

### Full Council

27 November 2025

### Report for Agenda Item | Rīpoata moto e Rāraki take [2]

**Department: Corporate Services**

**Title | Taitara: Chief Executive Recruitment**

#### Purpose of the Report | Te Take mō te Pūroko

The purpose of this report is to provide Council with options and seek Council decisions on the following:

- The process for recruiting Queenstown Lakes District Council's next permanent Chief Executive (CE), including procuring and instructing a recruitment agency to assist Council with the recruitment process;
- Delegating oversight of the recruitment process to a committee (noting the decision to appoint the CE must be reserved to full Council), including approval of the terms of reference (TOR) for such a committee, including a subcommittee; and
- Appointing an interim CE to cover time between when the incumbent leaves and when the new permanent CE commences, including whether to utilise a recruitment agency for this.

#### Recommendation | Kā Tūtohuka

That the Council:

1. **Note** the contents of this report;
2. **Note** the industry best practice guidance for CE recruitment in the attachment of this report [Attachment A];
3. **Adopt** the Terms of Reference for the Chief Executive Relationship and Recruitment Committee [Attachment B];
4. **Approve** the establishment of the Chief Executive Relationship and Recruitment Committee, comprising full Council membership to undertake the selection of a recruitment agent for the purposes of recruiting the upcoming CE in conjunction the Director of People and Capability; and

5. **Delegate** to a Chief Executive Relationship and Recruitment subcommittee as per the Terms of Reference (comprising the Mayor and Councillors Mitchell, Smith and White) to commence the selection and appointment of an Interim CE either through a direct internal appointment, or through the external recruitment of an Interim CE, this work to be undertaken in conjunction with the Director of People and Capability, reporting a recommended appointment to Council at its proposed 5 February 2026 meeting.

**Prepared by:**

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19 November 2025

**Reviewed and Authorised by:**

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**Title:** General Manager Corporate Services

19 November 2025

## Context | Horopaki

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### **CE Recruitment - Industry Best Practice Guidance**

1. The role of the CE as the Council's chief administrative officer, primary adviser, senior manager, and employer of staff is critical to ensuring that the business of the local authority is conducted lawfully, effectively, and efficiently, according to the Controller and Auditor General. The recruitment process must be fair and impartial to ensure that all applicants are treated equally.
2. The Simpson Grierson memo (Attachment A) discusses the option of establishing and delegating to a committee the process of running the CE recruitment, whilst reserving the appointment of a CE to the full Council.

### **Incumbent CE**

3. Mr Theelen commenced employment on 15 February 2016 and notified Council of his resignation in August 2025. The current employment contract term expires on 14 February 2026. This is a key date for the Council to ensure it is meeting the Local Government Act (LGA) 2002 requirements, for appointing a CE, noting this interim appointment may be an internal or external appointment.

### **Part A: Recruitment Agency**

4. There are several forms of recruitment agency procurement appointments that can be considered by Council. The recruitment agency can be subject to procurement (best practice) via select Request For Proposal process (RFP), an open market RFP on Government Electronic Tender System (GETS), direct appointment process, or a secondary process with either the Queenstown Lakes District Council (QLDC) recruitment panel or the All of Government (AOG) panel.
5. While the Council has a wide-ranging recruitment panel it is not intended to address the specialist recruitment required for a CE. Accordingly, the Council could use the GETS process or a more limited RFP of a selected group of companies that specialise in executive recruitment. A decision on the format of the recruitment is not required at this meeting, but the options are included in this paper for transparency and to signal recommended options for further consideration by the Committee and/or subcommittee.
6. The key tasks of the agency would be to facilitate stakeholder engagement, agree on skills and attributes required for the role, design the recruitment process, develop key competency insights for the Council, advertise the role and long-list and short-list candidates. The terms of who liaises and gives instructions to the agency is covered in the Part B section below.
7. This report assumes that the Council will engage a recruitment agency with specialist capability in executive recruitment for the CE appointment. Council also has the option of using an external recruiter to appoint an Interim CE where this is likely to be an external appointee. An internal appointment (e.g. an existing General Manager) may be made directly by a recommendation

from the Committee to the full Council. This is consistent with the best practice guidance referred to above.

### **Part B: Delegation from Full Council**

8. The Mayor has indicated his preference for a Council Committee of the Whole to address CE recruitment, noting that the final approval of any recruitment and the final performance agreement for any CE is the responsibility of the full Council. Within the committee proposed TOR, provision is made for subcommittees. This paper recommends a subcommittee be established to consider a recommendation regarding the selection and appointment of an Interim CE.

### **Chief Executive Relationship and Recruitment Committee TOR**

9. To establish the Committee, Council is required to adopt the draft TOR for the Committee. This will enable the Committee to commence and oversee the procurement process for the recruitment agency. Please view Attachment B for the draft TOR.
10. The subcommittee, as outlined, can also fulfil the function of the sector-recommended Chief Executive Performance Review Committee (including KPI review of the incumbent CE). For undertaking a performance review, in the event a subcommittee is preferred, the review process should include opportunity for all elected members to provide feedback on performance. The subcommittee will then make recommendations to the Council.
11. It is important to note, that the day-to-day relationship with the CE and any issues, will be dealt with by the Mayor.
12. Please note, the final CE recruitment appointment and final performance assessments will be approved by the full Council.

### **Part C: Interim CE**

13. An Interim CE is generally appointed when the permanent CE role is vacant, and either an internal or external person may be appointed. The internal or external appointee is typically an experienced executive. The appointment of an internal candidate simply requires a recommendation of the subcommittee to Council for a decision. If an external appointment was preferred, the use of an external recruitment agency is again recommended. An option exists to work with an interim appointment via LGNZ or any other recruiter, as a direct appointment supplier, following approved QLDC processes for procurement.
14. To have an Interim CE ready when Mr Theelen leaves, a decision on appointing the Interim CE should be made in advance, ideally at the Council meeting proposed for 5 February 2025. While it is still open for Council to decide how to fill the Interim CE role, given the timeframes involved it is recommended to appoint a subcommittee from the CE Relationship and Recruitment

Committee to undertake that appointment process and make a recommendation to Council at its 5 February 2026 meeting.

### Analysis and Advice | Tatāritaka me kā Tohutohu

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15. This report identifies and assesses the following reasonably practicable options for assessing the matters, noting that not all options represent decision points for today's paper but are provided for transparency of process. The matters are required by the Local Government Act (LGA) 2002, relating to statutory obligation to have a CE. Please review link [here](#).
16. A local authority must have a CE appointed in accordance with clauses 33 and 34 of Schedule 7 of the LGA (section 42(1)).
17. Clause 36 of Schedule 7 requires the impartial selection of suitably qualified persons for appointment to any vacancy (clause 36(2)(c), and preference must be given to the person who is best suited to the position (clause 36(3)(a)).
18. A local authority must always have a CE or Interim CE to meet the statutory obligations of the role. The interim appointee should hold office, only so long as it takes, to duly fill the vacancy.

### Part A: Options for Recruitment Agency

19. Please note Part A has been included to offer transparency (as noted), background and context. This paper does not seek direction on Part A. However, Part A will form the basis of a future workshop by the Committee.

#### 20. Option 1 - Direct appointment of recruitment agency

##### *Advantages:*

- Faster process and efficient.

##### *Disadvantages:*

- Does not test the market to see what is available.
- No competitive tension regarding offering and pricing.
- Risk of bias and/or conflicts.

#### 21. Option 2 - Select RFP process for the recruitment agency

##### *Advantages:*

- Faster than a full open market on GETS and less administration and time investment.

- Balances market competition with process expediency.
- Speeds up evaluation and appointment of the recruitment agency.

*Disadvantages:*

- Some suppliers will miss out on being able to bid.
- This process may take up to three months or longer depending on the circumstances and subject to availability of people involved in the process.

22. Option 3 - Full open market on GETS for the recruitment agency.

*Advantages:*

- Full testing of the market and access to opportunity for agencies.

*Disadvantages:*

- Time-consuming and administration heavy and may not produce a different result from a select RFP, using an AOG recruitment panel or a QLDC recruitment panel. Therefore, pre-vetted recruitment agencies (primary process) that have the relevant executive recruitment experience are available on these panels. An open market process may appear to be superfluous to requirements.
- This process may take up to three months or longer depending on the circumstances and subject to availability of people involved in the process.

**Part B Options for Delegation from Council**

23. Option 1 - The Council holds exclusive control, with no delegation to committees or subcommittees

*Advantages:*

- All Councillors involved, throughout the entire procurement of the recruitment agency process and CE recruitment process.
- Widespread input of views from Councillors.

*Disadvantages:*

- May prove overly cumbersome.

- Likely to slow down procurement of the recruitment agency process and CE recruitment process.
- Increased risk of privacy concerns.
- Lost opportunity to delegate to Councillors with the skills and experience to keep the process flowing and maximise the pool of good calibre candidates.
- Negatively impact candidate care and experience, including process efficiency.

#### 24. Option 2 - Delegation to a Committee

##### *Advantages:*

- Establishing the Committee will give structure to enable Council to consider the process for the CE recruitment. Additionally, this option will give structure to appointing an interim CE.
- This option enables the establishment of a subcommittee.
- Depends on who (with skills and experience, regarding executive recruitment), as well as the number of members on the committee and how that changes the advantages and disadvantages outlined for option 1 above.
- Separate process to full Council.
- Allows for involvement at key steps, and an option to streamline the process through a smaller committee membership number.
- Provides an opportunity for the Committee to review the CE Key Performance Indicators (KPIs) progress year to date.
- Provides the structure to effectively and efficiently address matters, relating to employment relations should they arise.
- Enables the Council to meet its LGA 2002 obligations.
- Delivers organisational stability and certainty to external stakeholders.

##### *Disadvantages:*

- Increased risk of privacy concerns, if there is a high number of members on the committee e.g. inadvertent disclosures and greater complexity in managing privacy.
- A high number of committee members can make it harder to ensure everyone follows the same standards, including privacy and understands their obligations.

- Industry standards (such as those referenced in the Simpson Grierson memo) recommend limiting access to sensitive recruitment information to only those who need it and at the appropriate points, within the recruitment process to minimise risk.
- Duplication of effort, if a Committee has the same number of members as the full Council.

25. Option 3 - Delegation to a subcommittee of the CE Relationship and Recruitment Committee to undertake all or parts of the recruitment process (excluding final appointment).

#### *Advantages:*

- Establishing the subcommittee will give structure to enable the Council to consider the process for the CE recruitment. Additionally, this option will give structure to appointing an interim CE.
- Tailor the subcommittee membership.
- The smaller membership numbers within a subcommittee, can be tasked with focusing on specific aspect of the committee's work. This enhances efficiencies and could delegate tasks to those with greater skills and experience with executive recruitment.
- Reduces the risk of mishandling private information that could lead to breaches of the Privacy Act.
- Streamlines the procurement of the recruitment agency and CE recruitment process.
- Increases the robustness and rigour in both the procurement of the recruitment agency and CE recruitment process.

#### *Disadvantages:*

- The recruitment agency's contract or scope of work could specify that they will provide advice, benchmarking, or process support not just for candidate search, but also for structuring the Council's internal governance. Specifically, helping to recommend or facilitate the formation of a subcommittee dedicated to the CE recruitment. The caveat, any final appointment decision-making, is required by the full Council. This will take additional time.
- The subcommittee should ideally be appointed at this Council meeting in order to expedite the appointment of an interim CE, again noting the final decision rests with full Council.

**Part C: Interim CE**

26. Option 1 - Direct appointment external interim by Council on recommendation of the CE Relationship and Recruitment subcommittee to Full Council

*Advantages:*

- Council can expedite the process through bypassing best practice.

*Disadvantages:*

- Industry guidance recommends a structured process (involving a recruitment agency and committee oversight) to ensure fairness, transparency, and continuity. Bypassing these steps increases risks and lacks transparency and fairness.
- Key risk even with direct appointment, unlikely to be make the appointment before February 2026, when incumbent departs. Therefore, no handover.
- Timing restraints with the recruitment process, even for a direct appointment, is subject to council meeting schedules, decision-making timelines, and procedural requirements, making it difficult to expedite.
- Direct appointment would be contrary to employment relation principles.

27. Option 2 - Direct appoint internal interim candidate by Council (there maybe more than one potential internal candidate) on recommendation of the CE Relationship and Recruitment subcommittee to Full Council

*Advantages:*

- Faster process and efficient.
- Delivers organisational stability and certainty to employees and external stakeholders.
- Enables a handover process with current incumbent.
- Known commodities, for example, internal interim has Queenstown Lakes District knowledge and understanding of current projects, major business as usual (BAU) and reform programmes.
- Less budget impact.

*Disadvantages:*

- It is likely an internal senior leader would need to be appointed as an acting General Manager.

28. Option 3 - Use a recruitment agency to recommend an external interim CE on recommendation of the CE Relationship and Recruitment subcommittee to Full Council.

*Advantages:*

- A recruitment agency is well placed to deliver structure, robustness, transparency, fairness and is industry best practice.
- By involving recruitment agency, the Council demonstrates a commitment to openness and accountability. This approach helps to avoid perceptions of bias or conflicts of interest, which can arise if the process is managed solely in-house.
- The use of a reputable recruitment agency provides a structured, robust, and defensible process. It reduces the risk of external criticism or concern about the integrity of the recruitment, especially from the community or potential candidates.
- A recruitment agency brings expertise and market credibility, and market knowledge, which can attract a stronger pool of candidates and ensure the process stands up to scrutiny and safeguards against criticism and a way to uphold public trust.

*Disadvantages:*

- The additional cost is not just the salary, but also the recruitment agency's fees, which can be significant, especially if the interim period is extended.
- Lack of organisational knowledge means the interim CE may require a substantial onboarding period, potentially slowing down decision-making and impacting business continuity.
- Onboarding two CEs in a short timeframe can disrupt team dynamics, create uncertainty, and require extra resources for orientation and integration, which may impact both productivity and workplace culture and will ultimately incur additional cost to ratepayers.

29. Option 3 - Select from pool of internal and external candidates through a recruitment agency

*Advantages:*

- A recruitment agency to consider external and internal candidates provides structure, transparency and access to a broader range of talent.

*Disadvantages:*

- This process takes longer and even with agency support, there is a risk that Council may still need to appoint an internal interim CE, to ensure leadership continuity by February 2026, when the incumbent departs.

- Using a recruitment agency for a short-term interim appointment introduces additional costs e.g. agency fees on top of the interim CE's salary, particularly if the appointment is for an extended period.
- The Committee, the TOR and the proposed procurement for CE recruitment follow best practice, but it is possible Council may not reach consensus on this approach.
- The Committee structure as outlined appoints the entire Council to the Committee. Council may consider a small subcommittee would be more appropriate for some elements of the CE recruitment and employment relationship.

30. This report recommends the below options for addressing the matters, because it allows all parties to proceed with the CE recruitment process. This includes commencing procurement for the recruitment agency and enables the Council to appoint an interim CE, coupled with an interim handover period.

### Part A: Options for Recruitment Agency

- The options are for noting only in this paper.

### Part B Options for Delegation from Council

- Option 2 - Delegation to a committee, (noting under the TOR the committee can appoint a subcommittee).

### Part C: Interim CE

- Option 1 and/or Option 2 - Which will provide scope for the CE Relationship and Recruitment subcommittee to consider whether it recommends to Full Council to adopt an internal or external route for the appointment of an interim CE.

## Consultation Process | Hātepe Matapaki

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### Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

31. This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy 2024, because it relates to the Council's capability and capacity to deliver core functions and a procedural matter of employment.
32. The persons who are affected by or interested in this matter are the CE, elected members of the Queenstown Lakes District Council, Council officers, and the community.

### Māori Consultation | Iwi Rūnaka

33. The Council has not undertaken any consultation with Iwi Māori at this stage.

### Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

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34. This matter relates to the Workforce risk category. It is associated with RISK10047 Inadequate workforce capacity and/or capability to meet organisational needs within the QLDC Risk Register. This risk has been assessed as having a moderate residual risk rating.

35. The approval of the recommended options will allow Council to retain the risk at its current level.

### Financial Implications | Kā Riteka ā-Pūtea

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36. Costs beyond the recruitment agency fees, such as salary for an external interim CE, additional recruitment fees, if the interim is external, or other related expenses. Therefore, will depend on the decisions made by the Council.

37. For example, if the Council chooses to appoint an external interim CE, there will be extra costs for both the recruitment process and the interim's salary. These costs are not fixed and will vary based on the chosen approach by the full Council.

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

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

- Significance and Engagement Policy 2024
- Delivery against the agreed Long Term Plan
- QLDC's workforce strategy

39. The recommended option is consistent with the principles set out in the named policies.

40. This matter is included in the Long Term Plan/Annual Plan as part of the employment of staff, and operational costs.

### Legal Considerations and Statutory Responsibilities | Ka Ture Whaiwhakaaro me kā Takohaka Waeture

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41. The Employment Relations Act 2000 and Local Government Act 2002 apply to this matter.

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

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42. 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. As such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act.

43. The recommended option:

- Can be implemented through current funding under the Long Term Plan and Annual Plan;
- 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

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| A | Simpson Grierson Memo - CE Recruitment Process                                    |
| B | Terms of Reference for the Chief Executive Relationship and Recruitment Committee |