

8. Item 1: Proposed CCTO Governance Manual


PURPOSE OF THE REPORT | TE TAKE MO TE PURONGO

The purpose of this report is to consider a draft document to provide governance guidance to QLDC and the community on the relationship between the Council and its Council Controlled Organisations (CCOs) or its Council Controlled Trading Organisations (CCTOs) (together referred to as CCTOs).

RECOMMENDATION | NGA TUTOHUNGA

That the Council

1. **Note** the contents of this report; and
2. **Receive** the QLDC CCO/CCTO Governance Manual as a reference document.

	Prepared by:	Reviewed and Authorised by:
Name	Meaghan Miller	Mike Theelen
Position	General Manager Corporate Services	Chief Executive
Signature		
Date	30 November 2022	30 November 2022

CONTEXT | HOROPAKI

1. On 3 February 2022 the Council agreed a resolution that officers should consider a CCO CCTO Governance Manual, for context, this was in specific reference to the Queenstown Airport Corporation (QAC), to become operative in the 2023 cycle of the Statement of Expectation (SOE), and Statement of Intent (SOI) for QAC. Officers undertook to report back on the matter by December 2022. It was acknowledged that the manual would serve both as a reference document for Councilors annually and also serve to show the community how the governance model worked. On the back of further discussion officers agreed to include a memorandum in relation to the role and responsibility of QLDC with respect to QAC to accompany the agreement of the QAC SOI in June 2022. Given this memorandum was prepared by Wynn Williams, the Council sought to build on this advice by tasking Wynn Williams to provide a draft manual. To avoid any confusion the manual references CCO and CCTO's, CCO's being a model used more widely in New Zealand.

ANALYSIS AND ADVICE | TATARITANGA ME NGA TOHUTOHU

2. **Option 1** Receive the CCO CCTO Governance Manual 2022

Advantages:

- The manual clearly outlines the governance role of QLDC and that of a CCO or CCTO board and will act as a useful annual reference through the SOE ad SOI process.

- The manual offers the community transparency of the roles.
- The manual specifies the Council and any CCO CCTO's statutory requirements under the Local Government Act and therefore enables good governance.
- The manual is based on independent legal advice.

Disadvantages:

- None. This is not a statutory document although it offers a guideline under the Local Government Act 2002.

3. **Option 2** Do not receive the Manual.

Advantages:

- None. The Council and existing CCTO already adhere to the processes outlined by the LGA.

Disadvantages:

- No one reference document will exist for any board, elected members and the community to guide an annual process.

4. This report recommends **Option 1** for addressing the matter because it offers independent legal guidance and transparency on the processes outlined.

CONSULTATION PROCESS | HATEPE MATAPAKI

5. This matter (receiving the manual) is of low significance, as determined by reference to the Council's Significance and Engagement Policy, although it is acknowledged there is a high degree of interest in governance processes in relation to the QAC from some members of the community.

MAORI CONSULTATION | IWI RUNANGA

6. This matter has not been consulted with iwi but the material may be useful context in understanding the governance processes in relation to QAC and will be proactively provided to Te Ao Marama and Aukaha.

RISK AND MITIGATIONS | NGA RARU TUPONO ME NGA WHAKAMAURUTANGA

7. This matter is associated with RISK00031 Ineffective management and governance over legislative compliance risk. This risk has been assessed as having a moderate inherent risk rating.

FINANCIAL IMPLICATIONS | NGA RITENGA A-PUTEA

8. None

COUNCIL EFFECTS AND VIEWS | NGA WHAKAAWEAWE ME NGA TIROHANGA A TE KAUNIHERA

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

- Local Government Act 2002
- Policy on the appointment of Directors 2014
- Queenstown Airport Corporation Constitution.

10. The recommended option is consistent with the principles set out in these documents.

LEGAL CONSIDERATIONS AND STATUTORY RESPONSIBILITIES | KA TURE WHAIWHAKAARO, ME KA TAKOHAKA WAETURE

11. The attached Manual has been independently provided by Wynn Williams in accordance with the statutory requirements of the LGA 2002

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KAWANATAKA A-KAIKA

12. 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

13. The recommended option:

- 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 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 | NGA TAPIRIHANGA

Number	Title of Attachment
1	Draft CCO CCTO Governance Manual