

2.05 PARATA CONTRACTING WORKFORCE DEVELOPMENT PROJECT TE ARA MAHI (TAM) APPLICATION

PGF Skills & Employment (Te Ara Mahi)		For: Discuss	
Tier:	1 - Regional	Sector:	Skills
Background & context:		Recommendation(s):	
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Parata Contracting Ltd Parata Contracting is a solely owned and operated roading contracting company based in Ruatoria, Gisborne <p>Location:</p> <ul style="list-style-type: none"> Tairāwhiti <p>Proposal:</p> <ul style="list-style-type: none"> A 2 year civic infrastructure workforce development programme for ^{Comm} new employees and ^{Comm} existing employees <p>Funding Sought: \$731,311.40</p> <ul style="list-style-type: none"> Total project value: \$^{Commercial Information} PGF Funding: \$731,311.40 Applicant contribution: \$^{Commercial Info} Commercial Information Commercial Information <p>Background:</p> <p>Parata Contracting is a solely owned business that works providing roading infrastructure services.</p> <p>Tairāwhiti's roading network received an investment of \$137 million from the Provincial Growth Fund for a total investment of \$^{Commercial} including the National Land Transport Fund over the next 2 years.</p> <p>The civic infrastructure industry is facing a growing labour shortage in Tairāwhiti. Parata Contracting is applying for Te Ara Mahi funding to establish a training programme for roles in this industry at a scale and faster pace than it is able to fund without assistance. Parata Contracting will employ all trainees during and after the completion of the 24 month programme. Parata Contracting has existing roading contracts that guarantee a work pipeline for 3 years.</p> <p>The programme will train ^{Comm} new employees and upskill ^{Comm} existing</p>		<p>We recommend that the SRO(s)</p> <p>a) Discuss the application from Parata Contracting Limited for \$731,311.40 from the Te Ara Mahi portion of the Provincial Growth Fund toward the Parata Contracting Workforce Development project</p>	

employees. Depending on the civic infrastructure pathway taken by trainees, components will include:

- New Zealand Certificate in Infrastructure Works- Level 3
- Wheels, Tracks and Rollers licence endorsements
- Class 1-5 driver licences
- Certification in traffic management supervision

The emphasis of the programme is both on meeting immediate labour shortages and on leadership development of the predominantly Māori workforce. Upskilling for current employees includes certification as Traffic Management Supervisors. Parata Contracting also has an agreement in principle with TPK for 4 cadetships to develop and mentor full-time permanent Māori staff to take on more senior roles in the organisation.

Parata Contracting has an established relationship with MSD and the ^{Comm} new employees will be predominantly MSD clients, including up to ^{Co} participants in MSD's Mana in Mahi programme and ^{Com} participants from Flexi Wage. The training programme will also provide pastoral care to support trainees with wider personal, whānau and cultural issues.

Parata Contracting is applying for Te Ara Mahi funding to pay for:

- HR costs: \$ ^{Commercial Inform}
- Training costs: \$ ^{Commer}
- Pastoral costs: \$ ^{Commercial Inform atio}
- Wages lost while training costs \$ ^{Commercial Inform}

Parata Contracting will be contributing \$ ^{Commercial Info} for:

- training equipment as well as maintenance/repair costs for equipment
- personal protective equipment for all trainees

MSD will be contributing to the cost of up to 12 Mana in Mahi participants (\$ ^{Commercial Info} per participant) and ^{Com} Flexi Wage participants (\$ ^{Commercial In} per participant) and Te Puni Kokiri will be contributing to the cost of up to 4 cadetships (up to \$ ^{Commercial Info} per cadet).

Once immediate labour shortages are met through this upscaled, accelerated training programme, Parata Contracting expects to take over training costs for staff. The company is committed to workforce development.

	Response	PDU (TAM) Statement regarding achievability of target
Number of people expected to be targeted by the project/activity annually:	Comm	Comm already identified (current employees) and Comm new employees to be sourced mainly from MSD
Number of people expected to attain employment as a result of the project/activity:	Comm new employees Comm employees in mores senior roles	Parata Contracting has guaranteed employment for all trainees during training and at the end of the programme
High level outcomes sought by the project/activity:	<ul style="list-style-type: none"> • Help to address the labour shortage in the forestry and civic infrastructure sectors in Tairāwhiti • Increase employment, especially for Māori • More Māori employees in senior roles • Increase income and wellbeing for whānau and communities 	
Detail of who else is involved in funding the project/activity:	<ul style="list-style-type: none"> • Applicant contribution: \$ Commercial Info • Commercial Information • Commercial Information 	

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"> • Increases skills and capability in the region’s forestry and civic infrastructure sectors. New Civic infrastructure has been identified as a major catalyst for the region 	Y
Aligns with relevant regional economic and employment plans	<ul style="list-style-type: none"> • Civic infrastructure is one of the four priority sectors identified in the Tairāwhiti Economic Action Plan 	Y

and priorities, including any Māori development plans		
Demonstrates potential to meet the current or future labour market skill needs of the region, including those resulting from PGF Tier 2 and 3 investments	<ul style="list-style-type: none"> The project is being established to directly meet labour market skill needs in the civic infrastructure sectors. Labour market demand has been increased by the investment in roads coming from the PGF 	Y
Reduces the rates of people not in employment, education and training, with an emphasis on Māori	<ul style="list-style-type: none"> Comm of the participants in the project will be new employees, including local people who have been NEET until beginning the programme 90 per cent of Parata Contracting's current workforce are Māori and the company anticipates that the majority of new employees will also be Māori 	Y
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"> All trainees will be employed by Parata Contracting, both during and after their training but will also have work skills that can be utilised by other local companies in the future The company's commitment to upskilling existing staff creates a career pathway for sustainable employment 	Y
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 applicant has designed a training programme specifically to meet its own labour market needs Existing training providers will deliver components of the programme, including Commercial Information 	Y
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"> Both MSD and TPK have agreed in principle to provide funding for new employees through the MSD Mana in Mahi programme, MSD Flexi Wage Programme and TPK cadetship programme. This would provide funding towards at least Commercial Information participants. 	Y
Demonstrates awareness of and ability to connect to other services/initiatives that are complementary to the project	<ul style="list-style-type: none"> Parata Contracting have been contracting to Tier 1 Contractor for the region, Downer Gisborne, since 2018 and have a 3 year contract for traffic management and other road services. Parata Contracting has also provided traffic management services for Kuru Contracting and Ngati Porou Forests Ltd- locally owned forestry- roading companies. 	Y

Connected to regional stakeholders and frameworks		
<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 	<ul style="list-style-type: none"> Currently being considered for endorsement by the CARE Advisory Forum - the Skills and Employment Sub-group of the Tairāwhiti Economic Action Plan Steering Group. The TEAP Steering Group includes Gisborne District Council, industry leaders and all iwi chief executives. The Forum meets on 27 August. SROs will be verbally updated on their decision. Supported by MSD and TPK Supported by three major employer stakeholders. <p>Commercial Information</p>	Y
Governance, risk management and project execution		
<p>Has robust project management and governance systems planned or in place</p>	<ul style="list-style-type: none"> Project management system has been demonstrated. Project governance needs to be clarified – this should be a condition of approval 	Partial
<p>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</p>	<ul style="list-style-type: none"> PCL is experienced in training staff formally and on the job. The training that they use with their current workforce (6 crews) is being refined and applied to this programme The Operations Manager in charge of the programme has 10 years' experience in the roading industry and the following relevant qualifications: Traffic Control Level 1, STMS Level 1, Occupational Health & Safety Level 4, Coordinated Incident Management System Level 4, State Highway Inventory Collection & Entry Level 1, Diploma in Adult Education & Training Level 4, class 1 and class 2 licence, class 4 learner licence, wheels, tracks and rollers licence endorsement. 	Y
<p>Risk management approach outlined</p>	<ul style="list-style-type: none"> Risk management approach outlined 	Y
<p>Future ownership / operational management identified</p>	<ul style="list-style-type: none"> Te-Rangi-Matanuku Parata is the sole director of this company 	Y
<p>The purpose of this briefing is to inform a discussion on the approval of PGF funds for the Parata Contracting Workforce Development project</p>		
<p>Regional Governance Group View: This project is being considered by the CARE Advisory Forum, which is the regional skills and employment sub-group of the Tairāwhiti Economic Action Plan Steering Group. The Forum is co-chaired by the Regional Commissioner for MSD and the CEO of Activate Tairāwhiti. The Forum meets on 27 August so SROs will be</p>		

verbally updated on the endorsement decision at their meeting.

Privacy of natural persons

Eligibility points of note:

- *Due diligence*:- Due diligence has been requested.
- **Privacy of natural persons**
[Redacted]
- *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*:- The programme aligns with the Tairāwhiti Economic Action Plan.
- *Commercial funding availability*:- Given the nature of the project (employee training), 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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Cross agency feedback:

The application has been reviewed and is supported by MSD, MOE and TPK in Tairāwhiti.

Advice from regional and any other PDU teams:

The Tairāwhiti PDU team based in Gisborne (Shannon Williams) has worked directly with Parata Contracting to develop the application

Supporting proposal:	Yes
Appendices:	Yes - Applications and supporting letters are as annexes

Sponsor(s):	N/A
Manager/Author of paper:	Nathan Grennell/Marsha Wyllie

PROACTIVELY RELEASED