

2.12 THE FORESTRY PATHWAYS COURSE

PGF Application – TE ARA MAHI		For: Approval	
Applicant:	Tokomairiro Training, via Tokomairiro High school	Pipedrive ID #	Commercial Information
Region	Otago	PGF Funding Sought:	\$63,000
Region detail:	Region-wide: students from all high schools in the Otago region are able to access the programme.	Total Project Value:	\$ Commercial Inform
		Co-funding total:	\$ Commercial Info
		Co-funding detail	
		Commercial Information	
Entity Type:	Other – High School	Funding Structure:	Grant
Entity Detail:	Tokomairiro Training is a Private Training Enterprise under the governance of Tokomairiro High School. Tokomairiro High School is a Year 7 to Year 13 co-educational school, situated in Milton, about 55 kilometres south of Dunedin.		
We recommend that the SROs:			
<p>a) Approve \$63,000 from the Te Ara Mahi portion of the Provincial Growth Fund towards The Forestry Pathways Course</p> <p>b) Note that this funding is for a 9 month period, running for the 2020 school year (Feb – November)</p> <p>c) Note that the funding type recommended is a grant</p> <p>d) Note that the funding will result in C young people, aged 17 – 18 being trained, upskilled and supported into local full time employment</p> <p>e) Note that this programme falls under the criteria for gateway funding from TEC, however barriers exist which make Gateway funding an unrealistic option in the 2020 school year:</p> <ul style="list-style-type: none"> - Gateway funding is oversubscribed for the schools which would have participants in this programme; this has been reinforced by TEC officials who have advised that funding is limited for Gateway in 2020 - TEC processes would not be fast enough to enable funding for this programme in the 2020 year. This would mean students who have already expressed an interest in participating the programme in 2020 would miss out on this opportunity <p>f) Note that Tokomairiro training aims to work with TEC and local employers over the course of 2020 to</p>			

obtain ongoing funding for the programme. Successful delivery in 2020, through funding from the PGF, would support this case

- g) **Note** that the programme is run through Tokomairiro Training and is a Competenz accredited course. Tokomairiro Training is an independent entity run by a Manager under Tokomairiro High School's NZQA Accreditation. The Manager is employed by the school and is responsible to the Board of Trustees. Any funding for Tokomairiro Training comes through the school and is transferred to the Tokomairiro Training accounts once received. The school financial officer deals with all the finances for Toko Training and these are all reported under a separate department in the audited annual accounts
- h) **Note** that the applicant is securing co-funding from both employers and community partners to support the programme
- i) **Note** that the exact co-funding amounts are not yet confirmed, however if they change they will mostly likely increase
- j) **Note** that MPI, MoE, TEC and MSD are supportive of the project
- k) **Note** that MPI was originally going to progress this application, however due to prioritisation issues they have not been able to progress it over the past 6 months; it was handed back to the PDU in August 2019 to progress it through to a decision

Proposal

This initiative focuses on giving young people the opportunity to gain first hand into the Forestry Industry, from establishment to production, while gaining industry related standards. The places emphasis on silviculture and harvesting operations and introduces learners to a variety of industry pathways including future tertiary study and employment. The target group for the initiative is 17 and 18 year old school students of any gender in the Otago region, who are interested in a career in the Forestry Industry in New Zealand.

The funding requested from the PGF would enable the applicant to deliver a programme that keeps students in education while at the same time providing a pathway into the forestry industry.

The programme, which has been developed by a Forestry Industry assessment moderator and tutor;

- delivers NCEA level 2 and 3 standards that support participants to develop their knowledge of, and skills in, the Forestry Industry, including standards required specifically for working in the Forestry Industry,
- prepares young people for work within the industry,
- supports students into work experience then on to apprenticeships or employment within the industry or further forestry related study;

It is run for 2 days a week over a 32 week period, involves classroom work as well as practical experience, focuses on schools and industry working together, and is delivered by highly qualified tutors from within the forestry industry.

Participants are recommended for the programme by their school and are interviewed for suitability before being accepted on to the programme.

Funding from the PGF will be used to pay a qualified tutor from within the industry, support the transport of trainees to the course and to work experience, and cover the administration costs required to run the course.

This would result in ^{Com} students attaining employment in the Forestry Industry, at a cost to the PGF of \$ ^{Commercial} per outcome (\$ ^{Commercial Info} for the total programme cost)

Ability to achieve outcomes

The programme is currently being delivered by Tokomairiro Training for the 2019 school year (funded from ad-hoc sources which are not guaranteed for the 2020 year). Early indications suggest that this programme will

successfully support ^{Com} students into forestry related employment or tertiary education after they leave school. Two reports have been provided as supplementary documents providing more detail on this. The 2019 programme would ensure enough data was gathered to demonstrate whether it is worth pursuing in the long-term

Demand for the programme

From students and schools: Tokomairo Training has already received Expressions of Interest for students to attend the programme in 2020 from; Otago Boys High, East Otago High, Kaikorai Valley College, Taieri College, Bayfield High, and South Otago High.

Employers:

- Forestry is a major industry in the Otago region and forestry companies are short of workers. The current workforce is aging and there is a need to provide a pathway to encourage young people to undertake forestry training
- A number of local employers are actively engaged with and/or financially contributing to the programme

Wider public benefits:

- Through the forestry industry opportunities arise to optimise land use, mitigate climate change protect the environment, and ensure sustainable fibre has a key role in the future low carbon economy
- Tree planting helps meet climate change targets, reduces soil erosion, supports more sustainable use of land, water and other natural resources, and provides opportunities for Māori to develop their land
- Building connections between young people and employers
- Increase in local employment, education and/or training opportunities (in general and for Māori)
- Increase in economic output
- Improved viability of existing businesses
- Increase in social inclusion and participation for young people
- Contribution to one billion trees

Funding detail

- The funding requested is for ^{Commercial} % operational costs ranging from materials to vehicle hire to staff salary
- The funding requested is a one-off
- The average cost per participant is \$ ^{Commercial} (for the PGF's contribution)
- The applicant has secured \$ ^{Commercial Info} in funding from other sponsors/partners as follows:

Commercial Information

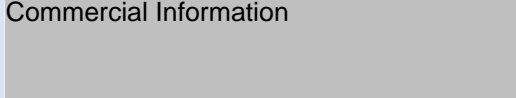
[Redacted area]

Why is funding from the PGF required, as opposed to other sources:

- Other agencies have confirmed that they do not have the capacity or capability to fund this
- The applicant is looking to partner with forestry companies within Otago to help sponsor students on this course; however start-up funding is needed to ensure they have the infrastructure to support the tutor and students involved with the programme.
- Government funding is required to help keep Tokomairo Training running in the short term before sustainable funding can be sourced

Fill in the following table relating to outcomes:

	Response	PDU (TAM) Statement regarding achievability of target
Number of people expected to be targeted by the project/activity annually (on average):	Com	Their previous programme has proven that this would be achievable
Number of people expected to attain employment as a result of the project/activity annually (on average):	Com	Their previous programme has proven that this would be achievable
Assessment against the PGF criteria:		
Eligibility Criteria		
This application is eligible for PGF funding		
Productivity Potential		
This initiative will increase the productivity potential of Otago by:		
<ul style="list-style-type: none"> • Upskilling, training and supporting young people into a career within a major industry in the region • Encouraging businesses within the region to invest in Otago's youth. Without people, new businesses and industries cannot develop, and existing industries cannot be extended. • Up-skilling young people to replace the regions retiring workforce 		
Policy objectives		
Applications alignment with the principles of Te Ara Mahi:		
<ol style="list-style-type: none"> 1) It focuses on supporting local people into local employment opportunities by addressing the specific needs of those who need more help than can be currently provided in order to achieve sustainable employment 2) It ensures additionality by filling a gap in service provision which existing cross-government departmental funding does not cover 3) it fits with mechanisms for coordination of employers, workers and government that will endure past the lifetime of the PGF 4) It indirectly reinforces investment in PGF Tier 2 (Sector Investment) projects through the connection of potential workers to regional Tier 2 investments 		
PGF Criteria	Assessment Commentary	Rating Y/N/Partial
Link with fund and government outcomes		
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 economic and employment plans in the regions 	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"> • Otago is facing a workforce shortage due to its ageing population. A key focus of the programme is to upskill young people so that they can fill the vacancies which will be created over the next 15 years as Otago's ageing workforce retires. 	Y

Reduces the rates of people not in employment, education and training, with an emphasis on Māori	<ul style="list-style-type: none"> The Forestry Training Pathways course supports the reduction of NEETs, by working alongside employers and community partners to support young people into a sustainable career 	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"> This is the primary objective of the programme 	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)	<p>This programme falls under the criteria for gateway funding from TEC, however barriers exist which make Gateway funding an unrealistic option in the 2020 school year:</p> <ul style="list-style-type: none"> Gateway funding is oversubscribed for the schools which would have participants in this programme; this has been reinforced by TEC officials who have advised that funding is limited for Gateway in 2020 TEC processes would not be fast enough to enable funding for this programme in the 2020 year 	Partial
Demonstrates why third party funding, including other government agencies, cannot be used to address the current gap in service provision	As above	Y
Connected to regional stakeholders and frameworks		
Support from local employers, central and local government, and governance groups (inc. Councils, Iwi/Hapu)	<p>There is local support for this initiative with the following contributing funding:</p> <p>Commercial Information</p> 	Y
Governance, risk management and project execution		
Robust project management and governance systems	<ul style="list-style-type: none"> The applicant has demonstrated that they have robust project and governance systems in place 	Y
Demonstrates the capacity and technical capabilities to effectively implement the initiative	<ul style="list-style-type: none"> The applicants successful delivery of this programme previously, demonstrates their ability to deliver it 	Y
Risk management approach	<ul style="list-style-type: none"> The applicant has a risk management approach 	Y
Future ownership / operational	<ul style="list-style-type: none"> Tokomariro training aims to work with TEC and local 	Y

management	employers over the course of 2020 to obtain ongoing funding for the programme. Successful delivery in 2020, through funding from the PGF, would support this case.							
Funding Arrangements								
Funds will be distributed via a milestone plan.								
Due Diligence and Ownership								
Nothing of note was identified as a result of due diligence.								
Shareholders:								
<table border="1"> <thead> <tr> <th data-bbox="164 768 1174 801">Shareholder</th> <th data-bbox="1174 768 1428 801">%</th> </tr> </thead> <tbody> <tr> <td data-bbox="164 801 1174 857">Kirsten Lee Johnson</td> <td data-bbox="1174 801 1428 857">50</td> </tr> <tr> <td data-bbox="164 857 1174 913">Steven James Johnson</td> <td data-bbox="1174 857 1428 913">50</td> </tr> </tbody> </table>	Shareholder	%	Kirsten Lee Johnson	50	Steven James Johnson	50		
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Steven James Johnson	50							
Directors								
<ul style="list-style-type: none"> <li data-bbox="164 1055 1428 1084">Kirsten Lee Johnson 								
Privacy of natural persons								
<ul style="list-style-type: none"> <li data-bbox="164 1211 1428 1240">Steven James Johnson 								
Privacy of natural persons								
Key Management Personnel:								
<i>Principal</i>								
<ul style="list-style-type: none"> <li data-bbox="164 1456 1428 1485">Glenis Anne Sim 								
Privacy of natural persons								
<i>Project / Leadership Team / Key Individuals:</i>								
<ul style="list-style-type: none"> <li data-bbox="164 1671 1428 1700">Lynda Allan – Manager of Tokomairiro Training 								
Privacy of natural persons								
Risk Assessment								
The key risks to the PDU and proposed mitigations of this investment are as follows:								

Type of risk	Risk description	Mitigations	Risk Rating L/M/H
Perception of duplication	This application could be perceived as a duplication of services provided by other agencies/providers, however it is outside the scope of other agencies and they have confirmed there is no duplication.	Confirmation from other agencies that it is out of scope for their funding – <i>received</i> Clear communications about the service including: <ul style="list-style-type: none"> • How it fits within what other agencies/providers offer • Its success rate 	Low
Consultation undertaken or implications:			
<p>The following consultation has occurred:</p> <p><i>Internal PDU teams</i> – feedback on application received, more information sought from applicant, new information incorporated into application.</p> <p><i>Other agencies</i> – Detailed cross agency feedback was received from MoE, MSD, TEC and MPI, all of which were supportive. There were a number of follow up questions from TEC which indicated they were unsupportive, however these have now been addressed.</p>			
Supporting proposal:	Yes		
Appendices:	Yes – Application, programme reports, cross agency feedback and supporting letters are attached as annexes		
Author of paper:	AM, Te Ara Mahi		