



TE ARA MAHI / HE POUTAMA RANGATAHI PROPOSALS FOR REVIEW

Date:	23 May 2019	Priority:	Medium
Security classification:	In Confidence	Tracking number:	3534 18-19

Action sought		
	Action sought	Deadline
Hon Shane Jones Minister for Regional Economic Development	Agree to the recommendations outlined in this briefing	27 May 2019
Hon Grant Robertson Minister of Finance		27 May 2019
Hon Phil Twyford Minister of Transport		27 May 2019
Hon David Parker Minister for Economic Development		27 May 2019
Hon Willie Jackson Minister for Employment		Note the contents of this briefing
Fletcher Tabuteau Parliamentary Under-Secretary to the Minister for Regional Economic Development	Note the contents of this briefing	27 May 2019

Contact for telephone discussion (if required)				
Name	Position	Telephone		1st contact
David van der Zouwe	Acting Head of Investment	Privacy of natural persons		
Stephen Ruddell	Youth Employment Pathways Manager	Privacy of natural persons		✓
Jessica Sandford	Policy Advisor	Privacy of natural persons		



**PROVINCIAL
DEVELOPMENT
UNIT**

The following departments/agencies have been consulted

Minister's office to complete:

Approved

Noted

Seen

See Minister's Notes

Declined

Needs change

Overtaken by Events

Withdrawn

Comments

PROACTIVELY RELEASED



Recommendations

The Provincial Development Unit recommends that you:

1. **Note** that until 30 June 2019, He Poutama Rangatahi programmes are being funded from the Provincial Growth Fund Te Ara Mahi allocation (up to \$13.275M)

Noted

He Poutama Taitamariki

2. **Note** that He Poutama Rangatahi is part of the Employment portfolio, and as such the Minister for Employment, Hon Willie Jackson has received an early copy of this paper before Regional Economic Development Ministers consideration

Noted

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

Noted

4. **Agree** to approve the Ministry of Social Development's application for He Poutama Rangatahi funding in the form of a \$2.5 million grant from the Provincial Growth Fund.

Agree / Disagree

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

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



**PROVINCIAL
DEVELOPMENT
UNIT**

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

Hon David Parker
Minister for Economic Development
..... / /

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

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Recommendations

Te Ara Mahi/He Poutama Rangatahi 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: Ministry of Social Development (MSD)</p> <p>Project name: He Poutama Taitamariki Project (HPT)</p> <p>Region: Northland</p>	<p>HPT is a pilot programme jointly owned by He Poutama Rangatahi (HPR) and MSD for young people aged 15-24 that seeks to improve employment outcomes for 750 NEETs (aged 15-24), through access to professional support services, work placement, and 12 months support for participants and employers.</p> <p>This proposal seeks to use \$2.5m to extend the Memorandum of Understanding between MBIE and MSD for FY2019/20, enabling the HPT programme to continue through to 2020 and consideration to be given to the programme's future as a model for other regions.</p> <p>HPR funding enables MSD to provide an employment pathway programme with more intensive, individualised support than is available to MSD clients, including 12 months of ongoing pastoral care and support for participants and their employers. It also enables non-beneficiaries and young NEETS to be included in the training and pastoral care programmes.</p> <p>HPR funding will be used to provide additional specialist support for young people including non-beneficiaries. The specialist support will include 12 dedicated navigators, 4 youth specialists, work development workshops, and socially connected programmes.</p> <p>The programme is showing signs of success in getting participants into employment, and is likely to be put forward for the State Service's Commission's Spirit of Service award 2019. The programme initially targeted 750 rangatahi, but has engaged over 905. In the last 8 months, 460 participants have gone into employment, 91 have gone into training or further study, and 373 remain in the service and receive tailored support. These young people are still considered to be participants in the programme, receiving ongoing support for 12 months, including whilst in employment.</p>	<p>The PDU recommends approval of He Poutama Rangatahi (HPR) funding for He Poutama Taitamariki. The programme strongly aligns with HPR, providing an innovative approach to individual support for local young people. The programme has successfully placed participants in training, education and/or employment and a further 750 participants stand to benefit from further HPR funding for the FY2019/2020.</p> <p>The programme provides intensive, youth-centred, individualised services, beyond what is currently available to MSD clients. Previous 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 or other support than was able to be provided by MSD through their standard services. HPR funding allows young people with more complex needs to be provided with extra staffing and intensive wraparound support to participants and employers which cannot be funded by MSD.</p> <p>The programme directly aligns 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. Currently 82 per cent of programme participants are Māori. Iwi groups have been involved in the development and delivery of the programme, including Ngāpuhi and Ngāti Kahu. The programme has received local support with 116 individual employers across Northland engaged in the programme. HPT is supported by the Northland Skills and Employment Steering Group, which includes representatives from Northland Inc, Te Puni Kōkiri (TPK), Ministry of Education, Tertiary Education Commission, and Ministry of Primary Industries.</p> <p>MSD and Te Puni Kōkiri support the proposal, with MSD/MBIE to evaluate the programme as a potential standard model once there has been sufficient time to evaluate the employment outcomes. HPT has a clear governance and project management structure, in line with MSD requirements. HPT Governance Board also includes representatives from MBIE.</p>	<p>\$Commercial In</p> <p>Commercial Information</p>	<p>\$2.5 m (HPR funding)</p>	<p>SROs endorse approval of He Poutama Taitamariki for a \$2.5 m million grant from the Provincial Growth Fund.</p>