

## 2.2 KAWERAU PATHWAYS TO WORK – BACKBONE PROJECT EXTENSION

<b>PGF Application – HE POUTAMA RANGATAHI</b>		<b>For: Approval</b>	
<b>Applicant:</b>	Kawerau District Council	<b>Pipedrive ID #</b>	N/A
<b>Region</b>	Bay of Plenty	<b>HPR Funding Sought:</b>	\$ <small>Commercial Inform</small>
<b>Region detail:</b>	Kawerau	<b>Total Project Value:</b>	\$ <small>Commercial Inform</small>
		<b>Applicant co-funding:</b>	\$ <small>Com</small>
<b>Entity Type:</b>	Local Authority	<b>Funding Structure:</b>	Grant

### We recommend that the SROs:

- a) **Approve** \$58,923 from the He Poutama Rangatahi (HPR) fund towards the Kawerau Pathways to Work (KPTW) – Backbone Project Extension
- b) **Commercial Information**
- c) **Note** that the KPTW Backbone Project underpins the wider KPTW Programme, by coordinating a response to the workforce demands generated through Industrial Symbiosis Kawerau and the Kawerau Pūtauaki Industrial Development (which has received investment of over \$2 million from the Provincial Growth Fund to date)
- d) **Note** that this funding request is for a 12-month extension to the current KPTW Backbone Project, enabling it to continue through to Commercial Information, and that this will bring it into alignment with the three projects referenced in recommendation (e), and help maintain collaboration between these projects
- e) **Note** that the KPTW Backbone Project has been effective in operationalising the KPTW Programme, as evidenced by the Kawerau-based funding applications listed below, which were approved by Senior Regional Officials in March/May 2019:
  - a. Kawerau District Council – KPTW Programme, \$311,000 from HPR
  - b. Tuwharetoa Ki Kawerau Health, Education and Social Services – Work-Ready On-Ramps Programme, \$658,000 from Te Ara Mahi (TAM) and HPR
  - c. Toi EDA – Eastern BOP Commercial Driver and Operator Training Centre, \$598,600 from TAM and HPR
- f) **Note** that these programmes will collectively create employment and training opportunities for up to Commerci local residents per annum, in key sectors such as transport/logistics and forestry
- g) **Note** that the programme has the strong endorsement of the Bay of Plenty regional cross-agency government group, and support from the Ministry of Education

<sup>1</sup> In addition to co-funding of \$ Commercial Inform from the **Commercial Information** and Commercial Information respectively.

**Proposal:**

This proposal is for a 12-month extension of the current KPTW Backbone Project (from Commercial Information to Commercial Information) to bring it into alignment with several newly established programmes associated with the KPTW Programme. This alignment will ensure the continuity and sustainability of the work undertaken in both the KPTW Backbone Project and KPTW Programme and maintain the collaboration with Toi EDA's Driver and Operator Training Centre, and Ngati Tuwharetoa Ki Kawerau Hauora's On Ramps and Pastoral Care programmes. It will also ensure the interface with Tarawera High School is strengthened and, hopefully, embedded into their curriculum.

**Wider benefits:**



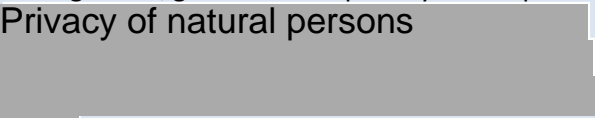
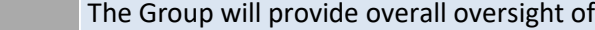
Extension of the Backbone Project to align with the KPTW Programme will consolidate the deliverables of both projects and work towards the sustainability of engagement between employers and rangatahi within the district. In turn, the programmes undertaken by Toi EDA and Tuwharetoa Ki Kawerau Health, Education and Social Services combined with the KPTW Programme will increase capacity and capability in the local workforce to enable them to take up the opportunities afforded by increased development in the district.

**Stakeholder support:**

The KPTW Programme is widely supported and has been created in response to iwi land-owner and community aspirations and forward plans for inclusive growth. The level of interest and local support for the programme has been demonstrated at regular community hui and employer workshops organised by KPTW in the last 12 months.

**Assessment against the PGF criteria:**

PGF Criteria	Assessment Commentary	Met (Yes/No/Partial)
<b>Link with fund and government outcomes</b>		
Aligns with relevant regional economic and employment plans and priorities, including any Māori development plans	<ul style="list-style-type: none"> <li>• Governance industry-group ISK is closely connected to the Bay of Connections regional growth strategy, Eastern Bay's Regional Growth Leadership Group's (RGLG) Eastern Bay of Plenty Regional Development Project and Toi EDA's workforce development EBOP sub-regional programme.</li> </ul>	<b>Yes</b>
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	<ul style="list-style-type: none"> <li>• Supports the KPTW Programme, which has a strong focus on training new workers/upskilling existing workers to meet the current/future labour market needs of Kawerau and neighbouring localities</li> </ul>	<b>Yes</b>
Reduces the rates of people not in employment, education and training, with an emphasis on Māori	<ul style="list-style-type: none"> <li>• Supports the KPTW Programme, which is focused on training/upskilling workers who can then work in their own community</li> <li>• The KPTW Programme has a strong focus on supporting rangatahi NEETs into employment</li> </ul>	<b>Yes</b>
Increases local employment and	<ul style="list-style-type: none"> <li>• Supports the KPTW Programme, which seeks to</li> </ul>	<b>Yes</b>

<p>earning potential, by supporting local people into local jobs, with an emphasis on sustainable employment outcomes</p>	<p>match latent supply with existing demand for labour, providing training in specific on-the-job skills and supporting NEETs placed into employment through ongoing pastoral care and training/personal development</p>	
<p><b>Additionality – adds value by building on what is already there</b></p>		
<p>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)</p>	<ul style="list-style-type: none"> <li>• Supports KDC’s KPTW Programme, as well as Tuwharetoa Ki Kawerau Hauora’s Work-Ready On-Ramps Programme and Toi EDA’s commercial driver and operator training centre which are all addressing existing gaps in service provision in the area</li> </ul>	<p><b>Yes</b></p>
<p>Demonstrates why third party funding, including other government agencies, cannot be used to address the current gap in service provision</p>	<ul style="list-style-type: none"> <li>• The KPTW Backbone Project has already received  and  funding. It was agreed that HPR should fund this extension due to the greater flexibility of the fund</li> </ul>	<p><b>Partial</b></p>
<p><b>Connected to regional stakeholders and frameworks</b></p>		
<p>Support from local employers, central and local government, and governance groups (inc. Councils, Iwi/Hapu)</p>	<ul style="list-style-type: none"> <li>• The KPTW Programme is widely supported locally and has been created in response to iwi land-owner and community aspirations and forward plans for inclusive growth. KDC has reported that local employers are seeing the Backbone Programme taking a leadership role in addressing labour market challenges in the area</li> <li>• Kawerau District Council and Industrial Symbiosis Kawerau strongly endorse the programme</li> </ul>	<p><b>Yes</b></p>
<p><b>Governance, risk management and project execution</b></p>		
<p>Robust project management and governance systems</p>	<ul style="list-style-type: none"> <li>• The KPTW Management Group has strong project management/governance capability. It comprises  <b>Privacy of natural persons</b>  The Group will provide overall oversight of initiative delivery, under the auspices of ISK, to ensure that the programme has a robust level of project management and good governance systems</li> </ul>	<p><b>Yes</b></p>
<p>Demonstrates the capacity and technical capabilities to effectively implement the initiative</p>	<ul style="list-style-type: none"> <li>• As above, KPTW Management Group has the capacity and technical capability to continue its successful implementation of the KPTW Programme</li> </ul>	<p><b>Yes</b></p>
<p>Risk management approach</p>	<ul style="list-style-type: none"> <li>• An appropriate risk management approach for this proposal has been identified.</li> </ul>	<p><b>Yes</b></p>

Future ownership / operational management	<ul style="list-style-type: none"> <li>The KPTW Management Group will continue to provide operational management of the KPTW Programme beyond HPR funding</li> </ul>	Yes	
<b>Funding Arrangements</b>			
Appropriate milestones and deliverables will be put in place with regular monitoring with payments made at appropriate time frames.			
<b>Due Diligence and Ownership</b>			
Due diligence has been completed. No issues have been identified.			
<b>Risk Assessment</b>			
The key risks to the PDU and proposed mitigations of this investment are as follows:			
<b>Type of risk</b>	<b>Risk description</b>	<b>Mitigations</b>	<b>Risk Rating L/M/H</b>
Key personnel	Key personnel may resign from their positions, and/or not be able to deliver the expected outcomes within agreed timeframes	<ul style="list-style-type: none"> <li>Personnel work closely with KPTW Management team who will engage normal HR practices to facilitate a positive outcome</li> </ul>	Low
Stakeholder engagement /buy-in	Low engagement from relevant sectors of the community – employers, training providers, social service providers, govt. agencies	<ul style="list-style-type: none"> <li>Ensure that the KPTW Backbone Project be successfully extended through to <small>Commercial Information</small></li> </ul>	Low
<b>Consultation undertaken or implications:</b>			
<p><b>Regional Governance Group View:</b> This application has been to the Bay of Plenty cross-agency government group who are supportive of granting an extension to the KPTW Backbone Project, due to its success in delivering the KPTW Programme to date, and in terms of aligning its timelines with the three HPR/TAM funded projects based in Kawerau.</p> <p><b>Central Government Agency Views:</b> The Ministry of Education provided feedback on the application as follows:</p> <ul style="list-style-type: none"> <li>Free and frank opinions <small>Commercial Information</small></li> </ul>			
<b>Supporting proposal:</b>	Yes	Application Will Be Proactively Released Separately	
<b>Appendices:</b>	Yes – Applications, additional information, and supporting letters attached as annexes <small>Supporting Letters Are Withheld in Full Due to Commercial Sensitivity</small>		
<b>Author of paper:</b>	BP, Te Ara Mahi/He Poutama Rangatahi Team		