

From: [John MacDonald](#)
To: [Mike Theelen](#)
Subject: [ArcMail Restored] Re: ZQN7
Date: Tuesday, March 8, 2022 3:58:47 PM
Attachments: [image001.png](#)

Welcome back Mike hope you have had a good break. Shame to be welcoming you back with this, but he has stirred up a few people. I think we should be putting this issue on the agenda for the next Audit Finance and Risk Committee. See you later in the morning.

Cheers John

John MacDonald | Councillor | Queenstown-Wakatipu Ward
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From: Mike Theelen <mike.theelen@qldc.govt.nz>
Sent: Monday, January 18, 2021 8:20:25 AM
To: Niki Gladding <niki.gladding@qldc.govt.nz>; QLDC Councillor Requests <requests@qldc.govt.nz>
Cc: John MacDonald <john.macdonald@qldc.govt.nz>
Subject: RE: ZQN7

Thanks Niki

Thanks for thses questions.

We will get some responses underway

regards

mike

Mike Theelen | Chief Executive
Queenstown Lakes District Council
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From: Niki Gladding <niki.gladding@qldc.govt.nz>
Sent: Saturday, 16 January 2021 1:13 AM
To: QLDC Councillor Requests <requests@qldc.govt.nz>
Cc: Mike Theelen <mike.theelen@qldc.govt.nz>; John MacDonald <john.macdonald@qldc.govt.nz>
Subject: ZQN7

Hi Angela

This one is for Mike I think (?)

Hi Mike

Welcome back (almost)!

I have a few questions re ZQN7 - you'll have seen it's still in the news (Crux).

1. **Can I please have a copy of the letter of offer from Ruth Stokes (ZQN7) that was withheld from Crux.** It's attached to an email from Ruth to Myles Lind - dated 13 March 2018 at 12:39:35 PM with the subject line '(1)Bylaw reviews'.
2. **Can I please see the initial emails between Myles Lind and Ruth Stokes.** I just want to understand why and how ZQN7 (a brand new company at the time) was decided on as a preferred supplier for three Bylaw reviews.
3. In your reply to Crux you say that in one instance only we breach the Procurement Guidelines by only \$2000 but that doesn't seem to fit with the table Pete supplied me with (see below). The table seems to suggest that, even if we agreed that splitting the Bylaw work into 3 stages was not a breach, 4 POs exceed the \$50,000 threshold - one is for \$148,000. **Could you explain why these are not breaches of the procurement policy and which one you were referring to (as \$2000 over the threshold)?**
4. Finally, and unrelated to ZQN7, in July the finance Audit and Risk Committee approved the transfer of the Procurement Guidelines from Governance to Management accountability. **Can you please list the specific Terms of Reference that gave that Committee the power to delegate that responsibility?** N.B. My read of things is that even if review and approval of the Procurement Guidelines were within its power, the 'Delegation limitations' seem to prevent the Committee from transferring the responsibility.

Have copied in John because he has stated the Finance Audit and Risk Committee will want to look into the ZQN matter

Many thanks

Niki

From: Pete Hansby <peter.hansby@qldc.govt.nz>

Sent: Monday, July 13, 2020 9:55:42 PM

To: Niki Gladding <niki.gladding@qldc.govt.nz>

Cc: Meaghan Miller <Meaghan.Miller@qldc.govt.nz>; Mike Theelen <mike.theelen@qldc.govt.nz>

Subject: RE: Crux article

Hi Niki, apologies I have had a few things on over the last week and just getting back to this one.

Firstly the article is inaccurate and misleading to the extent that we are seeking a correction. I think it is important to not lose sight of the outcomes achieved through this work, noting that our

procurement policy does recognise this as a key objective of the way we procure our services.

We have through both the Speed Limit and Traffic and Parking bylaws created agility for Council to respond to immediate issues be they in respect to the ever changing transport needs (uber....) or safety of our community. The speed limit changes were a significant focus for our community and through the work done on the bylaw we have been able to respond to this. I would note that this was an area that we decided to prioritise for the community on the basis of keeping people safe. We went early we did a good job and have delivered an excellent outcome. Other authorities and agencies have been slow to respond if at all.

The projects and stages were assigned independent purchase orders (see table below). The projects are very different even though they are primarily bylaws and the stages are gateways (expenditure cannot be incurred until a PO is issued for the next stage). Maintaining separation (invoicing and Purchase Orders) between different projects being undertaken by a single provider is good practice and a common approach. The use of stages or gateways is a mechanism for controlling costs particularly where it is difficult to define the scope as is often the case with projects that have high levels of engagement.

	Trade Waste Bylaw	Traffic & Parking Bylaw	Speed Bylaw	School Safety Engagement	Bus Stops policy review
<p>Stage 1</p> <ul style="list-style-type: none"> Confirmation of Council intent to renew Bylaw Review of existing Bylaw Research best practice and model bylaws in NZ Stakeholder engagement on issues and options Council reporting on recommended bylaw option 	<p>PO22263 \$7,712.50</p>	<p>PO22265 \$20,000.00</p>	<p>PO22264 \$10,000.00</p>	<p>PO32452 \$10,521.66</p>	<p>PO32542 \$10,000.00</p>
<p>Stage 2</p> <ul style="list-style-type: none"> Preparation of statement of proposal and draft 					

<p>bylaw (and associated Council reporting)</p> <ul style="list-style-type: none"> • Completing public consultation process (including hearings) • Analysis of submissions and associated council reporting • Finalising bylaws for council adoption • Final council reporting and public notification of decision 	<p>PO27974 replaced original PO23246 \$40,198.65</p>	<p>PO23244 \$66,918.94</p>	<p>PO23245 \$76,589.48</p>	<p>No Stage 2</p>	<p>No Stage 2</p>
<p>Stage 3</p> <ul style="list-style-type: none"> • Implementation of new bylaw (i.e. confirmation of reduced speed limits, identification and confirmation of existing Traffic & Parking restrictions to be retained) • Documentation of new regulations, interpretation, enforcement, operation requirements • Externals stakeholder engagement and Community communications 	<p>PO24812 \$30,324.10</p>	<p>PO27507 \$148,127.84</p>	<p>PO28321 \$87,524.90</p>	<p>No Stage 3</p>	<p>No Stage 3</p>
<p>Stage 4</p> <ul style="list-style-type: none"> • Any close out works, only applied to speed limits 	<p>No Stage 4</p>	<p>No Stage 4</p>	<p>PO33647 \$17,500.00</p>	<p>No Stage 4</p>	<p>No Stage 4</p>

Hopefully this is helpful in explaining the use of PO's and different invoices...

Cheers

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