

Item 1: Queenstown Airport Corporation (QAC) Statement Of Expectations (SOE) Discussion

SESSION TYPE: Workshop

PURPOSE/DESIRED OUTCOME:

To discuss the content for a draft Statement of Expectations for the Queenstown Airport Corporation as per the Local Government Act 2002 (s 64B(1)).

DATE/START TIME:

Thursday, 22 October 2026 at 10.00am

TIME BREAKDOWN:

Presentation and Discussion: 1 hour 30 minutes

PRESENTERS:

Meaghan Miller – General Manager Corporate Services

Prepared by:



Name: Meaghan Miller
Title: GM Corporate Services
9 October 2026

Reviewed and Authorised by:



Name: James Stevenson-Wallace
Title: Chief Executive
9 October 2026

ATTACHMENTS:

A	SOE PowerPoint Presentation
B	QLDC 2024 Statement of Expectations for Queenstown Airport Corporation (QAC)

QLDC SOE WORKSHOP

October 2026

Agenda

- Councillor discussion on content for Draft SOE
- Next Steps

Content in Principle – starter for 10

SOE Key Content:

Behaviours:

- Engagement with QLDC – zero surprises.
- Pre-engagement of key announcements, including changes to executive, court decisions etc
- Northern Land specifically – engage on options and consult on any lease or sale considerations.
- Land ownership – disposal, lease, acquisition to be consulted with Major Shareholder.
- Act in good faith through Wanaka Airport Management and engage constructively in 139 Qualifying Status and Masterplanning in accordance with Scenario 3 (Egis Report).

Content in Principle – starter for 10

SOE Key Content:

Strategic

- Growth Assumptions fully outlined and aligned with QLDC
- Corresponding Objectives and Strategic Direction – Master Plan Delivery. Strategic Plan Refresh engagement expectations.
- Noting the Strategic Plan Refresh will be completed during FY27. We can seek a timeframe for reporting back via a workshop next year in the SOE.

Content in Principle – starter for 10

SOE Key Content:

Strategic

- Express disclosure in regards to Air Noise Boundaries specifically – 10-20 Year Forecast/Vision (noise mitigation configuration including tech mitigation).
- Noting the QAC has confirmed it is currently undertaking detailed modelling exercises to understand the impact of new technology on ANB. It estimates it will likely be ready for a conversation with Council during FY27.
- We can include the current commitment (2032) and a workshop on growth modelling and a timeline in the current SOE.
- Transport Model Shift key Stakeholder

Content in Principle – starter for 10

SOE Key Content:

Strategic

- Given the matters that are likely to satisfy Council's expectations, as expressed in the course of the recent workshop are a WIP, a possible suggestion is to agree to undertake a second SOE in 12 months time when QAC has completed modelling.

Financial/Employer/Objectives

SOE Key Content:

Finance and Risk

- Financial Assumptions and Dividend
- Financial Risks and Gateway (Project Milestone) reporting (Smart Finance Committee)
- QAC expectations as employer and landlord
- Clear objectives and KPI's

SOE ENGAGEMENT

Engagement

QAC will maintain regular contact with Council to continue to build an open and collaborative relationship. This will include:

- a.** Bi-monthly CE/CE meetings
- b.** Quarterly QAC Chair and CE or as required (confidential heads up on any emerging issues and agreement as to informing the wider Council).
- c.** Annually with the QAC Board, full Council and the Wānaka Community Board
- d.** Annually AGM with shareholders.

SOE ENGAGEMENT

Engagement

- Timely consultation with QLDC before any significant departure from the SOI, including any significant land disposal or acquisition.
- Financial monitoring reporting to Smart Finance Committee.
- Report on Risk Framework to Risk and Audit Committee (including QAC Risk and Audit Chair) PX
- Workshops with Council as requested (minimum of two per annum including workshops as outlined).
- QAC will continue to build a relationship with Te Ao Marama and Aukaha, as Tangata Whenua (Southern and Otago representatives of Ngāi Tahu) and ensure that iwi values and issues are reflected in plans and initiatives.

Others???

Discussion

Timeline Next Steps

- 01 **Council workshops SOE 22 October 2026**
- 02 **Council asked to adopt SOE 12 Nov 2026 and provides to QAC and confirm if SOE required in 12 months.**
- 03 QAC site visit and q and a 27 October 2026
- 04 AGM 29 October 2026
- 05 QAC delivers draft SOI 1 March 2027
- 06 Council workshops draft SOI April 2027
- 07 Council formally considers/agrees or gives feedback on SOI April 2027 gives feedback via Letter from Mayor.
- 08 If changes required, then QAC provides final SOI for Council's formal agreement June 2027 (commence 1 July) or agree SOI and seek modification.

QLDC: 2024 Statement of Expectations for Queenstown Airport Corporation (QAC)

The Queenstown Lakes District Council as the principal shareholder of Queenstown Airport Corporation (QAC) has prepared a Statement of Expectation (SOE) to guide the QAC Board in the development of the 2024/25 Statement of Intent (SOI).

Local Government Act

QAC will continue to be fully compliant with the sections pertaining to Council Controlled Organisations in the Local Government Act 2002.

Engagement

QAC will maintain regular contact with Council to continue to build an open and collaborative relationship. This will include:

- a. Bi-monthly CE/CE meetings
- b. Quarterly QAC Chair and CE
- c. Bi-annually with the QAC Board, full Council and the Wānaka Community Board
- d. Annually AGM with shareholders
- e. QLDC QAC Steering Group meetings as required
- f. Proactive and early engagement with full Council on the Master Plan 2023 project gateways.
- g. Timely consultation with QLDC before any significant departure from the SOI, including any significant land disposal or acquisition.

QAC will continue to build a relationship with Te Ao Marama and Aukaha, as Tangata Whenua (Southern and Otago representatives of Kāi Tahu) and ensure that iwi values and issues are reflected in plans and initiatives.

Shareholder Value and Dividend

The SOI should continue to reflect how the QAC will address the social, environmental, economic and cultural well beings of the communities of the Queenstown Lakes District within the context of continuing to deliver a profitable and sustainable business enterprise.

QAC will maintain or grow shareholder value with an expectation it will pay an annual dividend to Council.

QAC as Employer and Landlord

QAC will ensure a safe (Health and Safety at Work Act 2015) working environment and maintain the wellbeing of staff and tenants as employer and landlord.

Statement of Expectation Objectives

The SOI will include clear objectives, clear pathways for delivery and clear reporting against measurable performance targets for all objectives. We expect to see detailed, measurable KPI's with

explicit deliverables and timeframes. Notably Council is keen for QAC to continue to demonstrate that locals and visitors alike have a high-quality experience of travel through the airport.

Strategic Direction

QAC will clearly reflect the following strategic direction:

- a. QAC will commit to a staged, gateway approach to the investment signalled in the QAC Master Plan and engage its major shareholder in advance of each gateway. This will include QAC's assessment of the financial risk associated with each gateway from the perspective of its major shareholder.
- b. QAC will specifically assess the risk associated with QAC growth assumptions and any other input that would impact on the delivery of the proposed Master Plan.
- c. QLDC expects QAC to reflect recommendations of the Audit Risk and Finance Committee of 12 December 2023 in relation to its 2024 SOI Capital Programme Disclosures, namely:
 - I. A capital reporting framework to be approved by QLDC based on the gateway investment approach signalled by QAC for the masterplan, including but not limited to programme/project delivery framework, status of investment projects against budget forecasts (%forecast v %complete) and programme (schedule), contingency, issues and risk, scope changes, assurance findings (including high-level reporting for bi-annual QAC Board and full Council);
 - II. Project milestone reporting and exception reporting (including dividends), to be considered by this committee (AFR), noting that the major shareholder will expect to be informed of such matters;
 - III. Expectations regarding dividends;
 - IV. Details on borrowing arrangements;
 - V. Shadow credit rating reporting;
 - VI. Details of programme assurance framework (incorporating three lines model)
- d. As a key priority for QLDC, sustainability and the reduction of the QAC's carbon footprint (in line with QLDC's targets) will continue to be strong drivers for the strategic direction of Queenstown Airport (including an ongoing commitment to work with and influence strategic airline stakeholders in the pursuit of carbon reduction objectives and technologies). This includes a requirement to understand Climate Change risk, including financial and legal. The QLDC is seeking transparency and clarity in relation to QAC's commitment towards zero emissions. The expectation is this will include the origin of emissions and how they will be measured. Council would like QAC to also include an understanding of its oversight of aviation emissions.
- e. The QAC Master Plan delivery must clearly align with the Climate and Biodiversity Plan.
- f. The QAC must continue to adhere to the 2022 commitment that airport operations will remain within the Queenstown Airport Air Noise Boundaries until at least 2032 (a ten-year commitment).
- g. That QAC consult shareholders before any significant land acquisition or disposal.
- h. The QAC should continue to commit to shape the strategic direction to enable visitors to use transport networks and encourage mode shift from private vehicles- in line with QLDC's Climate and Biodiversity Plan, The QLDC 2050 Vision, the Spatial Plan and the objectives of the Destination Management Plan.
- i. Consideration should be given to electric fleet vehicles and potential partnering around PT links.
- j. QLDC continues to seek innovation from the QAC to deliver the concept of a circular economy (with a short medium- and long-term vision) with an express ambition of ensuring the

community is both proud of Queenstown Airport and its unique ZQN identifier but also understands its importance as one of the most important infrastructure offerings in the region.

- k. Continue to shift the consumer index and lead the narrative around how to travel lighter.
- l. Council continues to seek that QAC is working to develop and maintain a strong social licence with its community.

Wānaka and Queenstown Airports

As owner of Wānaka Airport, QLDC acknowledges the relationship with QAC to continue with the day-to-day management of the airport. QLDC looks forward to continuing to grow its positive, distinct working relationship with the QAC in relation to both Queenstown and Wānaka Airports.

Although the QAC Statement of Intent's focus will be Queenstown, both airports remain critical assets that collectively offer a lifeline for the recovery of the district in a post-Covid era. QLDC will want to see QAC protect the value and operational priority of Queenstown Airport in the context of the proposed international airport at Tarras.

Finally, the SOI should be built on trust and professional integrity to strive together for the best outcomes for our community.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Glyn Lewers', with a large, stylized flourish extending from the end of the signature.

Glyn Lewers
Mayor
QLDC