

Full Council

19 March 2026

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

Department: Planning & Development

Title | Taitara: Procurement Plan for Planning & Development

Purpose of the Report | Te Take mō te Pūroko

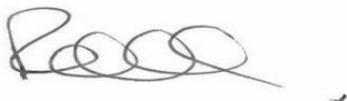
The purpose of this report is to obtain Council approval to undertake established best practice procurement processes, meeting QLDC's procurement policy, for the Planning & Development (P&D) department for services for the period of seven years in accordance with the Procurement Plan appended as Attachment A.

Recommendation | Kā Tūtohuka

That the Council:

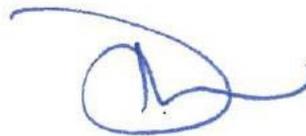
1. **Note** the contents of this report;
2. **Approve** the Procurement Plan for Planning and Development services;
3. **Delegate** authority to the Chief Executive to make any final changes and execute the Procurement Plan; and
4. **Delegate** authority to the Chief Executive for execution of any subsequent contracts up to the maximum budget summarised in this report.

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25 February 2026

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25 February 2026

Context | Horopaki

1. Queenstown Lakes District is one of the fastest growing regions in New Zealand and continues to experience high growth. This puts significant demand on all areas of Council to effectively manage, regulate and deliver their services, including the Planning & Development and Strategy and Policy teams. The Planning & Development team use a combination of internal and external resource to deliver their services across the following disciplines:
 - Resource Consents and Fast Track Approvals Act Applications
 - Planning Policy
 - Development Engineering, Subdivision and Road Corridor Management
 - Technical Administration
 - Building Services (Not subject of this report or process as Consultant Assistance Panel set up under a previous similar procurement process in 2025)

Why and how do we use contractors?

2. Planning & Development services (P&D) have historically been provided by a mix of Queenstown Lakes District Council officers and contractors. This model has been used to ensure continuity of service, compliance with meeting statutory timeframes and to effectively manage resources during the peaks and troughs of consenting activity. The contracts do not have any minimum hours guaranteed and the contractors are engaged on a 'as required' basis. This gives Council the ability to utilise contractors when volumes are high and then reduce their utilisation when workstreams decrease.
3. Consultants are also used to provide specialist technical services where Council does not employ inhouse expertise, such as landscape architecture, transport engineering and economists, for example. A full list for proposed services to be procured is outlined in the attached procurement plan.
4. The previous procured panel for these disciplines (excluding technical administration) has run since 2020. The contract was for an initial term of three years with two by one-year rights of renewal at Council's discretion. The current contracts with existing extensions expire on 30 June 2026, and it is proposed to go through the Request for Proposal (RFP) process to engage external experts, and for those new contracts to be in place by 1 July 2026. In accordance with current best practice the Panel is intended to be established for an initial term of five years, with the option for two further extensions of one year each at Council's discretion.
5. This current procurement exercise does not commit Council to any particular consultant spend but rather procures a panel of contractors up to the proposed value to assist Council undertaking work, if required.

Procured Services

Planning Policy and Strategic Growth

6. A key role of the Strategic Growth and Planning Policy teams is to work together to strategically plan for future growth in the District and to address issues arising in the unique Queenstown context. The teams use much of the same consultants to assist them in their work.
7. The Strategic Growth team's work also includes undertaking critical spatial planning work to identify priority growth areas and structure planning to further develop those priority areas. The team works in cross boundary partnerships to promote good outcomes for the Queenstown Lakes District community. The Planning policy team assists in strategic planning processes and steers planned growth areas through the next planning stage which involves translating structure plans from Priority areas into the District Plan framework.
8. The Strategic Growth and Planning Policy teams also work to ensure we 'grow well' by working on a variety of projects including Joint Housing Action Plans, strategic analysis and assessment of levers to increase housing provision and works in partnership with other Councils and Central Government agencies to deliver strategic planning for the District.
9. The Planning Policy team also develops and manages the District Plan, being the relevant statutory land use planning document, that guides development within the district. This is a strategic and operational role that undertakes research and considers the long-term needs of a fast growing and geographically constrained region. In the Queenstown-Lakes District, effective forward planning is particularly important due to the district's unique combination of rapid population growth, a tourism driven economy, sensitive landscapes, and limited land supply. The work done to produce planning documents that guide development is foundational to how land use planning of the District occurs and guides other P&D functional requirements.
10. Other areas the Policy Planning team work on and require consultant assistance with are defending appeals to District Plan decisions, undertaking research to inform policy development such as the Housing and Business Capacity assessments, enacting government mandated changes to planning documents and making Queenstown Lakes District Council's (QLDC) planning framework accessible and informative through the development and maintenance of Council's EPlan (Electronic Plan) platform.
11. Thorough policy development ensures that with community involvement and Council guidance growth is well managed, infrastructure keeps pace with demand, and the natural environment which is central to the district's identity and economic success is protected. The Planning Policy's team role also gives statutory weight to currently non-statutory documents such as structure plans and the Spatial Plan. The policy budget is funded by the Council, meaning that the community pays for the cost of providing for policy development for the district. This is standard practice for policy development in councils across New Zealand.

12. The volume of work in planning for effective community led land use planning in a District such as the QLDC is significant and growing with proposed government reform of the Resource Management Act. Short timeframes to implement foundational change to New Zealand’s planning framework will require significant resources and the use of consultants will be required to assist in policy development into the future.
13. Regardless of which legislative framework is in place, the strategic importance of planning remains critical in this fast-growing district. The core discipline of planning will continue to be important for the long-term needs of the community.

Resource Consents

14. The Resource Consents team assesses planning applications and regulate development to meet District Plan and National legislative requirements. As a fast-growing region there is significant work in this space and contractors are used to bolster internal resource and expertise.
15. Over the past decade contractors have undertaken between 30% and 40% of resource consent work undertaken through the Council. This can vary depending on workload and staff availability. With contractors operating on a ‘as required’ basis this has the benefit of allowing the resource consent team to upscale or reduce the contractor resource requirements depending on consent application numbers without affecting staffing levels and to cater for resourcing challenges in the District.
16. Contractors are also now utilised to assist in supporting the Fast Track Approvals Act applications input where Council does not have in-house expert resourcing available or there are capacity constraints. These contractors will be procured under this process as they are typically the same contractors that would support resource consent processing. The volume of standard resource consent and fast track consent applications is such that it is envisaged contractors will be required moving forward to continue to assist the team in meeting its resource consent assessment level of service requirements. The number of resource consents received over the past five years is as follows:

	2020/21	2021/22	2022/23	2023/24	2024/25
Resource Consent Applications Processed	1,107	1,249	1,039	1,033	1,099

17. The resource consent team also uses contractors to assist with planning consent appeals support. Queenstown Lakes District is likely, per capita, the most litigated planning environment in New Zealand. Consultant planners are engaged when internal capacity is limited or when specific expertise is needed, particularly during complex Environment Court proceedings. These consultants are experienced in presenting evidence and are familiar with both the Queenstown Lakes District Plan and its development. Consultant planners with significant experience may be used in situations where risks of successful litigation against Council decisions is high and internal resources do not have capacity or experience levels to appropriately mitigate that risk.

Development Engineering

18. The Development Engineering team's role includes undertaking engineering assessment work within P&D throughout the development cycle. The team supports resource consent assessment to ensure proposed development is feasible, appropriate and in line with Council engineering requirements. That is followed by undertaking detailed design assessment and acceptance and inspection of physical works to ensure assets constructed and vested in Council are fit for purpose and designed in accordance with Council specifications. The team also process subdivision applications, administer Council's development contribution policy and manage road corridor traffic management functions.
19. Historically contractors have undertaken approximately 20% of the Development Engineering team's workload. This proportion can vary depending on workload and staff availability and engineers that can undertake this work are in high demand across New Zealand making inhouse resourcing difficult and unpredictable. Contractors operating on a 'as required' basis has the benefit of allowing the Development Engineering team to upscale or reduce the contractor resource requirements depending on application numbers without affecting permanent staffing levels and ensuring growth pays for growth in relation to the Development Engineering teams assessment work.
20. Contractors are also used in the Engineering space where specific expertise is not available in-house to undertake assessment, for example in areas of geotechnical engineering or stormwater engineering design.
21. For the same reasons as contractors are used in other areas of P&D, and due to the difficulty and unpredictability of securing in house engineering resource, it is envisaged that contractor use moving forward will be required to ensure safe and appropriate engineering design as the District develops and to meet required levels of service.

Technical Support

22. This team provides administrative and technical support to the resource consent, planning policy, and development engineering teams. It also includes process improvement specialists who support the wider department to implement advances in IT systems and efficiencies that benefit both the organisation and its customers. The team also provides critical support for application set up, invoicing and financial set up, planning hearing support and other technical support. From time to time, the Technical Support team requires additional resourcing, including temporary staff.

Analysis and Advice | Tatāritaka me kā Tohutohu

Procurement Practice

23. The QLDC Procurement Manager has been engaged to consider various procurement models. A single stage, open Request for Proposals has been determined as being the most appropriate.

24. The Procurement Plan sets the rationale for the procurement process, the “go to market” strategy, the key timeframes and the secondary benefits sought.
25. The proposed procurement plan ensures Council will comply with best practice procurement process and is in accordance with Councils Procurement Policy.

Contract Review

26. The current contract management approach ensures effective service delivery for Council and the community, with contractors operating under the direction of internal senior staff to provide consistent and timely services.

Estimated Potential Expenditure

27. This proposal to consider accepting a procurement plan for P&D services does not directly result in expenditure, rather it approves a process to develop a panel that may be used for services moving forward. For the reasons outlined previously the use of contractors is critical to the P&D department delivering an appropriate level of service from its functions.
28. The estimated level of potential expenditure outlined below is derived from data from the previous five year’s expenditure and includes an additional 30% increase buffer to incorporate future CPI increases, potentially increased workload that is unpredictable and possible additional use of the contractors by other Council business units such as Strategic Growth which is allowed under our procurement policy.
29. The following table represents the historical spend under the current contracts (based on the past five years):

	20/21	21/22	22/23	23/24	24/25	Total consultant spend 2020/2025 RFP (based on 5 year term)
Resource Consent + Appeals	\$ 2,177,526.20	\$ 3,048,748.66	\$ 3,004,519.10	\$ 2,430,886.73	\$ 2,564,514.80	\$ 13,226,195.49
District Plan + Hearings + Appeals	\$ 3,264,757.63	\$ 2,237,957.36	\$ 2,588,770.13	\$ 3,612,527.43	\$ 1,443,335.86	\$ 13,147,348.41
Development Engineering	\$ 499,540.04	\$ 651,422.72	\$ 840,687.68	\$ 747,233.29	\$ 591,952.41	\$ 3,330,836.14
Technical Support	\$ 8,416.61	\$ -	\$ -	\$ 54,741.50	\$ 9,446.25	\$ 72,604.36
	\$ 5,950,240.48	\$ 5,938,128.74	\$ 6,433,976.91	\$ 6,845,388.95	\$ 4,609,249.32	\$ 29,776,984.40

30. At this time, it is anticipated that the proposed seven-year contract (five-year initial term plus a two by one year right of renewal at Council’s discretion) will cost on average a maximum of approximately \$7.7m plus GST per annum to a maximum total of approximately \$54m over the 7-year term. This figure is derived from extrapolating historical spend over a 7-year timeframe (as opposed to the five years represented in the table above) and adding the recommended buffer discussed previously.

31. Due to the cost of this contract, it is necessary to go through a full procurement process in accordance with section 9 of QLDCs [procurement policy](#) as the estimated all of life spend is over \$100,000. This report seeks a delegation from Council to the Chief Executive to finalise the Procurement Plan and to enter into the necessary agreements to enact the intention of the Procurement Plan utilising the budgets summarised in this report.

How does the use of Consultants in P&D translate to Actual Expenditure?

32. The contracts for P&D disciplines are structured so Council pays only for the services utilised and can scale services up or down in response to demand. This flexibility is essential, as the Resource Consents team must continue to meet statutory processing timeframes regardless of workload.

33. Contractor hourly rates charged for cost recoverable services are historically closely aligned to the hourly rate charged to applicants who lodge consents with some minor 'unders' and 'overs' when comparing consultant rates to Council charge out rates. Where a contractor's hourly rate exceeds P&D's rates, applicants are only charged Council's published rates. This ensures applicants are not financially disadvantaged by the use of contractors.

34. Overall, apart from Planning Policy work, the cost of consultants is covered by processing fees i.e. it is a user pays arrangement. As outlined previously this current procurement exercise does not commit Council to any particular consultant spend rather procures a panel of contractors that can undertake Council work if required.

35. Consultant spend in the Planning Policy space uses the Planning Policy budget which is determined by budgets set in the LTP and AP for planning policy work. Apart from user pays Private Plan Change work the planning policy budget is paid for through rates as it is a function delivering community and Council led forward land use planning strategy.

Options

36. This report identifies and assesses the following reasonably practicable options for assessing the matter as required by section 77 of the Local Government Act 2002.

37. **Option 1** Approve Procurement Plan and delegation of authority to the Chief Executive for any final changes to the Procurement Plan and approve delegation of authority to the Chief Executive for execution of any subsequent contracts

Advantages:

- It is consistent with the QLDC Procurement Policy and ensures P&D meets the community expectations of best practice in procurement of services
- Assists Council in meeting its statutory timeframes and obligations for processing resource consents, engineering applications and district planning matters.

- Consultants are used on an “as needed” basis, and in many cases their services are cost recoverable. For many services it would be inefficient or the Council would be unable to directly employ staff with these specialist skills.
- With regards to policy planning, the District Plan review has been undertaken in stages, this has meant there have been ebbs and flows in the need to expertise, it is prudent to commission experts as and when necessary.
- Will support continued policy development arising from and required by Central Government reform of the New Zealand Planning system.
- Ensures operational tasks of final contract signing and acceptance of minor amendments are directed to officers.

Disadvantages

- Reliance on external consultants is costly, and the Council does not retain the institutional knowledge gained if experts were directly employed.

38. Option 2 Do not approve the Procurement Plan and delegation of authority to the Chief Executive for any final changes and execution of the Procurement Plan and do not approve delegation of authority to the Chief Executive for execution of any subsequent contracts.

Advantages:

- Staff time would be saved on undertaking procurement process, tender evaluation and contract preparation.

Disadvantages:

- Will not enable Council to follow best practice procurement process to establish a contractor panel to allow engagement of external resource.
- Will result in P&D not being able to meet agreed and reasonably expected levels of service.
- Reducing levels of service may result in reputational damage and financial impacts of Resource Management Act discount policy resulting in significant cost to the community.
- If delegation for minor changes is not provided any change to these plans will need to be signed off by Council increasing the time required for the procurement process and may result in needing to extend the current contracts to allow for changes to contract expiry.
- Interested parties to this procurement may concentrate on alternative options if there is a delay to this process.

39. **Option 3** Approve the Procurement Plan and delegation of authority to the Chief Executive for any final changes to the Procurement Plan; and do not approve delegation of authority to the Chief Executive for execution of any subsequent contracts.

Advantages:

- Advantages as outlined for option 1 apart from those relating to delegating authority to Chief Executive to approve minor changes and sign off on anticipated standard engagement contracts.
- Council will have further opportunity to review any minor amendments to the procurement plan and review the operational contract establishment stage.

Disadvantages:

- Any change to these plans will increase the time required for the procurement process and may result in needing to extend the current contract procurement departure to allow for changes to timings.
- Interested parties to this procurement may find alternative options if there is a delay to this process.
- Risks blurring the lines between governance and operational matters managed by officers.

40. This report recommends **Option 1** for addressing the matter because it is consistent with the QLDC Procurement Policy, it is the best option to ensure the Council meets its statutory and compliance obligations and strikes the appropriate balance in directing operational matters to officers after a governance decision. The procurement process is proposed to be completed by the expiration of the procurement departure process relating to the existing contracts, ensuring we meet service levels expected by the community.

Consultation Process | Hātepe Matapaki

Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

41. This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because the community has an interest in the level of service and performance provided to them in regard to resource management and engineering functions.

42. The persons who are affected by or interested in this matter are residents/ratepayers and developments in the Queenstown Lakes District community.

Māori Consultation | Iwi Rūnaka

43. Consultation with Iwi has not been undertaken.

Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

44. This matter relates to the Regulatory/Legal/Compliance risk category. It is associated with RISK10056 Ineffective provision for the future planning and development needs of the district within the QLDC Risk Register. This risk has been assessed as having a moderate residual risk rating.

45. This matter is also associated with RISK10028 – Ineffective procurement. There is a risk that procurement does not achieve objectives due to an ineffective procurement framework, systems, processes and people capability will result in poor procurement outcomes, increased cost/reduced value for money, and an inability to maintain a sustainable market

46. Approval of the recommended option will allow Council to avoid the risk. This will be achieved by ensuring procurement follows Councils procurement policy and subsequently having completed contracts in place prior to the end of the current procurement departure process.

Financial Implications | Kā Riteka ā-Pūtea

47. Financial delegation for contracts of potential expenditure of this size sits with Council and this report seeks approval of the procurement plan for services and delegation from Council to the Chief Executive regarding contract establishment albeit without guarantees of expenditure with successful panel members.

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

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

- Vision Beyond 2050
- Procurement Policy
- Procurement Guidelines
- Long Term Plan
- Spatial Plan
- District Plan and Structure Plans

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

50. This matter is included in the Long Term Plan/Annual Plan.

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

51. Council’s Legal team will provide support to draft the respective contracts.

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

52. 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. The recommended option will help meet the current and future needs of communities for good-quality local built environment and performance of regulatory functions in a way that is most cost-effective for households and businesses by providing a structured process for selecting preferred contractors. As such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act.

53. 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

A	Planning & Development Procurement Plan
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