Smart Finance Committee

10 September 2026

Report for Agenda Item | Rīpoata moto e Rāraki take [9]

Department: **Assurance, Finance & Risk**

Title | Taitara: **Draft Procurement Policy**

Purpose of the Report | Te Take mō te Pūroko

The purpose of this report is to bring the draft Procurement Policy back to the Smart Finance Committee following the workshop held on 13 August 2026, and to confirm the Committee is comfortable with the proposed changes.

Recommendation | Kā Tūtohuka

That the Smart Finance Committee:

1. **Note** the contents of this report; and

2. **Recommend to Council** that the Procurement Policy be adopted with an effective date of 1 February 2027.

Prepared by:

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Date: 19 August 2026

Authorised by:

Name: Katherine Harbrow
Title: General Manager, Assurance, Finance & Risk
Date: 20 August 2026

Context | Horopaki

1. The Procurement Policy is being reviewed as part of a normal review cycle.

2. The draft policy was discussed with the Smart Finance Committee at a Smart Finance workshop on 13 August 2026. It is now being brought back to confirm that the Committee is comfortable with the proposed changes before the policy progresses further.

3. The main changes from the existing Procurement Policy are:

   a. Changes to the thresholds for market engagement;

   b. Removal of the term 'Procurement Departure Request' due to every procurement methodology requiring justification;

   c. Required review and endorsement of Procurement Plans by the Procurement Team; and

   d. Inclusion of contract management principles.

Analysis and Advice | Tatāritaka me kā Tohutohu

4. This report recommends that the Smart Finance Committee endorse the Procurement Policy and recommend that Council adopt it at the Full Council Meeting on 8 October in the CE's report.

5. Option 1 Endorse and recommend the Policy for adoption by Council.

   Advantages:

   - The Policy will be updated and will recognise many of the changes made to procurement systems over the last 18 months.

   Disadvantages:

   - None

6. Option 2 Do not endorse or recommend the Policy for adoption by Council.

   Advantages:

   - None

   Disadvantages:

   - Extends reliance on a policy framework that has identified operational limitations

7. This report recommends **Option 1** because it will ensure a robust and pragmatic approach to Procurement. The effect date of 1 February 2027 will provide time for implementation of the Policy into ERP (Enterprise Requirements Planning) system forms.

Consultation Process | Hātepe Matapaki

Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

8. This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because the report provides a direction and does not seek decisions that materially change levels of service and no strategic assets, community facilities, or service levels are affected.

9. The persons who are affected by or interested in this matter are:

    a. Residents and ratepayers of the Queenstown Lakes District; and

    b. Elected Members, given their governance role in overseeing Council's policies.

Māori Consultation | Iwi Rūnaka

10. The Council has not specifically consulted iwi on the matters contained in this report.

Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

11. This matter relates to the Financial risk category. It is associated with RISK10014 Ineffective Financial Strategy within the QLDC Risk Register. This risk has been assessed as having a moderate residual risk rating.

12. This report introduces an updated Procurement Policy and asks the Committee to recommend it to full Council for final approval. Completion of this action will have no impact on risk.

Financial Implications | Kā Riteka ā-Pūtea

13. There are no financial implications arising from this report.

Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera

14. The following Council policies, strategies and bylaws were considered:

    - Long Term Plan 2024-34

Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kīaka

15. Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. Financial management policies, of which the Procurement Policy is one, are part of a effective management framework that supports the efficient management of the local authority and is therefore within the ambit of Section 10 of the Local Government Act 2002.

16. The recommended option:

- Is consistent with the Council's plans and policies; and

- Would not significantly alter 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 | Kā Tāpirihaka

A	Draft Procurement Policy 2026
B	QLDC Procurement Policy 2021