

## COVER SHEET

<b>2.3 Bay of Plenty labour market strategy implementation PGF Application</b>		<b>For: Approve</b>	
<b>Tier:</b>	<b>1 - Regional</b>	<b>Sector:</b>	<b>Regional Projects</b>
<b>Background &amp; context:</b>		<b>Recommendation(s):</b>	
<p><b>Applicant Organisation:</b></p> <ul style="list-style-type: none"> <li>Priority One on behalf of Bay of Connections</li> </ul> <p><b>Location:</b></p> <ul style="list-style-type: none"> <li>Confidentiality</li> </ul> <p><b>Proposal:</b></p> <ul style="list-style-type: none"> <li>The application seeks funding for the development of a business case to support and drive implementation of the Bay of Plenty Labour Market Strategy.</li> </ul> <p><b>Funding Sought:</b></p> <ul style="list-style-type: none"> <li>Total project value: \$<small>Commercial Inform</small></li> <li>PGF Funding: \$50,000</li> </ul> <p><b>Background:</b></p> <p>a) Bay of Connections is the regional growth strategy for the Bay of Plenty, with a vision of creating a prosperous region supported by sustainable sectors.</p> <p>b) Priority One is an economic development organisation within the region, providing administrative support to Bay of Connections for this application.</p> <p>c) The Bay of Plenty Labour Market Strategy originated in 2017 under the umbrella of the Bay of Plenty Tertiary Intentions Leadership Group – the education/skills arm of the Bay of Connections regional growth strategy.</p> <p>d) The business case is being developed to drive and support the implementation of</p>		<p><b>We recommend that the SRO:</b></p> <p>a) Discuss Bay of Plenty labour market strategy implementation application</p> <p>b) <b>Note</b> the development of the business case is to support and drive the implementation of the Bay of Plenty Labour Market Strategy.</p> <p>c) <b>Note</b> the implementation of the Labour Market Strategy aims to enhance the regional economy by improving labour market outcomes across the region.</p> <p>d) <b>Note</b> key objectives of the Labour Market Strategy include:</p> <ol style="list-style-type: none"> <li>To improve co-ordination of sector labour markets</li> <li>To improve co-ordination of local labour markets through employer education and connection with local community initiatives</li> <li>To help coordinate and enable local partners to implement their parts of the strategy.</li> </ol> <p>e) <b>Approve</b> \$50,000 from the PGF fund towards the Bay of Plenty labour market strategy implementation application subject to:</p> <ol style="list-style-type: none"> <li>The applicant enabling regional Maori engagement into the development of the business case</li> <li>Provide details of appropriate</li> </ol>	

<p>the Labour Market Strategy, this in turn will lift productivity implicitly in the region by: increasing employment levels, improving connections and the speed of connectivity in the local labour market, meaning that employers can find suitable staff faster, are better skilled in their employment practices, and individuals face less down time in the labour market.</p> <p>e) The objectives of the implementing the strategy are:</p> <ol style="list-style-type: none"> <li>1. To improve co-ordination of sector labour markets</li> <li>2. To improve co-ordination of local labour markets through employer education and connection with local community initiatives</li> <li>3. To help coordinate and enable local partners to implement their parts of the strategy.</li> </ol>	<p>Governance arrangements</p> <p>c. Provide clarity in regard to the outputs the 'business case' will deliver.</p>	
<b>PGF criteria that this proposal supports:</b>		
<b>PGF Criteria</b>	<b>Assessment Commentary</b>	<b>Rating (1✓ to 5✓)</b>
<b>Link with fund and government outcomes</b>		
Creates permanent jobs	<ul style="list-style-type: none"> <li>• This will largely be identified as part of the development of the business case and then via implementation of the labour market strategy.</li> </ul>	✓✓✓
Delivers benefit to the community		
Increased utilisation and returns of Maori asset base	<ul style="list-style-type: none"> <li>• Unclear, potentially this will be identified through the development of the business case and later when the Labour Market Strategy is implemented.</li> </ul>	✓
Enhanced sustainability of natural assets	<ul style="list-style-type: none"> <li>• Not evident</li> </ul>	
Mitigation of climate change effects	<ul style="list-style-type: none"> <li>• Not evident</li> </ul>	
<b>Additionality</b>		
Adding value by building on what is already there	<ul style="list-style-type: none"> <li>• The business case, will support the implementation of the Regional Labour Market Strategy. As one</li> </ul>	✓✓✓✓

	example, the project will build on current work in the kiwifruit sector to explore opportunities for greater coordination of seasonal work across sectors (e.g. kiwifruit and avocados, and in the tourism, hospitality and aquaculture sectors) to potentially turn seasonal work into sustainable year-round employment.	
Acts as a catalyst for productivity potential in the region	<ul style="list-style-type: none"> <li>Following the completion of the Business Case, implementation of the strategy aims to build a stronger bridge between the economic and social development aspirations of the people of the Bay of Plenty.</li> </ul>	✓✓✓✓
<b>Connected to regional stakeholders and frameworks</b>		
Alignment with regional priorities	<ul style="list-style-type: none"> <li>Strong alignment with the Bay of Connections regional priorities.</li> </ul>	✓✓✓✓
Support from local governance groups (inc. Councils, Iwi/Hapu)	<ul style="list-style-type: none"> <li>Strong support from the local economic governance group. Unclear on the level of support from Maori/iwi on this proposal, or how engaged Maori were through the development of the Labour Market Strategy.</li> </ul>	✓✓✓
<b>Governance, risk management and project execution</b>		
Robust project management and governance systems	<ul style="list-style-type: none"> <li>More detailed information about the management and governance structure is required.</li> </ul>	✓✓✓
Risk management approach	<ul style="list-style-type: none"> <li>Given the level of funding sought for this application an appropriate level of risk management has been provided. Would recommend identifying whether there is strong regional Maori 'buy in' for the Labour Market Strategy – given the Maori workforce population for the region.</li> </ul>	✓✓✓
Future ownership / operational management	<ul style="list-style-type: none"> <li>n/a</li> </ul>	
<b>The purpose of this briefing is to consider recommending/ declining PGF funds to the:</b>		

**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*:- Refer comments above
- *Commercial funding availability*:- Given the nature of the project which is to fund the development of a business case to implement the Bay of Plenty labour market strategy, 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	
<b>Supporting proposal:</b>		Yes							
<b>Appendices:</b>		Yes – Application as annex							
<b>Sponsor(s):</b>		N/A							
<b>Manager/Author of paper:</b>		Staci Hare, Senior Investment Analyst / David van der Zouwe, Investment Director							

PROACTIVELY RELEASED