



Aukaha

KIA KAHA AU KAHA

Apprenticeship Support Agreement

for Otago Regional
Apprenticeship Initiative



Apprenticeship Support Agreement for Otago Regional Apprenticeship Initiative

BETWEEN Aukaha (1997) Limited, NZBN 9429037953430, with its registered office at 258 Stuart Street Dunedin, the third-party administrator of the Aukaha Regional Apprenticeship - Third Party Proposal ("**FUNDER**")

AND _____ of _____

NZBN _____, with its registered office at _____ ("**EMPLOYER**") who has applied to access funding and support under the Aukaha Regional Apprenticeship - Third Party Proposal to assist with the employment and training of the apprentice/s detailed in Schedule 3 of this agreement.

1. Background

- 1.1 On 13th October 2020, the Funder, Aukaha (1997) Limited, was appointed the third-party administrator of RAI for the Otago Area by the Ministry of Business, Innovation and Employment ("**MBIE**").
- 1.2 Aukaha (1997) Limited administer part of the Regional Apprenticeships Initiative (**RAI**), funded through the Provincial Growth Fund, that is supporting up to 1,000 new apprentices and their employers in regional New Zealand across a range of sectors.
- 1.3 Aukaha will provide for up to 50 apprentices in a range of sectors with priority given to the construction, primary, manufacturing and engineering, and wood processing industries.

2. Key Characteristics of the Aukaha Apprenticeship Support

- 2.1 The Aukaha Apprenticeship Support will focus on:
 - a) Māori and Pasifika people who are currently unskilled labourers to enrol and work towards becoming qualified tradespeople.
 - b) Support for displaced regional workers whose employment has been affected by COVID-19,
 - c) The focus is primarily the construction trades including building, plumbing, electrical, engineering, civil (roading etc.), painting, plastering, concreting, roofing, brick and block, tiling, joinery, glazing, flooring and many more. Other non-construction trades will also be considered such as automotive, primary, manufacturing and engineering, and wood processing industries.
 - d) The focus is on SMEs where the total staff numbers are less than 20 with only a limited number of apprentices.

3. Application Process

- 3.1 The Employer will complete the RAI online application form which outlines required details of the Employer and Apprentice. Only online applications will be accepted.
- 3.2 Online applications can be submitted through the following website www.aukaha.co.nz.
- 3.3 As part of the application process the Employer will also scan and provide the following:
 - a) Confirmation of the apprentice's employment;
 - b) Signed copy of the apprentice's Training Agreement;
 - c) Copy of the Apprentices Identification –passport, drivers licence or birth certificate;
 - d) Signed copy of the Apprentice Engagement form –duly completed by the apprentice;
 - e) Signed copy of this Apprenticeship Support Agreement; and
 - f) Confirmation of the Employers Business Bank account –bank statement, deposit slip of stamped bank confirmation.
- 3.4 The application process must be completed in its entirety to the full satisfaction of the Funder before any Funding payments are made to the Employer.



Specific Clauses

4. Eligibility and Non-Eligibility

4.1 Eligibility

- a) Only Level 4 Apprenticeships are eligible for funding/support and must be;
 - i. enrolled in a TEC-approved apprenticeship in the occupation for which they are receiving a Qualification, and
 - ii. participate in New Zealand Apprenticeships (pursuant to the Education and Training Act 2020) or Managed Apprenticeships, and meet all obligations under each Training Agreement; or
 - iii. at the Funders discretion, provide other Qualifications that are similar to an apprenticeship under the New Zealand Apprentice Scheme.
- b) The Apprentice must have a written and signed Employment Agreement and must have commenced their apprenticeship on or after 11th September, 2020.
- c) The Apprentice must be employed for a minimum of 30 hours per week for 52 weeks per year. If the Apprentice is paid for less than 30 hours per week for 52 weeks, other than for reasons of illness or accident, Aukaha may make appropriate deductions to any subsequent payment to the Employer for that Apprentice.

4.2 Non-Eligibility

4.2.1 Wage Subsidies for:

- a) Pre-trades training
- b) NZQA Level 2 and 3 qualifications
- c) NZQA Level 4 qualifications that are not equivalent to an apprenticeship, i.e., less than 120 credits.
- d) Existing apprentices
- e) Apprentices on work visas (those on resident visas are approved)
- f) Any Project based in Auckland, Wellington, and Christchurch

4.4.2 Business Support for:

- a) Workshops that relate to parts of the business that do not relate to the development of the apprentice or related staff, e.g., marketing or finance.

4.4.2 Equipment and tools for:

- a) Tools or any equipment not directly related to the industry or task of the Apprentice.
- b) Does not include any phones, tablets, headphones or other electronic equipment.
- c) If the Apprentice leaves or withdraws from their apprenticeship, the Employer must refund any Funding used for the procurement of equipment/tools to the Funder.

5. Health and Safety

5.1 If Aukaha reasonably believes or is aware that an Employer is breaching any employment or health and safety law or regulation, Aukaha will:

- a) notify the Ministry of Business, Innovation and Employment immediately; and
- b) If requested by the Ministry, terminate the contract with that Employer as soon as reasonably practicable.



6. Privacy

- 6.1 Aukaha and the Employer are to comply with the Privacy Act 1993 and to ensure that all its officials, employees and subcontractors do the same. This includes not using or disclosing any of the Apprentices' personal information except as permitted by law.

7. Duration

- 7.1 Should the Apprentice cease or suspend their apprenticeship with the Employer (including if the Apprentice is made redundant or dismissed), the Employer must:
- Notify Aukaha as soon as practicable; and
 - Refund to Aukaha all unspent funding associated with that Apprentice, unless otherwise agreed in writing with the Employer.

8. Requirement for at least the Minimum Wage or Training Wage

- 8.1 Employers must top up their funding to ensure apprentices are paid at least the relevant minimum wage or training wage and not be accessing a wage subsidy or other similar apprenticeship support from any other source.

9. Expectations and Obligations

- 9.1 The **Employer** will:
- recruit, continuously employ and develop the apprentice utilising the wider networks of the Funder and local recruitment agencies and other agencies in support as needed from time to time;
 - identify their new apprentices' further training opportunities.
 - ensure the apprentices training needs are progressed within 3 days of the need for it being identified and the Funder is engaged with or notified;
 - ensure the apprentice is employed for a minimum of 30 hours per week (or such other hours as agreed in writing by the Funder) for 52 weeks per year, at no less than the training minimum wage, until the apprentice has obtained their relevant qualification;
 - will pay the Apprentice the difference between the wage subsidy described in this Agreement and the salary or wage payable under the apprentice's employment contract;
 - be responsible for paying GST, ACC levies, PAYE and Holiday pay, and any other employment related expenses in respect of the apprentice e.g. purchasing accident insurance;
 - have in place and maintain for the duration of apprenticeship:
 - safe working conditions (in accordance with any relevant legislation, including the requirements of Worksafe New Zealand); and
 - appropriate Childrens Act 2014 policies and procedures in the event they are providing "Children's Services";
 - retain ownership of any equipment/tools purchased by the Employer for the apprentice using the Funding provided by the Funder, until the Apprentice completes their apprenticeship;
 - have accountability for apprentices and meet all relevant consent/authorisation requirements, as required for the apprenticeships to be undertaken;
 - only use the Funding lawfully, responsibly and for the purposes for which the Funding is provided;
 - provide as requested, by the Funder, any invoices relevant to payments being made by the Funder to the Employer including for reimbursement of costs for tools and equipment required by the apprentice –paid for by the Employer;



- l) provide any other information, as reasonably requested by the Funder relating to their ongoing administrative and reporting requirements associated with RAI and the Funding provided to the Employer for their apprentice/s;
- m) immediately advise the Funder of any change in the apprentice's employment status or apprenticeship course participation;
- n) in the event of the apprentice leaving or withdrawing from their apprenticeship, refund in full to the Funder any and all unspent Funding as well as any Funding used for the procurement of equipment/tools for the apprentice/s;
- o) agree to provide access to their records and premises to the Funder and MBIE, where reasonably requested, for performance review and audit purposes, and to enable the Funder to meet their reporting requirements to MBIE;
- p) not charge the apprentice for any of the services/activities that are funded by the Funder;
- q) not be accessing a wage subsidy or other similar apprenticeship support, from any other source, for the apprentice; and
- r) refund to the Funder any Funding that has been misused or misappropriated by the Employer.

9.2 The **Funder** Will:

- a) Provide Pastoral care, copy of pastoral care provided to Employer and support plan kept on record;
- b) Provision of funding to Employer as set out in Schedule 1
- c) Not apply any Funding in respect of an apprentice where funds, support or subsidies have been provided from any other source (including the Ministry of Social Development, TEC and from MBIE in respect of any other programme) to the Employer for the employment or training of the same apprentice for the same period of employment or training;
- d) The Funder will apply the approved Funding per apprentice in line with Schedule 1 as follows:
 - i.) approved wage subsidy payments to be paid quarterly on mutually agreed dates to the Employers advised business bank account. These wage subsidy payments are limited to up to \$16,000 over year one of the apprentice's apprenticeship and \$8,000 over year two of the apprentice's apprenticeship, with quarterly payments being aligned to the date the apprentice commences their apprenticeship training;
 - ii.) approved gear, equipment, and tools, purchased by the Employer for the Apprentice, to be reimbursed to the Employers advised business bank account within 14 days of the Employer submitting their invoice to the Funder. Costs for approved gear, equipment and tools are limited to up to \$1,000 per apprentice. This invoice must be accompanied by associated receipts evidencing initial purchase of said gear, equipment, and tools by the Employer;
- e) maintain regular contact with the Employer throughout the term of this Agreement to obtain information and updates;
- f) provide appropriate information and documentation to MBIE as may be required of the Funder from time to time as part of the administration of RAI and for audit purposes. MBIE may in turn contact other organisations such as TEC, TEC funded training providers, MSD, and others; and(e)provide a copy of this Agreement to MBIE as and when requested.

10. Funding

10.1 Funding of up to \$32,000.00 per apprentice is available to the Employer, subject to the terms and conditions of this Agreement and all RAI eligibility criteria being met both on application and during the term of this Agreement ("Funding"). Details of this Funding are outlined in Schedule 1 and Schedule 2.

10.2 The Employer will pay the Apprentice the difference between the wage subsidy and the salary or wage payable under the Apprentice's employment contract.



- 10.3 Aukaha will pay the Funding (up to the Total Maximum Amount Payable) at the rate and in the manner set out in Schedule 1 and subject to the terms of this Agreement.
- 10.4 Aukaha is not obliged to make any payment under this Agreement until an invoice which complies with clause 8.2 has been received. Payments will be made to the credit of a bank account to be designated in writing by the Employer.
- 10.5 The Employer must use the Funding only to carry out the Project in accordance with this Agreement.
- 10.6 In consideration of the Funding, the Employer must:
- a) progress the Project to the satisfaction of Aukaha;
 - b) carry out the Project in accordance with:
 - iii. all applicable laws, regulations, rules and professional codes of conduct or practice; and
 - c) refund any unspent Funding to Aukaha within 10 Business Days of the Completion Date.

11. Project Progress

- 11.1 If:
- a) Aukaha is not satisfied with the progress of the Project;
 - b) the Employer does or omits to do something, or any matter concerning the Employer comes to the Aukaha's attention, which, in Aukaha opinion, may damage the business or reputation of Aukaha; or
 - c) the Employer breaches any of its obligations under this Agreement,
- Aukaha may (without limiting its other remedies):
- d) renegotiate this Agreement with the Employer; or
 - e) terminate this Agreement immediately by notice to the Employer.

12. Term and Termination

- 12.1 This Agreement will commence on the Commencement Date and expire when:
- a) the Final Report is completed and provided to Aukaha; and
 - b) the Project is completed (Completion Date), to the satisfaction of Aukaha.
- 12.2 Aukaha may terminate this Agreement at any time by giving at least 10 Business Days' notice to the Employer. Aukaha may terminate this Agreement immediately by giving notice to the Employer, if the Employer:
- a) is in breach of any of its obligations under this Agreement and that breach is not capable of being remedied;
 - b) fails to remedy any breach of its obligations under this Agreement within 5 Business Days of receipt of notice of the breach from Aukaha;
 - c) negatively impacts business or reputation of the Ministry or of the Government of New Zealand;
 - d) has given or gives any information to Aukaha which is misleading or inaccurate in any material respect; or
 - e) becomes insolvent, bankrupt or subject to any form of insolvency action or administration.

13. Reporting Requirements and Audit

- 13.1 The Employer must report on the progress of the Project to Aukaha:
- a) as set out in Schedule 2;
 - b) as otherwise reasonably required by Aukaha;



13.2 The Employer must:

- a) maintain true and accurate records in connection with the use of the Funding and the carrying out of the Project sufficient to enable Aukaha to meet its obligations to the Ministry of Business Innovation and Employment and retain such records for at least 7 years after termination or expiry of this Agreement;
- b) permit Aukaha, at Aukaha expense, to inspect or from time to time until 7 years after termination or expiry of this Agreement, all records relevant to this Agreement so as to enable Aukaha to carry out an audit to determine whether the Employer is complying or has complied with this Agreement (Audit);
- c) allow Aukaha and MBIE reasonable access to the Employer's premises or other premises where the Project is being carried out; and

14. Warranties

14.1 Each Party warrants to the other Party that it has full power and authority to enter into and perform its obligations under this Agreement which, when executed, will constitute binding obligations on it in accordance with this Agreement's terms.

14.2 The Employer warrants that:

- a) it is not insolvent or bankrupt and no action has been taken to initiate any form of insolvency administration in relation to the Employer;
- b) all information provided by it to Aukaha in connection with this Agreement was, at the time it was provided, true, complete and accurate in all material respects; and
- c) it is not aware of any material information that has not been disclosed to Aukaha which may, if disclosed, materially adversely affect the decision of Aukaha whether to provide the Funding.

15. Confidentiality

15.1 The Employer must:

- a) keep the Confidential Information confidential at all times;
- b) not disclose any Confidential Information to any person other than its employees or contractors to whom disclosure is necessary for purposes of the Project or this Agreement;
- c) effect and maintain adequate security measures to safeguard the Confidential Information from access or use by unauthorised persons; and
- d) ensure that any employees or contractors to whom it discloses the Confidential Information are aware of, and comply with, the provisions of this clause.

15.2 Confidential Information includes all information and data (in any form) concerning the Provider and ministry of Business Innovation and Employment's organisation, administration, operation, business, clients, finance, and methods of the funder and Ministry, including any information provided by the Funder or Ministry under or in connection with this Agreement;

15.3 Notwithstanding the above the Funder will share information with MBIE who in turn may contact and share information with other organisations such as TEC, TEC funded training providers, MSD and others.

16. Liability and Insurance

16.1 Aukaha is not liable for any loss of profit, loss of revenue or other indirect, consequential or incidental loss or damage arising under or in connection with this Agreement.

16.2 The maximum liability of Aukaha under or in connection with this Agreement whether arising in contract, tort (including negligence) or otherwise is the total amount which would be payable under this Agreement if the Project had been carried out in accordance with this Agreement.



- 16.3 At no time will Aukaha have any liability to meet any of the Employer's obligations under the Health and Safety at Work Act 2015 or to pay to the Employer:
- a) holiday pay, sick pay or any other payment under the Holidays Act 2003; or
 - b) redundancy or any other form of severance pay; or
 - c) taxes or levies, including any levies under the Accident Compensation Act 2001.
- 16.4 The Employer indemnifies Aukaha against any claim, liability, loss or expense (including legal fees on a solicitor own client basis) ("loss") brought or threatened against, or incurred by Aukaha, arising from or in connection with a breach of this Agreement by the Employer or the Project, or from the negligence or wilful misconduct of the Employer, its employees or contractors.
- 16.5 The Employer must effect and maintain for the term of this Agreement:
- a) adequate insurance to cover standard commercial risks; and
 - b) other insurance reasonably required
 - c) The Employer must, upon request by Auakha, provide the Ministry with evidence of its compliance with this clause.

17. Force Majeure

- 17.1 Neither Party will be liable to the other for any failure to perform its obligations under this Agreement by reason of any cause or circumstance beyond the Party's reasonable control including, acts of God, communication line failures, power failures, riots, strikes, lock-outs, labour disputes, fires, war, flood, earthquake or other disaster, or governmental action after the date of this Agreement ("Force Majeure Event"). The Party affected must:
- a) notify the other Party as soon as practicable after the Force Majeure Event occurs and provide full information concerning the Force Majeure Event including an
 - b) estimate of the time likely to be required to overcome it;
 - c) use its best endeavours to overcome the Force Majeure Event; and
 - d) continue to perform its obligations as far as practicable.



Schedule 1 Provision of Funding

Activity	\$ (excl. GST, if any)
Wage subsidy (Year 1) – Fixed maximum to relevant Employer	Up to \$16,000
Wage subsidy (Year 2) – Fixed maximum to relevant Employer	Up to \$8,000
Business support, e.g., professional advice/mentoring for Employer, upskilling of other staff, training incentives etc.	Up to \$3,000
Equipment, tools, clothing etc.	Up to \$1,000
Other: Up front training e.g.: fall arrest, First Aid, Inductions, Site Safe etc.	Up to \$4,000

The Employer must provide a valid GST invoice to Aukaha for all Funding due in the manner set out in this agreement and in a form as reasonably required by Aukaha. The invoice must:

- (a) be sent directly to Aukaha via email to accounts@aukaha.co.nz;
- (b) be copied to chris@aukaha.co.nz.

Schedule 2 Reporting requirements and Payment

Activity:	Upon Receipt of:	Wage Subsidy Payment:
Evidence Due/...../.....	Upon Evidence of Employment Agreement and Training Agreement	\$4,000
Report 2 Due/...../.....	Narrative on Apprentice progress	\$4,000
Report 3 Due/...../.....	Narrative on Apprentice progress	\$4,000
Report 4 Due/...../.....	Narrative on Apprentice progress	\$4,000
Report 5 Due/...../.....	Narrative on Apprentice progress	\$4,000
Report 6 Due/...../.....	Narrative on Apprentice progress	\$4,000
Business support, e.g., professional advice/mentoring for Employer, upskilling of other staff, training incentives etc.	Upon agreement and receipt of invoice	Up to \$3,000
Equipment, tools, clothing etc.	Upon agreement and receipt of invoice	Up to \$1,000
Other: Up front training e.g.: fall arrest, First Aid, Inductions, Site Safe etc.	Upon agreement and receipt of invoice	Up to \$4,000



Schedule 3 Name of Apprentice/s Employed

Name

DOB



Schedule 4 Apprentice Engagement Form

Aukaha Regional Apprenticeship – Third Party Proposal is funded by the Ministry of Business, Innovation and Employment (MBIE). As part of our funding agreement, we are required to provide anonymous demographic data about participants in this apprenticeship to MBIE. This data is used for monitoring and research purposes.

Age (please circle):

Younger than 15 years old 15 to 24 years old Older than 24 years old

Gender (Please circle):

Female Male Other

Ethnicity (Please circle all that apply):

Maori NZ European Pacific Islander Other

Residency Status (Please circle):

New Zealand Citizen New Zealand Resident New Zealand Work Visa Working Holiday Visa Other

Highest Qualification Achieved (Please circle):

No Qualification NCEA Level 1 NCEA Level 2 NCEA Level 3 Level 4 – 6 Qualification Level 7 or Above

Current Driver's License (Please circle):

No drivers Licence Learners Licence Restricted Licence Full Licence

Did you become unemployed, or need to find new employment due to reduced hours, because of COVID-19 (Please circle):

Yes No

Have you received any work and income assistance in the past 3 months? (Please circle):

Yes No

Do you have any dependents? (Please circle):

Yes No

Before enrolling/engaging in this programme, were you in school, studying, in training, or employed? (Please circle):

None of the above In school Studying Training Employed



I consent to the above information being shared with the Ministry of Business, Innovation and Employment (MBIE).

I understand that my name, or any other personally identifiable information, will not be shared outside of the Ministry of Business, Innovation and Employment (MBIE), without my consent.

Name (Printed):

Signature:

Date:

I have read and understood all undertakings as outlined in this agreement

Signed by:

Signature:

Company Name:

Date:

Signed by Aukaha:

Signature:

Date: