

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

3.18 Regional Pacific Employment Support Project Te Ara Mahi (TAM) Application – Multi region		For: Approval	
Tier:	1 - Regional	Sector:	Skills
Background & context:		Recommendation(s):	
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Ministry for Pacific Peoples (MPP) <p>Location:</p> <ul style="list-style-type: none"> Waikato, Manawatu/Whanganui, Otago (year one) Bay of Plenty, Hawkes Bay, Southland (year two) <p>Proposal:</p> <ul style="list-style-type: none"> Two years of funding is being sought to expand the Pacific Employment Support Service (PESS), which is currently administered by MPP. The purpose of the service, which is provider delivered, is to support at risk Pacific NEETs into education, employment and/or training. <p>Funding Sought:</p> <ul style="list-style-type: none"> Total project value: \$^{Commercial Inf} PGF Funding: \$8.85m <p>Background:</p> <p>New Zealand has a high proportion of at risk Pacific NEETs in the age group 15-24 at 15.89%.</p> <p>To begin addressing this, MPP introduced the PESS service in 2010 to work with Pacific NEETs at risk of long term unemployment aged 15 to 29 years in South Auckland and Hamilton. The service is delivered by providers who work individually with at risk Pacific NEETs, alongside their family and communities, to ensure they are supported into employment, education or training.</p>		<p>We recommend that the SRO (s):</p> <ol style="list-style-type: none"> Recommend approval of \$8.85m from the Te Ara Mahi portion of the Provincial Growth Fund towards the Regional Pacific Employment Support project Refer the Regional Pacific Employment Support project application for Provincial Growth Fund funding to the Regional Economic Ministers group for decision 	

The service achieves this by preparing at risk NEETs for work, placing them into education, training or employment, and providing pastoral care support to ensure these placements are sustained.

The service consists of a 12-week employment, education and training programme that works with each client individually to identify goals, assess life skills and provide support with literacy, numeracy, interviewing skills, and developing a CV. When the programme is completed, each individual is then placed into either employment, education or training.

Pastoral support is provided from enrolment through to 12 months post placement into employment. Post placement support involves navigators visiting the participant at work to check that everything is going well, and ensure there are no concerns. If there are concerns, the navigators work with the participant and employer to resolve any issues. Navigators will continue to work with the participant and employer as needed until 12 months employment is completed. If the participant opts to move to a higher paying role, or the company closes down, the participant may return to the PESS programme at placement stage to re-start the 12 months pastoral care support.

Other key parts of the service include:

- Collaborating with local employers to build capacity through a network of employers with agreed 'pathways to work' for at risk Pacific NEET
- Partnering with local education providers to co-ordinate micro-credentials, qualifications and training to prepare at risk Pacific NEET for work
- Building capability with local Pacific community groups, churches, etc to support Pacific NEET into PESS
- Liaising with economic development officers in the regions to understand the levers, barriers and drivers for the local economy; and work out how PESS can work to deliver shared outcomes in this space

The benefits of the project are that it:

- Connects with the Pacific NEET most at risk of long-term unemployment.
- Lowers social isolation, which is a contributor to high rates of Pacific suicide.
- Improves financial wellbeing to strengthen families and community.
- Reduces child poverty and homelessness for

Pacific NEET.

- Builds local capability working with local providers to support regional economic growth.

The service is being expanded because it has shown that at risk Pacific NEET respond well to tailored support based on their cultural needs. This was evidenced by an independent evaluation of the service completed in August 2018, which found that it delivered a ^{Co}_{ercia} return on investment.

Over the seven years the service has been delivered 2246 Pacific NEET clients were enrolled in the work preparation programme, with ^{Comin}% of those enrolments resulting in a placement into employment, education or training. There were;

- ^{Commercia} placements into employment against a target of ^C_o^{ial} (105%); with ^{Co}_{mer of those placements resulting in 12 months continuous employment, against a target of ^C_{merc} ^C_{min}%);}
- Nearly 700 placements into training against a target of 835 (82%); and,
- Over 140 completions of training qualifications against a target of 152 (93%).

The success of, and learnings from the current service, have been used as a basis for expanding the service as proposed. In particular increasing the maximum age of the service to 39 year olds (based on current demand for the service). The increase in age and expansion into identified regions is also supported by statistical analysis of Pacific NEET needs nationally.

The expected outcomes of the expansion after two years are:

- ^{Commercia} at risk Pacific NEET in regions placed into employment, education or training
- ^{Commerc} at risk Pacific NEETs achieving 6 months sustained employment
- ^{Comin} at risk Pacific NEET achieving 12 months sustained employment
- 180 Pacific NEET supported to complete Level 1 – Level 6 qualifications

Project administration:

- The service operates through individual providers who are responsible for delivering outcomes in each identified area. MPP are responsible for administering provider contracts, supporting provider (s) to deliver outcomes as intended and

<p>managing any risks.</p> <p><i>Funding contribution detail:</i></p> <ul style="list-style-type: none"> PGF funding will enable MPP to expand the PESS service, which will continue beyond the life of the PGF. The average cost per person for the programme is approximately \$ ^{Commercial} [REDACTED] 		
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"> The project will improve productivity in the identified regions by; increasing the pool of skilled local people available to fill vacant local positions, moving people not in education, employment or training into education, employment or training; and increasing the productivity of businesses by ensuring vacancies are filled by people who remain in those positions over the long term 	Y
Aligns with relevant regional economic and employment plans and priorities, including any Māori development plans	<ul style="list-style-type: none"> The project aligns with the <i>'Growing Manawatu: Economic Development Strategy' (2017)</i> The project does not explicitly align with economic and employment plans in the regions, however this is implicit in that the industries targeted by the initiative are not limited, and the application clearly demonstrates an understanding of the economic development interests of each region 	Partial
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"> A core part of the service delivered focuses on upskilling the target group MPP has demonstrated an understanding of the labour market needs of identified regions, and has a plan for ensuring the service in each region aligns with these needs 	Y
Reduces the rates of people not in employment, education and training, with an emphasis on Māori	<ul style="list-style-type: none"> Yes, this is the core purpose of this project and is reinforced by a strong base of evidence This project does not have an emphasis on Māori 	Y
Increases local employment and earning potential, by supporting local people into local jobs, with an emphasis on sustainable	<ul style="list-style-type: none"> Yes, this is the core purpose of this project and is reinforced by a strong base of evidence 	Y

employment outcomes		
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"> This funding addresses a gap in service for at risk Pacific NEETs This funding seeks to upscale an existing project into provincial growth areas based on need This need is supported by statistical evidence and learnings from the already existing project, which saw demand from the areas identified for expansion 	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"> This has been set as partially met in recognition that funding could be sourced elsewhere. However there is no other immediately available source; and due to the strong alignment of this project to the intent of the PGF and the clearly identified need of the target group, it has been determined that funding from the PGF would be the most effective and efficient vehicle for achieving the services intended outcomes 	Partial
Demonstrates awareness of and ability to connect to other services/initiatives that are complementary to the project	<ul style="list-style-type: none"> Yes, this has been demonstrated through the operation of their current service, for example MPP's engagement with Māori and Pacific Trades Training and TEC 	Y
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"> Stakeholders of particular relevance to this project are employers, industry bodies, community groups, churches and TEC; MPP either already has the support, or has a plan to seek the support of these stakeholders MPP also has a plan to engage with Iwi in the Waikato region in particular 	Y
Governance, risk management and project execution		
Has robust project management and governance systems planned or in place	<ul style="list-style-type: none"> The operation of their current service demonstrates robust project management and governance The applicant has a clear plan for developing these mechanisms to support the expansion of the service. 	Y
Demonstrates the capacity and technical capabilities to effectively implement the initiative e.g. has	<ul style="list-style-type: none"> This is evidenced by their operation of the current service This is also supported by the identification of current 	Y

experience in building local capacity, lifting work readiness and knowledge of the local labour market	providers in intended regions, who would be able to effectively deliver the service								
Risk management approach outlined	<ul style="list-style-type: none"> This is outlined in their application 	Y							
Future ownership / operational management identified	<ul style="list-style-type: none"> Yes, if successful they will use the learnings from this expansion as a basis for seeking future funding if required 	Y							
The purpose of this briefing is to consider recommending/ declining PGF funds for the Regional Pacific Employment Support project									
Regional Governance Group View: N/A									
<p>Risks and Issues:</p> <ul style="list-style-type: none"> This application will be announced by the Prime Minister on the [redacted] Free and frank opinions [redacted] Free and frank opinions [redacted] This application forms a substantial amount (approximately [redacted] Commercial) of the total portion of PGF funding tagged for Te Ara Mahi <p>Eligibility points of note:</p> <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>Commercial funding availability</i>:- Given the nature of the project which is to support at risk Pasific NEETs into education, training and/or 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	Yes
<p>The following consultation has occurred:</p> <p>Internal PDU teams – feedback on application received, more information sought from MPP, new information incorporated into application</p> <p>TEC – TEC indicated that the though the initiative has potential, feeling particularly that MPP showed strong and clear evidence of stakeholder engagement. Areas highlight for improvement include – provision of further evidence of alignment with similar initiatives in the regions proposed for expansion, and more detail regarding how the initiative will be implemented. The TAM team will address these via close engagement with MPP as they</p>									

implement the initiative and monitoring of outcomes.

MoE – MoE highlighted the importance of PESS providers aligning with schools and other programmes offered by MoE. This will be addressed throughout the implementation of the programme in each region.

MSD – *consultation is still in progress*

In addition a number of meetings have been held with MPP to ensure the Te Ara Mahi team is comfortable with projects alignment with the intent of the funding and MPP’s ability to execute the project as intended

Supporting proposal:	Yes
Appendices:	Yes – Application and evaluation of the PESS service are included as annexes
Sponsor(s):	N/A
Manager/Author of paper:	AM, Te Ara Mahi team

PROACTIVELY RELEASED