

Reform of Vocational Education – Integration of Te Pūkenga Work Based Learning Limited into Te Pūkenga

From 1 January 2023, Te Pūkenga Work Based Learning Limited is no longer a separate legal entity. As a result of this change, Te Pūkenga Work Based Learning Limited, trading as Careerforce became a business division of its parent entity, Te Pūkenga – New Zealand Institute of Skills and Technology (**Te Pūkenga**) and will be co-branded Careerforce and Te Pūkenga for the immediate future.

This is happening as a further step in the implementation of the Reform of Vocational Education. We have included further context for you in the Appendix to this letter, together with the operative legislative references. However, the key messages that we wish to share with you are:

1. While there is a legal change, in simple terms, it is business as usual in terms of our business with you. Please refer to the administrative changes at paragraph 4 below.
2. Our existing agreement with you will be taken over by Te Pūkenga and continue to apply as between you and the Careerforce Business Division. This will happen by operation of law (refer Appendix); we do not need to update the agreement.
3. If you have any existing accounts or agreements with Te Pūkenga or its associated entities, these will not be impacted by this dissolution. Where dissolution results in Te Pūkenga having multiple contracts with the same customer, we will work with you to standardise into a single agreement over time.

Administrative Changes

4. Please note the following changes, which we will start applying from 1 January 2023.
 - 4.1. **Invoices:** Please update our name in your systems to “Te Pūkenga – New Zealand Institute of Skills and Technology trading as Careerforce”, to be enacted from 1 January 2023. The addresses you have in your system remain unchanged. If you have already received invoices from Te Pūkenga Work Based Learning Limited trading as Careerforce, for the period up to 31 December 2022, you should pay these as you would normally.
 - 4.2. **Bank accounts:** there will be no changes to bank accounts as part of this change. However, our legal name on any payments made will need to be updated to Te Pūkenga – New Zealand Institute of Skills and Technology with the reference Careerforce.
 - 4.3. **Tax details:** Our GST number will remain the same (from 1 September 2022).

- 4.4. **New Zealand Business Number:** The New Zealand Business Number (**NZBN**) that will apply from 1 January 2023 is the business number of Te Pūkenga; this is 942 904 809 2685.
- 4.5. **Contracts:** The legislation under which this integration is taking place operates so as to deem all existing contracts between us to now be held between you and Te Pūkenga (refer to Appendix). Accordingly, existing agreements will continue in full force and effect at a business division level in accordance with their respective terms and conditions.

Our business partners are vital to our continuing operation, and we are mindful of ensuring a smooth transition. Should you have any concerns regarding the changes and the transition process, please do not hesitate to contact us.

We appreciate you taking the time to read this information and look forward to continuing our strong business relationship.

Ngā mihi

Careerforce Finance

Appendix

High level overview of Te Pūkenga and legislation that applies on dissolution of a Te Pūkenga Subsidiary

Introduction

The creation of Te Pūkenga is one of the key components of the Reform of Vocational Education (RoVE) currently taking place in New Zealand. The reform seeks to create a strong, unified, sustainable vocational education system that is fit for the future of work and delivers the skills that learners, employers and communities need to thrive.

The unification of the vocational education system is being undertaken in two broad stages:

- a) Stage 1 was the foundation work necessary to bring New Zealand’s 16 institutes of technology and polytechnics (ITPs) into a group structure. This was achieved on 1 April 2020 when Te Pūkenga was created as a Crown entity and each of the ITPs were “converted” into limited liability companies (100% held by Te Pūkenga) for a limited period of time (up to 31 December 2022 at the latest); and

Stage 2 is currently underway and involves moving from a group structure to a national entity responsible for delivery of high-quality vocational education and training across the country, including functions of the previous ITPs and the arranging training activities of a number of transitional training organisations (TITOs) which were transferred to Te Pūkenga Work Based Learning Limited. Stage 2 involves each ITP subsidiary and Te Pūkenga Work Based Learning Limited dissolving and their operations (including all agreements) being undertaken by Te Pūkenga, the Crown Entity. Te Pūkenga will have a national footprint, providing programmes of study across the whole of New Zealand

Legislation that applies when an entity dissolves under stage 2

The Education and Training Act 2020 (ETA), Schedule 14 sets out detailed provisions as to what happens when a subsidiary of Te Pūkenga is dissolved within the context of the ETA. These provisions are drafted to ensure maximum operational continuity on transition of a dissolving subsidiary into Te Pūkenga and for “business as usual” to be maintained from the dissolution date.

In simple terms, the operative provision provides for a “lift and shift” of the dissolving entity’s business, operations and enrolled students into Te Pūkenga. Clause 4 of schedule 14, ETA in particular makes it clear that where any document refers to a dissolved entity that document is to be read instead as referring to Te Pūkenga—New Zealand Institute of Skills and Technology. This means that any existing agreements between you and the dissolving entity will not need to be updated to reflect changes to the legal identity on dissolution.

Clause 4(2) states that:

“On and after the dissolution date,—

- (a) *all rights, assets, and liabilities of the Te Pūkenga—New Zealand Institute of Skills and Technology subsidiary vest in Te Pūkenga—New Zealand Institute of Skills and Technology; and*
- (b) *unless the context otherwise requires, **every reference to the Te Pūkenga—New Zealand Institute of Skills and Technology subsidiary in any enactment or any instrument, register, agreement, deed, lease, application, notice, or other document before the dissolution date must be read as a reference to Te Pūkenga—New Zealand Institute of Skills and Technology.***”