

Item 1: Joint Committee operations

Purpose

The purpose of this report is to confirm key elements of the operations of the Otago Central Lakes Regional Deal Negotiation Committee (the Committee).

Recommendation

That the Committee:

1. **Agree** not to appoint a subcommittee at this time,
2. **Direct** the Chief Executives to appoint an advisor to provide support, and to take the role of independent negotiator, if required,
3. **Note** that Committee meetings will be held monthly until December 2025, and
4. **Note** that Committee workshops be held weekly, as required, between the scheduled meetings until December 2025.

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15 July 2025



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Context

1. The Committee is a joint committee of the Central Otago District, Otago Regional and Queenstown Lakes District Councils (“partner councils”) and was established on 26 June 2025¹. This meeting is the inaugural meeting of the Committee, and the agenda sets out some preliminary and administrative decisions that are required, to enable efficient operation of the committee. Those decisions are:
 - Appointment of a subcommittee, as outlined in the Memorandum of Agreement (refer Attachment A).
 - Appointment of a negotiating authority as outlined in the Memorandum of Agreement.
 - Confirmation of meeting protocols.
 - Agree the ongoing cadence for meetings and workshops.

Appointment of subcommittee

2. Under the Memorandum of Agreement (section 7.7) the Committee may delegate any or all its responsibilities, duties or powers to a subcommittee that is made up of all the members of the Committee and the partner council’s Chief Executives (CEs). The purpose of establishing the subcommittee was to allow the CEs to be members of the group overseeing negotiations, which would ensure continuity of membership if the local government elections resulted in a significant impact on membership.
3. The Joint Committee now needs to decide whether appointing a subcommittee and delegating its powers to that subcommittee is the best way to enable the city and regional deal negotiation. The options for progressing this are set out below.
4. Option 1: Do not appoint a subcommittee at this time.

The *advantages* of option 1 are:

- a. Democratic Accountability: Decisions remain in the hands of elected representatives, maintaining transparency and public trust.
- b. Clear Governance Structure: A single decision-making body avoids complexity and potential confusion around roles and responsibilities.
- c. Public Perception: Retaining elected oversight may be viewed more positively by the public and stakeholders, especially for high-profile deals.
- d. Legal Simplicity: Fewer layers of delegation reduce the risk of procedural errors or challenges under the Local Government Act 2002.

¹ Established by Council resolution(s) on 25 June for Central Otago District Council and Otago Regional Council and 26 June for Queenstown Lakes District Council.

The *disadvantages* of option 1 are:

- a. Limited Operational Input: CEs, who hold key implementation knowledge and deep experience of their districts/regions, are excluded from formal decision-making, potentially slowing progress.
- b. Risk of Disconnect: Without CE involvement, there may be gaps between governance decisions and administrative execution.

5. Option 2: Appoint a subcommittee

The *advantages* of option 2 are:

- a. Operational Expertise: CEs bring deep knowledge of council operations, legal frameworks, and implementation logistics, enhancing the quality of advice and decision-making.
- b. Continuity: CE involvement ensures alignment between governance decisions and administrative execution, reducing the risk of disconnects over the local body election period.

The *disadvantages* of option 2 are:

- a. Dilution of Democratic Oversight: Delegating powers to a subcommittee that includes unelected officials may reduce transparency and accountability to the public.
 - b. Complex Governance: Adding layers of decision-making can complicate reporting lines and slow down final approvals if not well managed.
 - c. Perception Risks: Public or stakeholder concerns may arise if key decisions appear to be made by staff rather than elected representatives.
6. It is recommended that the Committee approve **option 1** to not appoint a subcommittee because maintaining decision-making within a single elected body ensures democratic accountability, legal clarity, and public trust by providing a transparent, streamlined governance structure that minimises complexity and procedural risk.
7. The disadvantages can be managed through close interaction between the Joint Committee members and the CEs, attendances of the CEs at every Joint Committee Meeting and Workshop and direct participation in the negotiation process by the CEs. As for other Council committees, the CE's will be in attendance, and provide advice to the Committee, to minimise risks.

Appointment of negotiating authority

- 8. Under the Memorandum of Agreement (section 7.5), the Committee is delegated the authority to appoint a negotiating authority as the direct interface for negotiations with central government (Government).
- 9. Partner councils authorised the Committee to take one of two approaches when appointing a negotiating authority, depending on confirmation from Government about their process and preference:

- a. *Combination of CEs and independent negotiator:* Negotiations with Government representatives would be undertaken by a team made up of the CEs of the three partner councils, supported by someone with specific experience and expertise in both negotiating and establishing long term work programmes with Government. This person would also be independent of all partner councils in that they would not have specific ties to, or previous political or employment experience with, any individual partner council.
 - b. *Independent negotiator:* Negotiations with Government representatives would be undertaken by someone with specific experience and expertise in both negotiating and establishing long-term work programmes with Government.
10. Government has indicated that in the short-term, negotiations would likely continue with CEs and council staff and DIA / agency staff working collaboratively together to determine a regional deal for discussion with councils and ministers. However, at some point in the process there is likely to be a need for an independent role that can help move forward discussions where negotiations get “stuck”. There is also value in the Committee and the CEs being supported by an independent advisor who is experienced in government decision-making processes that can ensure the partner council views are balanced and.
11. Option 1: Appoint advisor to provide support and take role of independent negotiator, if required.

The *advantages* of option 1 are:

- a. Having an independent advisor and the CEs working as a team on negotiations with the government ensures that the views of the three partner councils are appropriately considered. The independent negotiator brings a neutral perspective, while the CEs, despite not being independent, collectively represent the interests of the three councils effectively.
- b. Someone skilled in negotiation would maximise the opportunities available through the regional deal by being able to navigate best where there is flexibility in what is being offered by the Government and where there is not.
- c. Someone skilled in establishing long term work programmes with Government would be able to “speak the same language” as Government and enable OCL to best understand what Government is looking for and how to integrate this.
- d. The CEs are supported by an expert independent advisor from early in the negotiation process and have an independent negotiator available if that becomes required.

The *disadvantage* of option 1 are:

- a. The exact nature of the role that the advisor will play is, at this stage, somewhat unclear, potentially making it difficult to scope and appoint someone.

12. Option 2: Defer decision to appoint independent advisor or negotiator

The *advantages* of option 2 are:

- a. As discussions progress, the nature and scope of the role that the advisor will play will be clearer which should make it easier to scope and appoint someone.

13. The *disadvantages* of option 2 are:

- a. The CEs are not supported by an expert advisor in the early stages of the negotiation and if having an independent negotiator becomes a requirement the negotiation process may be delayed while a negotiator is appointed.

14. It is recommended that the Committee approve **option 1** to appoint an independent advisor that can both provide support / advice to the Committee and the CEs and then take the role of independent negotiator, if required.

15. The negotiator would be independent of all partner councils in that they would not have specific ties to any individual partner council, including previous political or employment experience. Given the small number of people that are likely to have the required skills and experience it is recommended that the independent advisor be appointed through a direct appointment process. This would follow the Government rules of sourcing guidance for such appointments and would be managed by Queenstown Lakes District Council (QLDC) as the administering authority. Apportionment of cost requires further discussion by the partner councils and will be considered alongside the decision to appoint.

Meeting and Workshop Schedule

16. The role of the Committee is to provide direction to inform the negotiation of a Regional Deal between the partner councils and Central Government. The overall aim is to ensure that a mutually beneficial deal – one that is generally aligned with the Otago Central Lakes Regional Deal Proposal dated 28 February 2025 – is struck. The negotiation phase has commenced, with preliminary meetings between OCL partner council and Department of Internal Affairs staff and will continue until such time as a deal is agreed. Early indication from central government is to have at least one deal agreed in principle before the local government elections in October, with the other two deals to be agreed in principle soon after the election.

17. It is anticipated that the Committee will be required to regularly provide direction, and make decisions so as to enable negotiations to progress. Staff are anticipating things to move at pace, even if the OCL negotiation is not the first one and as such, consider the Committee will need to meet regularly through both formal meetings and less formal workshops throughout the period of negotiation. In line with the requirements of the Memorandum of Agreement to meet at least fortnightly, it is proposed that:

- Committee meetings be held monthly until December 2025. A revised schedule will be agreed in December if the Committee is to continue beyond December. If an urgent decision is required that falls outside of the scheduled meetings, an extraordinary (or emergency) meeting will be arranged.

- Committee workshops be held weekly, if required, between the scheduled meetings until December 2025. If urgent direction is required, workshop dates may be moved.

18. This is a matter for noting. All governance support will be provided by QLDC as the administering authority.

Attachments

A	Otago Central Lakes Regional Deal Negotiation Committee Memorandum of Agreement
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Memorandum of Agreement

Otago Central Lakes Regional Deal Negotiation Joint
Committee

This Memorandum of Agreement is consistent with the requirements for joint committees as outlined in the Local Government Act (Clause 30A of Schedule 7).

Execution:

This Memorandum of Agreement was:

- endorsed by the Central Otago District Council on 25 June 2025,
- endorsed by the Otago Regional Council on 25 June 2025, and
- endorsed by the Queenstown Lakes District Council on 26 June 2025.

Executed by:



Mayor Tamah Alley

Signed on behalf of Central Otago District Council

01/07/2025

Date



Chair Gretchen Robertson

Signed on behalf of Otago Regional Council

01/07/2025

Date



Mayor Glyn Lewers

Signed on behalf of Queenstown Lakes District Council

30/06/2025

Date

1. PURPOSE OF THE AGREEMENT

- 1.1 This agreement is made pursuant to Clause 30A of Schedule 7 of the Local Government Act 2002 (LGA 2002).
- 1.2 The purpose of this agreement is to establish a joint committee between Central Otago District Council, Otago Regional Council and Queenstown Lakes District Council (“Partners”) to oversee and provide guidance that will inform negotiations for the terms of a Regional Deal for the combined districts of Central Otago and Queenstown Lakes (referred to as “Otago Central Lakes”). The joint committee will be known as the Otago Central Lakes Regional Deal Negotiation Committee (the Committee).
- 1.3 The Committee is a formal joint committee pursuant to the LGA 2002 (clauses 30 and 30A, Schedule 7). The committee will not be discharged at the point of the next election (in line with Clause 30(7) of Schedule 7, LGA 2002). The committee will be automatically discharged on approval by the Partners of a negotiated regional deal agreement between the Partners and central government or after 18 months, whichever comes first.

2. COMMITTEE MEMBERSHIP

- 2.1 Each Partner may appoint two of its elected members as members of the Committee, one of which must be the Mayor or Chair of the Partner.
- 2.2 Each Partner may discharge a member of the Committee appointed by it and appoint another member their stead. This does not apply to the Mayor or Chair of each Partner, who are to remain members of the Committee.
- 2.3 There is no provision for alternates.
- 2.4 All members are voting members of the Committee.
- 2.5 The Committee will not be discharged following a triennial election (refer Clause 30(7) of Schedule 7 of the LGA 2002). If following an election there has been a change of Mayor or Chair, the new Mayor or Chair will become a member of the Committee in place of the former Mayor or Chair. Any other vacancies resulting from the elections will be immediately filled by new members appointed by the relevant Partner.
- 2.6 Members of this committee will remain members of this committee after the triennial election under the following circumstances:
 - If a Partner appointed a specified elected member and that elected member is re-elected to the Partner’s Council, they will remain a member of this Committee.
 - If a Partner appointed an elected member based on position and that elected member is re-elected to the Partner’s Council and remains in the named position they will remain a member of this Committee.

3. CHAIRPERSON AND DEPUTY CHAIRPERSON

- 3.1 A Chairperson and Deputy Chairperson will be appointed by the Committee at the commencement of the Committee and will continue in the role unless resolved by the Committee or upon a resignation being received.
- 3.2 The Chairperson and Deputy Chairperson will be appointed by unanimous vote.
- 3.3 There will be no remuneration for the Chairperson or Deputy Chairperson.

4. QUORUM AND CONDUCT OF MEETINGS

- 4.1 The quorum for each meeting shall be three members (half the committee) and must include one member from each Partner Council.
- 4.2 The Mayors and Chair are members of the Committee by design and not simply because Mayors are automatically members of all committees. As such, those members count for the purposes of determining whether a quorum exists (refer clause 30A(6A) Schedule 7 LGA 2002).
- 4.3 The standing orders of the administering council, Queenstown Lakes District Council, shall apply, unless there is something in this Memorandum of Agreement that is inconsistent with those standing orders, in which case this Agreement applies.
- 4.4 Decisions of the Committee are made by consensus vote of the members voting and present. The person presiding at the meeting has a deliberative vote but not a casting vote. In the case of a lack of consensus the motion is defeated, and the status quo is preserved.

5. MEETING FREQUENCY

- 5.1 The Committee shall meet fortnightly, or at such other times (in addition to the fortnightly meetings) as necessary and determined by the Chair in liaison with the Committee. Meetings shall be held in public unless matters meet the requirement to enter public excluded.
- 5.2 Notification of meetings and the publication of agendas and reports shall be conducted in accordance with the requirements of Part 7 of the Local Government Official Information and Meetings Act 1987.

6. TERMS OF REFERENCE

- 6.1 The role of the Committee is to provide direction that informs the negotiation of a Regional Deal between the Partners and Central Government. The direction provided by the Committee is to reflect the joint priorities agreed by the Committee, as per the process in clause 6.2b below, with reference to the agreed activity areas specified in clause 6.3 below. The overall aim is to ensure that a mutually beneficial deal, generally aligned with the OCL Regional Deal Proposal dated 28 February 2025, is struck.
- 6.2 The functions of the Committee are to:
 - a. Support a collaborative and timely approach to negotiations between the Partners and central government.

- b. Consider the priorities of each Partner and develop and agree the joint prioritisation within the activity areas set out in clause 6.3 that will inform the negotiations to be fronted by the Partner's negotiating authority.
 - c. Direct the negotiating authority that will be interfacing directly with central government through negotiations, to ensure that negotiations are informed by the joint prioritisation, and will remain in line with the agreed activity areas (clause 6.3) and negotiating principles (clause 6.4).
 - d. Direct the negotiating authority as to whether any aspect raised through negotiations is consistent with the joint prioritisation, agreed activity areas and negotiating principles.
 - e. Report back to Partner Councils at each Council Meeting on progress made during negotiations, and to seek any recommendations / direction required to allow negotiations to progress. There will be a standing agenda item relating to the Regional Deal negotiations at each meeting of the governing body of each Partner during the negotiation phase to ensure that timely decisions can be made as required.
 - f. If considered necessary, seek direction or advice, from Partners to inform the Committee's ability to provide direction to the negotiating authority.
 - g. Identify and manage risks associated with the negotiation process.
- 6.3 The agreed activity areas that the Committee is responsible for overseeing and providing direction on are those contained in the Otago Central Lakes Regional Proposal dated 28 February 2025. For the avoidance of doubt, the activity areas are:
- a. Transform Transport
 - Refresh transport strategy around offline MRT and sub-regional visitor, commuter and freight links
 - Establish bespoke settings to enable offline MRT
 - Establish alternative funding / financing / ownership / delivery mechanisms for critical public transport, roading and bridge infrastructure.
 - b. Capturing Value
 - Bespoke settings to ensure growth pays for growth
 - Local visitor levy
 - Bespoke settings to enable a pipeline of affordable housing
 - Mining royalties
 - c. Electrify Otago Central Lakes
 - Provide streamlined planning and land acquisition pathway for a transmission corridor.
 - Establish bespoke settings to allow Queenstown to be treated as part of the Grid
 - Require Transpower to undertake additional options analysis for the new Queenstown line
 - Launch the Ratepayer Assisted Scheme for rooftop solar and batteries.
 - Establish bespoke settings to enable innovation in alternative energy generation
 - Establish bespoke settings to enable increased uptake of solar
 - d. Private Investment, Public Health
 - Use OCL resident and visitor numbers in funding model

- Accelerate the delivery of a comprehensive health needs assessment for the region
 - Develop integrated private / public healthcare models
 - Deliver partnered health services based on high priority needs and private opportunities
 - e. Visitors and Investors
 - Grow highly productive sectors
 - Increase total value of the visitor economy
 - Position OCL as NZ's investment and business shopfront
 - Power sustainable tourism through data driven insights
- 6.4 In carrying out its functions, including when overseeing and directing the negotiating authority, the Committee will apply the following negotiating principles:
- a. Streamlined planning / consenting / permitting / land acquisition pathways must relate only to projects specified under the Regional Deal.
 - b. Streamlined planning / consenting / permitting / land acquisition pathways must be consistent with the partner Council's climate and biodiversity, spatial and destination management plans.
 - c. Delivery staging for the health and transport activity areas will be consistent with the dependencies that have been identified by the Partners. The dependencies are shown by the order in which the activity area components are listed in section 6.3 above.
 - d. An agreed deal will uphold Te Tiriti o Waitangi and its principles and will be delivered in partnership with Ngāi Tāhu.

7. DELEGATIONS OF COMMITTEE

- 7.1 Making decisions on any matter coming within its Terms of Reference.
- 7.2 Commissioning through the Partners and the Working Group (refer clause 10.3) additional advice or evidence (including from external sources), or further definition of requirements, to support negotiations with central government.
- 7.3 Agreeing joint prioritisation of agreed activity areas for OCL, to guide negotiations with government.
- 7.4 Agreeing, in principle, to components of a deal that are consistent with the agreed negotiating principles and within the agreed activity areas.
- 7.5 Appointing a negotiating authority as the direct interface with central government for negotiations.
- 7.6 Appointing a Chairperson and Deputy Chairperson in accordance with any process agreed by the Committee and the requirements of the LGA 2002.
- 7.7 The Committee may delegate any or all its responsibilities, duties or powers to a subcommittee that is made up of all the members of the Committee and the Partner's Chief Executives.

8. LIMITATION OF POWERS

- 8.1 The Committee does not have the authority to commit any Partner to any course of action or expenditure and its recommendations do not compromise the Partners' freedom to deliberate and make decisions.
- 8.2 For the avoidance of doubt, while the Partners will endeavour to support the work of the Committee, they are under no obligation to accept the recommendations of the Committee.
- 8.3 In accordance with legislative requirements, Partners will retain decision-making and other statutory responsibilities in relation to their functions and responsibilities under the LGA 2002 and RMA 1991, and other legislation as relevant.
- 8.4 The Committee's powers exclude:
 - a. ability to determine how new revenue sources made available through the regional deal will be allocated across the partner Councils (e.g. local visitor levy, mining royalties and value capture for affordable housing).
 - b. ability to agree in principle components of a deal that are not consistent with the agreed negotiating principles or are outside the agreed activity areas.
 - c. ability to approve the final form of the regional deal agreement (which remains with the partner Councils),
 - d. powers that Councils are unable to delegate to committees under the Local Government Act 2002 (e.g. setting of rates).

9. OPERATING PRINCIPLES

- 9.1 The Committee will operate and make its decisions in a way that achieves consensus so that alignment and integration across all Partners can be achieved.
- 9.2 The Chairperson and Deputy Chairperson do not have any additional voting powers.
- 9.3 The Committee will work in a collaborative and cooperative manner and consider the interests of all sectors of the community.
- 9.4 The Committee will operate in accordance with the requirements of the Local Government Official Information and Meetings Act 1987.

10. COMMITTEE SUPPORT

- 10.1 Queenstown Lakes District Council will act as the administering authority to the Committee.
- 10.2 A secretariat will be provided to support effective functioning of the Committee.
- 10.3 The Committee will also be supported through the provision of advice by a Subject Matter Expert Working Group made up of staff from across the Partners.

10.4 The Chief Executives of the Partners will each appoint officials to the Working Group.

11. VARIATIONS

11.1 The Committee may, at any time, make a recommendation to the Partners to vary this Agreement.

11.2 In order to be effective a recommendation to vary this Agreement must be ratified at the governance meetings of all Partners.

11.3 Any variation to this Agreement will be attached to a copy of this document.