

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

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| 3.17 Multi Region - Regional Career Coordinators (5x roles)- Horticulture and Viticulture Project Te Ara Mahi (TAM) Application - Region/s - Bay of Plenty, Hawkes Bay, Upper South Island, Otago, Manawatu | | For: Approve | |
| Tier: 1 - Regional | Sector: Primary Industry | Recommendation(s): Approve | |
| Applicant Organisation: <ul style="list-style-type: none"> Horticulture New Zealand Incorporated (Hort NZ) | | We recommend that the SRO (s): | |
| Location: <ul style="list-style-type: none"> National - Bay of Plenty, Hawkes Bay, Upper South Island, Otago, Manawatu | | a) Approve \$1,081,500 from the from the Te Ara Mahi portion of the Provincial Growth Fund towards the Regional Career Coordinators (5x roles)- Horticulture and Viticulture project | |
| Proposal: <ul style="list-style-type: none"> Funding being sought for 3 years to employ 5 regionally based Regional Career Coordinators to transition and increase the number of school leavers, NEETs, youth, unemployed and underemployed into apprenticeships and careers within the horticulture and viticulture sectors | | b) Refer the Regional Career Coordinators (5x roles) - Horticulture and Viticulture project for PGF funding to Regional Economic Ministers group for decision | |
| Funding Sought: <ul style="list-style-type: none"> Total project value: \$ <small>Commercial Information</small> Te Ara Mahi Funding: \$ 1,081,500 Grant Funding - which is equivalent to <small>Comin</small>% of project value | | | |
| Funding split: <ul style="list-style-type: none"> Year 1: \$ <small>Commercial Inform</small> Year 2: \$ <small>Commercial Inform</small> Year 3: \$ <small>Commercial Inform</small> | | | |
| Total project value includes <small>Commercial Information</small> totalling \$ <small>Commercial Inform</small> | | | |
| These figures include a contingency amount of \$ <small>Commercial I</small> | | | |

per annum

Background:

HortNZ takes a pan-horticultural industry lead with biosecurity, trade, training and upskilling, labour supply, compliance with labour, health and safety and other regulatory requirements, the licence to farm and grow through Resource Management Act advocacy, general compliance, and representation to Government. HortNZ represents 5,000 commercial fruit and vegetable growers who employ more than 60,000 workers. Horticulture New Zealand is an incorporated society that is itself governed by a grower-elected Board of Directors. In addition to the grower directors, it has two independent directors appointed to complement the skills of the grower elected directors. Horticulture New Zealand employs [redacted] people to deliver its services to grower members across the country.

Horticulture is New Zealand’s fourth largest primary industry in New Zealand at \$5.68bn in value: \$3.44bn in export value, \$2.24bn in domestic – 2017 figures. People capability has been highlighted as a clear focus for the industry.

Horticulture NZ is in a sound financial position.

Commercial Information

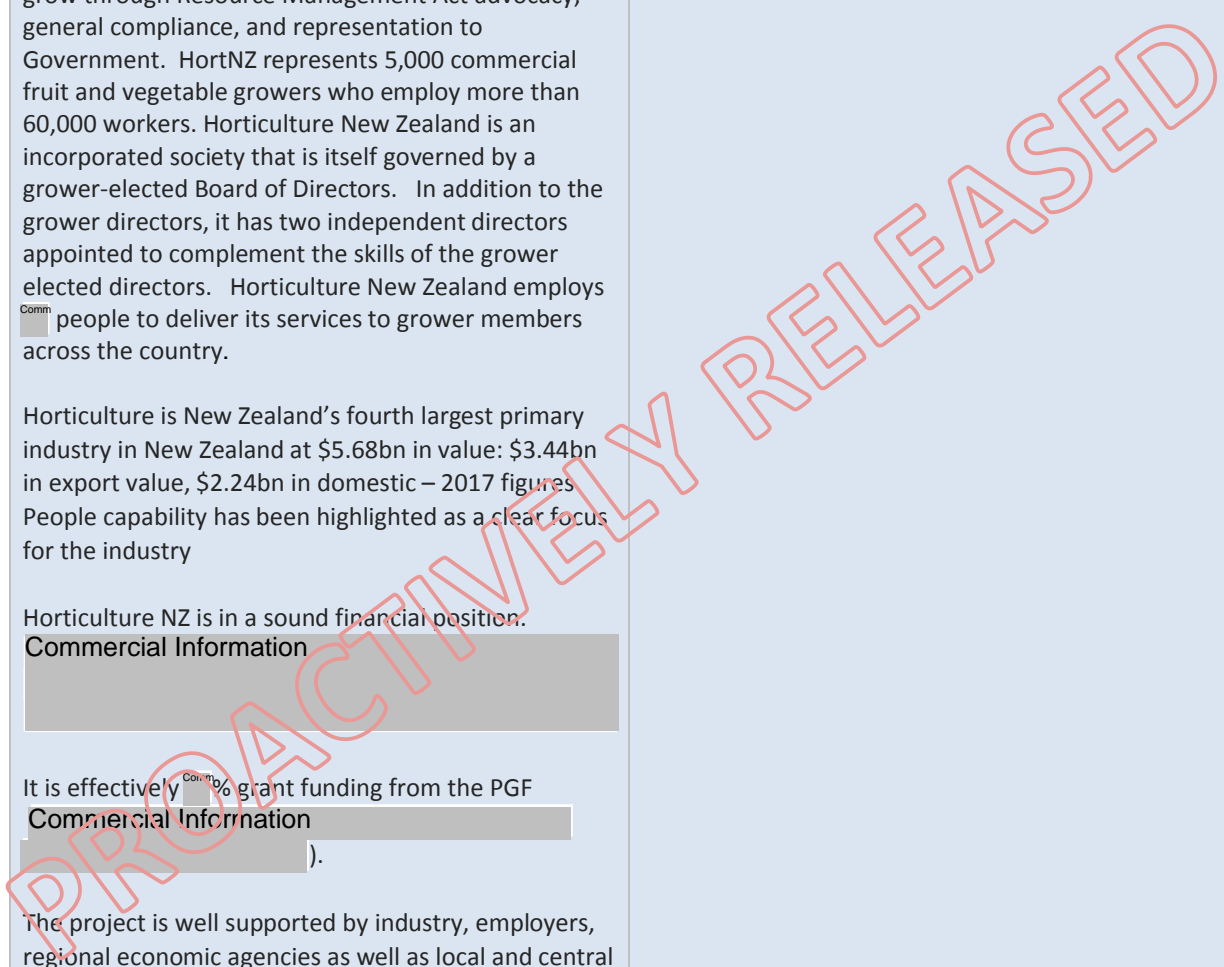
It is effectively [redacted] % grant funding from the PGF

Commercial Information

The project is well supported by industry, employers, regional economic agencies as well as local and central government.

Employers will also have to undertake an accreditation process before being accepted as a potential employer of an Apprentice. The accreditation will require employers to agree to a set of standards which sets out minimum employment, training, health & safety, employee support pastoral care provisions as well as a commitment from employers to professional development and upskilling.

MPI has assessed the application and is in support of the initiative. “This is an industry led initiative with



solid, ongoing backing to build the workforce they need. It is a viable project across four major horticulture production regions (Bay of Plenty, Hawkes Bay, Top of the South and Otago) and with additional connections to the horticulture co-ordinators in place in the Gisborne and Northland regions”.

TPK has assessed the application and is in support of the initiative. Regional Apprenticeship & Degree Co-ordinators in each of 5 regions selected is a good outcome. **Commercial Information**

[Redacted]

Commercial Information

Is it clear why Crown Funding is required?

Horticulture and Viticulture are currently experiencing dynamic growth that has now put pressure on local labour markets to provide a workforce for this work. As well as the growth in the horticulture sector, there is currently a lack of connection between young people, communities and employers that is not being met by business, government or affiliated agencies.

The intention of this industry-led initiative has industry partners working together with government to develop solutions that achieve both business and government objectives by having roles solely focused on acting as a conduit and connector between individuals, business and local communities

PGF Skills & Employment criteria that this proposal supports:

| Te Ara Mahi Criteria | Assessment Commentary | Met (Y /N/Partial) |
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| 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"> • The project looks to increase the industry skill base (which ^{Commercial Information} around ^{Comm} apprentices a year according to the Primary ITO) by doubling (on average each year) this amount which will in turn increase productivity and entry level employment opportunities within the sector • It looks to move people from seasonally based employment into year round sustainable careers | Yes |
| Aligns with relevant regional | <ul style="list-style-type: none"> • Regional Growth studies and the direct relation to | Yes |

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| economic and employment plans and priorities, including any Māori development plans | <p>these have been quoted in the application</p> <ul style="list-style-type: none"> • 4 of the regions the application/roles have been put forward for are the largest horticulture/viticulture producing areas of the country and are major contributors to both the local and Maori economies • The role based at Commercial Information will transition those students in tertiary education into their 'apprenticeship degree' by organising work experience and ultimately into those regions of need | |
| 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"> • See above points | Yes |
| Reduces the rates of people not in employment, education and training, with an emphasis on Māori | <ul style="list-style-type: none"> • Most of the regions identified have an over representation of NEETs and Maori – a major emphasis of this application will be engagement with schools and bridging the gap from education to employment (which should reduce those entering NEETs) and has quoted the rates of NEETs, in each of the regions as an untapped pipeline | 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"> • Increased skilled workers will create more productivity which will increase more employment opportunities for locals and create aspiration career goals • Apprenticeships and Apprenticeship Degrees are usually completed over a 3 – 4 year period | Yes |
| Additionality – add: 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"> • There is a disconnect in these regions between education and employment. An emphasis of this application will be engagement with schools and bridging the gap from education to employment. 3 of the 4 identified regions have an above average representation of NEETs • There is a disconnect between those in tertiary study looking to now connect with industry. The role based at Commercial Information will transition those students in tertiary education into their 'apprenticeship degree' by organising work experience and ultimately into those regions of need | 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"> • Contribution of \$^{Commercial} has been obtained. • Limited opportunity to seek funding directly from other government agencies as the outcomes do not directly fit within their agency frameworks | Yes |
| Demonstrates awareness of and | <ul style="list-style-type: none"> • Success of this project is having the coordinators link | Yes |

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| ability to connect to other services/initiatives that are complimentary to the project | people with roles across the horticulture industry, creating long term pathways. Currently there are not clear pathways being articulated and in some areas a lack of ongoing support. By working in conjunction with MOE, schools, local ITP's, and the ITO, along with regional support networks under local DHB, district council and Iwi groups, the coordinators will utilise networks to continue to be aware and connected to other services & initiatives | |
| 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"> Numerous letters of support supplied from a range of groups including Economic Development Agencies as businesses, schools as well as being supported by Regional PDU staff <p>Support has been provided from the following organisations;</p> <ul style="list-style-type: none"> Commercial Information | Yes |
| Governance, risk management and project execution | | |
| Has robust project management and governance systems planned or in place | <ul style="list-style-type: none"> Evidence of a well-organised approach to project management has been provided. The project will be managed by staff from Horticulture NZ. | 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"> Horticulture NZ is in a sound financial position. <p>Commercial Information</p> | Yes |
| Risk management approach outlined | <ul style="list-style-type: none"> Risks associated with this project are not expected to be high. The main risks could be the inability to recruit appropriate co-ordinators within required timeframes and difficulty in recruiting participant. These can be actively managed with support from the Horticulture Capability Group | Yes |

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| | <ul style="list-style-type: none"> A risk register has been developed for the project as well | | | | | | | | |
| Future ownership / operational management identified | <ul style="list-style-type: none"> This project will be governed by Horticultural capability Group. Membership includes Horticulture NZ, NZ Apple and Pear Inc, Avocado Industry Council, Vegetables NZ, NZ Kiwifruit Growers Incorporated, Hawkes Bay Fruit Growers Association. | Yes | | | | | | | |
| a) The purpose of this briefing is to consider recommending PGF funding for the Te Ara Mahi project application for Regional Career Coordinators (5x roles) | | | | | | | | | |
| <i>Regional Governance Group View: N/A</i> | | | | | | | | | |
| <i>Risks and Issues:</i> <i>Include where applicable:</i> <ul style="list-style-type: none"> Advice on PR/Ministerial announcements and events. | | | | | | | | | |
| <i>Eligibility points of note:</i> <ul style="list-style-type: none"> <i>Due diligence:</i> - 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. <i>Conflict(s) of interest:</i> - Based on the information provided no conflict of interest is evident noting that full due diligence will inform this item further. <i>Illegal Activity:</i> - 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. <i>Alignment with Regional development plans:</i> - Strongly aligned as workforce development for horticultural/viticulture careers has been recognised as a priority activity. <i>Commercial funding availability:-</i> Given the nature of the project which is to support recruitment and retention to the horticultural workforce 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 | MPI, TPK, MSD, PDU |
| TPK – refer to comments in background MPI – refer to comments in background MSD – refer to comments in background | | | | | | | | | |
| Supporting proposal: | | | | | Yes | | | | |
| Appendices: | | | | | Yes - Commercial Information | | | | |

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| Sponsor(s): | N/A |
| Manager/Author of paper: | T P - SWEP Team |

PROACTIVELY RELEASED