



PALMERSTON NORTH CITY COUNCIL

AGENDA

FINANCE & AUDIT COMMITTEE

9AM, WEDNESDAY 18 NOVEMBER 2020
COUNCIL CHAMBER, FIRST FLOOR, CIVIC ADMINISTRATION BUILDING
32 THE SQUARE, PALMERSTON NORTH



MEMBERSHIP

Susan Baty (Chairperson)
Karen Naylor (Deputy Chairperson)
Grant Smith (The Mayor)

Stephen Armstrong
Vaughan Dennison
Renee Dingwall
Lew Findlay QSM

Patrick Handcock ONZM
Leonie Hapeta
Lorna Johnson
Bruno Petrenas
Aleisha Rutherford

Agenda items, if not attached, can be viewed at:

pncc.govt.nz | Civic Administration Building, 32 The Square
City Library | Ashhurst Community Library | Linton Library

Heather Shotter
Chief Executive, Palmerston North City Council

Palmerston North City Council

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FINANCE & AUDIT COMMITTEE MEETING

18 November 2020

ORDER OF BUSINESS

1. Apologies

2. Notification of Additional Items

Pursuant to Sections 46A(7) and 46A(7A) of the Local Government Official Information and Meetings Act 1987, to receive the Chairperson's explanation that specified item(s), which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded, will be discussed.

Any additions in accordance with Section 46A(7) must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

Any additions in accordance with Section 46A(7A) may be received or referred to a subsequent meeting for further discussion. No resolution, decision or recommendation can be made in respect of a minor item.

3. Declarations of Interest (if any)

Members are reminded of their duty to give a general notice of any interest of items to be considered on this agenda and the need to declare these interests.

4. Public Comment

To receive comments from members of the public on matters specified on this Agenda or, if time permits, on other Committee matters.

(NOTE: If the Committee wishes to consider or discuss any issue raised that is not specified on the Agenda, other than to receive the comment made or refer it to the Chief Executive, then a resolution will need to be made in accordance with clause 2 above.)

5. Confirmation of Minutes

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“That the minutes of the Finance & Audit Committee meeting of 21 October 2020 Part I Public be confirmed as a true and correct record.”

6. COVID-19 Response Expenditure Review & Lessons Learnt

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Memorandum, presented by Jason McDowell, Head of Risk & Resilience.

7. Colquhoun Park - Proposal to Grant a Lease on Reserve Land to The Scout Association of New Zealand

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Report, presented by Bryce Hosking, Manager - Property and Kathy Dever-Tod, Manager - Parks and Reserves.

8. Health, Safety and Wellbeing Report July - September 2020

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Memorandum, presented by Alan Downes, Health, Safety & Wellbeing Manager and Wayne Wilson, Human Resources Manager.

9. Committee Work Schedule

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10. Exclusion of Public

To be moved:

“That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as

follows:

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
11.	Minutes of the Finance & Audit Committee meeting - Part II Confidential - 21 October 2020	For the reasons set out in the Finance & Audit Committee minutes of 21 October 2020, held in public present.	
12.	Approval of Award of Contract 3923 for Professional Service (Design) for City Centre Streetscape Upgrade	Commercial Activities	s7(2)(h)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as stated in the above table.

Also that the persons listed below be permitted to remain after the public has been excluded for the reasons stated.

[Add Third Parties], because of their knowledge and ability to assist the meeting in speaking to their report/s [or other matters as specified] and answering questions, noting that such person/s will be present at the meeting only for the items that relate to their respective report/s [or matters as specified].

PALMERSTON NORTH CITY COUNCIL

Minutes of the Finance & Audit Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 21 October 2020, commencing at 9.00am

Members Present: Councillor Susan Baty (in the Chair), The Mayor (Grant Smith), Mr Stephen Armstrong and Councillors Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson and Karen Naylor.

Non Members: Councillors Brent Barrett, Rachel Bowen, Zulfiqar Butt and Billy Meehan.

Apologies: Councillors Bruno Petrenas, Aleisha Rutherford and Lew Findlay QSM (early departure).

Councillor Leonie Hapeta left the meeting at 9.27am during consideration of clause 45. She entered the meeting again at 9.33am after consideration of clause 45. She was not present for clause 45.

Councillor Lew Findlay QSM was not present when the meeting resumed at 10.51am. He was not present for clauses 48 to 53 inclusive.

Councillor Aleisha Rutherford was present when the meeting resumed at 10.51am. She was not present for clauses 41 to 47 inclusive.

41-20 Apologies

Moved Susan Baty, seconded Leonie Hapeta.

The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 41-20 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor and Mr Stephen Armstrong.

42-20 Public Comment

Mr Richard Lloyd, Campus Operations Manager, Massey University (Manawatū Campus) made public comment to acknowledge those who had contributed over the last few years to the successful installation of a hockey turf at Massey University. His colleague Jacob Oram, Sport Advancement Manager at the

university was unable to be present.

The project was a partnership approach between Hockey Manawatū, Palmerston North City Council and Massey University. The turf opened on Thursday 25 June with a traditional Māori blessing and since then has had a number of different age groups, schools, clubs and representative teams use the turf.

Highlights included the lower North Island secondary schools premier tournament from 31 August to 4 September which saw the city host secondary schools from around the country, and a bespoke tertiary sports invitational tournament. Mr Lloyd thanked the Council on behalf of the university and Hockey Manawatū for their support of the turf and the opportunities it had given people young and old.

Moved Susan Baty, seconded Leonie Hapeta.

The **COMMITTEE RESOLVED**

1. That the public comment be received for information.

Clause 42-20 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor and Mr Stephen Armstrong.

43-20

Confirmation of Minutes

Moved Karen Naylor, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the minutes of the Finance & Audit Committee meeting of 16 September 2020 Part I Public be confirmed as a true and correct record.

Clause 43-20 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor and Mr Stephen Armstrong.

44-20

Palmerston North Airport Limited - Annual Report for 12 months ended 30 June 2020 & instructions relating to Annual Meeting

Memorandum, presented by Steve Paterson, Strategy Manager – Finance.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That the memorandum entitled 'Palmerston North Airport Limited - Annual Report for 12 months ended 30 June 2020 & Instructions relating to Annual Meeting' presented to the Finance & Audit Committee on 21 October 2020, be received.
2. That the Annual Report and Financial Statements of Palmerston North Airport Limited for the year ended 30 June 2020 be received.
3. That the Council shareholder representative be instructed to support the proposed resolutions to be considered at the Annual Meeting of Palmerston North Airport Limited to be conducted by way of resolution in writing.

Clause 44-20 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor and Mr Stephen Armstrong.

45-20

Massey University Hockey Turf - Agreement for Shared Use

Report, presented by Kathy-Dever Tod, Manager - Parks & Reserves.

After discussion Elected Members decided to appoint a councillor to the Massey University Hockey Turf Steering Group.

Councillor Leonie Hapeta left the meeting at 9.27am.

Moved Billy Meehan, seconded Patrick Handcock ONZM.

The **COMMITTEE RECOMMENDS**

1. That the report entitled 'Massey University Hockey Turf – Agreement for Shared Use', presented to the Finance & Audit Committee on 21 October 2020, be received.
2. That the Council approves the Agreement for Shared Use for the Massey University Hockey Turf.
3. That the Council decides to appoint a Councillor to the Massey University Hockey Turf Steering Group.

Clause 45-20 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor and Mr Stephen Armstrong.

Councillor Leonie Hapeta returned to the meeting at 9.33am.

46-20

Quarterly Performance and Financial Report - Quarter Ending 30 September 2020

Memorandum, presented by Stuart McKinnon, Chief Financial Officer and Andrew Boyle, Head of Community Planning.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the memorandum entitled 'Quarterly Performance and Financial Report - Quarter Ending 30 September 2020' presented to the Finance & Audit Committee on 21 October 2020, be received.

Clause 46-20 above was carried 13 votes to 1, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Billy Meehan, Karen Naylor and Mr Stephen Armstrong.

Against:

Councillor Lorna Johnson.

47-20

Audit arrangements for small Council Controlled Organisations

Memorandum, presented by Steve Paterson, Strategy Manager – Finance.

After discussion Elected Members selected Option One with respect to the Caccia Birch Trust – to require a review rather than an audit.

Moved Grant Smith, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That the memorandum entitled 'Audit arrangements for small Council Controlled Organisations' presented to the Finance & Audit Committee on 21 October 2020, be received.
2. That the Council liaise with the Boards of the Caccia Birch Trust and Palmerston North Performing Arts Trust to amend the respective trust deeds to modify the requirements for audited financial statements.
3. That with respect to the Caccia Birch Trust the change be:
 - a. Option one – require a review rather than an audit
4. That with respect to the Palmerston North Performing Arts Trust the requirement for an audit of the annual financial statements be removed as outlined in Option two.

Clause 47-20 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor and Mr Stephen Armstrong.

The meeting adjourned at 10.32am.

The meeting resumed at 10.51am.

When the meeting resumed Councillor Lew Findlay was not present.

When the meeting resumed Councillor Aleisha Rutherford was present.

48-20

Treasury Report - 3 months ending 30 September 2020

Memorandum, presented by Steve Paterson, Strategy Manager - Finance.

Moved Susan Baty, seconded Leonie Hapeta.

The **COMMITTEE RESOLVED**

1. That the memorandum entitled 'Treasury Report – 3 months ending 30 September 2020' presented to the Finance & Audit Committee on 21 October 2020, be received.
2. That the performance of Council's treasury activity for the 3 months ended 30 September 2020 be noted.

Clause 48-20 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Aleisha Rutherford and Mr Stephen Armstrong.

49-20

Mayor and Deputy Mayor Expenditure 2019/2020

Memorandum, presented by Hannah White, Democracy & Governance Manager.

Moved Susan Baty, seconded Aleisha Rutherford.

The **COMMITTEE RESOLVED**

1. That the memorandum entitled 'Mayor and Deputy Mayor Expenditure 2019/2020', presented to the Finance & Audit Committee on 21 October 2020, be received.

Clause 49-20 above was carried 13 votes to 0, with 1 abstention, the voting being as follows:

For:

Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Aleisha Rutherford and Mr Stephen Armstrong.

Abstained:

The Mayor (Grant Smith).

50-20

Otira Park - Proposal to grant a lease on reserve land to Palmerston North Pony Club Branch

Report, presented by Bryce Hosking, Manager – Property and Kathy Dever-Tod, Manager – Parks and Reserves.

Moved Aleisha Rutherford, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That the report entitled 'Otira Park - Proposal to grant a lease on reserve

land to Palmerston North Pony Club Branch' presented to the Finance & Audit Committee on 21 October 2020, be received.

2. That the Council approves notifying the public of the proposal to grant a lease at Otira Park, 22 Totara Road to Palmerston North Pony Club Branch Incorporated, in accordance with Section 54 of the Reserves Act 1977.
3. That the Council notes the land area affected by the lease for Palmerston North Pony Club Branch Incorporated is described as part of Section 1732 TN of Palmerston North, part of Section 1737 TN of Palmerston North, part of Section 1 SO 27741 and Part Lot 1 DP 3063. The lease area is shown in the draft proposal lease contained in Attachment 1 of the report titled 'Otira Park – Proposal to grant a lease on reserve land to Palmerston North Pony Club Branch' presented to the Finance & Audit Committee on 21 October 2020.

Clause 50-20 above was carried 13 votes to 0, with 1 abstention, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Karen Naylor, Aleisha Rutherford and Mr Stephen Armstrong.

Abstained:

Councillor Leonie Hapeta.

51-20

Ashhurst Domain - Proposal to lease area for Scout hall

Report, presented by Kathy Dever-Tod, Manager - Parks and Reserves.

Moved Brent Barrett, seconded Aleisha Rutherford.

The **COMMITTEE RECOMMENDS**

1. That the report entitled 'Ashhurst Domain – Proposal to lease area for Scout hall' presented to the Finance & Audit Committee on 21 October 2020, be received.
2. That Council approves Option One in the report titled 'Ashhurst Domain - Proposal to lease area for Scout hall' presented to the Finance & Audit Committee on 21 October 2020 and proceeds to public notification on the proposal to grant a lease for a Scout hall at the Ashhurst Domain, meeting the requirements of Section 54 of the Reserves Act 1977.
3. That Council notes the recreation reserve on which the lease is proposed is part of Lot 1 DP 52268; the lease area and the draft lease are contained in Attachment One of the report titled 'Ashhurst Domain – Proposal to lease area for a Scout hall' presented to the Finance & Audit Committee on 21 October 2020.

Clause 51-20 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna

Johnson, Billy Meehan, Karen Naylor, Aleisha Rutherford and Mr Stephen Armstrong.

52-20

Committee Work Schedule

Elected Members discussed Item 4 on the Work Schedule ('Energy and environmental efficiency options report for any public housing opportunities') and noted that as a decision regarding public housing at Whakarongo had not yet been made, this report was no longer required.

Moved Susan Baty, seconded Brent Barrett.

The **COMMITTEE RECOMMENDS**

1. That the Finance & Audit Committee receive its Work Schedule dated October 2020.
2. That Council revoke the following resolution dated 17 June 2020 (clause 23-20 (3)): 'That the Chief Executive be instructed to report back to the October meeting of the Finance & Audit Committee regarding energy and environmental efficiency options for any public housing opportunities', as this report is no longer required.

Clause 52-20 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Aleisha Rutherford and Mr Stephen Armstrong.

EXCLUSION OF PUBLIC

53-20

Recommendation to Exclude Public

Moved Susan Baty, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

"That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
16.	Bunnythorpe Community Facility Expansion	Negotiations	s7(2)(i)

PALMERSTON NORTH CITY COUNCIL

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as stated in the above table.

Clause 53-20 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Aleisha Rutherford and Mr Stephen Armstrong.

The public part of the meeting finished at 11.29am

Confirmed 18 November 2020

Chairperson

MEMORANDUM

TO: Finance & Audit Committee

MEETING DATE: 18 November 2020

TITLE: COVID-19 Response Expenditure Review & Lessons Learnt

PRESENTED BY: Jason McDowell, Head of Risk & Resilience

APPROVED BY: Chris Dyhrberg, Chief Customer Officer

RECOMMENDATION(S) TO FINANCE & AUDIT COMMITTEE

1. That the memorandum titled 'COVID-19 Response Expenditure Review & Lessons Learnt' presented to the Finance & Audit Committee on 18 November 2020, be received for information.
2. That the Finance & Audit Committee receive quarterly updates on Business Continuity preparedness.

1. ISSUE

Emergency Delegations were authorised by Council, to the Chief Executive, effective 24 March 2020. Council requested a report detailing the expenses incurred during the COVID-19 response, within six months from the reduction of Alert levels.

2. BACKGROUND & PREVIOUS COUNCIL DECISION

- 2.1 A new virus was reported to the World Health Organisation by China, on 31 December 2019. The first case of COVID-19 was reported outside of China on 15 January and was confirmed to be transmissible a few days later. New Zealand's first COVID-19 case was reported on 28 February 2020.
- 2.2 COVID-19 is a new variation of coronavirus that can affect your lungs and airways. Coronaviruses are a large and diverse family of viruses which cause illnesses such as the common cold. The most recent diseases caused by a coronavirus include severe acute respiratory syndrome (SARS) and middle east respiratory syndrome (MERS).
- 2.3 Council received a report titled Delegation Changes for Emergency Purpose, to enable the Chief Executive to enter transactions up to the value of \$3.2 million. Below is the Council Resolution; this report meets point 4 of the resolution.

COUNCIL RESOLVED

1. That the report entitled “Delegation Changes for Emergency Purpose”, of Council meeting 25 March 2020, is received.
2. That the “Specified Sum” as identified at clause 102 of the Delegation be temporarily set at \$3.2 million at all times that the New Zealand or Palmerston North alert level for Coronavirus is at “Level 3” or higher, in accordance with recommended clause 102A, subject to an amendment to 102A that reads “this clause does not apply to the calculation of the delegated authority in accordance with Delegation 221, concerning the write-off of bad debts”.
3. That the Council provide a temporary delegation, “the Coronavirus Emergency Expenditure,” to the Chief Executive to empower the Chief Executive to enter transactions of up to \$3.2 million subject to appropriate constraints as identified in the recommended clause 211A.
4. That all spending related to the Coronavirus (COVID-19) response be reported to the Finance and Audit Committee within 6 months after the lowering of the alert levels.

PALMERSTON NORTH CITY COUNCIL’S RESPONSE**3. COVID-19 – THE EMERGING THREAT**

- 3.1 January – March 2020: Emergency Management Officers continue to monitor overseas and New Zealand’s COVID-19 threat and begin preparing the Emergency Operations Centre for a pending response.
- 3.2 17 March 2020: The Chief Executive instructed officers to urgently prepare for a COVID-19 response. Officers started planning a business continuity response to the threat of COVID-19 to the Palmerston North community ensuring our essential services were prepared.
- 3.3 Officers established that Council was under-prepared for a Civil Defence response, especially a pandemic. This included the ability for most Council activities to continue, including governance and the ability for flexible working environments for staff.
- 3.4 21 March 2020: The Prime Minister introduced the NZ COVID-19 Alert System, immediately putting NZ into Alert Level 2 – Reduce.
- 3.5 23 March 2020: The Prime Minister moves NZ into Alert Level 3 – Restrict at 1.30pm and instructs NZ to prepare to move to Alert Level 4 – Lockdown for a minimum of four weeks effective 25 March 2020 at 11.59pm.

4. LOCKDOWN AND RECOVERY

- 4.1 25 March 2020: A National Civil Defence Emergency is declared by the Prime Minister at 12.21pm providing special powers to the Civil Defence National, Group and Local Controllers.

Palmerston North's new Emergency Operations Centre (EOC) is activated for the first time at Te Ao Nui to care for the most vulnerable residents of Palmerston North.

Controllers establish three response teams who are placed into 'work group bubbles' for the duration of the response.

- 4.2 27 April 2020: The country moves to Alert Level 3 - Restrict at 11.59pm.
- 4.3 Some Council services, including construction activities and building inspections resume.
- 4.4 13 May 2020: The country moves to Alert Level 2 – Reduce at 11.59pm and records no new COVID-19 cases.
- 4.5 Council's face to face services are progressively restarted and Council officers return to their workstations following government guidelines.
- 4.6 29 May 2020: The EOC teams are stood down, the Risk & Resilience team continue to monitor the COVID-19 situation in BAU activities.
- 4.7 8 June 2020: The country moves to Alert Level 1 – Prepare at 11.59pm, practically returning New Zealand to normality.

5. GOVERNMENT FUNDING

- 5.1 17 March 2020: A \$12.1 billion business support package is established by the Government to support businesses and individuals, using wage subsidies to soften the economic impact of COVID-19 in NZ.
- 5.2 26 March 2020: \$27 million in funding is established by the Government to support food banks, community organisations and individuals with immediate needs. This fund was to be administered by the National Emergency Management Agency. The Ministry of Social Development and Inland Revenue Department were not able to meet the demand of the public effected by COVID-19. The government instructs NEMA to support food banks and immediate needs through local Emergency Operational Centres.
- 5.3 26 March 2020 – 27 April 2020: Criteria for reimbursement was not immediately developed by the 'all of Government workforce' and NEMA struggled to give advice and guidelines to Group and Local Controllers. Draft guidelines often changed day by day until a full understanding and direction was given by the 'all of Government

workforce'. This made it extremely difficult for decision-makers to adapt team objectives in the changing landscape of this emergency. This meant providing support to the community became difficult and local Controllers had to make the best decision with very limited information.

6. SUMMARY OF EXPENSES

- 6.1 Business Continuity Planning was active from 17 March – 25 March 2020 and the Emergency Operations Centre was activated from 25 March 2020 – 29 May 2020.

The table below outlines expenditure incurred in response to COVID-19.

\$1,584,657	Providing support to the Palmerston North community
	Welfare – Food Bank Supplies \$1,272,969
	Welfare – Food Bank Operation Costs \$70,564
	Welfare – Heating Supplies \$7,700
	Welfare – Emergency Accommodation \$38,252
	Welfare – Urgent Food Parcel \$5,242
	Welfare – Medication Delivery \$600
	Welfare – Household items / clothing / Blankets \$189,420
\$75,600	Traffic Management costs, to support COVID-19 testing at the request of the MidCentral DHB (reimbursed)
\$1,624,696	Additional Operational Expenses including:
	• Costs associated with the operation of the EOC;
	• Health, Safety & Wellbeing of all staff;
	• Legal advice;
	• Purchase of PPE and cleaning products;
	• Security measures to protect Council Assets;
	• IT equipment & Contact Centre software;
	• COVID-19 signage

Reimbursement

NEMA – Claim 1	\$421,222	Paid in full
NEMA – Claim 2	\$477,671	Paid in full
NEMA – Claim 3	\$397,641	Paid in full
NEMA – Claim 4	\$267,917	Pending
DHB – Traffic Management Reimbursement	\$75,090	Paid in full
Total	\$1,639,541	

7. IMPACT ON COMMUNITY

7.1 Over 20,000 people in our community were aided during this emergency:

- we enabled over 4,700 food parcels to be provided to vulnerable residents of Palmerston North;
- we assisted over 150 requests for support in the collection of medication;
- we enabled the distribution of over 1,900 requests for clothing and blankets;
- we supplied 77m³ of firewood for Salvation Army to distribute; and
- we placed 35 individuals or families into emergency housing.

7.2 We enabled local food banks to provide to the community without normal restrictions placed on them by government agencies.

7.3 We provided staff and facilities for an iwi response, led by Te Tihi to support their community.

7.4 We provided support and enabled community cultural representatives to stand up additional support for their communities.

7.5 Our Emergency Operations Centre and staff were supporting the community seven days a week.

8. LESSONS LEARNT AND ACTION PLAN

An organisation-wide debrief was conducted, and the following action points are the lessons learnt from this Civil Defence Emergency. These action points relate to the Emergency Operations Centre and Business Continuity preparedness throughout Council and have been incorporated into the existing Business Continuity workplan.

8.1 **Organisation Preparedness**

- 8.1.1 Review and update Crisis Management Plan, Business Continuity Plans, Emergency procedures & EOC procedures.

8.2 **Structure, roles, & responsibilities**

- 8.2.1 Refine response structures and train staff for the needs of the organisation.
- 8.2.2 Agree to principles for decision-making and clarify roles and authority during an emergency response.

8.3 **Communications**

- 8.3.1 Continue to take a proactive approach to communications both internally and externally.
- 8.3.2 Look at ways to provide greater opportunity for feedback from staff to decision-makers and enhance opportunities for staff to ask questions.
- 8.3.3 Develop holding messages to fill any gaps in communications.

8.4 **Crisis leadership and decision making**

- 8.4.1 Adapt leadership styles to suit the situation.
- 8.4.2 Develop additional leaders in the organisation to meet Civil Defence Emergency Management Act 2002 obligations.

8.5 **Caring for each other**

- 8.5.1 Have processes in place to provide psychological supervision to staff exposed to potentially traumatising events.
- 8.5.2 Actively manage workload expectations, particularly where staff are returning to BAU after being redeployed or working in essential service roles outside of the EOC.
- 8.5.3 Promote and demonstrate selfcare, especially among leaders.

8.6 **Day to day functioning**

- 8.6.1 Ensure new ways of working are built upon and not lost in the return to BAU.
- 8.6.2 Following the clarification of roles and the allocation of staff, ensure that redeployment expectations and processes are clear for staff and their managers, both in moving to and returning from crisis roles.

- 8.6.3 Ensure the tracking of crisis related expenditure is built into crisis response procedures.

8.7 Working together

- 8.7.1 Continue to look for opportunities for staff to work on collaborative cross-organisational projects outside of crisis events, where they can get to know people from other departments and teams and form cross-organisational relationships.

- 8.7.2 Identify key external partners for a range of crisis scenarios and proactively form relationships with them.

- 8.7.3 Include external partners in training and scenario-based exercises.

- 8.7.4 Ensure contact lists for Council staff and key external partners are developed, maintained and available for use in a crisis.

8.8 Civil Defence Emergency Management – Welfare function

- 8.8.1 Ensure connections are maintained with external welfare partners through combined exercises or other joint projects.

- 8.8.2 Utilise existing expertise from external agencies /services. Ensure that agencies are part of the local decision-making process and are able to function where appropriate.

9. CONCLUSION

The COVID-19 emergency strengthened the relationship Palmerston North City Council has with community groups, NGOs, and government agencies. The community felt safe, and able to access food, shelter, clothing and medical care throughout the duration of the COVID-19 emergency. Council staff are proud of the COVID-19 response provided to our Palmerston North Community.

10. NEXT STEPS

The Risk & Resilience Division will work with all areas of Council to continue to develop business readiness and business continuity plans that incorporate learnings from this Civil Defence event. Business Continuity will be reported to Council on a quarterly basis.

11. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No

Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	No
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 5: A Driven and Enabling Council	
The recommendations contribute to the outcomes of the Driven and Enabling Council Strategy	
The recommendations contribute to the achievement of action/actions in Not Applicable	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The purpose of this report is to report on Business Assurance activity.

ATTACHMENTS

Nil

REPORT

TO: Finance & Audit Committee

MEETING DATE: 18 November 2020

TITLE: Colquhoun Park - Proposal to Grant a Lease on Reserve Land to The Scout Association of New Zealand

PRESENTED BY: Bryce Hosking, Manager – Property and Kathy Dever-Tod, Manager - Parks and Reserves

APPROVED BY: Sheryl Bryant, Acting Chief Infrastructure Officer

RECOMMENDATION(S) TO COUNCIL

1. That Council notes the public notification process required under Sections 54, 119 and 120 of the Reserves Act 1977 has been completed with Council advertising its intention to lease reserve land at Colquhoun Park, 123 John F Kennedy Drive to The Scout Association of New Zealand.
2. That Council approve the Deed of Lease as attached in Appendix 1 of the report titled 'Colquhoun Park - Proposal to Grant a Lease on Reserve Land to The Scout Association of New Zealand' presented to the Finance & Audit Committee on 18 November 2020.
3. That Council, being satisfied that the functions and purposes of the Reserves Act have been considered, that the statutory processes have been met, and being satisfied that the decision is a reasonable one, exercise the delegated authority approved by the Minister of Conservation to grant consent for the lease at Colquhoun Park, 123 John F Kennedy Drive to The Scout Association of New Zealand.

SUMMARY OF OPTIONS ANALYSIS FOR

Problem or Opportunity	<p>The lease between Palmerston North City Council and The Scout Association of New Zealand for the land at 123 John F Kennedy Drive, Palmerston North expired on 30 September 2020.</p> <p>The Scout Association of New Zealand has requested a new lease for the land located at 123 John F Kennedy Drive, Palmerston North as existing use.</p> <p>The public notification process, meeting requirements of Sections 54, 119 and 120 of the Reserve Act 1977 has been undertaken and did not receive any submissions or objections.</p>
OPTION 1:	Approve the lease for existing activities at Colquhoun Park, 123 John F Kennedy Drive to The Scout Association of New Zealand
Community Views	<p>A public notification process was undertaken. This commenced on 29 July 2020 and the date for submissions closed on 31 August 2020.</p> <p>The notification was advertised in both the Manawatu Standard and on the Council website.</p> <p>No submissions or objections were received from this process.</p> <p>Rangitāne o Manawatū were also consulted and are happy with the proposed lease.</p>
Benefits	<p>The lease will allow the Milson Scout Group to continue the activities and opportunities for community recreation.</p> <p>The building is owned and maintained by the Scouts at their cost.</p> <p>The activities undertaken by the Scouts are consistent with the Reserves Act requirements.</p>
Risks	No risks are identified.
Financial	<p>No further costs to Council are expected.</p> <p>\$150 + GST per annum will be received from The Scout Association of New Zealand as rental.</p>
OPTION 2:	Decline the lease for existing activities at Colquhoun Park, 123 John F Kennedy Drive to The Scout Association of New Zealand
Community Views	<p>A public notification process was undertaken. This commenced on 29 July 2020 and the date for submissions closed on 31 August 2020.</p> <p>The notification was advertised in both the Manawatu Standard and</p>

	<p>on the Council website.</p> <p>No submissions or objections were received from this process.</p> <p>Rangitāne o Manawatū were also consulted and are happy with the proposed lease.</p>
Benefits	None – a new lease is not being granted.
Risks	<p>The Milson Scout Group will not be able to continue providing their activities at 123 John F Kennedy Drive.</p> <p>As the Scouts own the building, this would need to be removed, sold to Council, or sold to another party as part of a separate lease negotiation with Council.</p> <p>Council makes a decision to decline which is not supported by submissions.</p>
Financial	The rental of \$150 plus GST per annum would not be received.

RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 The Scout Association of New Zealand (Milson Scout Group) has been operating on the reserve land at 123 John F Kennedy Drive, Palmerston North since 1 October 1990.
- 1.2 The Scout Association of New Zealand (Milson Scout Group) has requested a new lease for the reserve land at 123 John F Kennedy Drive, Palmerston North.
- 1.3 As the land is part of a reserve under the Reserves Act 1977, a new lease requires approval from the Local Authority on behalf of the Minister of Conservation.

2. BACKGROUND AND PREVIOUS COUNCIL DECISIONS

- 2.1 The original 20-year lease was granted to The Scout Association of New Zealand (Milson Scout Group) in 1990.
- 2.2 Upon signing the lease, the Milson Scout Group moved their hall to the John F Kennedy Drive site in the same year. This lease expired in 2010.
- 2.3 In 2010 The Scout Association of New Zealand requested a new lease so they could continue occupation of the land. This was approved by Council.
- 2.4 Subsequently a new 10-year lease was entered between the two parties for the site. This lease expired on 30 September 2020.

3. STRATEGIC FIT

3.1 Policy for the Use of Public Space:

3.1.1 The Policy for the Use of Public Space (page 6) contains several criteria for assessment of applications to use public space.

3.1.2 Below is the direction given from this policy, and the assessment of the activity:

‘In considering an application to use public space, and particularly where there are competing applications for the use of public space or high demand for a public space, the Council will consider whether the event or activity’:

Criteria	Assessment
Supports the achievement of the Council’s goals	Scout activities are consistent with Council’s Active Community Plan under the Creative and Exciting City goal. Scouts provides community recreation and community development opportunities.
Is accessible to the wider community	Scout groups seek and support community membership.
Adds to the variety of events or activities available in Palmerston North	Scouting provides activities for youth. They take part in wider community events as well as running and supporting events and activities of their own.
Enhances any precinct identities (e.g. Broadway as a hospitality precinct)	Scouts support and enhance the range of recreation activities at Colquhoun Park.
Provides an experience (rather than a simple commercial exchange)	Scouts is an ongoing programme of recreation and community development related activities, not a commercial activity.
Does not significantly limit the availability of space for general community use	Scouts has been operating on the proposed location since 1 October 1990. There have been no objections or complaints received from the public.

4. LAND STATUS

- 4.1 The parcel of land that would be subject to proposed lease has the legal description of Lot 17 DP 69036.
- 4.2 The below table provides further information for this parcel:

Title	Reserve Status	Comment
No title	Recreation Reserve	<p>This parcel was previously part of Lot 2 DP 26952 which was held by Crown for State Housing Purposes in Gazette Notice 247274.1.</p> <p>In 1990, Housing NZ subdivided the land and Lot 17, pursuant to Section 239 Resource Management Act 1991, vested upon deposit of Plan 69036 in Palmerston North City Council as a recreation reserve subject to the Reserves Act 1977.</p>

5. THE PROPOSAL

- 5.1 The proposed lease area is approximately 685m² and situated at 123 John F Kennedy Drive, Palmerston North as shown below:



- 5.2 The proposed annual rent is to be \$150 plus GST and outgoings, in line with Council's Recreation and Community Asset Rental Policy.
- 5.3 When leasing reserve land, Council typically enters a lease for a 5-year period. However, in some cases 10-year leases are entered, when there is suitable reason to do so.
- 5.4 For clarity, if a new lease were to be entered, the use of the site will remain the same as the existing use of the site.

6. LEASING POWERS UNDER RESERVES ACT

- 6.1 Section 54 (1) (b) of the Reserves Act 1977 allows for an administering body to:

'lease to any voluntary organisation part of the reserve for the erection of stands, pavilions, gymnasiums, and, subject to sections 44 and 45, other buildings and structures associated with and necessary for the use of the reserve for outdoor sports, games, or other recreational activities, ... which lease shall be subject to the further provisions set out in Schedule 1 relating to leases of recreation reserves issued pursuant to this paragraph:

provided that a lease granted by the administering body may, with the prior consent of the Minister given on the ground that he or she considers it to be in the public interest, permit the erection of buildings and structures for sports, games, or public recreation not directly associated with outdoor recreation.'

- 6.2 'Necessary' has not been interpreted as requiring that all or even most visitors or users of the reserve need/want to use the service or activity provided under the lease. Reserves often have activities on them that only some of the visitors to the reserve use.
- 6.3 The proposal would see the continued use of the reserve by the Scouts. The location does not reduce the current user experience or impact the existing capacity for other activities in the future.

7. IMPACT ON THE LOCALITY AND PARK OPERATIONS

Aesthetics

- 7.1 The Scout hall exists on the site currently. There are no impacts from continuing occupation of the lease site.

Security

- 7.2 The Scouts are responsible for their building security.

Cleaning and offensive litter

- 7.3 The Scouts are responsible for managing litter within their leased area.

Vegetation

- 7.4 No trees or shrubs would be required to be removed.

Car parking

- 7.5 The Scout hall provides its own parking, independent of the wider Colquhoun Park car parking. No new effects are created in approving a new lease.

Affected parties

- 7.6 Parties identified include:
- Neighbouring residents;
 - Milson community;
 - Park users; and
 - Rangitāne o Manawatū – who have indicated they are comfortable with the proposal.

8. RESERVES ACT 1977 CONSIDERATIONS

- 8.1 Section 17(1) of the Reserves Act 1977 defines the purpose of recreation reserves as:

‘recreation reserves, for the purpose of providing areas for the recreation and sporting activities and the physical welfare and enjoyment of the public, and for the protection of the natural environment and beauty of the countryside, with emphasis on the retention of open spaces and on outdoor recreational activities, including recreational tracks in the countryside.’

- 8.1.1 Officer comment: Scouts activities fit within the purpose of recreation reserves. While the Scout hall reduces the open space available for general community use it is an existing activity and sited in a location that does not affect the sportsfield or neighbourhood play activities.

- 8.2 Section 17(2) requires:

- (a) The public shall have **freedom of entry and access to the reserve, with the exception of the ability to lease areas** under Section 54 which covers the leasing powers.

- 8.2.1 Officer comment: The lease is being considered under section 54 and so freedom of entry to the area is not a necessity.

- (b) Where scenic, historic, archaeological, biological, geological, or other scientific features or indigenous flora or fauna or wildlife are present on the reserve, those features or that **flora or fauna or wildlife shall be managed and protected to the extent compatible with the principal or primary purpose of the reserve.**

8.2.2 Officer comment: No trees or vegetation are required to be removed by the proposal.

- (c) Those **qualities of the reserve which contribute to the pleasantness, harmony, and cohesion of the natural environment and to the better use and enjoyment of the reserve shall be conserved.**

8.2.3 Officer comment: The Scout lease, as an existing activity present since 1990, will not negatively impact the existing pleasantness and enjoyment of the reserve.

- (d) to the extent compatible with the principal or primary purpose of the reserve, its value as a **soil, water, and forest conservation area shall be maintained.**

8.2.4 Officer comment: Council has no plans for the Scout lease area to undertake water, soil or forest conservation works. Whether the Scouts lease is approved or declined the current performance would be maintained.

9. PUBLIC NOTIFICATION UNDERTAKEN

9.1 Public notification was by advertisement in the Manawatu Standard published on 29 July 2020, and on the Palmerston North City Council website from that date.

9.2 The submission period closed on 31 August 2020.

9.3 No submissions or objections were received.

10. GIVING EFFECT TO THE PRINCIPLES OF THE TREATY OF WAITANGI

10.1 The Reserves Act 1977 is subject to Section 4 of the Conservation Act and requires that administering bodies under the Reserves Act 1977 give effect to the principles of the Treaty of Waitangi.

10.2 Rangitāne o Manawātū representatives have considered the proposal. Rangitāne are comfortable with the proposal and happy for it to proceed.

11. DESCRIPTION AND ANALYSIS OF OPTIONS

Option One:

Approve the lease for existing activities at Colquhoun Park, 123 John F Kennedy Drive to The Scout Association of New Zealand.

- 11.1 There were no objections or submissions on the proposal from the community.
- 11.2 The lease will allow the Scout group to continue the activities and opportunities for community recreation.

Option Two:

Decline the lease for existing activities at Colquhoun Park, 123 John F Kennedy Drive to The Scout Association of New Zealand.

- 11.3 Council could choose to decline the proposal.
- 11.4 Milson Scout Group will not be able to continue providing their activities at the site.

12. CONCLUSION

- 12.1 The proposal is consistent with the purposes of recreation reserves as Scouts is a recreation group and would host and support recreation activities.
- 12.2 No objections were received.
- 12.3 It is recommended that the proposed lease be approved.

13. NEXT ACTIONS

- 13.1 Council to enter a new Deed of Lease with The Scout Association of New Zealand (Milson Scout Group) for the parcel of land situated at 123 John F Kennedy Drive.

14. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS

- 14.1 The engagement process was covered in Section 9: Public Notification Undertaken.

COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	No
Are the decisions significant?	No
If they are significant do, they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 2: A Creative and Exciting City	
The recommendations contribute to the outcomes of the Creative and Liveable Strategy	

The recommendations contribute to the achievement of action/actions in the Active Community Plan

The action is: To carry out recreation and reserves planning functions under the Reserves Act 1977 and Local Government Act including the preparation of Reserve Management and Development Plans and Master Plans.

Contribution to strategic direction and to social, economic, environmental and cultural well-being

ATTACHMENTS

1. Draft lease [↓](#) 

DEED OF LEASE OF PALMERSTON NORTH CITY COUNCIL LAND

DATED: 20

PARTIES

1. **THE PALMERSTON NORTH CITY COUNCIL** ("the Landlord")
2. **THE SCOUT ASSOCIATION OF NEW ZEALAND** ("the Tenant")
3. ("the Guarantor")

BACKGROUND

- A The Landlord is the owner of the property described in the First Schedule hereto and more particularly shown on the plan attached hereto ("the property").
- B The Landlord has agreed to lease to the Tenant the property subject to the covenants, conditions and restrictions contained herein.

NOW THIS DEED RECORDS

1. The Landlord leases to the Tenant and the Tenant takes on the property described in the First Schedule for the term from the commencement date and at the annual rent (subject to review if applicable as set out in the First Schedule).
2. The Landlord and Tenant covenant as set out in the said Second Schedule.
3. The Guarantor covenants with the Landlord as set out in clause 36 herein.

The Common Seal of the **PALMERSTON**)
NORTH CITY COUNCIL was hereto)
affixed as Landlord in the presence of:)

Mayor

Legal Counsel

THE COMMON SEAL of)
THE SCOUT ASSOCIATION OF NEW ZEALAND)
was hereto affixed as Tenant in the)
presence of:)

Signed by)
THE SCOUT ASSOCIATION OF NEW ZEALAND)
as Tenant in the presence of:)

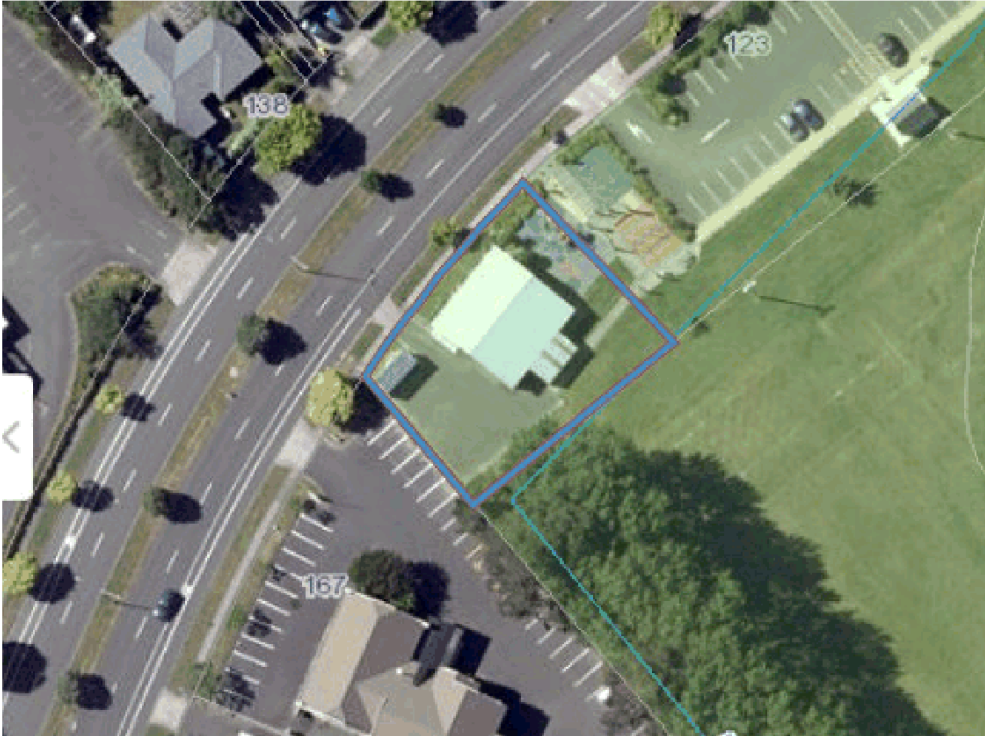
SIGNED by)
as Guarantor in the presence of:)

FIRST SCHEDULE

PROPERTY:	That part of Lot 17 DP 69036 as more particularly shown on the attached plan		
TERM:	Five (5) Years		
COMMENCEMENT DATE:	Subject to Council approval date		
RIGHT OF RENEWAL:	One renewal of five (5) years		
RENEWAL DATE:	TBD		
FINAL EXPIRY DATE: (in the event any right of renewal is exercised)	TBD		
ANNUAL RENT: (Subject to review if applicable)	\$150 plus GST		
RENT PAYMENT DATES:	The	day of	20
	commencing on the	day of	20
DEFAULT INTEREST RATE:	15 % per annum		
PRESCRIBED USE:	Scouting related activities		

AJM-132940-1077-4-V1

Milson Scouts lease area



AJM-132940-1077-4-V1

SECOND SCHEDULE

TENANTS' PAYMENTS

Rent

- 1.1 The Tenant shall pay the rent annually plus Goods and Services Tax in advance on the rent payment dates. The first annual payment (together with rent calculated on a daily basis for any period from the commencement date of the term to the first rent payment date) shall be payable on the first rent payment date.
- 1.2 All rent shall be paid without any deduction by direct payment to the Landlord or as the Landlord may direct and the Tenant shall not advance as a reason for non payment of rental any right of set off.

Rental Increases

2. The Landlord and the Tenant acknowledge that the annual rental has been determined on the basis of the Palmerston North City Council's Recreation and Community Asset Rental Policy. The Landlord may, at the Landlord's sole discretion, and by giving no less than three (3) month's written notice to the Tenant, increase the annual rental in accordance with any review or amendment of the Palmerston North City Council's Recreation and Community Asset Rental Policy. The Tenant shall pay the increased annual rental on the date which is three (3) months from the date of the Landlord's notice under this clause.

Outgoings

- 3.1 The Tenant shall pay the outgoings in respect of the property which are specified in the Third Schedule attached hereto. Where any outgoing is not separately assessed the Tenant shall pay such a fair proportion as shall be agreed upon or failing agreement determined by arbitration.
- 3.2 The outgoings shall be payable by the Tenant on demand.
- 3.3 The Tenant shall still be liable to pay an outgoing where the outgoing is levied by the Landlord in its capacity as territorial authority.

GST

- 4.1 The Tenant shall pay to the Landlord or as the Landlord shall direct the GST payable by the Landlord in respect of the rental and other payments payable by the Tenant under this lease. The GST in respect of the rental shall be payable on each occasion when any rental payment falls due for payment and in respect of any other payment shall be payable upon demand.
- 4.2 If the Tenant shall make default in payment of the rental or other moneys payable under this lease and the Landlord becomes liable to pay default GST then the Tenant shall on demand pay to the Landlord the default GST in addition to interest payable on the unpaid GST under clause 5.

Interest on unpaid money

5. If the Tenant defaults in payment of the rent or other monies payable hereunder for ten (10) working days then the Tenant shall pay on demand interest at the default interest rate on the monies unpaid from the due date for payment down to the date of payment.

Costs

6. Each party will pay their own costs of the negotiation and preparation of this lease and any deed recording a rent review or renewal. The Tenant shall also pay the Landlord's reasonable costs incurred in considering any request by the Tenant for the Landlord's consent to any matter contemplated by this Lease and the Landlord's legal costs (as between Solicitor and client) of and incidental to the enforcement or attempted enforcement of the Landlord's rights remedies and powers under this Lease.

Indemnity

7. The Tenant shall indemnify the Landlord against all damage or loss resulting from any act or omission on the part of the Tenant or the Tenant's employees, agents, invitees or contractors. The Tenant shall recompense the Landlord for all expenses incurred by the Landlord in making good any damage to the property resulting from any such act or omission. The Tenant shall be liable to indemnify only to the extent that the Landlord is not fully indemnified under any policy of insurance.

Insurance

- 8.1 The Tenant shall at all times during the term keep and maintain any buildings on the property owned by the Tenant insured under a full replacement policy and if required by the Landlord provide evidence to the Landlord that such insurance's are in place.

- 8.2 The Landlord and Tenant expressly acknowledge that the Landlord has not insured any of the buildings or improvements on the property. The Landlord and Tenant expressly agree that the Tenant will meet the cost of making good any destruction or damage to the buildings and improvements on the property or will indemnify the Landlord against the cost of making good the destruction or damage of any buildings or improvements on the property caused by fire, flood, explosion, lightning, storm, earthquake or volcanic activity.

Prescribed Use Of The Property

- 9.1 The Tenant will use the property solely for the purposes of the Tenant and its general activities as set out under the heading "Prescribed Use" in the First Schedule and for no other purposes including however not limited to any commercial purpose. For the purpose of clarification a commercial purpose, for the purpose of this clause, shall be deemed the sale of any goods and services except for the sale of any food or beverages to be consumed on the property.
- 9.2 If the Landlord after making such enquiries as it thinks fit and giving the Tenant the opportunity of explaining the usage of the property is satisfied that the property is not being used or being sufficiently used for the Prescribed Use then the Landlord may terminate this lease on such terms as it thinks fit but without prejudice to any antecedent right or action which the Landlord may have against the Tenant however it arose.
- 9.3 Notwithstanding clauses 9.1 and 9.2 above the Landlord may at the entire discretion of the Landlord consent to the property being used for a use other than the prescribed use.

Tenant's Obligations

- 10.1 The Tenant shall keep and maintain any buildings or improvements on the property in good order and repair and shall comply with any reasonable requirements of the Landlord in respect to any such buildings or improvements.
- 10.2 Without in any way limiting the Landlord's rights pursuant to clause 10.1 above the Tenant shall comply with any reasonable requirement of the Landlord to repair all glass breakage's and any electrical fittings, paint and decorate any part of the exterior of any buildings or improvements on the property and repair and keep in good order any storm or wastewater drainage system.
- 10.3 The Tenant shall in a proper and workmanlike manner and to the reasonable requirements of the Landlord:

- (a) **Maintain Yards**

Keep and maintain any carparks, pavings and other sealed or surface areas in good order and repair.

(b) **Care of Grounds**

Keep any grounds, yards and surfaced areas in a tidy condition and maintain any garden or lawn areas in a tidy and cared for condition.

(c) **Other Works**

Carry out such works to the property as the Landlord may require in respect of which outgoings are payable by the Tenant.

Rubbish Removal

11. The Tenant shall regularly remove to an appropriate disposal site all rubbish and garbage generated from the property and will keep any rubbish bins or containers in a clean and tidy condition. The Tenant will also at the Tenant's own expense cause to be removed all trade waste boxes and other goods or rubbish not removable in the ordinary course by the local authority.

Landlord's Right of Inspection

12. The Landlord and its employees, agents and contractors may at all reasonable times during business hours enter upon the property to view the condition of any buildings or improvements on the property to view the condition thereof and may give notice in writing to the Tenant of all defects and wants of repair and the Tenant will with all reasonable despatch after receipt of such notice repair and make good the same according to such matters so far as the Tenant is liable so to do.

Landlord May Repair

- 13.1 If default is made by the Tenant in the due and punctual compliance with any notice given by the Landlord relating to repair or maintenance pursuant to clause 10.1 or clause 12 herein, the Landlord without prejudice to the Landlord's other rights and remedies shall at the Landlord's option without suit or further notice be entitled by its employees, agents and contractors with all necessary equipment and material at all reasonable times to enter upon the property to execute any works as may be specified in the notice.

- 13.2 All moneys expended by the Landlord by reason of the Tenant's default shall be payable by the Tenant to the Landlord upon demand together with interest at the default interest from the date of expenditure down to the date of payment.

Access for Repair

14. The Tenant shall permit the Landlord and the Landlord's employees, agents and contractors at all reasonable times to enter the property to carry out repairs pursuant to clause 13 hereof to the property and to install inspect repair renew or replace any services where the same are not the responsibility of the Tenant all such repairs. All such repairs and work shall be carried out as far as reasonably possible with the least inconvenience to the Tenant.

Signs and Painting

- 15.1 The Tenant will not erect or display or permit to be erected or displayed either on the outside of any building on the property or upon any part of the property any advertising matter of any description or any sign displaying the name of the Tenant without the prior consent of the Landlord who may grant its consent subject to such reasonable conditions as the Landlord may decide, which shall include compliance with the Local Authority's district plan.
- 15.2 The Tenant will not paint or repaint the exterior of any building or improvements on the property without the written consent of the Landlord to any colour scheme and the type of paint intended to be used.

Building Work and Alterations

- 16.1 The parties acknowledge that the Tenant intends to carry out certain building work on the property, however, the Tenant shall not carry out any such building work nor make any alterations or additions to any buildings or improvements erected on the property without first producing to the Landlord on every occasion plans and specifications and obtaining the written consent of the Landlord (not to be unreasonably or arbitrarily withheld or delayed) for that purpose.
- 16.2 The Tenant will at all times including when undertaking any "building work" on the property (as that term is defined in the Building Act 2004), comply with all statutory requirements including the obtaining of building consents and code compliance certificates pursuant to the Act and agrees to indemnify the Landlord for any claims made against the Landlord arising under the Building Act by virtue of the Tenant failing to comply with the Act.

Compliance with Statutes and Regulations

- 17.1 The Tenant shall comply with the provisions of all statutes, ordinances, regulations and by-laws relating to the use of the property by the Tenant or other occupant and will also comply with the provisions of all licences, requisitions and notices issued by any competent authority in respect of the property or their use by the Tenant or other occupant.
- 17.2 In the event that the Tenant shall not comply with the provisions of all statutes, ordinances, regulations and by-laws relating to the use of the property by the Tenant as required by clause 17.1 herein the Landlord may without limiting its powers pursuant to clause 13 herein enter upon the property to execute such works to provide that all statutes, ordinances, regulations and by-laws are complied with and any monies expended by the Landlord in executing such works shall be payable by the Tenant to the Landlord upon demand together with interest thereon at the default interest rate from the date of expenditure down to the date of payment.
- 17.3 The Tenant shall not allow any building or structure owned or constructed on the property by the Tenant to be open to members of the public or allow the use of any such building or structure by members of the public if that would be in breach of section 363 of the Building Act 2004.

No Noxious Use

18. The Tenant shall not:
- (a) Bring upon or store within the property nor allow to be brought upon or stored nor allowed to be brought upon the property or stored within any building on the property any machinery goods or things of an offensive noxious illegal or dangerous nature, or of such weight size or shape as is likely to cause damage to the building or any surfaced area.
 - (b) Contaminate the property and shall undertake all works necessary to remove any contamination of the property other than contamination not caused by the Tenant or which took place prior to the commencement date of the lease term. Contamination means any change to the physical, chemical or biological condition of the property by a "contaminant" as that word is defined in the Resource Management Act 1991.
 - (b) Use the property or allow them to be used for any noisome noxious illegal or offensive trade or business.
 - (c) Allow any act or thing to be done which may be or grow to be a nuisance disturbance or annoyance to the Landlord, other tenants of the Landlord, or any other person, and generally the Tenant shall conduct the Tenant's business upon the property in a clean quiet and orderly manner free from damage nuisance disturbance or annoyance to any such persons but the carrying on by the Tenant in a reasonable manner of the

Prescribed Use or any use to which the Landlord has consented shall be deemed not to be a breach of this clause.

Cancellation

19. The Landlord may (in addition to the Landlord's right to apply to the Court for an order for possession) cancel this Lease by re-entering the property at the time or at any time thereafter:
- (a) if the rent shall be in arrears for not less than ten working days after any of the rent payment dates and the Tenant has failed to remedy that breach within 10 working days after service on the Tenant of a notice in accordance with section 245 of the Property Law Act 2007.
 - (b) in case of breach by the Tenant of any Covenant or agreement on the Tenant's part herein expressed or implied (other than the covenant to pay rent) after the Tenant has failed to remedy that breach within the period specified in a notice served on the Tenant in accordance with section 246 of the Property Law Act 2007.
 - (c) if the Tenant shall make or enter into or attempt to make or enter into any composition assignment or other arrangement with or for the benefit of the Tenant's creditors;
 - (d) in the event of the insolvency bankruptcy or liquidation of the Tenant; or
 - (e) if the Tenant shall suffer distress or execution to issue against the Tenant's property goods or effects under any judgement against the Tenant in any Court for a sum in excess of five thousand dollars (\$5,000.00);

and the term shall terminate on such cancellation but without prejudice to the rights of either party against the other.

Loss on Cancellation

20. Upon cancellation the Landlord may remove from the property or any buildings or improvements erected thereon any chattels in the apparent possession of the Tenant and place them outside the property and the Landlord shall not be answerable for any loss resulting from the exercise of the power of re-entry.

Essentiality of Payments

- 21.1 Failure to pay rent or other moneys payable hereunder on the due date shall be a breach going to the essence of the Tenant's obligations under the Lease. The Tenant shall compensate the Landlord and the Landlord shall be entitled to recover damages from the Tenant for such breach. Such entitlement shall subsist notwithstanding any determination of the lease and shall be in addition to any other right or remedy which the Landlord may have.
- 21.2 The acceptance by the Landlord of arrears of rent or other moneys shall not constitute a waiver of the essentiality of the Tenant's continuing obligation to pay rent and other moneys.

Repudiation

22. The Tenant shall compensate the Landlord and the Landlord shall be entitled to recover damages for any loss or damage suffered by reason of any acts or omissions of the Tenant constituting a repudiation of the lease or the Tenant's obligations under the lease. Such entitlement shall subsist notwithstanding any determination of the lease and shall be in addition to any other right or remedy which the Landlord may have.

Quiet Enjoyment

23. The Tenant paying the rent and performing and observing all the covenants and agreements herein expressed and implied shall quietly hold and enjoy the property throughout the term without any interruption by the Landlord or any person claiming under the Landlord.

Renewal of Lease

24. If the Tenant has given to the Landlord written notice to renew the Lease at least three (3) calendar months before the end of the term and it is not at the date of the giving of such notice in breach of this Lease then the Landlord will grant a new lease for a further term from the renewal date as follows:
- (a) The new lease shall be upon and subject to the covenants and agreements herein expressed and implied except that the term of this Lease plus all further terms shall expire on or before the final expiry date; and
 - (d) The Landlord, as a condition of granting a new lease shall be entitled to have the new lease guaranteed by any guarantor who has guaranteed this Lease on behalf of the Tenant who has given notice.

Assignment or Subletting

25. The Tenant shall not assign sublet or otherwise part with the possession of the property or any part thereof without first obtaining the written consent of the Landlord.

Holding Over

26. If the Landlord permits the Tenant to remain in occupation of the property after the expiration or sooner determination of the term, such occupation shall be a monthly tenancy only terminable by twenty (20) working days written notice at the rent then payable and otherwise on the same covenants and agreements (so far as applicable to a monthly tenancy) as herein expressed or implied.

Access for Re-letting

27. The Tenant will at all reasonable times during the period of three months immediately preceding expiration of the term permit intending tenants and others with written authority from the Landlord or the Landlord's agents at all reasonable times to view the property.

Suitability

28. No warranty or representation expressed or implied has been or is made by the Landlord that the property is now suitable or will remain suitable or adequate for use by the Tenant or that any use of the property by the Tenant will comply with the by-laws or ordinances or other requirements of any authority having jurisdiction.

Waiver

29. No waiver or failure to act by the Landlord in respect of any breach by the Tenant shall operate as a waiver of another breach.

Tenant to Indemnify the Landlord

30. The parties acknowledge that the Landlord shall not be liable for any claims including but not limited in respect of accident, injury or damage suffered by any person or property as a result of the Tenant's use of the property, and the Tenant shall indemnify the Landlord for any such claims.

Health and Safety

- 31.1 The Tenant voluntarily accepts all risks, known and unknown of entering onto the property and releases the Landlord from all liability arising from the Tenant's use of the property and the Tenant shall indemnify the Lessor against all damage, loss and liability arising from the Tenant's use of the property including, but not limited to, any liability, fine or penalty imposed pursuant to the Health and Safety at Work Act 2015. Any damage, loss and liability referred to in this clause shall also include any damage, loss or liability arising due to any harm suffered to any employee, invitee, occupier, contractor or agent of the Tenant which occurs on the property.

- 31.2 The Tenant shall ensure that the provisions and obligations imposed on an employer or on an occupier of a place of work by the Health and Safety at Work Act 2015 are fully complied with and if required by law or by the Landlord shall have its own health and safety plan which must be consistent with the Landlord's and be approved by the Landlord.

Notices

- 32.1 All notices must be in writing and must be served by one of the following means:
- (a) In the case of a notice under sections 245 or 246 of the Property Law Act 2007 in accordance with the requirements of section 353 of that Act; and
 - (b) In all other cases, unless otherwise required by sections 352 to 361 of the Property Law Act 2007;
 - (i) using the procedure outlined in sections 354 to 361 of the Property Law Act 2007, or
 - (ii) by personal delivery, or by posting by registered or ordinary mail, or by facsimile, or by email.
- 32.2 In respect of the means of service specified in clause 32.1(b)(ii), a notice is deemed to have been served:
- (a) in the case of personal delivery, when received by the addressee;
 - (b) in the case of posting by mail, on the second working day following the date of posting to the addressee's last known address in New Zealand;
 - (c) in the case of facsimile transmission, when sent to the addressee's facsimile number; or
 - (d) in the case of email, when acknowledged by the addressee by return email or otherwise in writing.
- 33.3 In the case of a notice to be served on the Tenant, if the Landlord is unaware of the Tenant's last known address in New Zealand or the Tenant's facsimile number, any notice affixed conspicuously on any part of the property shall be deemed to have been served on the Tenant on the day on which it is affixed.
- 33.4 A notice shall be valid if given by any director, general manager, solicitor or other authorised representative of the party giving the notice.

Arbitration

34. If any dispute as to the terms or interpretation of this Deed or any part of it arises or as to the obligations of any party to this Deed then the parties at dispute shall enter into negotiations in good faith to resolve such dispute. If the dispute is not resolved within one (1) month of the date on which the parties begin their negotiations the parties shall submit their dispute to the arbitration of an independent arbitrator appointed jointly by the parties and if one cannot be agreed upon within ten (10) working days, to an independent arbitrator appointed by the representative for the time being of the Manawatu District Solicitors on the Board of the New Zealand Law Society, or to the President for the time being of the Manawatu District Lawyers Standards Committee, or in either case their nominee and such arbitration shall be carried out in accordance with the Arbitration Act 1996 or any then statutory provisions relating to arbitration.

Interpretation

35. In this lease
- (a) the Landlord and the Tenant means where appropriate the executors, administrators, successors and permitted assigns of the Landlord and the Tenant.
 - (b) "the property" means the land leased by the Tenant pursuant to this Deed of Lease and where the context requires or admits means any buildings or improvements erected on the property.
 - (c) "working day" means a day of the week other than:
 - (i) Saturday, Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, The Sovereign's Birthday and Labour Day and;
 - (ii) A day in the period commencing with 25th December and ending with 2nd January in the following year and;
 - (iii) The day observed as the anniversary of any province in which an act is to be done.
 - (d) whenever words appear in this lease that also appear in the First Schedule then those words shall mean and include the details supplied after them in the First Schedule.
 - (e) Where the context requires or admits, words importing the singular shall import the plural and vice versa.

Guarantee

36. In consideration of the Landlord entering into the Lease at the Guarantor's request the Guarantor:
- (a) Guarantees payment of the rent and the performance by the Tenant of the covenants in the Lease; and
 - (b) Indemnifies the Landlord against any loss the Landlord might suffer should the Lease be lawfully disclaimed or abandoned by any liquidator, receiver or other person.
 - (c) Covenants with the Landlord that:
 - (i) No release, delay or other indulgence given by the Landlord to the Tenant or to the Tenant's successors or assigns or any other thing whereby the Guarantor would have been released had the Guarantor been merely a surety shall release, prejudice or affect the liability of the Guarantor as a guarantor or indemnifier;
 - (ii) As between the Guarantor and the Landlord the Guarantor may for all purposes be treated as the Tenant and the Landlord shall be under no obligation to take proceedings against the Tenant before taking proceedings against the Guarantor.
 - (d) The Guarantee is for the benefit of and may be enforced by any person entitled for the time being to receive the rent.
 - (e) Any assignment of the Lease and any rent review in accordance with this Lease shall not release the Guarantor from liability.
 - (f) Should there be more than one Guarantor their liability under this Guarantee shall be joint and several.
 - (g) The Guarantee shall extend to any holding over by the Tenant.

FURTHER TERMS

Sale of Alcohol

37. In the event that the Tenant wishes to sell alcohol on the property, or from any building or improvement erected on the property, permission must first be obtained in writing from the Recreation and Community Development Manager of the Landlord before a licence may be applied for from the Liquor Licensing Agency.

AJM-132940-1077-4-V1

Early Childhood Care

38. ~~In the event that the Tenant wishes to use the property for the purposes of early childhood education the Tenant shall be required to comply with all requirements in respect to the property as determined by the Ministry of Education.~~

Tenant May Make Rules

- 39.1 The Tenant may make rules for management and control of the property and for the conduct of persons using them which are necessary and not inconsistent with this lease.
- 39.2 Before any rules come into force they must have the written consent of the Landlord.
- 39.3 All such rules when approved and adopted shall be displayed in a conspicuous place on the property for the information and guidance of all persons entering upon the property.

Fences

40. In the event that the Landlord requires fencing to be erected upon the property then the Landlord may provide instructions to the Tenant requiring the fence to be so erected including the location and type of fence required and the Tenant shall erect such fence at the sole cost of the Tenant forthwith.

Tenant's Acknowledgement

41. The Tenant acknowledges that the Tenant will preserve and protect any natural, scientific, historical, cultural, archaeological, biological, geographical or other scientific feature or indigenous flora or fauna on the property.

Landlord's Option to Purchase Buildings or Improvements

42. At the expiration or sooner determination of the within lease then the following shall apply:
- (a) The Landlord shall be entitled within three months of the date of expiration or sooner determination of the lease by notice in writing to the Tenant, to purchase any buildings or improvements on the property, at a price to be agreed upon between the parties or failing agreement to be determined by arbitration in accordance with clause 34 hereof and the purchase price so agreed upon or determined by arbitration shall be paid in cash by the Landlord to the Tenant within twenty (20) working days of the

date of such determination or the day after the end of the term of the Lease whichever date shall be the earlier.

- (b) If the Landlord shall not exercise the right to purchase within the period specified above, or shall give notice that it does not desire to exercise the right of purchase, then the Tenant shall within three months of the date of expiration of the period of option to purchase or within three months of the date of the Landlord giving notice that it does not desire to exercise the option to purchase, whichever date shall first occur, be entitled to remove from the property all buildings and improvements erected on the property by the Tenant and shall leave the property in a clean and tidy condition.
- (c) If the Tenant fails or neglects to remove any buildings or improvements on the property within the period described above then such buildings or improvements shall be deemed to have been abandoned and then become the property of the Landlord, which shall be under no liability in such case to account to the Tenant for any payment by way of compensation, damages or otherwise.
- (d) Notwithstanding clause 42(c) above if the Landlord shall not exercise the right to purchase any buildings or improvements on the property as provided in clause 42(a) above the Landlord shall be entitled within three (3) months of the date of expiration or sooner determination of the Lease by notice in writing to the Tenant to require the Tenant to remove at the cost of the Tenant any buildings or improvements on the property by the Tenant as directed by the Landlord. In the event that the Tenant is requested by the Landlord to remove any buildings or improvements erected on the property in accordance with this clause 42(d) then the Tenant shall do so and leave the property in a good tidy condition within two (2) months of the Landlord giving the Tenant notice in accordance with this clause 42(d). In the event the Tenant does not remove such buildings or improvements on the property within such time period then the Landlord may:
 - (i) arrange for the removal of the buildings and improvements on the property together with their disposal; and
 - (ii) arrange for the property to be left in a clean and tidy condition; and
 - (iii) charge the Tenant for the cost of doing so which shall be payable upon demand together with interest thereon at the default interest rate as provided in this Lease.

Third Party's Use of the Property

43. The Tenant shall be entitled to allow third persons to utilise the property from time to time, however, in the event that the Tenant enters into an arrangement to allow a third party to

utilise the property on an ongoing basis, the Tenant shall first notify the Landlord of the proposal. The Tenant shall provide such information in respect to the proposal as the Landlord requires, including but not limited to the amount of any sum to be paid to the Tenant by the third party for the right to use the property and in the event that the Landlord is not satisfied with the proposal the Landlord may require it to be terminated or require the terms of it to be amended in which case the Tenant shall strictly comply with the Landlord's request.

Graffiti

44. If during the term of the Lease any graffiti occurs on the exterior of any building or improvements on the property then the Tenant shall forthwith remove the graffiti at the sole cost of the Tenant and, if required by the Landlord, repaint the affected area in keeping with the balance of such buildings or improvements to a standard acceptable to the Landlord.

No Overnight Occupation

45. The Tenant shall not permit any person or persons to reside on the property overnight or reside in any building or improvement on the property overnight.

Reporting Standard

46. The Tenant, when requested by the Landlord, shall provide to the Landlord a report in relation to the Tenant's occupation of the property in accordance with this Lease with such information to contain information and to be in a format as required by the Landlord.

Termination by Notice

47. Notwithstanding any other provision in this Lease the Landlord may terminate this Lease by giving three (3) months notice in writing to the Tenant. Termination pursuant to this clause shall not give the Tenant any right or claim whatsoever against the Landlord.

Reserves Act 1977

48. It is agreed that this lease has been entered into pursuant to section [54(1)(a), (b), (c), or (d) / 56(1)(a) or (b) / 58A(1) / 61(2) or (2A)] of the Reserves Act 1977.

THIRD SCHEDULE

1. Rates or levies payable to any local or territorial authority.
2. Charges for water gas electricity telephones and other utilities or services, including line charges.
3. Rubbish collection charges.
4. New Zealand Fire Service charges and the maintenance charges in respect of all fire detection and fire fighting equipment.
5. Service contract charges for air conditioning, lifts, other building services and security services.
6. Cleaning maintenance and repair charges including charges for repainting, decorative repairs and the maintenance and repair of building services to the extent that such charges do not comprise part of the cost of a service maintenance contract, but excluding charges for structural repairs to the building (minor repairs to the roof of the building shall not be a structural repair).
7. The provisioning of toilets and other shared facilities.
8. The cost of ground maintenance i.e. lawns, gardens and planted areas including plant hire and replacement, and the cost of repair of fences.
9. Yard and car parking area maintenance and repair charges but excluding charges for structural repairs to any car parking area of the building.
- ~~10. Body Corporate charges for insurance premiums and related valuation fees and management administration expenses.~~
- ~~11. Management expenses.~~
12. The costs incurred and payable by the Landlord in supplying to the territorial authority a building warrant of fitness and obtaining reports as required by Section 45 of the Building Act 2004.

MEMORANDUM

TO: Finance & Audit Committee

MEETING DATE: 18 November 2020

TITLE: Health, Safety and Wellbeing Report July - September 2020

PRESENTED BY: Alan Downes, Health, Safety & Wellbeing Manager and Wayne Wilson, Human Resources Manager

APPROVED BY: Patrick Watson, Chief People & Performance Officer

RECOMMENDATION(S) TO FINANCE & AUDIT COMMITTEE

1. That the memorandum titled 'Health, Safety and Wellbeing Report July - September 2020', presented to the Finance & Audit Committee on 18 November 2020, be received for information.

1. REPORT

This report covers the period 1 July to 30 September 2020. The information included in this report is discussed at the appropriate Health & Safety Committees.

A. Hazards, Incidents and Near Misses Reported

Quarter	Mar 19	Jun 19	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20
Hazards	0	2	1	2	4	2	13
Incidents	24	27	24	32	33	24	58
Near Misses	26	53	22	21	25	17	20
Lost Time (days)	118.46	87.6	107.6	154.8	98.7	96.6	55.7
Lost Time Injuries	12	9	10	15	12	3	9

Comments:

- The increase in reporting of Hazards and Incidents is assessed as a positive consequence of PNCC's efforts to raise awareness of Health & Safety and expand the use of the PeopleSafe reporting tool beyond Infrastructure to all of PNCC.

- *The significant reduction Year on Year in time lost is encouraging with a 51% reduction in days lost in the last quarter when compared to the same period last year.*
- *The significant increase in number of lost time injuries in the last quarter (Q1) when compared to the previous (Q4) relates to the significant reduction in activity due to COVID-19 restrictions.*

B. Manual Handling

PNCC monitors the effectiveness of Manual Handling capabilities by identifying incidents which are attributed to it.

Scheduled external 'refresher' training is ordinarily completed on a periodic basis (between 2 and 3 years). This was last completed in May 2019.

New staff whose role requires manual handling activities are appraised of the correct technique during induction.

All staff with roles requiring manual handling are reminded of PNCC's expectations through periodic 'toolbox' meetings.

Mar 19	Jun 19	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20
8	8	10	7	11	3	7

Comments:

- *The decrease in number of manual handling incidents between Sept 19 and Sept 20 is encouraging (30%).*
- *Given the correlation between Manual Handling incidents and Lost Time it will be a continued area of focus for PNCC.*

C. WorkSafe Investigations

Investigations occurred this quarter 0

Previous Investigations (last 12 months)

Number of remedial actions required 0

Number of remedial actions completed 0

WorkSafe investigation information remains on the report for 12 months or until actions are completed.

Comment:

- *During the period PNCC classified one incident as 'notifiable' and engaged with Worksafe. Worksafe did not initiate any further action.*

D. External Audit

PNCC undertook an external audit of Health & Safety effectiveness in April 2018 which resulted in the development of a work plan to address the opportunities identified. A summary of progress is shown below.

PNCC is scheduling another external audit for June 2021.

Status of Actions	High	Medium	Low
Completed	6	19	1
On-going action (completed but continues)	2	1	
In progress	3		
Awaiting completion of a prerequisite action	10	5	
On hold (Timing)			

Comment:

- *Although progress is being made on the workplan significant effort is required to complete the outstanding items, the majority of which pertain to strengthening PNCC's standard operating procedures.*

E. Training

Summary information on Health & Safety training undertaken in the last 18 months is shown below. Further detail is provided in Attachment One.

Date	Jun 19	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20
Number of events	21	21	37	34	32	51
Number of staff attending	374	106	51	97	53	227

Comments:

- *There has been a significant increase in training activity against last quarter (328%) and the same period last year (114%).*
- *The increase between June and September 2020 period is explained by the training surge to compensate for lost training time during COVID-19.*

F. Wellness

- i. The Activate Wellness Gyms were used 1,659 times during the September quarter or an average of 127 times per week by 116 individual staff members during the period. Gym use in the June quarter was down considerably due to the COVID-19 lockdown and its resurgence. The Depot gym was opened in March and contributes to 17% of the overall figures below.

Gym Usage	Dec 19	Mar 20	Jun 20	Sep 20
Gym usage quarterly total	1060	1165	411	1659
Average weekly use	81	88	51	128

- ii. Health and eye checks are available to all permanent staff every two years.
- iii. Flu-shots are available to all staff annually.

G. Annual leave

Sep 18	Dec 18	Mar 19	Jun 19	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20
1660	3287	2051	1884	1749	3006	1775	585	572

Total days of annual leave taken over the quarter

Comment:

- The average annual leave balance per staff member is 26.3 days (entitled plus accrued leave). This rose during the COVID-19 lockdown when staff did not take leave and has not reduced.*

H. Turnover

Turnover for the quarter of permanent staff was 22 or 3.8%. The annual turnover rate was 13.7%. Normally we measure employee initiated turnover only which is 12.0%. Employee initiated turnover are resignations and retirements. Our benchmark is 12% which ensures that we have enough turnover to refresh the organisation.

Date	Sep 18	Dec 18	Mar 19	Jun 19	Sep 19	Dec 19	Mar 20	Jun 20	Sep 20
Employee Initiated	12	20	15	11	19	19	26	9	19
Other	0	11	3	5	8	2	2	2	4

PALMERSTON NORTH CITY COUNCIL

Attachment One: The details of Health & Safety specific training undertaken in the last 12 months. Not included is the Health & Safety induction that all new staff receive.

Attachment Two: The Health & Safety Dashboard for the quarter that is discussed at Health & Safety committees.

Alan Downes

HEALTH, SAFETY AND WELLBEING MANAGER

Wayne Wilson

HUMAN RESOURCES MANAGER

Attachment One:

Event	Dec 19	Mar 20	June 20	Sept 20
Assessor Hort. ITO Online Training 4098		4		
Breathing Apparatus	1	5		
Chemical Handling & Spill Management	3			
Chemical - Cleaners				
Concrete Saw				
Confined Space Entry		14		21
Customer Conflict Awareness				
Dangerous Good DG	1	1		
Dealing with Critical Incidents				
Dealing with Difficult People				
Dealing with Mental Health				
Defibrillator Training				
Drain-laying				
Driver Assessment Training		9		
Driver's License – Class 1R (Restricted)			1	
Driver's License – Class 3L (Learners)				
Driver's License – Class 5L (Learners)				
Driver's License – Class 4L (Learners)	1	2		
Driver's License – Class 1 (Car License)	5	2	3	1
Driver's License – Class 2 (Medium Rigid Vehicle)	3	1	3	1
Driver's License – Class 3 (Medium Combination)		1	1	2
Driver's License – Class 4 (Heavy Rigid)	2	2	1	1
Driver's License – Class 5 (Heavy Combination)		1	1	2
Driver's License – Class 6 (Motorcycle)			1	
Drug Awareness Training for Managers				
Efficient Compaction Operators course	1			
Electrofusion certificate				11
Electric Glass Truck				

Electric Rear-packer Truck				
Elevated Working Platform (Scissor Lift and Boom)				
Embracing Change				
Endorsement (D) Dangerous Goods		1		
Endorsement (F) Forklift		1	2	3
Endorsement (R) Roller	2	1	2	5
Endorsement (T) Tracks	2	1	1	5
Endorsement (W) Wheeled Special Type	2	1	2	5
Fire Extinguisher training (internal)	1			
First Aid Certificate	15	1	1	26
Forklift OSH Certificate			4	10
Grow-safe	1			27
Harassment Prevention and Awareness				
Height Safety Advanced				
Height Safety Intro				
H&S Representative				14
How To: Tell Your Story				
Kerbside collection traffic leader KCTL / WCTL				10
ID Plant & Trees				
Internal Orientation – Easy Start Orientation	2			
Managing Mental Health				
Managing Performance Masterclass				
Move at Work (Manual Handling)				
NC in Water Reticulation L3	1			
NZ Certificate in Wastewater Treatment L4	1			
NZ Certificate in Water Treatment L4	1			
Other PCBU's – Dealing with Sub/Contractors				
PeopleSafe Training		32	19	55
Playground Safety Inspections Level 2				
Public toilets & facilities cleaning /training SOP			5	

PALMERSTON NORTH CITY COUNCIL

Quad Bike Training				
Resilience				
Safe Work Zones		1		
Site Induction Training: Collections				
SSTC situational safety & tactical communications				9
STMS Level 1 – Site Traffic Management	3		5	10
TC1 – Basic Traffic Controller Level 1	1	2	1	9
TC Refresher	2			
Truck Loader Crane/Hi Ab		14		
Workplace Physical Discomfort Seminar				
Total Number of Events	37	34	32	51
Total Number of Staff Attending	51	97	53	227

2. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	No
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 5: A Driven and Enabling Council	
The recommendations contribute to the outcomes of the Driven and Enabling Council Strategy	
The recommendations contribute to the achievement of action/actions in	
The action is: Providing a safe and healthy workplace	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Providing a safe and healthy workplace.

ATTACHMENTS

2. H&S Dashboard Report July - Sept 2020 [↓](#) 



Health and Safety Quarterly Dashboard Report: July – September 2020

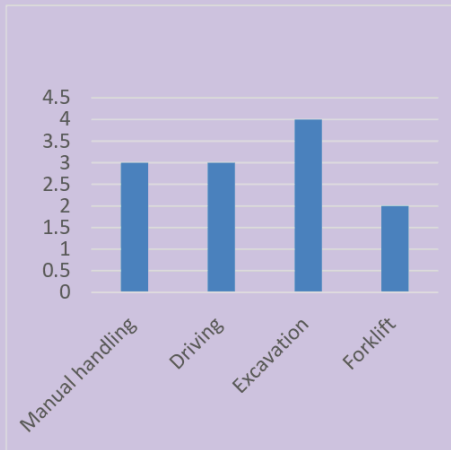


Near Misses

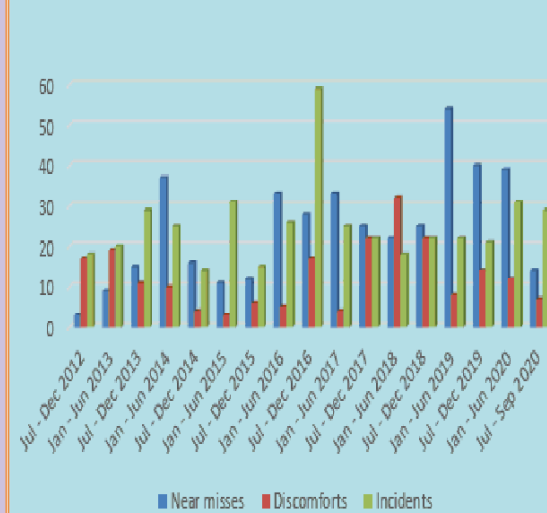
Incidents

Infrastructure

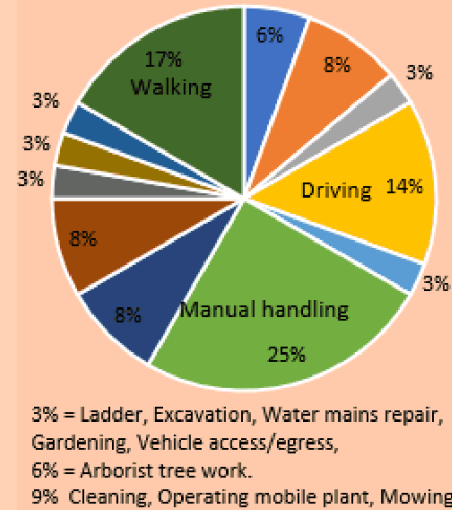
Near Misses by Activity



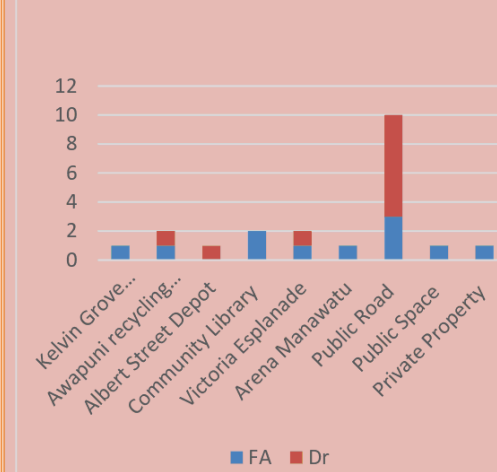
Health and Safety Reporting



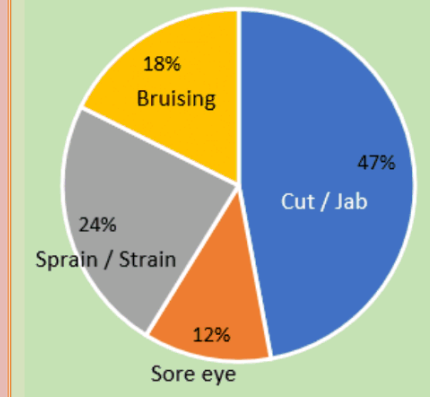
Incidents by Activity



Treatment by Location

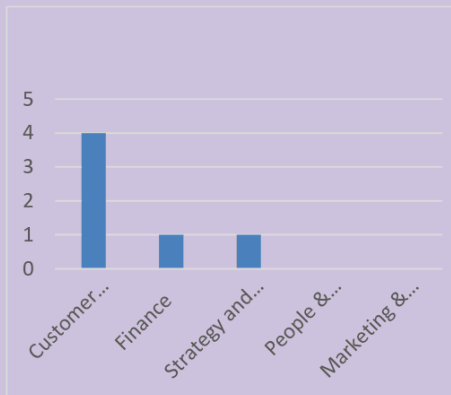


Nature of Injury

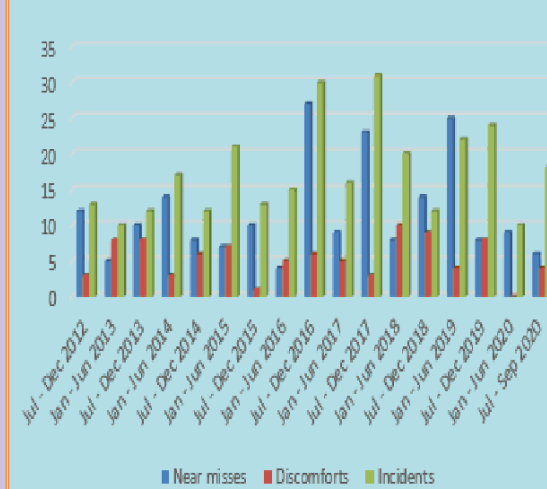


Rest of Council

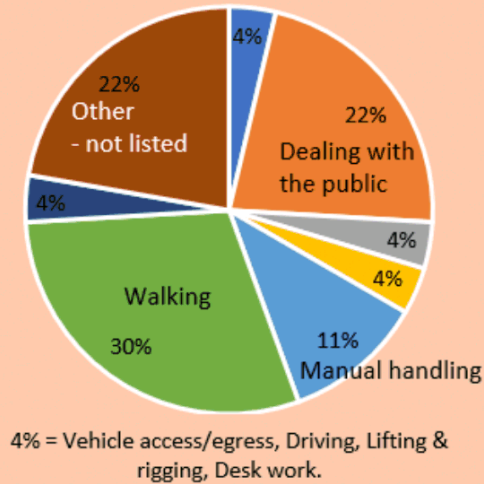
Near Misses by Unit



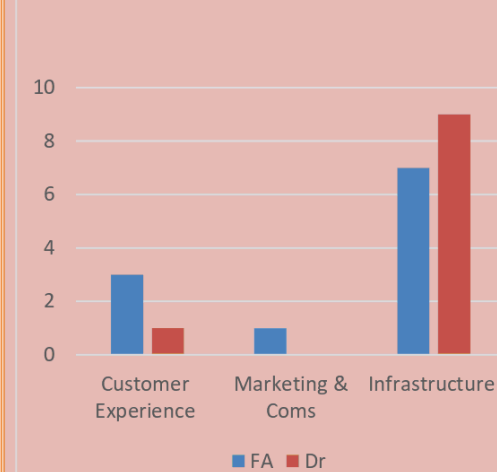
Health and Safety Reporting



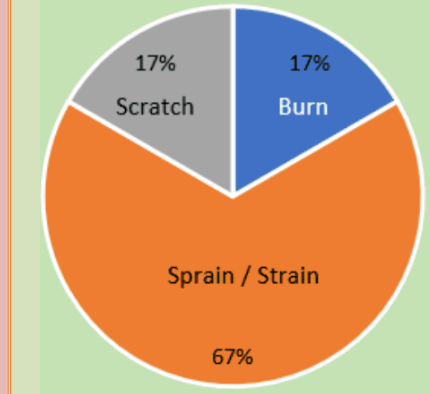
Incidents by Activity



Treatment by Area



Nature of Injury



Combined

Critical Risks:

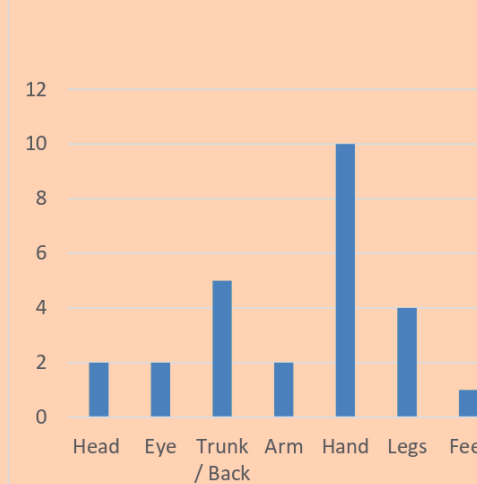
There have been five near misses related to PNCC's critical risks in the last quarter:

- Four related to Members of the Public (threatening behaviour)

There were three critical risk incidents in the last quarter involving:

- Excavation /mobile plant where a gas line was struck
- Arborist – tree work
- Mobile plant / mowing

Affected Body Part



Summary:

- As with previous quarters, the majority of near misses in Council relate to driving and threatening behaviour of customers
- Injuries are treated primarily with first aid only.

There were four serious instances of threatening behaviour reported this quarter, all in Customer Experience

COMMITTEE WORK SCHEDULE

TO: Finance & Audit Committee

MEETING DATE: 18 November 2020

TITLE: Committee Work Schedule

RECOMMENDATION(S) TO FINANCE & AUDIT COMMITTEE

1. That the Finance & Audit Committee receive its Work Schedule dated November 2020.

ATTACHMENTS

1. Committee Work Schedule - November 2020 [↓](#) 

FINANCE & AUDIT COMMITTEE

COMMITTEE WORK SCHEDULE – NOVEMBER 2020

Item No.	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction/ Point of Origin
1.	October 2020	Energy and environmental efficiency options report for any public housing opportunities	Chief Infrastructure Officer	To be removed as requested by the Chair/Mover	17 June 2020 Clause 23-20 (3)
2.	December 2020	Report back re recommendations, action plan and progress on the Business Continuity Planning Review	Business Assurance Manager		16 September 2020 Clause 38.2
3.	December 2020	Annual Report	Chief Financial Officer		
4.	February 2021	Quarterly Performance and Finance Report	Chief Financial Officer		
5.	March 2021	Review of Elected Members' Expenses and Allowances Policy	Democracy & Governance Manager		19 February 2020 Clause 3-20
6.	November 2020 2021	Health and Safety quarterly update	Health, Safety & Wellbeing Manager		