



PALMERSTON NORTH CITY COUNCIL

AGENDA

AUDIT AND RISK COMMITTEE

9AM, MONDAY 20 FEBRUARY 2017
COUNCIL CHAMBER, FIRST FLOOR, CIVIC ADMINISTRATION BUILDING
32 THE SQUARE, PALMERSTON NORTH



MEMBERSHIP

Vaughan Dennison (Chairperson)
Bruno Petrenas (Deputy Chairperson)
Grant Smith (The Mayor)

Brent Barrett
Susan Baty
Rachel Bowen
Adrian Broad
Gabrielle Bundy-Cooke
Lew Findlay QSM
Leonie Hapeta

Jim Jefferies
Lorna Johnson
Duncan McCann
Karen Naylor
Aleisha Rutherford
Tangi Utikere

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

Paddy Clifford
Chief Executive, Palmerston North City Council

Palmerston North City Council

W pncc.govt.nz | E info@pncc.govt.nz | P 356 8199
Private Bag 11034, 32 The Square, Palmerston North



AUDIT AND RISK COMMITTEE MEETING

20 February 2017

ORDER OF BUSINESS

(NOTE: The commencement time for this meeting coincides with the commencement time for the Finance and Performance Committee, Committee of Council and Extraordinary Council meetings. The format for the meeting will be that the Audit and Risk Committee, Committee of Council and Extraordinary Council meetings will open, take apologies and adjourn immediately to allow the Finance and Performance Committee to consider its business. At the conclusion of the Finance and Performance Committee meeting the Audit and Risk Committee meeting will resume to consider its business followed by the Committee of Council and Extraordinary Council meetings.)

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. 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.)

4. Confirmation of Minutes

Page 7

“That the minutes of the Audit and Risk Committee meeting of 28 November 2016 Part I Public be confirmed as a true and correct record.”

5. Health and Safety - October - December 2016

Page 12

Memorandum, dated 7 February 2017 from the Human Resources Manager, Wayne Wilson.

6. Planning Service Revenue Process - Uninvoiced Monitoring

Page 15

Memorandum, dated 20 January 2017 from the Head of Planning Services, Simon Mori.

7. Revised Internal Audit Charter - 2017

Page 18

Memorandum, dated 5 December 2016 from the Senior Internal Auditor, Vivian Watene.

8. Internal Audit 3 Year Plan 2017/18 to 2019/20

Page 23

Memorandum, dated 24 January 2017 from the Senior Internal Auditor, Vivian Watene.

9. Risk Management Progress YTD December 2016

Page 39

Memorandum, dated 25 January 2017 from the Senior Internal Auditor, Vivian Watene.

10. Internal Audit Plan 2016/17 Progress Report Page 69

Memorandum, dated 25 January 2017 from the Senior Internal Auditor, Vivian Watene.

11. Delegations Project Page 123

Memorandum, dated 3 February 2017 from the Business Development Executive, Fiona Dredge.

12. Committee Work Schedule Page 259

Committee Work Schedule dated February 2017.

13. 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

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.

Chief Executive (Paddy Clifford), Chief Financial Officer (Grant Elliott), General Manager, City Enterprises (Ray McIndoe), General Manager, City Future (Sheryl Bryant), General Manager, City Networks (Ray Swadel), General Manager, Customer Services (Peter Eathorne), General Manager, Libraries and

Community Services (Debbie Duncan), Human Resources Manager (Wayne Wilson) and Strategic Communications Manager (Mark Torley) because of their knowledge and ability to provide the meeting with advice on matters both from an organisation-wide context (being members of the Council's Management Team) and also from their specific role within the Council.

Legal Counsel (John Annabell), because of his knowledge and ability to provide the meeting with legal and procedural advice.

Governance and Support Team Leader (Kyle Whitfield) and Committee Administrators (Penny Odell and Rachel Corser), because of their knowledge and ability to provide the meeting with procedural advice and record the proceedings of the meeting.

< add officers who are authors of reports or their substitutes > because of their knowledge and ability to assist the meeting in speaking to their report and answering questions, noting that such officer will be present at the meeting only for the item that relate to their respective report.

<add third parties, e.g. authors of third party reports being considered>, 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 Audit and Risk Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 28 November 2016, commencing at 9.00am.

Members Present: Councillor Vaughan Dennison (in the Chair) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Gabrielle Bundy-Cooke, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

Apologies: The Mayor (Grant Smith) (for lateness) and Councillors Adrian Broad (early departure on Council Business) and Tangi Utikere (for lateness)

Councillor Duncan McCann entered the meeting at 11.23am when the meeting resumed. He was not present for clause 24.

Councillor Tangi Utikere entered the meeting at 11.23am when the meeting resumed. He was not present for clause 24.

The Mayor (Grant Smith) entered the meeting at 11.23am when the meeting resumed. He was not present for clause 24.

Councillor Adrian Broad was not present when the meeting resumed at 11.23am. He was not present for clauses 25 to 31 inclusive.

Councillor Lew Findlay was not present when the meeting resumed at 11.23am. He entered the meeting at 11.43am during consideration of clause 27. He was not present for clauses 25 to 26 inclusive.

24-16 Apologies

Moved Vaughan Dennison, seconded Susan Baty.

The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 24.1 above was carried 13 votes to 0, the voting being as follows:

For:

Councillors Brent Barrett, Susan Baty, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

The meeting adjourned at 9.01am

The meeting resumed at 11.23am

Note: when the meeting resumed The Mayor (Grant Smith) and Councillors Duncan McCann and Tangi Utikere were present. Councillors Adrian Broad and Lew Findlay were not present.

25-16 What is Internal Audit and Risk Management - An Overview
Presentation, dated 16 November 2016, by Vivian Watene.

Moved Vaughan Dennison, seconded Bruno Petrenas.

The **COMMITTEE RESOLVED**

1. That the Audit and Risk Committee receive the presentation for information.

Clause 25.1 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Gabrielle Bundy-Cooke, Vaughan Dennison, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

26-16 Public Participation at Meetings
Memorandum, dated 9 November 2016, from the Committee Administrator, Rachel Corser.

Moved Vaughan Dennison, seconded Aleisha Rutherford.

The **COMMITTEE RESOLVED**

1. That the Audit and Risk Committee set aside a public comment section of not more than 30 minutes at the commencement of each ordinary meeting of the Committee to provide members of the community the opportunity to comment.

Clause 26.1 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Gabrielle Bundy-Cooke, Vaughan Dennison, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

27-16 Health and Safety - July - September 2016
Memorandum, dated 3 November 2016, from the Human Resources Manager, Wayne Wilson.

Councillor Lew Findlay entered the meeting at 11.43am

Moved Vaughan Dennison, seconded Bruno Petrenas.

The **COMMITTEE RESOLVED**

1. That the Audit and Risk Committee note the information contained within

the memorandum dated 3 November 2016 entitled 'Health and Safety July – September 2016.'

Clause 27.1 above was carried 14 votes to 1, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Against:

Councillor Leonie Hapeta.

28-16

Audit New Zealand Report to Council for the year ended 30 June 2016

Memorandum, dated 18 November 2016, from the Financial Accountant, Keith Allan.

Moved Vaughan Dennison, seconded Bruno Petrenas.

The **COMMITTEE RESOLVED**

1. That the Committee receive the 2016 final Audit Management Report.

Clause 28.1 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

29-16

Management Agreed Audit Corrective Actions - Timeline Missed

Memorandum, dated 28 October 2016, from the Senior Internal Auditor, Vivian Watene.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That the Committee receive the Memorandum dated 28 October 2016 entitled 'Management Agreed Audit Corrective Actions – Timeline Missed' for information.
2. That the Chief Executive be instructed to report a Business Continuity Plan Status Report to the next Audit and Risk Committee meeting in February 2017.

Clause 29-16 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

30-16

New Audit Review - Planning Services Revenue Process

Memorandum, dated 1 November 2016, from the Senior Internal Auditor, Vivian Watene.

Moved Vaughan Dennison, seconded Bruno Petrenas.

The **COMMITTEE RESOLVED**

1. That the Committee receive the Memorandum dated 1 November 2016 entitled 'New Audit Review – Planning Services Revenue Process' and its Appendix.
2. That the Committee note the audit issues and the related management responses to the audit recommendations.

Clauses 30.1 to 30.2 above were carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

Moved Susan Baty, seconded Vaughan Dennison.

3. That a report for uninvoiced items be presented to the next Audit and Risk Committee meeting in February 2017.

Clause 30.3 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Tangi Utikere.

31-16

Minutes of the Audit and Risk Committee meeting of 16 May 2016 [Part II Confidential]

Moved Vaughan Dennison, seconded Bruno Petrenas.

The **COMMITTEE RESOLVED**

1. That the minutes of the meeting held on 16 May 2016 [Part II Confidential] be confirmed as a correct record, subject to the removal of Councillor Lew Findlay from members present.

Clause 31.1 above was carried 9 votes to 0, with 6 abstentions, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Rachel Bowen, Vaughan Dennison, Leonie Hapeta, Jim Jefferies, Duncan McCann, Bruno Petrenas and Aleisha Rutherford.

Abstained:

Councillors Brent Barrett, Gabrielle Bundy-Cooke, Lew Findlay QSM, Lorna Johnson, Karen Naylor and Tangi Utikere.

The meeting finished at 12.57pm

Confirmed 20 February 2017

Chairperson

MEMORANDUM

TO: Audit and Risk Committee

MEETING DATE: 20 February 2017

TITLE: Health and Safety - October - December 2016

DATE: 7 February 2017

AUTHOR/S: Wayne Wilson, Human Resources Manager, Headquarters

RECOMMENDATION(S) TO AUDIT AND RISK COMMITTEE

1. That the Audit and Risk Committee note the information contained within this report.

Report

This report covers the period 1 October to 31 December 2016. The information included in this report is discussed at the appropriate H&S Committee, the Main H&S Committee and Management Team.

Risks and Control Plans

Work has continued with identifying and assessing the significance of the risks present at Council worksites.

Hazards, Incidents and Near Misses Reported

For the quarter the following was reported	Previous Quarter	
	Dec	Sep
• Hazards	15	21
• Incidents	31	45
• Near Misses	67	24
• Lost Time	211.72 days	134.4 days
• Lost Time Injuries	13	8

There has been a significant increase in Injuries and the amount of time staff have taken off to recover. Most of the accidents seem quite minor in terms of what happened (eg climbing off a ladder, putting Knapsack on, stepping in a hole etc) but the impact on the time to recover has been significant. This reinforces our policy of reporting all incidents and

investigating them fully. There has also been an increase in reported near misses which is positive as we can use this information to prevent more serious incidents.

None of the hazards or incidents in the quarter were identified as requiring notification to Worksafe. The Council is required to notify Worksafe if there is a death, notifiable incident or a notifiable illness or injury. Examples are serious spinal, eye, head, burn or laceration, amputation, injury or illness requiring hospitalisation, or hospitalisation within 48 hours, or someone has been exposed to a serious and immediate risk.

Investigations

Councillors have been informed by Ray McIndoe, General Manager City Enterprises, of an issue raised by Worksafe in regards to the removal of asbestos from a Council building. Worksafe issued a prohibition notice to stop work whilst an investigation was undertaken by them. This resulted in 2 Improvement Notices being issued.

1. *PCBU to implement an effective system to assess the risks and put in place adequate controls associated with Asbestos containing material handling and removal work in accordance with Health and Safety at Work (Asbestos) Regulations 2016.*

This is on track for completion

2. *Implement an effective system to ensure workers involved in Asbestos handling or remedial work for the PCBU are adequately trained, knowledgeable and experienced or supervised to do so in accordance with Regulation 9 of the Health and Safety at Work (General Risk and Workplace Management) Regulations 2016.*

This improvement notice has been completed with further training being provided to a number of Council staff.

The Council was also fined \$9,000 by Worksafe.

The Council also investigated the incident. The resulting report contained 20 recommendations which the Chief Executive has approved for action. The main recommendation was to have an independent consultant review our processes and procedures. It was always intended for this to occur in a staged manner as we changed processes and procedures relating to the new Act. A suitable consultant is currently being sourced to undertake the recommended review. Of the other 19 recommendations 2 were specific to the incident and the others related to generic H&S processes that are in place but will be reviewed.

In regards to asbestos the Council has for many years followed a procedure of subcontracting to an external specialist company to inspect, identify and report on suspected asbestos materials. Once identified another specialist company is subcontracted to undertake the work. In this case the asbestos was identified by the external expert but due to unavailability of removal experts a decision was made to undertake the work by Council staff. In hindsight this was an error in judgement as whilst Council staff had received training, this was not to the standard required and their experience in this task was

not sufficient to undertake the level of work this job required. This was partly as a result of misinterpretation of the Asbestos Regulations.

As stated above a number of staff have received training in asbestos removal and another group received training on the asbestos regulations. An expert has been retained to supervise asbestos work undertaken by Council employees.

Previous Investigations

Number of Recommendations	4
---------------------------	---

Number of Recommendations Completed	4
-------------------------------------	---

General

City Enterprises has purchased People Safe software to assist with their H&S Management.

ATTACHMENTS

Nil

Wayne Wilson
Human Resources Manager

MEMORANDUM

TO: Audit and Risk Committee

MEETING DATE: 20 February 2017

TITLE: Planning Service Revenue Process - Uninvoiced Monitoring

DATE: 20 January 2017

AUTHOR/S: Simon Mori, Head of Planning Services, Customer Services

RECOMMENDATION(S) TO AUDIT AND RISK COMMITTEE

1. That the Audit and Risk Committee receive the information

1. ISSUE

As a result of an audit of Planning Services Revenue Process it was determined some monitoring inspections had not yet been invoiced. A check of the process has found that inspection fees are not being invoiced until the consent holder has complied with all condition/s of a resource consent. This has meant, in some cases, that inspections have been carried out but the consent holders have not been invoiced for months after the inspection/s or in some cases up to 3 years after the inspection/s.

Currently there are 69 inspections that have been carried out across 25 consents that have yet to be invoiced. Inspection fees vary from \$130 to \$153 per inspection resulting in a total of \$9,858 that is outstanding.

2. BACKGROUND

At the 28 November 2016 Audit and Risk Committee meeting the Committee received a Memorandum by Vivian Watene entitled "New Audit Review – Planning Services Revenue Process" dated 1 November 2016. This memorandum identified the above issue as Audit issue 4 "The monitoring and inspection fees and the related inspections process disjointed".

The Committee resolved:

"That a report for un-invoiced items be presented to the next Audit and Risk Committee meeting in February 2017."

ITEM 6

Information was particularly sought regarding the approach to be taken in communicating with the consent holders to seek payment.

Many resource consent applications include conditions that need to be monitored. Typically the conditions require something physical to be carried out by the consent holder e.g. construct a car park, landscape strip or put in some planting. These conditions are monitored and inspected by Council's Monitoring and Enforcement Officer.

In these resource consents the following standard monitoring fee condition has been imposed.

The consent holder shall pay to the Council an initial fee of \$306 for the costs associated with the monitoring of this resource consent in accordance with Section 36 of the Resource Management Act 1991.

That a fee will be payable by the consent holder for any subsequent monitoring of the conditions of this consent. This fee is set in accordance with Section 36(1)(c) of the Resource Management Act 1991.

Note: The current fee for monitoring is set at \$153 per hour. This amount may alter in the future if fees are reviewed. The monitoring fee charged will be the fee applicable at the time of monitoring, and will be charged on each additional inspection or hour of work undertaken until full compliance with consent conditions is achieved.

The \$306 covers two inspections and is paid by the consent holder at the time the consent is issued. As the inspections have yet to be carried out when the \$306 is paid to Council this money sits in a "holding account". When the Monitoring and Enforcement Officer carries out an inspection then money is drawn from the "holding account" and credited into a Planning Services account.

If a third, fourth or fifth (or more) inspection is required, the invoicing for these inspections is not undertaken until compliance has been achieved.

The draw down from the holding account into the Planning Services account however does happen immediately after the inspection has been carried out. This means that money is drawn out of the holding account for inspections that have not been invoiced. This has led to the "holding account" occasionally falling into debit balance i.e. hours of inspections drawn down is greater than the hours of inspections invoiced.

3. NEXT STEPS

The Head of Planning Services to organise the immediate issuing of invoices to the 25 consent holders for the 69 inspections that have already been carried out. These invoices will be sent out with a standard letter that will explain why the invoice has been sent.

In regard to future inspections Planning Services will develop a process whereby invoices will be sent to consent holders for inspections that have not been paid in advance within one month of the inspection being carried out. A standard letter will also be sent out with these invoices to explain the reason for the invoice.

Invoicing monthly will mean the “holding account” will not go into a debit balance.

The monthly invoicing and letter is also likely to motivate the consent holder into complying with their consent conditions as they can see up front the cost of each inspection.

ATTACHMENTS

Nil

Simon Mori
Head of Planning Services

MEMORANDUM

TO: Audit and Risk Committee

MEETING DATE: 20 February 2017

TITLE: Revised Internal Audit Charter - 2017

DATE: 5 December 2016

AUTHOR/S: Vivian Watene, Senior Internal Auditor, City Corporate

RECOMMENDATION(S) TO COMMITTEE

1. That the Committee endorse the revised Internal Audit Charter enclosed in Appendix A.
2. That the Chairperson of the Committee sign the Internal Audit Charter on behalf of the Committee.

ISSUE

1. To comply with the International Standards for the Professional Practice of Internal Auditing (Standards), an Internal Audit Charter must be approved by the senior management and the Audit and Risk Committee (or its equivalent).

BACKGROUND

2. An Internal Audit Charter is a formal document which defines the internal audit activity's purpose, authority, and responsibility. The Council's Internal Audit Charter was approved by the last term's Audit & Risk Committee and the Chief Executive in February 2014.
3. With the new term of Council now in place, and to comply with the Standards, the Internal Audit Charter needs to be signed by the new Chairperson of the Audit and Risk Committee to maintain its currency.
4. The changes made are of a cosmetic nature and are minor. These changes are tracked for easy reference.

NEXT STEPS

5. The Chairperson of this Committee to sign the Internal Audit Charter.

6. Internal Audit will carry out the Internal Audit functions in accordance with the approved Internal Audit Charter.

ATTACHMENTS

1. Appendix A - Revised Internal Audit Charter [!\[\]\(aca6fcc8bd95e8255b9ea1b1d08ef300_img.jpg\) !\[\]\(0083087c61cec498ac803a4aec5bb1bd_img.jpg\)](#)

Vivian Watene
Senior Internal Auditor

INTERNAL AUDIT CHARTER

Updated in December 2016

Purpose

This Charter sets out the objective, authority, scope and responsibility of internal audit at the Palmerston North City Council.

Objective

Internal Audit is an independent and objective assurance, consulting and risk advisory activity, which aims to assist management to accomplish their objectives and meet their accountabilities. This is done by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

Access Authorisation

Internal Audit is granted full and complete access to records (manual or electronic), physical property and personnel related to a review. Documents and information given to internal auditors will be handled with the same standard of confidentiality and prudence as that exercised by normally accountable employees.

Independence

Internal Audit will be independent of the activities it audits. This independence is necessary to maintain audit objectivity and integrity. Internal Audit should be given the opportunity to provide input into the development of new key systems and processes. However, designing, installing and operating such systems and processes are not Internal Audit functions. Such activities are generally presumed to impair audit objectivity.

The Senior Internal Auditor has direct access to the Chief Executive and maintains line management relationship with the Chief Financial Officer on a day-to-day basis. The Senior Internal Auditor also has direct access to the Chairperson of the Audit & Risk Committee and vice versa for any matters that they deem are the responsibility of, and relevant to, the elected Council.

The Audit and Risk Committee shall approve the Internal Audit Charter and the Internal Audit Plan.

Internal Audit Scope

Internal Audit examines and evaluates the adequacy, efficiency and effectiveness of the Council's management control structure, including review of the:

- Reliability, timeliness and integrity of financial and operating information, and the processes used to identify, measure and report such information;

- Systems established to ensure compliance with policies, plans, procedures, laws and regulations;
- Means of safeguarding assets and verifying the existence of these assets;
- Effectiveness and efficiency with which operational, financial and administrative procedures are performed;
- Operational results and whether these are consistent with established objectives and standards; and
- Quality of internal systems, policies and procedures.

Internal Audit will undertake the following in fulfilling its responsibilities:

- Adopt a risk-based audit approach.
- Be proactive and forward thinking in approach.
- Design and execute audit plans that reflect both risk and cost effectiveness.
- Provide reports to management that identify control issues and make practical, cost effective recommendations for improvement.
- Follow up on audit issues to assure that identified problems have been resolved.
- Ensure the effectiveness and quality of the internal auditing effort.

Reporting

Internal Audit will issue a written report on completion of each audit review. The report will outline audit findings, recommendations, implementation plans and will include an opinion on management controls.

Prior to issuance of any draft audit report, meetings will be held with relevant management to obtain agreement on the substance and tone of the report. On issuance of the draft audit report the relevant Manager will respond in writing within an agreed timeframe indicating what actions are being taken in support of the recommendations included in the report. A timetable with individual accountabilities will be an integral part of the response.

A final copy of the report, including management responses, will be provided to the relevant Management Team member, the Chief Executive, the Management Team and the Audit and Risk Committee.

The Internal Auditor will submit a six monthly summary report to the Management Team and the Audit and Risk Committee outlining activities, outcomes and findings of the Internal Audit function.

The Internal Auditor will submit an annual report to the Management Team and the Audit & Risk Committee outlining the activities, outcomes and findings of the Internal Audit function in order to provide assurance of the adequacy of internal controls. **Follow Up**

The Internal Auditor will routinely follow up on agreed corrective actions based on recommendations made during the preceding year. The Internal Auditor will submit a quarterly report to the Management Team and Audit and Risk Committee outlining any recommendations made that have not been satisfactorily resolved.

Relationship With The External Auditor

The Council is subject to an independent external audit, which aims to provide an opinion on the fairness of information included in the Council's financial statements. The objectives of Internal Audit are different and focus on the effectiveness of systems and the accuracy of management information rather than offering an opinion on the statutory financial statements. However, there is some overlap of work and therefore Internal Audit will coordinate its activities with External Audit to ensure that optimum audit coverage and effectiveness is obtained at an optimal cost.

Internal Audit will also make Internal Audit staff, and any relevant workpapers or reports, available to the External Auditor on request.

Quality Assurance

Internal Audit will comply with the Standards for the Professional Practice of Internal Auditing set out by the Institute of Internal Auditors.

Internal Audit will establish and maintain a quality assurance programme to evaluate the operations of Internal Audit. The purpose of this programme is to provide reasonable assurance that audit work conforms to the Standards for the Professional Practice of Internal Auditing. The quality assurance programme will include training, supervision and internal and external reviews.

Signed for and on behalf of Palmerston North City Council by:			
Chairman	Audit	& Risk	Date
Committee		(Vaughan	
Dennison)			
_____			_____
Chief Executive (Paddy Clifford)			Date
_____			_____
Senior Internal Auditor (Vivian Watene)			Date
_____			_____

MEMORANDUM

TO: Audit and Risk Committee

MEETING DATE: 20 February 2017

TITLE: Internal Audit 3 Year Plan 2017/18 to 2019/20

DATE: 24 January 2017

AUTHOR/S: Vivian Watene, Senior Internal Auditor, City Corporate

RECOMMENDATION(S) TO AUDIT AND RISK COMMITTEE

1. That the Internal Audit 3 Year Plan 2017/18 to 2019/20 as described in paragraphs 11, 12, 13 and 15 be endorsed.

Issue

1. In accordance with the International Auditing Standards, an Internal Audit Plan should be prepared and reviewed yearly to ensure it continues to meet the organisation's current needs.
2. The Palmerston North City Council Internal Audit 3-year Plan process is generally aligned with the 3 yearly Local Government elections cycle.

Background

3. In December 2016 after the October 2016 Local Government elections, the stakeholders were invited to rank a list of 77 possible audit projects from the audit universe.
4. Ninety two percent of the stakeholders responded to the ranking exercise. This is a good response and it has exceeded expectations.
5. Some 81% of the 77 projects in the audit universe have been audited at least once in the past decade. Of these, 65% have been audited more than once.
6. The stakeholders for this exercise were the Audit and Risk Committee members, the Management Team members and the Internal Audit staff.

ITEM 8

7. Through the ranking process, the stakeholders suggested the following possible reviews. Management has considered these possible reviews and its decisions are included in the brackets after each suggestion as follows:
 - 1) Benching efficiency and performance against other Councils (Department of Internal Affairs has had benchmarking initiatives e.g. Standardised Reporting Requirements, and Administrative & Support Services Benchmarking exercise)
 - 2) Performance against Strategy (Monitoring reports in the Quarterly and Annual Reports)
 - 3) Contract performance against the contract specifications (This can be included in paragraph 15.8 as a sample)
8. The stakeholders were requested to rank the projects in the order of importance based on, but not limited to, the following guiding risk factors:
 - 1) Gut feel/ intuition
 - 2) Time since last audit
 - 3) Opportunity for Fraud
 - 4) Staff turnover (if known)
 - 5) Volume & size of systems and procedure
 - 6) Complexity of systems and procedures
9. The following lists are based on the stakeholders' ranking. The Senior Internal Auditor's judgement has also been exercised especially when 2 or more projects hold the same ranking. The figures in the brackets are the number of counts where the stakeholders have ranked for these particular projects to be carried out in the first year of the 3-Year Plan.
10. Based on the resources available, 6 new projects and 8 routine reviews each year have been allowed for in the Plan. The new projects for each of the three years are set out in paragraphs 11 to 13. The routine yearly reviews are listed in paragraph 15.

11. Suggested Year 1 (2017/18) Projects are:

- 1) Accounts Receivable and Aged Debtors Management (16)
- 2) Rates Activity (14)
- 3) Landfills Revenue Collection (13)
- 4) Trade Waste Revenue (13)
- 5) Earthquake Strengthening (11) (This review is subject to the timing of the legislation)
- 6) Animal Control Revenue Collection Process Revenue (10)
- 7) Health and Safety Policy and Procedures Compliance (9)

12. Suggested Year 2 (2018/19) Projects are:

- 1) Leased Carparks Revenue (10)
- 2) Arena Manawatu Revenue Collection Process Revenue (10)
- 3) Capital Expenditure Plan (10)
- 4) Fixed Assets (10)
- 5) Grant/Subsidy Revenue (9)
- 6) IT Security (9)

13. Suggested Year 3 (2019/20) Projects are:

- 1) Councillor Payments (9)
- 2) Commercial Property Rental Revenue (8)

ITEM 8

- 3) Convention Centre Revenue (8)
- 4) Customer Service Centre Cash Collections (8)
- 5) IT Disaster Recovery (8)
- 6) Contract Tendering (8)

14. The following projects are listed to assist with decision making if the Committee wishes to reprioritise or remove some projects from Years 1, 2 or 3 as suggested above.

- 1) Water Meter Reading and Billing (7)
- 2) General IT Control (7)
- 3) Payroll (7)

15. The stakeholders have reaffirmed the yearly routine audits. They are as follows:

- 1) Follow Up on the agreed corrective actions on the past internal audit reviews
- 2) Weekly payroll master file changes audit
- 3) Credit Cards payment audit
- 4) Staff Disbursements & Sensitive Expenditure audit
- 5) Cash Spot Checks
- 6) Accounts Payable and Receivables Data Analysis
- 7) Journals (Authorisations and supporting documents)
- 8) Miscellaneous sample checks

16. The Internal Audit Universe used for the ranking exercise is included as Appendix A for completeness.

Next Step

17. To carry out the first year of the Internal Audit 3 Year Plan in 2017/18 as approved by this Committee.
18. To review Years 2 and 3 of this 3 Year Plan prior to the commencement of 2018/19 and 2019/20 respectively.

ITEM 8

ATTACHMENTS

1. Appendix A to Internal Audit 3 Year Plan 2017/18 to 2019/20 [!\[\]\(223f1a84e0bc2cacb9c165f716817dcc_img.jpg\) !\[\]\(c437123967ec19fa50ef7951237304ba_img.jpg\)](#)

Vivian Watene
Senior Internal Auditor

Internal Audit Universe Used For Ranking Purpose:

New Reviews		Key Risks	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
1	Accounts Receivable and Aged Debtors Management (New to the Audit Universe) Review of the processes if they are functioning in line with the Council policies and that the internal controls are in place and working as intended.	Financial / Economic													
2	Accrued Operational and Capital expenditure Review of the year end capital & operational accrual processes, including journal processes and comparison of accrued amount to invoiced amount.	Financial	✓								✓				
3	Animal Control Revenue Collection Process Review (New to the Audit Universe) Review of the processes to calculate, collect, record and report revenue. This review will also include some analytical reviews associated with the impounded dogs.	Financial/ Service Delivery													
4	Aquatic Centre Cash Handling The objective of this review is to assess cash handling procedures at the Council's aquatic centres managed by CLM Limited subject to the contract conditions. The centres covered by this review are the Freyberg Community Pool and the Lido Aquatic Centre.	Service Delivery Financial / Economic			✓										
5	Aquatic Centre Management Review of contract management processes relating to the aquatic centre operations contract with CLM.	Service Delivery Financial / Economic													
6	Arena Manawatu Revenue Collection Process Review Review of the processes to calculate, collect and record revenue.	Financial / Economic							✓						

New Reviews		Key Risks	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
7	Asset Management Planning Review of asset management planning & updating processes, including review of the processes for reporting the variance between the AMPs and the 10 Year plan.	Asset Management							✓						✓
8	Budgetary Control Review of selected Units operational budgets to ensure adequacy of controls to prevent material under over spending.	Service Delivery Financial / Economic												✓	
9	Building Services Revenue Process Review of building consent processes to ensure that the Council charge the appropriate fees and accounting correctly for prepayments received.	Financial / Economic Legal / Regulatory			✓								✓		
10	Business Continuity Plan (BCP) Review and test the processes and procedures in place for the BCP. This will include review the monitoring of the BCP.	Service Delivery/ Technology/ Political/ Financial/ Economic									x	x	x	x	✓
11	Capital Expenditure Plan Review of the capital expenditure programme to ensure that projects are conducted in accordance with the Capital Expenditure plan and Council project management guidelines.	Financial / Economic Service Delivery	✓								✓				
12	Cell Phones Usage Review of the PNCC cell phones usage and its compliance with the council's policies and guidelines.	Financial													
13	Cemetery Review of revenue collection processes in place at the cemetery. It will also include review the record keeping of the cremation process.	Financial / Economic													
14	Claims Management Review of the processes undertaken to manage claims made against the Council by members of the public to ensure compliance with Council policies and good practice.	Financial / Economic Image / Reputation													✓
15	Commercial property Rental Revenue Process Review of the commercial properties rental agreement, billing and collection processes.	Financial / Economic							✓						

New Reviews		Key Risks	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
16	Contract Management - CCOs Review of the contract management process for Council Controlled Organisations to ensure appropriate monitoring and achievement of performance measures.	Service Delivery	✓												
17	Consultants Review to ensure OAG Guidance, delegations and Council Policy is followed for the employment of consultants. (Note: Management Team Policy on Procurement is being reviewed. Employing a consultant forms part of this review)	Political/ Reputational /Financial / Economic													
18	Contract Management Review of contract management process to ensure the Council is monitoring the performance of contractors in line with contract / agreement requirements. This review will also consider whether requirements outlined in contracts/agreements are adequate. The review will focus on those contracted parties that are not CCOs.	Asset Management		✓						✓				✓	
19	Contract Tendering Review of the contract tendering processes including the decision to pursue a particular project as well as the decision to appoint a particular provider. This will involve comparison of actual practices to both good practice and council policies.	Asset Management		✓						✓					
20	Convention Centre Revenue Collection Process Review Review of the processes to calculate, collect and record revenue.	Financial / Economic							✓						
21	Councillor Payments Review of the processes that ensure accurate, complete and compliance with the policies when payments are made to Councillors.	Political		✓											
22	Customer Service Centre Cash Collections Review of the customer service centre cash collection processes to ensure appropriate processes are in place and meeting the relevant policy requirements.	Service Delivery Financial / Economic				✓					✓				

New Reviews		Key Risks	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
23	Delegations Audit to ensure compliance with delegations at all levels of the organisation.	Legal / Financial /Reputational /Technology											✓		
24	Development Contribution (DC) Review of the processes to ensure revenue transactions are efficient and complete and are recorded appropriately in the Council's books. This will also include review of the discretionary write off process.	Financial / Economic		✓						☒					✓
25	Earthquake Strengthening Review the compliance with the legislations and Council Policy (if any) for Earthquake strengthening of Council Buildings.	Regulatory/ Legal													
26	Electronic Banking Review of the processes and controls surrounding the use of electronic banking for making payments and receiving payments.	Financial / Economic Technology		✓								✓			
27	Environmental Protection Review of environmental protection processes to ensure public health is maintained and Council guidelines, bylaws and legislation are adhered to and whether revenue is appropriately billed, collected and accounted for.	Financial / Economic Legal / Regulatory					✓							✓	
28	External Quality Assessment (EQA) This is to gauge the PNCC's internal audit activity the degree of conformance with the Definition of Internal Auditing, the Code of Ethics and the International Internal Auditing Standards. This assessment needs to be performed at a minimum of once in every five year. (The next EQA is due by 2019/20 the latest)	Service Delivery/Regulatory						✓					✓		
29	Financial System Control and Data Integrity To ensure that appropriate internal controls within the main financial systems such as (Accounts Payable , Accounts Receivable, General Ledger) are in place with focus on controls to ensure that transactions and information are complete, valid and accurate	Service Delivery/ Technology/ Financial	✓			✓	✓	✓							

New Reviews		Key Risks	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
30	Fixed Assets Review of fixed assets practices against Council processes including acquisitions, disposals, depreciation and capitalisation and ensure the completeness of the PNCC fixed assets. (This was included as part of the Capital Expenditure Plan reviewed in 2012/13)	Financial / Economic Asset Management	✓												
31	Fleet Management Review Depot fleet management and its compliance with the Council's policies and procedures. This will include review of cars (white fleet) fleet management including their disposal.	Service Delivery/ Technology/ Financial/ Economic					✓							✓	
32	Fuel Card Management Review Council's fuel cards management and its compliance with the Council's policies and procedures. This will include sample review of fuel usage of selected plants and vehicles.	Service Delivery/ Financial													✓
33	General IT Controls High level review of the adequacy of general IT controls (e.g. change management, security, disaster recovery) in place across various operating systems. The outcomes of this review will be used to further focus internal audit activity.	Technology/ Service Delivery	✓							☑					
34	Grant/Subsidy Revenue Review of processes for claiming grants and/or subsidies revenue due to the Council to ensure all these revenue due are claimed and recorded appropriately.	Financial/ Economic				✓									
35	Grants Activity Review of the processes undertaken to award grants to community organisations to ensure that these are awarded in line with Council guidelines and are applied in accordance with the objectives.	Community Wellbeing Financial / Economic	✓								✓				

New Reviews		Key Risks	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
36	Health & Safety (ACC carries out its own audit on H&S. It is left here for completeness) Review of processes and procedures in place and their compliance with the legislative requirements.	Legal/ Regulatory/ Financial													
37	Health and Safety - Contractors Independent assurance concerning processes and controls Council has in place for ensuring its contractors comply with H&S legislation and best practices.	Legal/ Regulatory/ Financial/ Reputation												✓	
38	Insurance Review of insurance taken out by Council to ensure that relevant aspects of the organisation are covered to the appropriate level.	Financial / Economic										☑			
39	Inventory Review of the processes to ensure complete and accurate inventory is maintained for petrol, diesel, depot, and other current assets.	Financial / Economic					✓								
40	IT Disaster Recovery Review of the processes in place to ensure back-up and recovery of key information systems are in place.	Technology Service Delivery		✓								✓			
41	IT Security Review of IT security practices, including internet, email and network security.	Technology	✓							☑					
42	Landfills Revenue Collection Review of the processes utilised at the landfills to calculate, collect and record revenue. This will include some analysis between the revenue and the tonnage of waste collected.	Financial / Economic						✓							
43	Leased Carparks Revenue Review of the leased carpark rental agreement, billing and collection processes. This will include some analytical reviews between the revenue and the carpark vacancies.	Financial / Economic													

New Reviews		Key Risks	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
44	Legal Compliance Framework Review of Legal Compliance plan/programme to ensure management processes are in place to enable Council meeting all statutes, and regulations requirements.	Legal/ Regulatory/ Financial													
45	Liability Management Review of debt management to ensure that activities are in line with Council policies and the 10 Year Plan.	Financial / Economic		✓											
46	Library Cash Collections Review of cash collection processes to ensure the cash handling policies are adhered to and there is sufficient internal control in place to safe guard public money and the employees.	Financial / Economic			✓										✓
47	Long Term Investment Fund Review of the separate investment funds to ensure they are administered in line with the SIPO and Council policy. (Note: As at 1 November 2016 the long term investment fund being held in bonds is \$4.75m. Of which \$2m will mature in April 2017 and another \$2m in August 2017. \$0.75m fund is being held in perpetuity.)	Financial / Economic		✓											
48	Mail Receipt & Distribution Review of the organisation's correspondence tracking system and processes.	Service Delivery Financial / Economic													
49	Management Control Framework Review of the internal control framework in place across the organisation, against COSO (or similar) internal control framework. The outcomes of this review can be used to further focus internal audit activity.	All	✓									✓			
50	Non-Financial Performance Measures Review of the processes used to monitor, collate, record and report against the non-financial performance measures outlined in the 10 Year Plan.	All		✓									✓		

New Reviews		Key Risks	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
51	Parking Collection Contract Management Review of the parking revenue collection process under the third party contract arrangement.	Financial / Economic			✓				✓				✓		
52	Parking Infringement Process Review of the ticketing and fine recovery processes.	Financial / Economic			✓								✓		
53	Payroll Review of payroll processes to ensure that these are performed in line with Council policies and good practice. This will include review of the PNCC employee benefits scheme uptake for its compliance with the council's policies and guidelines.	Financial / Economic Human Resources		✓							✓				
54	Planning Services Revenue Process Review of the PNCC resource consents revenue calculating, billing and reporting process.	Financial / Economic						✓						x	✓
55	Procurement Planning Review of Controls to ensure that PNCC gets the best value for money through its planning of procurements.	Service Delivery Financial / Economic												✓	
56	Project Management Review Review of a sample of projects against Council policies and good practice in relation to project management, including service performance.	Asset Management			✓					✓				✓	
57	Purchasing & Accounts Payable Review of purchasing and accounts payable processes to ensure that these are functioning in line with Council policies and good practice.	Financial / Economic				✓		✓			✓				
58	Rates Activity Review of processes to calculate, collect and record rates obligations, including review of the collection, remission and the postponement processes.	Financial / Economic Legal / Regulatory			✓		✓								
59	Reconciliations Review of month-end reconciliation procedures for timeliness and appropriateness.	Financial / Economic	✓									✓			

New Reviews		Key Risks	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
60	Recruitment & Retention Review of processes to ensure that the Council recruits and retains the right people into the right positions.	Human Resources											✓		
61	Revenue and Financing The objective of this review is to ensure that the Revenue & Financing policy comply with the Local Government Act 2002 and ensure the council adheres and monitors the policy.	Legal/ Financial											✓		
62	Staff Disbursements & Expenses Review of staff disbursement (staff benefits, travel mileage claims etc.) to ensure compliance with the Council's policies.	Financial / Economic Human Resources		✓	Included as routine audit yearly										
63	Sensitive Expenditure Review of credit cards payments to provide assurance that these are consistent with Council policies.	Financial / Economic Image / Reputation		✓	Included as routine audit yearly										
64	Social (Ex Community and Public Rental) Housing Review of the housing allocation, rental agreement, billing and collection processes. This would include review of public rental housing (rental set at market rates) and community housing (rental set based on income).	Community Wellbeing Financial / Economic			✓		✓								✓
65	Trade Waste Revenue (New to the Audit Universe) Review of the processes to calculate, collect, record and report revenue.	Financial / Economic													
66	Treasury Investment Review of the management of treasury investments against Council policies and good practice.	Financial / Economic		✓											
67	Water Meter Reading & Billing Review of the processes in place to ensure that metered water revenue is complete. The review will also assess whether the collection and accounting processes are appropriate.	Financial / Economic			✓										

Yearly Routine Reviews		Key Risks	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
68	Risk Management Quarterly Review Review of risk mitigation processes and procedures in place as per the Council Risk Profiles.	All		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	⊗
69	Internal Audit Review Follow-Up Follow up on the past internal audit review recommendations and the management agreed corrective actions plan.	All		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
70	Risk Profile Review Review of Council's key Strategic and Operational and Internal Risk Profiles for their currency and appropriateness.	All		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	⊗
71	Payroll Master File Changes Audit Review of weekly payroll master file changes and their authorisations.	Service Delivery/ Financial				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
72	Credit Card Usage Review of credit card transactions for their compliance with the council policies and guidelines.	Financial							✓	✓	✓	✓	✓	✓	✓
73	Staff Disbursements Review of staff disbursements via the Accounts Payable system and cash reimbursements for their compliance with the council policies and guidelines.	Financial							✓	✓	✓	✓	✓	✓	✓
74	Cash Spot Checks Carry out spot checks on the Council's cash handling sites for the compliance of the cash handling policies and guidelines.	Financial							✓	✓	✓	✓	✓	✓	✓
75	Accounts Payable Data Analysis Using Benford's Law to analyse data for potential fraud, manipulative biases or other irregularities.	Financial							✓	✓	✓	✓	✓	✓	✓

Yearly Routine Reviews		Key Risks	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
76	Journal Authorisation and Supporting Documents Sample check of appropriateness of authorisation and supporting documents guidelines.	Financial							✓	✓	✓	✓	✓	✓	✓
77	Miscellaneous Sample Checks Any other sample/spot check on areas that may have brought to our attention.	Financial / others							✓	✓	✓	✓	✓	✓	✓

(Note: The brief description under each review will be refined when a Terms of Reference is agreed to with the relevant Project Sponsor of each review).

Key:

✓	Audited that Year
☒	Management requested for this to be done as a consultancy project. It did not form part of the internal audit plan.
☑	External consultant carried out the review.
x	Approved carried-forward to next year.
⊖	Management decided that this item is excluded from Internal Audit Universe as they are part of risk management.

MEMORANDUM

TO: Audit and Risk Committee

MEETING DATE: 20 February 2017

TITLE: Risk Management Progress YTD December 2016

DATE: 25 January 2017

AUTHOR/S: Vivian Watene, Senior Internal Auditor, City Corporate

RECOMMENDATION(S) TO AUDIT AND RISK COMMITTEE

1. That the Committee receive note the risk management progress made to the Strategic and Operational Risk Profiles.
 2. That the Committee note the residual risk for Operational Risk 15 is forecasted as 'High' rather than previously predicted 'Medium'.
-

ISSUE

1. To inform the Committee the risk management progress on both the key Strategic Risk and key Operational Risk Profiles.
2. The Audit and Risk Committee requested that the residual risk for these key risks is reassessed at each reporting period.

BACKGROUND

3. The risk management progress on the key Operational and Strategic Risks is reported to this Committee on a 6 monthly basis.
4. The key Risks are, however, monitored by the Management Team 6 monthly for the key Strategic Risks and quarterly for the key Operational Risks.
5. The Management Team has resolved that it has adequately managed the key risks in these two Risk Profiles.
6. The Council reviews the Strategic Risks Profile 3 yearly in alignment with the Council's 10 Year Plan planning cycle. The Operational risks Profile is reviewed annually.

Strategic Risks (Appendixes A, B and C)

7. The December 2016 year to date progress set out in Appendix A is a summation of the current statuses and the likely outcomes of these Strategic Risks identified in August 2015.
8. Appendix A also outlines what the organisation has been doing to mitigate the risks in the last 18 months since the key risks were identified.
9. Appendix B shows the reassessed Residual Risk Statuses for these key Strategic Risks mid-way through a 3 year time span. Appendix B also shows, among other things, the main Strategies and actions in place to manage these risks and what would success look like if these risks were managed well.
10. Apart from one risk, Risk 77, 'Lack of Vibrancy in the CBD', the residual risk for other strategic risks at YTD December 2016 has not moved significantly enough to be evident on the Risk Matrix (Appendix C).
11. For Risk 77, the likelihood that the CBD lacks vibrancy is thought to have reduced from 'likely' to 'moderate' due to the various initiatives and successful activities in place.
12. The forecasted June 2018 residual risk statuses are deemed achievable (Appendix C).

Operational Risks (Appendixes D and E)

13. Appendix D is the year to date progress on the 4 key Operational risks.
14. At the reporting periods, all residual risks for the key Operational Risks have not moved significantly enough in 6 months from their Gross Risk statuses (Appendix E). However, except for Risk 15, the forecasted residual risk statuses for all risks are deemed to be achievable at the end of the 2016/17 financial year.
15. Risk 15 reads 'Council does not deliver the capital (new and renewal) programmes within approved scope of works, planned timeframes and budget'. The desired Residual Risk 'Medium' Status forecasted for June 2017 was optimistic and the organisation does not look likely to reach that desired status (i.e. Medium risk = Moderate likelihood and moderate impact). A more realistic Residual Risk for June 2017 is re-pitched as 'High' i.e. it is likely to occur with a minor impact (Appendix E).
16. There are various factors that could make Risk 15 become a real event rather than being merely a risk. Some of these factors are controllable by Management such as planning the project timelines and project cost estimations. Other factors are 'non-controllable' by Management when a project is relying on the external funding, or




the planned project timeline is interrupted due to the projects needing further approvals or pre-requisite events need to happen that are beyond management control.

17. In November 2016, there were more than \$5m capital projects identified that may be delayed or unable to proceed due to factors beyond managerial control.

NEXT STEP

18. This Committee will receive the next Risk Management Progress update in August 2017.

ATTACHMENTS

1. Appendix A Strategic Risk Profile Word Picture [↓](#) 
2. Appendix B Strategic Risk Profile [↓](#) 
3. Appendix C Strategic Risk Matrix [↓](#)
4. Appendix D Operational Risk Profile [↓](#) 
5. Appendix E Operational Risk Matrix [↓](#)

Vivian Watene
Senior Internal Auditor

Risk Management Progress at 18 months to December 2016

Key Strategic Risks

Introduction

In August 2015 the Council identified the main strategic risks facing the City and the Council. These are:

- Poor City image and reputation
- Lack of vibrancy in the CBD
- Decline in City economy and jobs
- Low level of community trust and engagement with the Council
- Council's financial position is not sustainable

This report shows the current situation in terms of these risks, outlines what the Council is doing to mitigate them and assesses the likely outcomes in these areas. It helps inform future Council decisions, especially decisions for the Council's 2018 10 Year Plan.

There is a close overlap between the first three risks – poor city image, lack of vibrancy in the CBD, and a decline in the City economy – so these areas should be read together.

Poor City Image and Reputation

Current Situation:

In May 2016 the Council conducted a series of focus groups to find out more about local residents' views on living in Palmerston North. This included questions on their perceptions of the City. The most common themes that emerged are that Palmerston North is:

- Family friendly: good for kids, homely, sociable
- Easy: compact, good to get around, good size, convenient, flat
- Good for education: a student city
- Laid back: comfortable, quiet, not exciting, conservative
- Central: to Wellington, Taupo, Hawkes Bay, the mountains, plus close to nature
- Provincial: farming oriented, service town, rural feeling

Secondary themes are that Palmerston North is culturally diverse, inexpensive, has a growing art scene, has lots of trees, lots of restaurants and cafes and - with the windmills - is energy efficient.

However, despite all these positive views of the City, focus group members also said that Palmerston North has a negative external image of being boring and a place that people would not want to live in or visit. From their point of view this is undeserved. Secondary negative themes were unemployment, the state of the river, and crime.

Overall, the positive feelings far outweighed the negative ones.

The focus groups involved 55 people from a wide range of lifecycle stages, especially young and low income people. They had a qualitative focus and the results cannot be statistically extended to other residents. However, the findings are consistent with other studies.

The main one of these is the City Image Survey (October 2012). The results show that residents and visitors see Palmerston North as an education city, as a city with good recreation facilities, and as a friendly city. Palmerston North residents also see it as an easy place to live, especially for families.

However, the survey showed that the City's image was not so positive in economic and environmental terms, nor was it a place that people want to visit.

It also showed that residents have more positive views of the City than do visitors.

Also Charles Landry, an international authority on the identity of cities, visited Palmerston North in 2013 to find out how local people view Palmerston North. His report said that when residents described Palmerston North as a person they used words like comfortable, easy to get on with and humble, but also cautious, claustrophobic, and risk averse. Landry said that the City is more likely to focus on problems than opportunities but that "there are signs that this is changing, it wants to be different but struggles a bit.... Under the radar it is cosmopolitan, but it feels frightened of reflecting this."

More recent data suggests that some of the poor economic perceptions have improved since the City Image survey was done. Also, note that the survey was done in the midst of the global economic downturn. Some of the low economic perceptions may have reflected the general economic conditions rather than the relative performance of Palmerston North.

In particular, visitor numbers to Palmerston North are increasing. This suggests that the view of Palmerston North held by non-residents is changing and becoming more favourable:

- Palmerston North receives more visitors spending than Napier, Nelson, New Plymouth and Hastings. There were nearly 2.3 million total visitor nights in the Manawatu Region during the year to July 2016. Key reasons for people visiting Palmerston North are shopping, visiting family, conventions and secondary school sport competitions. (Note: Ministry of Business, Innovation and Employment has revised some of its figures. In the previous report Palmerston North was reported as having moved from thirteenth to tenth in terms of visitor spending. The revised figures show it moving from thirteenth to twelfth in the year to December 2016.) Total domestic and international visitor spending in the year ended December 2016 in the City was \$378m, an increase of 26% from 2009. However, this was less than the national increase of 38%.
- Jetstar and Originair now fly out of Palmerston North (to Auckland and Nelson respectively). This is a strong acknowledgement of the increasing profile of Palmerston North and the Manawatu as a tourism and regional economic centre.

Council Actions:

The Central Economic Development Agency (CEDA) started fully operating in September. It is focussing on improving tourism and business development in the region. This will boost the perception of the City as a good place to do business and to visit.

FoodHQ will boost the perception of the City as an innovative City. FoodHQ is a 20 year, \$250m plan to develop the country's first food-orientated campus. It will establish the Manawatu Region as a global leader in food research. It is a collaboration between AgResearch, Massey University, Fonterra, Plant and Food Research, Building Clever Companies, the Riddet Institute, ESR (The Institute of Environmental Science and Research),ASUREQuality, Manawatu District Council and the City Council.

The Events and Festivals Strategy was reviewed in 2016. The aim of the revised Strategy is to build a strong sense of belonging and community pride in Palmerston North and to create a vibrant City Centre.

The Council is reviewing its Economic Development Strategy. The draft keeps the overall direction of the current Strategy, with more emphasis on supporting the economic priority sectors (education, research, warehousing, transport, tourism, health, defence, and Government sector).

Education stakeholders are working together on the International Education Strategy to boost the overseas reputation of Palmerston North as a great place to study.

Some of the areas where Palmerston North is seen most positively in the City Image Survey – the parks, and recreational, cycling and walking facilities – are areas where the Council has put a lot of focus through recent 10 Year Plans.

Likely Future Outcomes: Fifteen to twenty years ago Palmerston North was seen by residents and visitors as a city where there was little to do. There is plenty of evidence that these negative views have been replaced by more positive views, especially for residents.

Tourism figures show that Palmerston North is a significant destination for visitors.

The actions of the Council, CEDA, FoodHQ and many other organisations in the economic and tourism areas should boost the economic perception of the City.

Increased emphasis on attracting overseas students through the International Education Strategy and Sister City Relationships should also help boost the City's international reputation.

Hence the improvements in the perception of Palmerston North are likely to continue.

Residual Risk at mid-year of Year 2 of 3

Poor City Image and Reputation (Risk 76)	76a outsiders	76b residents
Gross Risk (as at 1 July 2015)		
Residual Risk (as at 31 Dec 2016)		
Residual Risk (goal for 30 June 2018)		

(see Appendix B for explanation of colours)

Lack of Vibrancy in the CBD

Current Situation:

Compared to some other cities Palmerston North has a strong CBD. Through the District Plan the Council has taken a centres based approach - this means that retail and office activities are concentrated in the CBD, instead of being spread out around the periphery of the City. The CBD is busy in the early evening, with many people eating out at cafes and restaurants, and taking advantage of the entertainment options available.

However it still faces significant challenges, including earthquake prone buildings, as well as the impact of the Plaza, internet shopping and large format retailing on traditional small-scale pedestrian based comparative retailing. These challenges need to be addressed and the Council needs to incentivise private investment and revitalisation of the City centre.

Previous Council investment shows that this can be successful - e.g. investment in the Library, George Street, the Regent and Square West has helped incentivise private investment and revitalisation in these locations.

Pedestrian counts in the CBD increased by 9.9% between November 2015 and November 2016. Retail spending in Broadway in the three months ended October 2016 was nearly 11% higher than in the same period in 2015.

Council Actions:

The Council has developed the Palmerston North City Centre Plan to help address the CBD issues outlined above and to ensure that the public places and streets in the CBD are accessible, attractive and safe. The plan also encourages more walking, cycling and use of public transport.

It was endorsed in June. It is a high level plan that will inform and coordinate long-term infrastructural projects in the CBD. These projects will still need to be approved through Council's 10 Year Plans. The Plan:

- Confirms the current location of the inter-regional bus terminal in The Square as its permanent location. It also confirms the current location of the urban bus terminal in Main St (East) as its permanent location.
- Incorporates the Broadway Plan. This involves the Council working with the community, retailers, and building owners to improve the prosperity and vitality of Broadway through Placemaking and streetscape projects.

Another major initiative to increase vibrancy in the CBD is Palmy Unleashed. This involves Council and community events in the City centre (and the Manawatu River), with the aim of increasing the number of people spending time and money in public spaces in the City.

Other initiatives to strengthen the CBD and make it more vibrant include:

- **Parking Trials:** The Council is trialling parking initiatives to make it easier and more appealing for people to spend longer in the CBD, including all day parking in specially marked spaces (as long as people feed the meter). Free parking on Sat mornings up till 11am has been made permanent. The Council has also extended the Gold Card free parking from 2 to 3 hours (9am to 12noon on weekdays).
- Opening up the Central Library at ground level to George Street and The Square. The Library was moved to George St in 1996 to enliven that part of the CBD. This has been very

successful, and these changes to the Library entrances will build on that by enhancing the Library's placemaking role and will anchor the CBD as the City's cultural hub.

- UCOL Campus Development Plan and Placemaking Framework: Staff are assisting UCOL with the development of this Framework. A draft is currently being reviewed by UCOL, and has been presented to Council. This will be a UCOL document but is likely to include some initiatives / directions for public space and partnership in the area. A proposal for co-contribution between UCOL, PNCC, and local property and business owners is being explored to make the alleyway between Grey and Queen Streets more attractive during the day and more secure during the night.
- The Council is working with building owners and local artists to put public murals in the CBD and the rest of the city, e.g. the mural on the Good Earth Matters building in Queen Street. This will help make these areas more attractive and reduce graffiti.
- The monthly Food Truck Street Feast is bringing more life and vitality to the CBD – an estimated 3000 people are coming to The Square to share the gourmet quality street food and live entertainment. Vendors from outside The Square also benefit from the crowds.
- Little Cuba/George Street: The Little Cuba Carnival was a success, with room to grow for next year. Two wall murals and two lamp-post murals have been left as a legacy of this event, adding to the vibrancy of the area, and promoting the use of public murals as a graffiti-reduction tool.
- Safety: the Council supports organisations like the Safety Advisory Board, SafeCity Hosts and the City Angels to help make the CBD safe. One priority for the Safety Advisory Board is to make sure that Palmerston North retains its accreditation as an International Safe City. This makes a very positive contribution to the profile of Palmerston North, especially for potential international students.
- Earthquake prone buildings: several buildings that the Council owns and occupies in the CBD are earthquake prone (e.g. the Civic Administration Building, Square Edge and parts of Te Manawa). The Government has passed the Building (Earthquake-prone Buildings) Amendment Act 2013. Building owners have to either strengthen or demolish earthquake-prone buildings within 15 years. Ministry of Business, Innovation and Employment (MBIE) is still developing supporting regulations and guidance material so there is some uncertainty around the details and when the changes will come into effect. The Council will not make firm decisions until the details are clearer, but it has included funding for its preferred option of earthquake strengthening in the 10 Year Plan.

Many of these projects are part of the District Plan and its Land Use Strategies. These include a focus on keeping commercial activity centred in the core of the City and avoiding the dispersion of office and retail activity to the periphery of the urban area.

The Council has reviewed its Events and Festivals Strategy. One of the key aims of this is to create a vibrant city centre. The Council is also reviewing its Economic Development Strategy. This will keep its focus on supporting priority sectors, including the retail sector.

Likely Future Outcomes: the implementation of the City Centre Plan and Palmy Unleashed, plus the strategic approaches of the District Plan, Events and Festivals Strategy and Economic Development Strategy, should mean that the CBD becomes more vibrant, prosperous and attractive in the future.

Residual Risk at mid-year of Year 2 of 3

Lack of Vibrancy in the CBD (Risk 77)	
Gross Risk (as at 1 July 2015)	
Residual Risk (as at 31 Dec 2016)	
Residual Risk (goal for 30 June 2018)	

(see Appendix B for explanation of colours)

Decline in City Economy and Jobs

Note: some data updates have been delayed because of damage to Statistics New Zealand building in Wellington. Annual earnings data (salaries, wages and self-employment income for the year ended March 2015 was due to be published in November but now be available by mid-February.

Current Situation: Typically the City's economy is steady. This can be a strength as well as a weakness. Palmerston North's economy is dominated by health and social care, public administration (including safety), and education / training. These sectors are fairly stable and provide a buffer against economic downturn, but they also do not "take off" during an economic upturn.

The other key sectors in the City's economy are logistics and retail / tourism. Agriculture also has a large impact on the wider region's economy.

CEDA recently completed some qualitative and quantitative research on perceptions of businesses in the region. In total over 430 businesses were involved.

The businesses identified the key economic competitive advantages of the region as:

- research, innovation and education
- agriculture and the wide range of high quality productive land
- its central location
- central government regional involvement and services (including Accelerate25).

Other strengths include great lifestyles, stable workforce and solid infrastructure and services.

Based on these key opportunities for growth are in:

- agriculture, technology, science and research
- distribution and logistics
- central government sector (especially education, health and defence).

The research also showed that, while locals see the Region as a great place to live, it has a poor perception at national level. This finding is similar to the Focus Group and City Image Survey discussed in the first risk.

Overall, the businesses reported a "cautiously optimistic economic mood". They said that the regional economy is stable, with some fundamentals falling into place that would make it flourish. However, this is not a fait accompli, and these have to be nurtured.

The businesses also said that there are weaknesses to overcome by:

- attracting highly skilled staff into region
- helping Councils to be business enablers
- creating a unified economic growth strategy (Accelerate25) for the Manawatu
- helping to foster a strong positive Manawatu identity.

Three often used economic indicators are gross domestic product (GDP), employment and income.

GDP per capita suggests that Palmerston North is performing relatively poorly when compared with other major cities, and local GDP per capita is slightly lower than the average for all of New

Zealand. A lot of this is due to the economic structure of the City's economy (as outlined above) and the large number of students here.

Between June 2001 and June 2016 inflation adjusted GDP per capita increased from \$38,295 to \$43,163, an increase of 13%.

Employment and income figures in the City show mixed results. The table shows that there has been growth in jobs, salaries and wages, and total earnings, but this growth has lagged behind the national growth. The latest data to February 2015 shows declines in Palmerston North job numbers in several sectors with high casual and part-time employment, particularly in supermarkets and home health care services.

	PN	Manawatu District	NZ
Annual change in median salaries and wages (to June 2015)	3.1%	4.2%	2.7%
Annual change in total salaries and wages (to June 2015)	+4.7%	+5.7%	+5.4%
Annual change in total earnings (to March 2014)	+3.2%	+7.9%	+5.3%
Annual change in total job numbers (to Feb 2016)	+1.1%	+0.0%	+2.4%

Note: change in job numbers data is provisional. An increase of 1.0% was previously reported for Palmerston North for the year to February 2015 but has since been revised to an increase of 4.0%. The increase for New Zealand for the year to February 2015 was 2.5%.

Overall, the number of jobs has been increasing more slowly in the City (and the wider Manawatu Region) than in the whole of New Zealand.

More positively, there was better than national growth in annual median earnings per job. Manawatu District increased by 67% while Palmerston North increased by 68% between March 2000 and June 2014. New Zealand increased by 64%. This indicates that higher value jobs are being created in the City and Region. The consumer price index (CPI) increased by 42% over this period.

Data from Education New Zealand shows that the total number of international students in the Manawatu Wanganui Region is dropping. Within this, tertiary student's numbers are dropping, and primary and secondary school student, and Private Training Establishment student numbers are increasing). This is based on visa numbers so may be missing some short-term students. Despite this, international students bring \$60m per year to the local economy and there are plans, outlined later in this report, to increase this to \$80m.

Overall many Palmerston North economic figures were ahead of national figures during the global downturn. However with the Canterbury rebuild and major roading projects in Auckland and Wellington, this has now reversed and many of the national figures are above City or regional figures.

Council Actions: the Council, along with the Manawatu District Council, funds the Central Economic Development Agency (CEDA) to provide a more focussed and co-ordinated approach to economic development and tourism promotion in the region. (CEDA replaces Vision Manawatu and Destination Manawatu.) It started operating in September 2016.

The Council is also reviewing its Economic Development Strategy. The intent of the review is to have more Council support for the priority economic sectors of education, research, warehousing, transport, tourism, health, defence, and the Government sector.

Another key area of focus has been international education. Vision Manawatu led the development of an International Education Strategy. This involved key organisations in the City and was supported by the Council. It has led to funding being provided by Education New Zealand to help implement the strategy.

As part of this Council is seeking to strengthen its international relations, particularly to support Palmerston North's growing international research, education and trade strengths. A key focus of this is reinvigorating Council's Sister City relationships for better economic development outcomes. The Sister City relationship with Guiyang, China, now includes a newly agreed Letter of Intent to advance education, academic research and vocational training initiatives. A strategic relationship is also being considered with Wageningen, the Netherlands, which could help strengthen cooperation with between Wageningen and Palmerston North-based agri-food research institutions and industries.

The Council is also developing a new City-wide Digital Strategy and has set up a Digital Leaders Forum to create opportunities by taking advantage of new digital technologies. The Library also provides services and works with community groups to help bridge the digital divide and create equitable access for everyone to participate in digital life.

Other actions the Council takes to improve the local economy include:

- support for priority economic sectors through projects such as FoodHQ and the logistics sector
- strategic roading planning for Accessing Central NZ (as part of Accelerate25)
- providing infrastructure that industry and business needs, including the recently adopted Integrated Transport Strategy that meets the needs of businesses, people and the environment
- support for employment initiatives such as the Sort-It Employment Expo
- provision of the Convention Centre
- being involved in the GoShift and other business friendly initiatives to speed up building consent and other regulatory processes
- changes to parking to support the retail sector by trialling free parking on Saturday mornings up to 11am, extending the Gold Card free parking times, and removing time limits in marked metered parks.
- the District Plan review, including its focus on ensuring there is enough suitably located and serviced industrial land, as well as focussing retail activity in the CBD
- monitoring the local economy
- providing funding for events, including more funding through this year's Annual Plan for the Gold Cup Racing Festival, a new Winter Festival the New Zealand Rural Games and New Zealand Food Awards
- advocating for the increased roll out of ultra-fast broadband in the City.

Likely Future Outcomes: The Council's actions, along with the actions of other organisations, will add to a favourable outlook for longer-term economic growth in the Region.

The City has strengths in sectors which are among New Zealand's fastest growing (health care and social assistance, public administration and safety, and education and training). The City's central location is also contributing to above average growth rates in the logistics and retail sectors.

However, a lot of what happens in the local economy is outside of the Council's control so this area will always remain a key risk.

Residual Risk at mid-year of Year 2 of 3

Decline in City Economy and Jobs (Risk 79)	
Gross Risk (as at 1 July 2015)	
Residual Risk (as at 31 Dec 2016)	
Residual Risk (goal for 30 June 2018)	

(see Appendix B for explanation of colours)

Low Level of Community Trust and Engagement with the Council

Current Situation:

Consultation and the desire to be involved in Council's decision making was a key issue explored through the focus groups. The key point to emerge from this is that many people have passive support for and trust in Council's attempts to involve them in its decision making:

"The need for people to feel engaged with the Council seemed to increase with age. But even with this, for many, as long as there was no pressing issue and things were ticking along nicely there was little need to pay attention to what the Council was up to. It appears that if the Council was thought to be doing a good job and not upsetting too many people, many residents would not particularly want to engage with the Council, except for things like basic information."

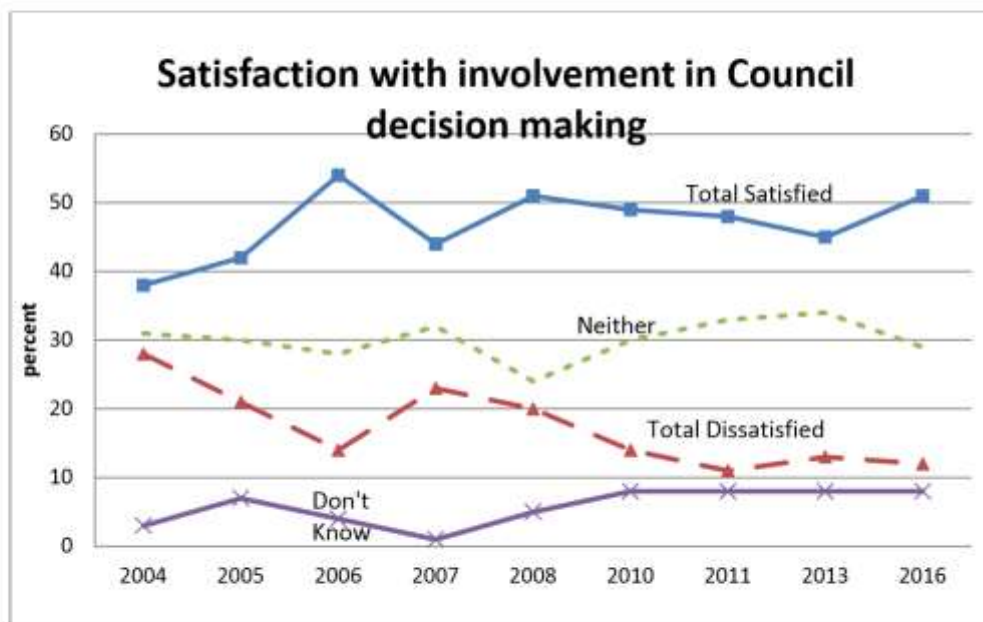
"Overall, the idea of 'residents as customers' seems to be a better fit than 'residents as citizens'."

(Both quotes are from the NRB Report on Residents' Perceptions of Palmerston North and the Palmerston North City Council, June 2016.)

This is supported by surveys, which indicate that many people (about 60%) do not want to engage with the Council unless a Council decision is of major importance to them. The surveys also pick up slightly wider views, with some people (about 25%) wanting detailed engagement on all issues and about 15% wanting Council just to get on with things.

The 2016 Communitrak Survey shows half (51%) of residents are Very Satisfied or Satisfied with the way they are involved in Council decision making; 29% are Neither Satisfied Nor Dissatisfied and 12% are Dissatisfied or Very Dissatisfied. Eight percent Don't Know.

The graph shows that the total number of satisfied people (very and fairly satisfied) has been fairly steady in the last 10 years. Dissatisfaction has dropped.



Palmerston North voter turnout in the 2016 Council elections was 39%, equal to the average turnout in New Zealand cities. In 2010 the figures were 43% and 45% respectively.

The 10 Year Plan includes a Leadership KPI that the Council holds at least 20 "Let's Talk with a Councillor" meetings each year. It held 13 meetings during 2015/16. Twelve of these were part of the Annual Plan engagement. Note: during the year the Council narrowed the definition of what counts as a Let's Talk session. It now covers meetings specifically organised as Let's Talk sessions and the Annual Plan / 10 Year Plan community consultation meetings. Originally it also included organised meetings or events where residents have easy opportunities to talk with Councillors on a wide range of topics (e.g. Talk with the Mayor sessions and Village community meetings in Ashhurst, Longburn and Bunnythorpe). The Council has now set up a calendar for Councillors to arrange engagement events and to track the Let's Talk meetings.

Council Actions: the Council engages frequently with the community. A lot of this happens on a day to day basis through all the contact that the Mayor, Councillors and staff have with local residents, businesses and organisations. Some of this is formal and about specific topics (examples of these are given below); other parts are more informal such as Councillor attendance at meetings, and staff meeting with a wide range of stakeholders.

In December 2014 the Council adopted its Significance and Engagement Policy to guide this engagement. The Policy is based the IAP2 continuum of engagement. At one end of the continuum the Council gives people information about decisions it has made. At the other end Council delegates decision making to the public. Most of the Council's engagement will be in the middle of the continuum where the Council makes decisions based on a good understanding of community views. Community feedback on the draft Policy showed that people support this approach.

The Council also has a Māori Community Strategy. This is about Council working with Rangitāne to increase Māori participation in all aspects of the City, including engagement in Council decision making. This includes bi-monthly staff meetings with Rangitāne and work through Library and Community Services. Now that the Treaty settlement has been agreed Rangitāne has signalled a desire to approach the Council in the medium-term to strengthen the engagement processes between Council and Iwi.

The Council has also set up Councillor portfolios. Under these Councillors have topics within which they take a lead in community engagement. They regularly meet with relevant interest groups, and will be the Council's go-to person for that topic.

In the past year the Council has engaged stakeholders and residents on a wide range of topics. These included:

- Annual Plan
- Sectional District Plan Review Plan Changes
- Heritage Strategy
- Domestic Sustainability Strategy
- Economic Well-Being Strategy
- Arts Strategy Review
- City-wide Vegetation Framework
- Linklater Reserve Development
- Waste Management and Minimisation Bylaw
- Nuisance Bylaw
- Gambling Policies
- Focus Groups and Communitrak Survey
- Park User Surveys
- Bunnythorpe Village Plan

- Ashhurst Village Plan (through RECAP – the Society for the Resilience and Engagement of the Community of Ashhurst and Pohangina)
- He Ara Kotahi Manawatū River Pedestrian and Cycle Bridge
- Carparking
- Dittmer Reserve and Esplanade Easements
- Development Plans for Memorial Park and Waitoetoe Reserve
- Broadway developments
- talking with local neighbourhoods for playground developments
- involvement with volunteer groups for Arapuke Park, Pit Park, Waitoetoe Park, etc.
- Social Well-Being Forum
- engagement on roading works with affected residents
- a high ropes course

These involved a range of techniques including written and online submissions, "talk with a Councillor" sessions, online and face to face surveys, public meetings in branch libraries and community centres, get-togethers in neighbourhood parks, key stakeholder meetings, open days, sending brochures to all households, and information on the website and Facebook.

The Council is improving its online engagement and making more use of social media. The Council website was upgraded to a new platform to make it as accessible from a smartphone or tablet as it is from a laptop or desktop computer. This is vital to meet the needs of the rapidly growing number of people who visit the site from mobile devices – now more than a third of users.

The language and layout of the website's consultation page was improved to make it more user friendly to encourage more feedback on current projects.
(pncc.govt.nz/yourcouncil/consultations)

The Council now also includes a monthly article in the Square Circular, outlining the topics that it will be engaging on over the following few months. If people want more information they are referred to the consultation page on the Council's website.

During the year the Council purchased a "Let's Talk" van to raise the profile of its engagement with residents. It is a brightly painted van, with an awning, table and chairs, tv screen for powerpoints, etc.

It also provides extensive information to residents through the Customer Service Centre, Call Centre and the Council website.

Through the 2016/17 Annual Plan the Council increased its administrative resources to help ensure its consultation and communication is timely and engaging.

The Council's involvement in other projects such as supporting community events and activities (Ethkick, Reel Earth, the Summer Concerts, ANZAC Day, Volunteer Awareness Week, Disability Expo, etc.), working with CCOs, deputations and public comment at Council meetings, Citizenship events, Trustpower Awards, Civic Honour awards Civil Defence presentations, EcoDesign advice, and involvement with organisations like Refugee Resettlement and Safety Advisory Board all build up community trust in the Council.

Likely Future Outcomes:

People will continue to have a range of expectations about how and how much the Council involves them in its decision making. This makes meeting all their expectations difficult. Nevertheless, the

Communitrak Survey shows a consistent drop in the number of people dissatisfied with the Council's community engagement.

It also needs to be noted that many people have a low level of interest in being involved in Council's decision making as long as they feel the Council knows what they want.

By having a range of ways that people can have their input, as outlined above, the Council should be able to provide the services that people want and hence keep them as satisfied and trusting customers, even if they are not actively involved in Council decision making. It should also help meet the needs of those who do want to be actively involved and hence improve their level of trust.

Residual Risk at mid-year of Year 2 of 3

Low Level of Community Trust and Engagement with Council (Risk 80)	
Gross Risk (as at 1 July 2015)	
Residual Risk (as at 31 Dec 2016)	
Residual Risk (goal for 30 June 2018)	

(see Appendix B for explanation of colours)

Council's Financial Position is not Sustainable

The major issue which may affect the financial position of the Council is seeking a new wastewater discharge consent. This project has been assessed to cost between \$23m and \$100m (note: these figures, along with other amounts on this page, are as costed in the 2015 10 Year Plan so are in 2015 dollars without any adjustments for inflation). The exact cost will not be known until the best treatment option has been selected and the design brief agreed to.

The Council has to take a measured approach to its new expenditure so that the wastewater project can be fully funded within the prudential financial limits that the Council has set.

The current 10 Year Plan is based on an assumption that the Council would spend \$23m upgrading the plant. Council has sufficient capacity to borrow this additional amount without exceeding its prudential borrowing limits. If the upgrade costs more the \$23m or if the Council does not want to borrow this amount then it may need to reconsider some of the projects currently in the later years of the current 10 Year Plan. It also needs to take account of the wastewater expenditure and other major expenditure when it sets future 10 Year and Annual Plans.

Initial planning for the 2018-28 10 Year Plan has started, and work is well underway for the 2017/18 Annual Plan.

Residual Risk at mid-year of Year 2 of 3

Council's Financial Position is not Sustainable (Risk 81)	
Gross Risk (as at 1 July 2015)	
Residual Risk (as at 31 Dec 2016)	
Residual Risk (goal for 30 June 2018)	

(see Appendix B for explanation of colours)



Risk Profile - Key Strategic Risks (2015 - 2017)

The risks are arranged in the order of initial assessed Residual Risk (**Critical**, **High**, **Medium** and **Low**)

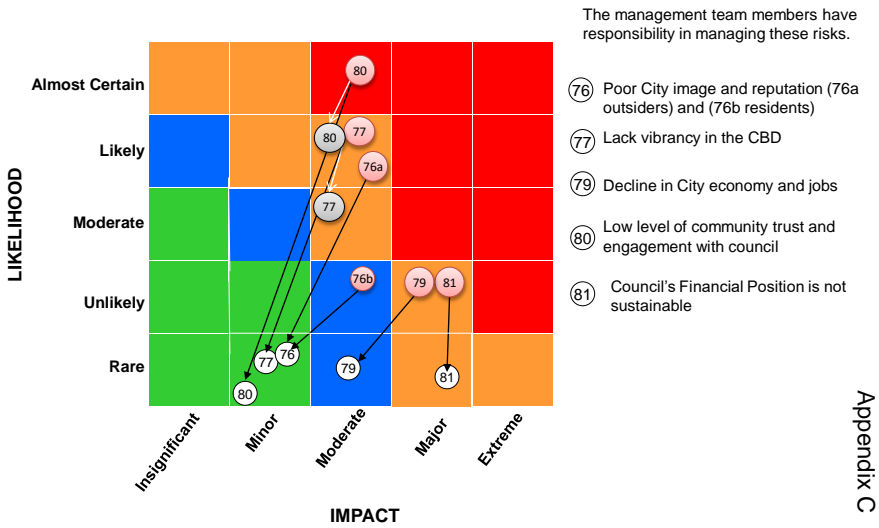
Gross Risk (Assessed in August 2015)	Residual Risk Reassessed at Dec 2016	Residual Risk (Goal for June 2018)	Risk Description -Consolidated from the Councillors thoughts	Mitigation Strategy/Plan/Project - Business as usual reporting mainly through quarterly traffic light reporting	Further Actions potential or planned (For reporting in this Profile) (For Option 2)	By whom	By when	What would success look like?	Progress in Risk Mitigation YTD December 2016
76a Outsiders	76a	76	Poor City image and reputation	Urban Design Strategy		General Manager City Future	Align with the Council term	Palmerston North City is a desirable place to live, work and visit	Refer to Appendix B Pages 1 to 3
76b Residents	76b		The Gross and Residual Risk are analysed from both the outsiders (76a) and residents (76b) perspectives	Active Recreation Strategy Arts Strategy Economic Well Being Strategy Safe City Strategy Events and Festivals Strategy	Implement the following projects: Placemaking Spearhead Manawatu River Framework FoodHQ Review Sense of Place for effectiveness				
77	77	77	Lack vibrancy in the CBD	Urban Design Strategy		General Manager City Future	Align with the Council term	High occupancy in the CBD shops High pedestrian counts and many events held	Refer to Appendix B Pages 4 to 6
			The likelihood of this risk is reduced from 'almost certain' to 'likely' 18 months into the 3 year time span.	Economic Well Being Strategy Safe City Retail Strategy Events and Festivals Strategy Parking Management Plan	Develop Heritage Strategy Implement the following projects: Broadway Plan Placemaking Earthquake Prone Buildings Develop Parking Management Plan				

Key:

- Critical Risk
- High Risk
- Medium Risk
- Low Risk

Strategic Risk Profile – Gross Risk to Residual Risk 2015/16 -2017/18

(Gross and Residual Risks pitched in October 2015)
Note: Risk 80 residual risk re-pitched for June 2016
Note: Risk 77 residual risk re-pitched for Dec 2016



8406379



Operational Risk Profile - 4 Key Risks for 2016/17

(Reviewed in July 2016)

The risks are arranged in the order of Residual Risk (Critical, High, Medium and Low).

Gross Risk	Residual Risk at 31/12/16	Residual Risk at 30/6/17	Risk Description	Mitigation Strategy	Mitigation Action	Responsible Manager	By When	How Do We Measure Success in Risk Mitigation?	YTD December 2016 Progress
48	48	48	Council's infrastructural assets are not managed in accordance with the adopted Asset Management Plans (AMPs) and/or granted Resource Consents	1. Manage infrastructural assets in accordance with AMPs as funded through the 10 Year/Annual Plan	<p>1.1 Review AMPs three yearly, assessing assets over a 30 year period to increase certainty to condition assessments.</p> <p>1.1.1 Seek continuous improvement of each AMP in terms of quality that matches "best practice" in NZ.</p> <p>1.1.2 Incorporate consideration of city growth, climate change, urban design and environmental sustainability into each AMP.</p> <p>1.2 Report to Council where necessary implications of difference in budgets between 10 Year Plan with AMPs, and determine revised asset management actions.</p> <p>1.2.1 Ensure Infrastructure programmes aligned with the zoning for growth.</p>	General Manager (GM) City Networks	December 2014 (next 3 year review due 2017)	AMPs formally adopted by Council.	<p>AMPs were formally adopted by Council in December 2014.</p> <p>Preparations for the 2017 AMP Reviews has commenced with the development of an Asset Management Policy and Strategy paper for Management Team's consideration later in January 2017. This includes giving effect to a Continuous Improvement Programme following New Zealand best practice guidelines.</p> <p>The considerations for Mitigation Action 1.1.2 will be addressed as part of the 2017 AMP Reviews.</p> <p>A report discussing the variations between the 2014 AMPs & 2015/25 10 Year Plan was presented to the August 2015 meeting of the Finance & Performance Committee. It concluded there were no significant asset management implications arising from variations between these documents.</p> <p>2016/17 Programmes to support growth are focussed on the North East Industrial Zone (NEIZ) & Whakarongo. Work continues on drilling a new water bore at Railway Road to support supply of an expanded NEIZ. Infrastructure for Whakarongo growth is focussed on interfacing with James Line, in terms of upgrading the road to urban standards, including provision of utility services. Unfortunately this work has been delayed due to stormwater consenting issues, which currently rest with Horizons Regional Council. Officers have prepared a "Comprehensive Development Plan" for the Whakarongo area which is informing land ownership issues that need to be addressed before subdivision works can proceed. This involves a "buy back" option for the original owners, for which responses will be available in February 2017. This matter will then be reported to Council.</p>

Gross Risk	Residual Risk at 31/12/16	Residual Risk at 30/6/17	Risk Description	Mitigation Strategy	Mitigation Action	Responsible Manager	By When	How Do We Measure Success in Risk Mitigation?	YTD December 2016 Progress
					<p>1.3 Implement infrastructural programmes (operations and maintenance, renewals and capital new). With particular attention to:-</p> <p>1.3.1 Programmes associated with the Totara Road Wastewater Treatment Plant (WWTP) and closed Awapuni Landfill, in respect to their impact on the Manawatu River.</p> <p>1.3.2 Programmes associated with cycle/pedestrian pathway, in respect to property negotiations and Community stakeholders engagement.</p>		June 17	<p>Delivery of infrastructural programmes as outlined in the 10 Year Plan</p> <p>2016/17 Operational & Maintenance Programmes as at the 2nd quarter are being delivered to achieve the expected levels of service. Progress in delivering the Renewal & Capital New Programmes is being monitored using the Project Status Reporting System. Up to November 2016 capex expenditure (both renewal & Capex new) was slightly behind the year to date budget, but ahead of that achieved at the same period for the last 2 financial years. The November 2016 position does not raise any immediate concerns over under delivery.</p> <p>Several programmes associated with the WWTP & closed Landfill are underway, including installation of the fire sprinkler system to the Awapuni Resource Recovery Centre, laying of the landfill gas pipeline to the WWTP cogen engine and refurbishment of one of the WWTP digesters.</p> <p>Stage 2 of the Ashhurst to Riverside Dr Pathway has seen a Memorandum of Understanding (MoU) signed with the property owner, which will allow the pathway to be constructed once metal extraction activities at the Ruakawa Rd site are completed, anticipated to be mid to late 2017. However following this the extraction pits need to be filled to enable the pathway to be formed. The availability of fill material then becomes the issue and could take a number of years. Nevertheless given that the MoU provides a level of certainty, work has commenced on Stage 3 which runs along southern side the straight section of Te Matai Rd. The He Ara Kotahi Pathway (Fitzherbert Bridge to Linton) has seen Stage 1 from the Fitzherbert Bridge to the Turitea Stream and Stage 1A the "on - off ramps" from the southern abutment of the Fitzherbert Bridge completed. Consent applications for the proposed Cycle / Pedestrian Bridge opposite Ruha Street were lodged prior to Christmas. These were publicly notified and Hearing sessions are expected to be held during the 3rd quarter. In parallel to the consenting process, detail design of the bridge has commenced and preparations for "early contractor involvement". The Turitea Stream Bridge design has been completed, although further detailing of its "left bank" approach up the bluff is still being addressed. Work to finalise the route and design for Stage 1B across the Massey farmland to link with Dairy Farm Road and Stage 2 from the Turitea Stream to Bells Road at Linton continued during the 2nd quarter and should be concluded early in 2017.</p>	

Gross Risk	Residual Risk at 31/12/16	Residual Risk at 30/6/17	Risk Description	Mitigation Strategy	Mitigation Action	Responsible Manager	By When	How Do We Measure Success in Risk Mitigation?	YTD December 2016 Progress
				2. Ensure infrastructural asset programmes developed for the AMPs and then presented for consideration in the 10 Year /Annual Plan have adequate justification in terms of assessing options, feasibility, economic, social and environmental factors.	2.1 Develop programme justification for the AMPs to feed into the annual planning process	GM City Networks	On going	Unless flagged as requiring further justification or funding approval, the 10 Year/Annual Plan programmes are at a status of being physically implemented.	Item 2.1 is a new Mitigation Action which will feed into the 2017 AMP Reviews. This will be done via the Programme Planning and Implementation template (PPI) developed by City Networks as part of its "Best Practice Guidelines" initiative.
				3. Operate infrastructural asset activities in compliance with the granted Resource Consents	3.1 Maintain a database of all required Resource Consents 3.2 Monitor compliance against the database 3.3 Attend to Resource Consent renewals before expiry deadlines	GM City Networks	On going	Existing mitigation strategies 2 and 3 now become 3 and 4. No "surprises" arise from non-compliance issues. Resource Consent renewals are attended to in a timely manner.	Database is up to date. No non-compliance issues arose for the 1st & 2nd quarters. All Resource Consent renewals are up to date.
				4. Operate infrastructural asset activities in a manner that uses the AMP risk register responses:- - "Controls" - Recreation & Community Facilities AMP - Property AMP - "Treatment" - Roading & Parking AMP - "Management Options" - Rubbish & Recycling AMP - Stormwater AMP - Wastewater AMP - Water AMP for specific risk situations as and when these may arise	4.1 Report quarterly on infrastructural asset activities against the appropriate AMP Risk Register items in terms of invoking any of the "controls", "treatment" and/or "management options".	GM City Networks	On going	When risk issues arise they are attended to competently using the AMP Risk Register "controls", "treatment" and/or "management options".	No "controls", "treatment" or management options" needed to be invoked during the 1st & 2nd quarters.
15	15	15	Council does not deliver the capital (new and renewal) programmes within approved scope of works, planned timeframes and budget	1. Set realistic capital revenue and expenditure budgets	1.1 Use City Networks Programme Planning and Implementation Template, identify and update (at least annually) the status of programmes in respect of scope, assumptions, budget estimates and planning milestones.	GM City Networks	On going	The status of planning associated with capital programmes is clear both during the programme development phase and when programmes are presented for funding approval to Council.	The City Networks Programming Template initiative will primarily inform future programmes from 2016/17 onwards. As part of finalising the 2016/17 Annual Plan, Officers "flagged" those capital programmes which have unresolved issues that may impact on these works not being able to be delivered.

Gross Risk	Residual Risk at 31/12/16	Residual Risk at 30/6/17	Risk Description	Mitigation Strategy	Mitigation Action	Responsible Manager	By When	How Do We Measure Success in Risk Mitigation?	YTD December 2016 Progress
			<div>Residual Risk reassessed as High (previously Medium)</div>		1.2 Within the City Networks Programme Planning and Implementation Template identify the external factors which must be addressed to advance the programme and establish appropriate milestone dates as to when these factors will be addressed.	GM City Networks	On going	External factors are identified and understood as to their impact on capital programmes.	In addition to progress under Mitigation Action 1.1 above, specific assessments have been and are being undertaken regarding external factors that are delaying various programmes. In particular the Whakarongo growth programmes (refer Risk 48 Mitigation Action 1.2.1).
					1.3 Information in the Programme Summary of the Ozone Corporate Planning module is referenced against an up to date City Networks Programme Planning and Implementation Template.	GM City Networks	On going	Capital programmes presented for funding approval by Council have realistic budget provisions, such that when delivered no additional resources and/or planning allowances are required.	Assumptions associated with power output from the co-gen engine at the Wastewater Treatment Plant have proved to be incorrect and efforts need to be taken to accommodate the shortfall. As part of finalising the 2016/17 Annual Plan, Officers made recommendations over changing the timing of some capital programmes to ensure realistic budget provisions resulted. Those recommendations were adopted. Furthermore Officers "flagged" those capital programmes which have unresolved issues that may impact on these works not being able to be delivered.
					1.4 Identify as potential "delayed flags" those capital programmes which have constraints beyond management's control as part of the budget approval process	GM City Networks	On going	Constraint issues preventing delivery of capital programme are not a surprise.	Through the proposed 2016/17 budget presentations from the Strategy Finance Manager capital programmes with potential "delayed flags" were highlighted and noted by the Elected Members.
				2 Scrutinise all capital revenue and expenditure budgets exceeding \$250k.	2.1 Signed off by the relevant General Manager	GM City Networks	Annual Plan Timeline	Capital programmes are delivered with favourable variances against revenue and expenditure budgets.	Capital budgets in the 2015/25 10 Year Plan were signed off by the General Manager - City Networks, prior to adoption by Council.
					2.2 Review budget for reasonableness	CFO	As required	Budget reviewed	This will be undertaken as part of the Annual Plan and Long Term Plan process
				3 Obtain Management Team approval on all capital projects that require a Project Execution Plan (PEP) before the commencement of the projects	3.1 Active management by General Manager	GM City Networks	Aug-16	Management Team endorse those capital programmes that are recommended to have PEPs and support the means of execution with particular focus from a corporate organisational perspective.	A report recommending which 2016/17 programmes should have a PEP was considered by the Management Team at its 23 August 2016 meeting. No physical work is occurring until the PEP is approved for each of these programmes.
					3.2 Report to Chief Executive of all non compliance instances	CFO	On going	To develop a system to flag non compliance	Project Status report is used monthly to monitor the compliance of capital projects that require a PPE before the commencement of the projects.
				4 Assess resources required to deliver the overall capital programmes	4.1 Use the Works Programming Forum both City Networks and City Enterprises identify the internal resources to be allocated to programmes and then determine any shortfall which requires the engagement of external consultant/contractor resources.	GM City Networks GM City Enterprises	Aug-16	All capital programmes are adequately resourced and able to be delivered by end of financial year.	Monthly Work Programming agendas include an item to confirm that internal service delivery resources are adequate to deliver programmes. Where that proves not to be the case external resourcing has been sought. A new position of Infrastructure Capital Works Co-ordinator has been established and the new appointee commenced his duties in December 2016.

Gross Risk	Residual Risk at 31/12/16	Residual Risk at 30/6/17	Risk Description	Mitigation Strategy	Mitigation Action	Responsible Manager	By When	How Do We Measure Success in Risk Mitigation?	YTD December 2016 Progress
				5. Manage projects against recognised good practice.	5.1 Deliver projects in accordance with City Networks Asset Management Good Practice Guidelines in relation to Project Management discipline.	GM City Networks	On going	Each project associated with a capital programme is implemented in a competent manner and issues arising are dealt with effectively and transparently.	The City Networks initiated a "Good Practice Guidelines" project in 2015. That includes modules concerning project management.
					5.2 Develop and regularly review Project Execution Plans (PEPs) for significant projects, with specific attention to any change circumstances which may impact on scope of works, timelines and/or budget requirements	GM City Networks	On going	Significant projects are being delivered without difficulty and in accordance with agreed scope of work, timeframes, and budget expectations.	A report recommending which 2016/17 programmes should have a PEP was considered by the Management Team at its 23 August 2016 meeting. No physical work is occurring until the PEP is approved for each of these programmes.
				6. Monitor progress in the delivery of capital programmes	6.1 Monitor progress of through Works Programming Forum	GM City Networks	Monthly	Capital programmes are delivered with appropriate allocation of resources and avoiding conflicts with other programmes.	Monthly meetings of the Works Programme Forum have been held to monitor delivery of 2016/17 capital programmes.
					6.2 Monitor progress of work through monthly financial reports, and the Project Status Reporting tool both actual year to date against the current financial budget and against the total project budget spanning more than one financial year.	GM City Networks	Monthly	Capital programmes are delivered within the total project budget. For programmes spanning more than one financial year, the level of carry forward budget provision is kept to minimum and only occurs when circumstances beyond the control of Project Management staff.	The 2016/17 Capital Works Programme is being monitored from the monthly financial reports and the Project Status Reporting System.
					6.3 Identify programmes which cannot be delivered due to changed circumstances giving the reason why.	GM City Networks	Ongoing	Programmes identified	As part of finalising the 2016/17 Annual Plan, Officers "flagged" those capital programmes which have unresolved issues that may impact on these works not being able to be delivered. At this stage efforts are being directed to addressing these issues and accordingly no programmes have identified as definitely not being able to be completed.
					6.4 Utilise Council's approval of commencing up to 20% renewal works prior to the formal adoption of the new financial year budget	GM City Networks	Ongoing yearly	Opportunity utilised when required	Carry forward programmes from 2015/16 into 2016/17 ensured there was continuity of work for in-house service delivery resources, without a need to invoke the "20% early commencing provision".
58	58	58	PNCC is not meeting its responsibilities for an emergency or a civil defence emergency event because it is unable to deliver the basic services.	1. Develop and maintain high level PNCC Business Continuity Plan(s) (BCP)	1.1 Prepare and maintain high level PNCC Business Continuity Plans (BCP)	CFO	On going	BCPs are in place for all major activities of Council	A revamp of BCP Plans has commenced with Customer Services. Training and tabletop scenarios for Customer Services are scheduled for completion in December 2016. For all other Units of Council that have BCP Plans it is intended to have their Plans revamped and training/ tabletop exercises completed by June 2017. Once all BC Plans have been revamped and completed these will be reviewed on an annual basis.
					1.2 Conduct responsiveness test on all critical activities	GM City Enterprises	Dec-16	Critical activities identified and tested	As in 1.1

Gross Risk	Residual Risk at 31/12/16	Residual Risk at 30/6/17	Risk Description	Mitigation Strategy	Mitigation Action	Responsible Manager	By When	How Do We Measure Success in Risk Mitigation?	YTD December 2016 Progress
					1.2 Maintain communication of BCPs to Staff	CFO	Jun-17	BCP communicated	As in 1.1
					1.3 Train relevant staff on BCPs	CFO	On going	Relevant staff trained	As in 1.1
					1.4 Maintain and monitor BCPs	CFO	annually	Version control in place and maintained	As in 1.1
					1.5 Test BCPs annually	CFO	Dec-16	Annual exercise of BCPs	As in 1.1
					1.6 Audit BCP	CFO	Jun-17	Complete Audit	As in 1.1
				2. PNNC meet all legal requirements and its responsibilities for a civil defence or rural fire event	2.1 Meet all legal requirements (Civil Defence & Emergency Management Act, and the Forest & Rural Fires Act)	GM City Enterprises	On going	Civil Defence Plan is consistent with Manawatu-Wanganui Civil Defence & Emergency Management Group Plan	The new Group Plan has now been completed and adopted, and is current for the next five years (until 2021).
						GM City Enterprises	On going	Rural Fire Plan is audited by National Rural Fire Authority (NRFA) every two years for the Readiness and Response sections, and every five years for the Reduction and Recovery Sections. Approved Rural Fire Plan is current and operational	The Rural Fire Plan is current until the end of 2017. As from 1 July 2017 there will no longer be a requirement as all rural fire activities will be under Fire and Emergency New Zealand (FENZ).
					2.2 Civil Defence Emergency Management Group (CDEMG): Maintain regular contacts with the agencies and organisations within the community for civil emergency response	GM City Future	On going	Participation in CDEMG meetings, including Coordinating Executive Group (CEG).	Council representatives have participated in the quarterly meetings.
					2.3 PNCC Emergency Management Committee (EMC): Meet to discuss preparedness for specific emergency events (Agencies with an Emergency Response role).	GM City Enterprises	On going	Participation in and running EMC Meetings	EMC meeting cancelled for 1 December due to earthquake requirement in the South Island.
					2.4 Welfare Advisory Group (WAG): meet to discuss and develop welfare plans and response	GM City Enterprises	On going	Participation and running WAG meetings	A PNCC Emergency Management Officer is a regular attendee at WAG meetings. A PNCC Welfare Committee has also been established.
					2.5 Maintain regular liaison and contact with Regional Civil Defence and Emergency Services Groups and specialists (Regional Emergency Management Officer (EMO) meeting coordinated any Horizons MW)	GM City Enterprises	On going	Maintain and attend regular liaison meetings	EMOs meeting cancelled for 29 November due to earthquake activities in the South Island, however there has been regular communication by email and phone conferences.
					2.6 Recruit the number of staff required in preparation for a Civil Emergency	GM City Enterprises	On going	Optimal number of staff to operate the EOC is 33, minimum is 22.	Recruitment of staff is ongoing and numbers are sufficient to staff the EOC.
					2.7 Train Council staff to work in an Emergency Operations Centre (EOC)	GM City Enterprises	On going	Training records kept and key staff are trained	Further training in Emergency Management Information System (EMIS) and other EOC functions. Also scheduled is Integrated Training Framework (ITF) training for 2016/17.

Appendix D Operational Risk Profile 2016 to Risk Management Progress YTD December 2016.xlsx

Gross Risk	Residual Risk at 31/12/16	Residual Risk at 30/6/17	Risk Description	Mitigation Strategy	Mitigation Action	Responsible Manager	By When	How Do We Measure Success in Risk Mitigation?	YTD December 2016 Progress
					2.8 Participate in a civil defence emergency exercise	GM City Enterprises	On going	Participated in the Civil Defence emergency exercise. Minimum 1 per year	A national exercise was held on 31 August 2016 - PNCC participated in a welfare role.
					2.9 Maintain the Rescue Emergency Support Team (REST - NZRT-4), at an operational level of capability	GM City Enterprises	On going	NZRT-4 personnel train weekly and accreditation of the team maintained	Regular training is held every Tuesday evening with some weekend training as well as participation in community events such as Police Station open days.
					2.10 Train the volunteer fire fighters	GM City Enterprises	On going	Minimum 5 training sessions held for 2016/17	This is up to date with the last training held on 2 December 2016.
					2.11 Maintain the fire appliance and its associated equipment	GM City Enterprises	On going	Road worthiness of the fire appliance and equipment	All equipment is checked on a weekly basis.
59	59	59	Council's activity preparation in key areas does not align to the Long Term Plan (Long Term Plan) programmes approval and budget processes and vice versa.	1. Develop a clear approach for keeping pace with technology and business development needs	1.1 Review the Information Management Strategic Plan (IMSP)	CFO	Mar-17	The organisation is able to keep pace with technological changes and advances resulting in a more efficient and effective organisation	This is currently being reviewed.
					1.2 Prepare an IT service development plan to inform the Long Term Plan programmes	CFO	Sept-16 June -17		This is currently being reviewed.
					1.3 Prepare a Plant and Equipment Service Development Plan for Core Infrastructure service delivery to be able to respond and introduce new technology and/or work methods as they arise to inform the Long Term Plan programmes	GM City Enterprises	Feb-17		New Logistics & Support Manager commenced duties mid-November. This work will be key task for the position. Recently purchased 2 plug-in hybrid electric car for vehicle fleet.
				2. Ensure integrated planning occurs across Council's recreation assets	2.1 Concept and development plans are developed for Council's recreation facilities and reserves aligned to the Active Recreation Strategy	GMs City Future and City Networks	A per the Sport and Recreation committee schedule	The Council has a clear plan for its recreational assets to base its funding decisions upon	Priorities determined by Sport and Recreation Committee. Work underway on Memorial Park & Waitoetoe Park Development Plan and Esplanade Development Plan / Reserve Management Plan.
					2.2 Long Term Plan recreation programmes for the first 3 years are informed by soundly-based development plans	GMs City Future and City Networks	Aug-17		Priorities determined by Sport and Recreation Committee. Work underway on Memorial Park Development Plan and Esplanade Development Plan / Reserve Management Plan. Arena Master Plan proposed to be included in the District Plan. Manawatu River Framework adopted.

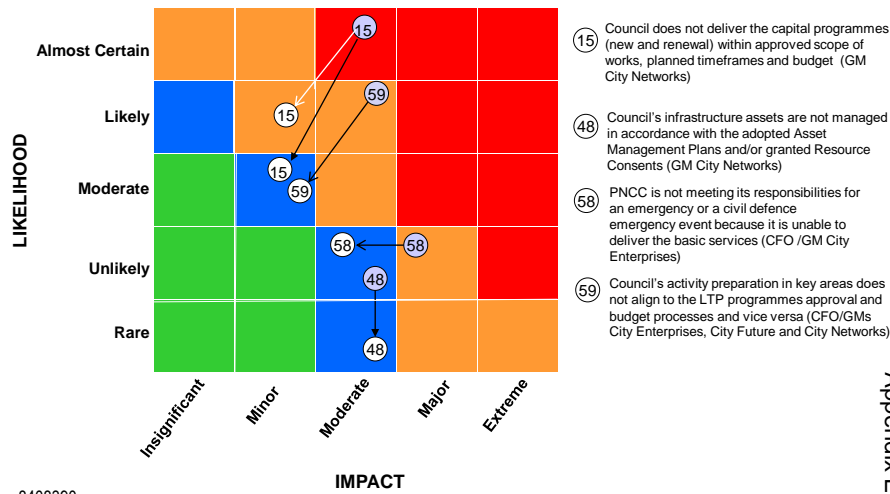
Gross Risk	Residual Risk at 31/12/16	Residual Risk at 30/6/17	Risk Description	Mitigation Strategy	Mitigation Action	Responsible Manager	By When	How Do We Measure Success in Risk Mitigation?	YTD December 2016 Progress
				3. Implementation of the Street Design Manual	3.1 Programme of work is developed to implement the Street Design Manual	GM City Networks	Dec-16	Levels of service are clear and priorities agreed for the implementation of the Street Design Manual. Over time the street environment will reflect the purpose of the street and will result in increased walking and cycling, and activated spaces.	Preparation of the 2016/17 Annual Plan was based on what is already identified as Year 2 works of the 2015/25 10 Year Plan, including those programmes that give effect to the Street Design Manual. Further programmes approved in the 2016/17 Annual Plan will also have their scope defined in accordance with the Street Design Manual, as they proceed through to implementation.
					3.2 Long Term Plan levels of service align with changes promoted in the Street Design Manual	GM City Networks	Dec-17		Mitigation Action 3.2 is now a matter for the 2018/28 Long Term Plan.
					3.3 Long Term Plan Programmes advance implementation of the Street Design Manual and for the first 3 years are informed by soundly-based development plans	GM City Networks	Aug-17		Mitigation Action 3.3 is now a matter for the 2018/28 Long Term Plan, although work will occur over the next few years to prepare development plans for roading programmes proposed in the first 3 years of that Long Term Plan.

Key:

	Critical Risk
	High Risk
	Medium Risk
	Low Risk

Operational Risk Profile – Gross Risk to Residual Risk (at July 2016)

Note: Risk 15 Residual Risk for 30/6/17 reforecasted in December 2016



Appendix E

8408390

MEMORANDUM

TO: Audit and Risk Committee

MEETING DATE: 20 February 2017

TITLE: Internal Audit Plan 2016/17 Progress Report

DATE: 25 January 2017

AUTHOR/S: Vivian Watene, Senior Internal Auditor, City Corporate

RECOMMENDATION(S) TO AUDIT AND RISK COMMITTEE

1. That the Committee receive this Memorandum and note the progress made to the 2016/17 Internal Audit Plan.

ISSUE

1. In accordance with the Internal Audit Charter, this Memorandum informs the Committee the progress made on the 2016/17 Internal Audit Plan.

PROGRESS STATUS

2. Appendix A is a schedule of the 2016/17 projects and their current progress status.
3. Overall Management has agreed to implement 90% of the internal audit suggested improvements. This percentage is a favourable outcome.
4. Internal Audit has made a good progress in completing five out of eight reviews from the 2016/17 Internal Audit Plan as follows:
 - 1) Insurance Claims Management (reported to the Audit and Risk Committee in August 2016)
 - 2) Planning Service Revenue (reported to the Audit and Risk Committee in November 2016)
 - 3) Asset Management Planning (Appendix B)
 - 4) Social Housing Allocations and Rental Revenue (Appendix C)
 - 5) Development Contributions (To be reported to the Committee meeting in May 2017)

ITEM 10

5. The following paragraphs give a summarised update on the internal audit routine reviews.
6. The weekly/fortnightly Payroll master file changes continued to be audited throughout the period. We have followed up all issues and matters from our audits.
7. We noted from the sample of credit card payments that the majority of the credit card holders accounted for their credit card expenses in a relatively timely manner.
8. We did not come across any issues when sampling staff expenses disbursements. This is an improvement from our previous checks. We looked for a proper one-up authorisation, appropriate business purposes, and if a GST receipt and is attached.
9. Management continues to carry out cash spot-checks on the Council's cash handling sites. This is a good business practice. Generally, Management's cash spot checks encountered minor issues, such as small amounts of over/under during the spot checks. Management is yet to resolve the issue at a cash handling site where the Operator is said to use his own money as cash float. The Transfer Station has no electricity supply, cash register and EFTPOS machine.
10. Internal audit conducted its own spot check at one of the cash handling sites. We found that individual accountability in this cash handling site is working as intended and the staff have followed the policy and procedures. This is commendable.
11. Internal Audit recommended several process improvement opportunities through the involvement of viewing the Closed Circuit Television (CCTV) video footage obtained at a Council facility for fraud evidence.
12. We have not conducted the Accounts Payable and Receivables analytical review the usual desktop backend way of analysing a large data groups during this reporting period. We have, however, worked from the front end with different groups of managers, system operators and practitioners to brainstorm on the possible gaps and weaknesses in the various Council systems and processes in Finance Division and the Customer Services Unit.
13. These brainstorm sessions entitled 'Can We Beat the Systems?' also discussed the internal controls that are currently in place and how these internal controls might be further enhanced and strengthened.
14. The gaps and weaknesses identified during the above mentioned brainstorming sessions that are urgent and critical have been rectified. Other improvements to the

existing internal controls have either been implemented or will be put into practice. All the brainstorm sessions are documented for future follow-up, where appropriate.

15. We envisage the 'Can We Beat the Systems?' brainstorm sessions will continue to cover the rest of the Council Units.
16. We sampled some journal transactions for November 2016 from our accounting system. All journals sampled complied with the following criteria. This is a good and commendable outcome.
 - 1) Appropriateness
 - 2) Adequacy of supporting documents,
 - 3) Completeness, and
 - 4) Clarity of journals
17. We conducted a spot check on the SuperGold Card Parking Permits issued to the SuperGold Card holders for the weekday morning free parking. We noted some gaps in the process which need to be rectified. We have also advised Management of the unaccounted for Permits.

FOLLOW UP ON THE PRIOR AGREED CORRECTIVE ACTIONS

18. Appendix D is a schedule of issues raised by Audit New Zealand after completing their audit on the Council's 2015/16 Annual Report. The schedule also contains Management comment, responsibility and status of any implementation. It includes from the report only those items requiring action. Some of the issues raised this year were also the issues raised in the previous year's audit.
19. Appendix E is a schedule of suggested improvements from the prior internal audit reviews that have been followed-up recently. It consist only those recommendations that Management has missed the agreed implementation timeline by 6 months or longer. Several items have been removed from the schedule as they have now been implemented. However, some new items have been added.
20. Appendixes D and E are reported to the Committee quarterly as resolved in February 2014.






Next Step

21. In May 2017, this Committee will receive an update on the audit follow-up similar to Appendixes D and E.

22. This Committee will receive the next Internal Audit progress update i.e. the Internal Audit Annual Report 2016/17, in August 2017 Committee meeting.

ITEM 10

ATTACHMENTS

1. Appendix A 2016/17 Internal Audit Plan Progress Status [↓](#) 
2. Appendix B Asset Management Plan Process Audit Review [↓](#) 
3. Appendix C Social Housing Allocation and Rental Process Review [↓](#) 
4. Appendix D Audit NZ Recommended Corrective Actions - 2015/16 Annual Report [↓](#) 
5. Appendix E Internal Audit Management Corrective Actions - Timeline Missed [↓](#) 

Vivian Watene
Senior Internal Auditor

APPENDIX A

2016/17 INTERNAL AUDIT PLAN – PROGRESS STATUS

New Reviews 2016/17		Project Status
1	Asset Management Planning Review of asset management planning & updating processes, including review of the processes for reporting the variance between the AMPs and the 10 Year plan.	Appendix B to this Memorandum
2	Business Continuity Plan (Brought Forward various years from 2012/13) Review and test the processes and procedures in place for the BCP. This will include review the monitoring of the BCP.	Not Yet Schedule to start
3	Claims Management Review of the processes undertaken to manage claims made against the Council by members of the public to ensure compliance with Council policies and good practice.	Completed and Reported to the Audit & Risk in August 2016
4	Social (Ex Community and Public) Housing Allocation and Rental Process Review of the housing allocation, rental agreement, billing and collection processes. This would include review of Council Social Housing.	Appendix C to this Memorandum
5	Development Contributions Review of the processes to ensure revenue transactions are efficient and complete and are recorded appropriately in the Council's books. This will also include review of the discretionary write off process.	To be reported to May 2017 Audit & Risk Committee Meeting
6	Fuel Card Management Review Council's fuel cards management and its compliance with the Council's policies and procedures. This will include sample review of fuel usage of selected plants and vehicles.	Scheduled to start in February 2017
7	Library Cash Collections Review of cash collection processes to ensure the cash handling policies are followed and there is sufficient internal control in place to safe guard public money and the employees.	Scheduled to start in March/April 2017
8	Planning Services Revenue Process Review of the PNCC resource consents revenue calculating, billing and reporting process.	Completed and Reported to the Audit & Risk in November 2016

APPENDIX A

Routine Reviews 2016/17

1	Accounts Payable and Receivables Data Analysis Using Benford's Law to analyse data for potential fraud, manipulative biases or other irregularities.	Refer paragraphs 12-15
2	Cash Spot Checks Carry out spot checks on the Council's cash handling sites for the compliance of the cash handling policies and guidelines.	Refer paragraphs 9-10
3	Credit Cards Usage Review of credit card transactions for their compliance with the council policies and guidelines.	Refer paragraph 7
4	Internal Audit Reviews Follow-Up Follow up on the past internal audit review recommendations and the management agreed corrective actions plan.	Refer paragraph 19
5	Journal Authorisation and Supporting Documents Sample check of appropriateness of authorisation and supporting documents guidelines.	Refer paragraph 16
6	Miscellaneous Sample Checks Any other sample/spot check on areas that may have brought to our attention.	Refer paragraphs 11,17
7	Payroll Master File Changes Audit Review of weekly payroll master file changes and their authorisations.	Refer paragraph 6
8	Staff Disbursements Review of staff disbursements via the Accounts Payable system and cash reimbursements for their compliance with the council policies and guidelines.	Refer paragraph 8

APPENDIX B**Asset Management Planning**

October 2016

1. Executive Summary

In our opinion, the Asset Management Plan Update Project road map was thorough and professional. Individual staff had now completed 6 rounds of asset management plans since 1998. We see a benefit from the early development of embedded risk management and a detailed work plan (areas and activities) including dependencies. Some asset management database controls were ineffective. Based on what we observed our conclusion is that asset Management Planning was done well at PNCC, within the limitations of technology and environment. Overall, in our opinion, we found no causes for concern for elected members at this stage (November 2016) about the project.

1.1 Background

This review of Asset Management Planning was scheduled in the Internal Audit Plan for 2016/17 approved by the Audit and Risk Committee.

PNCC will complete an Asset Management Plan Review by August 2017, in time for the 2018/28 Long Term Plan (LTP). A 30 year infrastructure strategy will be completed as a part of the 10 Year Plan process related to the Council's Vision and City Goals and the long term strategies for achieving them. Asset Management Plans will be updated to inform with the 10 year planning process. The 10 Year Plan will incorporate Community consultation and be submitted for Community feedback.

PNCC manages budgets of \$1.5b (2015/25) over the ten year period of the Long Term Plan of which a significant component relates to the infrastructural assets of the Council. Total Assets are predicted to be \$1.8b by 2025. The categories of assets were:

- Parks and Property
- Roading and Parking
- Rubbish and Recycling
- Stormwater
- Wastewater
- Water.

The benefits envisaged from the asset management framework PNCC has invested in are: strong governance and accountability, more effective and sustainable decision making, enhanced customer service, effective risk management and resilience, and improved financial efficiency. Council maintains mature databases of the assets and those include highly detailed information about condition, expected life, value and location and more that is used to plan analyse and control the assets. Controls are expected to be effective, efficient and reliable. Some information feeds the financial accounting system, is linked to the electronic plan vault, the Works Orders and the customer call recording Kbase system and significant effort by multiple parties is put into maintaining, improving and auditing the data.

In this review Internal Audit aims to provide information and independent analysis to assist governance, risk management and control in Asset Management Planning.

1.2 Objectives and Scope

The objective of this review was:

Review of asset management planning and updating processes, including review of the processes for reporting the variance between the AMPs and the 10 Year Plan.

Asset Management is the systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through cost effective lifecycle management of its assets.

In Scope

Aspects of the following work areas were in scope:

1. Project Management of the Planning Processes
 - a. Planning the AMP review process
 - b. Project scope objectives governance
 - c. Links to strategic planning and LTP including process for management of changes made by Councillors
 - d. Roadmap
 - e. Timelines, activity break downs, work areas
 - f. Roles, responsibilities, capacity
 - g. Completion of dependencies and Gantt charting
 - h. Self-assessment and validation, maturity models input to planning
2. Integrity of data sources to be used in planning process
 - a. Controls in the process to identify and record assets - data completeness, quality, accuracy
 - b. Reliability of evidences of asset condition
 - c. Asset Management database applications - integrity, completeness, reliability, functionality, security of access, development, maintenance, change controls
 - d. Reporting processes
3. Any other matters relating to the objective

Out of Scope

- × Asset write off policy
- × Disposals
- × Treatment of depreciation, impairment, valuations, funding and Development Contributions
- × Day to day operational management of assets
- × Legislative and ISO 55000/1/2 compliance
- × System backups by IM
- × Site visits to cloud hosting ISPM
- × Assets outside City Network's ownership (Fleet, Information Management, etc)

Databases

These were:

RAMM Database (For the Roading assets);
 Infor Public Sector Database (IPS, previously known as Hansen – For the Water, Waste, Stormwater, Rubbish and Recycling assets);
 SPM Assets New Zealand Database (For the Parks, Reserves and Property assets).

1.3 Approach

Our approach was to:

- Review the planned asset management review process as planned to date end to end using project management control criteria and in light of management criteria for effectiveness of planning the project such as International Infrastructure Management Manual.
- Review asset management application database controls that control data integrity and completeness.

During the course of the Project it was determined useful to reference some findings to best practice considerations from the Office of the Auditor General improvement areas as set out in the OAG's review to Parliament of the 2015/25 Long Term Plans (*Matters Arising from the 2015/25 Long Term Plans*, Office of the Auditor General, December 2015).

We interviewed the following staff:

Table 1

Officer

- | | |
|--|---|
| <ul style="list-style-type: none"> • General Manager City Networks (Sponsor) | <ul style="list-style-type: none"> • Asset Planning Engineer |
| <ul style="list-style-type: none"> • Asset Management Data Base Administrators x3
SPM, RAMM, IPS. | <ul style="list-style-type: none"> • Rubbish and Recycling Engineer |
| <ul style="list-style-type: none"> • Wastewater Assets Engineer | <ul style="list-style-type: none"> • Special Projects Manager |
| | <ul style="list-style-type: none"> • Management Accountant (City Networks) |

Limitations of Approach

We relied on the information provided by staff we interviewed, supported where possible by cross checking, observation and documentation. For completeness, all our findings falling within scope are reported and assessed as Low to High risk using professional judgement. Our analysis of controls was based on comparison of the condition of our sample against the criteria, the causes of the condition found and the consequences, if left unaddressed. We thank staff for their assistance and cooperation during this review.

1.4 Overall Findings and Conclusions

The objectives of the review were partly met. See above (1.3 Approach). The Asset Management Plans Update Project was in an early stage of planning.

The Project planning would benefit, in due course, from consideration of how to incorporate the learnings from the Office of the Auditor General (OAG 2015, Op cite) concerning the infrastructural and financial strategies associated with the asset management plans (AMPs) themselves. These matters had been addressed in their context in the Review of the 2015/25 LTP process, which also addressed the recommendations made by the Society of Local Government Managers. The AMPs reflect the outcome of the ten year planning process as decided by Council and reflective of the technical advice of officers about what is necessary to be done to maintain and renew assets and complete the Council's strategies. The financial information that was developed from the asset management databases was used as a start point during the debate around the long term plan. What was finally reported is the outcome of the political process based on officer advice.

1.5 Summary of Issues and Recommendations

Audit Issue & Recommendation	Risk Rating		
	High	Medium	Low

Project Management audit issues and recommended actions

1. Project risk that asset management planning is not sufficiently strategically aligned			
a. Review the LTP timetable that includes the Asset Management Project to incorporate sufficient time to ensure strategic alignment of Asset Management Plans with the strategic drivers and Vision.	✓		
b. Embed proactive risk management early in the Asset Management review.			
c. Complete the project plan.			

Database control audit issues and recommended actions

2. Unsatisfactory hardware and network performance, and procurement			✓
a. Request that Information Management review the hardware requirements for the RAMM roading database.			
3. Cloud computing and software terms and conditions not checked			
a. Satisfy themselves about the controls in the hosting arrangements for the externally hosted asset management databases. E.g. the Tier level of protection of the data bases.			✓
b. Establish appropriate Service Level Agreements and KPIs with the Asset Management vendors.			
c. Obtain copies of the IPS 994 Licence agreements.			
4. Late development of software functionality & functionality not yet used			
a. Make expectations clear to Vendors about the need for development of efficiency improvements.			✓
b. Continue to develop the SPM database maturity.			
5. Too wide access to Superuser permissions, open access data transmission			
a. Immediately change the Superuser password.			✓
b. Turn on the application password complexity set in alignment with Network requirements to access the database.			
c. Encrypt the link from Field Inspection Tablet App to host server.			
d. Review the security of the host environment.			

5

Oasis: 8344928

Audit Issue & Recommendation	Risk Rating		
	High	Medium	Low

Audit issues and recommended actions using considerations derived from OAG

6. Integrate key information in the Infrastructure Strategy and the Financial Strategy a. Demonstrate affordability related to the change in Levels of Service b. Address key questions which would include: i. Is PNCC planning major changes to its spending patterns such as year on year increases in total expenditure? ii. Is PNCC planning to look after all its major assets? Or, is planned spending diverted from asset maintenance to other priorities? iii. Are rates increases reasonable and justified? iv. What are the future limits on rates, debt increases? c. Include all asset types, not just those required by statute in the Infrastructure Strategy.	✓		
7. Improve the quality of its asset condition information a. Continue to improve its databases, especially in relation to the entry of seismic condition information.			✓
8. Include in its Infrastructure Strategy the discussion of balance between maintenance and renewals a. Clearly determine its approach to maintenance and renewals and explicitly explain this in its Infrastructure Strategy 2018/28.			✓

Other audit issue

9. Non-compliance with Information Management Policy a. Ensure the staff will comply with the Information Management Policy. b. Review storage of documents on the Network 'U Drive' (an organisational shared drive for storage of documents). c. Where necessary delete unwanted documents or re file them in the Document Management system in accordance with the Information Management Policy.			✓
---	--	--	---

3. Detailed Findings & Recommendations

Audit Issue	Risk	Recommendation	Management Comment
Project Management audit issues and recommended actions			
<p>1. Project risk that asset management planning does not guarantee strategic alignment</p> <p>Criteria</p> <p>There should be sufficient time planned to achieve Councillors' involvement in coordination of the Council's long term strategies with the asset management planning. There needs to be time to establish a clear Vision and the Levels of Service so that the asset managers can determine the costs of those requirements.</p> <p>Condition</p> <p>Council elections occurred in October so there is limited time for new members to make the decisions that will need to be made regarding the required Levels of Service and Vision that determine what is to be included in the asset management plans. Asset management plans will be completed by August 2017 and will form the basis of discussions about the Long Term Plan (LTP). Some new assets and proposed changes to the Levels of Service will arise from the Council's long term strategies and discussions about them will also be part of the latter discussions about the LTP. Inevitably some strategies such as the Active Recreation Strategy will not be finalised in time to include.</p> <p>Causes</p> <p>The timetable for the LTP requires asset management planning to begin very early in the meeting and election cycle. In previous years a full review process including community focus groups had been conducted, but previously the decision had been made to set Levels of service more on an</p>	High	<p>Management should:</p> <p>a) Review the LTP 2018/28 timetable that includes the Asset Management Project to ensure sufficient time to incorporate strategic alignment of Asset Management Plans with the strategic drivers and Vision including a full range of LOS options.</p> <p>b) Embed risk management early in the Asset Management Project.</p> <p>c) Complete the project plan.</p> <p>Responsibility: General Manager City Networks</p> <p>Timing: Before end of December 2016</p>	<p>a) Completed. The timetable for the 2018/18 LTP has already been reviewed. Asset Management Planning has been integrated into that timetable. Note: It is impractical to start the LTP process any earlier due to councillor induction and the new council set-up as well as the annual plan process. Where process timings are not ideal, it is important that any caveats are explicit.</p> <p>General Manager City Future</p> <p>b)&c) Agree and will implement.</p>

Oasis: 8344928

7

Review of Asset Management Planning

Audit Issue	Risk	Recommendation	Management Comment
<p>exception basis.</p> <p>A more intrinsic cause was that the Project risk management was informal at this stage and that there were multiple stakeholders. A plan to deal with risks to the Project including the risk that the asset management plans don't align with the Vision was not yet in place although Managers across Units were in the process of analysing the risk and possible process changes or mitigations to accommodate them.</p> <p>Consequences</p> <p>It may not be possible to develop the strategic alignment expected in the time available. A full range of level of Service options appropriate to all groups in the Community may not be given consideration in time for inclusion in the Plans. Existing Levels of Service may become entrenched regardless of new priorities or affordability.</p>			

Database control audit issues and recommended actions

<p>2. Unsatisfactory hardware and network performance, and procurement</p> <p>Criteria</p> <p>Hardware and networking should be fit for purpose. Hardware should be compatible and functional.</p> <p>Condition</p> <p>There was anecdotal and observational evidence of slow processing at the RAMM Database Administrator's (DBA) Personal Computer. We were told that much processing is completed at the host, but much was also done locally for which a high level of computing resource was needed. The database was running an Intel i5 4 core sixth generation 3.2ghz chip. This is</p>	Low	<p>Management should:</p> <p>a) Request that Information Management review the hardware requirements for the RAMM roading database.</p> <p>Responsibility: GM City Networks</p> <p>Timing: Before end of June 2017</p>	<p>a) Agree and will implement. An improved Tablet is currently on trial and it is expected that 7 more will be included in the budget. The need for an increased specification PC will be discussed with the Roading Manager in relation to other priorities at budget time. RAMM provide the ability to monitor the VPN connection speed. This will be monitored.</p>
---	-----	--	---

Oasis: 8344928

Audit Issue	Risk	Recommendation	Management Comment
<p>a powerful fast chip. 7th generation chips are not yet in devices (Oct 2016). The database administrators for SPM Asset Management (SPM) database and IPS (IPS) databases reported no such issues.</p> <p>Staff came to work early to obtain the best broadband speeds. Broadband speeds in NZ are being upgraded to 100mbps on fibre cables, but actual speeds obtainable are subject to fluctuations in peak demand.</p> <p>Tablets were not those recommended and supported by RAMM, so they were not compatible with the photographic capability of RAMM. Photographing direct from the Tablet to the database did not function. Glare was an issue when working in the Street especially when two people wanted to view the screen to discuss an issue it was impossible due to glare. A lap top was used for traffic count (under SLA to City Enterprises) because the Tablets were incompatible with the RAMM software. Traffic counts had to be downloaded into the RAMM later rather than directly from the Pocket RAMM, which took slightly longer and the resulting claim required separate processing.</p> <p>Cause</p> <p>The recommended Tablet cost more than was affordable. The database used big data and operated at the limits of technology. The highest spec PC had not been purchased. Broadband lines were public and subject to peaks in demand.</p> <p>Consequence</p> <p>Performance was less than desirable. Anecdotal evidence was that sometimes the PC would crash. A limited number of sessions was possible.</p> <p>3. Cloud computing and software terms and conditions not checked</p> <p>Criteria</p>	Low	<p>Management should:</p> <p>a) Obtain assurance about the controls in the hosting arrangements for the</p>	<p>a) Completed NZTA require PNCC to use the RAMM Software system in order to</p>

Oasis: 8344928

9

Review of Asset Management Planning

Audit Issue	Risk	Recommendation	Management Comment
<p>Written contracts should be in place for large contracts with cloud computing controls normally negotiated during the tender process.</p> <p>Condition</p> <p>RAMM and SPM databases are hosted in the Cloud at one or more external datacentres connected to PNCC by a Virtual Private Network (a private network extended over a public internet network).</p> <p>Contractual hosting arrangements with RAMM Software and IPS New Zealand go back many years. IPS was locally hosted here. The Agreement with SPM was more recently negotiated and provided the ability for an accompanied audit visit to the internet service provider used by SPM to review the environmental security at the Internet Service Provider (ISP). The IPS Infor Global Solutions software license was dated 1994 and the terms and conditions of the arrangement were unknown at date of our Review. A copy of the Software Licences were subsequently obtained from IPS and added to the Oasis Document Management system. RAMM roading asset database was hosted in the Cloud. There was limited contractual arrangement governing cloud computing controls or other matters usually included in Key Performance Indicators and a Service Level Agreement.</p> <p>Causes</p> <p>The contractual relationships with the RAMM Software and IPS Global Solutions go back many years and cloud computing had evolved without contractual arrangements being revisited to encompass the new environment.</p> <p>There was a perception that RAMM is a New Zealand Transport Agency (NZTA) system that would be subject to NZTA review. PNCC must use the NZTA system to obtain roading grants.</p> <p>Lack of awareness of appropriate controls for a cloud environment.</p> <p>Consequences</p>		<p>externally hosted asset management databases. E.g. the Tier level of protection of the data bases/data centres.</p> <p>b) Establish appropriate Service Level Agreements and KPIs for contract management with the Asset Management vendors.</p> <p>c) Obtain copies of the 1994 Licence agreements.</p>	<p>claim roading grants. The system is run by the 68 NZ Local Roothing Authorities plus the NZTA. It is hosted in multiple locations and has been proven to be able to restore data back to 4hrs.</p> <p>Senior Engineering Officer (Asset Data)</p> <p>SPM database is hosted and backed up to industry standards. SPM publish information to purchasers concerning the security of the network. Security includes quarterly penetration testing.</p> <p>IPS is internally hosted.</p> <p>b) Disagree. This is currently not practical. The vendors provide standard Terms and Conditions, which PNCC follows. The arrangements generally work well.</p> <p>Senior Engineering Officer (Asset Data)</p> <p>c) Completed on discovery.</p> <p>Asset Management Systems</p>

Oasis: 8344928

10

Audit Issue	Risk	Recommendation	Management Comment
Lack of assurance about third party ISP cloud computing environments.			Officer
<p>4. Late development of software functionality & functionality not yet used</p> <p>Criteria</p> <p>The asset management databases should have best practice functionality to promote efficiency and effectiveness of business processes. Ideally this would include the integration of works orders to continuously update the databases.</p> <p>Condition</p> <p>Of the three databases, RAMM (Roading) had full integration with works orders, IPS (Water, Wastewater, Stormwater, Rubbish and Recycling) database was in the process of implementation and SPM (Parks and Property) had the functionality, but it was not yet implemented.</p> <p>Cause</p> <p>There is continuous improvement of the asset management systems and different levels of maturity and investment. Incorporation of works order functionality is an example of good practice, but some development e.g. IPS appeared to be behind the other two vendors.</p> <p>Consequence</p> <p>For IPS it will become possible to despatch a crew using a Kbase (Phone call logging system) Request for Service and close a job without the necessity to print the works order, enter start and finish times etc on the printed work order and then rekey the data to close the job. Efficiency will improve.</p> <p>Because the integration to works orders is not yet used in SPM keeping the assets updated from maintenance and renewal Programmes requires the DBA to attend works planning meetings, so the completeness of updates is</p>	Low	<p>Management should:</p> <p>a) Make expectations clear to Vendors about the need for development of efficiency improvements.</p> <p>b) Continue to develop the SPM database maturity.</p> <p>Responsibility: Database Administrator</p> <p>Before end of June 2017</p>	<p>a) Completed. PNCC has the ability to submit requests for improvements to the help desk. The IPS Field Inspection Module has been available for three years. The vendor has a good track record of continuous improvements. PNCC is currently running the version 8.4. The latest version is 8.5. The vendor is currently developing version 11, which will permit the use of the client's own GIS data.</p> <p>Asset Management Systems Officer</p> <p>b) Agree and will implement. SPM. This year will be taken up with asset management plans update. Priorities will be reassessed at 30 June 2017. Integration of property information concerning asbestos in buildings is currently the highest new priority. Seismic data will also be</p>

Oasis: 8344928

11

Review of Asset Management Planning

Audit Issue	Risk	Recommendation	Management Comment
<p>only guaranteed by the three yearly asset condition surveys.</p>			<p>added. A future Project is GIS integration. Building Asset Officer</p>
<p>5. Too wide access to Superuser permissions, open access data transmission</p> <p>Criteria</p> <p>Access to the super user functionality should be appropriately protected by a complex password. As far as is practical links carrying data via a public cellular network should be encrypted.</p> <p>Condition</p> <p>Access to the IPS database was by one of two methods. Either at a PC at the Depot or Central Administration Building, or by VPN (virtual private network extends a private network across the internet to make a connection) from a remote Tablet running the Field Inspector App.</p> <p>We found that:</p> <p>Once a user accessed the PNCC Network using their Network Login and Password they were automatically logged into the application by URL link without further need to enter an application ID or Password (similar to a Cookie). Superusers had the ability to login as any user. Users were set up in Roles to access certain Licences with Certain permissions set by the Superuser. Access was regularly reviewed, usually when a user was added or deleted on joining or termination. Users (except Superusers) were set up with no ability to access the login screen and login as someone else.</p> <p>Logging in via the Tablet to the Council's database was via a VPN Network Session subject to user id and password. The links appeared to be unencrypted http not https to the server. Password complexity for the Field Inspector App was set to SIMPLE SIMPLE. Any user could log on as another user or as the Superuser.</p>	<p>Low</p>	<p>Management should:</p> <ol style="list-style-type: none"> Immediately change the Superuser password. Turn on the application password complexity set in alignment with Network requirements to access the database. Encrypt the link from Field Inspection Tablet App to host server. <p>Responsibility: Database Administrator</p> <p>Timing: Before end of June 2017</p>	<ol style="list-style-type: none"> Completed for both Superusers. Disagree. This is mainly applicable to the Superusers access on a PC. Other users who logon via the PC are connected directly via the preconfigured URL. These users can only gain access to the applications via a Network access and the IT General Controls including password complexity apply and are subject to external IT Auditor review. We will investigate with IT including the risk assessment. <p>Asset Management Systems Officer</p> <p>Subsequently determined that it is that nature of a VPN connection that the link is encrypted using internet protocols. Https security is for web traffic.</p>

Oasis: 8344928

12

Audit Issue	Risk	Recommendation	Management Comment
For SPM, passwords are set up by SPM who tell us what they are and they do not change. The link to the host is encrypted, https. There were no issues we found concerning the RAMMM logical access controls. Cause A perception that the risks of unauthorised changes being made to data were low as it had never happened. It was believed it would be possible to identify a PNCC User who inappropriately accessed or changed data through their Session ID. Consequence Data could be changed or deleted without knowledge.		d) Complete a specialist review of the host environment. Responsibility: IM Manager Timing: Before end of June 2017	d) Agree. Information Management internal controls for security access are audited annually by Audit NZ. In addition, IM will schedule a security access check across the three asset management applications to confirm security access.

Audit issues and recommended actions using considerations derived from Office of Auditor General

6. Integrate key information in the Infrastructure Strategy and the Financial Strategy Criteria Financial and asset information in the Long Term Plan (LTP) should be presented in a way that facilitates ratepayers and other stakeholders to understand it and to answer key questions about it. Financial and asset information should be integrated and complete. Condition Key information could be better presented in the infrastructure strategy. Some information was difficult to determine. In order to understand the Council's LTP a question was, is the percentage increase in planned total	High	Management should: a) Better integrate the Financial and Infrastructure Strategy e.g. though the information and analysis provided such as changes to the Levels of Service. Address key questions which could include: i. Is PNCC planning major changes to its spending patterns such as year on year increases in total expenditure?	a) Agree and was already being addressed. Integration of the LTP, Infrastructure Strategy and Financial Strategy is a key focus of the approach to the 2018/28 LTP. Note: The Infrastructure Strategy 2015 was developed in a condensed timeframe due to the timing of the new legislation. The level of integration achieved in 2015 recognised the constraints
--	------	--	--

Oasis: 8344928

13

Review of Asset Management Planning

Audit Issue	Risk	Recommendation	Management Comment
<p>expenditure due to increased Levels of Services (LOS)? Drilling down in the information presented in the 2015/25 LTP, for example, it could be determined that approximately 12% of the planned new capital spend was to provide an increased Level of Service (mainly infrastructural assets such as roading improvements). This information for decision making was not transparently presented in the 2015/25 LTP Financial Strategy or Infrastructure Strategy, although some additional information featured in the consultation document.</p> <p>Other matters pertaining to the integration of asset management and financial information should also be considered.</p> <p>Causes</p> <p>It is important to reflect on how to improve the 2018/28 Infrastructure and Financial Strategies.</p> <p>Consequences</p> <p>Limited debate could be engendered on the affordability of the proposed increased Levels of Service.</p>		<p>ii. Is PNCC planning to look after all its major assets? (Depreciation and renewals by asset category).</p> <p>iii. Are rates increases reasonable and justified? Requires information on the planned sources of funding such as rates and charges, spending on debt repayment etc compared to previous years and year on year increases.</p> <p>iv. What are the future limits on rates, debt increases?</p> <p>b) Include all asset types, not just those required by statute in the Infrastructure Strategy.</p> <p>Responsibility: Head of Community Planning</p> <p>Before end of June 2018</p>	<p>Council was working within and was accepted by external audit.</p> <p>Questions (i) – (iv) are questions already factored into the previous LTP and the LTP planning for 2018.</p> <p>b) Had already been agreed. Expanding asset types for inclusion into the Infrastructure Strategy 2018 has already been discussed and planned for.</p>

Oasis: 8344928

14

Audit Issue	Risk	Recommendation	Management Comment
<p>7. Improve the quality of its asset condition information</p> <p>Criteria</p> <p>Accurate asset condition information can assist decision making at various levels from when maintenance or replacement is required or predicted to proving evidence after a seismic event. For cost reasons, only the information required for decision making should be collected.</p> <p>Condition</p> <p>The three asset management databases had different levels of sophistication surrounding condition information. For examples, we found the following:</p> <ul style="list-style-type: none"> For insurance, assessment condition rating or sample data evidence of condition was likely to be insufficient. This was spoken to us by an experienced assessor post Christchurch events. Seismic condition of buildings was not in the SPM database and would be separately addressed in specific strengthening programmes during planning. Not all assets had condition rates at a component level e.g. bridges were assessed as a whole. Photographs were available where applicable. 40 % of the sewerage pipe network had been CCTV and a programme was in place to collect additional surveys. So far in 2016/17 7km had been surveyed. CCTV survey results were subject to review and audit. Half sewerage laterals were recorded in the IPS data base, up on two years ago. <p>Cause</p> <p>Databases are at various levels of maturity and stages of development. Decision making and planning that drives the need for information is also at</p>	Low	<p>Management should:</p> <p>a) Continue to improve its databases, especially in relation to the entry of seismic condition information.</p> <p>Responsibility: Database Administrators</p> <p>Timing: Ongoing</p>	<p>a) Agree. SPM Property database will be updated this financial year with seismic information, which has been collected but not yet entered. This is not a big project to complete.</p> <p>Building Assets Officer</p> <p>For IPS database seismic assessments has been completed, or are planned for Wastewater properties and 40% of the network pipe system are surveyed.</p> <p>Wastewater Asset Engineer</p> <p>For Waste and Recycling assessments are planned to be completed this financial year for works inclusion in the next LTP.</p> <p>Rubbish & Recycling Engineer</p> <p>Considerable work has been done on the Turitea Dam including 3D modelling and protection of reservoirs. The Water Treatment Plant was upgraded in 1999. Assessments and work has been completed or is</p>

Oasis: 8344928

15

Review of Asset Management Planning

Audit Issue	Risk	Recommendation	Management Comment
<p>various levels of sophistication.</p> <p>Consequence</p> <p>Incorrect or sub optimal decisions could be made.</p>			<p>underway regarding pump stations. The appropriate way to reference this to the database would be to link the documents to the assets.</p> <p>Asset Planning Engineer</p> <p>Progress monitoring is part of risk management via the collaborative Working Committees.</p> <p>RAMM Roading Database is linked to seismic data contained about individual assets such as the bridges. These are visually checked after events. Information about the occurrence of slips is held on the database as each job on the roads is recorded in the database.</p> <p>Senior Engineering Officer (Asset Data)</p>

Audit Issue	Risk	Recommendation	Management Comment
<p>8. Include in its Infrastructure Strategy the discussion of balance between maintenance and renewals</p> <p>Criteria</p> <p>The level of maintenance undertaken on assets is related to their need for renewal. Infrastructure strategies should explicitly discuss the relationship between maintenance and renewals.</p> <p>Condition</p> <p>There are explicit trade-offs made by the City Engineers in their work. They would decide whether to respond to a maintenance request or defer the request and incorporate it into a renewals programme. A simple example would be the standard of maintenance of the Parks Square asset could affect perception of the condition of the asset and the timing of renewal works such as paths, gardens or trees. Another example could be the decision to complete seismic repairs on the Wastewater Treatment Plant or roll those matters up into the consent review in 2022.</p> <p>Cause</p> <p>The significance of explaining this balance may be underestimated.</p> <p>Consequences</p> <p>Sub optimal or inconsistent maintenance and renewals may occur. If no one specifically takes care and pride of public assets a less than excellent standard may become acceptable, hastening the need to renew the asset.</p>	Low	<p>Management should:</p> <p>a) Clearly determine its approach to maintenance and renewals and explicitly explain this in its Infrastructure Strategy 2018/28.</p> <p>Responsibility: GM City Networks</p> <p>Timing: Before end of August 2017</p>	<p>a) Council has a commitment to the maintenance of its assets and the on time renewal of assets at the end of their life. This is stated in the 2015/26 Long Term plan.</p>

Review of Asset Management Planning

Audit Issue	Risk	Recommendation	Management Comment
<p>9. Non Compliance with Information Management Policy</p> <p>Criteria</p> <p>Information Management Policy requires all the Council and organisational documents to be stored on the Document Management System. This facilitates back up, searching, sharing, compliance to naming conventions, integrity and security.</p> <p>Condition</p> <p>882GB data, including much asset management information, was stored on the organisation's shared 'U Drive' rather than in the Document Management System as required by the organisation policy. It is not known how many of these are working temporary documents and how many should be stored according to the policy. Customer Services are the only Unit that comply with the policy.</p> <p>Cause</p> <p>Lack of organisational compliance to follow the policy.</p> <p>Consequence</p> <p>Staff may not know the document is there on the U drive. The Policy is not followed. The U drive is backed up.</p>	<p>Low</p>	<p>Management should:</p> <p>a) Ensure the staff comply with the Information Management Policy.</p> <p>b) Review storage of documents on the 'U Drive'.</p> <p>c) Where necessary delete unwanted documents or re file them in accordance with the Information Management Policy.</p> <p>Responsibility: Information Manager</p> <p>Timing: Before end of June 2017</p>	<p>a) Agree. Information Management (IM) encourages all staff to comply with the Information Management policy and will highlight issues of non-compliance, where found to be deliberate, to the appropriate manager to enforce the policy. Records staff are always available to provide assistance to staff in using the Document Management System.</p> <p>b) In the IM work plan there is a project scheduled for 2017 to review and migrate appropriate files from U: drive to the Document Management System. For information, there is 882Gb of data, less than 6% is made up of .doc, .xls and .ppt files, 35% are image files, 20% are movie files.</p> <p>c) As above.</p> <p>Information Manager</p>

APPENDIX C

**Social Housing Allocation and Rentals**

August/September 2016

1. Executive Summary

1.1 Background

This review of Social Housing Allocations and Rentals was scheduled in the approved Internal Audit Plan for 2016/17.

PNCC has a history of providing social housing and has continued to do so in line with the LGA2002 as amended in 2014 and its strategy objectives. In 2014 PNCC developed its Social Housing Strategy in response to local and national expectations. That strategy identified five key drivers for the housing strategy. These included targeting support for: those elderly with low income and low assets through income related rents (driver 1); those on supported living payments such as the disabled with income related rents (driver 2); and those who can demonstrate a need for Social Housing assistance, at a market rental (driver 3). This group included up to 20 properties to be made available with an income related rent. The fourth and fifth drivers related to the need to review the costs of the service, and to support an increase in Social Housing in Palmerston North. All the approximately 400 properties (311 Social (drivers 1&2), 92 Social (driver 3), but excluding the various temporary and strategic properties) were to comply with University of Otago Warrant of Fitness standards for warmth and safety. An element of the strategy was to coordinate support for tenants who might require it e.g. via MASH.

The Applicant Register (or waiting list) administered by Libraries and Community Services comprised those applicants who were eligible for Council Social Housing. Anyone who had a Community Services Card or was a student family from a developing country, and had assets under \$40k, was eligible to apply for the housing. The application was assessed at an interview and then by a panel, taking need or other factors into account, before offering any accommodation. Not everyone who was on the Applicant Register was housed. For the Social housing (92 properties, up to 20 subsidised) there was an expectation that the applicant should be able to demonstrate a need for assistance e.g. due to: discrimination, nothing else available, urgency.

Once the need for assistance was established and the application was prioritised by the Panel, the Housing Officer's assessment of whether the tenant would 'fit' the property/complex was the next in determining if an offer was made. A judgement was made as to the likelihood of the prospective tenant being able to follow the conditions in the lease agreement, taking into account the available support. Other factors could include the Complex ratio of men to women, ratio of older to younger people, evidence of character and behaviour, number of bedrooms, whether other two bedroom units in the complex were fully occupied, the existing tenant community e.g. overseas students, young families. Rental income was accounted for by City Corporate Finance using the Contacts, Tenancies and Sundry Income modules of the Ozone financial and modular system. Income related rentals and the market based rents were reviewed annually in line with the annual welfare changes or by an independent Valuer, Morgans Property Advisors.

In this review Internal Audit aims to provide information and independent analysis to assist governance, risk management and control of the Social and Social housing Assets of Council.

Subsequent to the completion of our Review the Community Development Committee at its meeting 12 December 2016 resolved that the Social Housing 2015 strategy be reviewed; that a report be prepared about the implications of the proposed new direction; and to investigate a mixed model of delivery.

1.2 Objectives and Scope

The objectives of this review were: to review the process for allocation of Social Housing to ensure compliance to Council Policies, and to review the functioning of the systems and the process to record, collect, monitor and follow up rental and other income payable to the Council.

Aspects of the following work areas are in scope:

In Scope

- ✓ Process to ensure the allocation of social housing is in accordance with Council policies
- ✓ Supporting documentation for decisions by allocation panel
- ✓ Completion of checks for the prospective tenant
- ✓ Review of actual allocations to ensure it is in conformance to the waiting list or other allocation process
- ✓ Complaints about the allocation process
- ✓ Management oversight and monitoring, management of conflicts of interest
- ✓ Referral of clients to other agencies in housing emergency
- ✓ Process to ensure tenancy details are correctly loaded onto Ozone rental system
- ✓ Timeliness, accuracy, completeness of billing and charging
- ✓ Process to change rents
- ✓ GST treatment of income
- ✓ Monitoring of income and occupancy levels
- ✓ Sending of bond cheques to central government, reconciliation of bond account and refunds
- ✓ Follow up, management, monitoring and minimisation of arrears and write offs
- ✓ Cost recovery process, recovery of costs once PNCC decided that the tenant is liable for intentional damages
- ✓ Service Level Agreement between City Networks, City Libraries and City Enterprises
- ✓ Feedback, KPIs, continuous process improvement, quality initiatives, monitoring of the Social Housing Strategy
- ✓ Training needs and provision

Any other matters relating to the objective

Out of Scope

- ✓ Housing repairs (except cost recovery), maintenance, new capital projects
- ✓ Expenditure analysis
- ✓ Social support of tenants
- ✓ Evictions for breach of tenancy Agreement other than financial
- ✓ Back up of database

Our approach was to:

- Review the Council's Housing Strategy 2015 to identify tenant groups supported by Council and current rental charges and occupancy. Review desk files describing the process for the allocation of housing. Interview the staff and review documentation to determine how allocation priorities were arrived at by the allocation panel. Review controls in the process to ensure they are efficient, effective or fair. Review communication of the outcome to prospective tenants. Review complaints process. Review referral process in a housing emergency.
- Review the invoicing process. For a sample of tenants, follow through their tenancy to its accurate set up or termination in Ozone for invoicing, and see when invoices/statements for rentals were sent and timeliness of direct debits. Ensure all occupied properties are being charged and billing is accurate.

Review of Housing Allocations and Rentals

- Review the operation of the Tenancy Bond Account. Include the timeliness of reconciliations, separation of duties, payments to the Bond Office, payment of refunds to nominated bank accounts and supporting end of tenancy bond refund forms.
- Run the aged debtors list and investigate documentation, follow up and monitoring that has been completed for those rent arrears over 3 months old.
- Review the operation of the cost recovery process. Ensure that costs incurred from damage to property by tenants, other than 'fair wear and tear', are invoiced and collected.
- Completion of training needs analysis and use of training budget.

We interviewed the following staff:

Table 1

Officer	
General Manager Libraries & Community Services (Sponsor)	Residential Property Officer
General Manager City Networks (Asset Owner)	Property Financial Officer
Manager Community Engagement	Financial Accountant
Community Liaison Team Leader	Strategy & Policy Manager
Parks and Property Manager	Property Contract Coordinator
Housing Officer	Financial Administration Officer x 2

1.3 Limitations of Approach

We relied on the information provided by staff we interviewed, supported where possible by cross checking, observation and documentation. For completeness, all our findings falling within scope are reported and assessed as Low to High risk using professional judgement. Our analysis of controls was based on comparison of the condition of our sample against the criteria, the causes of the condition found and the consequences, if left unaddressed. We thank staff for their assistance and cooperation during this review.

1.4 Overall Findings

We have carried out this audit in compliance with the International Standards for the Professional Practice of Internal Auditing.

We found that:

- ✓ Staff had a good understanding of the other local housing providers. They networked with them (and were seeking greater regional cooperation). This helped ensure that a rapid housing response was possible where required;
- ✓ billing was complete and accurate, with total arrears at 90 days \$5,180 at 30 September 2016, GST was correct, the costs of intentional damage were recovered, rental adjustments were promptly and legally made;
- ✓ a Service Level Agreement between City Networks and Libraries and Community Services was in draft.

A wide variety of tenancy applications were taken and made it to consideration by the Housing Allocations Panel of three Officers. Those applications likely to succeed in getting an offer of a tenancy depended on who was applying and what property was available on the day. An overriding consideration was the desire for the prospective tenant to integrate into the complex, if necessary with social support/benefit redirection in place.

We found that the processes in use for allocation required updating in light of the Social Housing Strategy to include:

- the application form required update to include the reason the client required housing assistance (in accord with the Social Housing Strategy);
- the housing panel process required organisation for consistency. The prioritisation process needed clear weekly agendas including what properties were available and who the

- candidates were; engagement of all the participants; the need for updated guidance/desk file on the prioritisation scenarios; and recording of decisions such as by using a template;
- the update of asset threshold with MSD limit, now \$42,700 and process to maintain alignment.

We thought that there could be improved monitoring and supervision of allocation decisions. Such as by weekly meetings with staff, by management access to spreadsheets, by provision of advice and guidance and review by reporting on decisions made; and by implementation of Council Programme 1210 Support to Social Housing \$51k.

1.5 Conclusions

The objective in the Terms of Reference was met.

We have considered the significance of our findings and the implications for internal control. While we noticed that the staff were completing their responsibilities in ensuring the most suitable tenants were allocated rentals, additional Guidance on the implications of the Social Housing Strategy could help ensure consistency and alignment of allocation decisions. This would lead to improved confidence of staff in the process and fairer more transparent and auditable decisions. It can be a significant matter to get the allocation decisions correct. This puts an onus on those making and supervising decision making to be prudent and conservative. For example, a whole block in one complex was recently out of action for a period when a fire had occurred. Staff took their responsibilities seriously.

Here is our summary of the audit issues and our recommendations to address them.

1.6 Summary of Issues

Recommendation	Risk Rating		
	High	Medium	Low
1. Allocation processes not yet fully updated to reflect Social Housing Strategy		✓	
a) Review the application process for Social housing to ensure that it reflects the Social Housing Strategy. E.g. <ul style="list-style-type: none"> i. Guidance for staff ii. Revamp of the application form iii. Provide and analyse the reason why the applicant needs the Council's assistance. 			
2. Allocation process by panel also not yet fully established and lacked transparency	✓		
a) Develop an improved process for panel meetings. E.g. <ul style="list-style-type: none"> i. Template for minutes ii. Prioritisation of applications iii. Guidance for staff. iv. Re-establishing a waiting list system. 			

Recommendation	Risk Rating		
	High	Medium	Low
3. Implementation of Social Housing Strategy - can ineligible tenants remain in units? a) Clarify the position of existing and new tenants whose circumstances change so they no longer meet the eligibility criteria in the Social Housing Strategy. b) Establish an authorisation procedure for changing rentals from market rent to income related rents. Or, income related rents to market rents. (E.g. for the 20 Social housing units allocated for income related rentals).		✓	
4. Approval to change business processes - checklist control system not being followed a) Confirm what changes to the checklist and ranking process are authorised. b) Agree a process by which changes to processes can be authorised.		✓	
5. Duplication of systems compromising efficiency, integrity and security of data. a) Use a single database system. Consider, i. Prioritising a business case for Information Management (IM) Business Support with a view to moving to one database application.		✓	
6. Risk to accuracy or veracity in rent levels a) Periodically check the veracity of the rents being charged to tenants.			✓
7. Lack of communication with unsuccessful applicants a) Communicate decisions made and progress to applicants on the Applicants Register. E.g. i. Tell applicants at the interview that they will only be contacted if a property comes up.			✓
8. Benefit redirection not always made a) Institute a condition of the tenancy Agreement that payment by MSD recipients is by benefit redirection.			✓

Recommendation	Risk Rating		
	High	Medium	Low
<p>9. Collection and monitoring of arrears of rent and cost recharges could be more effective</p> <p>a) Use urgent mediated hearings for early recovery of arrears, which can be binding.</p> <p>b) Monitor tenant arrears more effectively.</p> <p>c) Using the Courts to obtain the new address of tenants who left with arrears but did not leave a forwarding address.</p>	✓		
<p>10. Declaration may not fully comply Privacy Act 1993</p> <p>a) Better comply with the Privacy Act 1993. E.g.</p> <p>b) Complete a Privacy Act Assessment to determine if further compliance activities should be undertaken in order to ensure that the processes comply with the Privacy Act 1993.</p> <p>c) Amend the Privacy Act Statement on the application forms.</p>	✓		

Review of Housing Allocations and Rentals

3. Detailed Findings & Recommendations

Audit Issue	Risk	Recommendation	Management Comment
<p>1. Allocation processes not yet fully updated to reflect Social Housing Strategy</p> <p>Criteria</p> <p>On 1st July 2015, one of five drivers for Social housing that determined eligibility changed to those who, 'had a Community Services Card and assets under \$40k', and who, 'could demonstrate a need for assistance with their housing'. There was also a requirement that the applicant would, in all probability, be able to comply with PNCC Tenancy Agreement obligations such as payment of rent and bond and other matters. Overseas students also met a criterion.</p> <p>Condition</p> <p>Applicants completed an application form for Social housing, and from the information provided, the interview, and the checks carried out, a decision was made to offer accommodation, or to include the applicant on the Applicant Register. We observed:</p> <ul style="list-style-type: none"> a) Not all staff were confident how to apply the Social Housing Strategy due to the wide discretion b) Desk files did not cover how to prioritise within those eligible c) More applicants were considered eligible than available Units, but the reason assistance was required was not always clear <p>The relevant reasons why an applicant might need assistance, as per Strategy, would be: demonstration of lack of suitable accommodation, urgency, or discrimination. These reasons were not always provided or recorded.</p> <ul style="list-style-type: none"> d) The processes had not been fully reviewed following a period of operation of the Social Housing Strategy in July 2015. 	Medium	<p>Management should:</p> <ul style="list-style-type: none"> a) Review the application process for Social housing to ensure that it reflects the Social Housing Strategy. E.g. <ul style="list-style-type: none"> i. Guidelines ii. Revamp of the application form iii. Provide and analyse the reason why the applicant needs the Council's assistance. <p>Responsibility: GM City Libraries and Community Services</p> <p>Timing: Before end of May 2017</p>	<ul style="list-style-type: none"> a) Agree and will implement. We acknowledge the need to do the work, but will be mindful of the current review of the Social Housing Strategy and review of delivery options. There may also be resource implications.

Oasis: 8449513

Audit Issue	Risk	Recommendation	Management Comment
<p>Some changes had been made to the application form such as requiring the applicant to declare the total of their assets, (excluding car, prepaid funeral expenses, household and personal effects) but not all the necessary changes and the process required review in light of its operation for 18 months.</p> <p>The other two drivers related to housing allocations were generally complied with (see 4).</p> <p>Causes</p> <p>Staff had transferred from City Networks to Libraries and Community Services and there was a settling in period.</p> <p>Consequences</p> <p>Difficult to demonstrate that the PNCC Social Housing Strategy was followed in practice. Lack of clarity in decision making. Risk of bias. Legal risk.</p>			
<p>2. Allocation process by panel not yet fully established and lacked transparency</p> <p>Criteria</p> <p>Management expects that there should be effective documentation of allocation decisions.</p> <p>Condition</p> <p>All applicants, other than those who sought phone advice, were assisted to complete an application form at an interview. Applicants were assessed at this interview for, 'suitability' and a recommendation was then made to the allocations panel by the Housing Officer. Until very recently, the decisions of the Allocations Panel were not documented, although the application form was stored on Oasis document management system. No reasons were recorded for giving priority to one applicant over another. Allocation did not</p>	High	<p>Management should:</p> <p>a) Develop an improved process for panel meetings. E.g.</p> <ul style="list-style-type: none"> i. Meetings template ii. Prioritisation of applications iii. Guidelines iv. Re-establishing a waiting list system. <p>Responsibility: GM City Libraries and Community Services</p> <p>Timing : Before end of May 2017</p>	<p>a) Agree and will implement. Documentation needs to be consistent and transparent, See also the related management response to 1 a).</p>

Review of Housing Allocations and Rentals

Audit Issue	Risk	Recommendation	Management Comment
<p>follow "first come first served", which was not practical, but was based on the suitability of the applicant to the vacancy.</p> <p>Causes</p> <p>The Allocation Panel process is relatively new and was yet to establish.</p> <p>Consequences</p> <p>Decision making could lack consistency. Management oversight and independent review of the decision making could be problematic.</p>			
<p>3. Implementation of Social Housing Strategy - can ineligible tenants remain in units?</p> <p>Criteria</p> <p>It was implicit in Council decision making that existing tenants not on a market rent who did not meet the criteria of eligibility in the Social Housing Strategy would remain in their existing units. The situation for new tenants was unclear and if their circumstances changed would they be moved? The Tenancy Agreement states, 'you must contact us every time your circumstances change.'</p> <p>Condition</p> <p>A process of reviewing the housing needs of the existing social housing tenants was underway and partially completed. The test for eligibility was, was the tenant on superannuation or supported living payment. A letter of proof was required from MSD. At the time of our review 7 tenants had yet to confirm that they met the eligibility criteria. At least one existing tenant, who had begun working, was to be moved to a unit allocated for market rental. We were told that it was not planned to move any of the other 6, but it could depend on the individual circumstances. At least two tenants were in designated Social Housing but were charged a market rent because at the time there were no waiting Social Housing applicants for the Ashurst</p>	Medium	<p>Management should:</p> <p>a) Clarify the position of existing and new tenants whose circumstances change so they no longer meet the eligibility criteria in the Social Housing Strategy.</p> <p>b) Establish an authorisation procedure for changing rentals from market rent to income related rents. Or, income related rents to market rents. (e.g. for the 20 Social housing units allocated for income related rentals).</p> <p>Responsibility: General Manager City Future</p> <p>Timing: Before end of June 2017</p>	<p>a) & b) This review has raised issues that need careful consideration and direction from Council. We will direct the working group to consider these matters.</p>

Oasis: 8449513

10

Audit Issue	Risk	Recommendation	Management Comment
<p>properties.</p> <p>It was now possible to re-designate some market rental properties to income related, but there was no approval process.</p> <p>Causes</p> <p>We were told that in the formulation process of the Social Housing Strategy that Council did not want the existing tenants moved on if they did not meet the new eligibility requirements. However, in practice we found that the Policy was not that clear in respect of changes in circumstances of tenants paying an income related rental and a review of entitlement had been completed and at least one tenant was in process of transfer out of Social Housing at income related rental.</p> <p>Consequences</p> <p>Implementation of the Strategy may be inconsistent with the intentions of the authors of the Policy. There could be inconsistent treatment of some tenants.</p>			
<p>4. Approval to change business processes - checklist control system not being followed</p> <p>Criteria</p> <p>Process change management should be managed and where appropriate authorised.</p> <p>Condition</p> <p>There was no control over business process changes. The checklist system as seen on the application forms was no longer followed. Evidently at one time in the past the application process had been set up with a control in the form of a checklist. The purpose of that check list would be to help ensure that all the steps in the allocation process had been completed, by a tick in</p>	Medium	<p>Management should:</p> <p>a) Confirm what changes to the checklist and ranking process are authorised.</p> <p>b) Agree a process by which changes to processes can be authorised.</p> <p>Responsibility: GM City Libraries and Community Services</p> <p>Timing: Before end of May 2017</p>	<p>a) Agree and will implement. This is directly related to recommendation 1.</p> <p>b) Agree and will implement.</p>

Review of Housing Allocations and Rentals

Audit Issue	Risk	Recommendation	Management Comment
<p>the box and initialling. Such a checklist in the process promotes control.</p> <p>When the process was set up a numerical prioritisation process was used. This is no longer used.</p> <p>Causes</p> <p>We did not know why these processes had developed into their current form or what approval for those process changes there had been. The forms in use for the collecting and processing of the application reflected the old process.</p> <p>Consequences</p> <p>Business processes could change without authority. Internal control could be reduced in rigour.</p>			
<p>5. Duplication of systems compromising efficiency, integrity and security of data</p> <p>Criteria</p> <p>Best practice business systems and processes required a single repository of information in the form of a database. This was preferable to the use of supplementary spreadsheets. A database provides enhanced security, integrity and efficiency.</p> <p>Condition</p> <p>A number of spreadsheets exist outside of the Ozone financial and modular system. For management information these were:</p> <ul style="list-style-type: none"> • Property Social Housing Master tenancy List (297432) • Property Public Housing Master Tenancy List (328973) • Property Tenancies update spreadsheet (3227677) – This is the property maintenance spread sheet. 	Medium	<p>Management should:</p> <p>a) Use a single database. E.g.</p> <ol style="list-style-type: none"> Prioritise a business case for Information Management (IM) Business Support with a view to moving to one database application. <p>Responsibility: GM City Libraries and Community Services</p> <p>Timing: Before end of September 2017</p>	<p>a) We agree in principle and will investigate the implications further in order to make an informed decision on using reporting from the Ozone database alone or continuing to use two systems.</p>

12

Oasis: 8449513

Audit Issue	Risk	Recommendation	Management Comment
<p>We found that the majority of the data collected in these spreadsheets was already stored on the Ozone databases, although there were some data fields that were not currently available e.g. next of kin, reason for requiring housing assistance. Spreadsheets were used for simplicity of reporting.</p> <p>In some cases, the security of the Excel document was not appropriately set. This was corrected at the time. Rents are managed from a Master spreadsheet. This information is recorded in read/writable cells in the Excel spreadsheet. The Excel spreadsheet can lack security and integrity.</p> <p>Causes</p> <p>Staff preferred the simplicity of Excel reporting, and read write permissions.</p> <p>Consequences</p> <p>The data may be corrupted intentionally or otherwise.</p>			
<p>6. Risk to accuracy and veracity of rents charged</p> <p>Criteria</p> <p>The rent charged should accurately reflect the type of unit</p> <p>Condition</p> <p>Rents charged were either income related or depended on the number of bedrooms, their configuration and sizes. Asset management information was not checked to the rental information.</p> <p>Cause</p> <p>There was no process to check one spreadsheet to another. There was no database system.</p>	Low	<p>Management should:</p> <p>a) Periodically check the veracity of the rents being charged to tenants.</p> <p>Responsibility: GM City Libraries and Community Services</p> <p>Timing: Commencing before end of May then periodically.</p>	<p>a) Agree and will implement.</p>

Oasis: 8449513

13

Review of Housing Allocations and Rentals

Audit Issue	Risk	Recommendation	Management Comment
<p>Consequence</p> <p>Error or fraud could occur.</p>			
<p>7. Lack of communication to unsuccessful applicants</p> <p>Criteria</p> <p>Communication with unsuccessful applicants for housing should be evident.</p> <p>Condition</p> <p>There was often no communication to applicants following their interview where the decision was a definite 'no', or they were held on the applicants list pending a property becoming available.</p> <p>Cause</p> <p>There was a concern that a letter saying, 'no' could provoke anger or violence directed at staff.</p> <p>Consequence</p> <p>Applicants may be hindered with their decision making if they do not know the outcome of their application.</p>	Low	<p>Management should:</p> <p>a) Communicate decisions made and progress to applicants on the Applicants Register. Consider, tell applicants at the interview that they will only be contacted if a property comes up.</p> <p>Responsibility: GM City Libraries and Community Services</p> <p>Timing Before end of May 2017</p>	<p>a) Agree – and will be implemented.</p>
<p>8. Benefit redirection not always made</p> <p>Criteria</p> <p>Rent should be paid by a direct debit or by a redirection of the benefit from Work and Income New Zealand, the government income and pension support provider and Social Housing agency.</p> <p>Condition</p> <p>When a tenancy is started with a tenant who receives their income from</p>	Low	<p>Management should:</p> <p>a) Institute a condition of the tenancy Agreement that payment by MSD recipients is by benefit redirection.</p>	<p>Disagree. All successful applicants will be offered a redirection facility if applicable or direct debit. If they are in arrears staff will follow the recovery process.</p> <p>GM City Libraries and</p>

Oasis: 8449513

Audit Issue	Risk	Recommendation	Management Comment
<p>MSD they are given a benefit redirection form to take to MSD together with the tenancy Agreement. The tenant is asked to bring back a completed of the completed redirection form with the signed tenancy Agreement. This did not always occur and it was possible for tenancies through MSD to start without such a redirection in place.</p> <p>Causes</p> <p>It had not been a policy that it be a condition of all tenancies through MSD that a benefit redirection be set up.</p> <p>Consequences</p> <p>Arrears could accrue and the tenant could be evicted for non-payment of the rent.</p>			Community Services
<p>9. Collection and monitoring of arrears of rent and cost recharges could be more effective</p> <p>Criteria</p> <p>The response to arrears should be prompt, consistent, fair and legally robust. The costs of intentional damage or lack of leaving the property reasonably clean and tidy should be recovered.</p> <p>Condition</p> <p>a) We noted a figure of \$5.3k arrears over 90 days old, however within this total were two or three tenants where the number of weeks rent owing had accumulated more than was acceptable to management. Among the contributing factors was the delay of two months to get a tribunal hearing and unreliable information as to expected income provided by a tenant. Experience showed that very prompt tenant contact was most effective in preventing arrears.</p> <p>b) Intentional damage and costs were recharged to tenants. They were separately identified, invoiced and the income recorded on the basis of</p>	Medium	<p>Management should also:</p> <p>d) Use urgent mediated hearings for early recovery of arrears, which can be binding.</p> <p>e) Monitor tenant arrears more effectively.</p> <p>f) Using the Courts to obtain the new address of tenants who left with arrears but did</p>	<p>a) Completed. This procedure has been explained to staff.</p> <p>b) Agree. There needs to be management input to the monitoring of arrears. This will be the responsibility of City Libraries and Community Services. Tenancy revenue (and variances) to be reported to Libraries and Communities Services management monthly.</p> <p>c) Completed. This procedure has been explained to staff.</p>

Oasis: 8449513

15

Review of Housing Allocations and Rentals

Audit Issue	Risk	Recommendation	Management Comment
<p>an end of tenancy inspection. Where possible part of the bond was refunded to settle the account. Income was approximately \$600 to \$900 dollars a month. We reviewed a list of maintenance jobs at the end of the tenancy to verify that a recovery had been made appropriately. We found cost arrears might not be collected due to lack of a forwarding address.</p> <p>Causes</p> <p>a) Delays getting a hearing at the Tenancy Tribunal. Incorrect information provided by tenant as to expected income. Unreliable/false information about credit history of tenant leading to incorrect risk assessment.</p> <p>b) No forwarding address for the Tenant.</p> <p>Consequences</p> <p>Arrears could be higher than necessary. Incorrect allocation decisions may be made. If there is no forwarding address recovery action may not be initiated.</p>		<p>not leave a forwarding address.</p> <p>Responsibility: GM City Libraries and Community Services</p> <p>Timing: Before end of May 2017</p>	
<p>10. Declaration lacks detail - may not comply Privacy Act 1993</p> <p>Criteria</p> <p>Data collection practices should comply with the Principles of the Privacy Act 1993. Applicants who supplied personal information should be told what personal information is being recorded and the purpose for which it is being recorded. Only personal information that is relevant to administration or decision making should be collected. (Principles 1-4).</p> <p>Any declaration made by PNCC concerning the collection of information and the use to which it is put should be as detailed as the detailed nature of the information to be collected (PNCC Privacy Officer).</p>	High	<p>Management should:</p> <p>a) Better comply with the Privacy Act 1993. E.g.</p> <ol style="list-style-type: none"> Complete a Privacy Act Assessment to determine if further compliance activities should be undertaken in order to ensure that the processes comply with the Privacy Act 1993. <p>b) Amend the Privacy Act Statement on the application forms.</p>	<p>a)&b) Current processes to be reviewed and amended where necessary, to ensure compliance with the Privacy Act 1993.</p>

Oasis: 8449513

16

Audit Issue	Risk	Recommendation	Management Comment
<p>Condition</p> <p>Evaluative and highly personal detailed information was collected during the completion of the application forms by the Housing Officer and the Residential Property Officer, during the interview stage of the application, and during reference checking. The Privacy Act 1993 disclaimer on the tenancy Application form for Social housing states the PNCC was collecting the data provided on the form. No mention was made that any information that was provided during the interview stage could also be recorded and used in risk assessment, administration and decision making. The declaration read as follows, 'Palmerston North City Council undertakes to collect, use and store the information provided on this form according to the principles of the Privacy Act 1993. This information will be used exclusively for administrative purposes and debt recovery, if required, in relation to any tenancy which may proceed.' This disclaimer lacked the required detail about the information that was collected.</p> <p>Causes</p> <p>There may be a lack of awareness of the importance to follow the Principles of the Privacy Act 1993. The nature of the allocation process in use required lots of personal information.</p> <p>Consequence</p> <p>The practices may not comply with the Privacy Act 1993 requirements. Irrelevant data may be collected and stored.</p>		<p>Responsibility: GM City Libraries and Community Services</p> <p>Timing: Before end of May 2017</p>	

Oasis: 8449513

Audit New Zealand Final Management Report - 2015/16

Implementation Progress Status - December 2016

The following table is a summary of issues raised by Audit New Zealand in their final management report received November 2016, together with management comment, responsibility and status of any implementation. Future quarterly updates will include updated progress in achieving the agreed action. It includes from the report only those items requiring action. Some of the issues raised this year were also the issues raised in the previous year's audit and updates implementation.

Audit reference	Agreed action	Person responsible	Target date	Status
2.1	Actual renewals and capital expenditure below forecasts - Continue to implement the action plan along with internal audit's recommendations around procurement, contract management, and project management.	General Manager, City Networks Waste & Water Services Manager Roading Manager Parks & Property Manager	Ongoing	Management comment Implementation and development of systems, planning and completion of programmes is essential for improvement. Continued review and development of the action plan together with implementation remain a priority with improvements limited by resources available. Update December 2016 Good progress is being made and giving effect to the 10 improvement initiatives of the Action Plan with 5 well advanced (#1, 3, 4, 8 & 10), 2 having commenced (#7 & 9), leaving 3 where more effort is required (#2, 5 & 6). An appointment to a new position of Infrastructural Works Coordinator was made in December 2016 which sees a full time role directed to oversight of delivering Council Renewal and Capital New Programmes.
2.2.2	Mandatory performance measures - Continue to review the effectiveness of current reporting and systems to accurately capture the underlying data and to ensure the data is complete.	Roading Manager Waste &	Exploration continuing	Management comment Consideration will be given to the recommendations and practicality within existing resources. Additional review will also occur in preparation of the 2018

Document Number: 8265747

Appendix D 2 of 5

Audit reference	Agreed action	Person responsible	Target date	Status
	<p>This includes:</p> <ul style="list-style-type: none"> perform a regular weekly quality review of data entered into the Request for Service system that there is a system in place to check contractor times recorded are accurate. ensure data fields include information to clearly show why data has been amended, re-categorised or excluded. 	<p>Water Services Manager</p> <p>Head of Community Planning</p>		<p>long-term plan performance measures and planned implementation of a new non-financial reporting system.</p> <p>Update December 2016</p> <p>Planning and scoping work continues for implementation in early 2017 of a mobile solution for managing and resolving all unscheduled 3 waters network maintenance requests. This follows successful implementation of scheduled maintenance in Q2 of 2016-17. The mobile solution will capture accurate contractor response and resolution data.</p>
2.6	<p>Wastewater resource consent - The Council is due to apply for a new consent by June 2022. The current cost estimates for a new wastewater discharge consent in present day terms range between \$30 million – \$100 million. This will impact on affordability and will be the key point in the Council's next LTP.</p>	<p>Waste & Water Services Manager</p> <p>Special Projects Manager</p>	Ongoing	<p>Management comment</p> <p>Consent requirements will continue to be monitored as part of the annual plan and long-term plan processes with any requirements and constraints incorporated into those plans and reported to Council.</p> <p>This will involve establishment of a project team to conduct a Best Practicable Option review. Options will be identified and engagement take place with Iwi and the community before Council decides by June 2021 on the Best Practicable Option to seek consents for.</p> <p>Update December 2016</p> <p>Tenders for an external Technical Advisor consultant closed and evaluation is in progress. Composition of the Project Steering Group (PSG) has been confirmed by formal Council resolution (December 2016). Recruitment for a dedicated internal Project Manager BPO within Council has been approved</p>

Document Number: 8265747

Audit reference	Agreed action	Person responsible	Target date	Status
2.7	Presentation of the Financial Overview in the annual report - Ensure what is reported in the financial overview section of the annual report is a balanced summary for the year and that it does not take away from the results in the financial statements.	Financial Accountant	30 June 2017	and recruitment is underway. Management comment GAAP prepared financial statements do not evidence how rates are calculated and applied. The financial overview illustrates the rates actually received and application with this considered an essential accountability requirement. A reconciliation is provided between that, the information in the service provision statements and financial statements. Each year this is reviewed to ensure accountability. Update December 2016 Financial overview currently achieves accountability. This will be reviewed in conjunction with annual report planning.
2.8	Payment dates for targeted rates for water supply - Review rates resolution and, if appropriate, seek independent advice over whether its resolution meets the requirements of section 24 of the Local Government (Rating) Act 2002 in relation to payment dates for targeted water rates.	Strategy Manager Finance	June 2017	Management comment The Council is aware of the interim judgment of the High Court. When preparing the rates resolution for 2017/18 this will be considered. Update December 2016 As in management comment.
2.9	No post input review of journals - Implement an independent post input review of journal entries.	Finance Manager	Not deemed necessary	Management comment Within any system there are processing risks. It is believed these are adequately compensated for through budget manager review of reports, management accountant review and reconciliation of all balance sheet accounts. These are considered sufficient with the additional staffing cost requirement of any review not warranted.

Document Number: 8265747

Appendix D 4 of 5

The following are outstanding items raised from 2014/15 final and the 2015/16 interim management reports requiring further implementation:

Audit reference	Agreed action	Person responsible	Target date	Status
Appendix 4, 2016 final report	Contract management register - The City Council is utilising the Oasis system as a contract management register for the whole of the Council. All contracts are now required to be added to the Oasis system. The system is being modified to ensure its functionality is appropriate for all types of contracts.	Information Manager	Complete	Management comment The existing contract process used in Oasis (EDRMS) has been modified to incorporate additional information. Once the existing data has been cleaned then the enhancements will be implemented. Update December 2016 The data cleansing was completed and the enhancements to the contracts register were implemented early October.
Appendix 4, 2016 final report	Business Continuity/Disaster Recovery Business Continuity and IT Disaster Recovery plans should be finalised and re-tested. Plans be regularly updated and tested.	Information Manager	Ongoing	Management comment The IM BCP plan has been finalised and is reviewed three monthly. The plan will be tested as part of the annual Council BCP test exercise – date to be confirmed for later this year. The IM Disaster Recovery plan will be finalised following the implementation of new backup software scheduled for Q2 2016/17 – following the implementation a DR test will be scheduled. Update December 2016 The IM BCP plan is on a three monthly review cycle. This will be tested in the next scheduled Council BCP test. The new backup software has been implemented and the IM Disaster Recovery should be updated by the end of January 2017. A test of the DR plan will then be scheduled.
Appendix 4, 2016	Balance sheet reconciliations All reconciliations should be prepared in a timely	Finance Manager	Complete	Management comment We will continue to monitor the timeliness of

Document Number: 8265747

Audit reference	Agreed action	Person responsible	Target date	Status
final report	manner, and independently reviewed.			monthly financial statements reconciliations going forward. Update December 2016 All reconciliations are currently up to date and reviewed periodically.

Internal Audit Management Agreed Corrective Action - Timeline Missed Schedule

Recent follow-up on the Management Agreed Corrective Actions recommended by the Internal Audit - Progress Status as at January 2017)
(Agreed Timeline missed by 6 months or longer)

MT	Original Timeline	Unit		Agreed Corrective Actions	Significance of each action	Updated Timeline	Management Comments	Progress toward full implementation
	IT Disaster Recovery and Backups Review (Oasis1136787)							
	Dec 2014	City Corporate	3c	Obtain Management Team confirmation on an acceptable Recovery Point Objective (RPO) for offsite storage Note: The recovery point objective (RPO) is the maximum acceptable level of data loss following an unplanned "event", like a disaster, crime, or any other business or technical disruption that causes data loss. The RPO represents the point in time, prior to such an event or incident, to which lost data can be recovered (given the most recent backup copy of the data).	Management expectations may not be met	Dec 2016	Agree to action.	A new backup solution was implemented in October. For critical servers there will be four backup snapshots of each server per day, for non-critical servers there will be two backup snapshots of each server per day. These backups will not impact users of the systems. The backups will be stored online allowing for quicker recovery than currently possible with the tape solution. In addition, critical data (e.g. Council website, Ozone) will also be held in the cloud using Microsoft Azure which adds another layer of data protection. The backup solution as detailed above has been implemented along with the recovery point objective (RPO) as outlined. This has been documented as part of the IM BCP plan that has been given to the management team for review and sign off.
	Dec 2014	City Corporate	8a	Update Disaster Recovery Plan (DRP) documentation to be consistent with the Business Continuity Plan (BCP)	Management expectations may not be met	Feb 2016	Once BCP plans are developed/ finalised and brought together this will be possible. When last sighted by IT the plans varied significantly in completeness and validity so IT has undertaken a best guess at this stage.	The IM DR plan is being finalised and will be completed by the end of January 2017.
			8b	Validate the DR Plan with the business to ensure consistency			Agree once BCPs are meaningful.	This comment applies to 8a to 8c.
			8c	Include an escalation decision tree in the plan			Agree to action.	

File: 8174980 (Ex 1124073)

MT	Original Timeline	Unit		Agreed Corrective Actions	Significance of each action	Updated Timeline	Management Comments	Progress toward full implementation
							begun with Council's IT department.	to roll out to staff who will capture the data for the KPI purposes. Due to the staged rollout and concurrent KBase category improvements, the pilot is scheduled for February 2017.
Building Services Revenue Process (Oasis 801390)								
	Feb 2015	HR	2b)	Attend training in Procurement before staff carry out the activity.	Procurement process may not be followed leading to lack of transparency, poor value for money, ethical or probity issues or legal challenge.	Feb 2017	Agree and will implement	A training provider is sourced. Two procurement training sessions are scheduled for February 2017.
	Feb 2015	City Corporate	2c)	Flag the issue of the policy approach when employing former staff members for inclusion in the next review of the Purchasing Policy.	Managers maybe unclear when a procurement issue arises and how to manage it.	Feb 2017	Agree and will implement.	A Draft revised Purchasing Policy is now expected to be presented to the Management Team in February 2017.
	June 2015	Customer Services	4a)	Finalise the plan to comply with the Revenue and Finance Policy (refer page 216, 10 Year Plan 2012/22) or change the Policy. This may involve: Reducing duplication and increase effectiveness of time recording and reporting systems.	Council Policy (Guideline) may not be met.	June 2017	Agree and will implement	Project underway with a deadline of June 2017 to implement the online system.
Reconciliations (Oasis 1079836)								
	May 2014	City Corporate	2f)	Implement desk files for other more complicated reconciliations e.g. Sundry Debtors (1120), Rates (1100), Payroll (2111-2118).	Business continuity may not be effective	March 2017	Agree and will action	This will be done during the 3 rd quarter of 2016/17.
	Dec 2014	City Corporate	4a)	Investigate with records team how reconciliations and supporting documentation can be captured by DM or if impossible change the Document Management Policy.	Does not comply with MT Policy that all documents should be in the Document Management System	Dec 2016	This issue will be investigated with a view to getting the best out of the Document Management System, bearing in mind some of the causes described.	The procedure for the Balance Sheet monthly reconciliations and the related filing to the Council's document management system is complete. This is the last time this item appears on this list.
	Feb 2014	City Corporate	6a)	Management should ensure a statement of floats balances Cash Floats Account (1000) is sent to applicable department managers to confirm floats still exist.	It is not possible to ascertain what the correct cash floats should be.	Dec 2016	Agree, and will implement recommendations.	Cash spot checks are being carried out by management. The cash float balances are confirmed periodically by Finance Division.

File: 8174980 (Ex 1124073)

MT	Original Timeline	Unit		Agreed Corrective Actions	Significance of each action	Updated Timeline	Management Comments	Progress toward full implementation
			6b)	Conduct cash spot checks on the cash floats.		Dec 2016	Agree, and will implement recommendations.	This is the last time these two items appear on this list.
Parking Collection Contract Management (Oasis 893010)								
	June 2015	City corporate	1 a)	Improve its guidance for its staff on contract management by explaining when a Contract Management Plan is expected to be prepared, how it will be authorised and what it should contain.	Staff may not have the appropriate tool to carry out their tasks	March 2017	Agreed that a standalone Guide for Service Contracts will be prepared.	A standalone Guide for Service Contracts will be prepared.
	May 2015	City Networks	5a)	Establish an authorisation procedure for changes to tariff set up to be followed by the contract.	Unauthorised or illegal changes to fees or time settings could otherwise be accepted.	Completed and ongoing	a), c) & d) Agree and will implement.	This comment applies to 5a and 5c: A system is in place now for changes made to the tariffs but with the continuing number of parking tariff changes being made at present it is difficult to give a 100% assurance as to accuracy. The effort to date has been to make sure that the parking changes are seamless and with little or no customer problems. This is the last time this item is on this list.
			5c)	Provide checking/reporting when updates to tariffs have been implemented.	Errors in setup may otherwise occur.			
	April 2015	City Networks	8a)	Request Frogparking supply the monthly transaction reporting envisaged in the Parking App Agreement.	Over or under Parking App income is provided to PNCC.	Completed and ongoing	Agree and will implement.	Monthly transaction totals are extracted from the Frogparking data base. This is the last time this item is on this list.
Contract Management (Oasis 5482338)								
	Before end of December 2015	City Networks	5	a) Ensure that there is a formal performance review during the life of the contract e.g. annually, at extension time and at the end of each contract. b) Involve more than one staff in the process and evidence as such. c) Reference supporting evidence to the review.	Contracts being extended to a non - performance Contractor	February 2017	Agreed and will implement. Process for Recommendations (a), (b) and (c) will be introduced for future contracts	To obtain a list of all contracts that has an extension possibility from the new contract register and then inform the contract managers of this requirement. This is planned to be done by February 17.

MT	Original Timeline	Unit		Agreed Corrective Actions	Significance of each action	Updated Timeline	Management Comments	Progress toward full implementation
	Before end of March 2016	City Networks	7	Prepare a policy to determine when contracts should be subject to a legal sign off. The options for consideration could be: i. All contracts ii. All contracts over \$1m. iii. Contracts with unique aspects. iv. Contracts for Services.	An inferiorly written contract may embarrass the Council	Feb 2017	Agree and will implement. GM City Networks to engage with Legal Counsel and Senior Management to address Recommendation 7 (a).	To seek the in house Legal Counsel's input by February 2017.
	March 2016	City Networks	11 a)	Review the Health and Safety (H&S) Manual on External Contractors under Section 12	Council may breach the H&S legislations	May 2017	Agreed and will implement. Review of Charter 12 of the H&S Manual will be undertaken.	Due to the staff turn-over, this review has not yet been completed. A draft has been sent to the stakeholders for comment.

MEMORANDUM

TO: Audit and Risk Committee

MEETING DATE: 20 February 2017

TITLE: Delegations Project

DATE: 3 February 2017

AUTHOR/S: Fiona Dredge, Business Development Executive, City Corporate

RECOMMENDATION(S) TO COUNCIL

1. That the new Delegations Manual as set out in Appendix 2 be adopted.
-

1. ISSUE

In November 2014 the Audit and Risk Committee considered a memorandum on the steps required to carry out a review of the Council's Delegations Manual ("Manual"). This memo proposes further updates to the Manual resulting from progress on the review since September 2016.

Last September Council approved a change in approach to delegations made by Council to the Chief Executive. The focus of this memo is on delegations made to other Council Officers. These are the final changes proposed as a result of the Delegations Review with the exception of the formula to review the Specified Sum. A marked up Delegations Manual containing all of the changes proposed in this memo is attached as Appendix 1. A clean version with the proposed changes incorporated is set out in Appendix 2.

2. BACKGROUND

As mentioned previously, everything Council does is by delegation in that its functions, powers and duties derive from Parliament through empowering legislation. Unless specifically prohibited by law, Council has discretion to assign its functions, powers, and duties to others. Delegations made by Council are documented in the Manual.

The Manual requires the effectiveness of delegation to be monitored and the system amended where necessary and notes that this is a key role of elected members.

Last September Council adopted new delegations to the Chief Executive and these are documented in the Manual. The Manual currently also contains a large number of

ITEM 11

delegations to officers other than the Chief Executive that set out what they are authorised to do under various statutes and regulations. The Chief Executive is responsible for employing and directing staff. It is therefore considered appropriate for the Chief Executive to determine these matters, as sub-delegations from him or her, where the law allows such sub-delegation. For this reason, it is proposed to remove them from the Manual. These comprise the bulk of the proposed changes and are marked up for deletion in Appendix 1 from clause 233 onwards. Certain statutes do not allow sub-delegation. In those cases, authority for officers must remain as direct delegations from Council.

If the proposed changes are adopted by Council, then six existing clauses containing requirements to report back on the exercise of the relevant delegation will be removed. These are marked up for deletion in Appendix 1 and are listed below:

- Clauses 233.5 and 235.5 require “Principal Managers” and “Each Other Officer” to report any decision to set, vary or waive any class of fee or charge “to the Chief Executive for transmittal to the Finance and Performance Committee”.
- Clause 240 requires the General Manager, City Networks to report to the Community Development Committee with recommendations in relation to space allocation in Council’s community agency houses and associated rental assistance grants.
- Clauses 242.1 and 245.3 and 251.3 require decisions to set, vary or waive fees or charges under the Resource Management Act 1991 to be reported “to the Chief Executive for transmittal to the Finance and Performance Committee if appropriate”.

In considering the first and third bullet points above, it is important to note that the Chief Executive has a specific delegation from Council in regard to classes of fees and charges (see clause 216) and is required to report any exercise of that delegation to the Finance and Performance Committee. He also has specific delegations from Council in regard to the waiver, remission or refund of individual fees and charges, in which he is limited to no more than 1% of the Specified Sum (see clauses 217 to 219). If he chooses to sub-delegate any of those powers, he must still comply with any reporting requirements and any limitations on his own delegations i.e. he cannot sub-delegate a power that is greater than his own, or is not subject to the conditions (including reporting) on his authority.

Delegations under the RMA must be made directly from Council. To avoid any potential confusion, a new exclusion is proposed for officers who have broad delegations granted to them under that statute in the Manual, which replicates the limitation to remit fees in excess of 1% of the Specified Sum.

In relation to the second bullet point above, this clause is out of date and predates the establishment of the current Hancock Community House. Procedures for rental subsidies are covered under the Community Funding Policy which is administered by the Libraries and Community Services Unit.

The opportunity has been taken to re-order some of the existing clauses to make the document easier to navigate. The definitions section has been moved near to the front of the Manual (clauses 140 to 142) and all existing delegations in relation to document signing and affixing of the common seal have been brought together into a new section (clauses 143 to 162). These signing clauses were previously contained in the sections that deal with delegations to the Mayor, Deputy Mayor, Councillors, Chief Financial Officer and Legal Counsel. In addition, five clauses giving delegated authority to the Finance and Performance Committee, which were previously contained within the Contracts and Other Financial Matters section, have been moved to the section of the Manual that deals with delegations to that committee (clauses 174 to 178).

Delegations made by Council to Committees are outside the scope of the review other than checking for consistency with the rest of the Manual and any necessary edits resulting from changes to the legislation and the like. Two such amendments are included in Appendix 1 to ensure the Manual is current. The first proposed amendment is to remove the reference to any appointments to Destination Manawatu Incorporated and Vision Manawatu Trust in clause 166.9. The second proposed amendment is to delete clause 175 giving delegated authority to the Destination Manawatu and Vision Manawatu Appointment Panel.

The Chief Executive's broad delegation as mentioned above notes certain matters are reserved to Council and are therefore excluded from his or her authority. The project team has now completed the review of all key statutes and regulations to the extent they affect delegations. As a result, further exceptions are proposed to the Chief Executive's broad authority. These changes are marked up in Appendix 1 (see clause 203) and will ensure that the relevant powers are reserved to Council.

Deleted clause 219 in Appendix 1 is an existing specific delegation in place to the Chief Executive in relation to claims under the Financial Assistance Package Scheme (leaky homes). The Scheme expired in July 2016 and no new applications have been allowed since that date. As there is only one leaky home claim still in the Council's system and that one claim is covered by a specific Council resolution from 2014, it is proposed that the delegation to the Chief Executive is removed.

Please note that not all clause number changes are marked up, nor are changes to the Table of Contents or formatting changes.





In September 2016, Council requested that the reference to the Consumers Price Index (CPI) in the formula for adjusting the Specified Sum be changed to a "Local Government Price Index" (see formula in clause 141). Research has shown that there is no Local Government Price Index published by Statistics New Zealand. There is one available from Business and Economic Research Limited (BERL), a privately-owned New Zealand company. However, the composition of indices used is not appropriate for the purpose of procurement. The best alternative is to create a Palmerston North City Council Cost Index comprising a number of different source indices, if possible. This exercise has not yet been done and will need to be reported back to the Audit and Risk Committee separately at a future date, once completed.

3. NEXT STEPS

If the recommendation is approved by Council, a new cover page will be prepared and the new Delegations Manual will be published in electronic form and made available to Elected Members and staff as soon as possible.

Looking forward, the Manual will continue to be maintained by the Governance and Support Team Leader in accordance with clause 139 in the Manual.

ATTACHMENTS

1. Appendix 1 Proposed New Manual with changes marked up  
2. Appendix 2 Proposed New Manual with changes inserted  

Fiona Dredge
**Business Development
Executive**

DELEGATIONS MANUAL

Table of Contents

PART 1 - DELEGATIONS MADE BY COUNCIL	1
GENERAL.....	1
PHILOSOPHY OF COUNCIL REGARDING DELEGATIONS	1
GENERAL AND SPECIFIC DELEGATIONS	1
MEANING OF DELEGATIONS	2
WHAT MAY BE DELEGATED.....	2
CHARACTERISTICS OF DELEGATION	2
CARE IN DEFINING AUTHORITY	3
STATUTORY REQUIREMENTS	3
PROCEDURES.....	4
DELEGATIONS TO BE IN WRITING.....	4
EXTENT OF DELEGATION	4
SUB-DELEGATION.....	4
REPORTING DECISIONS	4
TERM OF DELEGATION	5
VARIATION OF DECISION.....	5
POLICY AND DELEGATED DECISION-MAKING	5
DELEGATION TO OFFICE	6
APPEALS	6
REVIEW OF DECISION OF HEARINGS COMMITTEE	6
AMENDMENTS TO THIS MANUAL.....	7
DEFINITIONS.....	7
SPECIFIED SUM.....	9
DOCUMENT SIGNING AND AFFIXING COMMON SEAL	11

MAYOR.....	11
DEPUTY MAYOR.....	11
COUNCILLORS.....	11
CHIEF EXECUTIVE	11
CHIEF FINANCIAL OFFICER.....	12
LEGAL COUNSEL.....	12
CONTRACTS AND OTHER FINANCIAL MATTERS	13
BEST METHOD TO BE USED.....	13
CONTRACTS UNDER 20% OF THE SPECIFIED SUM.....	13
CONTRACT FOR OTHER THAN BEST PRICE	14
DELEGATIONS TO COMMITTEES	15
STANDING COMMITTEES.....	15
COMMUNITY DEVELOPMENT COMMITTEE	17
CREATIVE COMMUNITIES NEW ZEALAND/ARTS AND CULTURE FUND COMMITTEE.....	17
FINANCE AND PERFORMANCE COMMITTEE	17
HEARINGS COMMITTEE	18
JOINT STANDING COMMITTEE WITH THE MANAWATU-WANGANUI REGIONAL COUNCIL (HORIZONS REGIONAL COUNCIL)	19
PLANNING AND STRATEGY COMMITTEE	20
MANAWATU-WANGANUI REGION CIVIL DEFENCE EMERGENCY MANAGEMENT GROUP COMMITTEE.....	20
MANAWATU DISTRICT AND PALMERSTON NORTH CITY JOINT STRATEGIC PLANNING COMMITTEE.....	21
DELEGATIONS TO SUB-COMMITTEES	22
SUB-COMMITTEES	22
DELEGATIONS TO SUBORDINATE DECISION-MAKING BODIES	23
CHIEF EXECUTIVE'S PERFORMANCE REVIEW PANEL	23
JAYCEE TRUST TRAVELLING FELLOWSHIP SELECTION PANEL	23
DELEGATIONS TO MAYOR AND COUNCILLORS	24

ALL CHAIRPERSONS AND DEPUTY CHAIRPERSONS	24
MAYOR AND CHAIRPERSON OF THE FINANCE AND PERFORMANCE COMMITTEE	24
MAYOR.....	25
ZONE 3 REPRESENTATIVES	26
DELEGATIONS TO AND ASSIGNMENT OF COMMISSIONERS	27
POWERS OF COMMISSIONER	27
ASSIGNMENT OF COMMISSIONERS	27
WHEN ASSIGNMENT REQUIRED	28
REPORT OF COMMISSIONER	28
APPOINTMENT AND ASSIGNMENT OF NON-LISTED COMMISSIONER	29
DELEGATIONS TO CHIEF EXECUTIVE	30
BROAD DELEGATION	30
FINANCIAL DELEGATIONS	31
TRANSACTIONS	31
VARIATION OF BUDGETS	32
EMERGENCIES	33
CLAIMS	33
FEES AND CHARGES, AND INFRINGEMENT FEES	34
RATES INCLUDING REMISSIONS AND POSTPONEMENTS	34
BORROWING, INVESTMENTS AND BAD DEBTS	34
INSURANCE	35
CENTRAL ECONOMIC DEVELOPMENT AGENCY (CEDA)	35
DEPUTY CHIEF EXECUTIVE	39
DELEGATIONS TO OTHER OFFICERS	40
GENERAL	40
CITY CORPORATE UNIT	45
CHIEF FINANCIAL OFFICER	45
LEGAL COUNSEL	46

FINANCE MANAGER AND STRATEGY MANAGER FINANCE	46
CITY FUTURE UNIT	48
GENERAL MANAGER, CITY FUTURE	48
SENIOR PLANNER – CITY FUTURE	52
PLANNER – CITY FUTURE	53
CUSTOMER SERVICES UNIT	54
GENERAL MANAGER, CUSTOMER SERVICES	54
ENVIRONMENTAL PROTECTION SERVICES	54
PLANNING SERVICES	67
PART 2 - TERMS OF REFERENCE	75
COUNCIL	75
COMMITTEES:	75
ARTS, CULTURE AND HERITAGE	75
AUDIT AND RISK COMMITTEE	76
CHIEF EXECUTIVE'S PERFORMANCE REVIEW PANEL	76
COMMITTEE OF COUNCIL	77
COMMUNITY DEVELOPMENT COMMITTEE	77
CREATIVE COMMUNITIES NEW ZEALAND/ARTS & CULTURE FUND COMMITTEE	78
ECONOMIC DEVELOPMENT COMMITTEE	78
FINANCE AND PERFORMANCE COMMITTEE	79
HEARINGS COMMITTEE	79
PLANNING AND STRATEGY COMMITTEE	80
SPORT AND RECREATION COMMITTEE	80
JOINT COMMITTEES:	81
MANAWATU DISTRICT AND PALMERSTON NORTH CITY JOINT STRATEGIC PLANNING COMMITTEE	81

PART 1 - DELEGATIONS MADE BY COUNCIL

The Council adopted this part on 26 November 2008. Any further amendments since that date have the date of the Council meeting at which they were adopted.

GENERAL

Philosophy of Council Regarding Delegations

101. The Palmerston North City Council believes that it is essential, in the interests of good management and effective administration, to encourage the delegation of decision making to the lowest competent level. This will achieve best use of the abilities of elected representatives and officers, minimise the cost of material, technical and financial resources, promote the development of effective managers and minimise bureaucratic interference in the daily affairs of the City's residents.
102. Authority and responsibility are inseparable. Those with responsibility for a task or function should always have the authority to carry it out effectively. Those with authority should always be responsible for its wise use. Delegations should not however remove from the Council and management ultimate accountability for the affairs of this Council.
103. Delegates should willingly accept authority and responsibility for decision making in the certain knowledge that their decisions, if made in a full, fair and objective manner, will not be reviewed lightly.
104. It is the statutory function of this Council to lead and guide the management of the City by determining primary goals and objectives, by setting strategies and policies for their achievement and to encourage their achievement through the considered use of Committees and the appointment of skilled officers. Officers in turn implement and administer those policies, contribute substantially to their formulation and provide and manage the infrastructures on which the City is based. Delegation focuses and sharpens this relationship and assists in the better achievement of the respective functions of elected representatives and officers. The effectiveness of delegation must be monitored and the system amended where necessary. This is a key role of elected members.
105. Finally, the level of delegation is symptomatic of the health and well-being of the Council. Without it, and the mutual trust and respect which should exist between members of the Council and its officers and between officers themselves, the effectiveness and efficiency of the organisation must be at risk.

General and Specific Delegations

106. In this Manual a general delegation implies the granting of authority to determine a range of matters of a similar kind as and when they arise over a period of time without further reference to the delegator.
107. From time to time the Council may delegate authority to determine a specific issue and this authority will apply only so long as that matter is unresolved and will then lapse. This is a specific delegation.
108. This Manual will be updated for general delegations as they are granted, but not those of a specific nature which will be largely historical by the time they are recorded. They must however, by law, be recorded and this will be done separately.

Meaning of Delegations

109. Delegation in this Manual means the assignment of a function, power or duty of the Council to a Committee, employee of the Council or another person, together with the authority to carry out that function, power or duty with responsibility for the outcome.

[Amended Council 23 November 2015]

110. A power to hear evidence or consider a proposal is not, without more, a delegation of authority to make decisions on the evidence or proposal and is not, generally, included in this Manual. All Committees, Sub-Committees and officers have authority to hear any matter within their jurisdiction and submit a report or recommendation to a higher authority.

[Amended Council 23 November 2015]

What May be Delegated

111. In almost all situations the Council itself is a delegatee in that its functions, powers and duties derive from Parliament through empowering legislation under which legislative, judicial and administrative authority is granted to the Council for specific purposes.
112. The limits under which functions, powers and duties may be further delegated and acted upon are strictly interpreted in accordance with the empowering legislation concerned.

[Amended Council 23 November 2015]

113. Parliament has shown an awareness that, in the interests of the effective and efficient management of a district, delegation (of other than legislative powers) is permitted subject only to specific exceptions. Special additional common law rules apply also, particularly to the delegation of legislative powers.
114. In this environment, the Council has a wide discretion to arrange its own administration in a way which provides efficiency, flexibility and responsiveness to local needs. In doing so it must, however, comply with the special requirements imposed by law in given circumstances.

Characteristics of Delegation

115. It is important to understand the following characteristics of delegation:
- 115.1. The delegator does not lose the authority to exercise the function, power or duty and may exercise this concurrently with the delegatee. Also, the delegator does not lose accountability for the exercise of the relevant authority by delegating that authority.
 - 115.2. A delegation may be revoked at any time without notice.
 - 115.3. Delegatees are acting in their own names on behalf of the Council when exercising delegated authority.
 - 115.4. If a delegatee's decision is invalid it cannot be ratified by the delegator. The correct action is generally for the matter to be considered in full again by the delegator, assuming it is within the delegator's power to determine the matter at issue.

- 115.5. The laws relating to local government generally recognise that the decisions of a delegatee may be reviewed by or appealed to the delegator who may confirm, vary, overrule or substitute any decisions although there are some exceptions, including those mentioned in clauses ~~131-126~~ and ~~132-127~~. In such cases the grounds for the review should be clearly stated and a decision varied only when compelling circumstances arise.

[Amended Council 23 November 2015]

Care in Defining Authority

116. The law recognises, in certain circumstances, the right of individuals acting in good faith in reliance on the apparent authority of a delegatee to enforce a decision of a delegatee, whether or not the delegatee in fact had the authority claimed.
117. Accuracy and precision should always be a feature when defining the scope and limitations of any delegated authority in order to protect the interests of the Council, the delegatee and any interested third party.

~~118. [Not Used] [Council 23 November 2015]~~

~~119. [Not Used] [Council 26 September 2016]~~

~~120. [Not Used] [Council 26 September 2016]~~

~~120A. [Not Used] [Council 26 September 2016]~~

~~121. [Not Used] [Council 26 September 2016]~~

~~122. [Not Used] [Council 26 September 2016]~~

Statutory Requirements

- ~~123-118.~~ No delegation derogates from the requirement that every decision-maker (whether acting under delegated authority or otherwise), shall follow the requirements of the Local Government Act 2002 (as set out in Part 6 of that Act) or any other Act relating to planning, decision making and accountability.

[Amended Council 23 November 2015]

PROCEDURES

Delegations to be in Writing

- ~~124.119.~~ Every delegation made will be in writing and shall define with reasonable precision the nature, purpose and bounds of the delegated functions, powers and duties.

[Amended Council 23 November 2015]

Extent of Delegation

- ~~125.120.~~ Subject to any specified limitation, term or condition applied by the delegator or by law, a delegatee may exercise the power or authority delegated in the same manner and to the same effect as could the delegator.

Sub-delegation

- ~~126.121.~~ Subject to the Local Government Act 2002 and other legislation, every Committee may further delegate any power granted to them in this Manual or otherwise by the Council either generally or specifically, and may impose any term or condition upon that sub-delegation.

[Amended Council 23 November 2015]

- ~~127.122.~~ Sub-Committees and officers other than the Chief Executive may not sub-delegate a power of decision but may instruct another officer or person to complete a task or to carry out investigations and make recommendations.

- ~~128.123.~~ Additional delegations may be made by the Council and the Governance and Support Team Leader will promptly include them in this Manual.

[Amended Council 23 November 2015]

Reporting Decisions

- ~~129.124.~~ Every delegatee will keep the delegator informed of decisions made, and in particular:

~~129.1.124.1.~~ Where that is a condition of the particular delegation.

~~129.2.124.2.~~ Committees and Sub-Committees will comply with the Council's standing orders regarding reasonable reports of their proceedings.

~~129.3.124.3.~~ Where the decision is one of which the delegator for any reason should be aware.

~~129.4.124.4.~~ Where the matter determined is one which the delegator or the Council has in any way whatsoever indicated that a decision of that kind should be reported in a particular way.

~~129.5.124.5.~~ Where any Act requires reporting in a particular manner or at a particular time.

Term of Delegation

~~130.125.~~ Unless any delegation is expressed to be for a definable term it will continue until revoked by the delegator or the Council, or withdrawn, revoked or made redundant by operation of law.

[Amended Council 23 November 2015]

Variation of Decision

~~131.126.~~ The following provisions apply to the review, reversal and variation of decisions of a delegatee:

~~131.1.126.1.~~ Subject to ~~131.2126.2~~ and ~~132127~~, the Council as delegator may review, reverse or vary any decision of the delegatee at any time except to the extent that the decision has already become binding on the delegator by operation of law and cannot be reversed or varied.

~~131.2.126.2.~~ Any decision made by a Committee or Sub-Committee cannot be reviewed, reversed or varied by the parent Committee or the Council unless the Committee or Sub-Committee has been or is deemed to be discharged under the provisions of clause 30 of Schedule 7 to the Local Government Act 2002.

[Amended Council 23 November 2015]

~~132.127.~~ A decision of a delegatee will only be reversed or varied where:

~~132.1.127.1.~~ It is manifestly wrong; or

~~132.2.127.2.~~ It is contrary to a decision of the delegator of which the delegatee was unaware; or

~~132.3.127.3.~~ It contains serious implications for the Council of which the delegatee was unaware; or

~~132.4.127.4.~~ There is other good cause to reverse or vary that decision.

~~133.128.~~ A reversal or variation of a decision is not of itself a revocation of a delegation under this Manual.

~~134. [Not Used]~~ *[Council 23 November 2015]*

Policy and Delegated Decision-Making

~~135.129.~~ In reaching a decision under delegated authority, full regard must be had to both:

~~135.1.129.1.~~ Any Council policy applying to an issue; and

~~135.2.129.2.~~ All relevant facts applying to the case.

~~136.130.~~ Should any delegatee, having considered all the facts of the case, be unable to make a decision which is consistent with Council policy on any matter, the correct action is then to refer the matter to the Council, as delegator.

~~[Amended Council 23 November 2015]~~

Delegation to Office

- ~~137.~~ 131. Unless a contrary intention is indicated every delegation will be to a stated office or position and not to an individual or the membership of a group in their personal capacities. In every case of this type the delegation will survive any change in the occupier of any such office.

Appeals

- ~~138.~~ 132. Any person affected by any decision of a delegatee may appeal that decision:

~~138.1.~~ 132.1. In the case of a decision by an officer, to the Chief Executive in consultation with that officer's Line Manager and

~~138.2.~~ 132.2. In the case of a decision made by the Chief Executive, to the Council.

~~138.3.~~ 132.3. This appeal provision does not apply to applications for remissions review under the Council's Development Contributions Policy given that there is a separate process in place for persons to seek a further review of a remission decision made by officers under delegated authority.

~~[Amended Council 23 November 2015]~~

- ~~133.~~ Subject to clause 135, appeals Appeals cannot be made to the Council about decisions of Committees and Sub-Committees made under delegated authority.

- ~~139.~~ 134. In reviewing any decision on appeal under Clause ~~138.~~ 132 the Chief Executive or the Council will have regard to:

~~139.1.~~ 134.1. Any reasons given by the delegatee in making a decision; and

~~139.2.~~ 134.2. Any Council policy applying to the matter at issue; and

~~139.3.~~ 134.3. The facts of the case; and

~~139.4.~~ 134.4. The grounds for review of a decision contained in this part of this manual; and

~~139.5.~~ 134.5. Any other relevant matter.

Review of Decision of Hearings Committee

- ~~140.~~ 135. Any decision made by the Hearings Committee may be revoked or altered by that Committee provided:

~~140.1.~~ 135.1. The decision has not been acted on and become binding; and

~~140.2.~~ 135.2. There is no Court, Tribunal or similar statutory body to which an appeal or application for a review of the decision can or could have been made; and

~~140.3.~~ 135.3. There has been a request for a review of the decision and the Chairperson of the Committee has agreed that the request should be placed before the Committee for consideration.

~~141.136.~~ Any request for a review may be initiated by any applicant or person affected by the decision or by the Chief Executive, but not by any other person or organisation.

~~142.137.~~ In undertaking a review the Committee may decide the matter on papers or other information presented to the Committee or conduct a full or partial rehearing.

~~143.138.~~ In making any decision under clauses ~~140-135~~ and ~~142.137~~, the Chairperson and Committee, as applicable, shall have regard to the criteria set out in clause ~~139.134~~ relating to appeals.

Amendments to this Manual

~~144.139.~~ This Manual will be maintained by the Governance and Support Team Leader who will amend it where:

~~144.1.139.1.~~ The law requires that it be changed in a specified way.

~~144.2.139.2.~~ The Council resolves that this Manual be revised or added to in a specified way.

~~144.3.~~ ~~[Not Used]~~ ~~[Council 23 November 2015]~~

~~144.4.139.3.~~ A clause becomes redundant.

~~144.5.139.4.~~ A decision of the Council requires a modification to an existing clause.

~~139.5.~~ A typographical, grammatical or other minor amendment is necessary.

Definitions

~~145.140.~~ For the purposes of this Manual the words and phrases set out below have the following meanings:

<u>"Activity"</u>	<u>has the meaning and is as described in a LTP or Annual Plan.</u>
<u>"Annual Plan"</u>	<u>means an Annual Plan adopted by Council pursuant to the Local Government Act 2002.</u>
<u>"Budget Variation"</u>	<u>means an approval to incur Expenditure in excess of an Operating Budget or Capital Programme Budget together with an equal aggregate Saving in respect of one or more other Operating Budgets or Capital Programme Budgets, as authorised by the Chief Executive in accordance with clauses 206 to 208.</u>
<u>"Capital New Programme"</u>	<u>means a detailed financial action for capital expenditure to increase the value of an asset or create a new asset, and to achieve particular outcomes of the Council, as described in a LTP or Annual Plan.</u>
<u>"Capital Programme"</u>	<u>means a Capital New Programme or a Capital Renewal Programme budgeted for an Activity and as described in a LTP or Annual Plan.</u>

<u>"Capital Programme Budget"</u>	<p>means the sum recorded for a Financial Year and in respect of a Capital Programme:</p> <p>(a) in the last adopted LTP; and</p> <p>(b) as amended pursuant to an adopted Annual Plan or amendment to the LTP or by resolution of Council.</p>
<u>"Capital Renewal Programme"</u>	<p>means a detailed financial action for capital expenditure to renew or replace an existing asset, and to achieve particular outcomes of the Council, as described in a LTP or Annual Plan.</p>
<u>"Claim"</u>	<p>means any claim for compensation either by or against the Council and whether as a result of a contractual dispute or otherwise.</p>
<u>"Claim Expenditure"</u>	<p>means the net amount of Expenditure by the Council on settling a Claim including legal costs but after taking into account contributions from insurance and third parties.</p>
<u>"Council"</u>	<p>means the Palmerston North City Council howsoever referenced or described in each relevant statute.</p>
<u>"Emergency"</u>	<p>means an event:</p> <p>(a) that is unforeseen and causes major damage to Council or other property; and</p> <p>(b) for which there is a need for remedial action to be taken without delay; and</p> <p>(c) it is impracticable to convene a meeting of the Council or Finance and Performance Committee to approve the proposed expenditure</p> <p>but which is not a declared state of local or national emergency under the Civil Defence Emergency Management Act 2002.</p>
<u>"Expend"</u>	<p>means to spend or use up money or monies worth and includes but is not limited to:</p> <p>(a) waiving or remitting amounts otherwise payable;</p> <p>(b) refunding amounts paid;</p> <p>(c) making of grants;</p> <p>(d) provision of goods or services or disposal of assets other than for fair value;</p> <p>and "Expenditure" has the corollary meaning</p>
<u>"Fees and Charges"</u>	<p>means amounts charged or imposed by the Council on third parties for the provision of goods or services (including use of facilities), the standard amount of which is set (whether in absolute terms or by reference to a formula or rate) in advance of any arrangement with a particular person or group for the provision by the Council of goods or services in consideration for payment of the relevant amount (and "Fee" and "Charge" have the corollary meaning).</p>

<u>"Financial Year"</u>	means a financial year of Council as established under the Local Government Act 2002.
<u>"Infringement Fee"</u>	means an amount imposed by the Council for failure to comply with a requirement of a statute, legislative instrument, by-law or other rule or regulation, and set by law or by resolution of Council.
<u>"LTP"</u>	means a Long Term Plan adopted by the Council pursuant to the Local Government Act 2002.
<u>"Manual"</u>	means this document which sets out delegations; related conditions, limits and curtailments; and related provisions, as adopted by the Council and as varied or amended from time to time either by resolution of Council or otherwise in accordance with the provisions of this document.
<u>"Operating Budget"</u>	<p>means the sum calculated by deducting depreciation from "net operating cost of activity" for a Financial Year (including amounts carried forward as balance sheet provisions) and in respect of an Activity:</p> <p>(a) in the last adopted LTP; and</p> <p>(b) as amended pursuant to an adopted Annual Plan or amendment to the LTP or by resolution of Council,</p> <p>and includes "operating programmes" as defined and described in the LTP or an Annual Plan.</p>
<u>"Saving"</u>	means a reduction in the amount of Expenditure authorised to be made in respect of an Activity or Capital Programme which is not expected to result in an inconsistency between the actual delivery of levels of service for the Activity or Capital Programme and the anticipated service level for the Activity or Capital Programme as set out in an LTP or Annual Plan (as adjusted by resolution of Council).
<u>"Specified Sum"</u>	means the sum calculated in accordance with clause 141 and is exclusive of GST.
<u>"Transaction"</u>	<p>means an arrangement between the Council and any third party which is binding on Council except for:</p> <p>(a) the sale or disposal of real property;</p> <p>(b) a Claim;</p> <p>(c) any charge, remission or postponement of a rate pursuant to the Local Government (Rating) Act 2002 and the Council's Rates Remissions and Postponements Policy.</p>

Specified Sum

141. On 1 July 2013 and on 1 July in every succeeding year, the Chief Executive will adjust the Specified Sum by increasing it or decreasing it in proportion to movements in the officially published Consumers Price Index (CPI) in the manner set out in the following formula:

SPECIFIED SUM

$$\frac{(1 \text{ July, year of review}) = \$1,500,000 \times \text{CPI March, year of review}}{\text{CPI 31 March 2012}}$$

and the figure so derived shall be rounded to the nearest \$50,000 and reported to Council and at the time of such report clause 190A142 shall be amended as required.

142. The current Specified Sum is \$1,550,000.

DOCUMENT SIGNING AND AFFIXING COMMON SEAL**Mayor**

143. The Mayor, in conjunction with the Chief Executive or Legal Counsel, has delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.
144. A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.
145. The Mayor, in conjunction with any of the Chief Executive, Legal Counsel, Deputy Mayor or another Councillor, has delegated authority to sign any document on behalf of the Council where approval for the subject-matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.
146. A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.

[Council 26 June 2013]

Deputy Mayor

147. The Deputy Mayor, in conjunction with the Chief Executive or Legal Counsel, has delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.
148. A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.
149. The Deputy Mayor, in conjunction with any of the Chief Executive, Legal Counsel, Mayor or another Councillor, has delegated authority to sign any document on behalf of the Council where approval for the subject-matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.
150. A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.

[Council 26 June 2013]

Councillors

151. Any two Councillors, in conjunction with each other, have delegated authority to sign any document on behalf of the Council where approval for the subject-matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.
152. A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.

Chief Executive

153. The Chief Executive, in conjunction with the Mayor or Deputy Mayor, or the Legal Counsel if the Mayor and Deputy Mayor are absent or unavailable, has delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.

154. A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.

~~[Amended Council 23 November 2015 and 26 September 2016]~~

155. The Chief Executive, in conjunction with any of the Mayor, Deputy Mayor or other Councillor, or Legal Counsel if the Mayor and Deputy Mayor and another Councillor are absent or unavailable, has delegated authority to sign any document on behalf of the Council where approval for the subject-matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.

156. A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.

~~[Council 26 June 2013. Amended 23 November 2015 and 26 September 2016]~~

Chief Financial Officer

157. The Chief Financial Officer has delegated authority to sign any Land Information New Zealand Authority and Instruction Form in relation to any interest in land where approval for the matter has been given by the Council or any Committee or Officer acting under delegated authority.

~~[Council 16 December 2009]~~

Legal Counsel

158. The Legal Counsel, in conjunction with the Mayor or Deputy Mayor, or the Chief Executive if the Mayor and Deputy Mayor are absent or unavailable, is given delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.

159. A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.

160. The Legal Counsel has delegated authority to sign any Land Information New Zealand Authority and Instruction Form in relation to any interest in land where approval for the matter has been given by the Council or any Committee or Officer acting under delegated authority.

~~[Council 16 December 2009]~~

161. The Legal Counsel, in conjunction with any of the Mayor, Deputy Mayor or any other Councillor, or the Chief Executive if the Mayor and Deputy Mayor and another Councillor are absent or unavailable, is given delegated authority to sign any document on behalf of the Council where approval for the subject-matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.

162. A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.

~~[Council 26 June 2013]~~

CONTRACTS AND OTHER FINANCIAL MATTERS~~Contracts for Purchase or Disposal of Assets - Finance and Performance Committee~~

~~146. The Finance and Performance Committee may, in regard to matters within its jurisdiction, and subject to the limitations applied in clause 147, accept, negotiate or decline any contract for the purchase or supply of goods, services, plant, capital works or other assets (including real property) and for the disposal of goods, plant, capital works, and other assets (excluding real property) and for the supply of Council services, where:~~

~~146.1. In the case of a lump sum contract the total value of the contract; or~~

~~146.2. In the case of a continuing contract the estimated amount to be paid in any one year,~~

~~does not exceed the specified sum.~~

~~145A [Not Used] [Council 26 September 2016]~~

~~147. [Not Used] [Council 26 September 2016]~~

~~Limitations on Expenditure and Contracts for Purchase~~

~~148. The powers conferred by clause 145, shall not be exercised where:~~

~~148.1. No provision has been made for expenditure of the kind contemplated in the Council's budget for that year; or~~

~~148.2, 162.1. The Council's budget has not been finalised for the relevant year unless the expenditure relates to maintenance of any existing work or progress on a committed work or is in regard to an existing service for which provision is likely to be made in the budget once finalised.~~

~~[Amended Council 26 September 2016]~~

~~Best Method to be Used~~

~~149, 163. Every delegatee will at all times have regard to the best means of obtaining the most favourable terms for any transaction, especially as to price, and will adopt that method.~~

~~Contracts Under 20% of the Specified Sum~~

~~150, 164. For contracts under 20% of the defined specified sum:~~

~~150.1, 164.1. The tendering process in the Council's Contracts Manual shall be followed wherever appropriate; and~~

~~150.2, 164.2. In all other cases at least three competitive prices shall be obtained where they are available; and~~

~~150.3, 164.3. The advice of City Corporate shall be obtained as to the availability of contracts for a particular product.~~

~~150.4, 164.4.~~ For contracts under 1% of the defined specified sum, it is not necessary to follow the procedures specified in clause ~~149~~164.1 to ~~149~~164.3 inclusive provided that the price for goods or services to be purchased is reasonable.

~~[Council 27 June 2012]~~

Contract for other than Best Price

~~151.1, 165.~~ Where the contract price which an officer wishes to accept is:

~~151.1, 165.1.~~ In the case of a contract to purchase goods or services, other than the lowest price offered that is consistent with any specification issued in regard to that contract; or

~~151.2, 165.2.~~ In the case of a contract to sell Council goods or services other than for the highest price offered;

the decision will be taken in conjunction with the Chairperson of the Finance and Performance Committee and will be reported to the Council at the earliest opportunity.

~~152. [Amended Council 26 September 2016]~~

~~153. [Not Used] [Council 26 September 2016]~~

~~[Council 27 June 2012]~~

~~154A [Not Used] [Council 26 September 2016]~~

~~154B [Not Used] [Council 26 September 2016]~~

~~154. [Not Used] [Council 26 September 2016]~~

~~155. [Not Used] [Council 26 September 2016]~~

~~156. [Not Used] [Council 26 September 2016]~~

~~157. [Not Used] [Council 26 September 2016]~~

~~158A [Not Used] [Council 26 September 2016]~~

DELEGATIONS TO COMMITTEES

Standing Committees

~~158.166.~~ To the extent it is permitted to do so by law the ~~Palmerston North City~~ Council may delegate to its respective Standing Committees all the functions, powers and duties granted to the Council, in accordance with the terms of reference of those Committees from time to time except:

~~158.1.166.1.~~ The power to make a rate.

~~158.2.166.2.~~ The power to make a by-law.

~~158.3.166.3.~~ The power to borrow money, or purchase or dispose of assets, other than in accordance with the ~~Long Term Plan~~ LTP.

~~158.4.166.4.~~ The power to adopt a ~~Long Term Plan~~ LTP or Annual Plan, or variation to a LTP or Annual Plan.

~~158.5.166.5.~~ The power to appoint or dismiss the Chief Executive.

~~158.6.166.6.~~ The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the ~~Long Term Plan~~ LTP or developed for the purpose of the Local Governance Statement.

~~158.7.166.7.~~ The power to make or alter any other Council policy except where that power has been specifically delegated.

~~158.8.166.8.~~ The power to do anything which is required by law to be done by resolution of the Council.

~~158.9.166.9.~~ The power to appoint Council representation on any body ~~provided that this restriction does not apply to any appointments made to Destination Manawatu Incorporated and Vision Manawatu Trust.~~

~~158.10.166.10.~~ The appointment of members to Standing, Special or Joint Committees.

~~158.11.166.11.~~ Any promotion of proposed legislation.

~~158.12.166.12.~~ Expenditure where no provision is made in the Council's budget for that year.

~~158.13.166.13.~~ Expenditure of Council funds where budgets have not been finalised for the relevant year unless the expenditure relates to maintenance of any existing work or progress on a committed work or is in regard to an existing service for which provision is likely to be made in those budgets once finalised.

~~158.14.166.14.~~ The disposal or sale of any real property.

~~158.15.166.15.~~ The power to approve the District Plan or any change to the District Plan.

~~[Amended Council 23 November 2015]~~

NOTE: The power to approve the District Plan or any change to the District Plan refers especially to clause 17 of the First Schedule of the Resource Management Act

1991 and is the final step in the Plan preparation/change process, and does not prevent the Hearings Committee from making decisions on the hearing of submissions or further submissions.

NOTE: Standing Committees are those Committees constituted by the Council and which meet on a regular basis but do not include Sub-Committees. The functions allocated to Standing Committees, along with other Committees and Sub-Committees, are set out in the Terms of Reference for Standing Committees and Sub-Committees (see Part 2 of this Manual).

[Council 2 August 2010]

~~159-167.~~ Each Standing Committee, ~~including and~~ any Joint Committee and ~~any~~ Sub-Committee, has only those powers specifically delegated to it. These powers are either stated in Part 1 of this Manual or in a subsequent resolution of the Council. A statement in any Committee's ~~Terms-terms~~ of ~~Reference-reference~~ does not, by itself, imply any delegated authority. Otherwise, each Committee has recommending status only, other than:

~~159.1,167.1.~~ With the prior approval of the Council, and within the Council's policy framework relating to working parties and advisory groups, to appoint and discharge such Sub-Committees and working parties, and members of Sub-Committees and working parties, as it considers appropriate, and to delegate any of its functions, powers and duties to sub-committees so appointed; and

~~167.2.~~ To make decisions on meeting procedures where such decisions are either required or permitted by the Council's Standing Orders or relevant legislation.

~~160-168.~~ ~~160A.~~ Each Standing Committee (but not any Joint Committee or Sub-Committee), in relation to matters that are within the Committee's terms of reference, has delegated authority:

~~160.1,168.1.~~ ~~160A.1~~ To approve any statement of proposal or summary of information contained in any proposal prepared for the purposes of the Local Government Act 2002 or any other Act to which the special consultative procedure specified by the Local Government Act 2002 applies.

~~160.2,168.2.~~ ~~160A.2~~ To approve any draft or proposed plan, policy, bylaw or other document deemed to be part of any statement of proposal prepared for the purposes of the Local Government Act 2002 or any other Act to which the special consultative procedure specified by the Local Government Act 2002 applies.

~~160.3,168.3.~~ ~~160A.3~~ To make any determination required by section 155 of the Local Government Act 2002 in relation to a proposed bylaw.

~~160.4,168.4.~~ ~~160A.4~~ To approve any draft policy or draft amendment or proposed replacement of any existing policy where it is proposed to undertake consultation with any person, organisation or members of the public generally before the policy, amendment or replacement is adopted by the Council, but where the special consultative procedure specified by the Local Government Act 2002 is neither required to be used nor will be used.

[Council 31 March 2010]

~~161.169.~~ ~~160B.~~ Each Standing Committee, ~~including and~~ any Joint Committee or Sub-Committee, in relation to matters that are within the Committee's or Sub-Committee's terms of reference, has delegated authority to hear oral submissions made in support of written submissions and to determine any procedures for this, and may make recommendations on submissions, written and oral, to the Council (or Councils or parent committee).

[Council 31 March 2010]

~~162.170.~~ ~~160C.~~ With regard to an elected member conference and training opportunity:

~~162.1.170.1.~~ ~~160C.1~~ Each Committee has delegated authority to decide whether or not any elected members should attend, and if so, how many.

~~162.2.170.2.~~ ~~160C.2~~ This authority may not be exercised by any Joint Committee or Sub-Committee.

~~162.3.170.3.~~ ~~160C.2~~ The decision on which elected members may attend will be made under Clause ~~172~~189.

[Council 22 August 2016]

Community Development Committee

~~163.171.~~ The Community Development Committee has delegated authority to finally approve the allocation of grants to community groups by the Palmerston North Community Services Council, from the funds granted to the Palmerston North Community Services Council by the Council for that purpose.

Creative Communities New Zealand/Arts and Culture Fund Committee

~~164.172.~~ The Creative Communities New Zealand/Arts and Culture Fund Committee has delegated authority to:

~~164.1.172.1.~~ Determine applications provided Creative Communities New Zealand criteria are met.

~~164.2.172.2.~~ Approve, administer and monitor such tasks as are integral to the allocation of funds under the combined Council's Arts and Culture Fund and the Creative Communities New Zealand's Local Authorities Arts Scheme.

[Council 11 November 2013]

Finance and Performance Committee

~~165.173.~~ The Finance and Performance Committee has delegated authority to:

~~165.1.173.1.~~ Approve variations to the remissions and postponements of rates pursuant to the Council's Rates and Remission and Postponement Policies in instances where officers delegated this authority seek the Committee's guidance.

~~165.2.173.2.~~ Set, vary or waive the following classes and categories of fees and charges:

- (a) Rentals for subsidised housing;

- (b) Charges for admission to Aquatic Facilities;
- (c) Charges for the use of reserves, but not including charges for the use of Arena Manawatu;
- (d) Burial and cremation charges.

174. The Finance and Performance Committee may, in regard to matters within its jurisdiction, and subject to the limitations applied in clause 175, accept, negotiate or decline any contract for the purchase or supply of goods, services, plant, capital works or other assets (including real property) and for the disposal of goods, plant, capital works, and other assets (excluding real property) and for the supply of Council services, where:

174.1. In the case of a lump sum contract the total value of the contract; or

174.2. In the case of a continuing contract the estimated amount to be paid in any one year,

does not exceed the Specified Sum.

175. The powers conferred by clause 174 shall not be exercised where:

175.1. No provision has been made for expenditure of the kind contemplated in the Council's budget for that year; or

175.2. The Council's budget has not been finalised for the relevant year unless the expenditure relates to maintenance of any existing work or progress on a committed work or is in regard to an existing service for which provision is likely to be made in the budget once finalised.

176. The Finance and Performance Committee may, in regard to matters within its jurisdiction, accept, negotiate or decline contracts where the price is other than the best price offered. Where that Committee accepts other than the best price offered that decision will be reported to the Council at the earliest opportunity.

177. Any contract may be varied by the Finance and Performance Committee where the total value of the contract as varied is within the Committee's delegated authority.

178. The Finance and Performance Committee may, in regard to a matter within its jurisdiction, settle any claim for compensation where the amount proposed does not exceed:

178.1. Where provision is made in the Council's budgets, the amount provided in the budgets; or

178.2. Where no provision is made in the budgets for compensation, an amount not exceeding 5% of the Specified Sum.

[Amended Council 26 September 2016]

Hearings Committee

179. The Hearings Committee has delegated authority to conduct, consider and determine any matter that requires a hearing or related decision under any of the following Acts:

179.1. Resource Management Act 1991;

~~179.2.~~ Dog Control Act 1996;

~~167.3.~~~~179.3.~~ Fencing of Swimming Pools Act 1987;

~~180.~~ In addition to the above, the Hearings Committee also has delegated authority under the Council's Development Contributions Policy to:

~~167.4.~~~~180.1.~~ Consider and decide on applications for leave to apply for further review of remission decisions made by officers under delegated authority.

~~167.5.~~~~180.2.~~ Consider and hear applications for further review of remission decisions where leave has been granted for the application to be considered and heard by the Committee.

[Amended Council 23 November 2015]

NOTE: The above responsibilities under the Resource Management Act include District Plan reviews, plan changes and variations; requirements, designations and heritage orders; applications for notified resource consents; applications for review of conditions and notified resource consents; and objections to decisions and conditions under Section 357 of the Resource Management Act. This authority does not include the approval of the District Plan or any change to the District Plan.

NOTE: The above responsibilities under the Resource Management Act also include:

- (a) The power to decide whether to require any further information and whether any application is to be notified or non-notified; and
- (b) The power to hold a hearing and/or make any decision concerning an application where the Chief Executive or Officer having delegated authority declines to exercise that authority.

NOTE: The power to approve the District Plan or any change to the District Plan refers especially to clause 17 of the First Schedule of the Resource Management Act 1991 and is the final step in the Plan preparation/change process, and does not prevent the Hearings Committee from making decisions on the hearing of submissions or further submissions.

Joint Standing Committee with the Manawatu-Wanganui Regional Council (Horizons Regional Council)

~~168.~~~~181.~~ Where a joint hearing is necessary, and independent Commissioners have not been appointed the Council shall unite with the Manawatu-Wanganui Regional Council to form a Joint Standing Committee to hear and decide, under Section 102 of the Resource Management Act 1991, applications for resource consents.

~~168.1.~~~~181.1.~~ When a request for a joint hearing has been agreed under Section 102(1) of the Resource Management Act 1991, appropriate numbers of up to three members from both the Regional Council's Environment Committee and the Council's Hearings Committee shall be appointed to the Joint Hearing Committee.

~~168.2.~~~~181.2.~~ The Joint Hearing Committee shall determine its own chairperson.

Planning and Strategy Committee

~~169.182.~~ The Planning and Strategy Committee has delegated authority to exercise any power under the Resource Management Act 1991 to the extent permitted to do so by law, but excluding:

~~169.1.182.1.~~ The authority to conduct any hearing or consider or determine any related matter, as is delegated to the Hearings Committee.

~~169.2.182.2.~~ The power to approve the District Plan or any change to the District Plan.

Manawatu-Wanganui Region Civil Defence Emergency Management Group Committee

~~170.183.~~ The Manawatu-Wanganui Civil Defence Emergency Management Group Committee, which is a Joint Committee of eight local authorities in the Manawatu-Wanganui Region, has the following powers under the Civil Defence Emergency Management Act 2002:

~~170.1.183.1.~~ To set, through the CDEMG Plan, the five year strategic direction of the Civil Defence Emergency Management Group (CDEMG).

~~170.2.183.2.~~ To agree the annual work programme of the CDEMG, consistent with the strategic direction in the Plan.

~~170.3.183.3.~~ To monitor progress towards meeting the strategic objectives in the Plan.

~~170.4.183.4.~~ To agree to modify the draft CDEMG Plan for the Group for public consultation.

~~170.5.183.5.~~ To establish, if necessary, a Hearing Committee (which may constitute members of the Committee, or outside appointments as appropriate) to hear (if necessary), consider and decide submissions on the CDEMG Plan for the Group.

~~170.6.183.6.~~ To approve the CDEMG Plan for the Group following decisions on submissions.

~~170.7.183.7.~~ Subject to the powers under Section 57 of the Act, to make minor amendments to the Plan from time to time as necessary.

~~170.8.183.8.~~ Subject to the powers under Section 26 of the Act, to appoint a Group Controller, and one or more Local Controllers for the Group as appropriate.

~~170.9.183.9.~~ Subject to the powers under Section 25 of the Act, to appoint persons with the delegated authority to declare local or group emergencies.

~~170.10.183.10.~~ To appoint, as necessary, a Group Recovery Manager and Local Recovery Managers for the CDEMG.

NOTE: The above delegations were originally ratified by the Council on 27 May 2002. At that time, the Council also approved the proposed composition and procedures for the Joint Committee.

Manawatu District and Palmerston North City Joint Strategic Planning Committee

~~171.184.~~ ~~167A.~~ In relation to the Central Economic Development Agency Limited (CEDA), the Joint Strategic Planning Committee has the following functions, powers, and duties under the Local Government Act 2002 and/or the Companies Act 1993:

~~184.1.~~ ~~167A.1~~ To adopt a policy that sets out the process for the identification, appointment and remuneration of directors.

~~184.2.~~ ~~167A.2~~ To appoint and remove a person or persons to be directors of CEDA.

~~184.3.~~ ~~167A.3~~ To approve the remuneration to be paid to directors of CEDA.

~~184.4.~~ ~~167A.4~~ To undertake performance monitoring of CEDA, as per section 65 of the Local Government Act.

~~184.5.~~ ~~167A.5~~ To agree with the Statement of Intent of CEDA or, if the Committee does not agree, to take all practical steps to require a Statement of Intent to be modified, as per section 65 of the Local Government Act.

~~184.6.~~ ~~167A.6~~ Receive the half yearly report of CEDA, as shareholder.

~~171.1, 184.7.~~ ~~167A.7~~ Receive the Annual Report of CEDA, as shareholder.

[Council 29 March 2016]

DELEGATIONS TO SUB-COMMITTEES

Sub-Committees

~~172.185.~~ A Sub-Committee may exercise only such delegated authority as is granted to it from time to time by the Council or, with prior Council approval, the relevant Committee. Sub-Committees may not exercise any of the powers listed in clauses ~~159.1~~166.1 to ~~159.15~~166.15.

~~173.186.~~ The primary purposes of Sub-Committees are:

~~173.1~~186.1. To dispose of matters which have been delegated to them.

~~173.2~~186.2. To investigate and report, with recommendations if appropriate, on matters referred from the delegator.

~~173.3~~186.3. To act as a forum for communication between elected representatives, officers, and interested parties.

DELEGATIONS TO SUBORDINATE DECISION-MAKING BODIESChief Executive's Performance Review Panel

~~174.187.~~ The primary purposes of the Chief Executive's Performance Review Panel is to ensure Council carries out responsibilities of a Good Employer as the employer of the Chief Executive.

Specific delegations to the Committee are:

~~174.1.187.1.~~ To recommend to the Council a process for appraising the Chief Executive's performance.

~~174.2.187.2.~~ To provide the Chief Executive with regular feedback, mentoring and support through informal monthly meetings.

~~174.3.187.3.~~ To ensure the Chief Executive receives relevant training and development opportunities.

~~174.4.187.4.~~ To carry out an annual review of the Chief Executive's performance and report the results to the Council.

~~174.5.187.5.~~ To negotiate a process for reviewing the Chief Executive's remuneration.

~~174.6.187.6.~~ To carry out an annual review of the Chief Executive's remuneration and make recommendations to the Council on the application of the review.

~~174.7.187.7.~~ To manage the provisions of the Chief Executive's Employment Agreement.

~~174.8.187.8.~~ To negotiate any variation to the Employment Agreement and make recommendations to the Council.

~~174.9.187.9.~~ To undertake the appraisal of the Chief Executive's performance.

Jaycee Trust Travelling Fellowship Selection Panel

~~188.~~ The Jaycee Trust Travelling Fellowship Selection Panel has delegated authority to allocate up to two Jaycee Trust Travelling Fellowships of not more than \$5,000 each per year. The decisions of the Selection Panel shall be reported for information to the Mayor and Councillors.

~~The decisions of the Selection Panel shall be reported for information to the Mayor and Councillors.~~

~~175. Destination Manawatu and Vision Manawatu Appointment Panel~~ ~~171A. The Destination Manawatu and Vision Manawatu Appointment Panel has delegated authority to appoint members to the Board of Destination Manawatu Incorporated and the Board of Vision Manawatu Trust.~~

~~This panel is jointly appointed by the Palmerston North City Council and the Manawatu District Council. [Council 2 August 2010]~~

DELEGATIONS TO MAYOR AND COUNCILLORSAll Chairpersons and Deputy Chairpersons

189 ~~172~~ With regard to an elected member conference and training opportunity:

189.1 ~~172.1~~ Each Committee Chairperson, acting conjointly with their Deputy Chairperson, has delegated authority to decide which elected member or members may attend.

189.2 ~~172.2~~ This authority also applies to the Mayor, acting conjointly with the Deputy Mayor, for the attendance of elected members at the Local Government New Zealand conferences.

189.3 ~~172.3~~ This authority may be exercised only where the Committee or the Council has previously approved attendance at the conference or training opportunity. The number of approved attendees may not exceed the number specified in the prior Committee or Council Resolution.

[Amended Council 22 August 2016]

~~191~~ *[Not Used]*

Mayor and Chairperson of the Finance and Performance Committee

~~192~~191 In relation to the Council's investment in:

~~192.1~~191.1 New Zealand Local Government Insurance Corporation Limited the Mayor has delegated authority to act as the Council's shareholder representative, to vote on the Council's behalf and to appoint a proxy where necessary. In the absence of the Mayor or in the event he/she relinquishes his/her position as a Director of the Company, the Chairperson of the Finance and Performance Committee shall act as the Council's shareholder representative.

~~192.2~~191.2 Palmerston North Airport Limited, the Chairperson of the Finance and Performance Committee has delegated authority to act as the Council's shareholder representative, to vote on the Council's behalf subject to instructions from time to time by the Council. In the event that the shareholder representative is unable to so act the Deputy Chairperson of the Finance and Performance Committee (or a nominee of that Committee) is appointed with the same powers to represent the Council as the alternate shareholder representative. A shareholder representative shall not be a director of Palmerston North Airport Limited.

~~192.3~~191.3 New Zealand Local Government Funding Agency Limited the Mayor has delegated authority to act as the Council's shareholder representative, to vote on the Council's behalf and to appoint a proxy where necessary. In the absence of the Mayor, the Chairperson of the Finance and Performance Committee shall act as the Council's shareholder representative.

[Council 11 November 2013]

Mayor, Deputy Mayor and Chief Executive193.192 Mayor

~~193.1~~ 192.1 The Mayor has delegated authority to appoint the Council's presiding delegate to the meetings of Local Government New Zealand on those occasions when he/she cannot attend the said meetings in person.

~~193.2~~ 192.2 That in relation to conferences and meetings of Local Government New Zealand, the Mayor has delegated authority to appoint a proxy when necessary.

~~193.3~~ 192.3 Without prejudice to the existing delegations, the Mayor, as the Council's presiding delegate at meetings of Local Government New Zealand, has delegated authority to appoint on behalf of the Council other delegates, including alternate delegates as appropriate, to annual general meetings and special general meetings of Local Government New Zealand taking into account that the Chief Executive is one of the delegates.

~~193.4~~ 192.4 The Mayor, in relation to the Chief Executive's contract, has delegated authority

~~193.5~~ 192.5 employment matters on behalf of the employer such as leave provisions (including signing of leave applications) and deduction and overpayment arrangements to exercise flexibility in authorising any benefits within the total remuneration contract amount stated.

~~193.6~~ 192.6 The Mayor, in relation to the Chief Executive's contract, has delegated authority to manage routine.

~~193.7~~ The Mayor, in conjunction with the Chief Executive or Legal Counsel, has delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.

~~A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.~~

~~193.8~~ The Mayor, in conjunction with any of the Chief Executive, Legal Counsel, Deputy Mayor or another Councillor, has delegated authority to sign any document on behalf of the Council where approval for the subject matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.

~~A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.~~

~~[Council 26 June 2013]~~

194 Deputy Mayor

~~194.1~~ The Deputy Mayor, in conjunction with the Chief Executive or Legal Counsel, has delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.

~~A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.~~

~~194.2 The Deputy Mayor, in conjunction with any of the Chief Executive, Legal Counsel, Mayor or another Councillor, has delegated authority to sign any document on behalf of the Council where approval for the subject matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.~~

~~A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.~~

~~[Council 26 June 2013]~~

Document signing by Councillors

~~176A. Any two Councillors, in conjunction with each other, have delegated authority to sign any document on behalf of the Council where approval for the subject matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.~~

~~A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.~~

Zone 3 Representatives

~~195~~¹⁹³ The Council's five representatives on Zone 3 of Local Government New Zealand have delegated authority to decide, in consultation amongst themselves, on the three nominees for the two positions on the Zone 3 Executive for whom the Council is to cast its vote.

DELEGATIONS TO AND ASSIGNMENT OF COMMISSIONERSPowers of Commissioner

~~196~~194 Those persons appointed from time to time by the Council as Hearings Commissioners under the Resource Management Act 1991 have the power to either individually or jointly with any other hearings commissioner hear and determine any matter raised under the Resource Management Act 1991, including such matters as Resource Consents, Variations, Plan Changes and Designations, except those functions, powers and duties expressly excluded by section 34A of the Resource Management Act 1991. The power to process any of the aforementioned matters includes the power to decide whether to require any further information not already requested by Council staff and whether the application is to be notified or non-notified. Each member of the Hearings Committee that is responsible for Resource Management Act 1991 matters shall, if that member is accredited under this Act, be deemed for the purposes of this delegation to be a Hearings Commissioner.

[Council 30 March 2011. Amended Council 23 November 2015]

~~197~~195 Note: Notwithstanding clause ~~178-194~~ the decision as to which person or persons are affected is to be made by appropriate Council staff acting under delegated authority.

Assignment of Commissioners

~~198~~196 Commissioners shall be assigned as follows:

~~198.1~~196.1 The Legal Counsel (in liaison with the General Manager, City Future or her/his nominee, and/or the General Manager, Customer Services, or his/her nominee) has the responsibility for assigning one or more Hearings Commissioners appointed by the Council to carry out the function of processing, hearing and determining any matter, or to exercise the functions, powers and duties of the Council under the Resource Management Act 1991 in accordance with section 34A of this Act.

~~198.2~~196.2 The assignment shall be made in accordance with the criteria set out in clause ~~181-197~~ below, seeking input from the Chairperson and/or Deputy Chairperson of the Hearings Committee, and/or his/her nominee from the Committee. The Hearings Commissioners responsibilities and powers shall commence immediately upon assignment by the Legal Counsel.

~~198.3~~196.3 Notwithstanding the above, no member of the Hearings Committee may be assigned to consider a matter as a Hearings Commissioner unless in conjunction with at least one commissioner who is not a Committee member. This sub-clause applies only where one or more Hearings Commissioners is to be assigned to consider any matter in accordance with the criteria specified in clause ~~181-175~~197 below.

[Amended Council 25 August 2014 and 23 November 2015]

When Assignment Required

~~199.1~~197 On one or more Hearings Commissioners shall be assigned to consider any matter or to exercise the functions, powers and duties of the Council under the Resource Management Act 1991 in accordance with section 34A of this Act, when one or more of the following applies:

~~199.1~~197.1 The Council is the applicant.

~~199.2~~197.2 The organisation (applicant) is one in which the Council has a significant and/or pecuniary interest.

~~199.3~~197.3 The project (application) is one in which the Council has a significant and/or pecuniary interest.

~~199.4~~197.4 A valid request has been made under the Resource Management Act 1991 for a Commissioner to hear and determine the matter.

~~199.5~~197.5 In the view of either the Council or the Chairperson or Deputy Chairperson of the Hearings Committee the subject of the hearing is highly political and elected members' objectivity in hearing or determining the matter would be compromised due to previous political and community debate.

~~199.6~~197.6 In the view of either the Council or the Chairperson or Deputy Chairperson of the Hearings Committee, the highly complex and technical nature of the issues to be addressed in the hearing requires specific expertise. (Care is needed in this regard, as technical issues should always be discussed at the hearing in a manner that is understandable to the layperson.)

~~199.7~~197.7 In the view of either the Council or the Chairperson or Deputy Chairperson of the Hearings Committee, the Hearings Committee has insufficient resources and/or time to hear the matter in a timely manner.

~~[Council 25 August 2010. Amended Council 23 November 2015]~~

~~200.1~~198 Notwithstanding the criteria set out in clause ~~184-197~~ above, no Hearings Commissioner is required to be assigned to consider any matter where:

~~200.1~~198.1 The application is minor in scale and effect; and

~~200.2~~198.2 The written consent of all affected parties, as determined by appropriate Council staff acting under delegated authority, has been provided.

~~[Amended Council 23 November 2015]~~

Report of Commissioner

~~201199~~ Each report or decision made by a Commissioner or Commissioners shall be reported to the Council for information.

Appointment and Assignment of Non-Listed Commissioner

~~202200~~ In the event a Commissioner is sought, who is not referred to in the schedule of Council appointed Hearings Commissioners, the appointment and assignment will be made by either the Hearings Committee or the Council.

[Amended Council 23 November 2015]

DELEGATIONS TO CHIEF EXECUTIVE

BROAD DELEGATION ~~TO CHIEF EXECUTIVE~~

~~203~~201 Subject to any limitations in the Financial Delegations to the Chief Executive, the Chief Executive is delegated all functions, powers and duties of the Council:

- (a) except those retained by the Council, or delegated to a committee or other subordinate decision making body of the Council; and
- (b) subject to any legal limits on the Council to do so, and any conditions or limits imposed by the Council from time to time (including financial limits); and

provided the Chief Executive exercises such delegated authorities consistently with Council's strategies and policies (including the ~~Long-Term Plan~~LTP, Annual Plans and District Plan) and any Council approved guidelines regarding those strategies and policies.

~~204~~202 The Chief Executive may sub-delegate any functions, powers and duties delegated to him or her by the Council (except the power to sub-delegate).

~~205~~203 Council retains the authority to:

- (a) do anything which by law is required to be done by resolution of the Council;
- (b) make a rate;
- (c) make, amend or revoke a by-law, including before commencing the process for making a by-law determining whether a by-law is the most appropriate way of addressing the perceived problem; and determining whether a proposed bylaw is in in the most appropriate form and gives rise to any issues under the New Zealand Bill of Rights Act 1990;
- (d) adopt a Long-Term PlanLTP or Annual Plan, or any amendment or variation to them;
- (e) approve any local governance statement, and a triennial agreement with other local authorities within the same region as the Council;
- (f) review the cost effectiveness of arrangements for meeting the needs oif communities within the district for good quality local infrastructure, service, or regulatory function
- ~~(e)~~(g) borrow money, or purchase or dispose of assets, other than in accordance with the Long-Term PlanLTP;
- (h) do anything which, in accordance with the Council's Significance and Engagement Policy, requires consultation with affected and interested persons;
- ~~(f)~~(i) adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long-Term Plan or developed for the purpose of the Local Governance Statement;

~~(g)(i)~~ make or alter Council policy;

~~(k)~~ authorise and approve any contracting-out of any of the Council's regulatory functions;

~~(h)(l)~~ appoint a Chief Executive;

~~(j)(m)~~ appoint:

- i. Independent Hearings Commissioners required to assist the Hearings Committee of the Council;
- ii. Members of the District Licencing Committee pursuant to the Sale and Supply of Alcohol Act 2012; and
- iii. Ad hoc appointments of independent Commissioners required under any other Statute; Legislative Instrument; bylaw; or policy of the Council.

~~(j)(n)~~ appoint Council representation on any body including any Committee;

~~(k)(o)~~ promote proposed legislation;

~~(j)(p)~~ dispose or sell any real property;

~~(g)~~ approve the District Plan or any change to the District Plan;

~~(m)(r)~~ monitor and evaluate council controlled organisations and council organisations.

FINANCIAL DELEGATIONS TO CHIEF EXECUTIVE

~~206~~ Financial delegations to the Chief Executive are as follows:

Transactions

~~207~~204 The Chief Executive may take all steps necessary to enter into, approve, execute, complete or otherwise authorise, and vary any Transaction except where the Transaction imposes an obligation on Council to Expend, in any Financial Year, an amount:

- (a) that is more than 50% of the Specified Sum; or
- (b) exceeds the total amount of the Operating Budget or Capital Programme Budget (as adjusted by any Budget Variation) in respect of the Activity or Capital Programme to which the Transaction relates, either alone or in aggregate with all other Expenditure the Council is committed to make in respect of the relevant Activity or Capital Programme,

in each case measured at the date the Council becomes obliged to incur the Expenditure.

~~208~~205 In relation to Transactions approved by the Finance and Performance Committee, the Chief Executive may approve a variation or cumulative variations providing that:

- (a) the total Expenditure in respect of the Transaction as varied is within the Finance and Performance Committee's delegated authority; and
- (b) the aggregate change does not increase the total Expenditure, in respect of the Transaction, as varied by more than 10% of the value of the original Transaction,

and the Chief Executive shall report to the Finance and Performance Committee where such variation occurs, for information.

Variation of Budgets

209206 Subject to clause 188.6209, the Chief Executive may at any time authorise an amount to Expend in respect of an Activity that is in excess of the original Operating Budget provided that Council has not previously declined to approve excess Expenditure in relation to that Operating Budget and:

- (a) the Chief Executive is of the opinion that the original Operating Budget is not or will not be adequate to best achieve the outcome intended from the Activity; and
- (b) Savings are made from the Operating Budget of one or more other Activities that, in aggregate, equal the authorised increase in Expenditure for the relevant Activity.

240207 Subject to clause 188.6209, the Chief Executive may at any time authorise an amount to Expend in respect of a Capital Renewal Programme that is in excess of the original Capital Programme Budget for that Capital Renewal Programme, provided that Council has not previously declined to approve excess Expenditure in relation to that Capital Renewal Programme and:

- (a) the Chief Executive is of the opinion that the original Capital Programme Budget is not or will not be adequate to best achieve the outcome intended from that Capital Renewal Programme; and
- (b) Savings are made from the Capital Programme Budget of one or more other Capital Renewal Programmes that, in aggregate, equal the authorised increase in Expenditure for the relevant Capital Renewal Programme.

244208 Subject to clause 188.6209, the Chief Executive may at any time authorise an amount to Expend in respect of a Capital New Programme that is in excess of the original Capital Programme Budget for that Capital New Programme, provided that Council has not previously declined to approve excess Expenditure in relation to that Capital New Programme and:

- (a) the Chief Executive is of the opinion that the original Capital Programme Budget is not or will not be adequate to best achieve the outcome intended from that Capital New Programme; and
- (b) Savings are made from the Capital Programme Budget of one or more other Capital New Programmes that, in aggregate, equal the authorised increase in Expenditure for the relevant Capital New Programme.

212209 The Chief Executive's authority to approve Budget Variations is limited, in any Financial Year, in respect of any Operating Budget or Capital Programme Budget to an aggregate change that is less than or equal to 50% of the Specified Sum or 30% of the relevant Operating Budget or Capital Programme Budget (whichever is the lesser).

213210 The Chief Executive shall report to the Finance and Performance Committee for information details of any Budget Variations which result in a change (whether as an increase or a Saving) in the amount of permitted Expenditure in relation to an Operating Budget or Programme Budget which is greater than 10% of the Operating Budget or Programme Budget or 30% of the Specified Sum (whichever is the lesser amount); and shall do so on a quarterly basis.

Emergencies

214211 Notwithstanding anything else in these financial delegations, in an Emergency, the Chief Executive or, in his or her absence or unavailability, the Deputy Chief Executive, and in the absence or unavailability of both those office-holders any ~~Unit~~ **General** Manager, and in the absence of all the preceding officers the Technical Services Manager, may take all steps necessary to enter into, approve, execute, complete or otherwise authorise any Transaction except where the Transaction requires Expenditure that exceeds twice the Specified Sum, regardless of whether any provision has been made for the Expenditure in an Operating Budget or Capital Programme Budget but provided that the Expenditure is for the purposes of responding to or recovering from the Emergency.

215212 The authority delegated under ~~188.8211~~ may not be sub-delegated.

Claims

216213 The Chief Executive ~~or any Principal Manager~~ may, in regard to any Claim, negotiate, settle, approve and sign on behalf of Council any settlement agreement provided the Claim Expenditure is less than or equal to:

- (a) 10% of the Specified Sum where there is no provision in an Operating Budget for settlement of such Claims provided that the Claims Expenditure can be offset by a Saving; and
- (b) 20% of the Specified Sum where there is provision in an Operating Budget for settlement of such Claims.

217214 If the maximum expected Claim Expenditure for a Claim:

- (a) is greater than 2% but less than or equal to 10% of the Specified Sum the Chief Executive shall be informed of the existence of the Claim;
- (b) is greater than 10% but less than or equal to 20% of the Specified Sum, and provision is made in an Operating Budget for settlement of such Claims, the Chief Executive will inform all Councillors of the existence of the Claim;
- (c) is greater than 20% of the Specified Sum the existence of the Claim will be reported to the Finance and Performance Committee and the progress of the Claim will be regularly reported to that Committee.

~~218~~215 In an Emergency the Chief Executive or any ~~Principal-General~~ Manager may, in consultation with the Mayor, or the Chairperson of the Finance and Performance Committee if the matter falls within that Committee's jurisdiction, take action which may subsequently require settlement of a Claim at whatsoever compensation.

~~219~~ Notwithstanding anything else in these financial delegations, the Chief Executive may settle and execute any claims pursuant to the Financial Assistance Package scheme (leaky homes) up to a maximum of 25% of the repair cost, provided Operating Budget provision exists, and with advice of any such claims being provided to the Finance and Performance Committee.

Fees and Charges, and Infringement Fees

~~220~~216 Subject to clause ~~188.172~~19, the Chief Executive may set, vary, waive, remit or refund any class or category of Fees and Charges except for:

- (a) Fees and Charges adopted by resolution of the Council or a Committee; and
- (b) Fees and Charges adopted pursuant to a by-law,

and the Chief Executive shall report to the Finance and Performance Committee any class or category of Fees and Charge set, varied, waived, remitted or refunded, for information.

~~221~~217 Subject to clause ~~188.172~~19, the Chief Executive may vary, waive, remit, or refund any Fee or Charge.

~~222~~218 Subject to clause ~~188.172~~19, the Chief Executive may waive, remit, or refund any Infringement Fee.

~~223~~219 The Chief Executive is not authorised to vary, waive, remit or refund any class or category of Fees and Charges, or any Fee or Charge, or any Infringement Fee where the sum involved exceeds 1% of the Specified Sum in each case.

Rates including Remissions and Postponements

~~224~~220 In relation to rating matters the Chief Executive may:

- (a) exercise the functions, powers and duties of the Council under the Rating Valuations Act 1998;
- (b) exercise the functions, powers and duties of the Council under the Local Government (Rating) Act 2002 (including the granting of rates remissions and postponements pursuant to the Rates Remission and Postponement Policies) except for those conferred by Subpart 2 of Part 1 or Subpart 1 of Part 5 (i.e. setting rates and setting replacement rates).

Borrowing, Investments and Bad Debts

~~225~~221 Notwithstanding anything else in these financial delegations, the Chief Executive may:

- (a) enter into any arrangement for the borrowing of money provided it is in accordance with the Council's treasury policy; and the LTP as amended pursuant to an adopted Annual Plan or by resolution of Council;

- (b) manage the Council's investments in accordance with the Council's treasury policy;
- (c) write off bad debts only for up to 0.5% of the Specified Sum and provided such debtor accounts have been outstanding in excess of six months.

Insurance

~~226~~²²² Notwithstanding anything else in these financial delegations, in relation to insurance the Chief Executive may enter into insurance contracts, for which the total premium of each individual contract may not exceed 150% of the Specified Sum.

Central Economic Development Agency (CEDA)

~~223~~ Notwithstanding anything else in these financial delegations, the Chief Executive may enter into a core service contract with the Central Economic Development Agency, provided the total contract amount is in accordance with the Council's ~~Long-Term Plan~~ LTPs, and Annual Plans; such delegation will also include the ability to vary, extend, review, renew or replace the contract with a new contract.

~~[Council 22 August 2016; Amended 26 September 2016]~~

Definitions and related matters

~~227~~ For the purposes of this Manual the words and phrases set out below have the following meanings:

"Activity"	has the meaning and is as described in a LTP or Annual Plan.
"Annual Plan"	means an Annual Plan adopted by Council pursuant to the Local Government Act 2002.
"Budget Variation"	means an approval to incur Expenditure in excess of an Operating Budget or Capital Programme Budget together with an equal aggregate Saving in respect of one or more other Operating Budgets or Capital Programme Budgets, as authorised by the Chief Executive in accordance with clauses 188.3 and 188.6.
"Capital New Programme"	means a detailed financial action for capital expenditure to increase the value of an asset or create a new asset, and to achieve particular outcomes of the Council, as described in a LTP or Annual Plan.
"Capital Programme"	means a Capital New Programme or a Capital Renewal Programme budgeted for an Activity and as described in a LTP or Annual Plan.
"Capital Programme Budget"	means the sum recorded for a Financial Year and in respect of a Capital Programme: (a) in the last adopted LTP; and

	(b) — as amended pursuant to an adopted Annual Plan or amendment to the LTP or by resolution of Council.
"Capital Renewal Programme"	means a detailed financial action for capital expenditure to renew or replace an existing asset, and to achieve particular outcomes of the Council, as described in a LTP or Annual Plan;
"Claim"	means any claim for compensation either by or against the Council and whether as a result of a contractual dispute or otherwise;
"Claim Expenditure"	means the net amount of Expenditure by the Council on settling a Claim including legal costs but after taking into account contributions from insurance and third parties;
"Emergency"	means an event: <ul style="list-style-type: none"> (a) — that is unforeseen and causes major damage to Council or other property; and (b) — for which there is a need for remedial action to be taken without delay; and (c) — it is impracticable to convene a meeting of the Council or Finance & Performance Committee to approve the proposed expenditure but which is not a declared state of local or national emergency under the Civil Defence Emergency Management Act 2002.
"Expend"	means to spend or use up money or monies worth and includes but is not limited to: <ul style="list-style-type: none"> (a) — waving or remitting amounts otherwise payable; (b) — refunding amounts paid; (c) — making of grants; (d) — provision of goods or services or disposal of assets other than for fair value; and "Expenditure" has the corollary meaning
"Fees and Charges"	means amounts charged or imposed by the Council on third parties for the provision of goods or services (including use of facilities), the standard amount of which is set (whether in absolute terms or by reference to a formula or rate) in advance of any arrangement with a particular person or group for the provision by the Council

	of goods or services in consideration for payment of the relevant amount (and "Fee" and "Charge" have the corollary meaning).
"Financial Year"	means a financial year of Council as established under the Local Government Act 2002.
"Infringement Fee"	means an amount imposed by the Council for failure to comply with a requirement of a statute, legislative instrument, by-law or other rule or regulation, and set by law or by resolution of Council.
"LTP"	means a Long Term Plan adopted by the Council pursuant to the Local Government Act 2002.
"Manual"	means this document which sets out delegations; related conditions, limits and curtailments; and related provisions, as adopted by the Council and as varied or amended from time to time either by resolution of Council or otherwise in accordance with the provisions of this document.
"Operating Budget"	<p>means the sum calculated by deducting depreciation from "net operating cost of activity" for a Financial Year and in respect of an Activity;</p> <p>(a) — in the last adopted LTP; and</p> <p>(b) — as amended pursuant to an adopted Annual Plan or amendment to the LTP or by resolution of Council;</p> <p>and includes "operating programmes" as defined and described in the LTP or an Annual Plan.</p>
"Saving"	means a reduction in the amount of Expenditure authorised to be made in respect of an Activity or Capital Programme which is not expected to result in an inconsistency between the actual delivery of levels of service for the Activity or Capital Programme and the anticipated service level for the Activity or Capital Programme as set out in an LTP or Annual Plan (as adjusted by resolution of Council).
"Specified Sum"	means the sum calculated in accordance with clause 190 and is exclusive of GST.
"Transaction"	<p>means an arrangement between the Council and any third party which is binding on Council except for;</p> <p>(a) — the sale or disposal of real property;</p>

(b) ~~a Claim;~~

(c) ~~any charge, remission or postponement of a rate pursuant to the Local Government (Rating) Act 2002 and the Council's Rates Remissions and Postponements Policy.~~

Specified Sum

228 ~~On 1 July 2013 and on 1 July in every succeeding year, the Chief Executive will adjust the Specified Sum by increasing it or decreasing it in proportion to movements in the officially published Consumers Price Index (CPI) in the manner set out in the following formula:~~

SPECIFIED SUM

$$(1 \text{ July, year of review}) = \$1,500,000 \times \frac{\text{CPI March, year of review}}{\text{CPI 31 March 2012}}$$

~~and the figure so derived shall be rounded to the nearest \$50,000 and reported to Council and at the time of such report clause 190A141 shall be amended as required.~~

229 ~~The current Specified Sum is \$1,550,000.~~

DOCUMENT SIGNING

230 ~~The Chief Executive, in conjunction with the Mayor or Deputy Mayor, or the Legal Counsel if the Mayor and Deputy Mayor are absent or unavailable, has delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.~~

~~A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.~~

~~[Amended Council 23 November 2015 and 26 September 2016]~~

231 ~~The Chief Executive, in conjunction with any of the Mayor, Deputy Mayor or other Councillor, or Legal Counsel if the Mayor and Deputy Mayor and another Councillor are absent or unavailable, has delegated authority to sign any document on behalf of the Council where approval for the subject-matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.~~

~~A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.~~

~~[Council 26 June 2013. Amended 23 November 2015 and 26 September 2016]~~

DEPUTY CHIEF EXECUTIVE

~~232224~~ The Deputy Chief Executive is delegated all functions, powers and duties of the Council that are delegated to the Chief Executive.

~~[Council 23 November 2015]~~

DELEGATIONS TO OTHER OFFICERS

All Principal General Managers

~~233—In addition to the functions, powers and duties which are incidental to his/her position (as set out in the job description for that position), each Principal Manager (who are those Managers who are members of the Management Team and report directly to the Chief Executive) may exercise the following general powers where that is permitted by law, is in accordance with this Manual, and is in accordance with Council policy and any term or condition imposed from time to time by the Council:~~

~~233.1—Supervise and manage the activity, resources and facilities (including staff) of the Unit under the Manager's jurisdiction.~~

~~233.2—Expend monies for any individual transaction up to the applicable proportion of the specified sum where provision has been made for that expenditure in the approved budgets of the unit under the manager's jurisdiction, except that where the expenditure is for an approved internal payment, the applicable proportion does not apply and such expenditure is permitted to the extent provided for in approved budgets. The applicable proportions for the Principal Managers are:~~

Chief Financial Officer	30%
General Manager, City Enterprises	50%
General Manager, City Future	30%
General Manager, City Networks	50%
General Manager, Customer Services	30%
General Manager, Libraries and Community Services	20%

~~NOTE: For the purposes of this clause, the following categories or types of expenditure are regarded as approved internal payments:~~

- ~~1.—All internal charging between various units or divisions of the Council that is in the nature of a corporate overhead; and~~
- ~~2.—The following internal service agreements relating to Water and Waste Services:~~
 - ~~• Waste Collection and Disposal.~~
 - ~~• Recycling Collection.~~
 - ~~• Recycling Processing.~~

- ~~Totara Road Wastewater Treatment Plant Operations and Maintenance.~~
- ~~Turitea Water Treatment Plant Operations and Maintenance.~~
- ~~Awapuni Resource Recovery Park and Closed Landfill Site Management.~~
- ~~Water Reticulation and Pump Station Operations and Maintenance.~~
- ~~Wastewater Reticulation and Pump Station Operations and Maintenance; and~~

3. ~~The following internal service agreements relating to Parks and Property:~~

- ~~Victoria Esplanade Grounds Maintenance.~~
- ~~The Square Grounds Maintenance.~~
- ~~Cemeteries Operations and Maintenance.~~
- ~~Amenity Reserves Grassland Mowing.~~
- ~~Sportsfields Mowing.~~
- ~~Social Housing and Public Rental Housing Facilities Management.~~

~~[Council 27 June 2012; Amended 26 September 2016]~~

233.3 ~~Contracts that are for the Purchase, Supply or Disposal of Goods, Services or Other Assets~~

~~Each Principal Manager may, in regard to matters within his/her jurisdiction, and subject to the limitations applied in clause 147, accept, negotiate or decline any contract for the purchase or supply of goods, services, plant, capital works or other assets (including real property), and for the disposal of goods, plant, capital works and other assets (excluding real property) and for the supply of Council services where:~~

- ~~(a) In the case of a lump sum contract, the total value of the contract; or~~
- ~~(b) In the case of an employment contract, the estimated amount to be paid in any one year; or~~
- ~~(c) In the case of a continuing contract (other than an employment contract) for a term of three years or less, the estimated amount to be paid in any one year; or~~
- ~~(d) In the case of a continuing contract (other than an employment contract) for a term exceeding three years and for which approval has been given by the Chief Executive, the estimated amount to be paid in any one year,~~

~~does not exceed the applicable proportion of the specified sum, as mentioned in sub-clause 194.2 above.~~

~~233.4 Approve and pass invoices for payment up to the delegated value above or the total value of a contract as approved by the Council or a Committee, subject to goods/services being endorsed as sighted/received by a separate officer.~~

~~233.5 Setting of Fees and Charges (Clauses 188.14 to 188.17)~~

~~Each Principal Manager may set, vary, or waive any class of fee or charge for a Council service or goods provided, subject to:~~

- ~~(a) The fee or charge being in respect of a matter within her/his jurisdiction; and~~
- ~~(b) The fee or charge being permitted by law and not inconsistent with Council policy; and~~
- ~~(c) The decision being reported to the Chief Executive for transmittal to the Finance and Performance Committee.~~

~~233.6 [Not Used – see Clause 188.10]~~

~~233.7 [Not Used] [Council 23 November 2015]~~

~~233.8 Proceedings in District Court~~

- ~~(a) Subject to Delegation 194.8(b) and notwithstanding any other Delegations made by the Council, only each Principal Manager may, to the extent permitted by law:~~
 - ~~(i) In respect of their areas of responsibility initiate, conduct, compromise and conclude and approve any action in the District Court;~~
 - ~~(ii) Authorise the Legal Counsel or any officer of the Council who reports directly or indirectly to them to initiate, conduct, compromise and conclude and approve action in the District Court but limited to the area of responsibility of the relevant reporting officer;~~
 - ~~(iii) Authorise an officer other than the officer who filed a charging document under the Criminal Procedure Act 2011 to appear and conduct the subsequent proceedings provided the proceedings relate to the area of responsibility of such other officer;~~
- ~~(b) No Principal Manager or officer referred to in Delegation 194.8(a) may act on behalf of the Council in respect of any proceedings unless and until they have been properly authorised and appointed under section 249 of the Local Government Act 2002.~~

~~234225 Authority to curtail and limit authority of other Officers~~

~~Each ~~Principal~~ General Manager may, in respect of any officer of the Council who reports directly or indirectly to them, curtail any authority delegated to any such officer or apply any term or condition to its use and may remove or amend such curtailment, term or condition, in each case such action to be recorded in writing.~~

~~[Council 24 August 2015]~~

Other Officers

~~235 In addition to the functions, powers and duties which are incidental to his/her position (as set out in the job description for that position), each Other Officer (which include the Roading Manager, Water and Waste Services Manager, Parks and Property Manager, Special Projects Manager, Technical Services Manager, Operations Manager, Civil Works Supervisor, Information Manager, Finance Manager, Strategy Manager Finance, City Planning Manager, Legal Counsel, Governance & Support Team Leader, Human Resources Manager and Manager Venues Palmerston North) may exercise the following general powers where that is permitted by law, is in accordance with this Manual, and is in accordance with Council policy and any term or condition imposed from time to time by the Council or relevant Principal Manager:~~

~~235.1 Supervise and manage the activity, resources and facilities (including staff) of the Division under the Officer's jurisdiction.~~

~~235.2 Expend monies for individual transactions up to the applicable proportion of the specified sum where provision has been made for that expenditure in the approved budgets of the Division under the Officer's jurisdiction. The applicable proportions for the Other Officers are:~~

Roading Manager	20%
Water and Waste Services Manager	20%
Parks and Property Manager	20%
Special Projects Manager	20%
Technical Services Manager	20%
Operations Manager	20%
Civil Works Supervisor	10%
Information Manager	10%
Finance Manager	10%
Strategy Manager Finance	10%
City Planning Manager	10%
Head of Environmental Protection Services	5%
Legal Counsel	5%
Governance and Support Team Leader	5%
Human Resources Manager	5%
Manager Venues Palmerston North	5%
Head of Planning Services	5%
Head of Building Services	5%

~~235.3 Contracts that are for the Purchase, Supply or Disposal of Goods, Services or Other Assets~~

~~Each Other Officer may, in regard to matters within his/her jurisdiction, and subject to the limitations applied in clause 147, accept, negotiate or decline any contract for the purchase or supply of goods, services, plant, capital~~

~~works or other assets (including real property), and for the disposal of goods, plant, capital works and other assets (excluding real property) and for the supply of Council services where:~~

- ~~(a) — In the case of a lump sum contract, the total value of the contract; or~~
- ~~(b) — In the case of an employment contract, the estimated amount to be paid in any one year; or~~
- ~~(c) — In the case of a continuing contract (other than an employment contract) for a term of three years or less, the estimated amount to be paid in any one year; or~~
- ~~(d) — In the case of a continuing contract (other than an employment contract) for a term exceeding three years and for which approval has been given by the Chief Executive or the General Manager to whom the Other Officer reports, the estimated amount to be paid in any one year;~~

~~does not exceed the applicable proportion of the specified sum, as mentioned in sub-clause 195.2 above.~~

- ~~235.4 — Approve and pass invoices for payment up to the delegated value above or the total value of a contract as approved by the Council or a Committee, subject to goods/services being endorsed as sighted/received by a separate officer.~~

~~235.5 — Setting of Fees and Charges (Clause 188.14 to 188.17)~~

~~Each Other Officer may set, vary, or waive any class of fee or charge for a Council service or goods provided, subject to:~~

- ~~(a) — The fee or charge being in respect of a matter within his/her jurisdiction; and~~
- ~~(b) — The fee or charge being permitted by law and not inconsistent with Council policy; and~~
- ~~(c) — The decision being reported to the Chief Executive for transmittal to the Finance and Performance Committee.~~

~~235.6 — Claims for Compensation~~

~~Each Other Officer may settle any claim for compensation on a matter within his/her jurisdiction subject to:~~

- ~~(a) — Provision being made within the Division's budgets for that year; and~~
- ~~(b) — The amount proposed does not exceed 2% of the specified sum (excluding legal costs); and~~
- ~~(c) — The Chief Executive being informed of the decision made.~~

- ~~235.7 — [Not Used] [Council 23 November 2015]~~

CITY CORPORATE UNIT**Chief Financial Officer**

- ~~236~~ The Chief Financial Officer is responsible for managing the Council's borrowing and investment activities in accordance with the Treasury Policy and in particular has delegated authority to:
- ~~236.1~~ Manage the relationship between the Council and financial institutions, including the authority to inter alia:
- ~~(a)~~ Authorise the terms and conditions of the relationships including any indemnities required by them.
 - ~~(b)~~ Open such accounts and sub-accounts as are necessary for the effective operation of the relationships including determining account signatories.
 - ~~(c)~~ Arrange credit lines including overdraft facilities without financial limit.
 - ~~(d)~~ Invest and retrieve temporary surplus funds without financial limit.
- ~~236.2~~ Negotiate the terms of the Council's Debenture Trust Deed and issue such certificates contemplated thereunder.
- ~~236.3~~ Engage agents such as brokers and registrars and paying agents to facilitate the operations of the Council in implementation of the Council's Borrowing and Investment policies and entry into the Debenture Trust Deed.
- ~~236.4~~ Negotiate and enter into master agreements with any bank or other institution, as a preliminary arrangement so that the Council is able to enter into hedging transactions as regards its interest rate or debt profile risk management when required.
- ~~236.5~~ Negotiate borrowings up to the levels authorised by the Council and authorise interest rates, maturity dates and other terms in relation to them.
- ~~237.226~~ In relation to rating matters, the Chief Financial Officer has delegated authority to:
- ~~237.1226.1~~ Exercise the functions, powers and duties of the Council under the Rating Valuations Act 1998.
- ~~237.2226.2~~ Exercise the functions, powers and duties of the Council under the Local Government (Rating) Act 2002 (including the granting of rates remissions and postponements pursuant to the Rates Remission and Postponement Policies) except for those conferred by Subpart 2 of Part 1 or Subpart 1 of Part 5 (i.e. setting rates and setting replacement rates).
- [Amended Council 26 September 2016]*
- ~~197A.~~ The Chief Financial Officer has delegated authority to sign any Land Information New Zealand Authority and Instruction Form in relation to any interest in land where approval for the matter has been given by the Council or any Committee or Officer acting under delegated authority.

~~[Council 16 December 2009]~~

Legal Counsel

227 Regarding the Resource Management Act 1991, the Legal Counsel has delegated authority to:

- Waive compliance and to extend time limits under section 37 of the Act; and
- Assign Hearings Commissioners in accordance with clause 196, above.

~~[Amended Council 23 November 2015]~~

238228 The Legal Counsel, or his/her nominee (in liaison with the General Manager, Customer Services or his/her nominee) has the responsibility for assigning two of the District Licensing Committee members, appointed by the Council to the list maintained under section 192 of the Sale and Supply of Alcohol Act 2012, to comprise the members, along with the Chairperson and Deputy Chairperson of the Committee, to carry out any function given to the Committee by the Act. Before making any such assignment, the Legal Counsel or his/her nominee shall seek input from the Chairperson and/or Deputy Chairperson of the District Licensing Committee. Any Assignments made under this section may be amended up until the commencement time of a particular hearing.

Finance Manager and Strategy Manager Finance

229 In relation to rating matters, the Finance Manager and Strategy Manager Finance each have delegated authority to:

- 229.1 Exercise the functions, powers and duties of the Council under the Rating Valuations Act 1998.
- 229.2 Exercise the functions, powers and duties of the Council under the Local Government (Rating) Act 2002 (including the granting of rates remissions and postponements pursuant to the Rates Remission and Postponement Policies) except for those conferred by Subpart 2 of Part 1 or Subpart 1 of Part 5 (i.e. setting rates and setting replacement rates).

~~[Amended Council 26 September 2016]~~

Senior Rates Officer, Rates Officer and Credit Controller

230 The Senior Rates Officer, Rates Officer and Credit Controller each have delegated authority to:

- 230.1 208A.1 Exercise the functions, powers and duties of the Council under the Rating Valuations Act 1998.
- 230.2 208A.2 Exercise the functions, powers and duties of the Council under the Local Government (Rating) Act 2002 (including the granting of rates remissions and postponements pursuant to the Rates Remission and Postponement Policies) except for those conferred by Subpart 2 of Part 1 or Subpart 1 of Part 5 (i.e. setting rates and setting replacement rates).

~~[Amended Council 26 September 2016]~~

General Manager, City Networks

- ~~239 Space allocation in the Council's four community agency houses and rental assistance grants to the tenants of such houses may be determined by the General Manager, City Networks in conjunction with the Chairperson and Deputy Chairperson of the Community Development Committee.~~

~~The process for the allocation of space in Council's four community agency houses is:~~

- ~~239.1 The General Manager, City Networks to advertise the availability of space.~~
- ~~239.2 The General Manager, City Networks to receive applications from community groups.~~
- ~~239.3 The General Manager, City Networks to formally involve the Chairperson and Deputy Chairperson of the Community Development Committee in an advisory role on the selection of the successful applicant(s).~~
- ~~239.4 The General Manager, City Networks to write to the affected House User Committee, in each instance, seeking its views as to the proposed new tenant.~~
- ~~240 The General Manager, City Networks to report to the Community Development Committee with recommendations, incorporating into such report the views of the Community Services Council and the House User Committee in each instance.~~

General Manager, Customer Services

- ~~241 Regarding stall licences:~~

- ~~241.1 The General Manager, Customer Services, in consultation with the Roading Manager, has delegated authority to issue street stall licences and determine conditions, including siting, for up to 8 small mobile stalls in the Square gardens and Coleman Mall.~~
- ~~241.2 The General Manager, Customer Services has delegated authority to issue permits for short-term stall licences for periods not exceeding two months, these stalls to be confined to the Square gardens and Coleman Mall areas and are in addition to the preceding clause above.~~
- ~~241.3 To consider and decide on applications for remissions under the Council's approved Development Contributions Policy in consultation with the relevant Network Manager to which the remission relates. The Network Managers being:~~
- ~~— The Roading Manager~~
 - ~~— The Water and Waste Services Manager~~
 - ~~— The Parks and Property Manager.~~

~~[Council 27 June 2012]~~

- ~~242 Regarding the Resource Management Act 1991, the General Manager, Customer Services has delegated authority to:~~

~~242.1 Set, vary or waive any fee or charge for a Council service in respect of the Resource Management Act 1991 subject to:~~

- ~~— The fee or charge being a matter within her/his jurisdiction; and~~
- ~~— The fee or charge being permitted by law and not inconsistent with Council policy; and~~
- ~~— The decision being reported to the Chief Executive for transmittal to the Finance and Performance Committee if appropriate.~~

~~242.2 [Not Used] [Council 23 November 2015]~~

~~242.3 200.1A. Exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:~~

- ~~— Matters within the delegated authority of the Hearings Committee;~~
- ~~— Matters in respect of which one or more Hearings Commissioners has been appointed;~~
- ~~— The appointment and assignment of Hearings Commissioners; and~~
- ~~— The authorisation of enforcement officers.~~

~~[Council 23 November 2015]~~

~~242.4 Authorise actions up to a maximum set by law for recovery of debts owed to the Council in respect of Resource Management fees.~~

~~242.5 [Not Used] [Council 23 November 2015]~~

~~242.6 [Not Used] [Council 23 November 2015]~~

~~243 The General Manager, Customer Services may approve the granting of licences for roadside fruit and vegetable vendors.~~

~~244 The General Manager, Customer Services has delegated authority to exercise the functions, powers and duties granted to any officer who reports, directly or indirectly, to the General Manager, Customer Services. These functions, powers and duties are set out in clauses 210 to 233 of this Manual inclusive.~~

~~[Amended Council 24 August 2015]~~

CITY FUTURE UNIT

General Manager, City Future

~~245~~231 Regarding the Resource Management Act 1991, the General Manager, City Future, has delegated authority to:

~~245.~~231.1 Exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners; ~~and~~
- The authorisation of enforcement officers; ~~and~~
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

~~[Amended Council 23 November 2015]~~

~~245.2 [Not Used] [Council 23 November 2015]~~

~~245.3 Set, vary or waive any fee or charge for a Council service in respect of the Resource Management Act 1991 subject to:~~

- ~~— The fee or charge being a matter within her/his jurisdiction; and~~
- ~~— The fee or charge being permitted by law and not inconsistent with Council policy; and~~
- ~~— The decision being reported to the Chief Executive for transmittal to the Finance and Performance Committee if appropriate~~

~~245.4 [Not Used] [Council 23 November 2015]~~

~~245.5 [Not Used] [Council 23 November 2015]~~

~~245.6 [Not Used] [Council 23 November 2015]~~

~~245.7 Authorise actions up to a maximum set by law for recovery of debts owed to the Council in respect of Resource Management fees.~~

~~245.8 [Not Used] [Council 23 November 2015]~~

~~245.9 [Not Used] [Council 23 November 2015]~~

~~245.10 [Not Used] [Council 23 November 2015]~~

~~245.11 [Not Used] [Council 23 November 2015]~~

Legal Counsel

~~246191 Regarding the Resource Management Act 1991, the Legal Counsel has delegated authority to:~~

- ~~— Waive compliance and to extend time limits under section 37 of the Act; and~~
- ~~— Assign Hearings Commissioners in accordance with clause 180, above.~~

~~[Amended Council 23 November 2015]~~

~~247 [Not Used]~~

~~205A. The Legal Counsel, or his/her nominee (in liaison with the General Manager, Customer Services or his/her nominee) has the responsibility for assigning two of the District Licensing Committee members, appointed by the Council to the list maintained under section 192 of the Sale and Supply of Alcohol Act 2012, to comprise the members, along with the Chairperson and Deputy Chairperson of the Committee, to carry out any function given to the Committee by the Act. Before making any such assignment, the Legal Counsel or his/her nominee shall seek input from the Chairperson and/or Deputy Chairperson of the District Licensing Committee. Any Assignments made under this section may be amended up until the commencement time of a particular hearing.~~

~~248. The Legal Counsel, in conjunction with the Mayor or Deputy Mayor, or the Chief Executive if the Mayor and Deputy Mayor are absent or unavailable, is given delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.~~

~~A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.~~

~~206A. The Legal Counsel has delegated authority to sign any Land Information New Zealand Authority and Instruction Form in relation to any interest in land where approval for the matter has been given by the Council or any Committee or Officer acting under delegated authority.~~

~~[Council 16 December 2009]~~

~~206B. The Legal Counsel, in conjunction with any of the Mayor, Deputy Mayor or any other Councillor, or the Chief Executive if the Mayor and Deputy Mayor and another Councillor are absent or unavailable, is given delegated authority to sign any document on behalf of the Council where approval for the subject matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.~~

~~A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.~~

~~[Council 26 June 2013]~~

Finance Manager and Strategy Manager Finance

~~249 The Finance Manager and Strategy Manager Finance are responsible for managing the Council's borrowing and investment activities in accordance with the Liability Management and Investment Policy and in particular each of those officers has delegated authority to:~~

~~249.1 Manage the relationship between the Council and financial institutions, including the authority to:~~

- ~~(a) Authorise the terms and conditions of the relationships including any indemnities required by them.~~
- ~~(b) Open such accounts and sub-accounts as are necessary for the effective operation of the relationships including determining account signatories.~~
- ~~(c) Arrange credit lines including overdraft facilities without financial limit.~~
- ~~(d) Invest and retrieve temporary surplus funds without financial limit.~~

~~249.2 Negotiate the terms of the Council's Debenture Trust Deed and issue such certificates contemplated thereunder.~~

~~249.3 Engage agents such as brokers and registrars and paying agents to facilitate the operations of the Council in implementation of the Council's Borrowing and Investment policies and entry into the Debenture Trust Deed.~~

~~249.4 Negotiate and enter into master agreements with any bank or other institution, as a preliminary arrangement so that the Council is able to enter into hedging transactions as regards its interest rate or debt profile risk management when required.~~

~~249.5 Negotiate borrowings up to the levels authorised by the Council and authorise interest rates, maturity dates and other terms in relation to them.~~

~~250.191 In relation to rating matters, the Finance Manager and Strategy Manager Finance each have delegated authority to:~~

~~250.1191.1 Exercise the functions, powers and duties of the Council under the Rating Valuations Act 1998.~~

~~250.2191.1 Exercise the functions, powers and duties of the Council under the Local Government (Rating) Act 2002 (including the granting of rates remissions and postponements pursuant to the Rates Remission and Postponement Policies) except for those conferred by Subpart 2 of Part 1 or Subpart 1 of Part 5 (i.e. setting rates and setting replacement rates).~~

[Amended Council 26 September 2016]

Senior Rates Officer, Rates Officer and Credit Controller

~~208A. The Senior Rates Officer, Rates Officer and Credit Controller each have delegated authority to:~~

~~208A.1 Exercise the functions, powers and duties of the Council under the Rating Valuations Act 1998.~~

~~208A.2 Exercise the functions, powers and duties of the Council under the Local Government (Rating) Act 2002 (including the granting of rates remissions and postponements pursuant to the Rates Remission and Postponement Policies) except for those conferred by Subpart 2 of Part 1 or Subpart 1 of Part 5 (i.e. setting rates and setting replacement rates.~~

~~[Amended Council 26 September 2016]~~

City Planning Manager

~~254~~232 Regarding the Resource Management Act 1991, the City Planning Manager has delegated authority to:

~~251.12~~232.1 Exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners; ~~and~~
- ~~The authorisation of enforcement officers; and~~
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

~~[Amended Council 23 November 2015]~~

~~251.2~~ [Not Used] ~~[Council 23 November 2015]~~

~~251.3~~ Set, vary or waive any fee or charge for a Council service in respect of the Resource Management Act 1991 subject to:

- ~~The fee or charge being a matter within her/his jurisdiction; and~~
- ~~The fee or charge being permitted by law and not inconsistent with Council policy; and~~
- ~~The decision being reported to the Chief Executive for transmittal to the Finance and Performance Committee if appropriate.~~

~~[Not Used] [Council 23 November 2015] Senior Planner – City Future~~

233 Regarding the Resource Management Act 1991, the Senior Planner has delegated authority to exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;

- The appointment and assignment of Hearing Commissioners;
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

[Council 22 August 2016]

Planner – City Future

234 Regarding the Resource Management Act 1991, the Planner has delegated authority to exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearing Commissioners;
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

[Council 22 August 2016]

251.4 [Not Used] [Council 23 November 2015]

251.5 [Not Used] [Council 23 November 2015]

251.6 [Not Used] [Council 23 November 2015]

251.7 [Not Used] [Council 23 November 2015]

Head of Environmental Protection Services**CUSTOMER SERVICES UNIT**General Manager, Customer Services235 Regarding the Resource Management Act 1991, the General Manager, Customer Services has delegated authority to:235.1 Exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners;
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

[Council 23 November 2015]Head of Environmental Protection Services252236 The Head of Environmental Protection Services has delegated authority:252.1 To exercise the functions, powers and duties of a local authority under the Health Act 1956 (other than part 2A), except for the power to appoint Environmental Health Officers.[Council 24 August 2015]252.2236.1 To exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners; and
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

[Amended Council 23 November 2015]

~~252.3 To exercise the functions, powers and duties of the Council under the Litter Act 1979, except for the power to appoint Litter Control Officers and Litter Wardens.~~

~~[Amended Council 23 November 2015]~~

~~252.4 To exercise the functions, powers and duties of the Council under Part 21 of the Local Government Act 1974, except for ordering the removal of any tree scheduled or generally protected by the District Plan.~~

~~[Amended Council 23 November 2015]~~

~~252.5 To exercise the powers of Council under the following sections of the Local Government Act 2002:~~

- ~~(a) Section 168 Power to dispose of property seized and impounded;~~
- ~~(b) Section 171 General powers of entry;~~
- ~~(c) Section 172 Power of entry for enforcement purposes;~~
- ~~(d) Section 173 Power of entry in cases of emergency;~~
- ~~(e) Section 174 Authority to act;~~
- ~~(f) Section 177 Be appointed as an enforcement officer;~~
- ~~(g) Section 183 Removal of fire hazards;~~
- ~~(h) Section 186 Local Authority may execute works if owner or occupier defaults;~~
- ~~(i) Section 187 Recovery of costs of works by local authority;~~
- ~~(j) Section 245 Issue infringement notices;~~

~~252.6 [Not Used]~~

~~252.7 To exercise the functions, powers and duties of Council (as the case may be) under:~~

- ~~a) The Food Hygiene Regulations 1974;~~
- ~~b) The Food Act 2014, except the power to set fees;~~
- ~~c) Any regulations relating to the Food Act 2014; and~~

- d) ~~To the extent local businesses participate in the Ministry's Voluntary Implementation Programme in respect of the Food Act 2014, the functions, powers and duties of a territorial authority under that Programme.~~

~~[Council 22 August 2016]~~

~~252.8 [Not Used] [Council 23 November 2015]~~

~~252.9 To exercise the functions, powers and duties of a local authority under the following Regulations:~~

- ~~(a) The Health (Registration of Premises) Regulations 1966, including the requirement to maintain a register of premises and for the purposes of the following Regulations:~~
- ~~(i) Health (Hairdressers) Regulations 1980~~
 - ~~(ii) Food Hygiene Regulations 1974~~
 - ~~(iii) Camping Ground Regulations 1985~~
- ~~(b) The Health (Burial) Regulations 1946.~~
- ~~(c) The Housing Improvement Regulations 1947 to the extent they are not required to be exercised by the Council by resolution.~~
- ~~(d) The Amusement Device Regulations 1978.~~

~~[Council 24 August 2015, Amended Council 23 November 2015]~~

~~252.10 In respect of dog control:~~

- ~~(a) To exercise the functions, powers and duties of the Council under the Dog Control Act 1996 and any related Regulations, except for the power to appoint Dog Control Officers and Dog Rangers.~~
- ~~(b) To exercise the functions, powers and duties of the Council under the Dog Control Plan 2011 and the Dog Control Bylaw 2011 (as amended or superseded from time to time) to the extent they are not required to be exercised by resolution of the Council.~~

~~[Council 24 August 2015]~~

~~252.11 [Not Used]~~

~~252.12 The Head of Environmental Protection Services has delegated authority to exercise the functions, duties and powers granted to any officer who reports, directly or indirectly, to the Head of Environmental Protection Services. These~~

~~functions, duties and powers are set out in clause 211 to 219 of this Manual. The Head of Environmental Protection Services may also temporarily curtail any authority delegated to any such officer or apply any term or condition to its use.~~

Principal Environmental Health Officer

~~253.237~~ The Principal Environmental Health Officer has delegated authority:

~~253.1 [Not Used] [Council 23 November 2015]~~

~~253.2 To exercise the functions, powers and duties of a local authority under the Health Act 1956 (other than Part 2A), except for the power to appoint Environmental Health Officers.~~

~~[Council 24 August 2015]~~

~~253.3237.1~~ To exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners; and
- ~~The authorisation of enforcement officers;~~
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

~~[Amended Council 23 November 2015]~~

~~253.4 To exercise the functions, powers and duties of the Council under the Litter Act 1979, except for the power to appoint Litter Control Officers and Litter Wardens.~~

~~[Amended Council 23 November 2015]~~

~~253.5 To exercise the functions, powers and duties of the Council under Part 21 of the Local Government Act 1974, except for ordering the removal of any tree scheduled or generally protected by the District Plan.~~

~~[Amended Council 23 November 2015]~~

~~253.6 To exercise the powers of Council under the following sections of the Local Government Act 2002:~~

- ~~(a) Section 171 General powers of entry.~~
- ~~(b) Section 172 Power of entry for enforcement purposes.~~
- ~~(c) Section 173 Power of entry in cases of emergency.~~

- ~~(d) Section 174 Authority to act.~~
- ~~(e) Section 177 Be appointed as an enforcement officer.~~
- ~~(f) Section 183 Removal of fire hazards.~~
- ~~(g) Section 245 Issue infringement notices.~~

~~253.7 [Not Used]~~

~~253.8 To exercise the functions, powers and duties of Council (as the case may be) under:~~

- ~~a) The Food Hygiene Regulations 1974;~~
- ~~b) The Food Act 2014, except the power to set fees;~~
- ~~c) Any regulations relating to the Food Act 2014; and~~
- ~~d) To the extent local businesses participate in the Ministry's Voluntary Implementation Programme in respect of the Food Act 2014, the functions, powers and duties of a territorial authority under that Programme.~~

~~[Council 22 August 2016]~~

~~253.9 [Not Used] [Council 23 November 2013]~~

~~253.10 To exercise the functions, powers and duties of a local authority under the following Regulations:~~

- ~~(a) The Health (Registration of Premises) Regulations 1966, including the requirement to maintain a register of premises and for the purposes of the following Regulations:~~
 - ~~(i) Health (Hairdressers) Regulations 1980~~
 - ~~(ii) Food Hygiene Regulations 1974~~
 - ~~(iii) Camping Ground Regulations 1985~~
- ~~(b) The Health (Burial) Regulations 1946.~~
- ~~(c) The Housing Improvement Regulations 1947 to the extent they are not required to be exercised by the Council by resolution.~~
- ~~(d) The Amusement Device Regulations 1978.~~

~~[Council 24 August 2015. Amended Council 23 November 2015]~~

~~253.11 To exercise the powers and functions of the Council under any Palmerston North City Bylaw where that power is not required to be exercised by the Council by resolution or by special order.~~

~~253.12 [Not Used] [Council 24 August 2015]~~

~~253.13 [Not Used] [Council 24 August 2015]~~

Environmental Health Officer

~~254238~~ The Environmental Health Officer has delegated authority:

~~254.1 To exercise the functions, powers and duties of a local authority under the Health Act 1956 (other than Part 2A), except the power to appoint Environmental Health Officers.~~

~~[Council 24 August 2015]~~

~~254.2 To exercise the functions, powers and duties of a local authority under the following Regulations:~~

~~(a) The Health (Registration of Premises) Regulations 1966, including the requirement to maintain a register of premises and for the purposes of the following Regulations:~~

~~(i) Health (Hairdressers) Regulations 1980~~

~~(ii) Food Hygiene Regulations 1974~~

~~(iii) Camping Ground Regulations 1985~~

~~(b) The Health (Burial) Regulations 1946.~~

~~(c) The Housing Improvement Regulations 1947 to the extent they are not required to be exercised by the Council by resolution.~~

~~(d) The Amusement Device Regulations 1978.~~

~~[Council 24 August 2015. Amended Council 23 November 2015]~~

~~254.3 To exercise the functions, powers and duties of the Council under Part 21 of the Local Government Act 1974, except for ordering the removal of any tree scheduled or generally protected by the District Plan.~~

~~[Amended Council 23 November 2015]~~

~~254.4 To exercise the powers of Council under the following sections of the Local Government Act 2002:~~

~~(a) Section 168 Power to dispose of property seized and impounded.~~

- (b) ~~Section 171~~ ~~General powers of entry.~~
- (c) ~~Section 172~~ ~~Power of entry for enforcement purposes.~~
- (d) ~~Section 173~~ ~~Power of entry in cases of emergency.~~
- (e) ~~Section 174~~ ~~Authority to act.~~
- (f) ~~Section 177~~ ~~Be appointed as an enforcement officer.~~
- (g) ~~Section 245~~ ~~Issue infringement notices.~~
- (h) ~~Section 183~~ ~~Removal of fire hazards~~

~~[Amended Council 23 November 2015]~~

~~254.5—[Not Used] [Council 23 November 2015]~~

~~254.6~~238.1 To exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners; ~~and~~
- ~~The authorisation of enforcement officers; and~~
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

~~[Amended Council 23 November 2015]~~

~~254.7—To exercise the functions, powers and duties of the Council under the Litter Act 1979, except for the power to appoint Litter Control Officers and Litter Wardens.~~

~~[Amended Council 23 November 2015]~~

~~254.8—To exercise the functions, powers and duties of Council (as the case may be) under:~~

- ~~a) The Food Hygiene Regulations 1974;~~
- ~~b) The Food Act 2014, except the power to set fees;~~
- ~~c) Any regulations relating to the Food Act 2014; and~~

- d) ~~To the extent local businesses participate in the Ministry's Voluntary Implementation Programme in respect of the Food Act 2014, the functions, powers and duties of a territorial authority under that Programme.~~

[Council 22 August 2016]

255 ~~— [Not Used]~~

Bylaws Officer

256 ~~The Bylaws Officer has delegated authority:~~

- 256.1 ~~To exercise the functions, powers and duties of the Council under Part 21 of the Local Government Act 1974, except for ordering the removal of any tree scheduled or generally protected by the District Plan.~~

[Amended Council 23 November 2015]

- 256.2 ~~To exercise the powers of Council under the following sections of the Local Government Act 2002:~~

- ~~(a) Section 171 General powers of entry.~~
- ~~(b) Section 172 Power of entry for enforcement purposes.~~
- ~~(c) Section 173 Power of entry in cases of emergency.~~
- ~~(d) Section 174 Authority to act~~
- ~~(e) Section 177 Be appointed as an enforcement officer.~~
- ~~(f) Section 183 Removal of fire hazards.~~
- ~~(g) Section 245 Issue infringement notices.~~

- 256.3 ~~To exercise the functions, powers and duties of the Council under the Litter Act 1979, except for the power to appoint Litter Control Officers and Litter Wardens.~~

[Amended Council 23 November 2015]

- 256.4 ~~To exercise the powers and functions of the Council under any Palmerston North City By-Law where that power is not required to be exercised by the Council by resolution or by special order.~~

Senior Parking Officer

257 ~~The Senior Parking Officer has delegated authority:~~

~~257.1 To exercise the functions, powers and duties of the Council under the Palmerston North Traffic and Parking Bylaw 2011 (as amended or superseded from time to time), except the power to appoint Authorised Officers.~~

~~[Council 24 August 2015]~~

~~257.2 To exercise the functions, powers and duties of the Council under the Land Transport Act 1998, except the power to appoint parking wardens or make any bylaw pursuant to this Act. [Council 24 August 2015]~~

~~257.3 [Not Used] [Council 24 August 2015]~~

~~257.4 To waive charges and infringement fees in accordance with defined policy.~~

~~257.5 [Not Used] [Council 24 August 2015]~~

~~257.6 [Not Used] [Council 24 August 2015]~~

~~257.7 [Not Used] [Council 23 November 2015]~~

~~257.8 To exercise the powers of Council under the following sections of the Local Government Act 2002:~~

- ~~(a) Section 171 General powers of entry.~~
- ~~(b) Section 172 Power of entry for enforcement purposes.~~
- ~~(c) Section 173 Power of entry in cases of emergency~~
- ~~(d) Section 174 Authority to act.~~
- ~~(e) Section 177 Be appointed as an enforcement officer.~~
- ~~(f) Section 245 Issue infringement notices.~~

~~[Amended Council 23 November 2015]~~

~~257.9 To exercise the functions, powers and duties of the Council under the Part 21 of the Local Government Act 1974 except for ordering the removal of any tree scheduled or generally protected by the District Plan.~~

~~[Council 23 November 2015]~~

Parking Officers

~~258 Each Parking Officer has delegated authority:~~

~~258.1 To exercise the functions, powers and duties of the Council under the Palmerston North Traffic and Parking Bylaw 2011 (as amended or superseded from time to time), except the power to appoint Authorised Officers.~~

~~[Council 24 August 2015]~~

~~258.2 To exercise the functions, powers and duties of the Council under the Land Transport Act 1998, except the power to appoint parking wardens or make any bylaw pursuant to this Act.~~

~~[Council 24 August 2015]~~

~~258.3 [Not Used] [Council 24 August 2015]~~

~~258.4 To exercise the powers of Council under the following sections of the Local Government Act 2002:~~

- ~~(a) Section 171 General powers of entry.~~
- ~~(b) Section 172 Power of entry for enforcement purposes.~~
- ~~(c) Section 173 Power of entry in cases of emergency.~~
- ~~(d) Section 174 Authority to act.~~
- ~~(e) Section 177 Be appointed as an enforcement officer.~~
- ~~(f) Section 245 Issue infringement notices.~~

Senior Animal Control Officer

~~259 The Senior Animal Control Officer has delegated authority:~~

~~259.1 In respect of dog control:~~

- ~~(a) To exercise the functions, powers and duties of the Council under the Dog Control Act 1996 and any related Regulations, except for the power to appoint Dog Control Officers and Dog Rangers.~~
- ~~(b) To exercise the functions, powers and duties of the Council under the Dog Control Plan 2011 and the Dog Control Bylaw 2011 (as amended or superseded from time to time), to the extent they are not required to be exercised by resolution of the Council.~~

~~[Council 24 August 2015]~~

~~259.2 To exercise the powers of Council under the following sections of the Local Government Act 2002:~~

- ~~(a) Section 171 General powers of entry.~~
- ~~(b) Section 172 Power of entry for enforcement purposes.~~
- ~~(c) Section 173 Power of entry in cases of emergency.~~
- ~~(d) Section 174 Authority to act.~~
- ~~(e) Section 177 Be appointed as an enforcement officer.~~
- ~~(f) Section 245 Issue infringement notices.~~

~~259.3 To exercise all the functions, powers and duties of the Council under the Impounding Act 1955 and any related Regulations, except for the power to appoint poundkeepers, deputy poundkeepers, rangers and other staff.~~

~~[Council 24 August 2015]~~

~~259.4 To exercise the functions, powers and duties of a territorial authority under the Animal Welfare Act 1999.~~

~~[Council 24 August 2015]~~

Animal Control Officer

~~260 The Animal Control Officer has delegated authority:~~

~~260.1 To exercise the functions, powers and duties of the Council under the Dog Control Act 1996 and any related Regulations, except for the power to appoint Dog Control Officers and Dog Rangers.~~

~~[Council 24 August 2015]~~

~~260.2 To exercise the functions, powers and duties of the Council under the Dog Control Plan 2011 and the Dog Control Bylaw 2011 (as amended or superseded from time to time), to the extent they are not required to be exercised by resolution of the Council.~~

~~[Council 24 August 2015]~~

~~260.3 To exercise the functions, powers and duties of a territorial authority under the Animal Welfare Act 1999.~~

~~[Council 24 August 2015]~~

~~260.4 To exercise the functions, powers and duties of the Council under the Impounding Act 1955 and any related Regulations, except for the power to appoint poundkeepers, deputy poundkeepers, rangers and other staff.~~

~~[Council 24 August 2015]~~

~~260.5 To exercise the powers of Council under the following sections of the Local Government Act 2002,~~

- ~~(a) Section 171 General powers of entry,~~
- ~~(b) Section 172 Power of entry for enforcement purposes,~~
- ~~(c) Section 173 Power of entry in cases of emergency,~~
- ~~(d) Section 174 Authority to act,~~
- ~~(e) Section 177 Be appointed as an enforcement officer,~~
- ~~(f) Section 245 Issue infringement notices,~~

~~260.6 [Not Used] [Council 24 August 2015]~~

~~261 [Not Used] [Council 24 August 2015]~~

Head of Building Services

~~262 The Head of Building Services has delegated authority:~~

~~262.1 [Not Used] [Council 24 August 2015]~~

~~262.2 [Not Used] [Council 24 August 2015]~~

~~262.3 To exercise the powers of Council under the following sections of the Local Government Act 2002,~~

- ~~(a) Section 168 Power to dispose of property seized and impounded,~~
- ~~(b) Section 171 General powers of entry,~~
- ~~(c) Section 172 Power of entry for enforcement purposes,~~

- ~~(d) Section 173 Power of entry in cases of emergency.~~
 - ~~(e) Section 174 Authority to act.~~
 - ~~(f) Section 177 Be appointed as an enforcement officer.~~
 - ~~(g) Section 183 Removal of fire hazards.~~
 - ~~(h) Section 186 Local Authority may execute works if owner or occupier defaults.~~
 - ~~(i) Section 187 Recovery of costs of works by local authority.~~
 - ~~(j) Section 245 Issue infringement notices.~~
- ~~262.4 To exercise the functions, powers and duties of the Council, both in its capacity as a territorial authority and a building consent authority, under the Building Act 2004 and Regulations made under this Act.~~
- ~~*[Council 24 August 2015]*~~
- ~~262.5 To issue certificates under Sections 100(f) and 143(1)(b) of the Sale and Supply of Alcohol Act 2012.~~
- ~~*[Council 24 August 2015]*~~
- ~~262.6 To exercise the functions, powers and duties of the Council under Part 21 of the Local Government Act 1974, except for ordering the removal of any tree scheduled or generally protected by the District Plan.~~
- ~~*[Amended Council 23 November 2015]*~~
- ~~262.7 To issue Land Information Memoranda under Section 44A of the Local Government Official Information and Meetings Act 1987.~~
- ~~262.8 To exercise the functions, powers and duties of the territorial authority under the Fencing of Swimming Pools Act 1987, except:~~
- ~~— The power to issue warrants; and~~
 - ~~— Matters within the delegated authority of the Hearings Committee.~~
- ~~*[Amended Council 23 November 2015]*~~
- ~~262.9 [Not Used] *[Council 23 November 2015]*~~
- ~~262.10 To exercise the powers of the Council in relation to bylaws affecting vehicle crossings and signs.~~

Head of Planning Services

~~263.239~~ The Head of Planning Services has delegated authority:

~~263.1 To exercise the functions, powers and duties granted to any officer who reports, directly or indirectly, to the Head of Planning Services. These functions, powers and duties are set out in clauses 223, 228 and 229 inclusive of this Manual (Senior Planner – Compliance and Resolutions and Senior Planner – Resource Consents, Planning Officer, and Monitoring & Enforcement Officer).~~

~~[Amended Council 23 November 2015]~~

~~263.2 [Not Used] [Council 23 November 2015]~~

~~263.3 [Not Used] [Council 24 August 2015]~~

~~263.4 To exercise the powers of Council under the following sections of the Local Government Act 2002.~~

- ~~(a) Section 168 Power to dispose of property seized and impounded.~~
- ~~(b) Section 171 General powers of entry.~~
- ~~(c) Section 172 Power of entry for enforcement purposes.~~
- ~~(d) Section 173 Power of entry in cases of emergency.~~
- ~~(e) Section 174 Authority to act.~~
- ~~(f) Section 177 Be appointed as an enforcement officer.~~
- ~~(g) Section 183 Removal of fire hazards.~~
- ~~(h) Section 186 Local Authority may execute works if owner or occupier defaults.~~
- ~~(i) Section 187 Recovery of costs of works by local authority.~~
- ~~(j) Section 245 Issue infringement notices.~~

~~263.5 To consider and decide on applications for remissions under the Council's approved Development Contributions Policy in consultation with the relevant Network Manager to which the remission relates. The Network Managers being;~~

- ~~The Roading Manager~~
- ~~The Water and Waste Services Manager~~
- ~~The Parks and Property Manager~~

~~263.6 [Not Used] [Council 23 November 2015]~~

~~263.7~~ 239.1 To exercise the functions, powers and duties of the Council under the Resource Management Act 1991, and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners; ~~and~~
- ~~The authorisation of enforcement officers; and~~
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

~~[Amended Council 23 November 2015]~~

~~263.8 [Not Used] [Council 23 November 2015]~~

~~263.9 [Not Used] [Council 23 November 2015]~~

~~263.10 To exercise the functions, powers and duties of the Council under Part 21 of the Local Government Act 1974, except for ordering the removal of any tree scheduled or generally protected by the District Plan.~~

~~[Amended Council 23 November 2015]~~

~~263.11 To issue certificates under Sections 100(f) and 143(1)(b) of the Sale and Supply of Alcohol Act 2012.~~

~~263.12 To exercise the functions, powers and duties of the Council under the Unit Titles Act 2010, except for the authorisation of individuals as authorised officers.~~

~~[Amended Council 23 November 2015]~~

~~263.13 [Not Used] [Council 23 November 2015]~~

~~264 [Not Used] [Council 16 December 2009]~~

Senior Planner – Compliance and Resolutions and Senior Planner – Resource Consents

~~265~~ 240 The Senior Planner – Compliance and Resolutions and the Senior Planner – Resource Consents has delegated authority:

~~265.1240.1~~ To exercise the functions, powers and duties of the Council under the Resource Management Act 1991, and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners; ~~and~~
- ~~The authorisation of enforcement officers; and~~
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

[Amended by Governance & Support Team Leader under delegations 13 July 2016]

~~265.2~~ ~~[Not Used]~~ ~~[Council 24 August 2015]~~

~~265.3~~ ~~[Not Used]~~ ~~[Council 23 November 2015]~~

~~265.4~~ To exercise the functions, powers and duties of the Council under Part 21 of the Local Government Act 1974, except for ordering the removal of any tree scheduled or generally protected by the District Plan.

[Amended Council 23 November 2015]

~~265.5~~ To exercise the powers of Council under the following sections of the Local Government Act 2002:

- (a) ~~Section 171~~ General powers of entry.
- (b) ~~Section 172~~ Power of entry for enforcement purposes.
- (c) ~~Section 173~~ Power of entry in cases of emergency.
- (d) ~~Section 174~~ Authority to act.
- (e) ~~Section 177~~ Be appointed as an enforcement officer.
- (f) ~~Section 245~~ Issue infringement notices.

~~265.6~~ To issue certificates under Sections 100(f) and 143(1)(b) of the Sale and Supply of Alcohol Act 2012.

~~265.7~~ To exercise the functions, powers and duties of the Council under the Unit Titles Act 2010, except for the authorisation of individuals as authorised officers.

[Amended Council 23 November 2015]

~~265.8 To exercise the powers, duties and functions delegated to Senior Planner, Compliance and Resolutions and Senior Planner – Resource Consents, Planning Officer, and Monitoring & Enforcement Officer.~~

*[Amended by Governance & Support Team Leader under delegations 13 July 2016]*Team Leader – PNCC

~~266 The Team Leader – PNCC has delegated authority:~~

~~266.1 To exercise the functions, powers and duties of the Council, both in its capacity as a territorial authority and a building consent authority, under the Building Act 2004 and Regulations made under this Act.~~

[Council 24 August 2015]

~~266.2 To issue certificates under Sections 100(f) and 143(1)(b) of the Sale and Supply of Alcohol Act 2012.~~

[Council 24 August 2015]

~~266.3 To exercise the functions, powers and duties of the territorial authority under the Fencing of Swimming Pools Act 1987, except:~~

~~— The power to issue warrants; and~~

~~— Matters within the delegated authority of the Hearings Committee.~~

[Amended 23 November 2015]

~~266.4 [Not Used] [Council 23 November 2015]~~

~~266.5 To exercise the powers of Council under the following sections of the Local Government Act 2002.~~

~~(a) Section 171 General powers of entry.~~

~~(b) Section 172 Power of entry for enforcement purposes.~~

~~(c) Section 173 Power of entry in cases of emergency.~~

~~(d) Section 174 Authority to act.~~

~~(e) Section 177 Be appointed as an enforcement officer.~~

~~(f) Section 245 Issue infringement notices.~~

~~266.6 [Not Used] [Council 24 August 2015]~~

~~267 [Not Used] [Council 16 December 2009]~~

~~Advanced Building Officer; Senior Building Officer Plumbing and Drainage; Senior Building Officer- Commercial; and Senior Building Officer – Compliance~~

~~268 The Advanced Building Officer, Senior Building Officer Plumbing and Drainage; Senior Building Officer- Commercial; and Senior Building Officer – Compliance have delegated authority;~~

~~268.1 To exercise the functions, powers and duties of the Council, both in its capacity as a territorial authority and a building consent authority, under the Building Act 2004 and Regulations made under this Act.~~

~~[Amended by Governance & Support Team Leader under delegations 13 July 2016]~~

~~Building Officer~~

~~269 The Building Officer has delegated authority;~~

~~269.1 To exercise the functions, powers and duties of the Council, both in its capacity as a territorial authority and a building consent authority, under the Building Act 2004 and Regulations made under this Act.~~

~~[Council 24 August 2015]~~

~~269.2 To exercise the functions, powers and duties of the territorial authority under the Fencing of Swimming Pools Act 1987, except;~~

~~— The power to issue warrants; and~~

~~— Matters within the delegated authority of the Hearings Committee.~~

~~[Amended Council 23 November 2015]~~

~~269.3 To exercise the powers of Council under the following sections of the Local Government Act 2002.~~

~~(a) Section 172 Power of entry for enforcement purposes.~~

~~(b) Section 173 Power of entry in cases of emergency.~~

~~(c) Section 174 Authority to act.~~

~~(d) Section 177 Be appointed as an enforcement officer.~~

~~(e) Section 245 Issue infringement notices.~~

~~Monitoring & Enforcement Officer~~

~~270.241~~ The Monitoring & Enforcement Officer has delegated authority:

~~270.1241.1~~ To exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners; and
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

[Amended Council 23 November 2015]

~~270.2~~ To exercise the powers of Council under the following sections of the Local Government Act 2002:

- (a) ~~Section 171~~ General powers of entry
- (b) ~~Section 172~~ Power of entry for enforcement purposes.
- (c) ~~Section 173~~ Power of entry in cases of emergency.
- (d) ~~Section 174~~ Authority to act.
- (e) ~~Section 177~~ Be appointed as an enforcement officer.

Planning Officer

~~271.242~~ The Planning Officer has delegated authority:

~~271.1242.1~~ To exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners; and
- The authorisation of enforcement officers; and

- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Su.,

[Amended Council 23 November 2015]

~~271.2 To issue certificates under Sections 100(f) and 143(1)(b) of the Sale and Supply of Alcohol Act 2012.~~

~~271.3 To exercise the powers of Council under the following sections of the Local Government Act 2002:~~

- ~~(a) Section 171 General powers of entry~~
- ~~(b) Section 172 Power of entry for enforcement purposes.~~
- ~~(c) Section 173 Power of entry in cases of emergency.~~
- ~~(d) Section 174 Authority to act.~~
- ~~(e) Section 177 Be appointed as an enforcement officer.~~
- ~~(f) Section 245 Issue infringement notices.~~

~~272 [Not Used] [Council 23 November 2015]~~

Information Officer

~~273 The Information Officer has delegated authority:~~

~~273.1 To issue land information memoranda under Section 44A of the Local Government Official Information and Meetings Act 1987.~~

~~273.2 [Not Used] [Council 23 November 2015]~~

~~273.3 To exercise the powers of Council under the following sections of the Local Government Act 2002:~~

- ~~(a) Section 171 General powers of entry~~
- ~~(b) Section 172 Power of entry for enforcement purposes.~~
- ~~(c) Section 173 Power of entry in cases of emergency.~~
- ~~(d) Section 174 Authority to act.~~

~~(e) Section 177 Be appointed as an enforcement officer;~~

~~(f) Section 245 Issue infringement notices;~~

~~274 [Not Used]~~

~~275 [Not Used] [Council 23 November 2015]~~

~~Water and Waste Services Manager~~

~~276 The Water and Waste Services Manager has delegated authority to exercise the functions, duties and powers of the Council, in its capacity as a drinking water supplier, under Part 2A of the Health Act 1956.~~

~~[Council 24 August 2015]~~

~~Senior Planner – City Future~~

~~277 Regarding the Resource Management Act 1991, the Senior Planner has delegated authority to exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:~~

- ~~— Matters within the delegated authority of the Hearings Committee;~~
- ~~— Matters in respect of which one or more Hearings Commissioners has been appointed;~~
- ~~— The appointment and assignment of Hearing Commissioners; and~~
- ~~— The authorisation of enforcement officers.~~

~~[Council 22 August 2016]~~

~~Planner – City Future~~

~~278 Regarding the Resource Management Act 1991, the Planner has delegated authority to exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:~~

- ~~— Matters within the delegated authority of the Hearings Committee;~~
- ~~— Matters in respect of which one or more Hearings Commissioners has been appointed;~~
- ~~— The appointment and assignment of Hearing Commissioners; and~~
- ~~— The authorisation of enforcement officers.~~

~~[Council 22 August 2016]~~

PART 2 - TERMS OF REFERENCE

~~These Terms of Reference were last amended by the Council on 23 March 2015. Any further amendments since that date have the adoption date noted.~~

COUNCIL

The Council's areas of responsibility include:

To consider and adopt decisions made by the various Standing Committees during the current meeting cycle. On occasions, the Council may hold a special meeting to consider business, which requires urgent resolution.

COMMITTEES:

ARTS, CULTURE AND HERITAGE

The Committee's areas of responsibility include:

1. Arts Policy Development and Issues
2. Arts, Culture and Heritage Events
3. Cultural Diversity
4. Square Edge
5. Council Controlled Organisations (non-commercial) - Caccia Birch House, Globe Theatre, Regent on Broadway, Te Manawa Museum Trust
6. NZ Rugby Museum
7. Centrepont Theatre
8. Palmerston North Community Arts' Council
9. Palmerston North Performing Arts' Trust
10. CCNZ report
11. Palmerston North Military Heritage Group
12. ANZAC Day, Armistice Day, and Military Parades
13. Section 17A Reviews for Cultural CCOs
14. Approval of appropriate Draft Strategies, Plans and Policies for public consultation
15. Recommend appropriate Strategies, Plans and Policies to Council for adoption

~~[Council, 26 October 2016]~~

AUDIT AND RISK COMMITTEE

The Committee's areas of responsibility include:

1. Consideration of the External Audit Management issues
2. Six month and Annual Risk Management and Internal Audit Reports
3. Performance Monitoring of committees, sub-committees, working parties, workshops and advisory groups to ensure that all legal requirements are met and that the process is carried out in an effective and efficient manner
4. Project management reporting
5. Delegations

[Council 26 October 2016]

CHIEF EXECUTIVE'S PERFORMANCE REVIEW PANEL

The Committee's areas of responsibility include:

1. To recommend to the Council a process for appraising the Chief Executive's performance
2. To provide the Chief Executive with regular feedback, mentoring and support through informal monthly meetings
3. To ensure the Chief Executive receives relevant training and development opportunities
4. To carry out an annual review of the Chief Executive's performance and report the results to the Council
5. To negotiate a process for reviewing the Chief Executive's remuneration
6. To carry out an annual review of the Chief Executive's remuneration and make recommendations to the Council on the application of the review
7. To manage the provisions of the Chief Executive's Employment Agreement
8. Appointment of an independent HR Contractor to assist with the Performance Review Process
9. To negotiate any variation to the Employment Agreement and make recommendations to the Council
10. To undertake the appraisal of the Chief Executive's performance.

[Council 26 October 2016]

COMMITTEE OF COUNCIL

The Committee's areas of responsibility include:

1. 10 Year Plan/Annual Plan
2. Standing Orders
3. Code of Conduct Issues

[Council 26-October-2016]

COMMUNITY DEVELOPMENT COMMITTEE

The Committee's areas of responsibility include:

1. Community Development
2. Community Engagement
3. Social Policy Development and Issues
4. Community Grants/Funding Schemes
5. Community Events
6. Civil Defence
7. Social Housing
8. Community Centres
9. Libraries
10. Disabled sector - DPA
11. Youth Council
12. Student City
13. Age-friendly Palmerston North
14. Aged Sector
15. Safety Advisory Board
16. Public Health and Safety
17. Approval of appropriate Draft Strategies, Plans and Policies for public consultation
18. Recommend appropriate Strategies, Plans and Policies to Council for adoption

[Council 26-October-2016]

CREATIVE COMMUNITIES NEW ZEALAND/ARTS & CULTURE FUND COMMITTEE

The Committee's areas of responsibility include:

The purpose of the CCNZ/ Arts and Culture Fund Committee is to assist the Council win the administration of the Council's Arts and Culture Fund and the Creative Communities New Zealand Scheme.

[Council-11-November-2013]

ECONOMIC DEVELOPMENT COMMITTEE

The Committee's areas of responsibility include:

1. Citizen Interaction and Information
2. City Marketing and Sense of Place – CEDA
3. Chamber of Commerce
4. Maori business and Iwi leaders
5. Contact and Call Centre Cluster
6. Defence Hub Cluster
7. Federated Farmers
8. Racing Industry
9. Talent Central & Employment Sector
10. Chartered Accountants Society
11. Business Central Employers Federation
12. Manufacturers and Exporters' Association
13. District Law Society
14. Real Estate Institute
15. Research Sector
16. Education Sector (including International Education)
17. Digital and Technology Sector
18. International relationships (including Sister Cities programme)
19. PNCC Building Services
20. Health Sector

[Council-26-October-2016]

FINANCE AND PERFORMANCE COMMITTEE

The Committee's areas of responsibility include:

1. Council Finances
2. Annual Report
3. Assets and Investments
4. External Corporate Relationships and Initiatives
5. Council Facilities
6. Energy Management
7. Implementation of appropriate Strategies, Plans and Policies
8. Waste Services
9. Council Owned Infrastructure
10. Council Controlled Organisations (commercial) – Palmerston North Airport Ltd
11. Approval of appropriate Draft Strategies, Plans and Policies for public consultation
12. Recommend appropriate Strategies, Plans and Policies to Council for adoption.

[Council 26-October 2016]

HEARINGS COMMITTEE

The Committee's areas of responsibility include:

1. Hearings conducted pursuant to any enactment to consider and determine any such matter such as hearings or related discussions under these Acts:
 - Resource Management Act 1991
 - Dog Control Act 1996
 - Sale of Liquor Act 1989
 - Fencing of Swimming Pools Act 1987
2. To conduct hearings on other issues where a full formal hearing is required by law or considered desirable by the Council
3. Noting that Resource Management Act 1991 hearings include plan changes and variations other than those associated with the Sectional District Plan review; requirements, designations and heritage orders; applications for notified resource consents; applications for review of conditions under Sections 357, 357A, 357B, 357C and 357D of the Resource Management Act 1991
4. To consider Fencing and Swimming Pools Act 1987 applications that do not require a full public Hearing.

[Council 26-October 2016]

PLANNING AND STRATEGY COMMITTEE

The Committee's areas of responsibility include:

1. Environmental Planning and Policy
2. Urban Design and Control
3. Legislation and Governance Issues/Policy
4. Bylaws
5. Implementation of Strategies, Plans and Policies as appropriate
6. Transportation and Infrastructure Planning
7. Waste Management Planning
8. Approval of appropriate Draft Strategies, Plans and Policies for public consultation
9. Recommend appropriate Strategies, Plans and Policies to Council for adoption
10. Manawatu River Accord
11. New 2022 Wastewater Consent

[Council 26 October 2016]

SPORT AND RECREATION COMMITTEE

The Committee's areas of responsibility include:

1. Sport
2. Recreation and Leisure
3. Parks and Reserves
4. Cycleways/Pathways
5. Sport Manawatu Reporting
6. Sporting, Recreation and Leisure Events
7. Arena Reporting
8. Implementation of appropriate Plans, Strategies and Policies
9. Reserve Management Plans
10. Massey Sports Hub (including Sport and Rugby Institute)
11. Approval of appropriate Draft Strategies, Plans and Policies for public consultation
12. Recommend appropriate Strategies, Plans and Policies to Council for adoption

JOINT COMMITTEES:

**MANAWATU DISTRICT AND PALMERSTON NORTH CITY JOINT STRATEGIC
PLANNING COMMITTEE**

The Committee's areas of responsibility include:

1. To address strategic planning issues that impact on both Manawatu District and Palmerston North City, in particular issues relating to but not restricted to infrastructure, land use planning and economic development.
2. To consider community planning and community outcomes implications.
3. Quarterly reporting of CEDA – Central Economic Development Agency.
4. Regional Growth Study and Plan – Accelerate 25
5. Regional Roothing
6. Shared Services

[Council 26-October-2016]

DELEGATIONS MANUAL

Table of Contents

PART 1 - DELEGATIONS MADE BY COUNCIL	1
GENERAL.....	1
PHILOSOPHY OF COUNCIL REGARDING DELEGATIONS	1
GENERAL AND SPECIFIC DELEGATIONS	1
MEANING OF DELEGATIONS	2
WHAT MAY BE DELEGATED.....	2
CHARACTERISTICS OF DELEGATION	2
CARE IN DEFINING AUTHORITY	3
STATUTORY REQUIREMENTS.....	3
PROCEDURES.....	4
DELEGATIONS TO BE IN WRITING.....	4
EXTENT OF DELEGATION	4
SUB-DELEGATION.....	4
REPORTING DECISIONS	4
TERM OF DELEGATION	4
VARIATION OF DECISION.....	4
POLICY AND DELEGATED DECISION-MAKING	5
DELEGATION TO OFFICE	5
APPEALS	5
REVIEW OF DECISION OF HEARINGS COMMITTEE	6
AMENDMENTS TO THIS MANUAL.....	6
DEFINITIONS.....	7
DOCUMENT SIGNING AND AFFIXING COMMON SEAL	10
MAYOR.....	10

DEPUTY MAYOR.....	10
COUNCILLORS.....	10
CHIEF EXECUTIVE	10
CHIEF FINANCIAL OFFICER	11
LEGAL COUNSEL.....	11
CONTRACTS AND OTHER FINANCIAL MATTERS	12
BEST METHOD TO BE USED.....	12
CONTRACTS UNDER 20% OF THE SPECIFIED SUM.....	12
CONTRACT FOR OTHER THAN BEST PRICE.....	12
DELEGATIONS TO COMMITTEES	13
STANDING COMMITTEES.....	13
COMMUNITY DEVELOPMENT COMMITTEE	15
CREATIVE COMMUNITIES NEW ZEALAND/ARTS AND CULTURE FUND COMMITTEE	15
FINANCE AND PERFORMANCE COMMITTEE	15
HEARINGS COMMITTEE	16
JOINT STANDING COMMITTEE WITH THE MANAWATU-WANGANUI REGIONAL COUNCIL (HORIZONS REGIONAL COUNCIL).....	17
PLANNING AND STRATEGY COMMITTEE	17
MANAWATU-WANGANUI REGION CIVIL DEFENCE EMERGENCY MANAGEMENT GROUP COMMITTEE.....	17
MANAWATU DISTRICT AND PALMERSTON NORTH CITY JOINT STRATEGIC PLANNING COMMITTEE.....	18
DELEGATIONS TO SUB-COMMITTEES	19
SUB-COMMITTEES	19
DELEGATIONS TO SUBORDINATE DECISION-MAKING BODIES	20
CHIEF EXECUTIVE'S PERFORMANCE REVIEW PANEL	20
JAYCEE TRUST TRAVELLING FELLOWSHIP SELECTION PANEL	20
DELEGATIONS TO MAYOR AND COUNCILLORS	21
ALL CHAIRPERSONS AND DEPUTY CHAIRPERSONS	21

MAYOR AND CHAIRPERSON OF THE FINANCE AND PERFORMANCE COMMITTEE	21
MAYOR.....	22
ZONE 3 REPRESENTATIVES	22
DELEGATIONS TO AND ASSIGNMENT OF COMMISSIONERS	23
POWERS OF COMMISSIONER	23
ASSIGNMENT OF COMMISSIONERS.....	23
WHEN ASSIGNMENT REQUIRED	24
REPORT OF COMMISSIONER	24
APPOINTMENT AND ASSIGNMENT OF NON-LISTED COMMISSIONER	24
DELEGATIONS TO CHIEF EXECUTIVE	25
BROAD DELEGATION	25
FINANCIAL DELEGATIONS	26
TRANSACTIONS.....	26
VARIATION OF BUDGETS	27
EMERGENCIES	28
CLAIMS	28
FEEES AND CHARGES, AND INFRINGEMENT FEES	28
RATES INCLUDING REMISSIONS AND POSTPONEMENTS.....	29
BORROWING, INVESTMENTS AND BAD DEBTS.....	29
INSURANCE.....	29
CENTRAL ECONOMIC DEVELOPMENT AGENCY (CEDA)	29
DEPUTY CHIEF EXECUTIVE	30
DELEGATIONS TO OTHER OFFICERS	31
GENERAL.....	31
CITY CORPORATE UNIT	31
CHIEF FINANCIAL OFFICER	31
LEGAL COUNSEL.....	31
FINANCE MANAGER AND STRATEGY MANAGER FINANCE	31

CITY FUTURE UNIT	32
GENERAL MANAGER, CITY FUTURE	32
SENIOR PLANNER – CITY FUTURE	33
PLANNER – CITY FUTURE	33
GENERAL MANAGER, CUSTOMER SERVICES	34
ENVIRONMENTAL PROTECTION SERVICES	34
PLANNING SERVICES	35
PART 2 - TERMS OF REFERENCE	37
COUNCIL	37
COMMITTEES:	37
ARTS, CULTURE AND HERITAGE	37
AUDIT AND RISK COMMITTEE	38
CHIEF EXECUTIVE'S PERFORMANCE REVIEW PANEL	38
COMMITTEE OF COUNCIL	39
COMMUNITY DEVELOPMENT COMMITTEE	39
CREATIVE COMMUNITIES NEW ZEALAND/ARTS & CULTURE FUND COMMITTEE	40
ECONOMIC DEVELOPMENT COMMITTEE	40
FINANCE AND PERFORMANCE COMMITTEE	41
HEARINGS COMMITTEE	41
PLANNING AND STRATEGY COMMITTEE	42
SPORT AND RECREATION COMMITTEE	42
JOINT COMMITTEES:	43
MANAWATU DISTRICT AND PALMERSTON NORTH CITY JOINT STRATEGIC PLANNING COMMITTEE	43

PART 1 - DELEGATIONS MADE BY COUNCIL

GENERAL

Philosophy of Council Regarding Delegations

101. The Palmerston North City Council believes that it is essential, in the interests of good management and effective administration, to encourage the delegation of decision making to the lowest competent level. This will achieve best use of the abilities of elected representatives and officers, minimise the cost of material, technical and financial resources, promote the development of effective managers and minimise bureaucratic interference in the daily affairs of the City's residents.
102. Authority and responsibility are inseparable. Those with responsibility for a task or function should always have the authority to carry it out effectively. Those with authority should always be responsible for its wise use. Delegations should not however remove from the Council and management ultimate accountability for the affairs of this Council.
103. Delegates should willingly accept authority and responsibility for decision making in the certain knowledge that their decisions, if made in a full, fair and objective manner, will not be reviewed lightly.
104. It is the statutory function of this Council to lead and guide the management of the City by determining primary goals and objectives, by setting strategies and policies for their achievement and to encourage their achievement through the considered use of Committees and the appointment of skilled officers. Officers in turn implement and administer those policies, contribute substantially to their formulation and provide and manage the infrastructures on which the City is based. Delegation focuses and sharpens this relationship and assists in the better achievement of the respective functions of elected representatives and officers. The effectiveness of delegation must be monitored and the system amended where necessary. This is a key role of elected members.
105. Finally, the level of delegation is symptomatic of the health and well-being of the Council. Without it, and the mutual trust and respect which should exist between members of the Council and its officers and between officers themselves, the effectiveness and efficiency of the organisation must be at risk.

General and Specific Delegations

106. In this Manual a general delegation implies the granting of authority to determine a range of matters of a similar kind as and when they arise over a period of time without further reference to the delegator.
107. From time to time the Council may delegate authority to determine a specific issue and this authority will apply only so long as that matter is unresolved and will then lapse. This is a specific delegation.
108. This Manual will be updated for general delegations as they are granted, but not those of a specific nature which will be largely historical by the time they are recorded. They must however, by law, be recorded and this will be done separately.

Meaning of Delegations

109. Delegation in this Manual means the assignment of a function, power or duty of the Council to a Committee, employee of the Council or another person, together with the authority to carry out that function, power or duty with responsibility for the outcome.
110. A power to hear evidence or consider a proposal is not, without more, a delegation of authority to make decisions on the evidence or proposal and is not, generally, included in this Manual. All Committees, Sub-Committees and officers have authority to hear any matter within their jurisdiction and submit a report or recommendation to a higher authority.

What May be Delegated

111. In almost all situations the Council itself is a delegatee in that its functions, powers and duties derive from Parliament through empowering legislation under which legislative, judicial and administrative authority is granted to the Council for specific purposes.
112. The limits under which functions, powers and duties may be further delegated and acted upon are strictly interpreted in accordance with the empowering legislation concerned.
113. Parliament has shown an awareness that, in the interests of the effective and efficient management of a district, delegation (of other than legislative powers) is permitted subject only to specific exceptions. Special additional common law rules apply also, particularly to the delegation of legislative powers.
114. In this environment, the Council has a wide discretion to arrange its own administration in a way which provides efficiency, flexibility and responsiveness to local needs. In doing so it must, however, comply with the special requirements imposed by law in given circumstances.

Characteristics of Delegation

115. It is important to understand the following characteristics of delegation:
- 115.1. The delegator does not lose the authority to exercise the function, power or duty and may exercise this concurrently with the delegatee. Also, the delegator does not lose accountability for the exercise of the relevant authority by delegating that authority.
- 115.2. A delegation may be revoked at any time without notice.
- 115.3. Delegatees are acting in their own names on behalf of the Council when exercising delegated authority.
- 115.4. If a delegatee's decision is invalid it cannot be ratified by the delegator. The correct action is generally for the matter to be considered in full again by the delegator, assuming it is within the delegator's power to determine the matter at issue.
- 115.5. The laws relating to local government generally recognise that the decisions of a delegatee may be reviewed by or appealed to the delegator who may confirm, vary, overrule or substitute any decisions although there are some exceptions, including those mentioned in clauses 126 and 127. In such cases

the grounds for the review should be clearly stated and a decision varied only when compelling circumstances arise.

Care in Defining Authority

116. The law recognises, in certain circumstances, the right of individuals acting in good faith in reliance on the apparent authority of a delegatee to enforce a decision of a delegatee, whether or not the delegatee in fact had the authority claimed.
117. Accuracy and precision should always be a feature when defining the scope and limitations of any delegated authority in order to protect the interests of the Council, the delegatee and any interested third party.

Statutory Requirements

118. No delegation derogates from the requirement that every decision-maker (whether acting under delegated authority or otherwise), shall follow the requirements of the Local Government Act 2002 (as set out in Part 6 of that Act) or any other Act relating to planning, decision making and accountability.

PROCEDURES

Delegations to be in Writing

119. Every delegation made will be in writing and shall define with reasonable precision the nature, purpose and bounds of the delegated functions, powers and duties.

Extent of Delegation

120. Subject to any specified limitation, term or condition applied by the delegator or by law, a delegatee may exercise the power or authority delegated in the same manner and to the same effect as could the delegator.

Sub-delegation

121. Subject to the Local Government Act 2002 and other legislation, every Committee may further delegate any power granted to them in this Manual or otherwise by the Council either generally or specifically, and may impose any term or condition upon that sub-delegation.
122. Sub-Committees and officers other than the Chief Executive may not sub-delegate a power of decision but may instruct another officer or person to complete a task or to carry out investigations and make recommendations.
123. Additional delegations may be made by the Council and the Governance and Support Team Leader will promptly include them in this Manual.

Reporting Decisions

124. Every delegatee will keep the delegator informed of decisions made, and in particular:
- 124.1. Where that is a condition of the particular delegation.
- 124.2. Committees and Sub-Committees will comply with the Council's standing orders regarding reasonable reports of their proceedings.
- 124.3. Where the decision is one of which the delegator for any reason should be aware.
- 124.4. Where the matter determined is one which the delegator or the Council has in any way whatsoever indicated that a decision of that kind should be reported in a particular way.
- 124.5. Where any Act requires reporting in a particular manner or at a particular time.

Term of Delegation

125. Unless any delegation is expressed to be for a definable term it will continue until revoked by the delegator or the Council, or withdrawn, revoked or made redundant by operation of law.

Variation of Decision

126. The following provisions apply to the review, reversal and variation of decisions of a delegatee:

- 126.1. Subject to 126.2 and 127, the Council as delegator may review, reverse or vary any decision of the delegatee at any time except to the extent that the decision has already become binding on the delegator by operation of law and cannot be reversed or varied.
- 126.2. Any decision made by a Committee or Sub-Committee cannot be reviewed, reversed or varied by the parent Committee or the Council unless the Committee or Sub-Committee has been or is deemed to be discharged under the provisions of clause 30 of Schedule 7 to the Local Government Act 2002.
- 127. A decision of a delegatee will only be reversed or varied where:
 - 127.1. It is manifestly wrong; or
 - 127.2. It is contrary to a decision of the delegator of which the delegatee was unaware; or
 - 127.3. It contains serious implications for the Council of which the delegatee was unaware; or
 - 127.4. There is other good cause to reverse or vary that decision.
- 128. A reversal or variation of a decision is not of itself a revocation of a delegation under this Manual.

Policy and Delegated Decision-Making

- 129. In reaching a decision under delegated authority, full regard must be had to both:
 - 129.1. Any Council policy applying to an issue; and
 - 129.2. All relevant facts applying to the case.
- 130. Should any delegatee, having considered all the facts of the case, be unable to make a decision which is consistent with Council policy on any matter, the correct action is then to refer the matter to the Council, as delegator.

Delegation to Office

- 131. Unless a contrary intention is indicated every delegation will be to a stated office or position and not to an individual or the membership of a group in their personal capacities. In every case of this type the delegation will survive any change in the occupier of any such office.

Appeals

- 132. Any person affected by any decision of a delegatee may appeal that decision:
 - 132.1. In the case of a decision by an officer, to the Chief Executive in consultation with that officer's Line Manager and
 - 132.2. In the case of a decision made by the Chief Executive, to the Council.
 - 132.3. This appeal provision does not apply to applications for remissions review under the Council's Development Contributions Policy given that there is a

separate process in place for persons to seek a further review of a remission decision made by officers under delegated authority.

133. Appeals cannot be made to the Council about decisions of Committees and Sub-Committees made under delegated authority.
134. In reviewing any decision on appeal under Clause 132 the Chief Executive or the Council will have regard to:
 - 134.1. Any reasons given by the delegatee in making a decision; and
 - 134.2. Any Council policy applying to the matter at issue; and
 - 134.3. The facts of the case; and
 - 134.4. The grounds for review of a decision contained in this part of this manual; and
 - 134.5. Any other relevant matter.

Review of Decision of Hearings Committee

135. Any decision made by the Hearings Committee may be revoked or altered by that Committee provided:
 - 135.1. The decision has not been acted on and become binding; and
 - 135.2. There is no Court, Tribunal or similar statutory body to which an appeal or application for a review of the decision can or could have been made; and
 - 135.3. There has been a request for a review of the decision and the Chairperson of the Committee has agreed that the request should be placed before the Committee for consideration.
136. Any request for a review may be initiated by any applicant or person affected by the decision or by the Chief Executive, but not by any other person or organisation.
137. In undertaking a review the Committee may decide the matter on papers or other information presented to the Committee or conduct a full or partial rehearing.
138. In making any decision under clauses 135 and 137, the Chairperson and Committee, as applicable, shall have regard to the criteria set out in clause 134 relating to appeals.

Amendments to this Manual

139. This Manual will be maintained by the Governance and Support Team Leader who will amend it where:
 - 139.1. The law requires that it be changed in a specified way.
 - 139.2. The Council resolves that this Manual be revised or added to in a specified way.
 - 139.3. A clause becomes redundant.
 - 139.4. A decision of the Council requires a modification to an existing clause.

139.5. A typographical, grammatical or other minor amendment is necessary.

Definitions

140. For the purposes of this Manual the words and phrases set out below have the following meanings:

"Activity"	has the meaning and is as described in a LTP or Annual Plan.
"Annual Plan"	means an Annual Plan adopted by Council pursuant to the Local Government Act 2002.
"Budget Variation"	means an approval to incur Expenditure in excess of an Operating Budget or Capital Programme Budget together with an equal aggregate Saving in respect of one or more other Operating Budgets or Capital Programme Budgets, as authorised by the Chief Executive in accordance with clauses 206 to 208.
"Capital New Programme"	means a detailed financial action for capital expenditure to increase the value of an asset or create a new asset, and to achieve particular outcomes of the Council, as described in a LTP or Annual Plan.
"Capital Programme"	means a Capital New Programme or a Capital Renewal Programme budgeted for an Activity and as described in a LTP or Annual Plan.
"Capital Programme Budget"	means the sum recorded for a Financial Year and in respect of a Capital Programme: <ul style="list-style-type: none"> (a) in the last adopted LTP; and (b) as amended pursuant to an adopted Annual Plan or amendment to the LTP or by resolution of Council.
"Capital Renewal Programme"	means a detailed financial action for capital expenditure to renew or replace an existing asset, and to achieve particular outcomes of the Council, as described in a LTP or Annual Plan.
"Claim"	means any claim for compensation either by or against the Council and whether as a result of a contractual dispute or otherwise.
"Claim Expenditure"	means the net amount of Expenditure by the Council on settling a Claim including legal costs but after taking into account contributions from insurance and third parties.
"Council"	means the Palmerston North City Council howsoever referenced or described in each relevant statute.
"Emergency"	means an event: <ul style="list-style-type: none"> (a) that is unforeseen and causes major damage to Council or other property; and (b) for which there is a need for remedial action to be taken without delay; and

	<p>(c) it is impracticable to convene a meeting of the Council or Finance and Performance Committee to approve the proposed expenditure</p> <p>but which is not a declared state of local or national emergency under the Civil Defence Emergency Management Act 2002.</p>
"Expend"	<p>means to spend or use up money or monies worth and includes but is not limited to:</p> <ul style="list-style-type: none"> (a) waiving or remitting amounts otherwise payable; (b) refunding amounts paid; (c) making of grants; (d) provision of goods or services or disposal of assets other than for fair value; <p>and "Expenditure" has the corollary meaning</p>
"Fees and Charges"	<p>means amounts charged or imposed by the Council on third parties for the provision of goods or services (including use of facilities), the standard amount of which is set (whether in absolute terms or by reference to a formula or rate) in advance of any arrangement with a particular person or group for the provision by the Council of goods or services in consideration for payment of the relevant amount (and "Fee" and "Charge" have the corollary meaning).</p>
"Financial Year"	<p>means a financial year of Council as established under the Local Government Act 2002.</p>
"Infringement Fee"	<p>means an amount imposed by the Council for failure to comply with a requirement of a statute, legislative instrument, by-law or other rule or regulation, and set by law or by resolution of Council.</p>
"LTP"	<p>means a Long Term Plan adopted by the Council pursuant to the Local Government Act 2002.</p>
"Manual"	<p>means this document which sets out delegations; related conditions, limits and curtailments; and related provisions, as adopted by the Council and as varied or amended from time to time either by resolution of Council or otherwise in accordance with the provisions of this document.</p>
"Operating Budget"	<p>means the sum calculated by deducting depreciation from "net operating cost of activity" for a Financial Year (including amounts carried forward as balance sheet provisions) and in respect of an Activity:</p> <ul style="list-style-type: none"> (a) in the last adopted LTP; and (b) as amended pursuant to an adopted Annual Plan or amendment to the LTP or by resolution of Council, <p>and includes "operating programmes" as defined and described in the LTP or an Annual Plan.</p>

- "Saving"** means a reduction in the amount of Expenditure authorised to be made in respect of an Activity or Capital Programme which is not expected to result in an inconsistency between the actual delivery of levels of service for the Activity or Capital Programme and the anticipated service level for the Activity or Capital Programme as set out in an LTP or Annual Plan (as adjusted by resolution of Council).
- "Specified Sum"** means the sum calculated in accordance with clause 141 and is exclusive of GST.
- "Transaction"** means an arrangement between the Council and any third party which is binding on Council except for:
- (a) the sale or disposal of real property;
 - (b) a Claim;
 - (c) any charge, remission or postponement of a rate pursuant to the Local Government (Rating) Act 2002 and the Council's Rates Remissions and Postponements Policy.

Specified Sum

141. On 1 July 2013 and on 1 July in every succeeding year, the Chief Executive will adjust the Specified Sum by increasing it or decreasing it in proportion to movements in the officially published Consumers Price Index (CPI) in the manner set out in the following formula:

SPECIFIED SUM

$$(1 \text{ July, year of review}) = \$1,500,000 \times \frac{\text{CPI March, year of review}}{\text{CPI 31 March 2012}}$$

and the figure so derived shall be rounded to the nearest \$50,000 and reported to Council and at the time of such report clause 142 shall be amended as required.

142. The current Specified Sum is \$1,550,000.

DOCUMENT SIGNING AND AFFIXING COMMON SEAL**Mayor**

143. The Mayor, in conjunction with the Chief Executive or Legal Counsel, has delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.
144. A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.
145. The Mayor, in conjunction with any of the Chief Executive, Legal Counsel, Deputy Mayor or another Councillor, has delegated authority to sign any document on behalf of the Council where approval for the subject-matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.
146. A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.

Deputy Mayor

147. The Deputy Mayor, in conjunction with the Chief Executive or Legal Counsel, has delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.
148. A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.
149. The Deputy Mayor, in conjunction with any of the Chief Executive, Legal Counsel, Mayor or another Councillor, has delegated authority to sign any document on behalf of the Council where approval for the subject-matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.
150. A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.

Councillors

151. Any two Councillors, in conjunction with each other, have delegated authority to sign any document on behalf of the Council where approval for the subject-matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.
152. A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.

Chief Executive

153. The Chief Executive, in conjunction with the Mayor or Deputy Mayor, or the Legal Counsel if the Mayor and Deputy Mayor are absent or unavailable, has delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.
154. A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.

155. The Chief Executive, in conjunction with any of the Mayor, Deputy Mayor or other Councillor, or Legal Counsel if the Mayor and Deputy Mayor and another Councillor are absent or unavailable, has delegated authority to sign any document on behalf of the Council where approval for the subject-matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.
156. A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.

Chief Financial Officer

157. The Chief Financial Officer has delegated authority to sign any Land Information New Zealand Authority and Instruction Form in relation to any interest in land where approval for the matter has been given by the Council or any Committee or Officer acting under delegated authority.

Legal Counsel

158. The Legal Counsel, in conjunction with the Mayor or Deputy Mayor, or the Chief Executive if the Mayor and Deputy Mayor are absent or unavailable, is given delegated authority to approve the affixing of the common seal to any document and to sign every document to which the common seal is affixed.
159. A list of documents to which the common seal is affixed shall be reported for information to the Mayor and Councillors from time to time.
160. The Legal Counsel has delegated authority to sign any Land Information New Zealand Authority and Instruction Form in relation to any interest in land where approval for the matter has been given by the Council or any Committee or Officer acting under delegated authority.
161. The Legal Counsel, in conjunction with any of the Mayor, Deputy Mayor or any other Councillor, or the Chief Executive if the Mayor and Deputy Mayor and another Councillor are absent or unavailable, is given delegated authority to sign any document on behalf of the Council where approval for the subject-matter of the document has been given by the Council or any Committee or Officer acting under delegated authority.
162. A list of documents signed in this manner shall be reported for information to the Mayor and Councillors from time to time.

CONTRACTS AND OTHER FINANCIAL MATTERSBest Method to be Used

163. Every delegatee will at all times have regard to the best means of obtaining the most favourable terms for any transaction, especially as to price, and will adopt that method.

Contracts Under 20% of the Specified Sum

164. For contracts under 20% of the defined specified sum:
- 164.1. The tendering process in the Council's Contracts Manual shall be followed wherever appropriate; and
 - 164.2. In all other cases at least three competitive prices shall be obtained where they are available; and
 - 164.3. The advice of City Corporate shall be obtained as to the availability of contracts for a particular product.
 - 164.4. For contracts under 1% of the defined specified sum, it is not necessary to follow the procedures specified in clause 164.1 to 164.3 inclusive provided that the price for goods or services to be purchased is reasonable.

Contract for other than Best Price

165. Where the contract price which an officer wishes to accept is:
- 165.1. In the case of a contract to purchase goods or services, other than the lowest price offered that is consistent with any specification issued in regard to that contract; or
 - 165.2. In the case of a contract to sell Council goods or services other than for the highest price offered;
- the decision will be taken in conjunction with the Chairperson of the Finance and Performance Committee and will be reported to the Council at the earliest opportunity.

DELEGATIONS TO COMMITTEES

Standing Committees

166. To the extent it is permitted to do so by law the Council may delegate to its respective Standing Committees all the functions, powers and duties granted to the Council, in accordance with the terms of reference of those Committees from time to time except:
- 166.1. The power to make a rate.
 - 166.2. The power to make a by-law.
 - 166.3. The power to borrow money, or purchase or dispose of assets, other than in accordance with the LTP.
 - 166.4. The power to adopt a LTP or Annual Plan, or variation to a LTP or Annual Plan.
 - 166.5. The power to appoint or dismiss the Chief Executive.
 - 166.6. The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the LTP or developed for the purpose of the Local Governance Statement.
 - 166.7. The power to make or alter any other Council policy except where that power has been specifically delegated.
 - 166.8. The power to do anything which is required by law to be done by resolution of the Council.
 - 166.9. The power to appoint Council representation on any body
 - 166.10. The appointment of members to Standing, Special or Joint Committees.
 - 166.11. Any promotion of proposed legislation.
 - 166.12. Expenditure where no provision is made in the Council's budget for that year.
 - 166.13. Expenditure of Council funds where budgets have not been finalised for the relevant year unless the expenditure relates to maintenance of any existing work or progress on a committed work or is in regard to an existing service for which provision is likely to be made in those budgets once finalised.
 - 166.14. The disposal or sale of any real property.
 - 166.15. The power to approve the District Plan or any change to the District Plan.

NOTE: *The power to approve the District Plan or any change to the District Plan refers especially to clause 17 of the First Schedule of the Resource Management Act 1991 and is the final step in the Plan preparation/change process, and does not prevent the Hearings Committee from making decisions on the hearing of submissions or further submissions.*

NOTE: *Standing Committees are those Committees constituted by the Council and which meet on a regular basis but do not include Sub-Committees. The functions allocated to Standing Committees, along with*

other Committees and Sub-Committees, are set out in the Terms of Reference for Standing Committees and Sub-Committees (see Part 2 of this Manual).

167. Each Standing Committee, and any Joint Committee and any Sub-Committee, has only those powers specifically delegated to it. These powers are either stated in Part 1 of this Manual or in a subsequent resolution of the Council. A statement in any Committee's terms of reference does not, by itself, imply any delegated authority. Otherwise, each Committee has recommending status only, other than:
 - 167.1. With the prior approval of the Council, and within the Council's policy framework relating to working parties and advisory groups, to appoint and discharge such Sub-Committees and working parties, and members of Sub-Committees and working parties, as it considers appropriate, and to delegate any of its functions, powers and duties to sub-committees so appointed; and
 - 167.2. To make decisions on meeting procedures where such decisions are either required or permitted by the Council's Standing Orders or relevant legislation.
168. Each Standing Committee (but not any Joint Committee or Sub-Committee), in relation to matters that are within the Committee's terms of reference, has delegated authority:
 - 168.1. To approve any statement of proposal or summary of information contained in any proposal prepared for the purposes of the Local Government Act 2002 or any other Act to which the special consultative procedure specified by the Local Government Act 2002 applies.
 - 168.2. To approve any draft or proposed plan, policy, bylaw or other document deemed to be part of any statement of proposal prepared for the purposes of the Local Government Act 2002 or any other Act to which the special consultative procedure specified by the Local Government Act 2002 applies.
 - 168.3. To make any determination required by section 155 of the Local Government Act 2002 in relation to a proposed bylaw.
 - 168.4. To approve any draft policy or draft amendment or proposed replacement of any existing policy where it is proposed to undertake consultation with any person, organisation or members of the public generally before the policy, amendment or replacement is adopted by the Council, but where the special consultative procedure specified by the Local Government Act 2002 is neither required to be used nor will be used.
169. Each Standing Committee and any Joint Committee or Sub-Committee, in relation to matters that are within the Committee's or Sub-Committee's terms of reference, has delegated authority to hear oral submissions made in support of written submissions and to determine any procedures for this, and may make recommendations on submissions, written and oral, to the Council (or Councils or parent committee).
170. With regard to an elected member conference and training opportunity:
 - 170.1. Each Committee has delegated authority to decide whether or not any elected members should attend, and if so, how many.
 - 170.2. This authority may not be exercised by any Joint Committee or Sub-Committee.

- 170.3. The decision on which elected members may attend will be made under Clause 189.

Community Development Committee

171. The Community Development Committee has delegated authority to finally approve the allocation of grants to community groups by the Palmerston North Community Services Council, from the funds granted to the Palmerston North Community Services Council by the Council for that purpose.

Creative Communities New Zealand/Arts and Culture Fund Committee

172. The Creative Communities New Zealand/Arts and Culture Fund Committee has delegated authority to:
- 172.1. Determine applications provided Creative Communities New Zealand criteria are met.
- 172.2. Approve, administer and monitor such tasks as are integral to the allocation of funds under the combined Council's Arts and Culture Fund and the Creative Communities New Zealand's Local Authorities Arts Scheme.

Finance and Performance Committee

173. The Finance and Performance Committee has delegated authority to:
- 173.1. Approve variations to the remissions and postponements of rates pursuant to the Council's Rates and Remission and Postponement Policies in instances where officers delegated this authority seek the Committee's guidance.
- 173.2. Set, vary or waive the following classes and categories of fees and charges:
- (a) Rentals for subsidised housing;
 - (b) Charges for admission to Aquatic Facilities;
 - (c) Charges for the use of reserves, but not including charges for the use of Arena Manawatu;
 - (d) Burial and cremation charges.
174. The Finance and Performance Committee may, in regard to matters within its jurisdiction, and subject to the limitations applied in clause 175, accept, negotiate or decline any contract for the purchase or supply of goods, services, plant, capital works or other assets (including real property) and for the disposal of goods, plant, capital works, and other assets (excluding real property) and for the supply of Council services, where:
- 174.1. In the case of a lump sum contract the total value of the contract; or
- 174.2. In the case of a continuing contract the estimated amount to be paid in any one year,
- does not exceed the Specified Sum.

175. The powers conferred by clause 174 shall not be exercised where:
- 175.1. No provision has been made for expenditure of the kind contemplated in the Council's budget for that year; or
 - 175.2. The Council's budget has not been finalised for the relevant year unless the expenditure relates to maintenance of any existing work or progress on a committed work or is in regard to an existing service for which provision is likely to be made in the budget once finalised.
176. The Finance and Performance Committee may, in regard to matters within its jurisdiction, accept, negotiate or decline contracts where the price is other than the best price offered. Where that Committee accepts other than the best price offered that decision will be reported to the Council at the earliest opportunity.
177. Any contract may be varied by the Finance and Performance Committee where the total value of the contract as varied is within the Committee's delegated authority.
178. The Finance and Performance Committee may, in regard to a matter within its jurisdiction, settle any claim for compensation where the amount proposed does not exceed:
- 178.1. Where provision is made in the Council's budgets, the amount provided in the budgets; or
 - 178.2. Where no provision is made in the budgets for compensation, an amount not exceeding 5% of the Specified Sum.

Hearings Committee

179. The Hearings Committee has delegated authority to conduct, consider and determine any matter that requires a hearing or related decision under any of the following Acts:
- 179.1. Resource Management Act 1991;
 - 179.2. Dog Control Act 1996;
 - 179.3. Fencing of Swimming Pools Act 1987.
180. In addition to the above, the Hearings Committee also has delegated authority under the Council's Development Contributions Policy to:
- 180.1. Consider and decide on applications for leave to apply for further review of remission decisions made by officers under delegated authority.
 - 180.2. Consider and hear applications for further review of remission decisions where leave has been granted for the application to be considered and heard by the Committee.

NOTE: *The above responsibilities under the Resource Management Act include District Plan reviews, plan changes and variations; requirements, designations and heritage orders; applications for notified resource consents; applications for review of conditions and notified resource consents; and objections to decisions and conditions under Section 357 of the Resource Management Act.*

This authority does not include the approval of the District Plan or any change to the District Plan.

NOTE: *The above responsibilities under the Resource Management Act also include:*

- (a) *The power to decide whether to require any further information and whether any application is to be notified or non-notified; and*
- (b) *The power to hold a hearing and/or make any decision concerning an application where the Chief Executive or Officer having delegated authority declines to exercise that authority.*

NOTE: *The power to approve the District Plan or any change to the District Plan refers especially to clause 17 of the First Schedule of the Resource Management Act 1991 and is the final step in the Plan preparation/change process, and does not prevent the Hearings Committee from making decisions on the hearing of submissions or further submissions.*

Joint Standing Committee with the Manawatu-Wanganui Regional Council (Horizons Regional Council)

181. Where a joint hearing is necessary, and independent Commissioners have not been appointed the Council shall unite with the Manawatu-Wanganui Regional Council to form a Joint Standing Committee to hear and decide, under Section 102 of the Resource Management Act 1991, applications for resource consents.

181.1. When a request for a joint hearing has been agreed under Section 102(1) of the Resource Management Act 1991, appropriate numbers of up to three members from both the Regional Council's Environment Committee and the Council's Hearings Committee shall be appointed to the Joint Hearing Committee.

181.2. The Joint Hearing Committee shall determine its own chairperson.

Planning and Strategy Committee

182. The Planning and Strategy Committee has delegated authority to exercise any power under the Resource Management Act 1991 to the extent permitted to do so by law, but excluding:

182.1. The authority to conduct any hearing or consider or determine any related matter, as is delegated to the Hearings Committee.

182.2. The power to approve the District Plan or any change to the District Plan.

Manawatu-Wanganui Region Civil Defence Emergency Management Group Committee

183. The Manawatu-Wanganui Civil Defence Emergency Management Group Committee, which is a Joint Committee of eight local authorities in the Manawatu-Wanganui Region, has the following powers under the Civil Defence Emergency Management Act 2002:

183.1. To set, through the CDEMG Plan, the five year strategic direction of the Civil Defence Emergency Management Group (CDEMG).

- 183.2. To agree the annual work programme of the CDEMG, consistent with the strategic direction in the Plan.
- 183.3. To monitor progress towards meeting the strategic objectives in the Plan.
- 183.4. To agree to modify the draft CDEMG Plan for the Group for public consultation.
- 183.5. To establish, if necessary, a Hearing Committee (which may constitute members of the Committee, or outside appointments as appropriate) to hear (if necessary), consider and decide submissions on the CDEMG Plan for the Group.
- 183.6. To approve the CDEMG Plan for the Group following decisions on submissions.
- 183.7. Subject to the powers under Section 57 of the Act, to make minor amendments to the Plan from time to time as necessary.
- 183.8. Subject to the powers under Section 26 of the Act, to appoint a Group Controller, and one or more Local Controllers for the Group as appropriate.
- 183.9. Subject to the powers under Section 25 of the Act, to appoint persons with the delegated authority to declare local or group emergencies.
- 183.10. To appoint, as necessary, a Group Recovery Manager and Local Recovery Managers for the CDEMG.

NOTE: The above delegations were originally ratified by the Council on 27 May 2002. At that time, the Council also approved the proposed composition and procedures for the Joint Committee.

Manawatu District and Palmerston North City Joint Strategic Planning Committee

184. In relation to the Central Economic Development Agency Limited (CEDA), the Joint Strategic Planning Committee has the following functions, powers, and duties under the Local Government Act 2002 and/or the Companies Act 1993:
- 184.1. To adopt a policy that sets out the process for the identification, appointment and remuneration of directors.
 - 184.2. To appoint and remove a person or persons to be directors of CEDA.
 - 184.3. To approve the remuneration to be paid to directors of CEDA.
 - 184.4. To undertake performance monitoring of CEDA, as per section 65 of the Local Government Act.
 - 184.5. To agree with the Statement of Intent of CEDA or, if the Committee does not agree, to take all practical steps to require a Statement of Intent to be modified, as per section 65 of the Local Government Act.
 - 184.6. Receive the half yearly report of CEDA, as shareholder.
 - 184.7. Receive the Annual Report of CEDA, as shareholder.

DELEGATIONS TO SUB-COMMITTEESSub-Committees

185. A Sub-Committee may exercise only such delegated authority as is granted to it from time to time by the Council or, with prior Council approval, the relevant Committee. Sub-Committees may not exercise any of the powers listed in clauses 166.1 to 166.15.
186. The primary purposes of Sub-Committees are:
- 186.1. To dispose of matters which have been delegated to them.
 - 186.2. To investigate and report, with recommendations if appropriate, on matters referred from the delegator.
 - 186.3. To act as a forum for communication between elected representatives, officers, and interested parties.

DELEGATIONS TO SUBORDINATE DECISION-MAKING BODIES**Chief Executive's Performance Review Panel**

187. The primary purposes of the Chief Executive's Performance Review Panel is to ensure Council carries out responsibilities of a Good Employer as the employer of the Chief Executive.

Specific delegations to the Committee are:

- 187.1. To recommend to the Council a process for appraising the Chief Executive's performance.
- 187.2. To provide the Chief Executive with regular feedback, mentoring and support through informal monthly meetings.
- 187.3. To ensure the Chief Executive receives relevant training and development opportunities.
- 187.4. To carry out an annual review of the Chief Executive's performance and report the results to the Council.
- 187.5. To negotiate a process for reviewing the Chief Executive's remuneration.
- 187.6. To carry out an annual review of the Chief Executive's remuneration and make recommendations to the Council on the application of the review.
- 187.7. To manage the provisions of the Chief Executive's Employment Agreement.
- 187.8. To negotiate any variation to the Employment Agreement and make recommendations to the Council.
- 187.9. To undertake the appraisal of the Chief Executive's performance.

Jaycee Trust Travelling Fellowship Selection Panel

188. The Jaycee Trust Travelling Fellowship Selection Panel has delegated authority to allocate up to two Jaycee Trust Travelling Fellowships of not more than \$5,000 each per year. The decisions of the Selection Panel shall be reported for information to the Mayor and Councillors.

DELEGATIONS TO MAYOR AND COUNCILLORS**All Chairpersons and Deputy Chairpersons**

- 189 With regard to an elected member conference and training opportunity:
- 189.1 Each Committee Chairperson, acting conjointly with their Deputy Chairperson, has delegated authority to decide which elected member or members may attend.
- 189.2 This authority also applies to the Mayor, acting conjointly with the Deputy Mayor, for the attendance of elected members at the Local Government New Zealand conferences.
- 189.3 This authority may be exercised only where the Committee or the Council has previously approved attendance at the conference or training opportunity. The number of approved attendees may not exceed the number specified in the prior Committee or Council Resolution.

Mayor and Chairperson of the Finance and Performance Committee

- 191 In relation to the Council's investment in:
- 191.1 New Zealand Local Government Insurance Corporation Limited the Mayor has delegated authority to act as the Council's shareholder representative, to vote on the Council's behalf and to appoint a proxy where necessary. In the absence of the Mayor or in the event he/she relinquishes his/her position as a Director of the Company, the Chairperson of the Finance and Performance Committee shall act as the Council's shareholder representative.
- 191.2 Palmerston North Airport Limited, the Chairperson of the Finance and Performance Committee has delegated authority to act as the Council's shareholder representative, to vote on the Council's behalf subject to instructions from time to time by the Council. In the event that the shareholder representative is unable to so act the Deputy Chairperson of the Finance and Performance Committee (or a nominee of that Committee) is appointed with the same powers to represent the Council as the alternate shareholder representative. A shareholder representative shall not be a director of Palmerston North Airport Limited.
- 191.3 New Zealand Local Government Funding Agency Limited the Mayor has delegated authority to act as the Council's shareholder representative, to vote on the Council's behalf and to appoint a proxy where necessary. In the absence of the Mayor, the Chairperson of the Finance and Performance Committee shall act as the Council's shareholder representative.

Mayor192 Mayor

- 192.1 The Mayor has delegated authority to appoint the Council's presiding delegate to the meetings of Local Government New Zealand on those occasions when he/she cannot attend the said meetings in person.
- 192.2 That in relation to conferences and meetings of Local Government New Zealand, the Mayor has delegated authority to appoint a proxy when necessary.
- 192.3 Without prejudice to the existing delegations, the Mayor, as the Council's presiding delegate at meetings of Local Government New Zealand, has delegated authority to appoint on behalf of the Council other delegates, including alternate delegates as appropriate, to annual general meetings and special general meetings of Local Government New Zealand taking into account that the Chief Executive is one of the delegates.
- 192.4 The Mayor, in relation to the Chief Executive's contract, has delegated authority
- 192.5 employment matters on behalf of the employer such as leave provisions (including signing of leave applications) and deduction and overpayment arrangements to exercise flexibility in authorising any benefits within the total remuneration contract amount stated.
- 192.6 The Mayor, in relation to the Chief Executive's contract, has delegated authority to manage routine.

Zone 3 Representatives

- 193 The Council's five representatives on Zone 3 of Local Government New Zealand have delegated authority to decide, in consultation amongst themselves, on the three nominees for the two positions on the Zone 3 Executive for whom the Council is to cast its vote.

DELEGATIONS TO AND ASSIGNMENT OF COMMISSIONERS

Powers of Commissioner

- 194 Those persons appointed from time to time by the Council as Hearings Commissioners under the Resource Management Act 1991 have the power to either individually or jointly with any other hearings commissioner hear and determine any matter raised under the Resource Management Act 1991, including such matters as Resource Consents, Variations, Plan Changes and Designations, except those functions, powers and duties expressly excluded by section 34A of the Resource Management Act 1991. The power to process any of the aforementioned matters includes the power to decide whether to require any further information not already requested by Council staff and whether the application is to be notified or non-notified. Each member of the Hearings Committee that is responsible for Resource Management Act 1991 matters shall, if that member is accredited under this Act, be deemed for the purposes of this delegation to be a Hearings Commissioner.
- 195 Notwithstanding clause 194 the decision as to which person or persons are affected is to be made by appropriate Council staff acting under delegated authority.

Assignment of Commissioners

- 196 Commissioners shall be assigned as follows:
- 196.1 The Legal Counsel (in liaison with the General Manager, City Future or her/his nominee, and/or the General Manager, Customer Services, or his/her nominee) has the responsibility for assigning one or more Hearings Commissioners appointed by the Council to carry out the function of processing, hearing and determining any matter, or to exercise the functions, powers and duties of the Council under the Resource Management Act 1991 in accordance with section 34A of this Act.
- 196.2 The assignment shall be made in accordance with the criteria set out in clause 197 below, seeking input from the Chairperson and/or Deputy Chairperson of the Hearings Committee, and/or his/her nominee from the Committee. The Hearings Commissioners responsibilities and powers shall commence immediately upon assignment by the Legal Counsel.
- 196.3 Notwithstanding the above, no member of the Hearings Committee may be assigned to consider a matter as a Hearings Commissioner unless in conjunction with at least one commissioner who is not a Committee member. This sub-clause applies only where one or more Hearings Commissioners is to be assigned to consider any matter in accordance with the criteria specified in clause 197 below.

When Assignment Required

- 197 One or more Hearings Commissioners shall be assigned to consider any matter or to exercise the functions, powers and duties of the Council under the Resource Management Act 1991 in accordance with section 34A of this Act, when one or more of the following applies:
- 197.1 The Council is the applicant.
 - 197.2 The organisation (applicant) is one in which the Council has a significant and/or pecuniary interest.
 - 197.3 The project (application) is one in which the Council has a significant and/or pecuniary interest.
 - 197.4 A valid request has been made under the Resource Management Act 1991 for a Commissioner to hear and determine the matter.
 - 197.5 In the view of either the Council or the Chairperson or Deputy Chairperson of the Hearings Committee the subject of the hearing is highly political and elected members' objectivity in hearing or determining the matter would be compromised due to previous political and community debate.
 - 197.6 In the view of either the Council or the Chairperson or Deputy Chairperson of the Hearings Committee, the highly complex and technical nature of the issues to be addressed in the hearing requires specific expertise. (Care is needed in this regard, as technical issues should always be discussed at the hearing in a manner that is understandable to the layperson.)
 - 197.7 In the view of either the Council or the Chairperson or Deputy Chairperson of the Hearings Committee, the Hearings Committee has insufficient resources and/or time to hear the matter in a timely manner.
- 198 Notwithstanding the criteria set out in clause 197 above, no Hearings Commissioner is required to be assigned to consider any matter where:
- 198.1 The application is minor in scale and effect; and
 - 198.2 The written consent of all affected parties, as determined by appropriate Council staff acting under delegated authority, has been provided.

Report of Commissioner

- 199 Each report or decision made by a Commissioner or Commissioners shall be reported to the Council for information.

Appointment and Assignment of Non-Listed Commissioner

- 200 In the event a Commissioner is sought, who is not referred to in the schedule of Council appointed Hearings Commissioners, the appointment and assignment will be made by either the Hearings Committee or the Council.

DELEGATIONS TO CHIEF EXECUTIVE**BROAD DELEGATION**

- 201 Subject to any limitations in the Financial Delegations to the Chief Executive, the Chief Executive is delegated all functions, powers and duties of the Council:
- (a) except those retained by the Council, or delegated to a committee or other subordinate decision making body of the Council; and
 - (b) subject to any legal limits on the Council to do so, and any conditions or limits imposed by the Council from time to time (including financial limits); and
- provided the Chief Executive exercises such delegated authorities consistently with Council's strategies and policies (including the LTP, Annual Plans and District Plan) and any Council approved guidelines regarding those strategies and policies.
- 202 The Chief Executive may sub-delegate any functions, powers and duties delegated to him or her by the Council (except the power to sub-delegate).
- 203 Council retains the authority to:
- (a) do anything which by law is required to be done by resolution of the Council;
 - (b) make a rate;
 - (c) make, amend or revoke a by-law, including before commencing the process for making a by-law determining whether a by-law is the most appropriate way of addressing the perceived problem; and determining whether a proposed bylaw is in in the most appropriate form and gives rise to any issues under the New Zealand Bill of Rights Act 1990;
 - (d) adopt a LTP or Annual Plan, or any amendment or variation to them;
 - (e) approve any local governance statement, and a triennial agreement with other local authorities within the same region as the Council;
 - (f) review the cost effectiveness of arrangements for meeting the needs oif communities within the district for good quality local infrastructure, service, or regulatory function
 - (g) borrow money, or purchase or dispose of assets, other than in accordance with the LTP;
 - (h) do anything which, in accordance with the Council's Significance and Engagement Policy, requires consultation with affected and interested persons;
 - (i) make or alter Council policy;
 - (j) authorise and approve any contracting-out of any of the Council's regulatory functions;
 - (k) appoint a Chief Executive;

- (l) appoint:
 - i. Independent Hearings Commissioners required to assist the Hearings Committee of the Council;
 - ii. Members of the District Licencing Committee pursuant to the Sale and Supply of Alcohol Act 2012; and
 - iii. Ad hoc appointments of independent Commissioners required under any other Statute; Legislative Instrument; bylaw; or policy of the Council.
- (m) appoint Council representation on any body including any Committee;
- (n) promote proposed legislation;
- (o) dispose or sell any real property;
- (p) approve the District Plan or any change to the District Plan;
- (q) monitor and evaluate council controlled organisations and council organisations.

FINANCIAL DELEGATIONS

Transactions

- 204 The Chief Executive may take all steps necessary to enter into, approve, execute, complete or otherwise authorise, and vary any Transaction except where the Transaction imposes an obligation on Council to Expend, in any Financial Year, an amount:

- (a) that is more than 50% of the Specified Sum; or
- (b) exceeds the total amount of the Operating Budget or Capital Programme Budget (as adjusted by any Budget Variation) in respect of the Activity or Capital Programme to which the Transaction relates, either alone or in aggregate with all other Expenditure the Council is committed to make in respect of the relevant Activity or Capital Programme,

in each case measured at the date the Council becomes obliged to incur the Expenditure.

- 205 In relation to Transactions approved by the Finance and Performance Committee, the Chief Executive may approve a variation or cumulative variations providing that:

- (a) the total Expenditure in respect of the Transaction as varied is within the Finance and Performance Committee's delegated authority; and
- (b) the aggregate change does not increase the total Expenditure, in respect of the Transaction, as varied by more than 10% of the value of the original Transaction,

and the Chief Executive shall report to the Finance and Performance Committee where such variation occurs, for information.

Variation of Budgets

- 206 Subject to clause 209, the Chief Executive may at any time authorise an amount to Expend in respect of an Activity that is in excess of the original Operating Budget provided that Council has not previously declined to approve excess Expenditure in relation to that Operating Budget and:
- (a) the Chief Executive is of the opinion that the original Operating Budget is not or will not be adequate to best achieve the outcome intended from the Activity; and
 - (b) Savings are made from the Operating Budget of one or more other Activities that, in aggregate, equal the authorised increase in Expenditure for the relevant Activity.
- 207 Subject to clause 209, the Chief Executive may at any time authorise an amount to Expend in respect of a Capital Renewal Programme that is in excess of the original Capital Programme Budget for that Capital Renewal Programme, provided that Council has not previously declined to approve excess Expenditure in relation to that Capital Renewal Programme and:
- (a) the Chief Executive is of the opinion that the original Capital Programme Budget is not or will not be adequate to best achieve the outcome intended from that Capital Renewal Programme; and
 - (b) Savings are made from the Capital Programme Budget of one or more other Capital Renewal Programmes that, in aggregate, equal the authorised increase in Expenditure for the relevant Capital Renewal Programme.
- 208 Subject to clause 209, the Chief Executive may at any time authorise an amount to Expend in respect of a Capital New Programme that is in excess of the original Capital Programme Budget for that Capital New Programme, provided that Council has not previously declined to approve excess Expenditure in relation to that Capital New Programme and:
- (a) the Chief Executive is of the opinion that the original Capital Programme Budget is not or will not be adequate to best achieve the outcome intended from that Capital New Programme; and
 - (b) Savings are made from the Capital Programme Budget of one or more other Capital New Programmes that, in aggregate, equal the authorised increase in Expenditure for the relevant Capital New Programme.
- 209 The Chief Executive's authority to approve Budget Variations is limited, in any Financial Year, in respect of any Operating Budget or Capital Programme Budget to an aggregate change that is less than or equal to 50% of the Specified Sum or 30% of the relevant Operating Budget or Capital Programme Budget (whichever is the lesser).
- 210 The Chief Executive shall report to the Finance and Performance Committee for information details of any Budget Variations which result in a change (whether as an increase or a Saving) in the amount of permitted Expenditure in relation to an Operating Budget or Programme Budget which is greater than 10% of the Operating Budget or

Programme Budget or 30% of the Specified Sum (whichever is the lesser amount); and shall do so on a quarterly basis.

Emergencies

- 211 Notwithstanding anything else in these financial delegations, in an Emergency, the Chief Executive or, in his or her absence or unavailability, the Deputy Chief Executive, and in the absence or unavailability of both those office-holders any General Manager, and in the absence of all the preceding officers the Technical Services Manager, may take all steps necessary to enter into, approve, execute, complete or otherwise authorise any Transaction except where the Transaction requires Expenditure that exceeds twice the Specified Sum, regardless of whether any provision has been made for the Expenditure in an Operating Budget or Capital Programme Budget but provided that the Expenditure is for the purposes of responding to or recovering from the Emergency.
- 212 The authority delegated under 211 may not be sub-delegated.

Claims

- 213 The Chief Executive may, in regard to any Claim, negotiate, settle, approve and sign on behalf of Council any settlement agreement provided the Claim Expenditure is less than or equal to:
- (a) 10% of the Specified Sum where there is no provision in an Operating Budget for settlement of such Claims provided that the Claims Expenditure can be offset by a Saving; and
 - (b) 20% of the Specified Sum where there is provision in an Operating Budget for settlement of such Claims.
- 214 If the maximum expected Claim Expenditure for a Claim:
- (a) is greater than 2% but less than or equal to 10% of the Specified Sum the Chief Executive shall be informed of the existence of the Claim;
 - (b) is greater than 10% but less than or equal to 20% of the Specified Sum, and provision is made in an Operating Budget for settlement of such Claims, the Chief Executive will inform all Councillors of the existence of the Claim;
 - (c) is greater than 20% of the Specified Sum the existence of the Claim will be reported to the Finance and Performance Committee and the progress of the Claim will be regularly reported to that Committee.
- 215 In an Emergency the Chief Executive or any General Manager may, in consultation with the Mayor, or the Chairperson of the Finance and Performance Committee if the matter falls within that Committee's jurisdiction, take action which may subsequently require settlement of a Claim at whatsoever compensation.

Fees and Charges, and Infringement Fees

- 216 Subject to clause 219, the Chief Executive may set, vary, waive, remit or refund any class or category of Fees and Charges except for:
- (a) Fees and Charges adopted by resolution of the Council or a Committee; and

- (b) Fees and Charges adopted pursuant to a by-law,

and the Chief Executive shall report to the Finance and Performance Committee any class or category of Fees and Charge set, varied, waived, remitted or refunded, for information.

- 217 Subject to clause 219, the Chief Executive may vary, waive, remit, or refund any Fee or Charge.
- 218 Subject to clause 219, the Chief Executive may waive, remit, or refund any Infringement Fee.
- 219 The Chief Executive is not authorised to vary, waive, remit or refund any class or category of Fees and Charges, or any Fee or Charge, or any Infringement Fee where the sum involved exceeds 1% of the Specified Sum in each case.

Rates including Remissions and Postponements

- 220 In relation to rating matters the Chief Executive may:

- (a) exercise the functions, powers and duties of the Council under the Rating Valuations Act 1998;
- (b) exercise the functions, powers and duties of the Council under the Local Government (Rating) Act 2002 (including the granting of rates remissions and postponements pursuant to the Rates Remission and Postponement Policies) except for those conferred by Subpart 2 of Part 1 or Subpart 1 of Part 5 (i.e. setting rates and setting replacement rates).

Borrowing, Investments and Bad Debts

- 221 Notwithstanding anything else in these financial delegations, the Chief Executive may:

- (a) enter into any arrangement for the borrowing of money provided it is in accordance with the Council's treasury policy; and the LTP as amended pursuant to an adopted Annual Plan or by resolution of Council;
- (b) manage the Council's investments in accordance with the Council's treasury policy;
- (c) write off bad debts only for up to 0.5% of the Specified Sum and provided such debtor accounts have been outstanding in excess of six months.

Insurance

- 222 Notwithstanding anything else in these financial delegations, in relation to insurance the Chief Executive may enter into insurance contracts, for which the total premium of each individual contract may not exceed 150% of the Specified Sum.

Central Economic Development Agency (CEDA)

- 223 Notwithstanding anything else in these financial delegations, the Chief Executive may enter into a core service contract with the Central Economic Development Agency, provided the total contract amount is in accordance with the Council's LTPs, and Annual Plans; such delegation will also include the ability to vary, extend, review, renew or replace the contract with a new contract.

DEPUTY CHIEF EXECUTIVE

- 224 The Deputy Chief Executive is delegated all functions, powers and duties of the Council that are delegated to the Chief Executive.

DELEGATIONS TO OTHER OFFICERSGeneral**225 Authority to curtail and limit authority of other Officers**

Each General Manager may, in respect of any officer of the Council who reports directly or indirectly to them, curtail any authority delegated to any such officer or apply any term or condition to its use and may remove or amend such curtailment, term or condition, in each case such action to be recorded in writing.

CITY CORPORATE UNITChief Financial Officer

226 In relation to rating matters, the Chief Financial Officer has delegated authority to:

- 226.1** Exercise the functions, powers and duties of the Council under the Rating Valuations Act 1998.
- 226.2** Exercise the functions, powers and duties of the Council under the Local Government (Rating) Act 2002 (including the granting of rates remissions and postponements pursuant to the Rates Remission and Postponement Policies) except for those conferred by Subpart 2 of Part 1 or Subpart 1 of Part 5 (i.e. setting rates and setting replacement rates).

Legal Counsel

227 Regarding the Resource Management Act 1991, the Legal Counsel has delegated authority to:

- Waive compliance and to extend time limits under section 37 of the Act; and
- Assign Hearings Commissioners in accordance with clause 196, above.

228 The Legal Counsel, or his/her nominee (in liaison with the General Manager, Customer Services or his/her nominee) has the responsibility for assigning two of the District Licensing Committee members, appointed by the Council to the list maintained under section 192 of the Sale and Supply of Alcohol Act 2012, to comprise the members, along with the Chairperson and Deputy Chairperson of the Committee, to carry out any function given to the Committee by the Act. Before making any such assignment, the Legal Counsel or his/her nominee shall seek input from the Chairperson and/or Deputy Chairperson of the District Licensing Committee. Any Assignments made under this section may be amended up until the commencement time of a particular hearing.

Finance Manager and Strategy Manager Finance

229 In relation to rating matters, the Finance Manager and Strategy Manager Finance each have delegated authority to:

- 229.1** Exercise the functions, powers and duties of the Council under the Rating Valuations Act 1998.

- 229.2 Exercise the functions, powers and duties of the Council under the Local Government (Rating) Act 2002 (including the granting of rates remissions and postponements pursuant to the Rates Remission and Postponement Policies) except for those conferred by Subpart 2 of Part 1 or Subpart 1 of Part 5 (i.e. setting rates and setting replacement rates).

Senior Rates Officer, Rates Officer and Credit Controller

- 230 The Senior Rates Officer, Rates Officer and Credit Controller each have delegated authority to:
- 230.1 Exercise the functions, powers and duties of the Council under the Rating Valuations Act 1998.
- 230.2 Exercise the functions, powers and duties of the Council under the Local Government (Rating) Act 2002 (including the granting of rates remissions and postponements pursuant to the Rates Remission and Postponement Policies) except for those conferred by Subpart 2 of Part 1 or Subpart 1 of Part 5 (i.e. setting rates and setting replacement rates).

CITY FUTURE UNIT

General Manager, City Future

- 231 Regarding the Resource Management Act 1991, the General Manager, City Future, has delegated authority to:
- 231.1 Exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:
- Matters within the delegated authority of the Hearings Committee;
 - Matters in respect of which one or more Hearings Commissioners has been appointed;
 - The appointment and assignment of Hearings Commissioners;
 - The authorisation of enforcement officers; and
 - Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

City Planning Manager

- 232 Regarding the Resource Management Act 1991, the City Planning Manager has delegated authority to:
- 232.1 Exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:
- Matters within the delegated authority of the Hearings Committee;

- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners;
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

Senior Planner – City Future

233 Regarding the Resource Management Act 1991, the Senior Planner has delegated authority to exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearing Commissioners;
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

Planner – City Future

234 Regarding the Resource Management Act 1991, the Planner has delegated authority to exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearing Commissioners;
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

CUSTOMER SERVICES UNITGeneral Manager, Customer Services

235 Regarding the Resource Management Act 1991, the General Manager, Customer Services has delegated authority to:

235.1 Exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners;
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

Environmental Protection Services

236 The Head of Environmental Protection Services has delegated authority:

236.1 To exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners;
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

237 The Principal Environmental Health Officer has delegated authority:

237.1 To exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners; and
- The authorisation of enforcement officers;

- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

238 The Environmental Health Officer has delegated authority:

238.1 To exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners;
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

Planning Services

239 The Head of Planning Services has delegated authority:

239.1 To exercise the functions, powers and duties of the Council under the Resource Management Act 1991, and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners;
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

240 The Senior Planner – Compliance and Resolutions and the Senior Planner – Resource Consents has delegated authority:

240.1 To exercise the functions, powers and duties of the Council under the Resource Management Act 1991, and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners;
- The authorisation of enforcement officers; and

- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

241 The Monitoring & Enforcement Officer has delegated authority:

241.1 To exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners;
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Sum.

242 The Planning Officer has delegated authority:

242.1 To exercise the functions, powers and duties of the Council under the Resource Management Act 1991 and regulations made thereunder for matters within his or her jurisdiction, except for:

- Matters within the delegated authority of the Hearings Committee;
- Matters in respect of which one or more Hearings Commissioners has been appointed;
- The appointment and assignment of Hearings Commissioners;
- The authorisation of enforcement officers; and
- Remitting any administrative charge, in whole or part, in an amount in excess of 1% of the Specified Su..

PART 2 - TERMS OF REFERENCE

COUNCIL

The Council's areas of responsibility include:

To consider and adopt decisions made by the various Standing Committees during the current meeting cycle. On occasions, the Council may hold a special meeting to consider business, which requires urgent resolution.

COMMITTEES:***ARTS, CULTURE AND HERITAGE***

The Committee's areas of responsibility include:

1. Arts Policy Development and Issues
2. Arts, Culture and Heritage Events
3. Cultural Diversity
4. Square Edge
5. Council Controlled Organisations (non-commercial) - Caccia Birch House, Globe Theatre, Regent on Broadway, Te Manawa Museum Trust
6. NZ Rugby Museum
7. Centrepont Theatre
8. Palmerston North Community Arts' Council
9. Palmerston North Performing Arts' Trust
10. CCNZ report
11. Palmerston North Military Heritage Group
12. ANZAC Day, Armistice Day, and Military Parades
13. Section 17A Reviews for Cultural CCOs
14. Approval of appropriate Draft Strategies, Plans and Policies for public consultation
15. Recommend appropriate Strategies, Plans and Policies to Council for adoption

AUDIT AND RISK COMMITTEE

The Committee's areas of responsibility include:

1. Consideration of the External Audit Management issues
2. Six month and Annual Risk Management and Internal Audit Reports
3. Performance Monitoring of committees, sub-committees, working parties, workshops and advisory groups to ensure that all legal requirements are met and that the process is carried out in an effective and efficient manner
4. Project management reporting
5. Delegations

CHIEF EXECUTIVE'S PERFORMANCE REVIEW PANEL

The Committee's areas of responsibility include:

1. To recommend to the Council a process for appraising the Chief Executive's performance
2. To provide the Chief Executive with regular feedback, mentoring and support through informal monthly meetings
3. To ensure the Chief Executive receives relevant training and development opportunities
4. To carry out an annual review of the Chief Executive's performance and report the results to the Council
5. To negotiate a process for reviewing the Chief Executive's remuneration
6. To carry out an annual review of the Chief Executive's remuneration and make recommendations to the Council on the application of the review
7. To manage the provisions of the Chief Executive's Employment Agreement
8. Appointment of an independent HR Contractor to assist with the Performance Review Process
9. To negotiate any variation to the Employment Agreement and make recommendations to the Council
10. To undertake the appraisal of the Chief Executive's performance.

COMMITTEE OF COUNCIL

The Committee's areas of responsibility include:

1. 10 Year Plan/Annual Plan
2. Standing Orders
3. Code of Conduct Issues

COMMUNITY DEVELOPMENT COMMITTEE

The Committee's areas of responsibility include:

1. Community Development
2. Community Engagement
3. Social Policy Development and Issues
4. Community Grants/Funding Schemes
5. Community Events
6. Civil Defence
7. Social Housing
8. Community Centres
9. Libraries
10. Disabled sector - DPA
11. Youth Council
12. Student City
13. Age-friendly Palmerston North
14. Aged Sector
15. Safety Advisory Board
16. Public Health and Safety
17. Approval of appropriate Draft Strategies, Plans and Policies for public consultation
18. Recommend appropriate Strategies, Plans and Policies to Council for adoption

CREATIVE COMMUNITIES NEW ZEALAND/ARTS & CULTURE FUND COMMITTEE

The Committee's areas of responsibility include:

The purpose of the CCNZ/ Arts and Culture Fund Committee is to assist the Council win the administration of the Council's Arts and Culture Fund and the Creative Communities New Zealand Scheme.

ECONOMIC DEVELOPMENT COMMITTEE

The Committee's areas of responsibility include:

1. Citizen Interaction and Information
2. City Marketing and Sense of Place – CEDA
3. Chamber of Commerce
4. Maori business and Iwi leaders
5. Contact and Call Centre Cluster
6. Defence Hub Cluster
7. Federated Farmers
8. Racing Industry
9. Talent Central & Employment Sector
10. Chartered Accountants Society
11. Business Central Employers Federation
12. Manufacturers and Exporters' Association
13. District Law Society
14. Real Estate Institute
15. Research Sector
16. Education Sector (including International Education)
17. Digital and Technology Sector
18. International relationships (including Sister Cities programme)
19. PNCC Building Services
20. Health Sector

FINANCE AND PERFORMANCE COMMITTEE

The Committee's areas of responsibility include:

1. Council Finances
2. Annual Report
3. Assets and Investments
4. External Corporate Relationships and Initiatives
5. Council Facilities
6. Energy Management
7. Implementation of appropriate Strategies, Plans and Policies
8. Waste Services
9. Council Owned Infrastructure
10. Council Controlled Organisations (commercial) – Palmerston North Airport Ltd
11. Approval of appropriate Draft Strategies, Plans and Policies for public consultation
12. Recommend appropriate Strategies, Plans and Policies to Council for adoption.

HEARINGS COMMITTEE

The Committee's areas of responsibility include:

1. Hearings conducted pursuant to any enactment to consider and determine any such matter such as hearings or related discussions under these Acts:
 - Resource Management Act 1991
 - Dog Control Act 1996
 - Sale of Liquor Act 1989
 - Fencing of Swimming Pools Act 1987
2. To conduct hearings on other issues where a full formal hearing is required by law or considered desirable by the Council
3. Noting that Resource Management Act 1991 hearings include plan changes and variations other than those associated with the Sectional District Plan review; requirements, designations and heritage orders; applications for notified resource consents; applications for review of conditions under Sections 357, 357A, 357B, 357C and 357D of the Resource Management Act 1991
4. To consider Fencing and Swimming Pools Act 1987 applications that do not require a full public Hearing.

PLANNING AND STRATEGY COMMITTEE

The Committee's areas of responsibility include:

1. Environmental Planning and Policy
2. Urban Design and Control
3. Legislation and Governance Issues/Policy
4. Bylaws
5. Implementation of Strategies, Plans and Policies as appropriate
6. Transportation and Infrastructure Planning
7. Waste Management Planning
8. Approval of appropriate Draft Strategies, Plans and Policies for public consultation
9. Recommend appropriate Strategies, Plans and Policies to Council for adoption
10. Manawatu River Accord
11. New 2022 Wastewater Consent

SPORT AND RECREATION COMMITTEE

The Committee's areas of responsibility include:

1. Sport
2. Recreation and Leisure
3. Parks and Reserves
4. Cycleways/Pathways
5. Sport Manawatu Reporting
6. Sporting, Recreation and Leisure Events
7. Arena Reporting
8. Implementation of appropriate Plans, Strategies and Policies
9. Reserve Management Plans
10. Massey Sports Hub (including Sport and Rugby Institute)
11. Approval of appropriate Draft Strategies, Plans and Policies for public consultation
12. Recommend appropriate Strategies, Plans and Policies to Council for adoption

JOINT COMMITTEES:***MANAWATU DISTRICT AND PALMERSTON NORTH CITY JOINT STRATEGIC PLANNING COMMITTEE***

The Committee's areas of responsibility include:

1. To address strategic planning issues that impact on both Manawatu District and Palmerston North City, in particular issues relating to but not restricted to infrastructure, land use planning and economic development.
2. To consider community planning and community outcomes implications.
3. Quarterly reporting of CEDA – Central Economic Development Agency.
4. Regional Growth Study and Plan – Accelerate 25
5. Regional Roothing
6. Shared Services

COMMITTEE WORK SCHEDULE

TO: Audit and Risk Committee

MEETING DATE: 20 February 2017

TITLE: Committee Work Schedule

RECOMMENDATION(S) TO AUDIT AND RISK COMMITTEE

1. That the Audit and Risk Committee receive its Work Schedule dated February 2017.

ATTACHMENTS

1. Committee Work Schedule [↓](#) 

AUDIT AND RISK COMMITTEE

COMMITTEE WORK SCHEDULE – FEBRUARY 2017

Item No.	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction/ Point of Origin
1	May 2017	Business Continuity Plan Status Report	Chief Financial Officer		28 November 2016 clause 29-16 (Audit and Risk)