



TE ARA MAHI PROPOSALS FOR REVIEW

Date:	16 June 2019	Priority:	Medium
Security classification:	In Confidence	Tracking number:	0041 19-20

Action sought		
	Action sought	Deadline
Hon Shane Jones Minister for Regional Economic Development	Agree to the recommendations outlined in this briefing	22 July 2019
Hon Grant Robertson Minister of Finance		22 July 2019
Hon Phil Twyford Minister of Transport		22 July 2019
Hon David Parker Minister for Economic Development		22 July 2019
Fletcher Tabuteau Parliamentary Under-Secretary to the Minister for Regional Economic Development	Note the contents of this briefing	22 July 2019

Contact for telephone discussion (if required)				
Name	Position	Telephone		1st contact
David van der Zouwe	Head of Investment	Privacy of natural persons		✓
Nathan Grennell	Programme Director - SWEP	Privacy of natural persons	Privacy of natural persons	
Jessica Sandford	Policy Advisor	Privacy of natural persons		



The following departments/agencies have been consulted

Minister's office to complete:

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Notes

Withdrawn

Comments

PROACTIVELY RELEASED



Recommendations

The Provincial Development Unit recommends that you:

Tier 1- PGF EMPLOYMENT, SKILLS & CAPABILITY (TE ARA MAHI)

1. **Note** that Cabinet decision requires you to consult with Ministers of Social Development, Education and Employment [DEV-18-MIN-0235] and copies of the attached table have been forwarded to their offices

Noted

2. **Agree** to approve the Salvation Army New Zealand Trust's application for a \$2,172,188 grant from the Provincial Growth Fund

Agree / Disagree

David van der Zouwe
Head of Investment
Ministry of Business, Innovation and Employment
..... / /

Hon Grant Robertson
Minister of Finance
..... / /

Hon Shane Jones
Minister for Regional Economic Development
..... / /

Hon Phil Twyford
Minister for Transport
..... / /

Hon David Parker
Minister for Trade and Export Growth
..... / /



Recommendations

Te Ara Mahi projects seeking approval from Regional Economic Development Ministers

Applicant and Project	Proposal and key outcomes	PDU Comment	Total cost of project	Proposed PGF investment	SROs recommendation
<p>Applicant name: The Salvation Army New Zealand Trust (The Salvation Army)</p> <p>Project name: The South Island Regional Driver Hub (The Hub)</p> <p>Region: West Coast; Greymouth, Hokitika, Westport Canterbury; Timaru, Ashburton, Rangiora.</p>	<p>The Salvation Army seeks PGF funding over a three year period towards the operational costs to implement two driver licensing programmes across the Canterbury and West Coast regions. This is an expansion of its current services that is running in Christchurch.</p> <p>The programmes include:</p> <ul style="list-style-type: none"> • <i>Community Driver Mentor Programme (CDMP)</i> –a 12 week programme pairing disadvantaged learner drivers with volunteer mentors who support and coach them to learn safe driving practices and teach them the skills needed to pass their restricted drivers test. • <i>Fast Track Full (FTF)</i> – an 8 week programme which supports people to gain their full license. <p>The Hub targets local people who are facing barriers to attaining their restricted and full licenses. This will remove a known barrier for people on their pathway to employment with a secondary but significant focus on sustainable employment outcomes once driver licenses are attained. Ongoing support will be provided beyond both programmes through a mentorship model based on the needs of the individual to assist them into sustainable employment. The Salvation Army will also utilise its already established network of employers within each region.</p> <p>The programmes aim to assist 1,584 people to attain their restricted or full license over three years, supporting █% of these people into employment once the programme has ended.</p>	<p>The Salvation Army has worked with regional stakeholders to identify the need for this service given the geographic profile of the West Coast and Canterbury regions. This is supported by NZTA 2018 driver pass rate statistics which show that the West Coast and Canterbury driver licence pass rates are below national averages.</p> <p>The Salvation Army has demonstrated an understanding of the labour market needs of the identified regions, and has a plan for ensuring the service in each region aligns with these needs. Evidence of support has been provided from a broad range of stakeholders, including district councils, economic development agencies, NZ Police, NZTA, MSD and local iwi. The South Island Regional Driver Hub management team works cooperatively and collaboratively with district councils, Trusts, community and commercial organisations, schools and employers to deliver each programme.</p> <p>The Hub addresses a gap in services for the region. The Salvation Army is aware of other driver license funding pools and has measures in place to prevent duplication of services. TEC, NZTA and MSD have advised that this proposal would not be a duplication of services as current funding for driver licensing only covers a small portion of the targeted group identified.</p> <p>NZTA have stated that the Hub connects and directs leading organisations and experts working in the field of driver licencing qualifications, to operate and expand driver licence solutions and programmes for the rural areas. The Hub provides community integrated practical driving licence programmes, compliance solutions for police breach of licence referrals, recruitment and training of mentors, and connects newly licenced drivers to re-education and employment opportunities across the West Coast and Canterbury region.</p> <p>The initiative will improve productivity in the identified regions by increasing the pool and mobility of local people who meet the requirements to fill vacant local positions. There is a strong focus on upskilling local people, supporting approximately █ the participants into sustained employment.</p> <p>The Salvation Army has been operating the CDMP and FTF programmes in Christchurch since 2014 and 2016 respectively, with an 80-88% completion rate resulting in the attainment of the appropriate license. Although statistics are not captured regarding attainment of employment, a sample cohort found that 61.5% went on to find employment as a result of the service. PDU considers the programmes' targets for completion and employment rates are achievable given the successful delivery of this initiative in Christchurch over the past 5 years. The applicant has shown strong project management and governance, with a clear plan for developing mechanisms to support the expansion of the service. The initiative will be delivered out of the Salvation Army's 'Addictions, Supportive Accommodation and Reintegration Services' arm, and the applicant will source funding for the continuation of the service beyond the life of the PGF.</p>	<p>Commercial Information</p> <p>Other funding sources:</p> <p>Commercial Information</p>	<p>\$2,172,188</p>	<p>SROs endorse approval of the Salvation Army New Zealand Trust's application for a \$2,172,188 grant from the Provincial Growth Fund.</p>