

# MEMO TO THE SENIOR REGIONAL OFFICIALS

## Subject: Te Kōrau Regional Pilot Project

<b>Date prepared:</b>	13 February 2020	<b>Meeting date:</b>	27 February 2020
<b>Prepared by:</b>	Victoria Tetley, Regional Advisor Te Ara Mahi	<b>Approved by:</b>	Thomas Perenara, Team Leader Te Ara Mahi

### Purpose

1. The purpose of this memo is to:
  - a) Seek further funding for the Te Ara Mahi (TAM) project **Te Kōrau Regional Pilot** (R14.00937) based in Tai Tokerau.

### Recommended action

2. We recommend that the SROs:
  - (a) **Note** you approved Te Ara Mahi grant funding of **\$63,300.00** for the project **Te Kōrau Regional Pilot** at the 31 July 2019 SRO meeting.
  - (b) **Note** the applicant underestimated the cost to deliver pilot programmes in remote rural communities to develop business and entrepreneurial capability.
  - (c) **Note** the applicant has incurred additional costs, not budgeted for, to conduct community engagement in the Hokianga area and this will mean that these services will not be able to be delivered in Te Hiku.
  - (d) **Note** the applicant has tried sourcing other funding via organisations **Commercial Information** but these organisations are not in a position to bridge the funding gap.
  - (e) **Approve** additional grant funding of **\$20,000.00** noting the above information.
  - (f) **Note** once this information has been reminuted, we can proceed to draft a variation of contract to ensure the delivery of the programme.

### Key points

- (a) The initiative is about building entrepreneurial capability and mentoring people with business ideas. It targets Māori people who have a business idea in the Northland region.  
  
It is based on a programme called 'CO.STARTERS' which is a nine week programme that builds entrepreneurial capability and validates business ideas; equipping aspiring entrepreneurs with the insights, relationships, and tools needed to turn ideas into action and develop a passion into a sustainable and thriving business.  
  
Te Kōrau is the same programme, however it is specifically targeted at Māori, the content is tailored to the Māori world view, and it is run out of marae.
- (b) The TAM project Te Kōrau Regional Pilot was approved at the 31 July 2019 SRO meeting under agenda item 2.9 Te Kōrau Regional Pilots (TAM), Northland, presented by Amy McElroy.
- (c) The SRO minutes approved a grant for **\$63,300.00** and a contract was drafted and signed by parties for this amount. See the highlighted section in **Appendix One**.
- (d) We are seeking approval from SRO's for further funding so a variation of contract can be

completed.

- (e) Hokianga has been the area of delivery for the first pilot which has led to an overspend particularly related to remote location and underestimating the time required to build community connection within the area, resulting in significant over-spend in the following areas: wages/salaries, contractors and travel/accommodation.
- (f) The second Pilot is to be devliered in Te Hiku, there is a stronger community connection here working thourgh the **Commercial Information**, which will help reduct costs and lessons learnt will mean better allocation of time and resources to ensure budget is met.
- (g) User pay modelling was also included within the contract which has been identified as risk due to the inability to meet this cost within these rural communities, **Commercial Information**

## Consultation

3. Our Tai Tokerau TAM Senior Regional Advisor has been in regular contact with the applicant about the issues they have confronted them and is fully supportive of the increase in funding request.

## Appendices

Appendix One: July 2019 SRO minutes.

**Appendix One – July 2019 SRO minutes**


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<b>Subject</b>	Minutes of the SRO meeting held on Wednesday 31 July 2019, 9:00am-12:00pm at MBIE offices, Stout Street, Wellington
<b>Senior Regional Officials Present</b>	Ben Dalton (Chairperson from 9:15am), Apryll Parata (Acting Chair until 9:15am) Karen Adair, Karl Cummins, Kay Read, Di Grennell, Kathy Mansell (left at 11:30am), Al Morrison (via telephone conference)
<b>In attendance:</b>	David van der Zouwe, Glynis Mussen, Monica Butler, Jane Frances
<b>PDU Attendees:</b>	Amy McElroy, Hilary Pearse, Eliot Linforth-Hall, Jason Hall, Paul Swallow, Dipankar Ganguly, Nick Hough, Matt Chisnall, Olaf Buhrfeindt & Tania Heyrick
<b>Apologies</b>	Bryan Wilson, Marama Edwards and Robert Pigou

## 1. MEETING ADMINISTRATION

Reference #	SRO 31/07/2019/01
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Discussion:

**1.1 Introduction**

Jane Frances provided an overview on the PGF Proposed Allocation of Remaining Funds document.

SROs discussed the detainment of water which is an issue in most New Zealand areas. Ben provided details on a project in Northland

Free and frank opinions

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Paper currently being prepared for RED Ministers seeking permission to have firm guidelines for applicants when considering applying for PGF funding.

SROs supported Ben's initiative of undertaking seminars in the regions aimed at smaller Māori family blocks to support them in submitting applications for PGF Whenua Māori funding. Di Grennell, Kay Read, Karen Adair and Ben Dalton to meet to discuss potential applications.





	<ul style="list-style-type: none"> <li>The project:                     <ul style="list-style-type: none"> <li>expands a successful programme to include 20-24 year olds who are not in employment, education or training; and</li> <li>targets 30 rangatahi who have left school with no or low qualifications and provides a pathway to the construction, engineering or automotive industries.</li> </ul> </li> </ul>
<b>2.3 Generation Programme (HPR), Tairāwhiti (Hilary Pearse)</b>	
Reference #	SRO 31/07/2019/04
Discussion	<ul style="list-style-type: none"> <li>SROs approved \$90,000 from the HPR portion of the PGF towards the Generation Programme</li> </ul> <p>[REDACTED] strengthen</p> <p>[REDACTED] cohorts</p>
<b>2.4 ASET Poutama Rangatahi Programme (HPR), Tairāwhiti (Hilary Pearse)</b>	
Reference #	SRO [REDACTED]
Discussion	<ul style="list-style-type: none"> <li>[REDACTED] towards the ASET Poutama</li> </ul> <p>[REDACTED] SROs</p> <p>[REDACTED] rangatahi into employment and 6 into education or training:</p> <ul style="list-style-type: none"> <li>this additional funding is for an additional Pastoral Care worker due to the higher demand for the programme and very intensive pastoral care requirements of participants; and</li> <li>funding is being sought from PGF due to previous funding being provided from Vote Labour before HPR became funded by the PGF.</li> </ul>
<b>2.5 The NGEN Room Project (HPR), Northland (Hilary Pearse)</b>	
Reference #	SRO [REDACTED]
Discussion	<p>Privacy of natural persons</p> <p>[REDACTED]</p> <ul style="list-style-type: none"> <li>SROs approved \$550,000 from the HPR portion of the PGF towards the NGEN Room project.</li> <li>[REDACTED]                     <ul style="list-style-type: none"> <li>the project will provide digital technology training and pastoral support for 40 rangatahi who are NEET over a two year period;</li> <li>it is anticipated [REDACTED] rangatahi will go into employment or further training as a result of the programme;</li> <li>the applicant has a proven history of delivery with rangatahi NEET in Northland.</li> </ul> </li> <li>SROs also noted the project requires further refinement and Te Puni Kokiri and PDU will continue to work the applicant to strengthen it.</li> <li>SROs recommended the contract specify funding is stage gated to ensure year one is successful.</li> </ul>
<b>2.6 Kuru Contracting Workforce Development (TAM), Tairāwhiti (Hilary Pearse)</b>	
Reference #	SRO 31/07/2019/07
Discussion	<p>Privacy of natural persons</p> <p>[REDACTED]</p>





**Te Ara Mahi proposals over \$1million for SRO consideration and recommendation to RED Ministers**

**2.10 Southland Youth Futures (TAM), Southland (Amy McElroy)**

Reference#	SRO 31/07/2019/11
Discussion	<ul style="list-style-type: none"> <li>SROs recommended the approval of a grant of \$1,550,000 over a <sup>Commercial Information</sup> period from the Te Ara Mahi portion of the PGF towards the Southland Youth Futures project.</li> <li>The Southland Youth Futures application was originally presented to SROs in March 2019. <sup>s</sup> Commercial Information</li> </ul> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] in expansion</p> <p>[REDACTED] h Futures</p> <p>[REDACTED] er of service to enable more intensive, tailored support to [REDACTED] per year);</p> <p>[REDACTED] 019 to 2022;</p> <p>[REDACTED] an increase in the number of employers involved in the initiative from <sup>Commercial Information</sup>.</p>

**2.11 Commercial Information - declined project**

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

**SRO Investment Proposals**

**2.12 The Food Factory, Te Tau Ihu/Top of South (Eliot Linforth-Hall)**

Reference#	SRO 31/07/2019/13
Discussion	<ul style="list-style-type: none"> <li>SROs approved a grant of \$778,000 from the PGF towards the Food Factory project subject to the conditions on the PDU coversheet on the basis that the project:             <ul style="list-style-type: none"> <li>- is an enabler for economic growth;</li> <li>- has strong regional support; and</li> <li>- builds on a regional competitive advantage, providing strong additionality.</li> </ul> </li> <li>SROs noted the applicant is requesting a grant totalling \$<sup>Commercial Informa</sup>. This has been reduced by \$<sup>Commercial Inform</sup> by the PDU as these costs were for ongoing opex which should be met by the region.</li> </ul>





<b>2.17</b> Commercial Information - declined project	
<b>2.18</b> Commercial Information - declined project	
<b>2.19</b> Commercial Information - declined project	
<b>2.20</b> Hydrogen Transmission Roadmap, Taranaki (Matt Chisnall)	
Reference #	SRO 31/07/2019/22
Discussion	<p>PGF towards the Hydrogen Transmission Roadmap Project subject to the conditions on the PDU coversheet.</p> <ul style="list-style-type: none"> <li>SROs noted this project potentially does not align with some of the investment principles in the "PGF Position paper on energy". However, the benefits below outweigh this:                     <ul style="list-style-type: none"> <li>the project provides an opportunity to better understand the energy infrastructure needs for a zero carbon future, which is important for the region and nationally;</li> <li>there is a strong regional and national level support, including Just Transitions and MBIE energy markets;</li> <li>First Gas will co-fund <sup>Comm</sup> % of the project; and</li> <li>there is alignment with the regional strategy which involves a road map for advancement of a hydrogen based economy.</li> </ul> </li> </ul>
<b>2.21</b> Acos Filler Marketability Next Steps, Taranaki (Matt Chisnall)	
Reference #	SRO 31/07/2019/22
Discussion	<ul style="list-style-type: none"> <li>SROs approved a loan of \$300,000 from the PGF towards the Acos Filler Marketability Next Steps project subject to the conditions on the PDU coversheet.</li> <li>The project will create up to <sup>Comm</sup> new jobs in the Taranaki region over the next <sup>Commercial Information</sup> and the applicant is contributing a further \$<sup>Commercial Inform</sup> towards the project.</li> </ul>

<b>2.22</b>	Commercial Information - declined project
[Redacted]	[Redacted]
[Redacted]	[Redacted]
<b>2.23</b>	Commercial Information - withdrawn project
[Redacted]	[Redacted]
[Redacted]	[Redacted]
[Redacted]	[Redacted]
[Redacted]	[Redacted]
[Redacted]	[Redacted]

**3. APPROVED SRO PROJECTS NOW EXITED**

<b>3.1</b>	Commercial Information - withdrawn project
[Redacted]	[Redacted]
[Redacted]	[Redacted]
<b>3.2</b>	Commercial Information - withdrawn project
[Redacted]	[Redacted]
[Redacted]	[Redacted]
<b>3.1</b>	Commercial Information - withdrawn project
[Redacted]	[Redacted]
[Redacted]	[Redacted]

## 4. VERBAL UPDATES

### 4.1 Broader Outcomes of Government Procurement Programme

Privacy of natural persons

Reference #	SRO 31/07/2019/28
Discussion	<p>Privacy of natural persons</p> <p>Outcomes of Government Procurement Programme; and</p> <p>into effect</p> <p>including procurement strategy.</p> <p>agency rules briefing sessions and a potential roadshow</p> <ul style="list-style-type: none"> <li>April</li> </ul> <p>ies first and to coordinate with PDU.</p>

### 4.2 Priority Sector Projects Taskforce discussion (Tania Heyrick)

Reference #	[REDACTED]
Discussion	<p>ing Tier 2</p> <p>it within the</p> <ul style="list-style-type: none"> <li>project meets the PGF funding criteria, has appropriate co-funding and consents it will be put forward to Ministers.</li> </ul>

## 5. NOTING AND DISCUSSION PAPERS

### 5.1 PGF Portfolio Analysis

Reference #	SRO 31/07/2019/30
Discussion	<ul style="list-style-type: none"> <li>Papers were tabled as noted.</li> </ul>

## 6. GENERAL BUSINESS

Reference # SRO 31/07/2019/31

Discussion Commercial Information - Withdrawn project

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**Ventnor Memorial Project**

- At the June 2018 SROs approved \$40,000 for the construction of the Ventnor Memorial Project.
- The PDU have been advised that the project has had a re-estimation of costs, and seeks an increase in the PGF funding to \$100,000.
- The PDU seeks approval from SROs for this increase.
- SROs approved increasing the funding for the Ventnor Memorial Project from \$40,000 to \$100,000.

Meeting closed at 12:00pm

In confidence