

2.3 INTENSIVE INDUCTION TRAINING FOR NEW STAFF

PGF Application – Te Ara Mahi		For: Approval	
Applicant:	GPSOS Limited	Pipedrive ID #	[insert ID#]
Region	Manawatū/Whanganui	PGF Funding Sought:	Commercial Information
Region detail:	Whanganui	Total Project Value:	Commercial Information
		Applicant co-funding:	None
Entity Type:	Company	Funding Structure:	Grant
Entity Detail:	GPSOS is a limited liability company that was incorporated in January 2019. At present it has a single shareholder and director, Mark Simmonds, who is a well-known local business man in Whanganui, with over 40 years' experience in the security industry including monitoring, development and NZQA training and skills workplace assessment. The company is a new start, at the stage of piloting new technology that has been developed over the past two years.		
We recommend that the SROs:			
<p>a) Approve \$39,000.00 from the Te Ara Mahi portion of the Provincial Growth Fund towards GPSOS - Intensive Induction Training for a programme to upskill new staff to enable piloting of the proof of concept to be undertaken.</p> <p>b) Note that the proposed funding is a grant.</p>			
Proposal:			
<p>GPSOS is a new company in Whanganui with a focus on providing and monitoring personal security devices to improve people's independence, lifestyle and health and wellness. The potential client base includes lone workers, elders living alone and people living alone with illness. The company has developed two wearable devices (a pendant and a watch) locally, and the pilot is to monitor data gathered from those devices worn by The devices can monitor heart, blood pressure, diabetes and has geo-fencing with alerts if wearers with dementia or Alzheimer's were to wander.</p> <p>GPSOS has two independent assembling manufacturers in China. One for the watch and one for the pendant.</p> <p>All components are sourced from Germany, the US and Taiwan and the Chinese design the product, undertake the plastic injection and assembly.</p> <p>GPSOS has logistics chains and distribution in place.</p> <p>The company has previously applied for a PGF application for support for establishment of the monitoring centre, but after discussion with the Regional Team have agreed that any further application would be better made following the completion of the pilot and confirmed contracts for purchasing the devices and monitoring services are in place. That application has since been withdrawn.</p> <p>The training programme is required to ensure that ^{Comin} staff that have been offered employment are sufficiently skilled to undertake the pilot. The programme covers a ^{Commercial Infor} intensive induction training programme consisting of:</p> <ul style="list-style-type: none"> NZQA Level 3 (4309) ^{Commercial} course, 			

- Commercial Inform with emergency services,
- Commercial of first aid training,
- Commercial of familiarisation with the computing and software needs of the job on site in Whanganui

The funding is also to enable the creation of a training and operation manual to support the new staff in their training.

At the conclusion of the training, the Comm staff would have acquired a level of competency to work alongside a supervisor for another Commercial Information to monitor live situations. It is expected that the Comm trainees will be transition to sustainable employment at the conclusion of the training. This will lift employment, regional productivity and growth and create ongoing opportunities in these areas. The ongoing employment will be dependent on the success of the pilot and ongoing contracts being secured by the company.

GPSOS is confident that its target market will sustain not only the newly created jobs, but employ more people in the future.

The applicant has advised the following outcomes:

	Response	PDU (TAM) Statement regarding achievability of target
Number of people expected to be targeted by the project/activity annually (on average):	Comm	
Number of people expected to attain employment as a result of the project/activity annually (on average):	Comm	

Assessment against the PGF criteria:

Eligibility Criteria

This initiative provides training, and courses for those employed to be able to carry out the work. It creates an environment also for participants to grow in their roles, and use the skills and qualifications they will gain to move on if they wanted to.

Productivity Potential

Provides training for those being employed, focusing on components such as:

- Skills
- Knowledge of the sector, and there is also space to be able to grow in the role.

PGF Criteria	Assessment Commentary	Rating (0✓ to 5✓)
Link with fund and government outcomes		
Aligns with relevant regional economic and employment plans and priorities, including any Māori development plans	<ul style="list-style-type: none"> • This project offers training and employment which is a part of the regional economic and employment plans. There is also a focus of Māori being employed and upskilled. 	✓✓
Demonstrates potential to meet the current or future labour market skill needs of the region,	<ul style="list-style-type: none"> • The programme itself provides different skills to the trade industry, and will be a great opportunity to demonstrate diverse skills of the current or future 	✓✓

including those resulting from PGF Tier 2 and 3 investments	labour market for the region.	
Reduces the rates of people not in employment, education and training, with an emphasis on Māori	<ul style="list-style-type: none"> The programme will employ ^{Comm} staff initially, with further employment opportunities becoming available in the future, if the pilot is successful. Between 30 to 40% of those employed will be Maori. 	✓✓
Increases local employment and earning potential, by supporting local people into local jobs, with an emphasis on sustainable employment outcomes	<ul style="list-style-type: none"> GPSOS is providing new employment for ^{Comm} new employees, sourced from MSD and Workbridge. GPSOS's management are committed to ongoing training – it will take 6 months to have them fully trained. ^{Comm} 	✓✓
Additionality – adds value by building on what is already there		
Addresses a gap in current service provision e.g. does not cover activities that are already funded for (unless funding is to up-scale or re-start, existing projects)	<ul style="list-style-type: none"> The CEO started developing this technology in response to two bereavements in his own family that could have been averted if this technology was available. A full assessment of the effectiveness of the technology, the gap in the market and future opportunities would need to be carried out if a subsequent application for further funding is received. 	✓✓
Demonstrates why third party funding, including other government agencies, cannot be used to address the current gap in service provision	<ul style="list-style-type: none"> Privacy of natural persons At this stage the remainder of the costs associated with the pilot are being covered by the shareholders – with the expectation that if the pilot is successful and ongoing contracts for service are secured, then a further application to PGF may be made to cover any short fall in funding. 	✓✓
Connected to regional stakeholders and frameworks		
Alignment with regional priorities	<p>This initiative project opens a substantial pathway of collaboration across the regions as evidenced by the stakeholders and their involvement in the proof of concept trials being completed in the next few months.</p> <p>These community based projects help to prove a commercialisation strategy that can share the information and analysis collected across regions to support their own initiatives and needs.</p>	✓✓

<p>Support from local employers, central and local government, and governance groups (inc. Councils, Iwi/Hapu)</p>	<p>In addition to MSD, this project has been socialised with and the pilot is supported by key regional stake holders including:</p> <ul style="list-style-type: none"> • The Whanganui District Council • Whanganui District Health Board, who start a proof of concept trial on 10 June with GPSOS for their lone workers. • The Ministry of Social Development • Alzheimers New Zealand in Whanganui • Aged Concern Whanganui • Greypower Whanganui <p>There is a great deal of interest, especially around existing local government and national government initiatives including:</p> <ul style="list-style-type: none"> • Aged Care Projects • Aging in Place Project • Safer Communities • Social Inclusion Projects • Many more regional projects that are underway 	<p>✓✓</p>
<p>Governance, risk management and project execution</p>		
<p>Robust project management and governance systems</p>	<p>The CEO will manage this process and assist in the training of the teams. The process of choosing suppliers will be based on their ability to deliver what is required for the team of ^{Comm} and their ability to deliver in the timeframes.</p> <p>NZQA workplace trainers and assessors will be used to ensure the product is delivered well. We also have qualified doctors and NCALNE qualified tutors assisting with the training.</p>	<p>✓✓</p>
<p>Demonstrates the capacity and technical capabilities to effectively implement the initiative</p>	<p>NZQA workplace trainers and assessors will be used to ensure the product is delivered well. Also involved are qualified doctors and NCALNE qualified tutors assisting with the training.</p>	
<p>Risk management approach</p>	<p>PRA to talk to</p>	<p>✓✓</p>
<p>Future ownership / operational management</p>	<p>PRA to talk to</p>	<p>✓✓</p>
<p>Analysis of the benefits and costs</p>		

This pilot represents a real opportunity to employ ^{Comm} people who are currently unemployed. The applicant has advised that the funding is required to be able to undertake the training and therefore to conduct the pilot. Current shareholders are funding all other aspects of the pilot, as well as product development to get to the proof of concept stage.

The company has indicated that the pilot will be undertaken for ^{Commercial Information} but that they expect to be able to get early data that will support them obtaining ongoing contracts while the pilot continues.

This is a small investment in order to support ^{Comm} unemployed people a job and obtaining skills and experience. If the pilot is not successful, those staff will have obtained transferable qualifications, skills and experience that can b

Funding Arrangements

One off payment of \$39,000 to develop training material and deliver training over a ^{Commercial Info} period.

Due Diligence and Ownership

Due Diligence will be done once we have received the full application for this project.

Shareholders:

Shareholder	%
Mark Simmonds	^{Comm} %
Breakers Hastings Limited	^{Comm} %
Bronwyn Lizabeth Buckley and Harold Ian Martin McCombe	^{Comm} %
Harold Ian Martin McCombe and Peter Donal Buckley	^{Comm} %

[describe any areas of interest]

Directors:

- Mark Simmonds

Trustees:

- N/A

Key Management Personnel:

- Mark Simmonds, Chief Executive Officer

Risk Assessment

The key risks to the PDU and proposed mitigations of this investment are as follows:

Type of risk	Risk description	Mitigations	Risk Rating L/M/H
Sustainability Risk	If the pilot is not successful, or the company is not able to secure ongoing contracts, then the employment will end for the ^{Comm} staff	<ul style="list-style-type: none"> • The company are confident in their technology – it has been developed over 2 years. • Undertaking the pilot is to test the proof of concept and to provide data and evidence to attract further investment and secure ongoing contracts • Potential clients have been 	Medium

		identified and one of those (the Whanganui District Health Board) is providing the opportunity to undertake the pilot	
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Consultation undertaken or implications:

Office for Seniors Feedback

The bid is for a pilot programme in Whanganui in collaboration with the Whanganui District Council, to monitor data from 2 wearable technologies (pendant and watch) with residents in '270 pensioner flats with 95% occupancy'.

The technology has been developed locally and is seeking proof of concept. It can monitor heart, blood pressure, diabetes; and has geo-fencing with alerts if wearers with dementia or Alzheimer's were to wander. Devices include a two way talk facility.

The inventor and applicant created these devices following 2 preventable deaths in his immediate family. He has a credible track record in running response call centres and training programmes. He was part of the design team that brought home detention technology to New Zealand. He was also a Ministerial Appointment to the Regional Advisor Committee for UCOL and chaired it for 5 years.

The design of the pilot scheme and specifically the data they are likely to collect is not detailed in the application.

It is recognised that technology will contribute to people being able to live in place (their homes and communities) for longer. We are aware that there are already a range of technology options in the market and it is not clear from the application whether there has been an assessment of what is available worldwide.

EOI / Application Name	GPSOS Monitoring	
How does this EOI / Application align with objectives and priorities in your region?	Accelerate 25 is an action plan generated by the Horizons Regional Council. Quality Care 'basic rethinking of how services are delivered to older people in a community setting.	
How will the EOI / Application leverage employment and training opportunities for our clients?	How will MSD and the project leverage employment and training opportunities for our clients?	

<p>Comment</p>	<p>Any background knowledge or information on the organisation or proposal that could materially impact on PDU assessment.</p> <p>Any information held on the wider project that might influence PDU assessment.</p> <p>Any comment on engagement/alignment with other agencies and how to maximise potential of proposal.</p> <p>From a Seniors Perspective – this is an interesting project and its objectives align generally with Office of the Commissioner of the Environment and Natural Resources’ lead valued, connected and fulfilling lives’ and specifically with 3 or more key strands of our strategy.</p> <p>Technology is likely to play an increasing role in the support of seniors, especially in support of independent living. It will not only impact the number of older people in our population, but also a shortage of younger people in the workforce on the availability of service staff for our traditional care models. Home-based technologies integrated with wearables can prove useful in many ways- to provide peace of mind to both the older person and their family. The mechanisms to access this data should provide considerable added value in terms of both personal and professional solutions. Rather the technology offers capacity to gather, process and uses the data smartly and is central to the solution. Applications rely on simplicity at the front/user end, and complexity at the back end. Considerations include cost; data; and security of data. Is the data about predicting behaviours and spotting changes in behaviour used for targeted intervention or is it providing a simple early response mechanism? In addition practicalities like battery life, data security, simplicity and ease of use. The design is not described in the application but should be part of any pilot project.</p> <p>MSD already provides financial support for medical alarms under certain circumstances.</p> <p>We are aware of other commercial interest in similar technology from the commercial sector. There are several key points on that –the technology is only as good as the backroom technology process & management, and there is likely to be space in the market for several providers.</p> <p>Date generated from the pilot in this application could be very useful to both commercial and public good in the future.</p>
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The following feedback was received from other agencies in relation to the PGF application that was withdrawn – not the Te Ara Mahi application:

Feedback from MSD

- MSD knows the key players in this initiative well.
- They have recruited for operation using local Work Broker service in Whanganui and Work-Bridge colleagues.
- Creating new jobs for up to ^{comm} people – Privacy of natural persons
- Applied for Te Ara Mahi for training programme as well pre-employment up to 2 weeks. Involves MSD clients achieving qualifications relevant for their new roles and full-time and part-time work. Some of the intended recruits have disabilities and many weeks of unemployment with a range of ages.
- GPSOS enjoying the support of Whanganui District Council who have provided accommodations for their monitoring base and Whanganui & Partners have provided business support/advice. First clients will be Whanganui District Hospital Board – technology will be tracking staff and some specific clients with certain health conditions.
- This application has been in the PGF pipeline for some time. The business has progressed and Mark Simmons is currently in China sourcing the personal monitoring equipment which is the base of this enterprise.
- Recommended for support by MSD, as involved new jobs being created. We look forward to this operation actually starting.

Going forward it will be important to ensure there is clarity around funding, especially with MSD flexi-

wage and pre-employment training in place to support the business.

Feedback from Callaghan

We would need to have a conversation with the customer to determine eligibility for one of our products or services.

Given confidentiality requirements I would be nervous to forward on to a member of our customer management team. We have representation in the Manawatu, and account managers with specialist technology expertise that can help the customer.

The best course of action is to ask the customer to contact us directly:

0800 422 552

info@callaghaninnovation.govt.nz

Apologies it's not the direct response you may have been hoping for, but at least it points the customer in the right direction.

Feedback from MBIE - Innovation & Technology

I'm not sure that we have the right expertise to assess this project. Callaghan Innovation funds business R&D so might be better placed to help.

Supporting proposal:	Yes
Appendices:	No
Author of paper:	Regions and Te Ara Mahi

