

QLDC Council
8 July 2022

Report for Agenda Item | Rīpoata moto e Rāraki take [1]

Department: Corporate Services

Title | Taitara Lakeview/Taumata development decision-making process review

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

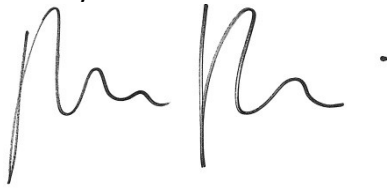
The purpose of this report is to consider the recommendations of a review of the decision-making process for the Lakeview/Taumata development.

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

1. **Note** the contents of this report and recommendations and in particular:
2. **Agree** the importance of being an effective partner to the Lakeview-Taumata development and to act and make decisions in accordance with s14(1)(f) of the Local Government Act 2002 namely that: “a local authority should undertake any commercial transactions in accordance with sound business practices.”.
3. **Agree** to retain the existing Lakeview-Taumata Project delegations to the Chief Executive, to ensure timely and effective delivery of its Project Objectives and Material Outcomes.
4. **Agree** to strengthen the transparency of decisions made and achievement of the Project Objectives and Material Outcomes, through enhanced reporting to the QLDC Audit, Finance and Risk Committee
5. **Agree** management’s reporting to the QLDC Audit, Finance and Risk Committee includes: quarterly risk assessments associated with achieving the Project Objectives and Material Outcomes and Council’s own deliverable commitments under the Development Agreement; key decisions made under delegation including material modifications, minor modifications and permitted departures; and flag potential future decisions for the coming QLDC Audit, Finance and Risk Committee quarter.
6. **Agree** to a six-monthly engagement with the Developer in recognition of the importance of the relationship to enable a mutual understanding of the development progress and an understanding of the perspective of both parties.

Prepared by:



Name: Meaghan Miller
Title: GM Corporate Services

23/06/2022

Reviewed and Authorised by:



Name: Mike Theelen
Title: Chief Executive

23/06/2022

CONTEXT | HOROPAKI

- 1 On 3 February 2022 Councillor Niki Gladding tabled a notice of motion to review the governance structure and processes in relation to Lakeview/Taumata. The following resolutions were carried:

1a) Notes that on 26 October 2017, the Council authorised the following delegation with respect to the Lakeview/Taumata development:

That Council authorise the Chief Executive to negotiate and execute transaction agreements with development partner(s) subject to the parameters.

Directs officers to:

2 a) Consider the scope of the decisions that might be made under the Lakeview Development Agreement;

b) Report to the full Council with options for the division of decision-making powers between the Chief Executive and the full Council;

c) Report to the full Council with options for strengthening internal governance of the Lakeview-Taumata project; and

d) Produce the reports referred to in 2a-c no later than 30 June 2022.

- 2 The Council engaged Bruce Robertson of RBRobertson Limited to undertake the review in accordance with the Council resolutions. Mr Robertson's report, including options and recommendations is Attachment A.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

- 3 Option 1 Receive the report by Mr Robertson and adopt the recommendation contained therein, in particular the recommendation to require future regular reporting to the QLDC Audit, Finance & Risk Committee and regular governance to developer meetings.

Advantages:

- Consistency and stability in supporting a complex development project.
- Efficient, timely decision-making using expert advisors as required and consistent with need of Development Agreement decision making requirements.
- Better public facing transparency of the project through the AFR Committee, noting that any elected member may attend the committee and, with the leave of the Chair, participate in these meetings.

- An enhanced Elected Member/Developer relationship.
- Is consistent with the Local Government Act 2002 requirements.

Disadvantages:

- The potential for elected members to perceive that they lack the ability to hold governance oversight and decision-making accountability over the project.

- 4 **Option 2.** Do not agree the recommendations of the report and consider an alternate option.

Advantages:

- Depending on the alternate option, this may be potentially perceived to offer elected members more governance oversight and decision-making accountability over the project or a better governance model.

Disadvantages

- This would be counter to the advantages outlined in Option 1 and depending on the alternate option, could potentially remove close QLDC oversight of the project.

- 5 This report recommends **Option 1** for addressing the matter. The Robertson report considers four different options but notes the status quo delegations (Option 1) are needed for such a commercial arrangement. Additionally, Option 1 offers consistency, stability, efficiency, enhanced transparency and is consistent with LGA requirements.

SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

- 6 This matter is of low significance, as determined by reference to the [Council's Significance and Engagement Policy](#) because it asks Councillors to consider a review of an existing delegation and the recommendation does not propose a change of delegation.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

- 7 This matter relates to the Financial risk category. It is associated with RISK00045 Failure to inform elected members within the QLDC Risk Register. This risk has been assessed as having a moderate inherent risk rating.
- 8 The report confirms best practice has been followed which supports the Council by allowing the risk to be avoided.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

- 9 None. The proposed recommendations do not carry any financial cost.

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KĀWANATAKA Ā-KĀIKA

10 The recommended option:

- Will help meet the current and future needs of communities for 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.
- 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 alter significantly 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 | NGĀ TĀPIRIHANGA

A	Lakeview-Taumata – review of governance structure and processes.
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