



21 April 2020

Peter Newport

Sent via email to peter.newport@crux.org.nz

Dear Peter

REQUEST FOR OFFICIAL INFORMATION –RELEASE OF INFORMATION

Thank you for your request for official information dated 27 February 2020. You have requested the following information to Queenstown Lakes District Council (QLDC).

- In June 2017, Sam Sherlaw left as Contract Manager for QLDC and immediately took up employment with WSP Opus. He was with QLDC for only eighteen months.
- At the same time, QLDC expenditure with WSP Opus increased by around \$1 million dollars - from \$460,326 (2016) to \$1,513,273 (2017) and \$1,629,062 (2018).
- What measures does QLDC have in place to prevent conflicts of interest happening when a senior manager leaves QLDC and then becomes either a consultant or the senior employee of a QLDC consultant/contractor?
- Did Mr Sherlaw have any involvement with WSP Opus projects while with QLDC and did any of those projects cross over between his QLDC employment and his WSP Opus employment?
- Why did he resign and what notice did he give?

QLDC response

QLDC's Procurement Policy and Guidelines contain the framework and principles to guide Queenstown Lakes District Council (QLDC) officers (and any procurement agents and/or consultants) in the procurement of goods and services on QLDC's behalf.

QLDC has identified four key principles of procurement:

1. Quality and Value for Money
2. Transparency and Fairness
3. Accountability and Integrity
4. Sustainability

With regard to increases in professional services provided by WSP Opus to QLDC in the 2016/17, 2017/18 and 2018/19 financial years, QLDC saw a significant increase in professional services across the board during this time. This work reflects significant investment in modelling, masterplanning, design and project management services across this period. This has been made clear to ratepayers through the release of QLDC's Annual Plans and is inline with increases seen by other professional services firms including Beca, Stantec and Harrison Grierson.

A list of the key projects/tasks completed by WSP Opus in the 24 months following Mr Sherlaw's departure are listed below. It should be noted that although Mr Sherlaw was a valued member of the QLDC team he was not a member of the Executive Team, nor the leadership team within Council. His position was as a team member with no direct reports and minimal financial delegation. The only project that Mr Sherlaw was involved in with WSP Opus at the time of his departure was for

professional services relating to the Bayview Waste Water Rising Main and Peninsula Road Water Main renewals. The recollection of QLDC officers is that Mr Sherlaw undertook some inspections of the Peninsula Road works as part of his early work with WSP Opus but did not play a significant role in either projects. The total value of works across both projects was \$34,000.

For most projects, WSP Opus has been engaged as part of QLDC's General Engineering Panel established in 2014. Some of the larger value works were awarded through individual procurement processes

ie Boundary Rd Carpark Design services in introducing the General Engineering Panel QLDC sought to obtain best value by:

- (a) Achieving an organisation-wide consistency in the procurement of professional services and the quality of advice, reporting and value for money it receives.
- (b) Reducing the time and costs associated with compiling, submitting and evaluating tenders for each procurement.
- (c) Reducing initial networking activities on future initiatives by building relationships between suppliers and QLDC.
- (d) Increasing efficiencies through familiarity with each organisation's capabilities and expectations.
- (e) Ensuring that competitive tension between suppliers with proven capability is maintained for the duration of the Supplier Panel.
- (f) Reducing the risk of skill shortages.
- (g) Using performance measurement and transparent benchmarking as a basis to incentivise improved performance.

Stantec (formerly MWH) and Rational also formed part of this panel during the period. Establishment of a new Panel was retendered to the market in late 2019 with the make-up of the new panel expected to be announced in the near future.

Key Projects Tasks undertaken by WSP Opus in the 24 months following Mr Sherlaw's departure from QLDC.

Year ending 30 June 2018	Task Value
Resource Consent processing	\$121,711.00
Jeremy Martin – Roding RFS and minor improvements program management	\$175,519.00
Peer Review of Water Safety Plans Post Havelock North and secure bores assessment	\$92,343.00
Project Management Services, Quail Rise Reservoir and Ladies Mile HIF	\$153,565.00
Project Shotover Stage 1	\$48,990.00
Peninsular Road Water Main Renewal and Bayview Waste Water Rising Main Renewal Professional Services– Design, Procure and MSQA	\$34,311.00
Assessment of the Shotover Bridge to carry QLDC Water Supply and Waste Water pipe Assets	\$45,835.00
Professional Services for Spence Road Park and Ride	\$64,848.00
Survey and design of Frankton Marina Road Upgrades	\$39,441.00
Professional Services Andrews Road Safety Improvements	\$31,336.00
Footpath Condition Survey	\$49,347.00
Walkway renewal Professional Services	\$56,740.00
Network Audit of Glenorchy and Crown Range Special Purpose Roads and minor improvement program development	\$101,108.00

Year ending 30 June 2019	Task Value
Resource Consent processing	\$76,741.00
Support to QLDC Corridor Access Management in RM Engineering Team	\$83,689.00
Professional Services Ladies Mile HIF	\$167,989.00
Boundary Street Carpark Design Services	\$92,029.00
Bus Stop upgrade Programme Management	\$74,143.00
Crown Range Guard Rail Professional Services– Design, Procure and MSQA	\$42,375.00
Glenorchy Passing Lane Professional Services – Design and MSQA	\$47,305.00
Wanaka SW assessment and design work (incl SW modelling works)	\$101,139.00
Arrowtown Skate Park Renewal Professional Services	\$36,880.00

We trust the above information satisfactorily answers your request.

Kind Regards



Poonam Sethi
Governance and Official Information Advisor