

2 November 2017

IP Expert NZ

[fyi-request-6586-38b605ca@requests.fyi.org.nz](mailto:fyi-request-6586-38b605ca@requests.fyi.org.nz)

2017-OIA-10250

Dear IP Expert NZ

Thank you for your email request of 25 September 2017 to Callaghan Innovation for further information about Powerhouse Ventures Limited.

Your request, which has been considered under the Official Information Act 1982 (the Act), is for:

1. *all approval / decision documents that justify the 3.4 M operation funding of Powerhouse. This includes the initial award contracts and any additional support requests granted.*
2. *all approval / decision documents for support requested from Powerhouse but that was declined by Callaghan.*
3. *a copy of all formal communication between Callaghan and Powerhouse on the items above. (board and executive level).*
4. *the amount of money CDC received from Callaghan Innovation as part of any scheme (if any but your previous answers suggest that this is the case).*
5. *the results of your investigation into Powerhouse as announced on your website (<https://www.callaghaninnovation.govt.nz/notice-about-powerhouse-ventures-limited>).*

My responses to each part of your request are given below.

**1) All approval / decision documents that justify 3.4 M operation funding of Powerhouse, including initial award contracts and any additional support requests granted**

In our previous response to you, dated 25 September 2017, we informed you that since 2014 Callaghan Innovation has provided Powerhouse Ventures Limited with \$3,375,000 in operational funding. The table below shows the documents in scope of this part of your request and which approve, justify or support this decision. The documents are attached to this letter.

	<b>Title/Subject</b>	<b>Date</b>
<b>A</b>	Agreement for a Business Incubator Award between Callaghan Incubation and Powerhouse Ventures Limited	3 September 2014
<b>B</b>	Contract summary information: Powerhouse Ventures Limited	25 July 2016
<b>C</b>	Callaghan Innovation Letter of Offer for Powerhouse Ventures Contract Variation 1 July 2017-30 June 2019	31 January 2017
<b>D</b>	Memo re Letter of Offer for contract variations to technology incubators; Powerhouse Ventures: summary of business case	30 January 2017
<b>E</b>	Letter to Powerhouse Ventures Limited: Variation of Agreement	20 June 2017

Information in each of the documents is withheld under section 9(2)(a) of the Act, to protect the privacy of natural persons. Other information is withheld for the reasons given below.

	<b>Reasons for withholding information</b>	<b>Relevant section(s) of the Act</b>
<b>A</b>	No other information is withheld	Not applicable
<b>B</b>	To enable Callaghan Innovation to carry on commercial negotiations without prejudice or disadvantage	9(2)(j)
<b>C</b>	To enable Callaghan Innovation to carry on commercial negotiations without prejudice or disadvantage	9(2)(j)
<b>D</b>	To maintain the confidentiality of advice tendered by officials, and to enable Callaghan Innovation to carry on commercial negotiations without prejudice or disadvantage	9(2)(f)(iv) and 9(2)(j)
<b>E</b>	To enable Callaghan Innovation to carry on commercial negotiations without prejudice or disadvantage.	9(2)(j)

Regarding your query about ‘any additional support requests granted’, I confirm that Callaghan Innovation has neither received nor granted any additional requests for support, outside the contracts listed above, from Powerhouse Ventures Limited. I am therefore refusing this part of your request under section 18(e) of the Act (the document alleged to contain the information does not exist).

**2) All approval / decision documents for support requested from Powerhouse but that was declined by Callaghan**

I am providing you with the following document:

- *Business Incubator Award 2014-17 Recommendations (21 May 2014)*

A spreadsheet within the document shows funding requested under the RFP process, and the recommended level of funding.

Some information in this document has been withheld under section 9(2)(a) of the Act to protect the privacy of natural persons, and under section 9(2)(j) of the Act to enable Callaghan Innovation to carry on commercial negotiations without prejudice or disadvantage.

**3) A copy of all formal communication between Callaghan and Powerhouse on the items above (board and executive level)**

One document is in scope of this part of your request. The document is referred to, and provided to you, as Document C in my response to part 1 of your request:

*Callaghan Innovation Letter of Offer for Powerhouse Ventures Contract Variation 1 July 2017-30 June 2019*

**4) The amount of money CDC received from Callaghan Innovation as part of any scheme**

Since 2014, Callaghan Innovation has paid a total of \$286,250.00 to the Canterbury Development Corporation Limited (CDC). This was for CDC’s work on the High Performance Work Initiative (HPWI). HPWI provides coaching that helps New Zealand businesses get ‘innovation ready’. It focuses on improving work practices, building an innovation culture, and increasing employee engagement. HPWI targets small-medium enterprises as well as large businesses. Business coaching is provided in partnership with specialist consultants to help businesses develop high performance processes. You can find more information about HPWI at

<https://www.callaghaninnovation.govt.nz/innovation-skills/high-performance-work-initiative>.

Callaghan paid CDC for intermediary services between businesses that required coaching, and businesses that offered coaching. CDC did not provide coaching services.

**5) The results of your investigation into Powerhouse as announced on your website**

This investigation is still ongoing and there is no document describing the results. I am therefore refusing this part of your request under section 18(e) of the Act (the document alleged to contain the information requested does not exist).

You have the right to request the Ombudsman to review this response. You can contact the Ombudsman on [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or 0800 802 602. Please contact [ministerial.services@callaghaninnovation.govt.nz](mailto:ministerial.services@callaghaninnovation.govt.nz) if you require any further information.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Vic Crone', written in a cursive style.

Vic Crone  
Chief Executive