

# Application for Funding

## About this form

This form enables you to make an application for funding under any of the three investment tiers for the Provincial Growth Fund:

- Regional Projects and Capability: Under \$1 million;
- Sector Investments: Between \$1 - \$20 million; and
- Enabling infrastructure projects: Over \$20 million.

The information you provide will help us to assess and evaluate eligible projects and investment opportunities.

## Next steps

We will review your application to further test suitability and risk and to make a decision on suitability for funding. We will be in contact where further information is required and we may provide you advice and support (i.e. from regional advisors) where necessary throughout this next stage of the process.

## Instructions

Please complete the 'Application Form' section below, which is compulsory. In addition, please complete the parts of this application form that are relevant to your proposal. If the answer box is not big enough, please attach a document that provides the answer/s when you submit the form.

Please provide as much detail as you are able to, as appropriate to the size and complexity of your proposal.

If compulsory or relevant information is missing, this may slow down the application process as we will need to contact you.

You can find the terms and conditions of applying for Provincial Growth Fund investment in **Appendix 1**. You must agree to those terms and conditions as part of submitting this application.

We also attach a copy of the Eligibility and Assessment criteria in **Appendix 2** to provide further context.

## Submitting your application

Please email your completed form to [PGF@mbie.govt.nz](mailto:PGF@mbie.govt.nz).

### A. Application Form (Compulsory section)

1. Proposal Name:

Provincial Unlicensed Offenders Driving Programme

2. Please provide the name of applicant organisation/entity:

The New Zealand Howard League for Penal Reform Incorporated

3. What is the physical address of the applicant's organisation?

8/17 Harbour View Road, Te Atatu Peninsula, Auckland 0610

4. Please provide the contact details for the applicant's organisation (including a specific person as a point of contact):

Mike Williams 9(2)(a)

5. Please describe the principal role or activity of the applicant organisation.

The New Zealand Howard League is a registered charity whose aim is to reduce New Zealand's high rate of incarceration. A major programme we operate assists young, mostly Maori, offenders obtain a legal licence, get off the path to prison, and enter full time employment, or further training or education. Our focus is on NEETs. Howard League participants are offenders from community service, home detention, parolees, and newly released from prison. The programme also incorporates newly released offenders who require a driving licence in order to get a job. Many of whom have learned to read while in prison through the Howard League Literacy Programme which runs in most of NZ Prisons.

The NZ Howard League was the Department of Corrections preferred partner in 2016.

6. Please provide a brief summary description of the project, including its location, purpose and history.

We have operated in Hawke's Bay since 2014, West Auckland since 2016 and Whangarei since 2017. The purpose is to help offenders become legal drivers. It has a history of success with over 1000 offenders helped to get their licences, become work ready, find jobs, enter education or training, and reducing reoffending.

Our driving programmes to date (funded on the basis of achieving 8 driving licences per month)

Hawke's Bay:

In 2017, the Hawke's Bay programme generated 253 licences for offenders out of the Hastings, Napier and Flaxmere Probation offices and we have been awarded a further \$100,000 by Land Transport NZ for the next year of operation.

West Auckland:

This programme easily exceeded its target and achieved 120 licences in its first year of operation. It accepts offenders from the Wairau and Henderson Probation Centres as well as the Waitakere and Auckland Central

7. Please describe (or re-affirm) which industry or sector/s the proposal is relevant to.

According to statistics supplied by former Minister Judith Collins 84% of entry level jobs in all industries and sectors require applicants to have driver licence. Our successful participants have found work in forestry, horticulture, agriculture, construction, engineering, manufacturing, road works, the care industry, bee keeping, and transport; helping address the shortage of drivers around the country.

8. In what location/region/s is the proposal to be based? What is the name of the relevant District as detailed on the Local Government New Zealand website: <http://www.lgnz.co.nz/nzs-local-government/new-zealands-councils/>

- 1) Far North, Whangarei, Kaipara - 2 instructors
- 2) Hauraki, Western Bay of Plenty - 1 instructor
- 3) Tauranga, Rotorua, Whakatane, Opoiki - 2 instructors
- 4) Gisborne, Wairoa - 1 instructor
- 5) Hastings, Napier, Central Hawke's Bay - 1 instructor
- 6) Otorohanga, Waikato, Waitomo, South Waikato - 1 instructor
- 7) Matamata, Piako, Waipa - 1 instructor
- 8) Taranaki, Masterton, Carterton - 1 instructor
- 9) New Plymouth, Stratford, South Taranaki - 1 instructor
- 10) West Coast - 1 instructor

9. Please provide full names of the project's leadership team, including your chief executive, directors and trustees (as appropriate).

Dame Catherine Tizard - Patron, Anthony (Tony) Ian Gibbs CNZM - President, Kenneth Michael (Mike) Williams - CEO, 9(2)(a)

Instructor

10. If different from the applicant, who would be the 'contracting party' with the Crown under any successful contract?

Please provide the full name.

As above - The New Zealand Howard League for Penal Reform Incorporated

11. Are there any other Partners within this project? (i.e construction, design or other significant partners).

If so, please provide their names.

Department of Corrections, The Land Transport Agency, Ministry of Justice, The Lighthouse Foundation  
Vehicle Testing New Zealand (Stakeholder), Automobile Assosiation (Stakeholder)  
Ritchies Transport (Stakeholder)

12. Is the applicant or the contracting entity insolvent or subject to any insolvency action, administration or other legal proceedings?

No

13. Is any individual involved in the application, the proposed contracting entity or the project an undischarged bankrupt?

No

14. Is any individual under investigation for, or has any individual been convicted of, any offence that has a bearing on the operation of the project?

Comments

Not applicable

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15. Conflicts of Interest: Please detail any actual, potential or perceived conflict of interest that the applicant(s) or any of the key personnel have in relation to this project.

*"In a small country like ours, conflicts of interest in our working lives are natural and unavoidable. The existence of a conflict of interest does not necessarily mean that someone has done something wrong, and it need not cause problems. It just needs to be identified and managed carefully..."*

<https://www.oag.govt.nz/2007/conflicts-public-entities>

Comments

Mike Williams is a director of Ritchies Transport.

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## B. Strategic Case and Regional Alignment

1. How does the project propose to act as a catalyst to lift the productivity potential of the region where the project is based?

In every region there are significant numbers of NEETs (not in education, employment or training). We have found that very often getting a drivers' licence is the key to work-readiness. It enables mainly young Maori to apply for many more jobs, get work, get a bank account and have a broadly accepted means of identification. Participants in the driving course enjoy vastly increased confidence, motivation, self esteem, and their families/whanau take great pride in their achievements. They become role models for their whanau. The programme acts as a catalyst for other whanau members to also take responsibility for their lives and to see that the programme is a safe place and a worthwhile programme to take part in. It is not unusual for our instructors to deal with multiple generations within a whanau. We work closely with Corrections to place offenders into employment once they obtain their licence. The Waitakere Corrections catchment has the highest rate of placing offenders into full time employment largely due to the close collaboration between the Howard League driving instructor and the local Corrections employment officers.

2. How does the project align with the objectives of the Provincial Growth Fund:

- More permanent jobs;
- Benefits to the community and different groups in the community;
- Increased use and returns for Māori from their asset base (where applicable).

Successful participants in the Howard League driving programme for offenders become much more employable and often develop the motivation to find a job. A major benefit to the community is that there are fewer unlicensed drivers on the road and many fewer people on a path to prison. 65% of Maori prisoners have a driving offence as part of their first prison sentence. We stop the trajectory of driving offences which leads to fines and prison; reducing reoffending and the number of people in prison.

Due to their increased driving skills New Zealand roads are safer.

Initial data from Corrections suggests a reduction in reoffending from participants of the programme.

The programme makes participants more attractive candidates for permanent employment thus breaking the cycle of benefit dependency and lowering the cost to the Crown.

Investment in educational capital allows young Maori in take part in their local economy often for the first time.

3. Please provide a detailed description of the project, including the objectives and business need.

The NZ Howard League for Penal Reform is a registered charity. Our kaupapa is to reduce re-offending by educating prisoners and providing driver licence programmes for offenders. We are a trusted provider of services by both the ministries of Corrections and Transport. We were Corrections' Partner of the Year 2016. We employ qualified driving instructors.

According to Corrections CEO Ray Smith, a large proportion of people who turn up in reoffending statistics have driving-related convictions "If they were helped to get their licence, many of them would never find themselves in trouble with law again. You just have to wonder whether so many young people really had to be tied up in the system if you could just get them a driver's licence". Ray Smith to Parliamentary Select Committee

4. Please provide a description of how the project aligns to the Government's additionality objective under the Provincial Growth Fund (including infrastructure, Māori assets/development, sustainability, investment tiers and regional development plans).

This programme will generate large numbers of work ready (mainly Maori) young people and has been doing so in Hawke's Bay, Whangarei and West Auckland (references attached). Our people have tasted success and many are ready for the next phase of employment or training for employment.

The criteria of additionality is clearly met. We add greatly to the reach of the Community Probation Service, for example we will add driver licence tuition in places which have community probation centres, such as Kaikohe, Kaitaia, Dargaville and Wairoa.

5. What benefits will the region get from the Crown's investment?

Regions will have safer roads with many fewer unlicensed drivers, a steady supply of young work-ready people, higher levels of employment and therefore local spending. This programme will help meet labour shortages in forestry, horticulture as in the kiwifruit and pipfruit industries, construction, and transport due to the lack of drivers in the transport industry.

6. Please describe the current state of the proposal, and why the project has not been done before.

Since 2014 this programme has functioned successfully in Hawke's Bay, since 2016 West Auckland and since 2017 in Whangarei. The fact that it has not spread further given its provable success is simply a matter of resourcing. This proposal seeks to replicate our successful model into other areas of high need.

7. Please provide a description, and evidence where applicable, of any local support for the project either through existing regional development mechanisms, or another relevant body, such as a council, iwi or other representative group (or reason for any lack of support).

We have strong support from Senior Corrections Officials in all three regions in which we operate and have the strong support of the two Judges who work in the Auckland and Waitakere Alcohol and Other Drug Treatment Courts, where we offer our services.

Please see attached referrals.

outside scope

8. Please provide a description of any consultation required.

The initial consultation was conducted when the programme was first established with Department of Corrections and NZTA. We will seek to leverage off our existing contacts as we expand the programme into the targeted areas.

9. Please demonstrate how this project will fit in with wider assets or infrastructure, projects and benefits in the region.

Regions will have safer roads with many fewer unlicensed drivers, a steady supply of young work-ready people, higher levels of employment and therefore local spending. This programme will help meet labour shortages in forestry, horticulture as in the kiwifruit and pipfruit industries, construction, and transport due to the lack of drivers in the transport industry.

10. Has the project been discussed with a regional economic development governance group? If so, what was the outcome of the discussion?

Just as where the programme has been operating we have engaged with appropriate groups to extend this engagement to the new areas. Informally we have been discussing the expansion of our programme with Corrections officials, relevant MPs, local government officials, Chamber of Commerce officials, and regional development programmes.

11. Please provide evidence of Iwi consultation.

Our programmes are well known to urban Maori Authority leaders <sup>9(2)(a)</sup> and was discussed sometime ago with <sup>9(2)(a)</sup>. We will engage with appropriate local iwi authorities as the programme expands.

12. Please provide evidence of compliance with international obligations (where relevant).

Not applicable.

**C. Project costs, economics and benefits**

1. Please provide details of the wider benefits, over and above those described in the above Strategic Case and Regional Alignment section.

For the cost of keeping one person in prison for one year (\$110,000) over 100 offenders can become legal drivers and employment-ready through the Howard League Driving Programme for offenders.

In 2014 we were advised by a senior Transport Agency official that the average cost of getting drivers' licence for offenders was approximately \$2000 per licence. Since our pilot programme began in Hawke's Bay in 2014 we have trebled in size with additional successful programmes in Waitakere and Whangarei. Through streamlining our processes and using well trained instructors the average cost of getting a licence through the Howard League Driving Programme in 2017 was approximately \$600 per licence.

2. Please provide a detailed breakdown of the benefits that will be enabled by the delivery of this project and the timeframes in which those benefits will be achieved/realised.

Based on the results of the three existing programmes where throughput is 150 to 200 licences per programme per year, we anticipate similar results from the ten new programmes for which we seek funding. Experience tells us we can have a new programme fully operational within three months; subject to availability of places with a registered driving instructor licence course.

We aim to have four new programmes within three months of funding, then the next eight in place over the next six months approximately.

Please see previous answers to benefits to the individuals, community and regions.

4. Please provide a cost breakdown covering the following:

- Total project cost breakdown (including contingency);
- Total funding sought from the Provincial Growth Fund;
- Type of funding sought (i.e grant, loan or other);
- Description and breakdown of funding sought from elsewhere (approached/approved/declined) and what funding has been committed;
- Details of ongoing costs and financial viability;
- Required timing of costs; and
- Maintenance costs and funding sources

Project cost breakdown and funding sort

Please see attachment - Project Cost Breakdown

Types of funding sort

One off grant  
Annual grant  
Contingency

Funding from elsewhere

We anticipate that the existing three programmes will carry on being funded by LTNZ, the Department of Corrections and private philanthropy.

Maintenance costs are already factored in – refer financial breakdown



5. Please provide a demonstration of the impact the project will have on the applicant's balance sheet.

As we are a registered charity the project will not significantly impact the organisation's balance sheet. The project will require investment in training resources, which the funds applied for will contribute to.

The organisation's assets will increase if the funding is received, and then reduce over time as the programmes are carried out. All things being equal, the balance sheet will be in a similar position at the completion of the programmes, as it is at the commencement.

6. Please provide a demonstration of how you will ensure that your project represents good value for money.

For the cost of keeping one person in prison for one year (\$110,000) over 100 offenders can become legal drivers and employment-ready through the Howard League Driving Programme for offenders.

Attachment - NZ Howard League Financial Statements 2017

7. If applicable, is there a financial model, financial forecasts, or a Cost Benefit Analysis which can be provided?

*(If so, please attach to this application.)*

Not applicable

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#### D. Project Plan

1. Please provide a project management plan covering the following:

- Delivery methodology
- Roles and responsibilities (including who will be managing/delivering the project and key contractors)
- Timeline
- Procurement
- Constraints and dependencies
- Risks associated with project
- Risk management methodology
- Governance arrangements (including using existing credible local and community input, funding, commercial and non-commercial partners)
- Project delivery gates
- Exit gates and stop/go points.

##### Delivery methodology

We will utilise the delivery model for the three existing programmes:

Identify, train and implement the new instructors in each area as we phase in the implementation of the programme.

##### Roles and responsibility

Executive Director Howard League CEO Mike Williams, administrator to be appointed, and instructors to be appointed.

##### Timeline

We aim to have four new programmes within three months of funding, then the next eight in place over the next six months approximately.

##### Procurement

See set up costs. Attachment - Project Cost Breakdown

##### Constraints and dependencies

Nil

##### Risks associated with the project

We are aware we are dealing with offenders. Personal security mitigated by panic buttons, training, GPS tracking on phones, etc.

##### Governance arrangements

Those in place for the NZ Howard League for Penal Reform Incorporated

##### Project Delivery Gates

Not applicable

##### Exit gates

2. Please provide any feasibility assessment which has been conducted for the project.

We have a proven track record over four years.

3. Please provide details of the key risks associated with the project, as well as how they will be managed.

Funding withdrawn, loss of credibility with community/investors, competition, recidivist behavior of clients (no significant incidents thus far). We will deal with any issues as they arise with the appropriate authorities to ensure the integrity of the programme is maintained and the safety of our staff and others is ensured.

4. Please provide detail of any alternative project delivery options which have been considered and ruled out.

An alternative drivers' licence online delivery mechanism programme was recommended by one of our funders but was not implemented as it was inappropriate and too expensive for the participants of the Howard League driving programme. This organisation has continued to support us with our kanohi ki te kanohi (one-on-one) delivery model.

5. Has the project plan been independently tested, or developed with assistance of a project management professional? If so, by whom?

No. The programme has been developed through the experience and expertise gathered over four years. In the future we will seek to have the programme evaluated over the period of implementation and through the three years of the project.

**E. Commercial Viability**

1. Please provide an overview of the applicant's track record in delivering projects of this nature.

Please see letters of endorsement.

outside scope

2. Please provide any demand analysis (customers and growth/utilisation forecasts) which has been conducted.

In the three areas in which we operate the programme demand heavily exceeds supply.

3. Please describe how the market has been, or will be, tested and engaged (if required) to assist in the delivery of this project.

In all three existing locations there has been a strong flow of participants which is only increasing as word of our successes becomes known.

4. Please describe what will happen upon delivery of the project, including the maintenance plan and plan for ownership of the asset.

Not applicable

5. Please describe how the project will be sustainable beyond the term of the Provincial Growth Fund investment.

At the current level it will not be sustainable. Our long term vision is that the programme will be delivered nationwide and base-lined through departmental appropriation. Hence the proposed evaluation included in this application.

6. Please outline why Crown funding is required?

The NZ Howard League driving programme for offenders is an early intervention and up front investment to prevent much more expensive societal costs down the track requiring government intervention and funding.

Assisting offenders to gain meaningful and fulfilling employment can be central to breaking the cycle of re-offending. International research has shown a positive link between the stability, income, and satisfaction gained from work and a reduction in an offender's likelihood to re-offend. Employment can provide structure and purpose in a person's life, and can cement an offender's transition to a sustainable and law abiding lifestyle.

Our purpose is to reduce reoffending; helping offenders into sustainable employment, being part of growing regional economies and to enhance opportunities for all offenders with a focus on young Maori.

**F. Declaration by lead applicant**

By completing the details below, the applicant makes the following declaration about its application for PGF funding for the

Provincial Unlicensed Offenders Driving Programme.

project ("application"):

- A. I have read, understand and agree to the Terms and Conditions of applying for PGF funding which are attached as Appendix 1;
- B. The statements in the application are true and the information provided is complete and correct and there have been no misleading statements or omissions of any relevant facts nor any misrepresentations made;
- C. I have secured all appropriate authorisations to submit the application, to make the statements and to provide the information in the application;
- D. The applicant warrants that it has no actual, potential or perceived conflict of interest (except any already declared in the application) in submitting the application, or entering into a contract to carry out the project. Where a conflict of interest arises during the application or assessment process, the applicant will report it immediately to the PGF by emailing PGF@mbie.govt.nz; and
- E. I understand that the falsification of information, supplying misleading information or the suppression of material information in this application may result in the application being eliminated from the assessment process and may be grounds for termination of any contract awarded as a result of this application process.

Signature:



Full name:

Kenneth Michael Williams

Date: 15/05/2018

Title / position:

C.E.O.

Name of applicant organisation:

NZ Howard League for Penal Reform

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