

14. Item 6: Chief Executive's Report

PURPOSE OF THE REPORT | TE TAKE MO TE PURONGO

1. The purpose of this report is to report on matters not otherwise covered in the agenda.

RECOMMENDATION | NGA TUTOHUNGA

That the Council

1. **Note** the contents of this report;
2. **Approve** the Otago Local Authorities' Triennial Agreement 2023-25 and authorises the Mayor to sign it on the Council's behalf;
3. **Approve** the allocation of an additional \$1,000,000 from the Wanaka Asset Sale Reserve to part fund the conversion of former Mitre 10 Building to a Community Centre, this funding to be repaid in full over the first 10 years of the lease;
4. **Approve** the Governance Agreement between the Council and the Wanaka-Upper Clutha Community Board; and
5. **Note** the appointment by the Mayor of Councillor Lyal Cocks as Chair of the Planning and Strategy Committee.

	Prepared by:
Name	Mike Theelen
Position	Chief Executive
Signature	
Date	17 January 2023

ANALYSIS AND ADVICE | TATARITANGA ME NGA TOHUTOHU

Triennial Agreement

1. Section 15 of the Local Government Act 2002 (the Act) requires all local authorities within a region to enter into a triennial agreement no later than 1 March after each triennial election of members.
2. The purpose of a triennial agreement is to ensure that appropriate levels of communication, co-ordination and collaboration are maintained between local authorities within the region. Agreements must include:
 - a. protocols for communication and co-ordination between local authorities,
 - b. the process by which local authorities will comply with section 16 of the Act, which applies to significant new activities proposed by regional councils, and

c. processes and protocols through which all councils can participate in identifying, delivering and funding facilities and services of significance to more than one district.

3. A triennial agreement may be varied by agreement between all the local authorities within a region and remains in force until local authorities ratify a new agreement.

4. A clear and succinct Triennial Agreement will provide a foundation for working together across the region and it is recommended that the Council approve the agreement and authorise the Mayor to sign it on the Council's behalf.

Conversion of former Mitre 10 Building to a Community Centre: Alternative Source of Funding

5. In an earlier version of the Agreement to Lease seen by Council there was an option to draw down a \$1,000,000 capital contribution from the landlord, to be repaid over the first 10 years of the lease.

6. During lease negotiations it was identified that the \$1,000,000 contribution would significantly increase the real cost of the lease over time and as a result the capital contribution clauses were removed.

7. To fill the \$1,000,000 budget gap it was proposed to use the Wanaka Asset Sale Reserve fund and pay this back over 10 years. This new approach to funding the fitout of the building was broadly supported by Councillors in a series of emails circulated 5-7 June 2022. Unfortunately, at the time this agreement was not formally ratified and this is intended to address that omission.

8. Breakdown of the funding for this project is as follows:

Funding Breakdown \$	Funding Source
1,000,000	Wanaka Asset Sale Reserve
1,000,000	Wanaka Asset Sale Reserve (to be paid back over the first 10 years of the lease)
245,000	Ballantyne Road project - Budget transfer
1,000,000	Approved AP budget
900,000	Capital Grants - \$400K CLT, \$120K Otago Community Trust \$380K Wanaka Asset Sale Reserve
4,145,000	Total approved budget

Governance Agreement with Wanaka-Upper Clutha Community Board

9. The final draft form of the Governance Agreement between the Wanaka-Upper Clutha Community Board and the Queenstown Lakes District Council was presented for Board approval at the meeting held on 8 December 2022.

10. The Board resolved to agree the draft Governance Agreement and forward to the full Council to consider. It is recommended for approval by Council.

Chair of Planning and Strategy Committee

11. Councillor Shetty's resignation on 1 February requires that a new chair needs to be appointed for the Planning and Strategy Committee. Councillor Smith is currently the Deputy.

12. The appointment for a chair for Council committees is made by the Mayor under section 41A(3)(c) of the Local Government Act 2002. For this position the Mayor is appointing Councillor Cocks as the Chair.

ATTACHMENTS | NGA TAPIRIHANGA

Number	Title of Attachment
1.	Otago Triennial Agreement 2023-25
2.	Governance Agreement between the Wanaka-Upper Clutha Community Board and the Queenstown Lakes District Council