

Report 14.398
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Committee Wellington Regional Strategy Committee
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Draft Grow Wellington Annual Report 2013/14

1. Purpose

To present to the Wellington Regional Strategy Committee (the Committee) Grow Wellington's Annual Report for the 2013/14 year (unaudited).

2. Background

Grow Wellington was established in 2007 to deliver economic growth initiatives under the Wellington Regional Strategy (WRS). Grow Wellington is required to report to the Committee on its activities at the end of each financial year. The report in **Attachment 1** is Grow Wellington's Annual Report for the financial year 2013/14. The report is its second under the revised WRS.

As a Council Controlled Organisation, Grow Wellington is required to have audited accounts. The Auditor General is conducting its independent review of Grow Wellington's draft Annual Report and will provide verbal clearance on 28 August 2014.

Once verbal clearance is received, the draft Annual Report will be signed off on 29 August 2014 by the Grow Wellington Audit and Risk Committee under authorisation from the full Board. A final Annual Report will be released on 3 September 2014. The Auditor General's assessment is to be included in the Financial Statements of Grow Wellington's Annual Report.

3. Comment

Grow Wellington has undergone a further year of consolidation that has included extending its workforce development and attraction activities. Reported results are largely in line with the key performance indicators (KPIs) in the Statement of Intent (SOI) 2013/14. The reported highlights for the year include:

- By the end of the year there were 42 business attraction leads in the pipeline, with an estimated economic value of \$70 million annually, and

Grow Wellington was instrumental in assisting two game development companies to move to the region.

- International recognition was received for the high tech capital website which showcases the strength of the region's tech sector, and is a key tool to attract business, talent and investment to the region.
- In the UK, Grow Wellington teamed up with Xero, Immigration New Zealand and the recruitment company 920 Career Agents, to successfully attract skilled ICT staff from the UK.
- Film Wellington helped attract screen projects in excess of \$10 million, managed 1306 filming enquiries, and took the national lead in communicating the Government's revised screen incentives.
- \$4.9 million of research and development funding was facilitated or allocated. As a regional business partner of NZTE and Callaghan Innovation, Grow Wellington further supported businesses with \$358,000 in capability funding.
- Grow Wellington helped increase overall international student enrolments in the region by 3%, against a national decline of 1.8%.
- Start-up incubator, Creative HQ, supported 21 ventures: helping two companies to close investment, and achieving two high growth exits with another likely in early 2014/15. Creative HQ's App4IR challenge provided local start-ups the opportunity to work with a large government client to develop new software. This has spurred significant interest from many other government agencies.
- Businesses continued to seek out skilled students for projects and this year over 200 interns were placed, and a pilot initiative developed, to extend the successful Summer of Tech intern programme into the manufacturing sector.

More in-depth information across Grow Wellington's activities, some case studies and a table of recorded results against the SOI 2012/13, is included in the report in Attachment 1.

3.1 Evaluation against Statement of Intent (SOI)

Of the 32 KPIs in the SOI, Grow Wellington has reported that they fully achieved 20 of these, partially achieved eight, and essentially 'not achieved' on four. On balance, some of the achieved were significantly over achieved, while some of the 'not achieved' were a result of not meeting an element of a performance target. Such performance targets included satisfaction surveys which were not conducted, for example.

Of the areas where SOI targets were partially achieved, none raise obvious concerns that they should not be continued. Areas where targets have not been met include the Clean Tech Centre from which Grow Wellington has

now withdrawn its ongoing support to clients, and workforce projects with the universities.

All other reporting requirements have been met during the financial year.

4. Communication

Grow Wellington's final Annual Report will be publicly available on its website. Any other communications will be the responsibility of Grow Wellington.

5. The decision-making process and significance

Officers recognise that the matters referenced in this report may have a high degree of importance to affected or interested parties.

The matters requiring decision in this report have been considered by officers against the requirements of Part 6 of the Local Government Act 2002 (the Act). Part 6 sets out the obligations of local authorities in relation to the making of decisions.

5.1 Significance of the decision

Part 6 requires Greater Wellington Regional Council to consider the significance of the decision. The term 'significance' has a statutory definition set out in the Act.

Officers have considered the significance of the matter, taking the Council's significance policy and decision-making guidelines into account. Officers recommend that the matter be considered to have low significance.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

6. Recommendations

That the Wellington Regional Strategy Committee:

- 1. Receives the report.*
- 2. Notes the content of the report.*
- 3. Accepts the Grow Wellington Annual Report 2013/14, subject to the Auditor General's assessment.*

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Attachment 1: Grow Wellington Draft Annual Report 2013/14 (unaudited)