

2.10 TALENT CENTRAL – EQUIPPING YOUNG PEOPLE FOR THE WORLD OF WORK

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| PGF Application – TE ARA MAHI | | For: Approval (recommendation to RED Ministers) | |
| Applicant: | Talent Central Charitable Trust | Pipedrive ID # | Commercial Information |
| Region | Manawatu-Wanganui | PGF Funding Sought: | \$ Commercial Information |
| Region detail: | Region wide | Total Project Value: | \$ Commercial Information |
| | | Applicant co-funding: | \$ Com |
| Entity Type: | Registered Charitable Trust | Funding Structure: | Grant |
| Entity Detail: | Talent Central Charitable Trust has operated since March 2016 and is located at Manfeild in Feilding. | | |

We recommend that the SROs:

- a) **Support the recommendation to RED Ministers' to approve \$1,778,000** (Commercial Information % of project costs) from the Te Ara Mahi portion of the Provincial Growth Fund towards Talent Central – Equipping young people for the world of work.
- b) **Note** that the funding request is a grant
- c) **Note** that funding request covers a Commercial Information period
- d) **Note** that the target group includes 15-18 olds job seekers/students, career changers and underemployed
- e) **Note** that in its first year the Work Ready Profiles and Pathways is expected to obtain Commercial Information employment outcomes with Commercial Information being sustainable outcomes, these outcomes will increase in later years as the pathways are expanded
- f) **Note** that this activity will expand Talent Centrals current delivery of the Work Ready Portfolio (WRP) to all regional secondary schools
- g) **Note** that a tailored accreditation system via existing 'badging' platforms. Badging allows for flexible verification of achievements on the Work Ready Portfolio (WRP)
- h) **Note** that this grant will allow Talent Central to complete their current employment pathways work in the Agriculture sector, continue with the Distribution and Logistics pathway and create two more pathways in the next three years for Manufacturing, Health Services.
- i) **Note** that Talent Central will be co-located with the National Driver Training Centre (Recipient of a PGF Loan May 2019)
- j) **Note** that this activity will work with Commercial Information potential school leavers per year, by year Commercial Information and connect with Commercial Information within the first Commercial Information
- k) **Note** that those participating in completing the WRP and Pathway activities will gain sustainable employment.
- l) **Note** that this initiative focuses on creating employment pathways with secondary school students in the Manawatu/Whanganui making them Work Ready.
- m) **Note** that this activity has support from the Central Economic Development Agency and a commitment to

- provide funding of \$^{Commercial Inform}
- n) **Note** that this activity has commitment from **Commercial Information**, commitment to provide \$^{Commercial Informat}
 - o) **Note** ^{Commerce} will contribute \$^{Commercial Inform}
 - p) **Note** that this activity will become sustainable beyond PFG funding
 - q) **Note** The Ministry of Education recognise that this activity addresses a gap that they are not currently able to fund
 - r) **Note** that this activity has support from MSD, Secondary Schools, District Councils, and current members of parliament all providing support letters **Withheld - Commercial Information**
 - s) **Note** that that Accelerate 25 Lead Team Facilitator supports this activity (letter provided)

Proposal:

Work Ready Portfolio (WRP)

Talent Central developed the WRP approach with the assistance of Industry and has piloted the use of this with approximately ^{Commerc} students. The WRP is a living portfolio of accumulated evidence for students of their skills, attributes and experiences serving as a volunteer or in workplace settings. A student can continue to develop their WRP in secondary, tertiary settings, apprenticeships and internships, and use it as a living CV when seeking employment.

In simplistic terms the WRP ensures that young people understand what it means to be work ready and provides verifiable evidence to employer that they will make a good employee.

Expansion of the WRP and development of a badging accreditation model will enable employers to connect directly with students, to see and contribute to their evidence of competencies in the WRP framework

Talent Central will scale the use of the WRP across the region and reach up to ^{Commercial In} young people a year and adding further value to the WRP by developing a tailored accreditation system via existing 'badging' platforms. Badging allows for flexible verification of achievements on the WRP. This will allow the programme to operate across a broad geographic area that is the Manawatu/Whanganui region.

Existing components such as employer interviews, student coffee meetings with industry professionals, will be expanded and new dynamic approaches will be incorporated, such as video uploads as proof of competence in a work readiness skill.

Talent Central will build on existing relationships and engagement with secondary schools across the region. They will employ WRP Coordinators that provide learning and support resources for education professionals, and facilitate multiple experiences for schools and rangatahi to connect with pathways to employment and local employers in the region.

They are already supporting the 100% sweet programme in Whanganui (They received TAM funding for an additional co-ordinator) that is using WPR in schools and will be assisting them to implement the badging platform.

Pathways

The Pathways programme works with the major regional companies and creates the line of sight for young people to the 'real world' of work, showing them the range of work available and demonstrating the types of skills that are important for employers. This generates informed choice, opening students up to careers they never thought existed and helps them shape their studies. It also gives employers an opportunity to connect with talent and ensure they are ready to employ youth.

Talent Central has already built the pathway for the Distribution & Logistics sector and will employ ^{Commercial Information} to continue this work and allow them to complete building of their Agriculture Pathway. They will build two more pathways over the next ^{Commercial Information} for Manufacturing and the Health Services sector. These industries are the top four industries for the Manawatu/Whanganui region.

Talent Central's activities primarily target school leavers across the region, building strong pathways from their education into employment no matter their level or background and will also work with NEET's

Students will have the opportunity to engage in multiple experiences and connect to local employers within these sectors to inspire and inform their learning and career pathway choices.

The pathways are intended to facilitate sustainable employment placements, it is intended that these will be measured and recorded, however no target numbers have been set.

Talent Central will employ WPR and Pathway Co-ordinators to deliver on these two key pieces of work.

Outcomes

Skills – Work Ready Portfolio

- WPR users ^{Commercial In} – by ^{Commercial I}
- WPR users ^{Commercial I} – by ^{Commercial I}

Pathways training

- Work experience, Internships and Pathway events ^{Commercial I} by ^{Commercial}
- Sustaining ^{Commercial I} per year then onwards

Wider public benefits:

- Students and Job Seekers are well informed in choosing a career pathway
- Improved financial wellbeing, strengthening families and communities
- Talent retained in the district and improved productivity due to talent retention

Employment

- ^{Commerc} employment outcomes in the first year
- ^{C me} becoming sustainable
- Employment outcomes increasing year on year

Funding details

Funding grant request of \$1,778,000 represents ^{Comme} % of the operational and establishment costs over a ^{Commercial Information} period. The funding is based on the operational implementation of the two streams, WPR and Pathways rather than yearly phasing.

- Operation of pathways - \$ ^{Commercial Informat} per pathway PA (\$ ^{Commercial Information})
- Development of pathways - \$ ^{Commercial Informat} per pathway (\$ ^{Commercial Informatio})
- Cost of fully implementing WRP - \$ ^{Commercial Informat}

Annual outcome breakdown

| | Response | PDU (TAM) Statement regarding achievability of target |
|---|------------|---|
| Number of people expected to be targeted by the project/activity annually (on average): | Commercial | Lofty ambition that will be achieved with good recruitment and good leadership in place. |
| Number of people expected to attain employment as a result of the project/activity annually (on average): | Commerc | There is a strong belief that the two streams WRP and Pathways will create connections with industry and employers to achieve sustainable employment outcomes that will be measured and reported. |

Assessment against the PGF criteria:

Eligibility Criteria

This application is eligible for PGF funding

Productivity Potential

The project will improve productivity in the Manawatu/Whanganui region by, increasing the connectedness of Secondary School students with the four major industry sectors. This will help with filling vacant local positions; improving school leavers with access and employment opportunities; and increasing the productivity of businesses by ensuring vacancies are filled by people who remain in those positions over the long term.

Policy objectives

- 1) It focusses on supporting primarily secondary students and 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 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 school leavers required to support Tier 2 and 3 investments in the region.

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

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| 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 the Manawatu Labour Market Strategy, specifically “strong employer-provider” partnerships and aligns with Accelerate 25 and Te Pae Tawhiti Economic action plans. | Yes |
| Demonstrates potential to meet the current or future labour market skill needs of the region, | <ul style="list-style-type: none"> • Will meet immediate needs of local businesses • Will prepare secondary school students and youth job seekers to make better career choices | Yes |

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| including those resulting from PGF Tier 2 and 3 investments | <ul style="list-style-type: none"> Will demonstrate to employers youth readiness for employment | |
| Reduces the rates of people not in employment, education and training, with an emphasis on Māori | <ul style="list-style-type: none"> It is reasonable to expect that a portion of people targeted will fit into this category This project includes NEET with Maori being over represented thought-out region A number of communities within the region have a Maori population of 50% or more | Yes |
| 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 local students/Job Seekers into sustained employment | Yes |
| 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 support Students and Job Seekers into sustained employment This programme is unique in that it has support from significant local employers. It has been operating already and has proven record, activities can be scaled up and make a significant contribution to the region. | Yes |
| Demonstrates why third party funding, including other government agencies, cannot be used to address the current gap in service provision | <ul style="list-style-type: none"> MSD is not able to fund this, as Secondary Students are not part of their remit. They may support some placements with their Mana in Mahi wage subsidy as this has been extended to non-beneficiary youth Commercial Information | Yes |
| Connected to regional stakeholders and frameworks | | |
| Alignment with regional priorities | <ul style="list-style-type: none"> The project aligns with the Manawatu Labour Market Strategy, specifically “strong employer-provider” partnerships and aligns with Accelerate 25 and Te Pae Tawhiti Economic action plans. | Yes |
| Support from local employers, central and local government, and governance groups (inc. Councils, Iwi/Hapu) | <ul style="list-style-type: none"> Evidence of support has been provided in the region across a broad range of stakeholders. These include local significant large employers, with letters of support Withheld - Commercial Information Letters of support from MSD Regional Withheld - Commercial Information | Yes |

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| | <p>Commissioner, UCOL, CEDA's CEO, supporting this service.</p> <ul style="list-style-type: none"> This is also supported by District Councils who have also provided letters of support. <small>Withheld - Commercial Information</small> Principals from Secondary Schools have provided letters of support. <small>Withheld - Commercial Information</small> | |
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Governance, risk management and project execution

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| Robust project management and governance systems | <ul style="list-style-type: none"> The application includes funding for <small>Commercial Information</small> to maintain the quality of programme delivery and ensure success of programme The Charitable Trust has been in operation for 3 years and has strong leadership and trustees with extensive regional, and business experience. CEO Margaret Kouvelis (MNZM) <small>Privacy of natural persons</small> | Yes |
| Demonstrates the capacity and technical capabilities to effectively implement the initiative | <ul style="list-style-type: none"> The applicant intends to employ the appropriate people who will have the relevant skills and have already had some successes in delivering the two streams WRP and Pathways. . | Yes |
| Risk management approach | <ul style="list-style-type: none"> Outlined in their application (see p.11 of application) | Yes |
| Future ownership / operational management | <ul style="list-style-type: none"> Once the digital platform is updated and badging is in place from existing platforms, Talent Central has a revenue plan to continue delivery of the WRP beyond the <small>Commercial Information</small> point. | Yes |

Funding Arrangements

The funds will most likely be distributed via a milestone plan, which is likely to include an upfront cost for set up. This will be sorted during the contracting stage.

Due Diligence and Ownership

Due Diligence was undertaken on the trust and some of the related parties: No findings of any significance of key management.

Shareholders:

| Shareholder | % |
|---------------------------------|-----|
| Talent Central Charitable Trust | 100 |

Trustees & Governance

- Privacy of natural persons
- Privacy of natural persons
- Privacy of natural persons
- Privacy of natural persons

- Privacy of natural persons
- Privacy of natural persons
- Privacy of natural persons

Key Management Personnel:

- CEO Margaret Kouvelis (MNZM)

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 |
|--------------|--|--|-------------------|
| Cost Risk | If our cost estimates are inaccurate, then the applicant may be unable to complete the project in the agreed manner | A number of the costings are flexible with suitable provisions in place, if approved | Low |
| Recruitment | This initiative fails to achieve outcomes due to reasons such as low participation/recruitment rates and/or completion rates, causing a flow on reputational risk to the PDU | Ensure application has clear and feasible mitigations in place to address these risks and ensure outcomes are achieved | low |

Consultation undertaken or implications:

MSD – “Talent Central is a regional initiative which is aligned with the strategic economic objectives of the region namely to grow and retain education and talent in our region so that our businesses have the right skills to meet regional and global needs.”

CEDA – “One of the big issues that have constrained our region over the years is our labour market and our ability to attract the skills and talent we need. Hence we support an initiative that seeks to enable Talent Development within our Region – so our businesses and organisations can grow sustainably, drawing on well-supported talent development pipelines via Talent Central and this project.”

MOE – Free and frank opinions

Free and frank opinions

Talent Central starts working with students much earlier than when a student makes a decision to leave, to create a better pathway, so students understand what they need to do to be employed within their desired career pathway. Free and frank opinions

TPK – Free and frank opinions

Free and frank opinions

It is acknowledged that the application doesn't have a dedicated focus on Maori students, it does focus on all students in secondary schools and is for any student wishing to engage in understanding a pathway to employment and an opportunity to engage early with employers before leaving school. The applicant is aware that there is now, and expectation that they will work in with MSD, NEET contracted providers, to engage these young people with WPR and Pathways.

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| Supporting proposal: | Yes |
| Appendices: | Yes – Applications and supporting letters are as annexes Withheld - Commercial Information |
| Author of paper: | Te Ara Mahi/He Poutama Rangatahi Team |