

17 January 2017

By email: fyi-request-5033-557f5a3d@requests.fyi.org.nz

Dear Suzanna Grey,

In response to your Official Information Act (OIA) request of 29 November 2016, please find our responses below.

1. What are the relationships between Callaghan Innovation, Wynyard Group and Jade software organizations?

Sue Suckling, Chair of the Callaghan Innovation Board became the Chair of Jade Software in October 2016, with no previous involvement before this date, and no involvement with Wynyard Group.

Craig Richardson was a member of the Board of Callaghan Innovation and Audit & Risk and Grants Sub-committees between February 2013 and September 2015.

Both companies are customers of Callaghan Innovation and have received R&D funding.

2. How many individuals have performed duties for Callaghan Innovation, that either are or were, advisors to, employees of or directors of either i) Wynyard Group ii) or Jade Software?

Two; Sue Suckling and Craig Richardson.

3. How much R&D grants (both number of grants and the monetary amounts involved) has Callaghan Innovation, or its predecessors, provided to either Wynyard Group or Jade software?

We have provided information below on R&D Grants approved by Callaghan Innovation and predecessor organisations since July 2010.

R&D Grants administered since Callaghan Innovation's formation in 2013 is publicly available on our website: <https://www.callaghaninnovation.govt.nz/grants/grant-recipients>

Wynyard Group NZ:

Contract ID	Grant Type	Start date	End date	Grant contract value (GST exclusive)
WNZ6Y1501	Student Experience Grant	01/10/2015	31/03/2016	\$6,400.00
WNZ6Y1402	Student Career Grant	04/08/2014	18/11/2015	\$30,000.00
WNZ6Y1401	Student Career Grant	04/08/2014	18/11/2015	\$30,000.00

Contract ID	Grant Type	Start date	End date	Grant contract value (GST exclusive)
WNZ6Y1302	Growth Grant	01/10/2013	30/09/2016	20% of eligible R&D expenditure, capped at \$5m per annum
WNZ6Y1201	Technology Development Grant	01/03/2013	30/09/2013	\$858,557.94

Jade Software

Contract ID	Grant Type	Start date	End date	Grant contract value (GST exclusive)
JADE1501	Student Experience Grant	01/10/2015	31/03/2016	\$32,000.00
JADE1401	Student Experience Grant	04/08/2014	31/03/2015	\$6,400.00
JADE1402	Student Experience Grant	04/08/2014	31/03/2015	\$6,400.00
JADE1403	Student Career Grant	04/08/2014	30/09/2015	\$30,000.00
JADE1303	Student Experience Grant	01/11/2013	31/03/2014	\$6,400.00
JADE1304	Student Experience Grant	01/11/2013	31/03/2014	\$6,400.00
JADE1302	Student Experience Grant	01/11/2013	30/06/2014	\$6,400.00
JADE1305	Student Experience Grant	01/11/2013	30/06/2014	\$6,400.00
JADE1306	Growth Grant	01/10/2013	30/09/2018	20% of eligible R&D expenditure, capped at \$5m per annum
JADE1301	Student Career Grant	01/09/2013	30/09/2014	\$30,000.00
JADE1201	Student Career Grant	01/07/2012	30/06/2013	\$30,000.00
JADE 1102*	Student Career Grant	01/07/2012	30/06/2013	\$30,000.00
JADE1002	Technology Development Grant	01/10/2010	30/09/2013	\$3,201,000.00
JADE0902*	Project Grant	01/08/2010	30/05/2011	\$213,721.78

* Contracts JADE1102 & JADE0902 were approved in 2010 prior to Callaghan Innovation being established.

Growth Grant value is 20% of a qualifying business's eligible R&D expenditure, capped at \$5m per annum. We do not release individual Growth Grant values as we consider this information to be commercially sensitive and that we would be breaching confidence with our customers if we released sensitive financial information.

Therefore, this information is being withheld pursuant to these sections of the OIA:

- 9(2)(b)(ii) – This section provides that an organisation may withhold information where necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

- 9(2)(ba)(i) – This section provides that information may be withheld to protect information which is subject to an obligation of confidence, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied

4. What is / was the involvement of the (ex) Wynyard Group Managing Director with Callaghan Innovation? Did any conflict of interest occur and how were these managed?

Craig Richardson was a member of the Board of Callaghan Innovation and a member of the Audit & Risk and Grants Sub-Committees from February 2013 to September 2015. All conflicts are declared and recorded in our register and managed through that process (refer to answer below).

5. What is / was the involvement of the Callaghan Innovation's Chairwoman with Jade Software? Did any conflict of interest occur and how were these managed?

The Chair of Callaghan Innovation became the Chair of Jade Software in October 2016. The Chair declared her conflict of interest which is recorded in our register and managed through that process.

The Conflict of Interest process is as follows;

- The Callaghan Innovation, Office of the Chief Executive and Board, maintains a Board Interest Schedule.
- This is published in the Board papers and is considered at the beginning of every meeting. Any new interests that are either declared at the meeting, or during the month are updated on the schedule immediately and noted in the minutes.
- During the year Callaghan Innovation proactively checks the Board Interest Schedule against any potential grant applications to ensure there are no potential conflicts likely to arise.

The Audit and Risk Committee specifically request that, as part of the Annual External Audit conducted by PriceWaterhouseCoopers, (external auditors) that attention is paid to the conflicts of interest of the Board of Directors due to the importance and sensitivity around the administration of Grants.

If there is discussion or decisions made at Board level, where a member has a potential conflict, that member is excluded from that discussion.

6. What is / was the involvement of Callaghan Innovation's General Manager People and Capability in the appointment of members of both Callaghan Innovation's stakeholder advisory group and Callaghan Innovation's board?

Callaghan Innovation's General Manager People and Capability does not have any involvement in the appointment of members of both Callaghan Innovation's Stakeholder Advisory Group and Callaghan Innovation's Board. These appointments are undertaken by the Minister of Science and Innovation as per sections 9 and 11 of the Callaghan Innovation Act 2012 and in consultation with/based on advice from Senior Ministry of Business, Innovation and Employment (MBIE) officials.

Callaghan Innovation Act 2012

9 Callaghan Innovation's board

- *The Minister must appoint at least 5, but not more than 9, persons as members of the board.*

11 Stakeholder Advisory Group

- (1) *The Minister may establish a stakeholder advisory group (an **advisory group**) to provide advice to the board on matters relating to the performance of its functions.*
- (2) *The board must consider any advice it receives from the advisory group.*
- (3) *The members of the advisory group must be appointed by the Minister, on terms and conditions that the Minister determines, by written notice to each member.*
- (4) *When appointing members of the advisory group, the Minister must—*
 - (a) *consult with the board and have regard to its views; and*
 - (b) *ensure, as far as practicable, that—*
 - (i) *the advisory group's membership is broadly representative of the manufacturing sector, services sector, and RS&T providers; and*
 - (ii) *the members collectively have sufficient experience and knowledge of the manufacturing sector, of the services sector, and as RS&T providers to give appropriate advice to the board.*
- (5) *The Minister may, after consulting the board and having regard to its views, give terms of reference on the topics or subject areas on which the advisory group may advise the board.*
- (6) *The advisory group must comply with any terms of reference given by the Minister.*
- (7) *The advisory group may determine its own procedure.*

7. What is / was the involvement of Callaghan Innovation's Chairwoman in the appointment of members of both Callaghan Innovation's Stakeholder Advisory Group and Callaghan Innovation's board?

As per above response the appointment of members of both Callaghan Innovation's Stakeholder Advisory Group and Callaghan Innovation's Board, are undertaken by the Minister of Science and Innovation. When appointing members of the advisory group, the Minister must consult with the Board and have regard to its view's. S11 (4) a of the Callaghan Innovation Act 2012 refers.

- 4) *When appointing members of the advisory group, the Minister must—*
 - (a) *consult with the board and have regard to its views;*

You have the right to request a review of this response, by the Ombudsman at www.ombudsman.parliament.nz or by contacting 0800 802 602. Please contact ministerialservices@callaghaninnovation.govt.nz if you require any further information.

Yours Sincerely



Hemi Rolleston
Interim Chief Executive