



## Māori and Pasifika Trades Training

### Tools Grant Administration Guidelines for tertiary education organisations.

These guidelines have been developed to help tertiary education organisations (TEOs) to administer tools grants on behalf of their Māori and Pasifika Trades Training (MPTT) consortia. Only TEOs that have signed a tools grant funding confirmation letter with us can apply for MPTT tools grants on behalf of their trainees.

The MPTT initiative seeks to increase Māori and Pasifika access to vocational training, so they can gain the skills and qualifications necessary to enter into:

- › a New Zealand Apprenticeship (NZA),
- › an apprentice-equivalent training arrangement (such as a managed apprenticeship), or
- › an industry trades qualification at level 3 or 4 that is approved by the TEC.

The tools grant provides \$1,000 to each eligible trainee to subsidise the cost of tools related to their training in employment.

The information in this document about MPTT tools grant eligibility is for 2016 only.

#### MPTT tools grant eligibility

Tertiary Education Strategy looks at how the system can become more flexible and strategic by:

To be eligible for the MPTT tools grant an applicant must:

1. be one of the following:
  - a) a New Zealand Apprentice
  - b) a trainee enrolled in a level 4 apprentice-equivalent training arrangement (such as a managed apprenticeship) of at least 120 credits where:
    - › there is an agreed training arrangement between the following parties – the trainee, the TEO delivering the qualification and the employer; and
    - › the trainee is employed in the industry for which they are training (for example studying carpentry and employed in the building industry)
  - c) a trainee enrolled in a TEC approved level 3 or 4 industry trades qualification of at least 40 credits where:
    - › there is an agreed training arrangement between the trainee, and their employer; and
    - › the trainee is enrolled with an ITO
2. have previously participated in MPTT provision approved by the TEC; and
3. have not previously received any government funding for tools (for example Apprentice Reboot).

An applicant must also complete and sign the MPTT tools grant application form, including the declaration that the grant will be used towards the cost of tools related to your training.

#### What is a 'trades' qualification?

For the purposes of the MPTT tools grant a trades qualification:

- › involves training for a vocation within an industry; and

- › is a Student Achievement Component (SAC) funded qualification, where at least 50% of the qualification is from the course funding category codes C1, L1, or P1 (see Appendix One for a list of disciplines and course classifications in these categories); or
- › is a trade occupation as defined by the Australian and New Zealand Standard Classification of Occupations. (See Appendix One).

### **What is an apprentice-equivalent training arrangement?**

Apprentice-equivalent trainees must have an agreed training arrangement. This must:

- › be an arrangement agreed between the trainee, the TEO delivering the SAC-funded qualification, and the trainee's employer
- › be in written form, that is clearly and easily understood by all parties
- › be signed by the trainee, the TEO delivering the qualification and the employer
- › set out the trainee's programme of study, including details of the qualification being completed and the timeframes for delivery and completion of the qualification, and
- › set out the support in place to assist the trainee with successfully completing their qualification (for example financial, paid/unpaid study leave).

Note – an apprentice-equivalent arrangement may also be known as a SAC-funded managed apprenticeship.

### **Employment in the industry**

Apprentice/ trainees must be employed in the industry for which they are completing their vocational training. For example they are completing a building qualification and are employed in the construction industry.

The apprentice/ trainee must also be employed in a 'real job' with the expectation that they will have on-going employment with the employer with whom they have a training arrangement.

Apprentice/ trainees in training in environments designed to simulate employment are not eligible for the MPTT tools grant.

Apprentice/trainees in subsidised employment are not eligible for the MPTT tools grant.

### **Applications for the tools grant**

You must use the TEC's MPTT Tools Grant Application Form (application form) to apply for the tools grant.

You must ensure each completed application form is fully completed and signed by the trainee, TEO and the employer as applicable. In signing, applicants are confirming they have read the MPTT Tools Grant Information for Applicants and believe they are eligible to apply.

For all apprentice-equivalents application forms must also be signed by the TEO delivering the SAC-funded qualification to confirm they are a party in the training arrangement with the employer and the trainee.

### **Payment amount**

The tools grant is a one-off payment of \$1,000. TEOs administering the tools grant must pay the grant in full to eligible trainees. TEOs must not retain or withhold any of the grant.

Time limit on applying for a tools grant

The apprentice/trainee has 18 months to apply for a tools grant from the date they complete or leave their MPTT course. The 90 day stand down period no longer applies.

### **Retaining receipts and records**

TEOs should advise successful applicants they are expected to retain receipts for tools, or other evidence the grant was spent on tools related to their training, for at least one year after applying for the MPTT tools grant.

TEOs must keep completed application forms in accordance with the TEO's record-keeping or document management policies and legal requirements. Completed forms must be available for inspection on request by the TEC.

### **GST and Tax**

The MPTT tools grant payment is tax-free, which means there is no income tax or GST to pay. Individual payments will therefore be \$1,000 in total. Even if the trainee is registered for GST, GST does not apply to their payment.

Keep applicants informed

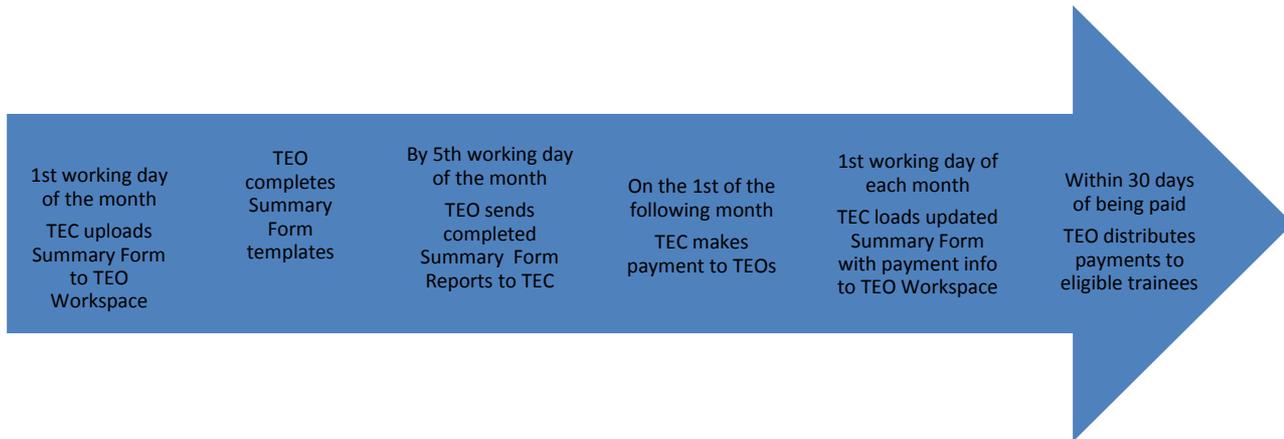
You are expected to:

- › advise applicants if they are ineligible; and
- › advise eligible applicants if they are about to be, or have been, paid.

## Reporting and payment processes for TEOs

### Overview

The diagram below explains the steps and timeframes involved in processing applications.



We will provide you with the MPTT Tools Grant and Brokerage Performance Summary (Summary Form) via Workspace 2:

- › For eligible NZAs and industry trainees (trainees) who are enrolled with an Industry Training Organisation (ITO) the information will be prepopulated as these are already reported through the ITR.
- › For eligible apprentice-equivalents you will need to provide trainee information.

You have 5 working days to complete the Summary Form and submit it to us via Workspace 2. We will check the eligibility of the applications and payments are generated for eligible trainees.

Payments will be made on the first day of the following month, in accordance with the monthly payment schedule.

Payments may take between four and eight weeks from the date you receive a completed application form depending on the stage of the payment cycle.

### Reporting process for TEOs:

1. Download the Summary Form from your Workspace and complete trainee information where you have received a completed application form. Do not delete or amend other records where no application form has been received.
2. If you received an application form from a NZA but there is no corresponding NZA record on the pre-populated Summary Form provided by us, contact your Investment Manager.
3. If you have received an application form from an apprentice/ trainee and you have questions about their eligibility for the tools grant, please contact the TEO delivering the qualification or the industry trainees' ITO.
4. Return your completed Summary Form to us by the 5th working day in the month via Workspace 2. Summary Forms received us after 5.30 pm on the 5th working day of the month will not be processed until the following month.

In submitting the completed Summary Form to us, you are confirming that:

- › a completed and signed application form has been received for each trainee record for which you are seeking payment; and
- › you have checked the eligibility of each trainee against the MPTT tools grant eligibility criteria and you are confirming their eligibility for the tools grant.

### Payment process details:

We will make the payments to you (the TEO administering the tools grant on behalf of their consortium) on the first day of the following month. You must then pay the trainee, the full grant amount, within 30 days of receiving the payment from us.

You can pay trainees by direct credit or cheque. If payments are made by cheque and subsequently not presented for clearing within a reasonable timeframe, you will need to cancel the cheque and return the funds to us as an uncleared payment.

The next Summary Form loaded onto your Workspace 2 will detail the records approved for payment and the payment reference number that will appear your bank account.

The payment reference number will refer to those trainees included in that payment. The MPTT tools grants will be paid separately to other TEC payments.

### **We will monitor MPTT tools grants**

We will monitor the uptake of the MPTT tools grant and report our findings to TEOs, the Minister, and the public. Reporting will include:

- › the number of trainees who have received the tools grant and their demographic characteristics, and
- › the number of tools grants by TEO, industry type and qualification.

### **Recovery of funding**

All MPTT tools grant funding must be distributed to eligible applicants or returned to us.

If you become aware that funding has been provided to a trainee who is not eligible or has used the funding inappropriately we expect you to use reasonable endeavours to recover the funding. Reasonable endeavours include ensuring the declaration of eligibility was signed before payment was made and requesting repayment from the ineligible trainee.

You should advise us immediately if you become aware of:

- › any payments made to ineligible applicants, and
- › inappropriate use of the MPTT tools grant.

### **Auditing**

The MPTT tools grant will be incorporated into our usual audit processes. We will audit TEOs in relation to MPTT tools grant processes and payments. Completed application forms must be retained for audit purposes. TEOs must comply with any information requests or requirements arising from TEC audits.

Audits may be desk-based or involve visits from TEC staff or third parties contracted to us. TEOs are expected to facilitate audit activities through cooperation and resourcing as required.

### **Questions**

If a trainee has any questions about their eligibility for the MPTT tools grant they should contact you in the first instance.

Alternatively they can contact our Sector Helpdesk on Freephone 0800 601 301 or email [sectorhelpdesk@tec.govt.nz](mailto:sectorhelpdesk@tec.govt.nz)

Remember, payments may take between four and eight weeks from the date your organisation receives a completed application form, due to payment cycle timeframes.

If you have any questions about the MPTT tools grant, please contact your Investment Manager.

# Appendix One: Description of Trades Qualifications

All New Zealand Apprenticeships are considered trade qualifications.

## Trade qualifications for apprentice-equivalents

For an apprentice-equivalent training qualification to be considered a 'trades qualification' at least 50% of course delivery must be in the SAC course funding category codes below. If you have a question about whether a particular qualification is considered a 'trade', please contact your Investment Manager.

Category	Relevant discipline and course classifications
C	Architecture (degree) [#02] Engineering [#11] Technology [#11] Health Sciences [#13] Vocational Training For Industry [#22.1] Midwifery (3 year) [#27] Speech Language Therapy [#32] Medical Laboratory Science [#33] Audiology [#35]
L	Agriculture (non-degree) [#01] Horticulture (non-degree) [#01] Osteopathy [#03.1] Acupuncture [#03.1] Vocational Training for Industry [#22.1] Nursing [#24]
P	Trades 2 [#22] Vocational Training for Industry [#22.1]

## Trade qualifications for industry trainees

For an ITF-funded qualification to be considered a 'trade qualification' the qualification must be at level 3 or 4, listed on the NZQF, and be in a technical or trade occupation as defined by the Australian and New Zealand Standard Classification of Occupations below.

TECHNICIANS AND TRADES WORKERS	
<b>31</b>	<b>Engineering, ICT and Science Technicians</b>
311	Agricultural, Medical and Science Technicians
312	Building and Engineering Technicians
313	ICT and Telecommunications Technicians
<b>32</b>	<b>Automotive and Engineering Trades Workers</b>
321	Automotive Electricians and Mechanics
322	Fabrication Engineering Trades Workers
323	Mechanical Engineering Trades Workers
324	Panelbeaters, and Vehicle Body Builders, Trimmers and Painters
<b>33</b>	<b>Construction Trades Workers</b>
331	Bricklayers, and Carpenters and Joiners
332	Floor Finishers and Painting Trades Workers
333	Glaziers, Plasterers and Tilers

	334	Plumbers
<b>34</b>	<b>Electrotechnology and Telecommunications Trades Workers</b>	
	341	Electricians
	342	Electronics and Telecommunications Trades Workers
<b>35</b>	<b>Food Trades Workers</b>	
	351	Food Trades Workers
<b>36</b>	<b>Skilled Animal and Horticultural Workers</b>	
	361	Animal Attendants and Trainers, and Shearers
	362	Horticultural Trades Workers
<b>39</b>	<b>Other Technicians and Trades Workers</b>	
	391	Hairdressers
	392	Printing Trades Workers
	393	Textile, Clothing and Footwear Trades Workers
	394	Wood Trades Workers
	399	Miscellaneous Technicians and Trades Workers



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