

2.07 WORK READINESS TO EMPLOYMENT

PGF Application – TE ARA MAHI		For: Approval	
Applicant:	Building and Construction Industry Training Organisation (BCITO)	Pipedrive ID #	Commercial Information
Region	Waikato	PGF Funding Sought:	\$393,500
Region detail:		Total Project Value:	Commercial Information
		Applicant co-funding:	Commercial Information
Entity Type:	Registered Charitable Trust	Funding Structure:	Grant
Entity Detail:	BCITO were appointed by the government to develop and implement industry qualifications for the building and construction sector. They are the largest provider of construction trade apprenticeships in New Zealand since 1992.		
We recommend that the SROs:			
<p>a) Approve \$393,500 from the Te Ara Mahi (“TAM”) portion of the Provincial Growth Fund, towards Waikato Tainui/BCITO Workstart Program subject to the completion of Due Diligence.</p> <p>b) Note that the funding request is a grant.</p> <p>c) Note that the applicant (BCITO) will be contributing \$ Commercial Information towards the project.</p> <p>d) Note that this project will be a partnership between BCITO and Te Whakakitenga O Waikato (Waikato Tainui iwi).</p> <p>e) Note this funding application covers delivery over 3 years at an average cost of \$ Commercial Information per participant.</p> <p>f) Note that the target group are rangatahi recently left or about to leave secondary/tertiary education within the iwi’s at-risk population and will guide these rangatahi into construction trade careers.</p> <p>g) Note the project will not refuse a current NEET who shows interest and potential.</p> <p>h) Note that participants will complete the initial Work Start program (8 – 10 weeks) and then move on to an Apprenticeship (3 years) and then finally complete the New Zealand Certificate in Construction Related Trades (Supervisor) Level 4 (1 year) – this will ensure that rangatahi are well prepared for leadership roles within the industry.</p> <p>i) Note that Waikato Tainui will be providing pastoral care and mentoring to all participants for the duration of the programme.</p> <p>j) Note that there is a strong pipeline of construction projects in the Waikato with a marked increase in building consents in the region.</p>			
Proposal:			
<p>The Workstart program has been designed to provide support and a pathway into a construction trades career, for rangatahi in the Waikato/Tainui area. The project is a partnership between BCITO and Te Whakakitenga O Waikato (Waikato Tainui) under the Kawenata O Te Mana Maatauranga (“Kawenata”). The Kawenata is an agreement between the two parties to “work together to achieve mutual career pathway & employment objectives”.</p>			

The Work Start programme is initially a 10 week programme with a particular focus on 'work-readiness'. However the wider programme will encompass the whole career journey, from work-readiness right through to supervisor level. This will be achieved in part, by the pastoral care model which will be implemented post-placement. This will be a holistic approach and include the participants' whanau and the Iwi.

There is a long-term vision that this programme will create a closed loop where participants become promoters, supporters and eventually employers in the scheme.

Target Group

The target group for this program will be Maori rangatahi **Commercial Information**, who are currently a NEETs or at risk of becoming a NEET. This aligns with the Whakatapuranga Waikato-Tainui 2050, which is the blueprint for cultural, social and economic advancement for Waikato Tainui people aimed at rangatahi who are at risk of becoming NEETs.

Funding Detail

The programme is delivered over a 3 year period with funding requested for the following;

- Programme Delivery
- Contribution to pastoral care programme

The applicant will be providing **Commercial Information** through the engagement of **Commercial Information** and **Commercial Information** in the project.

Outcomes Sought

The funding requested from the PGF (Te Ara Mahi) will enable the applicant to deliver this programme in the Waikato resulting in the following outcomes;

Outcome category	Description	Number	Timeframe
Skills	Soft Skills to enable employment in Construction.	Commercial Information	10 weeks
Training	Off job training to imbed construction knowledge	Commercial Information	2 years
Employment attainment	Employed in an apprenticeship in construction industry	Commercial Information	3 to 4 years
Sustained employment of at least 6 months	Apprenticeship of 3 to 4 years followed by Supervisor Course	Commercial Information	Up to 5 years

Wider Benefits

- Increased social connection
- Stemming the increase of NEETs within Waikato Tainui
- Increase in wages to stimulate local economy

- Opportunities for tribal members most at-risk to secure a qualification that will give them employment opportunities locally, regionally and nationally
- Supporting workforce needs in the construction sector
- Alignment to tribal strategy and Regional Labour Market Strategy

Assessment against the PGF criteria:

Eligibility Criteria

This application is eligible for PGF funding.

Productivity Potential

The project will improve productivity in the identified regions by:

- increasing the pool of local people who meet the requirements to fill vacant local positions;
- increasing participant’s employability by ensuring learning pathways are linked to work aspirations
- improving employability and upskilling local people in the whole region
- strengthening, diversifying and growing regional economies

Policy objectives

Applications alignment with the principles of Te Ara Mahi:

- 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 funding does not cover.
- 3) It fits within 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) and PGF Tier 3 (Enabling Infrastructure) projects; through the improvement in work readiness of potential workers required to support investments in the region.

PGF Criteria	Assessment Commentary	Rating (0✓ to 5✓)
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Link with fund and government outcomes

Aligns with relevant regional economic and employment plans and priorities, including any Māori development plans	•	✓✓
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	•	✓✓

Reduces the rates of people not in employment, education and training, with an emphasis on Māori	<ul style="list-style-type: none"> This project will include NEET and is targeted for Maori with Waikato-Tainui affiliations 	✓✓
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"> The project will improve earning potential by upskilling young people to be work ready The project will support locals into sustained employment 	✓✓
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 contributes to the development of a more highly skilled workforce in an area that has portions of it with high social and economic deprivation. The project will Job Seekers into sustained employment This programme is unique in that it is being delivered in partnership with an Iwi entity. 	✓✓
Demonstrates why third party funding, including other government agencies, cannot be used to address the current gap in service provision		✓✓
Connected to regional stakeholders and frameworks		
Alignment with regional priorities	<ul style="list-style-type: none"> The project aligns with Whakatapuranga Waikato-Tainui 2050 	✓✓
Support from local employers, central and local government, and governance groups (inc. Councils, Iwi/Hapu)	<ul style="list-style-type: none"> Commercial Information 	✓✓
Governance, risk management and project execution		
Robust project management and governance systems	<ul style="list-style-type: none"> BCITO and Waikato Tainui will form a small governance committee, including employer representative, to govern the project and ensure objectives are reached in a timely manner and within budget. 	✓✓
Demonstrates the capacity and technical capabilities to effectively implement the initiative	<ul style="list-style-type: none"> The people involved or likely to be involved, will have the relevant skills and have already had some successes in delivering services in this space 	

Risk management approach	<ul style="list-style-type: none"> Outlined in their application (see p.11 of application) 	✓✓
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Funding Arrangements

We intend for the funds to be paid by a milestone plan.

Due Diligence and Ownership

We have requested for Due Diligence to be done on key people and organisations involved in the project. Our initial and very light searches to date, have not identified any matters of concern.

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
Employer Engagement	Lack of employer engagement	<ul style="list-style-type: none"> Understand employer needs and pitch program to meet these needs BCITO have over [redacted] employers in the immediate Hamilton region. 	Commercial [redacted]
Mobility	Ability for participants to get to training	<ul style="list-style-type: none"> Identify needs early and put in place a plan to counter 	Commercial [redacted]
ROVE	Review of tertiary education system	<ul style="list-style-type: none"> We are keeping a close eye on this and are participating in process 	Commercial Informatio [redacted]

Consultation undertaken or implications:

[redacted] – supportive, will need to ensure that the organization has the appropriate policies in place, i.e Child Protection, Vulnerable Children Policy

[redacted] – supportive, would like to see the project connect to WINTEC and the Maori and Pacific Trades Training Initiative

[redacted] - supportive

Supporting proposal:

Yes

Appendices:

Yes – Applications and additional information

Author of paper:

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