

WELCOME TO OUR

Great Challenge

Water NZ Conference September 2018

Ulrich Glasner



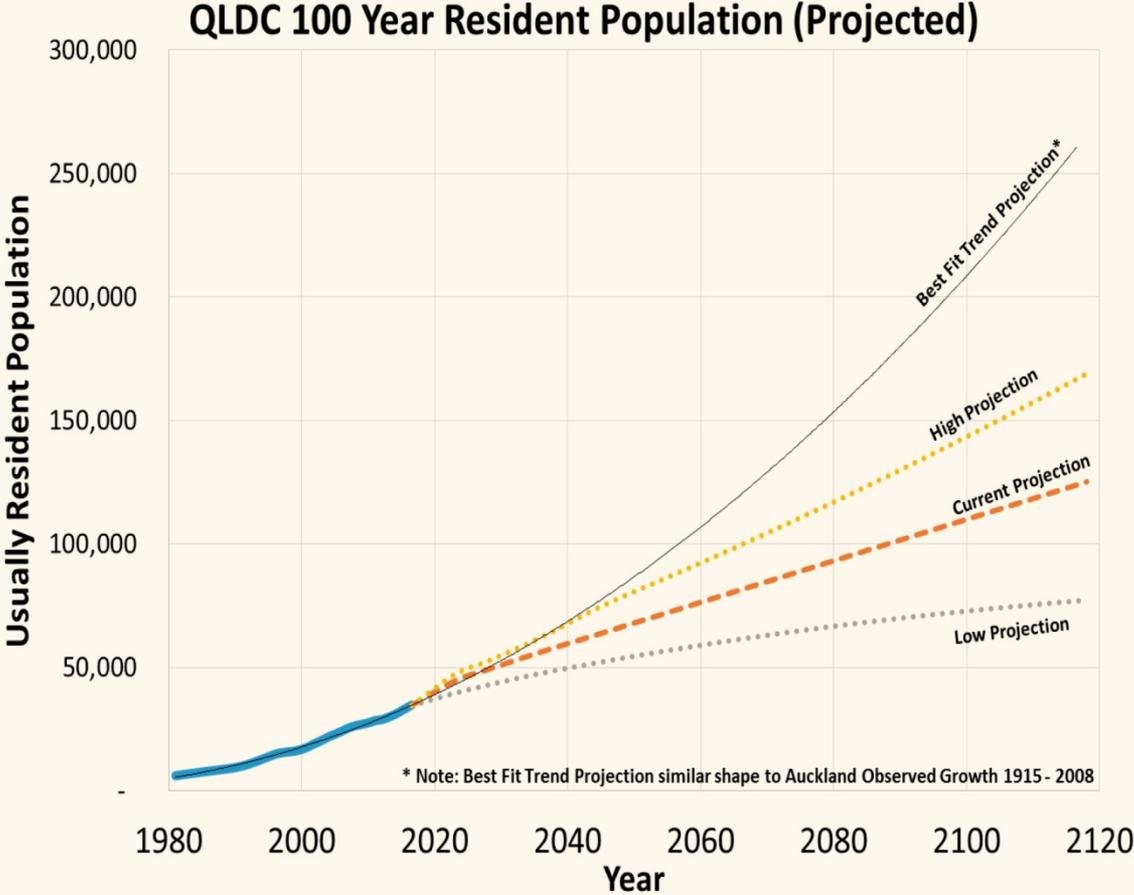
An aerial photograph of a town nestled in a valley. The town is surrounded by lush green fields and some autumn-colored trees. In the background, there are large, rugged mountains, some with patches of snow. The sky is clear and blue. The text is overlaid on the left side of the image in white, bold, sans-serif font on a dark blue background.

UNPRECEDENTED GROWTH

METRO CHALLENGES

**A CRITICAL ROLE TO PLAY IN THE
NATIONAL ECONOMY AND AN ORGANISATION
AND COMMUNITY UNDER PRESSURE**

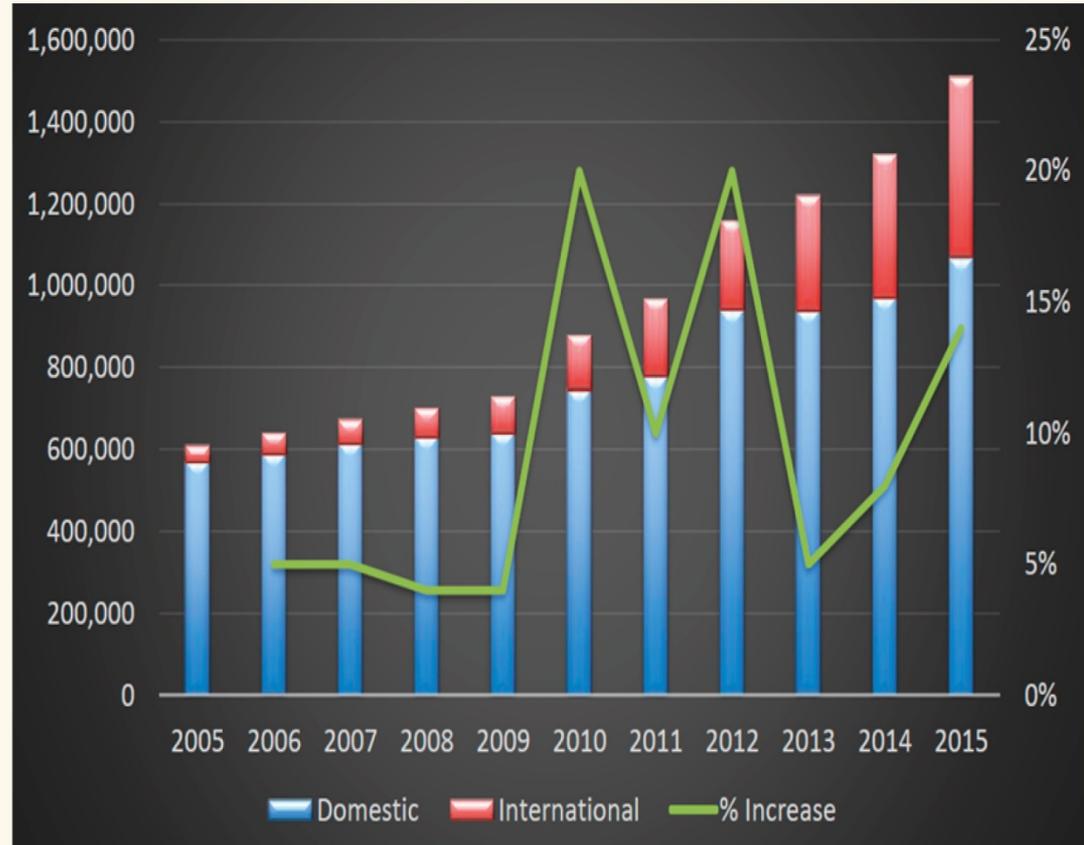
Long Term Growth Projections



The Reality around Visitor Growth

“ Our long range forecasts predict that domestic passenger numbers will double and international passenger numbers will nearly triple by 2026.”

**QAC STATEMENT
OF INTENT**



Our Contribution to the National Economy



SOURCE: MBIE MONTHLY REGIONAL TOURISM ESTIMATE

Commercial Hotels

COPING WITH VISITORS

Private visitor accommodation significant provider in Queenstown

- > Estimated 20-25% of dwelling units
- > Pressure on how we manage VA

WORKING WITH COMMERCIAL ACCOMMODATION DEVELOPERS

- > Currently under construction (213 rooms)
- > Consented but not yet built (543 rooms—across 6 projects)
- > Consents currently being processed for additional 694 rooms
- > Facilitating/enabling multiple other proposed developments

Pressure on Our Community



Housing Affordability

ISSUE

- Less affordable than Auckland for the community
- Businesses having difficult recruiting and retaining

RESPONSE

- Mayoral Housing Affordability Taskforce
 - Increase supply of low cost housing
 - Additional funding support options
 - Beefing up Queenstown Lakes Community Housing Trust
 - Considering longer term retention
- Enabling more supply to the market through SHA's and PDP
- Working closely with developers on worker accommodation projects
 - But financially challenging



Housing Affordability

PARTNERING WITH GOV'T

HIFF Fund

Actively
involved
with four
applications

Land Supply

DEALING WITH GROWTH

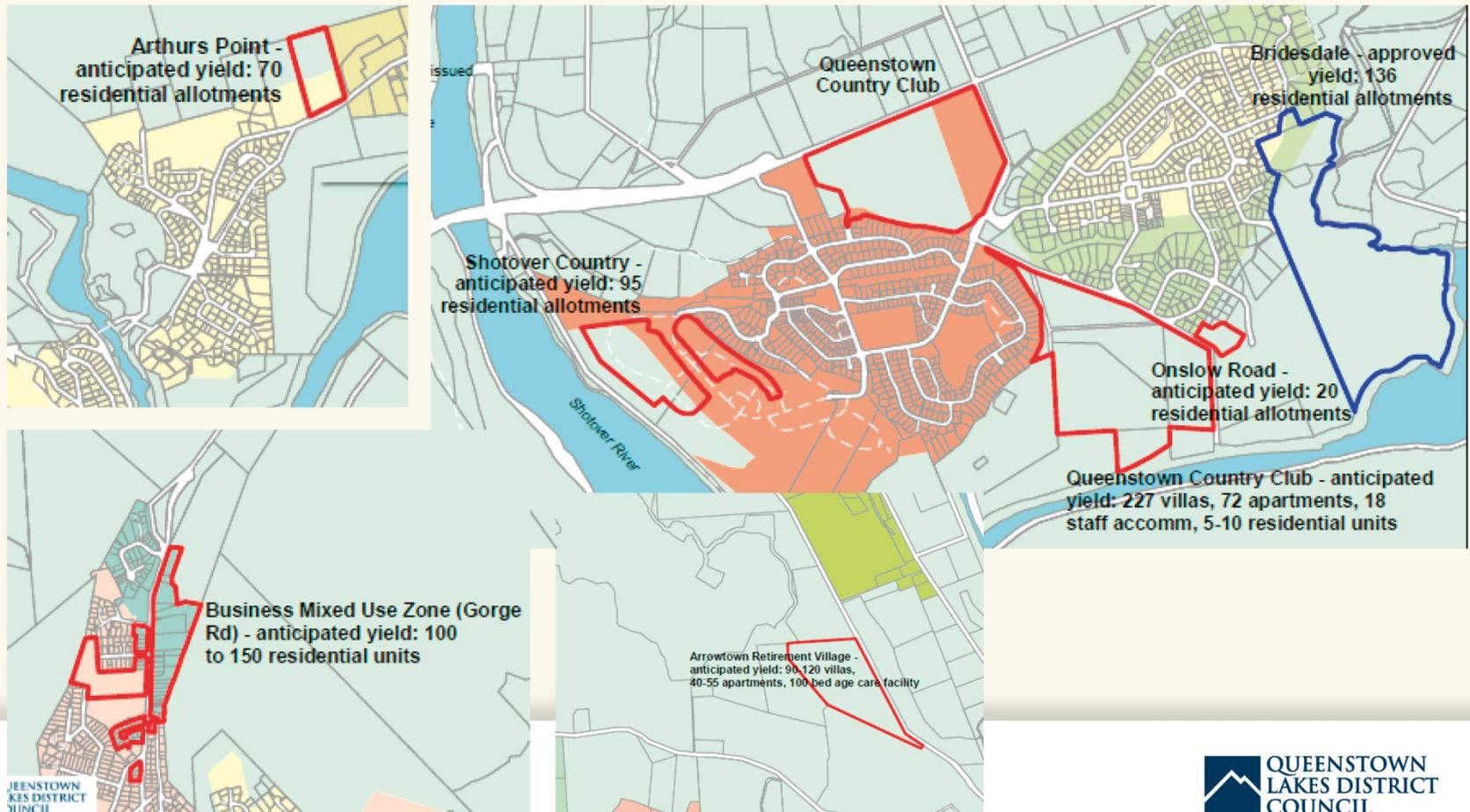
➤ Dwelling needs by 2048:

	Wakatipu	Wanaka	Total
Current Dwellings	10,631	6,412	17,043
Additional homes needed	9,630	4,922	14,552
% increase	91%	77%	85%
Zoned capacity	9,000	6,000	15,000

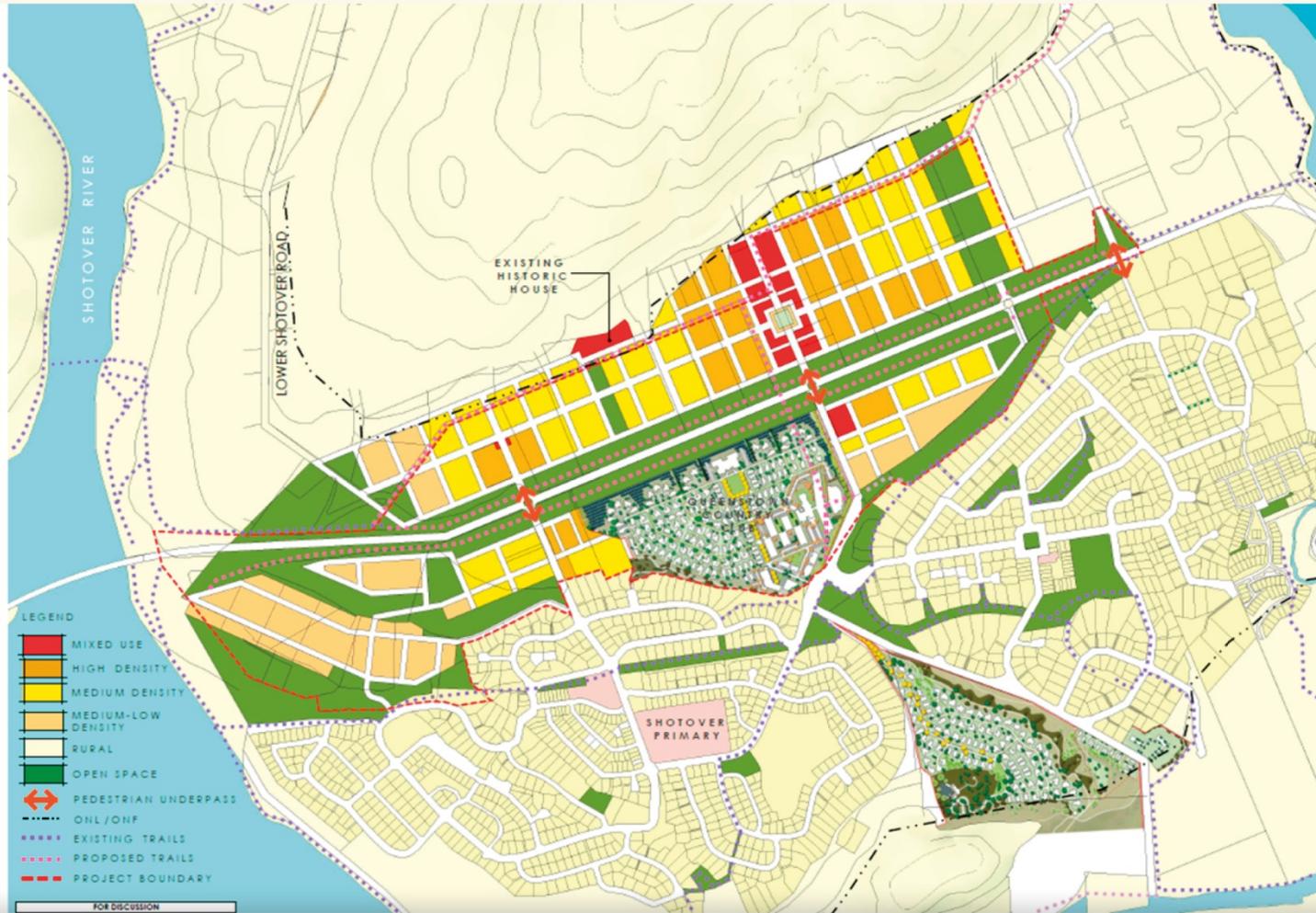
- But current shortage of supply of sections and houses
 - > Land largely held by 5 landowners, drip feed onto the market
 - > Need to make more land available
- Housing Accord Target Achievements – 3 years
 - > Need 1,100 rising to 1,400 sections each year

7 SHAs Increasing Supply

PARTNERING WITH GOVT



Opportunities – Possible Ladies Mile SHA





Pressure on Organisation

CHALLENGES

- > **39% increase** in resource consenting over the last two years
- > **Growth impacts** on organisational level of service
- > **Staff at capacity** in buildings not fit for purpose across four locations.

RESPONSE

- > Doubling investment in staff with a \$2.6m increase in the staffing budget for the coming financial year including an additional 34 staff
- > Project Connect – One Office Accommodation 2021

Pressure on Infrastructure

Traffic

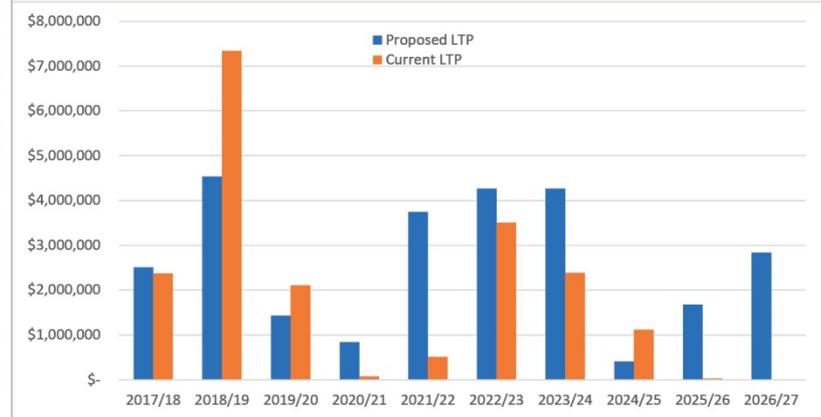
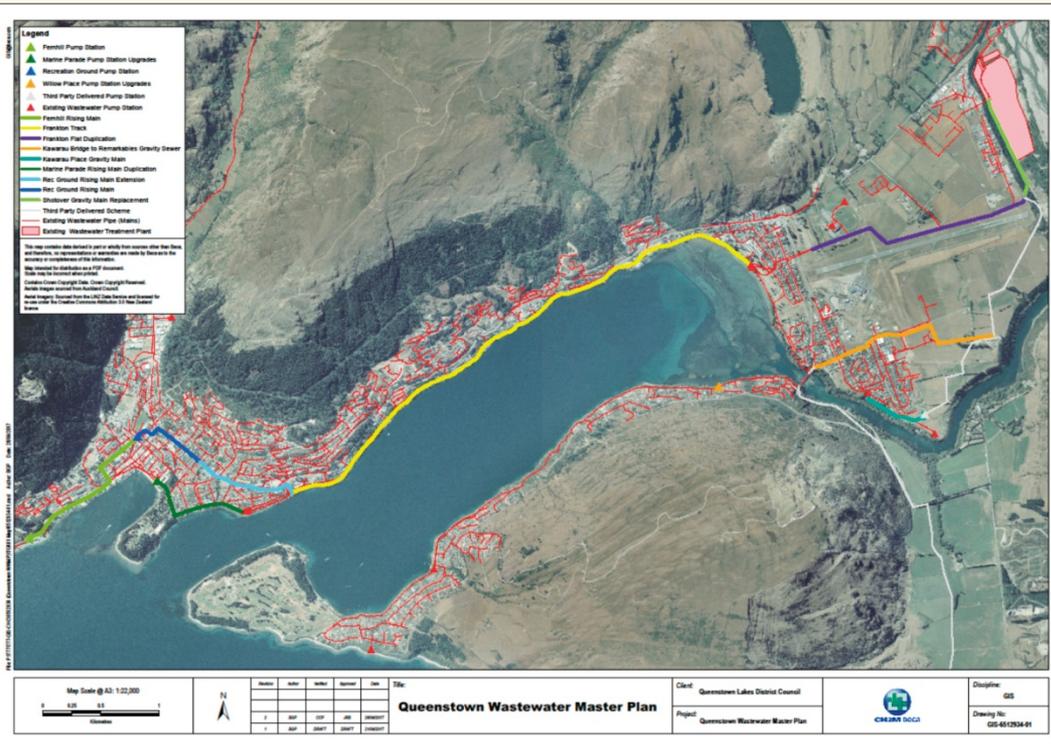
Transport

Parking

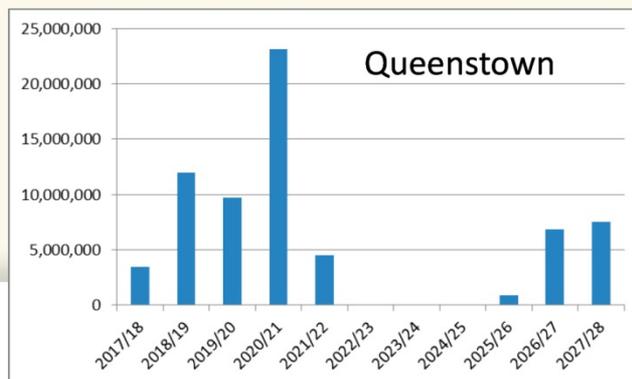
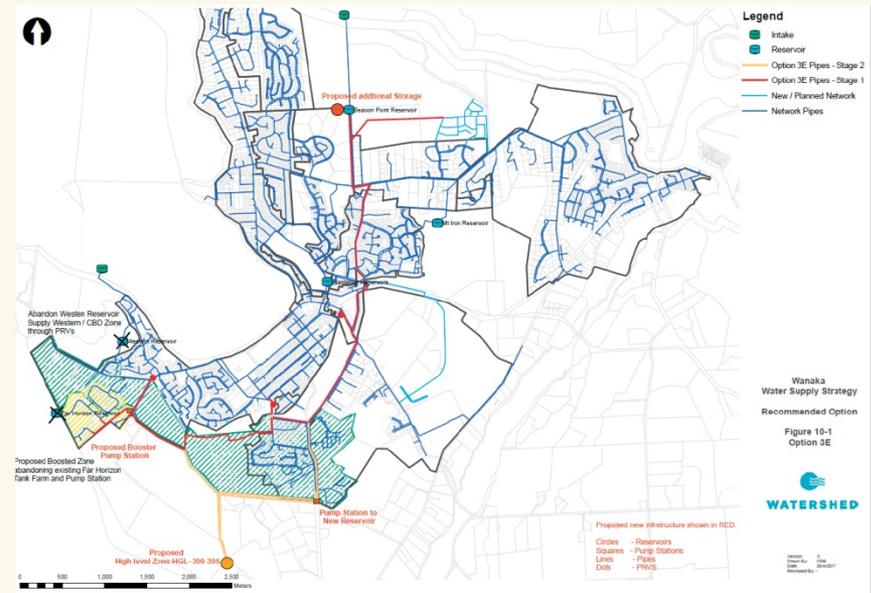
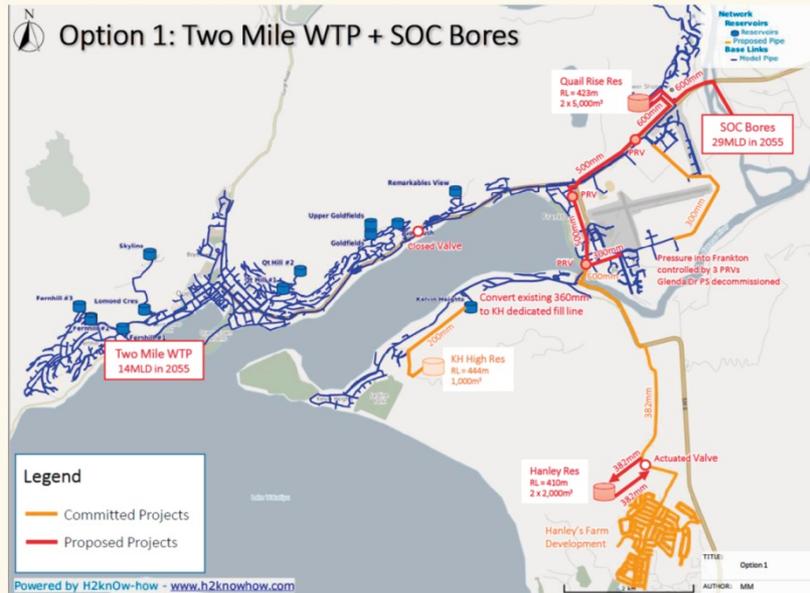
3W
Network



Wastewater Infrastructure Master Plan Queenstown

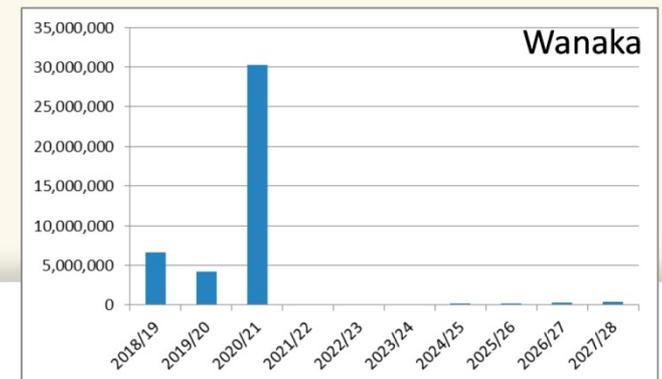


Water Infrastructure Master Plans Queenstown & Wanaka



Note: Draft LTPs –
To be smoothed for delivery

Drivers:
Growth & DWSNZ
Compliance

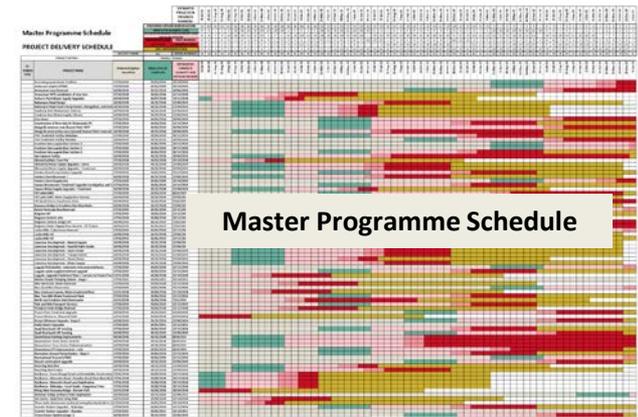


Our Response

Meeting Our Challenge

Response - “Smart, Agile, Efficient, Effective”

- Moving from response phase to **strategic recovery phase**
- **Engage early** with market – projects still in feasibility
- Need **collaborative, proactive** partners
- QLDC **shift to Programme Management** (not Project Management)
- **Bundle** projects to make **attractive to market** and **drive efficiencies**
- Contract terms to **deliver flexibility/efficiency** – NNN (non-negotiable needs date)
- Consider traditional and alternative **procurement models** – **Review Procurement Strategy**
- **Panels** for BAU – General Engineering, Project Management, Surveying, General Consulting, Legal
- **Gateways**
- **Master Schedule** of LTP programme – owned by QLDC
- Outputs focus – **delivery years 1-3 LTP18**, programme framing for LTP21



Implementing Change to Deliver

Pipe-line to Programme Delivery

Programme Delivery Model

Following a review, the following **guiding principles** for delivery were identified:

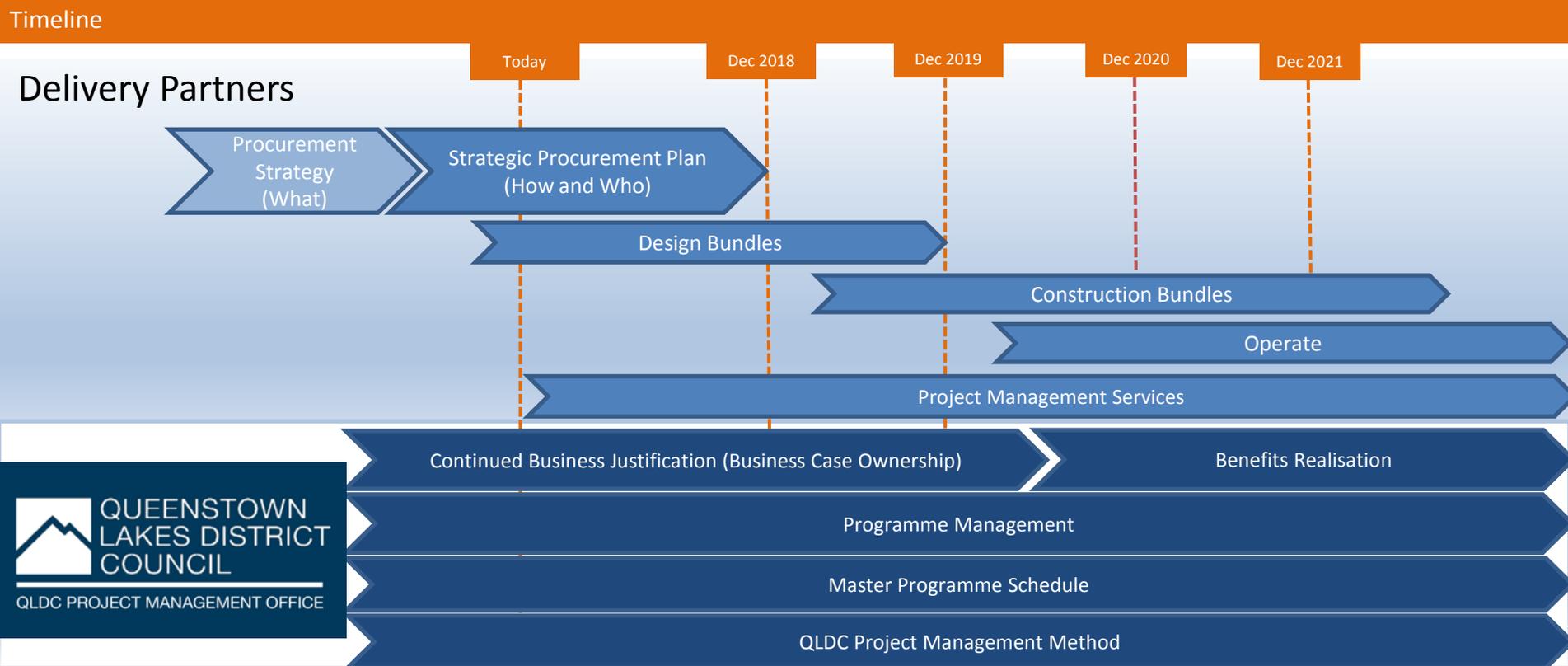
- Programme must be met within:
 - **Non-Negotiable Needs dates (NNNs)**
 - **Budget**
 - Scope
 - Identified benefits
 - **Appropriate risk tolerances**
- Delivery model must achieve **programme efficiencies** (the approach to delivery must achieve measureable programme and value benefits over and above BAU)
- The approach must be **consistent with QLDCs principles for procurement**
 - Quality and Value for Money
 - Transparency and Fairness
 - Accountability and Integrity
 - Sustainability
- The approach to programme delivery must **maximise QLDC's control whilst minimising risk - Gateways**
- The approach must enable QLDC to be **agile (within set principles/boundaries)**

In order to achieve the above guiding principles, **the approach must be attractive to the market.**

Implementing Change to Deliver

Strategic Procurement Plan

Programme Delivery Model (Years 1-3 TYP)



Where to from here?

30 YEAR INFRASTRUCTURE PLANS

**HOUSING INFRASTRUCTURE
BUSINESS CASES**

**TOWN CENTRE MASTER PLAN
BUSINESS CASE**

**MOVING
FORWARD
IN PARTNERSHIP
WITH
GOVERNMENT**

Questions, Comments, Feedback

