	na
	9(2)(b)(ii)	0	na	na	na	Yes	na	na
	9(2)(b)(ii)	8	na	na	na	Yes	na	na
<b>Museums Sub-total</b>		<b>22</b>						
Retail Supply Chain	9(2)(b)(ii)	0	na	na	na	Yes	na	na
	9(2)(b)(ii)	2	na	na	na	Yes	na	na
	9(2)(b)(ii)	49	na	na	na	Yes	na	na
	9(2)(b)	3	na	na	na	Yes	na	na
	9(2)(b)(ii)	85	na	na	na	Yes	na	na
	9(2)(b)(ii)	940	na	na	na	Yes	na	na
	9(2)(b)(ii)	73	na	na	na	Yes	na	na
	9(2)(b)(ii)	486	na	na	na	Yes	na	na
	9(2)(b)(ii)	106	na	na	na	Yes	na	na
	9(2)(b)(ii)	0	na	na	na	Yes	na	na
	9(2)(b)(ii)	97	na	na	na	Yes	na	na
	9(2)(b)(ii)	112	na	na	na	Yes	na	na
	9(2)(b)(ii)	455	na	na	na	Yes	na	na
	9(2)(b)(ii)	243	na	na	na	Yes	na	na
<b>Retail Supply Chain Sub-total</b>		<b>2,651</b>						
Tourism	9(2)(b)(ii)	13	na	na	na	Yes	na	na
	9(2)(b)(ii)	103	na	na	na	Yes	na	na
	9(2)(b)(ii)	0	na	na	na	Yes	na	na
	9(2)(b)(ii)	0	na	na	na	Yes	na	na
	9(2)(b)(ii)	8	na	na	na	Yes	na	na
	9(2)(b)(ii)	18	na	na	na	Yes	na	na
<b>Tourism Sub-total</b>		<b>142</b>						
Travel	9(2)(b)	23	na	na	na	Yes	na	na
Other	9(2)(b)(ii)	na	na	na	na	Yes	na	na
	9(2)(b)(ii)	na	na	na	na	Yes	na	na
<b>TOTAL</b>		<b>8,641</b>						

<sup>3</sup> (TBA) indicates where a 'key' employer or stakeholder organisation, that had a 1:1 meeting to discuss the transition of ServcelQ's Arranging Training function to Te Pūkenga, has verbally indicated they **support** ServcelQ's proposal, however, has yet to provide a formal Letter of Support.

**TABLE B – Smaller Employers Surveyed By Sector**

Sector	Employers Contacted		Employers Engaged				Employers Responded				Employers Supportive				Employers Unsupportive			
	Employer #	Learner #	Employer #	Employer %	Learner #	Learner %	Employer #	Employer %	Learner #	Learner %	Employer #	Employer %	Learner #	Learner %	Employer #	Employer %	Learner #	Learner %
Aviation	66	215	30	45%	94	44%	5	17%	28	30%	4	80%	27	96%	1	20%	1	4%
Hospitality	358	870	189	53%	473	54%	20	11%	86	18%	20	100%	86	100%				
Museums	19	37	9	47%	15	41%	4	44%	5	33%	3	75%	4	80%	1	25%	1	20%
Retail Supply Chain	67	187	41	61%	118	63%	11	27%	48	41%	11	100%	48	100%				
Tourism	16	61	4	25%	22	36%												
Travel	11	22	6	55%	15	68%	1	17%	9	60%	1	100%	9	100%				
<b>Total</b>	<b>537</b>	<b>1,392</b>	<b>279</b>	<b>52%</b>	<b>737</b>	<b>53%</b>	<b>41</b>	<b>8%</b>	<b>176</b>	<b>24%</b>	<b>39</b>	<b>95%</b>	<b>174</b>	<b>99%</b>	<b>2</b>	<b>5%</b>	<b>2</b>	<b>1%</b>

**TABLE C – Summary of all employers Engaged 1:1, and who attended Regional Group Meetings, and who were surveyed**

99% of employers who responded, either in meetings or by survey, are supportive of the proposal for ServiceIQ to transfer as an entity into Te Pūkenga's WBL subsidiary. These employers (92 by number) represent 8,812 learners, 88% of total 10,033 learners, with ServiceIQ. Most of the employers who did not respond are SMEs, as the 88% learner coverage shows. The two employers who do not support the proposal have just one (1) learner each. Response by sector was generally consistent, apart from Travel (as expected given COVID-19) and Hospitality, a sector also affected by COVID-19. However, in both cases, employers who did respond represented most of the learners in their sector, with 84% for Travel and 93% for Hospitality.

Sector	Employers Contacted		Employers Engaged				Employers Responded				Employers Supportive				Employers Unsupportive			
	Total	Learner #	Employer #	Employer %	Learner #	Learner %	Employer #	Employer %	Learner #	Learner %	Employer #	Employer %	Learner #	Learner %	Employer #	Employer %	Learner #	Learner %
Aviation	77	1,154	41	53%	1,033	90%	16	39%	967	94%	15	94%	966	100%	1	6%	1	0%
Hospitality	374	5,734	205	55%	5,337	93%	36	18%	4,950	93%	36	100%	4,950	100%				
Museums	22	59	12	55%	37	63%	7	58%	27	73%	6	86%	26	96%	1	14%	1	4%
Retail Supply Chain	81	2,838	55	68%	2,769	98%	25	45%	2,699	97%	25	100%	2,699	100%				
Tourism	22	203	10	45%	164	81%	6	60%	142	87%	6	100%	142	100%				
Travel	12	45	7	58%	38	84%	2	29%	32	84%	2	100%	32	100%				
<b>Total</b>	<b>588</b>	<b>10,033</b>	<b>330</b>	<b>56%</b>	<b>9,378</b>	<b>93%</b>	<b>92</b>	<b>28%</b>	<b>8,817</b>	<b>94%</b>	<b>90</b>	<b>98%</b>	<b>8,815</b>	<b>100%</b>	<b>2</b>	<b>1%</b>	<b>2</b>	<b>0%</b>

## Industry engagement and support

Please provide a list of relevant industry bodies and/or professional associations, show whether you have engaged with each of them, and whether they support the proposal. If you can, please describe how much of the industry and/or which organisations each body represents.

The following industry bodies were either involved in 1:1 in-person or online meetings, or, attended a regional group meeting in person or online. All participants were given a presentation regarding ServicelQ's options for transitioning its Arranging Training function and the possible timing of that transition. 100% of participants agreed to ServicelQ's proposal to transfer its Arranging Training function to Te Pūkenga.

Industry body	Representation	Engaged with? Y/N	Supportive? Y/N
Aviation	Aviation New Zealand	Y	Y
Tourism	Tourism Industry Aotearoa (TIA)	Y	Y
	NZ Māori Tourism	Y	Y
Travel	Travel Agents Association of New Zealand	Y	Y
Hospitality	Hospitality New Zealand	Y	Y
	Restaurant Association of New Zealand	Y	Y
Retail	Retail New Zealand	Y	Y
Unions	Unite Union	Y	Y

## Key Concerns of Employers

While there has been wide-spread support by Industry Associations and Employers for ServicelQ's Arranging Training function to transfer to Te Pūkenga, many of the larger employers (covering the majority of ServicelQ's learners) ServicelQ has engaged with 1:1 over the last few months, expressed similar concerns, and said that what's most important to them, is that ServicelQ effectively manages the first two risks below, and has strong influence over the third risk:

- ▶ **Firstly**, that ServicelQ retains staff who know and understand their business, their learners, and the environment within which they operate.
- ▶ **Secondly**, many employers' initial perceived transition risk, was around the possible level of disruption that may impact their workplaces, as a result of ServicelQ's Arranging Training function moving to a new organisation. In this regard, the agreed 'lift and shift' option sits better with employers.
- ▶ **Thirdly**, whether the Te Pūkenga operating model might result in changes to workplace learning that are not well received. For example greater than expected rigor in terms of the pedagogy and academic "classroom" approach to learning in the workplace. Such an approach could have the unintended effect of employers withdrawing from the qualification framework and reverting to a simpler form of employer-specific (in-house) on-job training. It will be important that the new Academic Regulations reflect this concern from employers, in so far as how workplace-based vocational education and training is planned to look and be implemented, moving forward.

## Nature of engagement with employers and industry

Please describe your approach to employer and industry engagement during the development of the Transition Plan. Please include, for each sector, commentary on:

- ▶ How you engaged (What information was provided? How was the engagement conducted? How many parties participated? How was feedback provided? What was the feedback received?)
- ▶ Which employers and industry bodies supported the proposed transition, and what feedback did they provide?
- ▶ Which employers and industry bodies did not support the proposed transition, and what feedback did they provide?

ServiceIQ identified its key employer customers, industry associations, professional bodies and unions. ServiceIQ's Chief Executive, General Manager Industry Engagement, and General Manager RoVE and ServiceIQ Transitions, each attended 1:1 in person or Teams' meetings with larger employer customers, industry associations and professional bodies. All of the employers, industry associations, unions that attended 1:1 or group sessions are detailed in Table A above. The majority of key industry groups and employers who participated in 1:1 or group sessions have provided feedback by way of Letters of Support, with a few still to be sent in as at the date of this Transition Plan.

The same ServiceIQ representatives fronted, in person or by Team's meetings, a series of Regional Employer Summits in Auckland, Wellington, Christchurch and Queenstown, over the months June–August 2021. Each summit was attended by a combination of employers, industry associations and unions, with around 8–10 different entities at each. Some entities bought more than one representative. Regional ServiceIQ staff also attended the summits.

All 1:1 and regional group sessions were presented with a PowerPoint presentation, covering the background to RoVE and developments to date, including the functions, formation and staffing-up of Workforce Development Councils, and the options and potential timeline for ServiceIQ to transition its Arranging Training function. All employers sent the online survey were provided a link to the same power point. The main question asked of employers surveyed online was with regard to the transfer of ServiceIQ's Arranging Training function to Te Pūkenga. They were not specifically asked to comment on timing of the transfer, as this would have required significant context and discussion, as it did in the 1:1 and small group meetings.

Each session included a breakdown of the process and rigor ServiceIQ undertook to consult with, and evaluate, the suitability of different organisations to undertake, its Arranging Training function, namely Private Training Establishments (PTEs), Wānanga and Te Pūkenga. ServiceIQ's recommended position in terms of where it considered its Arranging Training function should transition, was also presented and discussed at each session.

Specific mention was made of the robust process undertaken by ServiceIQ to identify and engage with PTEs and Wānanga, who either had the potential, or who expressed interest, in being considered for undertaking ServiceIQ's Arranging Training function. Those present at the employer sessions and summits, were advised that the PTE and Wānanga process involved an invitation to identified parties to submit an Expression of Interest in the form of a Self-Assessment, against TEC and ServiceIQ 'Initial Qualifying Criteria'. And, that each Self-Assessment was put through a rigorous evaluation process/matrix to assess potential suitability. <sup>9(2)(ba)(i)</sup>

Participants were advised that only one PTE, [REDACTED], had met the evaluation threshold for moving to the next step of the process [REDACTED]. However, that after consultation with key industry players, including [REDACTED] those employers felt that while [REDACTED] was a strong contender, that Te Pūkenga offered the least transition risk, and better long-term prospects for their businesses and members. ServiselQ was transparent about this process with the employers it engaged with [REDACTED]

Participants were advised that ServiselQ had also been in discussion with Te Wānanga o Aotearoa and of the MoU that exists between TWOA and Te Pūkenga, and how this could lead to future discussions around TWOA being considered for arranging training in various sectors, where such arrangements were fully supported by industry.

Participants were advised on the benefits of its Arranging Training function moving to Te Pūkenga and that this was ServiselQ's recommended option. Given the extensive due diligence that was undertaken, all employers present, acknowledged and accepted that ServiselQ was providing them with the best option for moving forward.

At the conclusion of each session, participants were asked to provide ServiselQ with a letter of support/endorsement to confirm their views on where ServiselQ's Arranging Training function should transition to, and when might be a suitable time for that transfer to occur. All participants at the meetings supported the proposal to transition to Te Pūkenga. To date, around half of the employers, industry associations, professional bodies and unions who participated have provided Letters of Support for ServiselQ's proposal to transfer its Arranging Training function to Te Pūkenga. A common theme was that they felt it provided the best long-term outcomes for industry and for ServiselQ's staff moving forward.

All key employers, industry associations and unions invited for a 1:1 session, attended, and any that were unable to attend the group summits were provided the same information as others, and, also invited to submit their views on the proposal for ServiselQ's Arranging Training function to transfer to Te Pūkenga.

### ***Evidence key existing employers and industry bodies support the Transition Plan***

Provide evidence that key existing employers and industry bodies support the Plan (e.g. survey, letters of support, key industry names and contact details). Please also provide information about existing employers and industry bodies that *do not support* the Plan, including reasons given by those employers or industry bodies do not support the Plan, and the TITO's treatment of that information (eg, how their views were taken into account):

Appendix 1 is a PDF document with letters of support from ServiselQ's existing key employers, industry associations, professional bodies and unions. As mentioned above; around half of the of employers, industry associations, professional bodies and unions who participated in ServiselQ's industry consultation exercise have provided a Letter of Support for ServiselQ's proposal to transfer its Arranging Training function to Te Pūkenga.

In addition, and as mentioned above under 'Employer Engagement and Support', ServiselQ also contacted its entire remaining employer database (by online survey), to provide the same update and to welcome any feedback they might have to the proposed transfer of our Arranging Training function. All feedback to date is that Te Pūkenga provides the best long-term outcomes for industry and for ServiselQ's staff moving forward.



## 1.4 Status of discussions with Receiving Organisations

Use this section to describe the status of discussions and negotiations with proposed Receiving Organisations. Also show the next important milestone(s), and any unresolved issues for each Receiving Organisation. (Note that unresolved issues can be summarised, if needed.)

Activity	Receiving Organisation	Progress as at <insert date>	Next significant milestone	Issues to resolve
<i>e.g. Arranging Training</i>	<i>e.g. Te Pūkenga</i>	<i>e.g. Partnership agreed in principle; now reviewing draft Partnership Agreement</i>	<i>e.g. Partnership Agreement signed (target date: 01 Oct 2021)</i>	<i>e.g. Decision on upgrading core IT system</i>
Arranging Training	Te Pūkenga	ServiceIQ entered into a formal Partnership Agreement with Te Pūkenga on 21 December 2020.	ServiceIQ has concluded negotiations with Te Pūkenga over its Term Sheet – copy attached.	No perceived issues
Apprenticeship Training Activities	As above	As above	As above	No perceived issues
Talent Supply and Transitions Activity	As above	As above	As above	No perceived issues

## 1.5 Conflicts of interest

Use this section to describe interests held by the TITO (or any individuals currently or recently associated with the TITO) and the proposed Receiving Organisations. Provide information about:

- ▶ any existing interests (whether direct or indirect) that you (or an associated individual) has in any of the proposed Receiving Organisations; and
- ▶ any resolution or other expression of intention to take an interest in any proposed Receiving Organisation, or to increase an existing interest.

ServiceIQ has three Directors on the Services WDC board, being Maxine Gay, Des Flynn and Jill Hatchwell. We also have one Director on the Te Pūkenga and WBL Boards, being Maryann Geddes.

# Section 2: Transition of Arranging Training

TEC wishes to understand the rationale for the preferred Arranging Training provider(s), and to ensure there will be minimal service disruption through the transition. TEC will be looking for evidence that staff currently employed in Arranging Training roles are considered fairly, in line with best practice employment relations activities and with the People Transition principles developed in 2020. TEC also wishes to understand (at a high-level) the anticipated work plan to transition key activities and related assets, information, processes and systems with minimal service disruption, the legal/commercial mechanisms which will support and enable the transition, and the planned approach to working with external parties.

Use this section to set out the how the TITO plans to transfer responsibilities for Arranging Training to the preferred provider(s). Show the planning to ensure continuity of service to learners (including under-served learners), schools, providers, employers and industry groups. Describe critical roles, and specific skills and expertise that must be retained, and the approach to retain these through the transition. Show how key information and assets (such as IT systems) will be transitioned. Provide information about the key commercial and legal mechanisms intended to be used through the transition.

This information will allow TEC to provide support for each TITO's transition process and for the handover of Arranging Training activities to preferred providers.

## 2.1 Rationale for preferred provider(s) of Arranging Training

Potential providers for Arranging Training are Te Pūkenga, existing PTEs, wānanga and new PTEs (including TITOs that wish to become a new PTE). Use this section to provide information about the potential providers considered, and the provider(s) chosen to receive the Arranging Training activities.

### *Providers that have been considered for Arranging Training*

List each provider(s) that has been considered for Arranging Training, the approach for engaging and evaluating them, and the rationale for wanting to proceed/not proceed with each. Please provide information in respect of each provider included in the 'long-list' supplied by TEC.

### *Approach to engaging and evaluating all Providers:*

1. ServicelQ started the exercise by going through the PTE Long-List line-by-line with TEC. The original Long-List contained circa 75 PTEs. This was initially revised, with TEC, to 40 PTEs. Further shortlisting via a joint TEC/ServicelQ desktop exercise, saw this number reduce further to 12 PTEs. This exercise was made less complicated owing to there being no other industry trainees or apprentices who engage in any form of ITP or PTE classroom-based learning apart from one small PTE <sup>9(2)(b)(ii)</sup> and <sup>9(2)(b)(ii)</sup>. The 12 PTEs were duly contacted by ServicelQ. Some of the 12 were PTEs had also contacted ServicelQ of their own accord.
2. To streamline the PTE and Wānanga engagement process, ServicelQ developed several key guidance and process documents, including, an internal, Provider Engagement Plan, a PTE and Wānanga Information Pack, a PTE and Wānanga Self-Assessment Template (using TEC and ServicelQ initial qualifying criteria) and a ServicelQ Evaluation Matrix, to assess the merits or otherwise of a Provider's Self-Assessment. <sup>9(2)(ba)(i)</sup>
3. The process, supporting documents and templates mentioned above were discussed with employers, industry associations and unions during our engagement over July–August 2021, and all parties indicated they were confident with the level of rigor, due-diligence, and fairness that ServicelQ had applied to the overall process. ServicelQ took this as a form of validation from its key customers as to the level of integrity of this exercise.

4. All of these supporting documents, except for the Internal Provider Engagement Plan, <sup>9(2)(ba)(i)</sup> [REDACTED] have been attached in the Appendices. All 12 PTEs listed in the table below received one or more Team’s calls with two ServicelQ GMs throughout the engagement process.
5. Only the first four PTEs mentioned in the table below returned a Self-Assessment. A thorough evaluation process was conducted by the same two GMs across each of the 4 PTE Self-Assessments received. All PTEs who submitted a Self-Assessment were contacted by the same two GMs (via Teams) and were talked through the outcome of their evaluation, which was followed by formal written advice (via email) of the outcome.
6. There was a level of surprise from three of the four PTEs who submitted a Self-Assessment, and were not progressed to the next stage of the process, however, after detailed open and honest feedback, all appeared to accept the decision of the panel. The panel did not receive any indication that any of these three PTEs were aggrieved or might in the future pursue a judicial review objecting to the process.  
<sup>9(2)(ba)(i)</sup> [REDACTED]
7. The next step for the fourth PTE who met ServicelQ’s criteria was to seek industry feedback and support.
8. Two of the PTEs voluntarily withdrew from the process. The remaining six were sent an individual email to advise the timeline for receiving Self Assessments had passed, and as we had not received any correspondence from them, we concluded they had decided not to submit a Self-Assessment. Five of the six PTEs, to date, have not responded to our emails. One organisation, however, did contact ServicelQ afterwards, to say that they would keep an eye on future developments and opportunities, regarding the possibility of it undertaking the Arranging Training function for some of ServicelQ’s industry sectors.
9. The final outcome of the exercise has resulted in 100% of ServicelQ’s arranging training proposed to be transferred to Te Pūkenga. Notwithstanding (as mentioned above), that one large employer, who indicated a preference for ServicelQ to transition to Te Pūkenga, has indicated they may consider looking at becoming a PTE in the future.

Providers considered	Decision and rationale
<sup>9(2)(b)(ii)</sup> [REDACTED]	Not recommended – <sup>9(2)(b)(ii)</sup> [REDACTED] was considered a suitable destination for the transfer of ServicelQ’s <sup>9(2)(b)(ii)</sup> [REDACTED] arranging training function. <sup>9(2)(b)(ii)</sup> [REDACTED] scored above the threshold in ServicelQ’s PTE evaluation matrix to be considered further, however, after consultation with key industry players in the <sup>9(2)(b)(ii)</sup> [REDACTED], there was consensus that while <sup>9(2)(b)(ii)</sup> [REDACTED] <sup>9(2)(b)(ii)</sup> [REDACTED] was a strong and credible contender, that Te Pūkenga, with its size and scale offered better overall long-term prospects for their businesses and members. <sup>9(2)(b)(ii)</sup> [REDACTED]. Their goal is to have one central point of contact across the whole vocational education and training sector via Te Pūkenga. Lastly, the no-risk transition approach of “lift and shift” was preferred and seen as least disruptive.
<sup>9(2)(ba)(i)</sup> [REDACTED]	Not recommended – as per individual evaluation, with notable reasons being the PTE’s current business size and scale; the lack of depth of engagement across all the relevant sectors and or sub-sectors for which interest in arranging training was being sought; the potential for industry and employer disruption in the transition phase; and the level of opportunity and future career stability for ServicelQ staff, as compared with Te Pūkenga.
<sup>9(2)(ba)(i)</sup> [REDACTED]	Not recommended – as per individual evaluation, with notable reasons being the PTE’s current business size and scale; the lack of depth of engagement across all the relevant sectors and or sub-sectors for which interest in arranging training was being sought; the potential for industry and employer disruption in the transition phase; and the level of opportunity and future career stability for ServicelQ staff, as compared with Te Pūkenga.
<sup>9(2)(ba)(i)</sup> [REDACTED]	Not recommended – as per individual evaluation, with notable reasons being the PTE’s current business size and scale; the lack of depth of engagement across all the relevant sectors and or sub-sectors for which interest in arranging training was being sought; the potential for industry and employer disruption in the transition phase; and the level of opportunity and future career stability for ServicelQ staff, as compared with Te Pūkenga.

CONTINUED ON NEXT PAGE

Providers considered	Decision and rationale
9(2)(b)(ii) [redacted]	Formally withdrew of their own accord from the selection process
9(2)(b)(ii) [redacted]	Formally withdrew of their own accord from the selection process
9(2)(b)(ii) [redacted]	No self-assessment received
9(2)(b)(ii) [redacted]	No self-assessment received
9(2)(b)(ii) [redacted]	No self-assessment received
9(2)(b)(ii) [redacted]	No self-assessment received
9(2)(b)(ii) [redacted]	No self-assessment received
Te Wānanga o Aotearoa	Self-assessment received outside the timeframe. This was followed up with a phone call and the organisation was happy to leave things as they were, given the MoU that exists between TWA and Te Pūkenga.

### Preferred providers' approach to Arranging Training

Describe how the preferred provider(s) will arrange training following transition, and how this meets learner and employer needs:

Preferred provider	Preferred provider's approach to Arranging Training	How this will meet learner needs	How this will meet employer needs
Te Pūkenga	Existing ServiceIQ staff will transfer across to Te Pūkenga and will continue to use the same customer engagement models as are used now, until such time the Te Pūkenga operating model comes into being, where the implementation of the model requires a change in the way ServiceIQ engages with its customers.	Given the Arranging Training function of TITOs, and that Te Pūkenga's Operating Model is still in development, we expect that Te Pūkenga doesn't currently have an existing <b>approach</b> to provide Arranging Training for ServiceIQ's <b>learners</b> . We expect, however, that learner's needs will be met as they are now, given existing ServiceIQ staff will transfer across to Te Pūkenga and will continue to use the same customer engagement models.	Given the Arranging Training function of TITOs, and that Te Pūkenga's Operating Model is still in development, we expect that Te Pūkenga doesn't currently have an existing <b>approach</b> to provide Arranging Training for ServiceIQ's <b>employers</b> . We expect, however, that employer's needs will be met as they are now, given existing ServiceIQ staff will transfer across to Te Pūkenga and will continue to use the same customer engagement models.

### Preferred providers' capabilities

Describe the existing capabilities (such as people, operating assets, relationships) for the preferred 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
Refer above	Given the Arranging Training function of TITOs, and that Te Pūkenga's Operating Model is still in development, we expect that Te Pūkenga doesn't currently have any existing <b>capabilities</b> to provide Arranging Training for ServiceIQ's <b>learners</b> . We expect, however, that learner's needs will be met as they are now, given existing ServiceIQ staff will transfer across to Te Pūkenga and will continue to use the same customer engagement models.	Given the Arranging Training function of TITOs, and that Te Pūkenga's Operating Model is still in development, we expect that Te Pūkenga doesn't currently have any existing <b>capabilities</b> to provide Arranging Training for ServiceIQ's <b>employers</b> . We expect, however, that employer's needs will be met as they are now, given existing ServiceIQ staff will transfer across to Te Pūkenga and will continue to use the same customer engagement models.

*Note: It is recognised that no providers currently have full capability needed to undertake the Arranging Training activities. The preferred provider(s) will ideally have some relevant capability now, and must have a feasible plan to develop/acquire additional capability in order to take on and effectively deploy the transferred activities at an agreed future date. The Transition Plan should describe the provider capabilities that the TITO considers important for taking on and deploying the transitioned activities. Additionally, TEC may seek further information from the provider on its capabilities.*

### Details of transitioning programmes, learners and standard training measures

For each preferred provider, describe the details and intended volume of learners who will transition from your organisation. This includes “pipeline” trainees and apprentices covered under Memorandum of Understanding or similar agreements with employers. This information, in the form of a Mix of Provision, will help us to assess what funding is likely to be accessed from the Industry Training Fund, and should, as accurately as possible, indicate the number of learners and standard training measures (STMs) needed to support the activity.

**Please copy and paste the tables below for each preferred provider.**

[Insert sector and programme details here, and any other relevant information]

**ServiceIQ’s preferred provider is Te Pūkenga.** All ServiceIQ learners (trainees and apprentices) will transition to Te Pūkenga WBL Ltd, except for those engaged in Museums’ training; the industry coverage for standard setting and qualification development which, is now with the Creative, Cultural, Recreation and Technology WDC.

9(2)(b)(ii)

[Redacted content]

### STMs by NQF Level and Learner Type

The table below is based on ServiceIQ’s 2021 Year End “pipeline” (Budget), which has been converted to reflect our Mix of Provision.

NZQF Level	Learners		Standard Training Measures (STMs)	
	Trainees	Apprentices	Trainees	Apprentices
2	278	-	9(2)(b)(ii)	9(2)(b)(ii)
3	9,141	-	9(2)(b)(ii)	9(2)(b)(ii)
4	1,900	454	9(2)(b)(ii)	9(2)(b)(ii)
5	168	-	9(2)(b)(ii)	9(2)(b)(ii)
6	316	-	9(2)(b)(ii)	9(2)(b)(ii)
7	3	-	9(2)(b)(ii)	9(2)(b)(ii)
<b>Total</b>	<b>11,806</b>	<b>454</b>	9(2)(b)(ii)	9(2)(b)(ii)

### STMs by Sector and Learner Type

	Trainees	Apprentices	Total
Accommodation	9(2)(b)(ii)	9(2)(b)(ii)	9(2)(b)(ii)
Aviation	9(2)(b)(ii)	9(2)(b)(ii)	9(2)(b)(ii)
Cafés, Bars, Restaurants	9(2)(b)(ii)	9(2)(b)(ii)	9(2)(b)(ii)
Clubs	9(2)(b)(ii)	9(2)(b)(ii)	9(2)(b)(ii)
Food Services	9(2)(b)(ii)	9(2)(b)(ii)	9(2)(b)(ii)
Museums	9(2)(b)(ii)	9(2)(b)(ii)	9(2)(b)(ii)
Quick Service Restaurants	9(2)(b)(ii)	9(2)(b)(ii)	9(2)(b)(ii)
Retail Supply Chain	9(2)(b)(ii)	9(2)(b)(ii)	9(2)(b)(ii)
Tourism	9(2)(b)(ii)	9(2)(b)(ii)	9(2)(b)(ii)
Travel	9(2)(b)(ii)	9(2)(b)(ii)	9(2)(b)(ii)
<b>Total</b>	9(2)(b)(ii)	9(2)(b)(ii)	9(2)(b)(ii)



In May 2021, ServiceIQ had a significant increase in apprentice numbers due to the introduction of the Retail apprenticeship, and the government’s Apprenticeship Boost fund from TEC to help support employers to retain and take on new apprentices, as the economy recovers from the impacts of COVID-19. It aims to help apprentices to continue to earn and learn, so they become skilled practitioners in their chosen industry.

A re-forecast of apprentice numbers and dollars was done in April 2021 to see what our new Year End 2021 would look like. Below shows the additional STM and apprentice numbers. The phasing of these apprentices was done from June and a few in August, until Year End 2021.

NZQF Level	Apprentices	Standard Training Measures (STMs)
4	896	9(2)(b)(ii)

**STMs by Sector by L4 Apprentices**

Sector	STMs
Accommodation	9(2)(b)(ii)
Aviation	
Cafés, Bars, Restaurants	
Clubs	
Food Services	
Museums	
Retail Supply Chain	
Tourism	
<b>Total</b>	

## 2.2 Service continuity approach

Vocational education improvements are expected to be delivered during the integration and unification phases of the RoVE reforms, which will occur after the TITO transitions have been completed. Before then, TEC needs to ensure each Transition Plan supports the seamless movement of learners, employers, and industry groups to the Receiving Organisations, while minimising service disruption as much as possible. Use this section to describe the planned approach to ensuring continuity of service during the transition of Arranging Training to preferred provider(s). (If needed, replicate the table to describe different approaches planned for different providers.) Please describe the planned approach to:

- ▶ Retaining relevant key assets until the provider’s Arranging Training capabilities are in place;
- ▶ Maintaining service levels for existing learners until and during the transition, highlighting changes that may impact learners’ experience or educational outcomes;
- ▶ Managing risks related to the enrolment and retention of under-served learners, and how these risks will be managed;
- ▶ Minimising service disruption to employers and industry groups (including provision of brokerage and support services) until and during the transition;
- ▶ Minimising disruption to existing education and training providers until and during the transition; and
- ▶ Continuing school-focused activities (e.g., Trades Academies and Gateway programmes) and keeping secondary school principals and relevant staff informed of transition arrangements and timeline.

Topic	Planned approach
Retaining relevant assets	Relevant assets for the arranging of training are primarily ServiceIQ staff, who will transfer across to Te Pūkenga, along with vehicles, office furniture, learning and assessment material, laptops, phones etc.
Maintaining service levels for existing learners	ServiceIQ will continue to use the same customer engagement models as are used now, which will ensure service levels for existing learners will be retained.
Managing risks related to under-served learners	ServiceIQ will continue to use the same customer engagement models as are used now, including current approaches to supporting underserved learners, as mentioned in the section above titled ‘Alignment with learners’ needs’. The lift-and-shift of ServiceIQ staff into Te Pūkenga has, to a great degree, mitigated any potential risk relating to continuing to meet the needs of under-served learners.
Minimising disruption to employers and industry groups	There will be no disruption to employers and industry groups, given existing ServiceIQ staff will transfer across to Te Pūkenga and will continue to use the same customer engagement models as are used now.
Minimising disruption to existing education and training providers	There will be no disruption to existing education and training providers, given that all ServiceIQ learners are fully workplace-based (on job). The only two exceptions of note are: <sup>9(2)(b)(ii)</sup> [REDACTED], where they run a Level 3 Pre-Employment Certificate, prior to transferring the candidates to a TITO apprenticeship programme. ServiceIQ is engaged at this point to set up and manage their apprentices using funding from TEC. ServiceIQ provides the relevant pastoral care, support and monitoring of the apprentices. (2) <sup>9(2)(b)(ii)</sup> [REDACTED] <sup>9(2)(b)(ii)</sup> [REDACTED] <sup>9(2)(b)(ii)</sup> [REDACTED] <sup>9(2)(b)(ii)</sup> [REDACTED]
Continuing school-focused activities	ServiceIQ’s schools-focused activities will continue unchanged, given its Talent Supply and Transitions (TST) staff will all transfer to Te Pūkenga, at the same time as ServiceIQ’s Arranging Training function.

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

The retention of TITO talent, expertise and capability will be critical to ensuring a seamless transfer of Arranging Training which maintains industry confidence through the transitional period. It is critical that staff with key skills, knowledge, experience and relationships are retained in the VET system during and following the transition of Arranging Training to Receiving Organisations. TITO Transition Plans must show that TITOs are working closely with preferred Arranging Training provider(s) to:

- ▶ Retain people with the capabilities needed in the broader VET system;
- ▶ Recruit the best people for the required roles in Receiving Organisations; and
- ▶ Support service continuity and development of work-based training models and maintain industry confidence.

Use this section to describe the approach to retaining people with critical skills, knowledge, experience and relationships through the transition period. This may include staff involved in service delivery and relevant corporate services functions, as agreed with the preferred provider(s). Set out how the preferred provider(s) will support this approach, and what arrangements are required or planned to retain these. Please:

- ▶ Identify key skills, knowledge, experience and relationships associated with transitioning functions and how the transition will impact these;
- ▶ Outline the approach/governance for making employment decisions. The approach must provide a fair, objective and consistently applied process with timeframes compacted as best as possible to reduce uncertainty and minimise the impact on TITO's ongoing performance; and
- ▶ Describe how you'll facilitate the orderly transition of responsibilities and staff to the preferred provider(s) (e.g., if you contemplate any non-compete and no-poaching arrangements with the preferred provider(s)).

ServiceIQ has had two key pillars through all its RoVE transition activity. The first being to ensure a seamless transition for employers and learners, and the second to ensure we look after the ongoing needs of our staff, including ensuring staff with key skills, knowledge, experience and relationships are retained in the VET system during and following the transition of Arranging Training to Receiving Organisations.

To this end, ServiceIQ has been working closely with Te Pūkenga to ensure the best possible outcome for staff. To date, this has included a signed Partnership Agreement between ServiceIQ and Te Pūkenga, (dated 21 December 2020), which has a strong focus on retaining key staff. In addition, Te Pūkenga has provided ServiceIQ with an assurance that all ServiceIQ staff not moving to a WDC, and who are employed or under contract at the Completion Date will “lift-and-shift” into the Te Pūkenga Work Based Learning (WBL) Business Division, as part of the transfer of Arranging Training.

**Note**, that ServiceIQ has been keeping staff engaged throughout the RoVE journey and completed a formal internal ‘change consultation process’ with its staff, so everyone is clear on how the transition of functions to WDCs and Te Pūkenga will or may impact their current and future employment, and future options where applicable.

## 2.4 Transition of information and assets

Use this section to identify the key categories of information and other assets which will be required by the preferred provider(s) in order to continue delivering the transferring activities.

### Key categories of information needed for transition

Please provide the key categories of information needed to carry out the transitioned activities, and how and when this information will be handed over to the preferred provider(s). Examples of information categories are shown below. Please amend this list and add or delete as required.

Category of information	Approach to transition	Key risks
e.g. Details of employers, providers and learners, and their relationships with TITO	ServiceIQ will, until otherwise advised, be using its current systems, supplier and vendor contracts, licences, MoUs and agreements, whether assigned or novated, as required to support its arranging training and related support, administrative and business functions.	Given the lift-and-shift approach, the key risk is potentially Te Pūkenga not being ready to take on the ServiceIQ business division at the agreed transition date. In this case, the date will be deferred.
e.g. Details of the needs of learners, employers and industries, relevant to transitioned activities	See comments above relating to the transfer of ServiceIQ's arranging training function to Te Pūkenga.	See comments above relating to the transfer of ServiceIQ's arranging training function to Te Pūkenga.
e.g. Details of relevant functions, contracts, IP, systems, policies, on-going projects, and how these relate to future needs for learners and employers	It is anticipated that all of ServiceIQ's existing IP, systems, supplier-vendor contracts, licences, MoUs, agreements, policies and ongoing projects, will transfer unaltered to Te Pūkenga.	No perceived risks.
e.g. Details of careers information guides and related activities	Any information or IP ServiceIQ has relating to careers information guides and related activities, will transfer to Te Pūkenga.	No perceived risks.
e.g. Business roadmap or other plans showing the intended vision for development of Arranging Training activities	ServiceIQ has conducted bespoke employer skills needs analysis and formed strong working partnerships with many key employers, across all of its sectors, with regards to their future development of arranging training. Many of these are captured in employer MoUs and agreements. It is expected these arrangements will seamlessly transfer to Te Pūkenga. In addition, ServiceIQ has conducted extensive research into the needs of each of its ten sectors in terms of future skill supply and demand. This research will transfer to the Ringa Hora – Services Workforce Development Council, however, will still be accessible to ServiceIQ arranging training staff once transferred to Te Pūkenga.	No perceived risks.
Any other information being transferred to the preferred provider(s) – please specify	Covered above.	No perceived risks.

### Key categories of assets needed for transition

Please provide the key categories of assets needed to carry out the transitioned activities, information on how and when these assets will be handed over to the preferred provider(s) (if applicable), and any risks. Examples of assets are shown below. Please amend this list, as required.

Category of assets	Approach to transition	Key risks
e.g. Trainee Management systems	ServiceIQ's current Trainee Management systems will transfer to Te Pūkenga and will be used until such time the Te Pūkenga operating model is implemented and sees any need for change.	No perceived risks.
e.g. Employer Key Account systems	ServiceIQ's current Employer Key Account systems will transfer to Te Pūkenga and will be used until such time the Te Pūkenga operating model is implemented and sees any need for change.	No perceived risks.
e.g. Other IT systems	ServiceIQ's current IT systems will transfer to Te Pūkenga and will be used until such time the Te Pūkenga operating model is implemented and sees any need for change.	No perceived risks.
e.g. Hardware and equipment	ServiceIQ's current Hardware and equipment will transfer to Te Pūkenga and will be used until such time the Te Pūkenga operating model is implemented and sees any need for change.	No perceived risks.
e.g. Vehicles	ServiceIQ's current vehicle leases will transfer to Te Pūkenga and will be used until such time the Te Pūkenga operating model is implemented and sees any need for change.	No perceived risks.
Other assets (e.g. Intellectual Property, Brands)	ServiceIQ's current Intellectual Property, Brands etc (relating to arranging training), will transfer to Te Pūkenga and will be used until such time the Te Pūkenga operating model is implemented and sees any need for change. 9(2)(b)(ii) [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	No perceived risks.



## 2.5 Commercial and legal processes

Use this section to describe the formal mechanisms planned to give effect to the transfer of responsibilities and assets (as applicable). For example, identify the contracts (or similar) which are planned, the parties involved, and the planned approach to agreeing these with the other parties.

TEC will use this information to ensure that each TITO Transition Plan includes a commercially viable process and that the Crown is not exposed to undue financial risk. The TITO Transition Plan must also exhibit fairness to all parties involved, and minimise financial and legal risk to non-Crown entities including the TITO and preferred provider(s). TEC expects the TITO Transition Plan will allow for a due diligence process where the parties to the transition (including the Crown as the main funder of the vocational education system) can make informed decisions about the terms of the transfer.

### *Describe the commercial and legal processes and the proposed due diligence process:*

**Overview:**

ServiceIQ is working closely with its Auditors <sup>9(2)(b)(ii)</sup> [redacted] to ensure all of its financials will be fully up-to-date and accounts audited prior to the point of transfer to Te Pūkenga.

ServiceIQ is also working with legal firm <sup>9(2)(b)(ii)</sup> [redacted] at all stages of its transition of functions to both the Services' WDC and Te Pūkenga, <sup>9(2)(b)(ii)</sup> [redacted]

ServiceIQ's Board will provide the necessary governance and due diligence over all stages of ServiceIQ's transition and wind-up activity.

ServiceIQ has negotiated its Term Sheet with Te Pūkenga, part of which identifies which ServiceIQ assets and liabilities are to be transferred, and a plan/process to complete and execute the Transfer Agreement.

<sup>9(2)(b)(ii)</sup> [redacted]  
[redacted]  
[redacted]

ServiceIQ will proactively manage any potential risks that may relate to any contractual obligations that either party will have post transition, such as, any ServiceIQ contracts which are not novated across and will remain with ServiceIQ, <sup>9(2)(b)(ii)</sup> [redacted]. ServiceIQ will work with Te Pūkenga should they not be comfortable with taking on any contracts, which they consider too risky. Any such risks will be addressed in the Transfer Agreement.

## 2.6 Working with external parties

TEC wishes to ensure that all external parties are aligned and work together to ensure a seamless transition of Arranging Training for employers and learners. External parties may include contracted PTEs, schools, the Ministry of Education, NZQA, unions, and other relevant organisations.

Use this section to describe the planned approach to working with external parties during the transition planning and implementation.

Please outline the:

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

Other than ServiceIQ, Te Pūkenga, TEC and NZQA, there are no other external parties that will have a material impact on the transfer of ServiceIQ's arranging training function to Te Pūkenga. It is noted that transition to Te Pūkenga is subject to NZQA approval, which must be received prior and has been addressed as one ServiceIQ's key milestones in its high-level workplan further below.

All of ServiceIQ's suppliers and contractors<sup>4</sup> will continue to provide the same service to ServiceIQ as they do now. ServiceIQ has the full support of its Industry Board and has also gained the support and endorsement of all its key employers, industry associations, professional bodies and unions, to the proposed transfer of its Arranging Training function to Te Pūkenga.

ServiceIQ, through the efforts of its Talent Supply and Transitions (TST) team, has been in ongoing contact with all the secondary schools it engages with. All have indicated they will continue their engagement with ServiceIQ when it transfers its TST function to Te Pūkenga, which will be at the same time ServiceIQ transfers its Arranging Training function. ServiceIQ has maintained close communication with the Ministry of Education, NZQA, unions, and other relevant organisations, as part of preparing to transition to Te Pūkenga.

---

<sup>4</sup> 9(2)(b)(ii)

## 2.7 High-level work plan

TEC needs to ensure that the TITO Transition Plan is achievable and provides clarity around how and when the transition will occur.

Please outline your high-level work plan for managing the transfer of your relevant responsibilities to the preferred provider(s) while ensuring a seamless transition for learners and employers. The high-level work plan must show the key tasks required to complete transition before December 2022, and the key milestones that will allow TEC to monitor progress. (Note: TEC will work with each TITO to identify the reporting milestones appropriate for each transition.) The high-level work plan must also show dependencies on external parties, and impacts and risks to key stakeholders (and the mitigations for these), as well as the governance arrangements which will be used to manage the transition activities.

Please provide:

- ▶ The key activities, timeframes, milestones, management and governance arrangements for the transition;
- ▶ Dependencies on external parties in delivering on a successful transition;
- ▶ A high-level assessment of the transition impacts and risks, and the planned mitigations for these; and
- ▶ The reporting approach agreed with TEC.

If necessary, discuss the level of detail required with TEC before completing this section.

### *ServiceIQ High-Level Workplan*

ServiceIQ is currently working with the Workforce Development Council Establishment Unit regarding the transfer of ServiceIQ staff and migration of data, to enable the Services' WDC to be set-up and operational by 4 October 2021. ServiceIQ has also negotiated its Term Sheet with Te Pūkenga, which will provide the roadmap for the transition of ServiceIQ's Arranging Training function, for industry trainees and apprentices. The lift-and-shift approach offered by Te Pūkenga for ServiceIQ staff, will have the effect of managing the transfer of ServiceIQ's relevant responsibilities to Te Pūkenga, while ensuring a seamless transition for learners and employers.

The key tasks/activities required for ServiceIQ to complete its transition before December 2022, and the key milestones that will allow TEC to monitor progress are as follows:

Key Activities	Timeframes	Milestones	Management and Governance	Dependencies on External Parties	Transition Impacts & Risks	Planned Risk Mitigations	Reporting Approach
Engage with industry, industry associations, professional bodies, unions and key employers, over ServiceIQ's proposed transfer of its arranging training function to Te Pūkenga, and the timing of that transfer.	Jun–Aug 2021	Full agreement reached by 30 Sep 2021	Conducted by ServiceIQ Executive	Full support is ideal for the transition	None identified	None required	To be agreed with TEC
Ensure all information and data, including employer and learners records, is cleaned and suitable to transfer to the services' WDC and Te Pūkenga.	Jun–Sep 2021 for WDCs	Completed by 30 Sep 2021	Oversight by Executive	Internal resources only	None identified	None required	To be agreed with TEC
	Jan–Jun 2022 for Te Pūkenga	Completed by 30 Jun 2022	Oversight by Executive	Internal resources only			
Maintain an optimum staffing threshold to ensure continuity of business processes, particularly IT and Finance, and service standards to and at the point of transfer to WDCs and Te Pūkenga.	Jun–Sep 2021 for WDCs	Optimum staffing maintained by 30 Sep 2021	Managed by Executive	Dependent on conditions offered to staff by WDCs	Loss of key TITO staff	Favourable Terms Sheet and Transfer Agreement + incentivise key staff if necessary	To be agreed with TEC
	Jan–Jun 2022 for Te Pūkenga	Optimum staffing maintained by 30 Jun 2022	Managed by Executive	Dependent on conditions offered to staff by Te Pūkenga	Loss of key TITO staff	Favourable Term Steet and Transfer Agreement + incentivise key staff if necessary	To be agreed with TEC
Work with the TEC to ensure a smooth transfer of STM funding and other ITR system functionality ServiceIQ to Te Pūkenga.	Leading up to Transition date	Completed by Transition date	Managed by Executive	No perceived dependencies on external parties, other than TEC	No perceived impacts and risks	No risk mitigation anticipated	To be agreed with TEC
Work with NZQA to obtain its approval for ServiceIQ's transition to Te Pūkenga , and to ensure a smooth transfer of processes and activities linked to the NZQA qualification framework.	Jun–Sep 2021 for WDCs	Completed by 30 Sep 2021	Oversight by Executive	No perceived dependencies on external parties, other than NZQA	No perceived impacts and risks	No risk mitigation anticipated	To be agreed with TEC
	By 30 Jun 2022 for Te Pūkenga	NZQA Approval obtained prior to 30 Jun 2022	Oversight by Executive				

# Section 3: Transition of other activities

If TIOs have agreed to transfer activities other than Arranging Training, Apprenticeship Training Activities, Standard Setting and Qualification Development, and other WDC activities, use this section to set out where and how these other activities will be transferred. Providing this information is not compulsory for TIOs. This information will allow TEC to provide support for each TIO's transition process and for the handover of these activities to the Receiving Organisation(s). **Note:** *the structure of this section may be changed if needed, depending on the nature of the activities being transitioned.*

## 3.1 High-level approach and planning considerations

Use this section to identify *relevant Other Activities* and describe the high-level planning approach (Receiving Organisation(s), transition approach and planned timeframes) and the key considerations for transferring them:

As mentioned earlier in this document, ServicelQ's initial Transition Plan highlighted five (5) key functions that it considered necessary to transition to WDCs or as part of the transfer of its arranging training function. The functions were:

1. Industry Skills Leadership and Workforce Development;
2. Workforce Priorities (Including: Māori, Pasifika, People with Disabilities, Young People, those with Literacy, Language and Numeracy Need);
3. Product and Programme Development;
4. Marketing and Communications;
5. Talent Supply and Transitions (Schools and Gateway Programmes).

All of these functions and related staff, have or will be, either absorbed into the Ringa Hora – Services WDC as part of a staff transfer arrangement and/or via a contestable recruitment process; and for Te Pūkenga, as part of a lift-and-shift arrangement. The high-level approach and planning has generally concluded for the Services' WDC, apart from the ongoing migration of data. Noting, however, that as of the date of this Transition Plan, that only Standard Setting, Qualification Development and Moderation functions and staff, have 'transferred' to the Ringa Hora – Services' WDC.

The high-level approach and planning for the transfer of ServicelQ's Arranging Training function is or will be, primarily detailed in its Term Sheet, Discovery Report, Transfer Agreement, Step Plan, as well as throughout this Transition Plan, leading up to Day One establishment.

## 3.2 High-level work plan

TEC needs to ensure that the Transition Plan is achievable and provides clarity around how and when the transition will occur. Please outline your work plan for managing the transfer of your relevant responsibilities to the receiving organisations while ensuring a seamless transition for learners and employers. If required, discuss the level of detail required with the TEC before completing this section.

9(2)(b)(ii) [Redacted]

[Redacted]. The lift-and-shift approach offered by Te Pūkenga will have the effect of managing the transfer of ServicelQ's relevant responsibilities to Te Pūkenga, while ensuring a seamless transition for learners and employers.

In addition, ServicelQ will be working through the TITO Step Plan template to give effect to its transition into the Te Pūkenga Work Based Learning Ltd Subsidiary; undertake the Day One establishment activities; and all other critical operational requirements for Day One.

ServicelQ is also currently working with the Workforce Development Council, Establishment Unit, regarding the transfer of ServicelQ staff and migration of information and data, to enable the Services' WDC to be set-up and operational by 4 October 2021.

# Section 4: Declarations

Please confirm, on behalf of your TITO, that:

<b>Yes</b>	You are satisfied that the proposed providers to receive Arranging Training and Apprenticeship Training Activities meet TEC's initial approval criteria.
<b>Yes</b>	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.
<b>Yes</b>	Where applicable, you agree to factor your transition activities and dates into your annual Investment Planning process and to work with the TEC to provide for a smooth transition of TEC funding.
<b>Yes</b>	All of the information in your TITO Transition Plan is true and correct at the time of submission.
<b>Yes</b>	Your TITO 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:	Andrew McSweeney
Your position/ role:	Chief Executive Officer
Name of TITO:	Service Skills Institute T/A ServiceIQ

---

## Part 2: Appendices



### Supporting information

**Appendices Include:**

1. Agreed Commercial Terms Sheet.
2. Copies of Letters and Emails of Support from Employers and Industry Associations.
3. ServiceIQ's PTE Information Pack.
4. PTE Self-Assessment Template.
5. PTE Evaluation Matrix.
6. Wananga Information Pack.
7. Wananga Self-Assessment Template.
8. Online SME Employer Survey.

**We can confirm:**

1. We have retained all PTE evaluations and email correspondence to demonstrate a fair and reasonable process has occurred.
2. That ServiceIQ has not received any complaints or negative feedback from aggrieved PTEs over the process or its outcome.

**Special Notes:**

1. Sufficient commentary has been added describing the move from ~75 longlist PTEs to 12 to 4 to Nil, without the need for a further table.
2. Key Activities in the High-Level Workplan at Section 2.7 is sufficient, in lieu of a more formal Transition Project Plan – Gantt Chart or similar.



# Service IQ

Whakangungu Ahumahi Ratonga

HELPING OUR CUSTOMERS SUCCEED  
BY GROWING THEIR TALENT

**E:** [intel@ServiceIQ.org.nz](mailto:intel@ServiceIQ.org.nz)

**P:** 0800 863 693

**W:** [ServiceIQ.org.nz](http://ServiceIQ.org.nz)

Level 14, Plimmer Towers

2-6 Gilmer Terrace, Wellington 6011

PO Box 25522, Wellington 6140