

**From:** [Heath Copland](#)  
**To:** [Niki Gladding](#); [Jim Boulton](#); [zzDLQLDC Councillors](#)  
**Cc:** [Naell Crosby-Roe](#); [Mike Theelen](#)  
**Subject:** [ArcMail Restored] Re: FOR REVIEW - 2002 18 Mayoral Review of Council Procurement DRAFT  
**Date:** Tuesday, March 8, 2022 3:31:24 PM  
**Attachments:** [image002.png](#)

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Morning Jim

My comments on the draft -

I agree with Niki that the first paragraph should specifically reference QZN7 not refer to a full review of the procurement policies, and I don't think we should include the sentence reading "completed absolutely within the policy". When reading the policy literally the range from \$0-\$50k includes any minor expenditure and we can't say the policy was followed when minor expenditure is non-compliant, even if the policy is not fit for purpose.

I think along with the actual report the message is reasonably clear, there were breaches identified, there was no deception or gaming of the system for personal gain, we need to do better, and we will do better (we are already doing much better).

In my opinion Crux deserve no thank you or apology.

Have a good Wednesday

Heath

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**From:** Niki Gladding <niki.gladding@qldc.govt.nz>  
**Sent:** Tuesday, February 16, 2021 7:52:41 PM  
**To:** Jim Boulton <jim.boulton@qldc.govt.nz>; zzDLQLDC Councillors <zzDLQLDCCouncillors@qldc.govt.nz>  
**Cc:** Naell Crosby-Roe <Naell.Crosby-Roe@qldc.govt.nz>; Mike Theelen <mike.theelen@qldc.govt.nz>  
**Subject:** Re: FOR REVIEW - 2002 18 Mayoral Review of Council Procurement DRAFT

Hi Jim

My observations:

1. Firstly, Steve's report was not a report on procurement across the Council but a report on the procurement of ZQN7. In my opinion we should still undertake a report on procurement so that we can (maybe) make some of the claims in the statement. As it stands...
2. There is no basis for saying that "*generally procurement is completed absolutely within the policy*". We don't know that to be a correct statement. You will be eaten alive because the report states: "*It is clear, however, that a procurement practice has existed for some time that believes projects under \$50,000 can be negotiated with a sole supplier without a formal procurement plan*".
3. It would not pay to state that the Guidelines are "ambiguous" - they are not. It is fair to say they are no longer fit for purpose but it would be foolish to imply that justifies the

breaches. Whatever policy is in place needs to be followed whether or not staff feel it is fit for purpose.

4. Nor is there evidence that the guidelines were “misconstrued”. The only thing we can say based on the report is that there was no evidence that there was any intent to intent to avoid procuring to a higher standard by not following the guidelines. That is what the report says.

I'd also suggest that statements about QLDC's commitment to transparency and further statements that you had no influence in the procurement of ZQN7 will not have the desired effect. That old saying 'methinks thou dost protest too much' holds true. I'd just leave those sections out.

We would do better to say we apologise to the community - we have slipped up. The Guidelines were not followed and what's more the belief that for projects under \$50,000 could be procured by a sole supplier without a procurement plan may have been more widely held. So there may well be other instances where this has occurred... but it doesn't automatically follow that the ratepayers have not had value for money. The AFRC may choose to investigate this further etc...

And I would thank Crux for bringing this to our attention, apologise for taking so long to address the issue and reassure the community that we are now taking the time to make some much needed improvements to our practices.

We also need to acknowledge and address the huge cost overruns and the splitting of the contracts as those were (valid) issues raised by Crux.

Be humble, not defensive, and show that we have learned...

If it goes out as-is I can't support it.

Cheers

Niki

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**Niki Gladding** | Councillor | Queenstown-Wakatipu Ward  
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**From:** Jim Boulton <jim.boulton@qldc.govt.nz>  
**Sent:** Tuesday, February 16, 2021 6:18:17 PM  
**To:** zzDLQLDC Councillors <zzDLQLDCCouncillors@qldc.govt.nz>  
**Cc:** Naell Crosby-Roe <Naell.Crosby-Roe@qldc.govt.nz>; Mike Theelen <mike.theelen@qldc.govt.nz>  
**Subject:** FOR REVIEW - 2002 18 Mayoral Review of Council Procurement DRAFT

All

Please see a draft attached of a statement regarding the procurement issue.

I intend to release this Thursday morning, so any input would be appreciated.

Best

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