

2.12 Manawa Tu - Work for Life Centre Regional Digital Hubs


Evaluation, Cover Sheet and Decision Form

Project:	Manawa Tu - Work for Life Centre (Murupara Regional Digital Hub)		FOR: Approve
Applicant:	Te Rūnanga o Ngāti Manawa Trust		PDU ID: Commercial Information
Application type:	Main PGF	(A) Total Project Value:	\$ Commercial Informat
Funding type:	Grant	(B) PGF Funding Sought:	\$ Commercial Informat
Entity Type:	Trust (please provide your Trust Deed)	(C) PGF Funding Recommended:	\$400,000 Commercial Information
Region:	Bay of Plenty	(D) Applicant Contribution:	\$ Com
Tier:	3 - Infrastructure	(D/A) Co-contribution Rate:	\$ Com
Sector:	Digital Connectivity		
Context for PGF investment in Digital Connectivity	<p>In October 2018 [CAB-18-MIN-0516], Cabinet approved an allocation of \$100 million for investment in digital connectivity.</p> <p>This \$100m allocation has three parts. The first is \$40m for expanding the Rural Broadband Initiative Phase 2 (RBI2) and Mobile Blackspot Fund (MBSF). This will support people living in remote areas of surge regions and the tourism sector. A further \$40m is to help improve the broadband performance available to businesses and households in Milford Sound and the West Coast, where the level of broadband investment through government broadband programmes has not been as strong relevant to other regions.</p> <p>The remaining \$20m of the allocation is for local digital connectivity to improve the accessibility of digital connectivity to support jobs, skills development and social inclusion. Local digital connectivity is made up of two initiatives and sub-allocations of funding: Marae Digital Connectivity (\$13m) and Regional Digital Hubs (\$7m). This sub-allocation of funding for local digital connectivity was agreed by RED Ministers on 24 January [2159 18-19].</p> <p>In the same October Cabinet paper, Cabinet also approved a position paper on the PGF approach to investment in digital connectivity. It includes four principles for local connectivity investment which will be applied when considering applications that relate to local connectivity. As such, evaluations of Regional Digital Hub applications are based on four principles: accessibility, criticality, economically sustainable, and local based priorities.</p>		
Application Summary	<p>Te Rūnanga o Ngāti Manawa Trust (TRoNM) is seeking funding to establish a Regional Digital Hub in Murupara. A regional digital hub will provide the people of Murupara and surrounding areas access to ICT equipment and digital services. The regional digital hub will be implemented in parallel with a 'Work for Life Centre' that will support people with pre-employment training and provide pathways into real employment. The Work for Life Centre</p>		

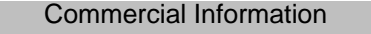
was approved by SROs on 17 December 2019.

The two projects have significant overlap and both projects do complement one another however this coversheet only evaluates the benefits and risks relating specifically to the regional digital hub.

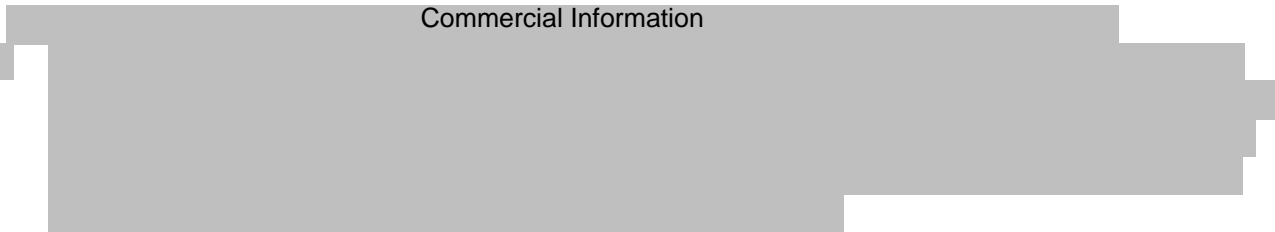
It is recommended that: SROs

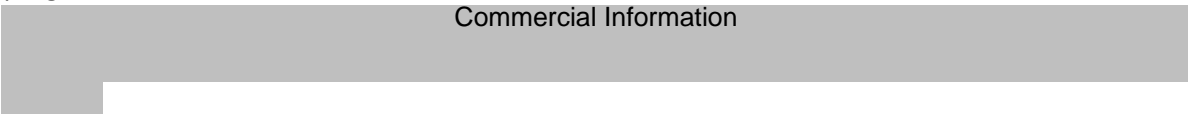
Support the PDU recommendation to Approve \$400,000 grant to establish a regional digital hub (RDH)   Commercial Information at the RDH towards Te Rūnanga o Ngāti

Manawa Trust

- because the establishment of a RDH in Murupara:
 - Is in line with the PGF allocated funding for Regional Digital Hubs in that it:
 - Is located in a key service town in a rural area.
 - Will provide digital connectivity and create a place for business and community activity.
 - A RDH will contribute significantly to the uplift of digital capability in Murupara and nearby areas.
 - The project will indirectly contribute to jobs being created in the future by improving digital capability in the Murupara area. Improving digital capability helps provide people with skills relevant and necessary to the job market in the 21st century. The RDH also supports other projects such as the Manawa Tu Work for Life Centre that will promote local training and employment opportunities.
 - The application shows there is demand for a centrally located facility where people can access digital services and that can be used as a co-working space for business people.
 -  Commercial Information connection to the RDH is likely to improve the quality of services that the RDH can provide, increase initial uptake at the RDH and with it make the RDH more sustainable in the long term.

- \$400,000 of grant funding for the establishment of RDH is subject to:
 - PDU receiving a detailed budget and KPIs being established to assess the ongoing performance of the project.
 - Satisfactory financial analysis.

-  Commercial Information

- Note:
 - This application has been made as part of the Manawa Tu – Work for Life Centre that was approved by SROs on 17 December 2019. The Regional Digital Hub is related to this project in that the RDH will provide some digital infrastructure that will enable people to take part in Work for Life Centre training programs.
 -  Commercial Information

Section A: Assessment against PGF local connectivity investment principles

How does the project demonstrate:

<p>➤ Accessibility: How does the initiative remove or reduce barriers to digital connectivity local communities and businesses currently face, and, promote opportunities associated with digital connectivity.</p>	<p>The Murupara community currently has a lack of access to digital devices and poor internet connectivity when compared to the majority of the country. This impacts training, employment, education, and business opportunities for residents. This challenge faced by people living in less-deprived and isolated communities is commonly referred to as the “digital divide”.</p> <p>Having access to internet, computers and other facilities within the RDH will allow for all residents of Murupara and surrounding areas to actively seek training and employment opportunities and collaborate with other people using the regional digital hub space.</p> <p>The RDH will address digital connectivity needs at a personal and community level. Historically, training services have been provided to the people of Murupara by groups who come into the town to deliver training and drive out. The community has identified a need for these services to be community driven hence the motivation behind TRoNM’s application for PGF support.</p> <p>Having improved access to digital services will make it more appealing for rangatahi to remain in Murupara by removing what is a significant barrier when trying to attract highly-skilled labour to the region.</p> <p>Te Aka Toitu is another project in the Bay of Plenty region that has funded WiFi access for over 180 families with school children in Murupara. A RDH will directly support this project in that it will provide accessibility to devices and internet for all of the Murupara community, not just those families with school aged children. The hub will also offer training services to teach people how to use their devices and improve their digital capability.</p>
<p>➤ Criticality: Is the regional digital hub a critical component for supporting a wider PGF investment in the region? How does the proposal promote wider regional goals?</p>	<p>PGF support has already been allocated for establishment of RDHs in Opotiki and Katikati. The RDH in Murupara will be the final RDH established for the Bay of Plenty region.</p> <p>The regional RDH rollout ensures coverage of deprived areas that lack accessibility to internet and digital devices, helps them gain training, skills and employment to complement other PGF investments in the region. Murupara suffers from extensive deprivation, including when it comes to access to internet, digital devices and digital services which is augmented by the town’s geographical location.</p> <p>This project also complements the Manawa Tu Work for Life Centre project (TAM project), an iwi led initiative that is focussing on connecting people with employment initiatives. The Work for Life Centre is aimed at providing employment and training opportunities for residents of Murupara and surrounding areas. Access to training and employment opportunities will be supported by the RDH through the provision of ICT equipment and digital connectivity.</p> <p>A central hub also promotes collaboration amongst entrepreneurs, both within the Murupara region and beyond. This allows people to connect with a greater population to create more business opportunities for the area and region and to learn from each other.</p>

<p>➤ Economically sustainable: Is it likely the regional digital hub will be financially sustainable when PGF funding ends? PGF funding is limited to covering costs (part or full funding) of Regional Digital Hubs for up to 5 years.</p>	<p>The establishment of the RDH is relatively straight forward and cost controls will be in place to ensure that any cost overruns are identified early and reported proactively.</p> <p>The management team for this project will also be managing the implementation of the broader Manawa Tu Work for Life Centre project that will run in parallel. The management will report directly to the CEO of TRoNM.</p> <p>All assets purchased for the RDH will be owned by TRoNM. TRoNM’s IT manager will be responsible for providing IT support for visitors of the hub.</p> <p>TRoNM will engage with existing business connections and tertiary education partners as part of the operation of the Work for Life Centre, but also to ensure that appropriate human resource is available to run training sessions aiming to improve digital skills. The applicant will also undertake a marketing campaign to ensure Murupara residents are aware of the regional digital hub and the services it will provide.</p> <p style="text-align: center;">Commercial Information</p> <p style="text-align: center;">This creates a strong incentive for residents to make use of the RDH</p> <p style="text-align: center;">Commercial Information</p> <p>PGF funding is expected to support the operation of the RDH for Commercial Information.</p>
<p>➤ Locally based priorities: What specific needs of the local community does the Regional Digital Hub provide a solution to? How does the Regional Digital Hub intend to achieve this?</p>	<p>The applicant notes the socio-economic status of much of the Murupara community is a significant barrier to IT usage which means there are sectors of the community who feel particularly left out.</p> <p>The Regional Digital Hub will provide access to technology and services that are necessary for NEETs to connect with employment and training opportunities that would otherwise be inaccessible.</p> <p>The primary community benefit the RDH will provide is access to information. The hub will provide a space away from home and work that will allow residents of Murupara and surrounding areas to access training and employment opportunities and connect with the wider Bay of Plenty region. Whilst the hub is Ngāti Manawa led, the project is for the benefit of the whole community.</p> <p>Locating the RDH at TRoNM’s office will mean the RDH service can be delivered with support from TRoNM’s IT Manager. TRoNM’s office also has enhanced security as the site has security surveillance cameras.</p> <p>Human resource from TRoNM’s current IT manager will be required to facilitate awareness of the RDH and provide support required by users.</p>

Funding arrangements

Funding will be provided by the PGF by way of a grant to Te Rūnanga o Ngāti Manawa for a Regional Digital Hub in Murupara. Payments will be made upon the completion of key deliverables, which will be negotiated at the contracting stage.

Commercial Information

Conflicts of interest and T&Cs

No conflicts of interest have been identified.

Due Diligence

Due diligence has been undertaken and the identified the following should be noted:

- Commercial Information

Summary statement of Application Review undertaken

The following Review has taken place in connection with this application:

All applications are discussed between the Regions Team and Investment Team during the assessment process and prior to submission to SROs / IAP.

Consultation with the relevant partner agencies has occurred allowing them to provide any relevant technical advice with any feedback included verbatim within this application form.

In the development of this form:

- i. A review by an Investment Director has taken place and included the following to the satisfaction of the reviewer:
 - a. An evaluation against the PGF criteria;
 - b. Financial analysis;
 - c. A risk assessment, highlighting any relevant or key risks;
 - d. Conflicts of interest have been noted and accepted
 and the reviewer concurs with the recommendation proposed.
- ii. The Head of Investment has reviewed this recommendation.
- iii. This application has been reviewed by the PDU SLT.

Review has been completed

Yes

Supporting proposal:	Yes
Appendices:	Yes – Application
Author of paper:	MN, Investment Analyst, PDU Investment Team JH, Investment Director, PDU Investment Team