

COVER SHEET – PGF SKILLS & EMPLOYMENT (TE ARA MAHI)

2.6 Southland Youth Futures Te Ara Mahi (TAM) Application		For: Approval	
Tier:	1 - Regional	Sector:	Skills
Background & context:		Recommendation(s):	
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Venture Southland <p>Location:</p> <ul style="list-style-type: none"> Invercargill <p>Proposal:</p> <ul style="list-style-type: none"> Southland Youth Futures is a careers programme for young Southlanders that increases their awareness of job opportunities in the region and connects them directly with employers. It targets students aged 14-20 studying at secondary school or undertaking foundation studies courses. The programme educates Southland youth about jobs available in the region in time to direct their future education and training in these areas, and before they make the decision to leave the region for employment elsewhere. Southland Youth Futures is applying for PGF funding to enable them to expand their programme by funding Commercial Information to expand the programme to include more employers and to increase their focus on rangatahi at high risk of becoming NEET. The programme currently involves 60 employers, predominantly from primary industries. Venture Southland intends to include employers from other sectors, including tourism, retail and hospitality. <p>Funding Sought (over 3 years):</p> <ul style="list-style-type: none"> Total project value: \$Commercial Information PGF Funding: \$1,550,000 <p>Background:</p> <ul style="list-style-type: none"> Southland Youth Futures (SYF) was the product of 		<p>We recommend that the SRO (s):</p> <p>a) Approve \$1,550,000 over three years from the Te Ara Mahi portion of the Provincial Growth Fund towards Southland Youth Futures.</p> <p>b) Refer Southland Youth Future’s application for PGF funding to Regional Economic Development Ministers group for decision.</p> <p>c) Note MBIE (Regional Growth Initiative) granted Southland Youth Futures \$Commercial Information for Commercial Information as part of a package of support for the Southland Regional Development Strategy.</p> <p>d) Note that MoE are supportive of this programme but advise it is out of scope of both their funding and their ability, having only one coordinator in Otago/ Southland to provide strategic advice to all schools for Secondary Transitions. They also advise this initiative complements their own initiatives of the NCEA Review and Careers Action Plan and does not duplicate any services they do provide.</p> <p>e) Note that MSD are supportive of this programme but cannot fund it as their funding is limited and focusses on direct employment outcomes for jobseekers, whereas this programme provides careers advice and information for school students.</p> <p>f) Note that TEC believe further information is required to ascertain all activities described are not already funded by Government. However,</p>	

wide consultation in 2013-14 when a consultant was engaged to talk to young people, employers, schools and training providers about employment in Southland. Her work and Venture Southland research lead to the publication of The Southland Futures Primary Industries Youth Strategy which identified that a collaborative, coordinated approach between schools and employers/industry was required.

- MBIE granted Southland Youth Futures \$^{Commercial Informa} for a co-ordinator role for two years as part of a package of support for the Southland Regional Development Strategy. This funding ends October 2019.
- Events and activities began at the start of 2016. In the 3 years since then, employer talks in schools have reached in excess of 3,500 secondary school students and involved 70 employers from almost 60 different companies. More than 280 students and 35 teachers/tutors have participated in workplace tours.
- With the SYF co-ordinator (and sole paid staff member) at capacity, this funding is being sought to employ^{com} Future Work Directors for^{com} years in addition to further funding for the co-ordinator role. This will enable SYF to be taken to the next level and for more intensive, tailored work to be done with individual students / groups of students, students identified as high risk of becoming NEET and to build relationships with more employers. It would also mean SYF would have the resources to widen its primary sector focus to include employers and career exploration opportunities in the retail, hospitality and tourism sectors not currently serviced by the programme.
- The NEET and unemployment rate in Southland are comparatively low to other regions but Southland is facing a workforce shortage due to its ageing population. A key focus of the programme is to create interest in young people in jobs available in the region in order to retain and upskill them so that they can fill the vacancies which will be created over the next 15 years as the ageing workforce retires.
- To ensure Southland's future prosperity it is

MoE and MSD have stated this is not a duplication of services. TEC also stated, whilst it is active in careers services provision it does not have a Fund appropriation to support initiatives such as Southland Youth Futures.

g) Note SRO's have previously approved for funding:

- **Smart Waikato's Secondary School Employment Partnership Project** - The aim is to improve student retention, achievement and education-to-employment transitions and to ultimately address future workforce gaps and skills issues in Waikato
- **Kamo High School's Academy for Retention of Wahine Māori** - This is a trade academy which was set up with in Kamo High School to work with wahine within Kamo and help them progress towards a career within this trade.
- **The Community Networking Trust's Hokonui Highway project** in Gore - an integrated framework of wrap around support services for children and youth (0-24 years) and their whanau. It will work predominantly with NEET youth and youth at high risk of becoming NEET.

essential that connections are made between young people and productive industry career paths.

	Response	PDU (TAM) Statement regarding achievability of target
Number of people expected to be targeted by the project/activity annually:	1200 additional students to be reached annually	This is a conservative estimate based on Ministry of Education data and their learnings from the programme to date.
Number of people expected to attain employment as a result of the project/activity:	The programme is a first step to employment – it educates rangatahi about options available and makes initial connections with employers, rather than placing participants directly into employment.	The first major wave of students who were first reached as year 10's in 2016 are only just entering the workforce or tertiary training now so results should grow from here. Venture Southland currently lacks the resources to track employment outcomes over time, but anecdotal evidence indicates that some of the first participants entering the workforce are finding employment through connections established with employers during

		the programme.
High level outcomes sought by the project/activity:	<ol style="list-style-type: none"> 1. Better understanding of training and employment opportunities in Southland for students, whanau, career advisers and teaching staff. 2. Reduce number of future NEETs. 3. Reduce number of future youth jobseeker beneficiaries in Southland. 4. Fewer young people leaving education without at least NCEA level 2 5. Stronger links between employers, schools and PTEs 6. Larger pool of employers willing to invest in youth 	
Detail of who else is involved in funding the project/activity:	<p>§Commercial Information</p> <p>[REDACTED]</p>	

PGF Skills & Employment criteria that this proposal supports:

Te Ara Mahi Criteria	Assessment Commentary	Met (Y /N/Partial)
Link with fund and government outcomes – delivers benefit to communities		
Acts as a catalyst for improving productivity potential in the region (s)	<ul style="list-style-type: none"> • Without people, new businesses and industries cannot develop, and existing industries cannot be extended. This programme introduces and connects young people to career opportunities in Southland and encourages businesses within the region to invest in Southland's youth. Without skilled young people to replace the retiring workforce, it will become increasingly difficult to maintain infrastructure within the region. 	Yes
Aligns with relevant regional economic and employment plans and priorities, including any Māori development plans	<ul style="list-style-type: none"> • It supports the Southland Regional Development Strategy, which aims to diversify and expand Southland's economy, retain and upskill residents, and grow the region's population by 10,000 by 2025. 	Yes
Demonstrates potential to meet	<ul style="list-style-type: none"> • Southland is facing a workforce shortage due to its 	Yes

the current or future labour market skill needs of the region, including those resulting from PGF Tier 2 and 3 investments	ageing population. A key focus of the programme is to upskill young people so that they can fill the vacancies which will be created over the next 15 years as Southland's ageing workforce retires.	
Reduces the rates of people not in employment, education and training, with an emphasis on Māori	<ul style="list-style-type: none"> Labour market research cited states there are a lot of vacant jobs across all industries and skill levels but not the people to fill the roles. Linking local people to these roles and upskilling when required will reduce the rates of those not in employment, education or training. It will also support the SRD strategy. 	Yes
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"> Large Southland providers have, as recently as December 2018, been given approval by Immigration NZ to hire overseas staff, saying they could not find suitable New Zealanders to fill thousands of seasonal processing roles. SYF would help fill this gap and support local people into these As the young people are engaged early about the types of roles available in Southland they can aim for work in industries that interest them and align their subject choices and training with these interests, ensuring a stronger likelihood of sustained employment. 	Yes
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"> This programme was set up to address an identified gap in service. By working in partnership with educators, employers, training providers ITOs and industry advocacy groups, SYF are well placed to “connect the dots” and ensure young people are assisted into appropriate training and/or employment before they leave the education sector, thus reducing the rate of NEETs. Students considered by educators to be most at risk will be targeted. 	Yes
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"> The project falls outside the scope of other government agencies. While some of the participants are school children, the Ministry of Education cannot fund a programme that also includes students outside schools in Foundation Programmes. Similarly, TEC has confirmed that it cannot fund this form of employer connection programme. Both agencies have confirmed that this Southland Youth Futures does not duplicate the programmes they provide. In particular, the point of 	Yes

	<p>difference of this programme is Venture Southland's extensive employer network.</p>	
<p>Demonstrates awareness of and ability to connect to other services/initiatives that are complementary to the project</p>	<ul style="list-style-type: none"> • Southland Youth Futures and the Hokonui Highway Project have engaged and will collaborate as required to ensure there is no duplication of services, events or activities. • They are complementary programmes. Hokonui Highway will work predominantly with NEET youth, whereas SYF works predominantly with 14-20 year olds who are still in some form of education. 	<p>Yes</p>
<p>Connected to regional stakeholders and frameworks</p>		
<p>Has support and input, where applicable, from:</p> <ul style="list-style-type: none"> • Local; industry, employers, community groups and employment bodies/governance mechanisms • central and local government agencies • iwi and other Māori governance mechanisms 	<p>Local industry support:</p> <ul style="list-style-type: none"> • SYF works with 60 employers which range in size from Southland's largest employers Commercial Information to small family-owned businesses. SYF is also able to lever off Venture Southlands over 1000 business relationships. • Business and Industry supporters include Southland Chamber of Commerce, DairyNZ, Federated Farmers Southland, Otago Southland Employers Association, Dairy Women's Network, Southern Wood Council, Infrastructure NZ Southland branch. <p>Central and local government support:</p> <ul style="list-style-type: none"> • SYF is endorsed and supported by Invercargill City Council, Southland District Council and Gore District Council. • 15 secondary schools, Southern Institute of Technology, Primary ITO and other ITOs, Whenua Kura, Graeme Dingle Foundation, Southland Secondary Principals' Association, Career and Transition Education Association NZ Southland Branch • MSD have been involved in the SYF programme since 2015 and sit on the steering group. They support the expansion of this programme so that a) employers in other industries can also become involved; and b) with the additional resourcing, that the programme can target these services for students identified as at-risk of becoming NEETs as also. • MoE are very supportive of this initiative and attend the Venture Southland meetings. They believe Venture Southland have a positive impact on opportunities for young people in Southland and are 	<p>Yes</p>

	<p>well supported by secondary schools and employers in the region. They consider Venture Southland to be a proactive, practical group that make a difference for young people and are well aligned with the changing and diverse employment trends in Southland</p> <p>Iwi Support:</p> <ul style="list-style-type: none"> • Venture Southland works closely with Murihiku iwi on business, community development and tourism initiatives and projects and a Waihopai Runanga kaumatua was a member of the SYF Regional Taskforce 	
Governance, risk management and project execution		
Has robust project management and governance systems planned or in place	<ul style="list-style-type: none"> • Existing governance and management model for Southland Youth Futures will be utilised 	Yes
Demonstrates the capacity and technical capabilities to effectively implement the initiative e.g. has experience in building local capacity, lifting work readiness and knowledge of the local labour market	<ul style="list-style-type: none"> • Have been successfully running this programme for 3 years already, the number of employers and schools involved highlights this. 	Yes
Risk management approach outlined	<ul style="list-style-type: none"> • Appropriate risk management for the proposals has been identified 	Yes
Future ownership / operational management identified	<ul style="list-style-type: none"> • The Future Work Directors would report to the Venture Southland Business Services Manager. • The CEO of Venture Southland, Paul Casson has resigned and will vacate his position at the end of May 2019. He will work with the SRDA Board to ensure a smooth transition process. • The new SRDA board announcement is imminent. 	TBC
The purpose of this briefing is to consider recommending PGF funds for Southland Youth Futures project		

Regional Governance Group View: N/A**Risks and Issues:**

- This application could be perceived as a duplication of services provided by another agency, however it is outside the scope of other agencies and they have confirmed there is no duplication.
- This application could be perceived as a duplication of services delivered by another provider. SYF complements the work of an existing Southland provider (Hokonui Highway) but the services target different participants.
- Not finding a replacement CEO with immediacy.

Eligibility points of note:

- *Due diligence*:- Full due diligence is to be completed. It is a condition of approval that due diligence is to be to the satisfaction of the Head of PDU Investment team.
- *Conflict(s) of interest*:- Based on the information provided no conflict of interest is evident noting that full due diligence will inform this item further.
- *Illegal Activity*:- Based on the application information provided and feedback from other agencies there is no indication that the applicant or project has been involved in, or associated with illegal activity.
- *Alignment with Regional development plans*:- Aligns with the Southern Regional Development Strategy which aims to diversify and expand Southland's economy, retain and upskill residents, and grow the region's population by 10,000 by 2025
- *Commercial funding availability*:- Given the nature of the project access to commercial funding is not considered a feasible option.

Consultation undertaken or implications:

Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other
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The following consultation has occurred:

External agencies:

MoE – are very supportive of this programme however, it is out of scope of both their funding and their ability, having only one coordinator in Otago/ Southland to provide strategic advice to all schools for Secondary Transitions. Furthermore, they believe this initiative complements their own initiatives of the NCEA Review and Careers Action Plan and does not duplicate any services they do provide.

MSD - are supportive of this programme but cannot fund it as their funding is limited and focusses on direct employment outcomes for jobseekers, whereas this programme provides careers advice and information for school students.

TEC – believe further information is required to ascertain all activities described are not already funded by Government. However, MoE and MSD have stated this is not a duplication of services. TEC also stated, whilst it is active in careers services provision it does not have a Fund appropriation to support initiatives such as Southland Youth Futures.

MPI – support the initiative in principle but would find it helpful to see letters of support from the Primary ITO and NZ Young Farmers Association.

MFAT – feedback received, no material risks from a Subsidies or Countervailing Measures Agreement (SCM) or Agreement on Agriculture or a General Agreement on Trade in Services perspective

MCH – no comments to make as outside of the scope of the arts, culture and heritage portfolio.

Supporting proposal:	Yes
Appendices:	Yes - Applications and supporting letters are as annexes
Sponsor(s):	N/A
Manager/Author of paper:	MD, Te Ara Mahi

PROACTIVELY RELEASED