



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

2.3 Riverland – “We Grow People”		For Approval	
Tier:	1 - Regional	Sector:	Skills
Background & context:		Recommendation(s):	
<p>Applicant Organisation: Riverland Fruit Company Ltd</p> <p>Location: Gisborne</p> <p>Proposal: Riverland has applied for PGF Tier 2 funding to partly fund the expansion of their pipfruit orchard and additional infrastructure development. This PGF Tier 1 Te Ara Mahi application is to fund training for new workers as well as upskilling existing workers in order to fill the ^{Comm} new full-time permanent jobs roles generated by the expansion.</p> <p>Funding Sought:</p> <ul style="list-style-type: none"> Total project value: \$^{Commercial Information} Te Ara Mahi Funding: \$1,663,600 <p>Background: This application is for the training of new employees and upskilling of existing employees to fill the ^{Comm} new permanent roles that will be created by the commercial expansion of Riverland. The expansion includes:</p> <ul style="list-style-type: none"> Developing a pre export treatment facility, fruit wash/packing facility and cool store Developing a nursery and extending rootstock beds. Utilising waste by turning organic waste streams into vermicompost. <p>The commercial expansion will be co-funded by the applicant as well potentially through Tier 2 grant and loan funding (approved by IAP on 22 May).</p> <p>Riverland is currently transitioning from</p>		<p>We recommend that the SRO(s)</p> <p>a) Recommend to Regional Economic Development Ministers the approval of \$1,663,600 from the Te Ara Mahi portion of the Provincial Growth Fund to Riverland Fruit Company Ltd to fund Riverland – “We Grow People”</p> <p>b) Note that this will fund the training and skills component of a PGF Tier 2 application to co-fund infrastructure development and the expansion of the Riverland Orchard (approved by IAP on 22 May 2019)</p> <p>c) Note the programme will employ ^{Comm} people during the expansion and infrastructure development at Riverland Orchard between July 2019 and December 2021</p> <p>d) Note it is anticipated that ^{Comm} new permanent full-time jobs will be created by the expansion</p> <p>e) Note that the project also includes funding from ^{Commercial} (through the ^{Commercial Information} programme) and ^{Commercial} funding for qualifications</p> <p>f) Note that the programme is fully endorsed by regional bodies representing employers, local government, iwi, community groups, and central government agencies (the Tairāwhiti Economic Action Plan Steering Group and Tairāwhiti CARE Advisory Forum).</p>	

predominately temporary seasonal staff to more permanent full time equivalents. The applicant plans to increase to [Comm] permanent FTEs targeting people who are currently unemployed or in unreliable casual jobs.

Riverland proposes to employ and train [Comm] people from July 2019 for 2.5 years during the expansion of the business. The [Comm] participants will include [Comm] participants funded by the [Commercial Information] programme. The goal is for [Comm] of these people to remain employed in new permanent full time jobs created the expansion of the business. There will be part-time work available for the other participants, however the applicant estimates that only 70% of participants will continue in employment after 2.5 years due to attrition (moving away from the region, finding other work, changes in personal circumstances).

The proposed training programme includes:

For all trainees:

- New Zealand Certificate in Primary Skills – Horticulture (Level 2) for all [Comm] trainees
- Production packhouse training (Simply Lean) for [Comm] trainees
- Driver licences – class 1

Upskilling:

- New Zealand Certificate in Horticulture (Level 3) for [Comm] trainees
- New Zealand Certificate in Vehicles, Machinery and Infrastructure (Level 3) for [Comm] trainees
- Customised training provided by EIT in forklift, chainsaw, quad, orchard for [Comm] trainees
- New Zealand Diploma in Horticulture (Level 5) for [Co] trainees
- New Zealand Certificate in Business (Level 4) for [Co] trainees
- Leadership training
- Driver licenses – heavy transport and forklift

Additional life skills training:

- Financial wellness coaching for [Comm] trainees
- Life skills (healthy living, goal setting, motivation) for [Comm] trainees

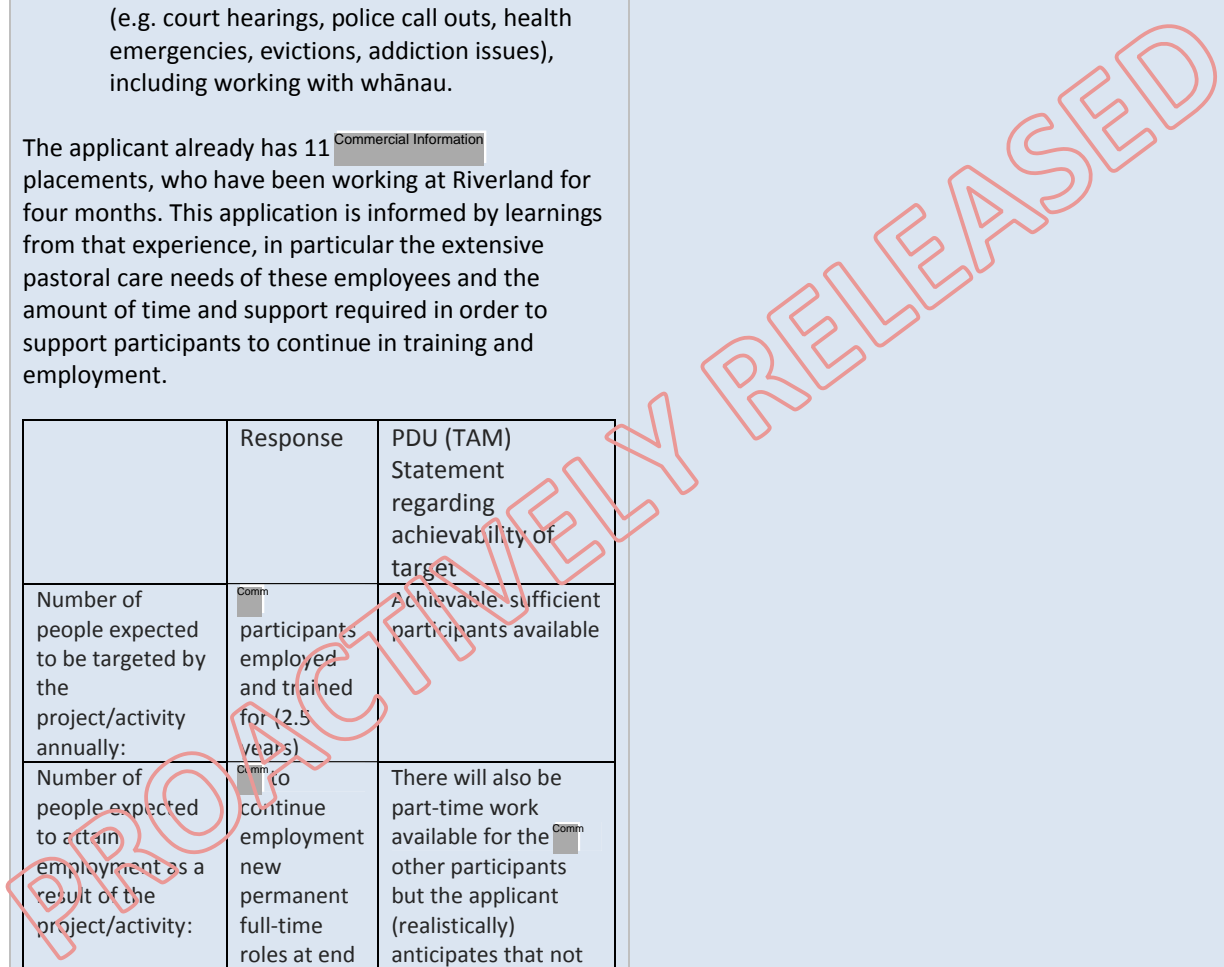
Training will be accompanied by pastoral care provided by two pastoral supervisors including:

- transport to and from work and training
- lunch and morning tea

- supervision and support at work
- monitoring progress with training providers
- access to support services
- intensive support for participants to address home circumstances and personal challenges (e.g. court hearings, police call outs, health emergencies, evictions, addiction issues), including working with whānau.

The applicant already has 11 Commercial Information placements, who have been working at Riverland for four months. This application is informed by learnings from that experience, in particular the extensive pastoral care needs of these employees and the amount of time and support required in order to support participants to continue in training and employment.

	Response	PDU (TAM) Statement regarding achievability of target
Number of people expected to be targeted by the project/activity annually:	Comm participants employed and trained for (2.5 years)	Achievable. sufficient participants available
Number of people expected to attain employment as a result of the project/activity:	Comm to continue employment new permanent full-time roles at end of project	There will also be part-time work available for the Comm other participants but the applicant (realistically) anticipates that not all participants will choose to stay
High level outcomes sought by the project/activity:	<ul style="list-style-type: none"> • Supply of skilled, trained employees to address labour shortage in horticulture industry • Sustained employment for local people, including those farthest from employment • Transition from part-time seasonal work to more full-time permanent roles, including advancement of employees to more highly 	



	<p>skilled roles</p> <ul style="list-style-type: none"> Increased productivity: skilled workforce will enable a significant increase in return per hectare from Riverland’s planned expansions 	
<p>Detail of who else is involved in funding the project/activity:</p>	<ul style="list-style-type: none"> Commercial Information is funding \$ Commercial Info for Commercial Information participants TEC funding will cover the cost of L2 and L3 Horticulture + Level 3 VMI qualifications Applicant is funding all driver licensing 	
<p>PGF Skills & Employment criteria that this proposal supports:</p>		
<p>Te Ara Mahi Criteria</p>	<p>Assessment Commentary</p>	<p>Met (Y /N/Partial)</p>
<p>Link with fund and government outcomes – delivers benefit to communities</p>		
<p>Acts as a catalyst for improving productivity potential in the region (s)</p>	<ul style="list-style-type: none"> In combination with the Tier 2 PGF application, this project will create more jobs locally, lift production, enable the employers to access higher value markets and increase per hectare returns on the newly developed orchards. Multi-skilled permanent employees will lift productivity. 	<p>Y</p>
<p>Aligns with relevant regional economic and employment plans and priorities, including any Māori development plans</p>	<ul style="list-style-type: none"> The proposal strongly aligns with the Tairāwhiti Economic Action Plan and the workforce capability and capacity priorities of CARE Tairāwhiti. 	<p>Y</p>
<p>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</p>	<ul style="list-style-type: none"> The project directly meets the labour requirements of an accompanying Tier 2 PGF application to expand and diversify the business. The project helps to address the horticulture labour supply shortage in Tairāwhiti. 	<p>Y</p>
<p>Reduces the rates of people not in employment, education and training, with an emphasis on Māori</p>	<ul style="list-style-type: none"> The project includes both people who are currently underemployed in seasonal work and people who are not in employment, education or training (NEET). Most participants will be Māori. 	<p>Y</p>
<p>Increases local employment and earning potential, by supporting</p>	<ul style="list-style-type: none"> Employs Commercial Information people during the expansion of the business from July 2019-December 2021 	<p>Y</p>

<p>local people into local jobs, with an emphasis on sustainable employment outcomes</p>	<ul style="list-style-type: none"> • Will also create ^{Comm} new permanent full-time jobs for local people • Advances skills of current employees, increasing earning potential • Pastoral care increases sustained participation in employment 	
<p>Additionality – adds value by building on what is already there</p>		
<p>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)</p>	<ul style="list-style-type: none"> • Expands the ^{Commercial Information} programme (maximum ^{Comm} participants) to employ and train a total of ^{Comm} participants • Incorporates existing training courses (provided by EIT, some of which are entirely funded by ^{Comm}) with employment and extensive pastoral care • The programme does not duplicate existing Te Ara Mahi or He Poutama Rangatahi projects in the region 	<p>Y</p>
<p>Demonstrates why third party funding, including other government agencies, cannot be used to address the current gap in service provision</p>	<ul style="list-style-type: none"> • The project has a strong social component. Trainees will initially be less productive than employees that are not experiencing the same personal barriers to sustained employment, making the project less attractive to private third party funders. • ^{Commercial} can fund work subsidies for a maximum of ^{Comm} participants under the ^{Commercial Information} programme 	<p>Y</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"> • Already connected to Mana in Mahi • Pastoral supervisors will be able to access support services from Turanga Health for participants or drug and alcohol services provided by ^{Commercial Information} which are available to TAM and HPR providers as part of TAM funded project (Te Koro Education and Employment Initiative) 	<p>Y</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 	<ul style="list-style-type: none"> • Fully endorsed by the Tairāwhiti Economic Action Plan (TEAP) Steering Group, which represents the regional business community, local government, community groups and iwi • Endorsed by Tairāwhiti CARE Advisory Forum, that oversees regional development of workforce capacity and capability and includes representatives from all regional government agencies connected to 	<p>Y</p>

agencies • iwi and other Māori governance mechanisms	workforce development								
Governance, risk management and project execution									
Has robust project management and governance systems planned or in place	• Evidence of robust project management and governance has been provided.	Y							
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	• The applicant has designed the training and pastoral care components of this project on the basis of earlier experience with <small>Commercial Information</small>	Y							
Risk management approach outlined	• Appropriate risk management for the proposal has been identified.	Y							
Future ownership / operational management identified	• The business has been family owned for over forty years. There is a succession plan in place and the applicant has noted no plans are in place to change the ownership of Riverland.	Y							
The purpose of this briefing is to consider recommending PGF funds for Riverland – “We Grow People”									
<p>Te Ara Mahi (TAM) View:</p> <p>The Te Ara Mahi team supports this proposal as meeting Te Ara Mahi criteria.</p> <p>Regional Governance Group View:</p> <ul style="list-style-type: none"> • The CARE Tairāwhiti Advisory Forum endorses this proposal • The Tairāwhiti Economic Action Plan Steering Group endorses this proposal <p>Risks and Issues:</p> <p>This proposal is dependent on the approval of Riverland’s Tier 2 application.</p> <p>Eligibility points of note:</p> <ul style="list-style-type: none"> • <i>Due diligence</i>:- Due diligence has been completed by the PDU commercial investment team as part of the Riverland Tier 2 application • <i>Conflict(s) of interest</i>:- Based on the information provided no conflict of interest is evident • <i>Illegal Activity</i>:- Based on the application information provided there and due diligence conducted there is no indication that the applicant or project has been involved in, or associated with illegal activity • <i>Alignment with Regional development plans</i>: Strong alignment with regional plans 									
Consultation undertaken or implications:									
Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other	

The following consultation has occurred:

- Close consultation with PDU commercial investment team
- Independently assessed and supported by the Sector Workforce Employment Programme team

MSD: “The proposal has five different parts - covering off priority areas for the Tairāwhiti. The employer has shown good linkages with other local providers across both social and economic areas. Projects link well into priority areas for central government such as 1bill trees, environmental work through waste minimisation and supporting young people into employment. Our Labour Market Manager has been working closely with this employer.”

MPI: “Local Tairāwhiti RED reps have been engaging with Riverland since their EOI was lodged to facilitate the development of their application. The holistic proposal offers a tested, dependable platform for employee training, capability building and FTE creation while aligning with the regional growth criteria regarding the commercial expansion aspects.”

Supporting proposal:	Yes
Appendices:	Application and supporting documents
Sponsor(s):	N/A
Manager/Author of paper:	Patsie Karauria/Hilary Pearse

PROACTIVELY RELEASED