

COVER SHEET – PGF SKILLS & EMPLOYMENT (HE POUTAMA RANGATAHI)

2.4 He Poutama Taitamariki Project Application for He Poutama Rangatahi (HPR) Funding		For: Approve	
Tier:	1 - Regional	Sector:	Skills
Background & context:		Recommendation(s):	
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Ministry of Social Development (MSD) <p>Location:</p> <ul style="list-style-type: none"> Northland (Whangarei, Mid North, Far North, Kaipara) <p>Proposal:</p> <ul style="list-style-type: none"> To continue He Poutama Rangatahi (HPR) co-funding for He Poutama Taitamariki (HPT): a joint pilot programme with MSD in Northland that seeks to improve employment outcomes for over 750 young people (82% Māori and 46% female) who are not in employment, education or training (NEET) and most at risk of long term unemployment and poor social outcomes. <p>Funding Sought:</p> <ul style="list-style-type: none"> Total project value: \$Commer HPR Funding: \$2,500,000 (C %) <p>Background: He Poutama Taitamariki (HPT) is a programme for 15-24 year olds that supports a pathway to employment or training by increasing the resilience, social connectedness and work readiness of taitamariki (young people). It includes access to professional support services, work placement, and 12 months support for participants and employers. HPT uses HPR funding to target those taitamariki with more complex needs by providing extra staffing and intensive wraparound support (including during employment) for a longer time period than standard models allow.</p>		<p>We recommend that the SRO (s):</p> <ul style="list-style-type: none"> a) Recommend approval of \$2,500,000 from He Poutama Rangatahi funding for He Poutama Taitamariki. b) Refer the He Poutama Taitamariki application for HPR (PGF) funding to the Regional Economic Development Ministers group for decision. <p>Note that:</p> <ul style="list-style-type: none"> this is an existing HPR project in Northland; the original annual target of 750 taitamariki for FY 2018/19 has been superseded with over 900 taitamariki having participated in, or currently participating in the programme in 7 months; and if the programme results in sustained success at a large scale, the goal is for the programme to be considered further as a BAU model for MSD. 	

Funding from HPR in 2018/19 was provided to MSD to expand and develop an earlier iteration of HPT called Taitamariki 500 (T500) and target 750 additional young people. This project began in October 2018 and will be evaluated by MSD/MBIE as a model for use in other areas.

Since October 2018, 551 young people on the programme have gone on to employment or study. These taitamariki are still participants in the programme while they receive ongoing support for 12 months. There are 116 individual employers across Northland engaged in the programme. Demand for the programme has far exceeded expectations, with 950 current participants rather than the anticipated 750. The NEET rate in Northland has dropped by 3% in 2018.

MSD in Northland has been trialling intensive, youth-centric programmes that go beyond standard BAU since 2013. Between December 2013 and December 2018, the NEET rate for 20-24 year olds in Northland has dropped by 22.5%, in comparison to a national average decrease of 3% over the same period.

The programme that is now He Pouatama Taitamariki began as an innovative, experimental programme (KODE) in Kaikohe in 2015 working with 32 young people, which had a 75% success rate. KODE was established under the Social Sector Trial.

It was expanded under the Regional Economic Development Programme to become Grow Kaikohe in 2016/7 and was extended more widely in Northland in 2016-2018 as Taitamariki 500 (T500).

HPT and its earlier iterations differ from MSD's BAU general case management by providing:

- intensive youth-centred individualised support, such as counselling, literacy, drug and alcohol rehabilitation, personal development;
- help to 'pick up and dust off' after experiencing challenges on the path to study and employment; and
- 12 months of support for young people and employers to support sustained employment.

If the programme results in sustained success at a large scale, the goal is for the programme to

eventually become BAU for MSD, which we recommend take a staged and planned approach.

In December 2017, Cabinet approved the use of \$2.5million of HPR funding to expand Taitamariki 500 to become He Poutama Taitamariki. It recognised that the programme aligned with HPR by providing an innovative approach to individual support for young people according to their particular needs and for as long as support is needed, as well as by working to identify employers' workforce needs and better match taitamariki and employers together.

HPR funding enabled the programme to include young people outside MSD's scope (non-beneficiaries and 15-17 year olds) and to provide more mental health support than was able to be provided by MSD.

Of 950 participants at 16 April 2018, 357 were non-beneficiaries. HPR funding has enabled the programme to work with the hardest to reach 'unknown NEETs' – ie those young people who have not had any contact with government agencies since their departure from the education system and who are at risk of long term unemployment and poor social outcomes.

Cabinet also noted the potential for future HPR funding of He Poutama Taitamariki in out-years to enable expansion of the programme, should HPR be extended beyond its initial trial period. Since that time HPR has been allocated an additional \$13.275m from the Provincial Growth Fund until 30 June 2019.

This proposal seeks to use \$2.5m of that funding to extend the Memorandum of Understanding between MBIE and MSD for the HPT programme for FY 2019/20.

HPR funding will be used to provide additional specialist support for young people:

- 12 Navigators (assess situation and needs of young people, identify most appropriate programmes, support young people on their pathway from end to end);
- 4 Youth specialists (work with 15-17 year olds);
- work development workshops (provided by 2 work development specialists); and
- social connectedness programmes for 210

young people farthest from employment in Whangarei, mid North, far North and Kaipara.

	Response	PDU (TAM) Statement regarding achievability of target
Number of people expected to be targeted by the project/activity over two years:	1,500 ¹	Based on demand in 2018/19
Number of people expected to attain employment as a result of the project/activity:	6 months: Co (+ 40 in education /training) 12 months: Co (+ 75 in education /training) 24 months: Co (+ 150 in education /training)	Based on 2018/19 outcomes to date
High level outcomes sought by the project/activity:	<ul style="list-style-type: none"> • Young people in employment and training • Prospering, healthy, socially connected, motivated youth • Improved regional capability and skills • Increased social well-being • Greater connection between NEETs and employers 	
Detail of who else is involved in funding the	Commercial Information	

¹ HPR funds a portion of the total participants on the HPT programme. In FY18/19 HPR is funding 750 of appx 2,500 total participants.

project/activity:		
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"> Builds the motivation, skills and capability of local young people, as well as increasing regional social cohesion 	Y
Aligns with relevant regional economic and employment plans and priorities, including any Māori development plans	<ul style="list-style-type: none"> Aligns directly with the Tai Tokerau Northland Economic Action Plan's goals to reduce Northland's NEET rate, reduce the Māori unemployment rate and increase the proportion of Northland's young people holding qualifications. 	Y
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"> Employment outcomes for participants include roles in the primary industries, food and beverage, and tourism – identified as regional priority sectors by the Tai Tokerau Northland Economic Plan and/or tier 2 of 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"> This is the primary focus of the proposal which targets a large number of young people who are NEETS. 82% of current participants in HPT are Māori The NEET rate in Northland has dropped by 3.3% in 2018. 	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"> HPT directly connects local young people and local employers. It provides 12 months of ongoing Manaaki Tangata (intensive wrap around support) to both young people and their employers to ensure that positive employment outcomes are sustained. 	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"> Funding is to continue to extend an innovative MSD programme that provides more intensive, youth-centred, individualised services than those available as BAU for MSD clients. 	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"> Funding is required to reach young people beyond the scope of MSD: non-beneficiaries and 15-17 year olds. Funding is also required to extend intensive support for participants with complex needs beyond that which can be provided by MSD 	Y
Demonstrates awareness of and	<ul style="list-style-type: none"> Identifies potential to connect to other specialised 	Y

ability to connect to other services/initiatives that are complementary to the project	HPR programmes in Northland, such as Eco Toa for forestry training and Whangarei Youth Space for additional support for young people with complex needs.	
Connected to regional stakeholders and frameworks		
Has support and input, where applicable, from: <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"> He Poutama Taitamariki is supported by the Northland Skills and Employment Steering Group, which includes representatives from: <ul style="list-style-type: none"> Northland Inc Te Puni Kokiri Ministry of Education Tertiary Education Commission Ministry of Primary Industries Supported by MSD and Ministry of Education national office Iwi have been involved in the development and delivery of the programme, including Ngāpuhi and Ngāti Kahu 	Y
Governance, risk management and project execution		
Has robust project management and governance systems planned or in place	<ul style="list-style-type: none"> He Poutama Taitamariki has a clear governance and project management structure (in line with MSD requirements), including extensive risk and assurance management policies and processes. The HPT Governance Board also includes representatives from MBIE including the Manager, He Poutama Rangatahi 	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	<ul style="list-style-type: none"> The programme is already in place and successful. Both MSD staff and community providers have extensive experience in designing and delivering this type of programme MSD has also set up a dedicated team to manage the programme 	Y
Risk management approach outlined	<ul style="list-style-type: none"> A detailed risk management assessment, policy and process has been provided by MSD 	Y
Future ownership / operational management identified	If the programme results in sustained success at a large scale, the goal is for the programme to eventually become BAU for MSD	Y
The purpose of this briefing is to consider recommending PGF funds for He Poutama Taitamariki		

Regional Governance Group View:

He Poutama Taitamariki is endorsed by the Northland Skills and Employment Steering Group (SESG). It is a flagship programme for the region and is central to the SESG's skills and employment priorities.

Risks and Issues:

Any co-funding arrangement contains inherent risks of disputes between parties. This has not occurred in FY 2018/19, in part due to the effective functioning of the He Poutama Taitamariki Governance Group, which contains members from both MSD and MBIE. In addition, dispute resolution processes are outlined in the Memorandum of Understanding.

Eligibility points of note:

- *Due diligence*:- MSD to carry out due diligence on all providers before any contract is signed between MSD and third parties
- *Conflict(s) of interest*:- Based on the information provided, no conflict of interest is evident
- *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 Tai Tokerau Northland Economic Action Plan and the Northland Skills and Employment Steering Group regional priorities.
- *Commercial funding availability*:- Given the nature of the project, which is to support disengaged young people into employment, 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 (national offices):

Both the Ministry of Social Development and the Ministry of Education national offices support this application. Feedback has also been sought from Te Puni Kokiri and the Ministry of Primary Industries but not yet received (note TPK and MPI are both represented at regional level on the Skills and Employment Steering Group that endorses this application).

Advice from regional and any other PDU teams:

Supported by the Northland PDU regional team.

Supporting proposal:	Yes
Appendices:	Yes - Application and supporting documents are provided
Sponsor(s):	N/A
Manager/Author of paper:	Stephen Ruddell/Hilary Pearse