

QLDC Council  
3 February 2022

Report for Agenda Item | Rīpoata moto e Rāraki take : 1

Department: Corporate Services

Title | Taitara Queenstown Airport Corporation: Statement of Expectation 2022

**PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO**

---

The purpose of this report is to approve the 2022 Queenstown Airport Corporation (QAC) Statement of Expectation (SOE).

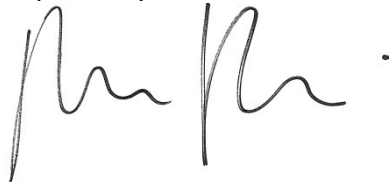
**RECOMMENDATION | NGĀ TŪTOHUNGA**

---

That Council:

1. **Note** the contents of this report;
2. **Approve** the Queenstown Airport Corporation Statement of Expectation 2022.
3. **Authorise** the Mayor (Queenstown Lakes District Council) to sign the letter on behalf of Council.

Prepared by:



Name: Meaghan Miller  
Title: GM Corporate Services

20/01/2022

Reviewed and Authorised by:



Name: Mike Theelen  
Title: Chief Executive

20/01/2022

## CONTEXT | HOROPAKI

---

- 1 This report deals with agreeing the content of the SOE to deliver it to QAC in accordance with section 64B of the Local Government Act 2002 (LGA).

## ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

---

### Statement of Expectations

- 2 Section 64B of the LGA provides that shareholders in a Council Controlled (Trading) Organisation (CCTO) may prepare a SOE in advance of the CCTO preparing its Statement of Intent (SOI). A copy of the SOE is attached to this report as Attachment A.

- 3 Option 1 Agree the Statement of Expectations.

#### *Advantages:*

- 4 The SOE is the first opportunity in the annual SOI process for the Council as shareholders of QAC to make clear expectations for the company for the year to the QAC.
- 5 The letter provides an opportunity for the shareholders to agree expectations and offers transparency on this basis for the community.

#### *Disadvantages:*

- 6 A SOE is not mandatory but it is an important document for the QAC to understand clearly shareholder expectations. The absence of the letter may prove challenging for the board as it prepares the SOI.

- 7 Option 2 Do not issue a Statement of Expectation

#### *Advantages:*

- 8 This decision may be perceived to be positive by some members of the public who consistently do not support elements of the SOE or SOI.

#### *Disadvantages:*

- 9 The Council will not have a clear record of its expectations for QAC leading into the 2022 SOI process.
- 10 QAC will not be guided by QLDC shareholder expectations in preparing its SOI.

- 11 This report recommends **Option 1** for addressing the matter.

## CONSULTATION PROCESS | HĀTEPE MATAPAKI:

---

### > SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

12 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because it is not mandatory however it is of high interest to some parties.

## RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

---

13 This matter relates to the Financial risk category. It is associated with RISK00037 Lack of Alignment - Key relationships within the QLDC Risk Register. This risk has been assessed as having a moderate inherent risk rating.

14 The approval of the recommended option will support the Council by allowing us to implement additional controls for this risk. This shall be achieved by ensuring there is a clear SOE leading into the SOI process and ensuring that QAC interactions and relationships are consistent with QLDC shareholder expectations.

## FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

---

19 None.

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

---

20 The recommended option:

- 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. By providing a clear SOE to QAC to set clear expectations for the SOI, QLDC is exercising its right as shareholder on behalf of its communities;
- 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	Draft Statement of Expectations 2022
---	--------------------------------------