



18 June 2023

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Dear Paul

Comments on Notice of Motion tabled by Cllr Gladding, May 2023

I refer Cllr Gladding's Notice of Motion (NoM) and your request that I comment on it. In addition, I have been able to review the advice of MintersEllisonRuddsWatt (MERW) on the NoM, who also suggest I provide comment. You have also sent through the developing reporting to Council's Audit, Finance and Risk Committee (AFRC).

The NoM reopens the question of who should make decisions under the Lakeview Taumata agreement – in short these are primarily held under delegation by the Chief Executive.

The arguments in the NoM were essentially those I traversed in my 2022 report.

I consider the MERW advice on review of the NoM is sound and relevant in maintaining the delegations. There is limited new argument in the NoM that would persuade me that Council should reconsider the delegations.

Lakeview/Taumata is about implementation of a complex, commercial contract set up in the period 2017 through 2019 – with significant commercial, legal and design implications. The contract has been entered into, after substantial consultation at a Council level, including considering the community interests. In my view the implementation of the contract is best managed through the Chief Executive as I set out in my report.

At its core, this long term contract is about relationships and certainty in those relationships, which are centred around:

- Maintenance within Council of a needed high-trust model of decision-making
- Council working with a private sector partner to ensure a managed development of a core feature of Queenstown

The recommendations in my report focused on both.

In retaining the Chief Executive delegated authority, the primary recommendation has been developed which is enhanced reporting through to the AFRC. The Committee's role is to monitor and review, not to make decisions.

The level of information has substantially improved including a better degree of risk assessment and outlining of decisions made and potential decisions both under the CE delegation and by full Council. I understand you will further enhance the information provided to the Committee which will have a more strategic risk focus at the Project Objectives and Material Outcomes level. This will enable an effective risk-based discussion on Council protecting its interests under the contract.

I also understand the governance to governance relationship is developing and an initial meeting, based on my second recommendation, has taken place. While the relationship is necessarily governed by a contract setting out commercial terms, which must be conformed with by both parties, it is also a partnership. Hence my recommendations that this level of relationship be explored and developed. This to my mind is reinforced by the contract being long-term, with the development likely to last several trienniums. It is great that such partnership meetings have commenced.

Focusing on making the existing arrangements effective and enhancing relationships remains the most promising way to ensure Council achieves what it set out to achieve for the community, under the contract.

I am most comfortable to expand my thinking including to management and Council.

Regards



Bruce Robertson
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