

OIR: 2223/405

16 December 2022

Alex Murphy
NZ Taxpayers'
alex@taxpayers.org.nz

Tēnā koe Alex,

Request for Information under the Local Government and Official Information and Meetings Act 1987 (the Act)

Thank you for your email of 4 November 2022 requesting the following information:

1. Have there been any grants, loans or subsidies made to any airline in the last five years? If so, what is the amount and the terms?

Kapiti Coast District Council has provided a loan and grants to Air Chathams Limited in the last five years. The following table provides details of the grants and loan provided:

Financial Year	Recipient	Type	Purpose	Amount
2018/19	Air Chathams Ltd	Grant	Air service support	\$190,000
2018/19	Air Chathams Ltd	Grant	Air service support	\$200,000
2019/20	Air Chathams Ltd	Grant	Air service support	\$174,167
2019/20	Air Chathams Ltd	Grant	Marketing Support	\$24,390
2020/21	Air Chathams Ltd	Grant	Marketing support	\$50,000
2020/21	Air Chathams Ltd	Loan	Re-establish services – Covid 19	\$500,000
2021/22	Air Chathams Ltd	Grant	Marketing support	\$50,000
2021/22	Air Chathams Ltd	Grant	Covid 19 support	\$20,000
2022/23	Air Chathams Ltd	Grant	Marketing support	\$50,000

2. What was the rationale for ratepayer money to be given or lent to an airline?

Council's support is based on the widespread community support and appreciation for a regular Auckland to Kapiti air service, as well as recognition of the important role that the service would play in the economic development of the district. When Air New Zealand decided to pull out of servicing the Kapiti Coast, the Council considered it was important to attract another airline to service the Kapiti Coast.

Community feedback during the Long Term Plan 2021-41 process supported Council exploring ways to have a role in the future of the Kapiti Coast Airport, which is recognised as a regional significant airport by the Greater Wellington Regional Council.

Further information for the rationale for money being granted or loaned to the Council is set out in the attached papers to Council.

3. *A copy of the contract or agreement*

Attached are copies of the following agreements

- Memorandum of Understanding between Air Chathams and Kapiti Coast District Council dated 22 June 2018.
- Term Loan Facility Agreement dated 11 September 2020.
- Grant Funding Agreement between Kapiti Coast District Council and Air Chathams Limited dated 26 April 2022.

The Loan Facility Agreement dated 11 September 2020 is withheld on the grounds that release of the loan document would be likely unreasonably to prejudice the commercial position of Air Chathams (see section 7(2)(b)(ii)). In addition sections of the MoU and Grant Funding Agreement have been withheld on the grounds that release of this information would be likely unreasonably to prejudice the commercial position of Air Chathams (see section 7(2)(b)(ii)). In responding to this request Council has carefully considered the need to provide information in the public interest and on this occasion has made the decision that withholding the loan documentation is not outweighed by other considerations which render it desirable in the public interest that the information be released. Please note details of the loan have been disclosed in the Council's latest Annual Report. [Annual Plan - Kāpiti Coast District Council \(kapiticoast.govt.nz\)](https://www.kapiticoast.govt.nz/annual-plan)

4. *Who made the decision, and a copy of any paper that was used to make the decision?*

- Kapiti Coast District Council passed a resolution to provide support for a proposed airline service on 14 June 2018. A copy of the paper and the decision are attached. Parts of the paper have been withheld on the grounds that release of that information would be likely unreasonably to prejudice the commercial position of Air Chathams (see section 7(2)(b)(ii)). In responding to this request Council has carefully considered the need to provide information in the public interest and on this occasion has made the decision that withholding the loan documentation is not outweighed by other considerations which render it desirable in the public interest that the information be released.
- Kapiti Coast District Council passed a resolution to support Air Chathams Limited by providing a loan 28 May 2020. A copy of the paper and the decision are attached. Parts of the paper have been withheld on the grounds that release of that information would be likely unreasonably to prejudice the commercial position of Air Chathams (see section 7(2)(b)(ii)). In responding to this request Council has carefully considered the need to provide information in the public interest and on this occasion has made the decision that withholding the loan documentation is not outweighed by other considerations which render it desirable in the public interest that the information be released.

You have the right to request the Ombudsman to review this decision. Complaints can be sent by email to info@ombudsman.parliament.nz, by fax to (04) 471 2254, or by post to The Ombudsman, PO Box 10152, Wellington 6143.

Ngā mihi

A handwritten signature in black ink, appearing to read 'Kris Pervan', with a stylized, flowing script.

Kris Pervan

Group Manager Strategy and Growth
Te Kaiwhakahaere Rōpū Rautaki me te Tupu