

OIR: 2425/1218

13 December 2024

[REDACTED]  
[REDACTED]

Tēnā koe [REDACTED],

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

Thank you for your email of **7 December 2024** requesting the following information:

***I am requesting information about a budget of \$8M or perhaps \$9M that I heard mentioned at the council meeting last Thursday. I think this was in relation to the Economic Development Fund.***

***1. Can you please tell me what this money is budgeted for?***

To clarify, the Council report discussed on 5 December 2024:

- On the Economic Development strategy did not include information on budget, in the [Agenda of Strategy, Operations and Finance Committee Meeting - Thursday, 5 December 2024](#).
- Set out the goals, levers to improve key economic factors, and a range of activities for economic development activity. This activity is funded by a targeted business rate, which owners of commercial properties and business pay.

I am therefore not able to confirm what the figure of “\$8m or \$9m” mentioned by an Elected Representative referred.

However, I can confirm that there is a single Economic Development Fund which Council manages: the Major Events Fund. There is \$200,000 available annually for businesses to apply for support for events that attract visitors, and increase local GDP in the Kapiti Coast District. Further information on the Major Events Fund can be found via [Major events fund - Kāpiti Coast District Council](#).

Information is also available on Council budgets and annual spending through the following documents:

***Please note that any information provided in response to your request may be published on the Council website, with your personal details removed.***

- Council budgets for the next 10 years as established in the Kapiti Coast District Council Long Term Plan 2024 / 34 is available via [Long-term Plan 2024–34 - Kāpiti Coast District Council](#).
- The Performance Report for the period ending October 2024 provides the most recent update on annual spend. It is available via [Agenda of Council Meeting - Thursday, 12 December 2024](#) (Item 10.3).

## **2. What will it be used for?**

Please refer to the Response to Question 1 above which outlines information about:

- The Major Events Fund; or
- Council's economic development activity, and how annual funding is spent.

To provide further context, I also note that:

- In 2023 the annual gross domestic product for Kapiti Coast District was \$2.6 billion, provided from close to 6,200 businesses based in the District.
- Despite trying recessionary conditions over the last 12-18 months, the District's GDP grew favourably by 2%.
- Kapiti Coast District has an unusual composition of microenterprise-business (small business with few employees) than in other parts of the Wellington region or as seen nationally. A strong focus of Council's economic development activity aims to support such business. The focus for economic development activity in this context is to support existing, new and growing businesses to thrive.

## **3. It seems a lot of money to me and I thought I heard that it will be given out? Invested maybe.**

When the annual Economic Development budget, referred to in the Response to Question 1, is apportioned across the 6,200 businesses who benefit from Council's economic development activity in the District, the cost is approximately 88c per day (or \$6 per week).

Recently, and mentioned in the paper discussed on 5 December 2024, Council agreed to establish an independent Economic Development Trust so that Kapiti Coast District business and industry can gain access to wider support and investment opportunities, for which Council is not able to provide. This responds to feedback from business and industry that greater support is needed, and from the wider community that greater employment options to live, work and play in Kapiti itself are a priority.

It is envisaged that under the new operating model, and independent Economic Development Trust, that significant investment and funding (much larger than \$8m or \$9m) will be sourced to support local business and industry through avenues including partnership, central government and philanthropic means.

***It was very unclear so if I could be advised as to its use I would be grateful.***

Thank you for that feedback. I will pass this on to the Elected Representative who made this comment. In the interim, I hope this response has helped to clarify the matter.

Ngā mihi,

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

**Kris Pervan**

Group Manager Strategy and Growth  
Te Kaihautū Rautaki me te Tupu