

QLDC Council
28 January 2021

Report for Agenda Item | Rīpoata moto e Rāraki take : 1

Department: Corporate Services

Title | Taitara Statement of Expectation

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

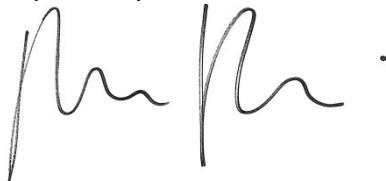
The purpose of this report is to approve the 2021 Queenstown Airport Corporation (QAC) Statement of Expectation (SOE).

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

1. **Note** the contents of this report;
2. **Approve** the Queenstown Airport Corporation Statement of Expectation 2021;
3. **Authorise** the Mayor to sign the letter on behalf of Council.

Prepared by:



Name: Meaghan Miller
Title: GM Corporate Services

15/01/2021

Reviewed and Authorised by:



Name: Mike Theelen
Title: Chief Executive

15/01/2021

CONTEXT | HOROPAKI

- 1 This report deals with agreeing the content of the SOE to deliver it to QAC in accordance with section 64B of the Local Government Act 2002 (LGA).

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

Statement of Expectations

- 2 Section 64B of the LGA provides that shareholders in a CCO may prepare a SOE.
- 3 A copy of the SOE is attached to this report as Attachment A.

Option 1 Agree the Statement of Expectations.

Advantages:

- 4 The SOE is the first opportunity in the annual SOI process for the Council and AIAL as shareholders of QAC to make clear expectations for the company for the year to the QAC.
- 5 The letter provides an opportunity for the shareholders to agree expectations and offers transparency on this basis for the community.

Disadvantages:

- 6 A SOE is not mandatory but it is an important document for the QAC to clearly understand shareholder expectations. The absence of the letter would prove challenging for the board.

- 7 Option 2 Do not issue a Statement of Expectations

Advantages:

- 8 This decision may be perceived to be positive by some members of the public who consistently do not support elements of the SOE or SOI.

Disadvantages:

- 9 The Council will not have a clear record of its expectations for QAC leading into the 2021 Statement of Intent process.

- 10 QAC will not be guided by shareholder expectations in preparing its SOI.

- 11 This report recommends **Option 1** for addressing the matter.

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

12 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because it is not mandatory however it is of high interest to some parties.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

13 This matter relates to the financial risk category. It is associated with RISK00037 Lack of Alignment - Key relationships within the QLDC Risk Register. This risk has been assessed as having a moderate inherent risk rating.

14 The approval of the recommended option will support the Council by allowing to implement additional controls for this risk. This shall be achieved by ensuring there is a clear SOE leading into the SOI process and ensuring that QAC interactions and relationships are consistent with shareholder expectations.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

15 None.

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KĀWANATAKA Ā-KĀIKA

16 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by setting clear expectations for QAC;
- Can be implemented through current funding under the Ten Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

ATTACHMENTS | NGĀ TĀPIRIHANGA

A	Statement of Expectations 2021
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