



Summary

Inquiry into procurement of work by Westland District Council at Franz Josef

Our report concerns Westland District Council's decision to carry out work at Franz Josef to protect the town's wastewater treatment plant from flooding. The work was carried out on an urgent basis and resulted in the construction of a new 700-metres-long stopbank in the Waiho River.

We have serious concerns about the way the Council went about making the decision to do the work, the apparent confusion or disagreement among the elected members about what had been agreed, and about the way the decision was subsequently carried out.

We also have serious concerns about the extent to which some of the elected members lost sight of the fact that their role is to govern, not manage, and that the drive to get things done needs to be balanced by an understanding of the importance of doing things right.

Our report identifies numerous examples of poor decision-making and poor procurement practice. The decision that work was needed to protect the wastewater treatment plant was based on an assessment by two of the elected members that the plant was in imminent danger of flooding. That assessment was effectively endorsed by the Council

as a whole without confirmation from anyone with relevant expertise and without any expert review of the Council's proposed response.

Other examples of poor practice include the lack of any proper risk analysis or consideration of alternative options, an inadequate planning and procurement process for a project of this type and scope, and an apparent disregard for legislated decision-making requirements.

We acknowledge the serious nature of the flood risk the Council was dealing with, and the motivation of the elected members who were driving the decision to act in the community's best interests. However, none of this makes what the Council did right. The end does not justify the means.

It is the essence of good governance that a governing body can demonstrate to its stakeholders that a decision has been well made and their money has been well spent. In this case, unfortunately, the Council can do neither.



Westland District Council's new stopbank along the Waiho River

This map shows the new stopbank that Westland District Council built, which is next to the existing New Zealand Transport Agency stopbank.



The full report is available on our website.

