



TE ARA MAHI PROPOSALS FOR REVIEW

Date:	29 January 2019	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2223 18-19

Action sought		
	Action sought	Deadline
Hon Shane Jones Minister for Regional Economic Development	Agree to the recommendations outlined in this briefing	29 January 2019
Hon Grant Robertson Minister of Finance		29 January 2019
Hon Phil Twyford Minister of Transport		29 January 2019
Hon David Parker Minister for Economic Development		29 January 2019
Fletcher Tabuteau Parliamentary Under-Secretary to the Minister for Regional Economic Development	Note the contents of this briefing	29 January 2019

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Robert Pigou	Head of Investment Management	Privacy of natural persons	✓
Hannah Buchanan	Programme Manager, Te Ara Mahi	Privacy of natural persons	



**PROVINCIAL
DEVELOPMENT
UNIT**

Recommendations

The Provincial Development Unit recommends that you:

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

1. **Note** that there are three Provincial Growth Fund Tier 1 (Te Ara Mahi) proposals for approval that seek a total Provincial Growth Fund investment of \$13.05 million.
Noted
2. **Note** that Senior Regional Officials have considered these proposals and endorse their approval.
Noted
3. **Agree** to approve First Choice Employment Services' application for a \$Commercial Information grant from the Provincial Growth Fund.
Agree / Disagree
4. **Agree** to Te Kotahitanga e Mahi Kaha Trust's application for a \$Commercial Information grant from the Provincial Growth Fund.
Agree / Disagree
5. **Agree** to the Ministry of Pacific Peoples' application for a \$8.85 million grant from the Provincial Growth Fund.
Agree / Disagree



**PROVINCIAL
DEVELOPMENT
UNIT**

Robert Pigou
Head of Investment Management
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 Economic Development
..... / /

PROACTIVELY RELEASED



Recommendations

Te Ara Mahi projects seeking approval from Regional Economic Development Ministers

Project name	Project	Comment	Total cost of project	Proposed PGF investment	SROs recommendation
Te Koru Education and Employment Initiative Project	<p>Applicant: First Choice Employment Services</p> <p>Region: Tairāwhiti</p> <p>The project's purpose is to deliver a pre-employment programme targeting 240 participants over a 2 year period which will focus on addictive drug and alcohol behaviours then link those individuals with sustainable employment outcomes once employer-ready.</p>	<p>The applicant is seeking <small>Commercial</small> per cent funding for this project. Te Ara Mahi applications differ in focus from the commercially oriented Tier 2 & 3 proposals and as such, co-contributions are not a requirement.</p> <p>No other service currently provides a targeted programme in Tairāwhiti which specifically offers drug and alcohol counselling and rehabilitation services with a view to achieving sustainable employment outcomes.</p> <p>Aligns with relevant regional economic frameworks - the Tairāwhiti Action Plan specifically references the applicant as an industry partner who will enable young people to meet their potential, including supporting programmes for pathways into employment, amongst other relevant actions. First Choice works closely with a number of local organisations and businesses who are supportive of this application (e.g. Activate Tairāwhiti, Eastland Wood Council).</p> <p>Evidence of a well organised approach to managing the project has been provided. Has a proven record of achieving in service delivery to the Ministry of Social Development and private industry groups.</p>	<small>Commercial</small>	\$1.2m	<p>SROs endorse approval of First Choice Employment Services' application for a <small>Commercial Information</small> grant from the Provincial Growth Fund.</p> <p>SROs note the strong employment outcomes achieved by this provider previously and proven success with drug and alcohol support.</p>
Accelerating our Capability and Social Enterprise Programme	<p>Applicant: Te Kotahitanga e Mahi Kaha Trust (TKEMKT)</p> <p>Region: Northland</p> <p>The purpose of the project is to deliver a sustained pre-employment programme and develop a skills and training hub for Kaikohe. TKEMKT are seeking three years grant funding to set up this programme and will become a social enterprise to enable reinvestment back into the programme for the longer term.</p>	<p>The applicant is seeking <small>Commercial</small> in grant funding over 3 years. This includes <small>Commercial</small> capital expenditure although TKEMKT (<small>Commercial</small>) and Tindall Foundation (<small>Commercial</small>) have also provided capital funding.</p> <p>Te Ara Mahi applications are Tier 1 applications which are focussed on delivering better employment outcomes for local people, including from Tier 2 & 3 investments (of which there are a number in the surroundings area).</p> <p>No other service currently provides a large targeted employment readiness programme in Kaikohe, linked to a skills and training hub.</p> <p>The initial phase will involve training and development in Agriculture, Forestry and viticulture industries – key focus areas of 'Land and Water' in the Tai Tokerau Northland Economic Action Plan ("TTNEAP"), with up to two years support. As the program develops it will look to move into training in Digital Infrastructure, and Leadership – all specific</p>	Up to <small>Commercial Information</small> (over 10 years)	\$3m over 3 years	SROs endorse approval of Te Kotahitanga e Mahi Kaha Trust's application for a \$3 million grant from the Provincial Growth Fund.

Project name	Project	Comment	Total cost of project	Proposed PGF investment	SROs recommendation
		<p>targets for development under the 'Enablers' work area of the TTNEAP.</p> <p>TKEMKT already has Governance, risk management and project execution processes as they support a He Poutama Rangatahi project and has existing contracts with TPK and MSD.</p> <p>The applicant provides assurance that the key players (Far North District Council and Nga Puhī) are supportive, along with a number of employers – which will increase if funding agreed.</p> <p>This is a large scale project, where additional support and expertise will be required to manage the project and reduce risk. Pending funding, TKEMKT will engage additional delivery expertise.</p> <p>MSD comments that full agency consultation has not taken place due to the timescale with limited opportunity for feedback for programmes that represent a core part of MSD's role and functions. National and regional review and feedback of proposals is recommended.</p> <p>TPK are supportive of the approach which aims to improve skills and employment outcomes, and the development of the hub in the region.</p>			
Pacific Employment Support Service	<p>Applicant: Ministry for Pacific Peoples Region: Waikato, Manawatū-Whanganui, Otago, Southland, Bay of Plenty, Hawkes Bay</p> <p>The purpose of the project is to provide employment support services to Pacifica people aged 15 – 39 who are not in employment, education or training.</p>	<p>The applicant is seeking <small>Commercial Info</small> per cent funding for this project. Te Ara Mahi applications differ in focus from the commercially oriented Tier 2 & 3 proposals and as such, co-contributions are not a requirement.</p> <p>The project addresses a current gap in culturally tailored service provision for Pacifica who require support to move into education, employment or training.</p> <p>It will increase the productivity potential in the target regions by; increasing the pool of skilled local people available to fill vacant local positions, moving people 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.</p> <p>Stakeholders of particular relevance to this project are employers, industry bodies, community groups and churches; MPP either already has the support and input of these stakeholders, or has a plan to gain gather their support/input.</p>	<small>Commercial Info</small>	\$8.85m	<p>SROs endorse approval of the Ministry of Pacific Peoples' application for a \$8.85 million grant from the Provincial Growth Fund</p> <p>SROs note the importance of engagement with other relevant agencies to ensure success.</p>



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		<p>This project is an expansion of a service which has been successfully delivered for 7 years in South Auckland and Hamilton. As such, MPP have shown that they have strong project management and governance processes in place, which will be expanded in line with the expansion of the service.</p> <p>MSD, MoE and TEC have all been consulted on this initiative. They are all supportive of the intent of the project; however all of these agencies have identified that work will be required to ensure the service is embedded effectively into each region, in particular to ensure the service is complementary to other already services already available. Strong cross agency links will be required at a regional level to ensure success of the service.</p>			

PROACTIVELY RELEASED