



PALMERSTON NORTH CITY COUNCIL

AGENDA

RISK & ASSURANCE COMMITTEE

9AM, WEDNESDAY 18 OCTOBER 2023

COUNCIL CHAMBER, FIRST FLOOR CIVIC ADMINISTRATION BUILDING 32 THE SQUARE, PALMERSTON NORTH

MEMBERS

Mr Stephen Armstrong (Chair)
Cr Karen Naylor (Deputy Chair)
Grant Smith (The Mayor)

Cr Mark Arnott
Cr Brent Barrett
Cr Vaughan Dennison
Cr Leonie Hapeta

Cr Lorna Johnson Cr Orphée Mickalad Cr William Wood Cr Kaydee Zabelin

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

Waid Crockett

Chief Executive | PALMERSTON NORTH CITY COUNCIL





RISK & ASSURANCE COMMITTEE MEETING

18 October 2023

ORDER OF BUSINESS

- 1. Karakia Timatanga
- 2. Apologies

3. 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.

4. Declarations of Interest (if any)

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



5. 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.)

6. Confirmation of Minutes

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"That the minutes of the Risk & Assurance Committee meeting of 23 August 2023 Part I Public be confirmed as a true and correct record."

7. Business Assurance 6 Monthly Accountability Report

Page 11

Memorandum, presented by Masooma Akhter, Business Assurance Manager.

8. Risk Management Update

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Memorandum, presented by Stephen Minton, Risk Management Advisor and Jason McDowell, Head of Risk & Resilience.

9. Adoption of Annual Report 2022/23

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Memorandum, presented by Scott Mancer, Finance Manager and Debbie Perera, Audit Director.

10. Wellbeing Report, July to September 2023

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Memorandum, presented by Connie Roos - Employee Experience Manager

Wayne Wilson - People Operations Manager.

11. Committee Work Schedule

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12. 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:

each	eral subject of n matter to be idered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
13.	Health and Safety Report, July to September 2023 (Quarter 1)	PREJUDICE THE SUPPLY OF SIMILAR INFORMATION: Releasing this information could negatively effect similar confidential information or discourage people from sharing such information and ENDANGER THE SAFETY OF A PERSON: Sharing this information could put someone's health and safety at risk	s7(2)(c)(i) and s6(d)
14.	Post Implementation Review - Kotuia (Ozone Replacement) Project	THIRD PARTY COMMERCIAL: Disclosing the information could harm a company's commercial position	s7(2)(b)(ii)
15.	Assurance Report - Animal Shelter Review	THIRD PARTY COMMERCIAL: Disclosing the information could harm a company's commercial position and MAINTAIN THE EFFECTIVE CONDUCT OF PUBLIC AFFAIRS: The withholding of the information is necessary to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to members or officers or employees of any local authority in the course of their duty.	s7(2)(b)(ii) and s7(2)(f)(i)

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the



holding of the whole or the relevant part of the proceedings of the meeting in public as stated in the above table.

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

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



PALMERSTON NORTH CITY COUNCIL

Minutes of the Risk & Assurance Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 23 August 2023, commencing at 9.00am

Members Mr Stephen Armstrong (in the Chair) and Councillors Mark Arnott, Brent

Present: Barrett, Lorna Johnson, Orphée Mickalad, William Wood and Kaydee

Zabelin.

Non Councillors Lew Findlay, Patrick Handcock, Debi Marshall-Lobb and Billy

Members: Meehan.

Apologies: The Mayor (Grant Smith) (lateness on Council business), Councillors

Vaughan Dennison, Karen Naylor and Leonie Hapeta.

The Mayor (Grant Smith) entered the meeting at 10.01am during consideration of clause 16. He was not present for clauses 13 to 15 inclusive.

Councillor Rachel Bowen entered the meeting at 9.52am during consideration of clause 16. She was not present for clauses 13 to 15 inclusive. She left the meeting again at 10.18 during consideration of clause 18. She was not present when the meeting resumed at 10.49am. She entered the meeting again at 11.22am. She was not present for clauses 18 to 20 inclusive.

Karakia Timatanga

Councillor Debi Marshall-Lobb opened the meeting with karakia

13-23 Apologies

Moved Stephen Armstrong, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

1. That the Committee receive the apologies.

Clause 13-23 above was carried 11 votes to 0, the voting being as follows:

For

Councillors Stephen Armstrong, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.



14-23 Confirmation of Minutes

Moved Stephen Armstrong, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

1. That the minutes of the Risk & Assurance Committee meeting of 26 April 2023 Part I Public and Part II Confidential, both be confirmed as a true and correct record.

Clause 14-23 above was carried 11 votes to 0, the voting being as follows:

For

Councillors Stephen Armstrong, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

15-23 Health and Safety Report, April to June 2023 (Q4 inclusive March)

Memorandum, presented by Selwyn Ponga-Davis, Health and Safety Manager.

Moved Stephen Armstrong, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

1. That the Committee received the memorandum titled 'Health and Safety Report, April to June 2023 (Q4 inclusive March)' presented to the Risk & Assurance Committee on 23 August 2023.

Clause 15-23 above was carried 11 votes to 0, the voting being as follows:

For:

Councillors Stephen Armstrong, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

16-23 Wellbeing Report, April to June 2023 (Q4 inclusive March)

Report, presented by Connie Roos, Employee Experience Manager and Wayne Wilson, People Operations Manager.

Councillor Rachel Bowen entered the meeting at 9.52am. The Mayor (Grant Smith) entered the meeting at 10.01am.

Moved Stephen Armstrong, seconded Kaydee Zabelin.

The **COMMITTEE RESOLVED**

 That the Committee receive the memorandum titled 'Wellbeing Report, April to June 2023 (Q4 inclusive March)' presented to the Risk & Assurance Committee on 23 August 2023.

Clause 16-23 above was carried 12 votes to 0, with 1 abstention, the voting being as follows:

For:



Councillors Stephen Armstrong, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Rachel Bowen, Lew Findlay, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

Abstained:

The Mayor (Grant Smith).

17-23 Audit NZ 2022 Management Report with Action Plan

Memorandum, presented by Masooma Akhter, Business Assurance Manager and Cameron McKay, Chief Financial Officer.

Moved Stephen Armstrong, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

 That the Committee receive the memorandum titled 'Audit NZ 2022 Management Report with Action Plan' presented to the Risk and Assurance Committee on 23 August 2023.

Clause 17-23 above was carried 13 votes to 0, the voting being as follows:

For

The Mayor (Grant Smith) and Councillors Stephen Armstrong, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Rachel Bowen, Lew Findlay, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

18-23 Committee Work Schedule - 23 August 2023

Councillor Rachel Bowen left the meeting at 10.18am.

Moved Stephen Armstrong, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

1. That the Risk & Assurance Committee receive the Work Schedule.

Clause 18-23 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Stephen Armstrong, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

The meeting adjourned at 10.20am.

The meeting resumed at 10.49am.

Councillor Rachel Bowen was not present when the meeting resumed at 10.49am.

19-23 Long Term Plan - Planning, Budgeting, Prioritisation & Benefits Review with Action Plan

Memorandum, presented by Masooma Akhter, Business Assurance Manager, and Andrew Boyle, Head of Community Planning.

Officers noted the Action Plan will be amended to incorporate



Recommendation 1 from the Long Term Plan Review Report.

Moved Stephen Armstrong, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

 That the Committee receive the memorandum titled 'Long Term Plan - Planning, Budgeting, Prioritisation & Benefits Review with Action Plan' presented at the Risk and Assurance Committee on 23 August 2023.

Clause 19-23 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Stephen Armstrong, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

20-23 Sustainable Practices Review with Action Plan

Memorandum, presented by Masooma Akhter, Business Assurance Manager and David Murphy, Chief Planning Officer.

Moved Stephen Armstrong, seconded Kaydee Zabelin.

The **COMMITTEE RESOLVED**

1. That the Committee received the memorandum titled 'Sustainable Practices Review with Action Plan' presented to the Risk & Assurance Committee on 23 August 2023.

Clause 20-23 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Stephen Armstrong, Mark Arnott, Brent Barrett, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

Karakia Whakamutunga

Councillor Rachel Bowen entered the meeting again at 11.22am.

Councillor Debi Marshall-Lobb closed the meeting with karakia.

The meeting finished at 11.23am

Confirmed 18 October 2023

Chair



MEMORANDUM

TO: Risk & Assurance Committee

MEETING DATE: 18 October 2023

TITLE: Business Assurance 6 Monthly Accountability Report

PRESENTED BY: Masooma Akhter, Business Assurance Manager

APPROVED BY: Donna Baker, Acting Chief Executive Unit Manager

RECOMMENDATION TO RISK & ASSURANCE COMMITTEE

1. That the Committee receive the memorandum titled 'Business Assurance Accountability Report' and its attachment, presented to the Risk & Assurance Committee on 18 October 2023.

1. ISSUE

1.1 The Business Assurance Charter requires that follow-up procedures for review recommendations are undertaken regularly and reported to the Risk & Assurance Committee.

2. BACKGROUND

- 2.1 Follow-up is a process by which internal auditors evaluate the adequacy, effectiveness, and timeliness of actions taken by management on reported observations and recommendations, including those made by external auditors and others. This process also includes determining whether senior management and/or the Committee have assumed the risk of not taking corrective action on reported observations.
- 2.2 Where an external review/audit has been completed and reported to the Risk & Assurance Committee, the recommendations form part of the accountability report.
- 2.3 Attached is the report that shows the status of each agreed action. As items are reported as completed, they fall off the following report.

3. NEXT STEPS

3.1 A six-monthly accountability report will be reported to the Risk & Assurance Committee.



3.2 As further reviews are completed (as per the Business Assurance Plan) and reported to the Risk & Assurance Committee, their recommendations will form part of future accountability reports presented by Business Assurance.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	?	
If Yes quote relevant clause(s) from S4.8 – TOR for Risk Committee	Yes	
Are the decisions significant?		No
If they are significant do they affect land or a body of water	er?	No
Can this decision only be made through a 10 Year Plan?		No
Does this decision require consultation through Consultative procedure?	the Special	No
Is there funding in the current Annual Plan for these actions	Ş\$	Yes
Are the recommendations inconsistent with any of Counciplans?	il's policies or	No
The recommendations contribute to Goal 5: A Driven & End	abling Counci	
The recommendations contribute to the achievement of Applicable)	action/action	ns in (Not
Contribution to strategic trust and confidence in the core management. social, economic, environmental and cultural wellbeing		

ATTACHMENTS

1. Business Assurance 6 Monthly Accountability Report 4 12



Review Status Summary

Completed Reviews	Not Started	In Progress	Completed	Accept Risk	Closed in Prior Period	Total
Business Continuity Planning Review		2	4		6	12
PMO Review		7	2		11	20
IT Disaster Recovery Review		4			7	11
Health & Safety Review		18	13		16	47
Procurement Review		12	1		2	15
Financial Delegations Review		3			2	5
EM/ELT Culture Survey		1		1	7	9
Asset Management Maturity Assessment	1	23	2		5	31
Sustainable Practices Review		6	1		1	8
Risk Management Review		4				4
LTP Programme Planning, Budgeting, Prioritisation and Benefits Review		5				5
Road Maintenance Renewal & Capital Improvements Contract Review		4	1			5
Audit NZ Annual Report 2022 Review	2	5	1			8
Total Actions	3 2%	94 52%	25 14%	1 1%	57 32%	180

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Business Continuity Planning Review (Presented August 2020)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:		
1	Looking after staff: Train managers and team leaders on their immediate response to emergency events	Head of R&R	Dec-20	Nov-23	In Progress		
2	That exercises are run across the Council at least annually using a range of scenarios	Head of R&R	Dec-20	Mar-24	In Progress		
3	Call centre risk – review plans against a range of scenarios	Customer Contact Manager	Sep-20	Jul-23	Completed		
4	Looking after staff: Implement text blast to all staff	Head of R&R	Dec-20	Jul-23	Completed		
5	Plan what staff may be required where and backfilling plans (delegations / training)	Head of R&R	Dec-20	Jul-23	Completed		
6	Where we rely on external partners to deliver services, we need to ensure our BCPs are aligned	Head of R&R	Dec-20	Jul-23	Completed		

An additional 6 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by Head of R&R:

Significant progress has been made, as we embed BCP into day to day operations led by R&R function.

PMO Review (Presented December 2020)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	The PMO manual should be finalised and approved by the Chief Infrastructure Officer. This should include key roles and responsibilities, capturing learnings.	Programme Governance TL	Mar-21	Nov-23	In Progress
2	That a suitable project management portfolio tool is invested in to assist the PMO to meet its goals and objectives.	PMO Manager	TBD	Nov-23	In Progress
3	In the 'Conceive' phase the Project Sponsor should approve a detailed business case before any programme is commissioned to commence. Additional resourcing is required to enable this. In the 'Develop' phase a more detailed project plan should be completed.	Asset Management Planning Manager	Jun-21	Jun-25	In Progress
4	Fast track the new procurement and contract management system's implementation and associated training and knowledge resources.	Procurement Manager	Mar-21	Dec-23	In Progress
5	That adequate risk management training is offered to all Project Managers	Head of R&R	Jun-21	Dec-23	In Progress
6	If the benefits are only realised after the project has closed down, then a mechanism to continue tracking their realisation should be established.	PMO Manager	Mar-21	Dec-23	In Progress
7	Determine, when and how, benefits realisation will be reported to the ELT and Elected Members.	PMO Manager	Jun-21	Dec-23	In Progress
8	The financial information presented to the Infrastructure Governance Group should be updated to include commentary on any current or forecast variation.	PGTL	Mar-21	May-23	Completed
9	Review the costs of outsourcing project management and whether it would be more efficient and effective to bring a specialist in-house. Where we outsource, an internal Project Manager should remain involved and should utilise this opportunity to shadow and learn from the specialist engaged.	PMO Manager	Jun-21	Sept-23	Completed

An additional 11 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by Project Management Office Manager:

The agreement by the Business Steering Group that the procurement of a Project Management Tool was a significant milestone in enabling completion of a number of outstanding steps in the project management audit. Through a thorough procurement process Service Now (PPM) has been selected as the end to end project management tool. This aligns with Service Now as the strategic platform for the organisation. The tool is in early stages of implementation. As a part of the implementation process a series of workshops on Project Management as well as use of the Project Management Tool will be delivered to the all Infrastructure staff delivering projects. The current Project Management Manual (available on The Sauce) will be updated accordingly.

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IT Disaster Recovery Review (Presented January 2021)

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Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Prioritise and formalise the IT business continuity programme to provide structure, resources and transparency to IT business continuity enhancements.	Digital Solutions Manager	Jan-21	Mar-24	In Progress
2	Comprehensively update IT DR Plans so they address all aspects of best practice.	Digital Solutions Manager	Jan-21	Mar-24	In Progress
3	Ensure workarounds for any IT disruption are included and tested in all Council Unit BCPs.	Head of R&R	Jan-21	Mar-24	In Progress
4	Update and exercise the Council's crisis management plan to provide clarity on activation processes, roles and responsibilities for IT DR.	Head of R&R	Jan-21	Mar-24	In Progress

An additional 7 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by Head of Risk & Resilience and Head of Digital Solutions

Work is underway to review the actions in line with the change in the digital space. In parallel, the Digital Transformation (DX) Program is addressing issues with complex legacy systems that require significant dependencies on key staff members. DX is moving critical applications to the cloud where DR/BCP is provided by a vendor as-a-service or there are enterprise tools that allow for seamless failover in the event of a disaster. Part of the LTP program has outlined Digital Solutions proposal to off-set intensive hardware capital investments on-site into the cloud which not only save cost, but, at the same time, allow us to mitigate applications to the cloud to significantly reduce the complexity.

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Health & Safety Review (Presented August 2021)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Set Health and Safety KPIs and report to the organisation how we are performing against them	ELT	Dec-23	Dec-23	In Progress
2	Involve the health and safety representative in the development and review of health and safety processes that affect their area of representation	Health & Safety Manager	Jun-24	Jun-24	In Progress
3	Health and Safety Representatives carry out work area safety checks through the Safe 365 Tool. Including auditing and site inspection capabilities.	Health & Safety Manager	Jun-23	Oct-23	In Progress
4	Develop a worker competency framework which includes assessments on training, knowledge and experience	Chief People & Performance Officer	Jun-24	Jun-24	In Progress
5	Develop a Health and Safety Framework	Chief People & Performance Officer	Apr-23	Dec-23	In Progress
6	ELT's professional development include health and safety management, for example through the Institute of Directors NZ or similar	ELT	Dec-23	Dec-23	In Progress
7	Hazards and Risk Management (including Risk Identification and Assessment) Site Safe training to be provided for the health and safety representatives.	Health & Safety Manager	Mar-24	Mar-24	In Progress
8	Review Health and Safety Risks across the organisation	Head of R&R	Jun-25	Jun-25	In Progress
9	Review the organisation's health and safety processes for those facilities that operate on a 24-hour/7-day operation	Safety & Health Manager / Head of R&R	Nov-23	Nov-23	In Progress
10	Review the visitor/contractor induction/sign in process across the organisation.	Health & Safety Manager	Dec-23	Dec-23	In Progress
11	Provide conflict management and de-escalation training for relevant frontline workers and managers	Health & Safety Manager	Jun-25	Jun-25	In Progress
12	Review the security requirements related to the libraries, especially outside the normal working day.	Head of R&R	Nov-23	Nov-23	In Progress
13	Ensure there is regular refresher training programme for workers.	Health & Safety Manager	Jun-25	Jun-25	In Progress
14	Provide mental health response training and support to frontline managers and team leaders.	Employee Experience Manager	Jun-24	Jun-24	In Progress
15	Provide First-Aid Mental Health Training through the Wellbeing Advocate initiative	Employee Experience Manager	Jun-23	Jun-24	In Progress

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16	Review how hazardous substances will be managed across the organisation	Health & Safety Manager	Jun-23	Mar-24	In Progress
17	Undertake basic hazardous substance training for nominated managers and team leaders	Health & Safety Manager	Mar-23	Mar-24	In Progress
18	Review health monitoring requirement base on hazardous substances used	Health & Safety Manager	Mar-23	Dec-23	In Progress
19	Review People Safe and whether it is fit for purpose and being used effectively	Health & Safety Manager	Jun-24	Jun-24	Completed
20	Consider developing an application or similar that allows workers to access location information, like those operated by telco service providers, where key risks are noted for staff awareness and accessed prior to site visits.	ELT			Completed
21	Consider doing a gap analysis against the HSE UK Guide for protection of lone workers to ensure the controls identified to date remain effective.	Health & Safety Manager	Nov-23	Nov-23	Completed
22	Develop a procedure for lone worker non-response to contact including an escalation protocol.	Health & Safety Manager	Nov-23	Nov-23	Completed
23	Document processes in place throughout PNCC that enable PNCC to manage our Health and Safety Risks	Health & Safety Manager	May-23	May-23	Completed
24	Ensure PNCC's managers are aware of our H&S responsibilities in regard to 3rd party PCBU's	Health & Safety Manager	May-23	May-23	Completed
25	Ensure Health and Safety Risk Appetite level is appropriate. After Risk Appetite has been determined, ensure Health and Safety work programme is driven by level set.	Health & Safety Manager	Dec-23	Dec-23	Completed
26	Implement a programme of health and safety internal auditing encompassing all areas to improve surety of health and safety standards.	Health & Safety Manager	Apr-23	Apr-23	Completed
27	With input from Health and Safety Representative, update the Health and Safety committee charter	Health & Safety Manager	Apr-23	Apr-23	Completed
28	Review health and safety information held in 'The Source' and how this information can assist with the dissemination of health and safety processes/protocols	Chief People & Performance Officer	Jun-24	Jun-24	Completed
29	Ensure hardcopy information located at all sites are readable. It was noted that the hazard/risk register had a font size 6 and workers could not read the document.	Health & Safety Manager	Apr-23	Apr-23	Completed
30	Health and Safety site inspections to be carried out and Opportunities for Improvement to be followed up on for continuous improvement purposes	Health & Safety Manager	May-23	May-23	Completed

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31	Review the security requirements of the reception area at the civil administration building.	Head of R&R	Nov-23	Nov-23	Completed
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An additional 16 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by Health & Safety Manager:

In 2021, the SafePlus On-site Assessment Report, identified key areas for improving the safety performance of Council. In October 2022 the challenge was met in conjunction with recommendations by Deloitte who created a road map with similar opportunities. We are confident that through the production of the document Ahurutanga (H&S Commitment Statement) Te Tum Matua (CE) has clearly articulated his intent which is supported also by a robust Safe Management System which highlights key focus points for Council This highlights LEADERSHIP. Worker engagement has improved with the re-election of Reps and an allocated budget to help inform and empower. WORKER ENGAGEMENT is further defined in the Komiti Charter defining their roles and responsibilities. RISK MANAGEMENT continues to be a key focus. The first step is to understanding our critical risk profile. The top critical risk for council is Customer Behaviour. This was recognised at the last Audit and Risk Council meeting as a key focus. Considerable work has been done to produce the Safety Charter which further empowers staff. Situational awareness training, tailored safety plans coupled with alert systems have been implemented. There is also a key focus on holding people accountable. To ensure that we are meeting best practise, our systems, process will be reviewed against the TOTIKA national accreditation process to benchmark our progress and be graded to sit amongst other Councils on the national register.

Procurement Review (Presented August 2022)

Ref:	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Develop a checklist to support contract variations that will also assist in determining when legal advice should be sought.	Legal Counsel	Dec-22	Dec-23	In Progress
2	An options analysis to be undertaken and presented to CFO and subsequently ELT to assess whether Oasis should continue to be our official records platform for procurement. This should also determine who is responsible for ensuring that record management compliance for procurement is met.	Head of Digital Solutions	Dec-22	Dec-23	In Progress
3	Review OAG goods and services contract template and endorse for PNCC use.	Legal Counsel	Dec-22	Oct-23	In Progress
4	Undertake regular spot checks and report results through finance dashboard to ELT.	Procurement Manager	Jun-23	Oct-23	In Progress
5	Develop guidelines on contract management and incorporate into the procurement framework.	Procurement Manager	Dec-22	Oct-23	In Progress
6	To add a live link to the portal (that has all the templates on it) on the Sauce.	Procurement Manager	Dec-22	Oct-23	In Progress
7	That a governance Procurement Policy be developed and adopted.	Procurement Manager	Mar-23	Dec-23	In Progress
8	Complete and roll-out an updated management procurement policy and framework.	Procurement Manager	Dec-22	Dec-23	In Progress
9	Procurement division to define levels of service provided by the division and obtain endorsement from ELT.	Procurement Manager	Dec-22	Dec-23	In Progress
10	To partner with the change manager through the implementation of the updated procurement framework and then to facilitate training as part of the employee onboarding process	Procurement Manager	Dec-22	Dec-23	In Progress
11	Pull all current procurements from each business unit and updated throughout the year to present a overview of PNCC procurement activities.	Procurement Manager	Dec-22	Jun-24	In Progress
12	Prepare a plan to develop preferred supplier panels. Starting with the Planning Unit.	Procurement Manager	Aug-22	Jun-24	In Progress
13	Incorporate procurement training into the Elected Member triennium training programme.	Democracy & Governance Manager	Oct-22	Jun-23	Completed

An additional 2 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by Procurement Manager:

The procurement review recommendations have made significant progress over the last 6 months, best measured by the formal endorsement of the new procurement framework by ELT on the 26th September. Based off this endorsement the suite of policies and guidance that make up the new procurement framework will be implemented between now and December. This suite of policies and guidance will address the majority of the recommendations within the review and provide the foundation for the strategic sourcing recommendations to get underway.

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Financial Delegations Review (Presented August 2022)

Ref:	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Update Council Delegations Manual	Democracy & Governance Manager	Aug-22	Dec-23	In Progress
2	Update Delegations Made by Chief Executive Manual	Democracy & Governance Manager	Aug-22	Dec-23	In Progress
3	Develop Framework to support Delegations Made by Chief Executive Manual	Democracy & Governance Manager	Aug-22	Mar-24	In Progress

An additional 2 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by Democracy & Governance Manager:

Administrative changes have been made to the Council Delegations and the CE Delegations, both now approved and published on the website and staff intranet (respectively). Content improvements have been drafted for Council Delegations that are now being tested. Financial delegations under the CE have been reviewed and implemented with the new finance system since 1 July. The framework to support the implementation of the delegations manuals is occurring in parallel with the manuals' review.

EM/ELT Culture Survey (Presented August 2022)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Develop an organisational health dashboard that covers the elements of Employee Experience, Health and Safety, Risk and Resilience, Infrastructure CaPex Pipeline, Performance and Progress	Chief People & Performance Officer	Sep-22	Jun-24	In Progress
2	Establish development plans for Elected Members	Democracy & Governance Manager	Sep-22	Jun-23	Risk Accepted

An additional 7 items have been completed and closed off through prior reports. Those marked with "Risk Accepted" will drop off this report in the future.

Management Comment by Democracy & Governance Manager:

We propose to close the action item for development plans for Elected Members until such time as LGNZ completes its competency framework. This is intended to inform individual development plans for Elected Members across the country. Work is being progressed toward providing Elected Members with better information on staff well-being, this will continue to be progressed.

Asset Management Maturity Assessment (Presented August 2022)

Ref	Agreed Action:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Conduct LoS workshops with Councillors. Present options aligned with organisational strategies and include discussion of costs and risks against different service levels.		N/A	Not Started
2	Review the policy threshold for open market tenders	Dec-23	N/A	In Progress
3	Develop separate wastewater and stormwater development plans and explore the impact of different development scenarios and management strategies.	Jun-24	N/A	In Progress
4	Review transport levels of service performance measures and develop options for the next LTP round.	Dec-26	N/A	In Progress
5	Develop programme and implement bridge condition assessments.	Apr-24	N/A	In Progress
6	Develop asset management plans that are more focused on the transport corridor and reallocating space, and align the Network Operating Plans to the AMP.	Aug-24	N/A	In Progress
7	Develop LoS scenarios to test through the Waste Minimisation Management Plan (WMMP) and Long Term Plan (LTP) processes.	Dec-26	N/A	In Progress
8	Undertake review of new growth areas in the future to determine number of trucks, staff, estimate waste volumes and impact on recycling	Jun-24	N/A	In Progress
9	Complete condition assessment of Material Recovery Facility (MRF) and any other critical assets	Apr-24	N/A	In Progress
10	Review asset data and determine where gaps are. Work with new asset data team to fill gaps	Jun-24	N/A	In Progress
11	Review property levels of service performance measures and develop options for the next LTP round.	Dec-26	N/A	In Progress
12	Undertake further condition assessment training to enable staff to rate condition.	Apr-24	N/A	In Progress
13	Review parks levels of service performance measures and develop options for the next LTP round.	Dec-26	N/A	In Progress
14	Complete community needs assessments prior to the next LTP.	Dec-23	Jun-25	In Progress
15	Ensure that the responsibilities of each division - ownership, management and funding of Council assets, is clearly articulated in AMPs and/or policy.	Jun-24	N/A	In Progress
16	Review the levels of service for each activity through customer engagement to identify areas for change prior to the next LTP.	Dec-26	N/A	In Progress
17	Cost and evaluate the level of service options resulting from the customer engagement.	Dec-25	N/A	In Progress
18	Complete the asset criticality identification and align processes for inspection frequency, response time and interventions to the criticality of assets.	Dec-23	Jun-24	In Progress
19	Embed standard operating policies, processes, and procedures for documenting and escalating new risks to provide a consolidated and consistent view across all activities	Jun-26	N/A	In Progress

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20	Each of the activities needs to develop processes to centrally develop and track proactive maintenance schedules	Oct-23	Dec-24	In Progress
21	Develop business case process to ensure cases progressively become more detailed as they progress through the project investigation, feasibility and detailed design stages		N/A	In Progress
22	Review the validity of the financial policy of rating for three year rolling renewals versus rating for long term depreciation, to ensure adequate reserves are built up over time.	Dec-24	N/A	In Progress
23	Complete a review of the form and function of asset management plans (AMPs) to enable better engagement and make AMPs more dynamic, interactive, and focused to meet business needs.	Dec-24	N/A	In Progress
24	Once the identification of critical assets is completed, populate the asset criticality field for each asset in the asset information systems. This will need to be regularly updated.	Apr-24	Dec-24	In Progress
25	Develop a programme and a process for updating the SAMP	Dec-23	N/A	Completed
26	Continue to build asset management competencies through industry training, conference participation, mentoring and job-related experience.	Apr-25	N/A	Completed

An additional 5 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by Asset Planning Management Manager:

Progress since the last report in March has been steady. The focus of the Asset Planning Division over this period has been the completion of the Asset Management Plans, the Strategic Asset Management Plan and the Infrastructure Strategy to support the Long Term Plan. Thus any progress we have made in the actions from the maturity assessment have been as part of the preparation of these documents. We are expecting to start specifically targeting the completion of the actions in early 2024 as part of the overall asset management improvement plan. Then and into the first year of the long term plan are the best times in the three year local government planning cycle to progress improvement actions. We have planned the work for the Asset Planning Division over the next three years to reflect this and structured our improvement budgets accordingly.

rage

Sustainable Practices Review (Presented September 2022)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Status:
1	Define and develop a sustainability framework through the LTP that joins all the siloed efforts across the organisation and how the goals will be achieved	Head of Community Planning	Jun-24	In Progress
2	Add a section for sustainability risks and opportunities in all agenda templates, to ensure Council considers this as part of all reports	Democracy & Governance Manager	Dec-23	In Progress
3	Incorporate sustainability into EM training programme	Democracy & Governance Manager	Jun-24	In Progress
4	Develop a LTP prioritisation model and obtain EM buy in prior to implementation	Head of Community Planning	Oct-23	In Progress
5	Build sustainability risks and opportunities into the risk management framework and practice	Head of R&R / Risk Management Advisor	Dec-23	In Progress
6	Build monitoring of a wide range of sustainability metrics and targets into an LTP monitoring plan. Specify roles and responsibilities for monitoring, evaluation and learning actions	Head of Community Planning	Jun-24	In Progress
7	Account for sustainability principles in a governance procurement policy	Procurement Manager	Dec-23	Completed

An additional 1 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by Head of Community Planning:

Most of these are being implemented through the LTP.

In April Council adopted a Vision and four Goals for the development of the LTP. These four goals align with the four wellbeings (social, economic, environmental and cultural) and hence they establish Council's sustainability framework. A big focus for the 2024 LTP is to stress the inter-related nature of Council's strategic direction. In 2021 we had four Goals, each with its own Strategy and set of Plans. For 2024 we have a single Community Wellbeing Strategy showing the links between the four Goals and the Plans that will work towards them. The prioritisation model takes a similar approach by providing Elected Members integrated information on levels of service and programmes so that they can make political trade-offs between them based on their strategic contributions. Staff are working on the LTP performance and monitoring framework.

The Risk Management Framework has been updated and reissued with a section on sustainability risks and processes for capturing and recording climate adaptability and carbon mitigation.

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Risk Management Review (Presented April 2023)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Status:
1	Strategic Risk & Engagement with Elected Members - Define strategic risk, socialise policy and framework, gain risk appetite and tolerance endorsement, and initiate Risk & Assurance risk reporting.	Head of R&R	Mar-24	In Progress
2	Continuous Improvement & Implementation of Framework - determine target maturity, define and implement risk management platform and undertake risk acceptance for higher risks.	Head of R&R	Feb-24	In Progress
3	Undertake Scheduled Review of Risk Management Framework - seek feedback, include risk management advisor on key projects, and review enterprise risks with ELT.	Head of R&R	Nov-23	In Progress
4	Scope and implement an obligations/compliance register.	Legal Counsel	Dec-23	In Progress

Management Comment by Head of Risk & Resilience:

Good progress in underway with risk management actions and as we implement stage 2 of the roll out. Risk Management Framework review is complete and socialised, a Councillors Risk Management workshop has been completed and reporting is underway to the Risk and Assurance Committee.

rage

LTP Programme Planning, Budgeting, Prioritisation and Benefits Review (Presented April 2023)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Status:
1	Provide EMs with improved information for prioritising and making trade-offs with levels of service and programmes.	LTP Project Sponsors	Nov-23	In Progress
2	Implement the MagiQ Budgeting Tool.	Chief Financial Officer	Jun-24	In Progress
3	Make rigorous assessments of level of service and programme deliverability throughout the LTP. This will be a stepped process involving Activity staff, then Unit staff, then ELT. ELT will seek EM guidance on deliverability limits and provide EMs with clear information.	LTP Sponsors	Jun-24	In Progress
4	Implement new project management software.	Manager – Project Management Office	Jun-24	In Progress
5	Ensure better descriptions of planned benefits and strategic links are clearly described for levels of services and programmes. Governance to determine which capital projects will require a close out report through the LTP development process.	LTP Sponsors	Jun-24	In Progress

Management Comment by Head of Community Planning:

These are on track for being implemented through the LTP.

Staff have prepared the Plans and budgets and are now reviewing and refining them. The Plans include levels of service. As with any new system MagiQ has some teething issues - staff are working though and resolving these. Now that the Plans are nearly completed staff will review the performance framework, including benefits realisation. Staff begin user testing for the new project management software in October. Elected Members will discuss the LTP prioritisation process at a workshop on 6 October. Elected Members will then make trade-offs and prioritisation decisions in November. Staff will prepare a good draft of the consultation material by 20 December.

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Road Maintenance Renewal & Capital Improvements Contract Review (Presented May 2023)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Status:
1	Finalise training and development Programme	Chief Infrastructure Officer	Apr-24	In Progress
2	Update and sign new contract for next term	Chief Infrastructure Officer	Jun-24	In Progress
3	Develop and implement Joint Relationship Management Plan	Chief Infrastructure Officer	Jun-24	In Progress
4	Formulate and set budget and programme	Chief Infrastructure Officer	Jun-24	In Progress
5	Develop and agree detailed operational action plan	Chief Infrastructure Officer	Oct-23	Completed

Those marked as completed will drop off this report in the future.

Management Comment by Chief Infrastructure Officer:

The action plan is running to schedule. October is a busy month with foundation work necessary to inform plan activities for contract development beginning. There are visits to other FH maintenance contract clients planned and workshops to refresh the contract organisation structures and confirm a shared vision for the contract. PNCC and FH staff have continued to actively engage and identify opportunities with the current contract and budgets to support the developed options for increases to LTP budgets, which will enable a change to be made in this space.

Audit NZ Annual Report 2022 Review (Presented August 2023)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Status:
1	Update IT / Social Media Policy	People Ops Manager	Feb-24	Not Started
2	Update Gifts, Inducements and Rewards Policy	People Ops Manager	Feb-24	Not Started
3	Replace Kbase to resolve dry weather wastewater overflows and mandatory performance measure issues.	Customer Contact Manager	Jun-24	In Progress
4	Roll out new procurement guidance and tool	Procurement Manager	Dec-23	In Progress
5	Update Conflict of Interest Policy	Legal Counsel	Dec-23	In Progress
6	New finance system to provide better reconciliation processes	Finance Manager	Jul-24	In Progress
7	Update leave policy to reduce amount of leave staff can accumulate down to one year	People Ops Manager	Dec-23	In Progress
8	New finance system to provide one-up approval capability for appropriate authorisation	Finance Manager	Jul-23	Completed

Those marked as completed will drop off this report in the future.

Management Comment by Chief Finance Officer:

We continue to make progress against the Audit NZ management report items. All system updates (procurement, AA, Kbase) are progressing and on track. Whist progress has been slow against updating the polices assigned to People Ops, a policy framework is currently being prepared by People and Performance and following on from that, all internal policies will be reviewed.



MEMORANDUM

TO: Risk & Assurance Committee

MEETING DATE: 18 October 2023

TITLE: Risk Management Update

PRESENTED BY: Stephen Minton, Risk Management Advisor and Jason

McDowell, Head of Risk & Resilience

APPROVED BY: Cameron McKay, Chief Financial Officer

RECOMMENDATIONS TO RISK & ASSURANCE COMMITTEE

1. That the Committee receive the Risk Management Policy and Framework for information.

1. BACKGROUND

- 1.1 Risk management is one of the principle methods for operating a well-managed organisation. The Organisation has a Risk Management Policy that outlines its policy statement and objectives along with the roles and responsibilities of officers. This policy is operationalised through the Organisation's Risk Management Framework.
- 1.2 Our Risk Management Policy was first issued in January 2020 and has undergone two reviews and iterations to ensure a fit-for-purpose structure.
- 1.3 Our Risk Management Framework was first issued in June 2021 to start our risk management maturity journey.
- 1.4 The Risk Management Framework and its rollout has been subject to a Business Assurance review, which was presented to the Risk and Assurance Committee (the Committee) in April 2023.
- 1.5 The review reported that, amongst other matters, the Framework fully met the recommended standards in ISO:31000: 2018 Risk Management guidelines.
- 1.6 This year, an updated version of the Framework was developed, which provided additional clarity. This was drawn from lessons learnt from the initial rollout and some changes recommended by the Business Assurance review.
- 1.7 All risks of an operational nature have been documented across the Organisation through our Divisional Risk Registers ("a bottom-up approach"). These registers have been created to understand the operational risk picture of Council. The process to create these registers took a journey to understand the processes of the Council with function managers, documenting tasks,



potential failures, causes of identified failures that could take place, understanding the current controls that prevent failure, their effectiveness and what improvements could be put in place to reduce the risk exposure to Council.

- 1.8 Councils are complex and to avoid limitations in our "bottom-up approach" an enterprise view is required to identify from the "top-down organisation wide approach" we call this enterprise risk management. This approach looks at common organisational risks, outside threats, and a portfolio view of the most significant risks to achieving Councils objectives/goals.
- 1.9 Operational nature risks continue to be managed by officers in line with the Framework.
- 1.10 Work continues across the business to align and bring risk management practices into processes across the Organisation which will lift the risk management maturity of the Organisation over the next few years.
- 1.11 Risk management is beginning to be embedded into enterprise project work, and the Risk Management Advisor has become a key advisor to the project lead or sponsor.
- 1.12 Work has been undertaken to enhance risk management within project management and procurement practices within the Infrastructure Unit.
- 1.13 Enterprise risks and strategic risk assessments are being prepared and will form part of future reporting to the Committee.

2. NEXT STEPS

- 2.1 Future reporting to the Committee will provide progress on continued risk management activity of management and its maturity.
- 2.2 Deep dives into enterprise risks will be provided to the Committee to understand the organisation's risks.
- 2.3 Officers will continue to embed risk management in organisation processes with strategic and enterprise risk reporting to the Committee.
- 2.4 Risk appetite and tolerance will be returned to the Committee for further discussion and confirmation, as defined in the Framework. Where necessary the framework will be updated.
- 2.5 The Policy and Framework is subject to triennial reviews, the next review is due in 2026, however other reviews can occur prior to this if required.



3. **COMPLIANCE AND ADMINISTRATION**

Does the Committ	ee have delegated authority to decide?	Vaa	
If Yes quote releva	Yes		
Are the decisions s	ignificant?	No	
If they are significa	ant do they affect land or a body of water?	No	
Can this decision of	only be made through a 10 Year Plan?	No	
Does this decis		No	
Is there funding in	the current Annual Plan for these actions?	Yes	
Are the recomme plans?	Are the recommendations inconsistent with any of Council's policies or plans?		
The recommenda	tions contribute to Goal 5: A Driven & Enabling Counci		
The recommendations contribute to the achievement of action/actions in (Not Applicable)			
Contribution to strategic and procedures employed by the Palmerston North City Council to ensure it can fulfil the tasks required to achieve its purpose and objectives. These objectives will cover all aspects of the Organisation, including strategy, tactics, operations and compliance. The Risk Management Framework sets out the basis for managing risk across the Organisation to fulfil our goals and objectives.			

ATTACHMENTS

- Risk Management Policy 🗓 🖺 Risk Management Framework 🗓 🖺 1.
- 2.



Management Team Policy

Risk Management	Policy No: MT76
	Page 1 of 3

Introduction

Risk is the impact of uncertainty upon things that we value and the ability to achieve our goals and objectives. We seek to better understand and manage risk to allow us to manage and develop value and goal and objective achievement.

Risk management is the coordinated set of knowledge, behaviours, and practices that we use to materially control the risks that can impact on things that we value, our goals and objectives. As such, risk management aims to appropriately reduce threats and maximise opportunities in an informed, methodical and material way. For these reasons, risk management in Palmerston North City Council (PNCC) is important

Purpose & Scope

The purpose of this policy is to articulate the objectives and behaviours towards achieving effective risk management across the organisation.

This policy is implemented through the Risk Management Framework owned by the Risk and Resilience Division.

Policy Statement

PNCC is committed to proactively and consistently managing risk to:

- Support the achievement of the Vision and Goals of the Long Term Plan;
- Control organisational threats and opportunities as aligned with the Council's risk appetite and tolerance;
- Provide a safe and secure environment for PNCC officers, contractors and users.
- Council's risk management policy applies to all officers. Risk management should be embedded in all business processes and practises.
- All identified risks must have a specified risk owner.
- Identified risks should have appropriate controls and mitigation to ensure alignment with the Council's risk appetite and tolerance where feasible and with adequate authorised acceptance.
- Risk owners are accountable for ensuring controls or mitigations are current, tested and remain effective. There should be a single point of accountability for each risk.
- Officers should be adequately trained, skilled and resourced to manage their risks.

Objectives

The objectives of risk management in PNCC are to:

- Ensure delivery under our goals and objectives.
- Develop risk management to be an integral part of all Council activities.
- Safeguard assets, people, finances, the environment, and reputation.
- > Involve all Council officers in embedding a risk-based approach to achieving their work.
- Align risk management with all other activities across the organisation.
- Customise risk management to the types and levels of risk faced across Council.
- Ensure a structured, comprehensive and effective approach.
- Be agile and responsive to emerging and changing risks.

Authors: Stephen Minton, Risk Management Advisor a	and Jason McDowell, Head of Risk & Resilience
Approved by Executive Leadership Team	Date: 9 th June 2023
Approved by Executive Leadership Team	Version 3.0



Management Team Policy

Risk Management	Policy No: MT76
	Page 2 of 3

- Provide assurance that risks are being managed and, where necessary, mitigated adequately, and there are timely responses to escalating risks and risk events.
- > Incorporate human and social factors into how risk is perceived and managed.
- Continually improve risk management through learning, experience and review.
- Meet or exceed best practice standards, including through following the standards laid down in ISO31000:2018.

Roles and Responsibilities

Contractors

Must comply with Council's risk management policy and framework.

All Council Officers

Be aware of the Council's risk management approach. Participate in the risk management process where necessary. Consult with and keep line managers informed about risk as appropriate.

Division Managers

Accountable for how risks are managed within their division in accordance with relevant policies, frameworks and plans. Consult with and keep the Risk & Resilience Division informed about risk as appropriate.

Business Assurance Manager

- Provide independent and objective assurance and advice on PNCC's risk control processes.
- Help PNCC identify opportunities for improved outcomes. To assist with a better understanding and management of risk and provide confidence that key business elements relied on to manage risk are in place and working effectively.

Head of Risk and Resilience / Risk Management Advisor Accountable for developing and maintaining risk management processes across the organisation, including:

- Custody of the risk management policy and framework.
- Procure provision of advice and guidance to achieve Council's risk management policy and framework objectives.
- > Cultivating PNCC's organisational risk maturity.
- Reporting Council's risk profile with the ELT and the Risk & Assurance Committee.

Executive Leadership Team (ELT)

Set risk management tone and objectives. Support the use of risk management as a key management tool and expect risk management to be an integral part of decision making. Assess and monitor the organisation wide risk profile. Regularly review risk controls and treatments. Set priorities and allocate resources for risk management.

Risk & Assurance Committee The Committee independently considers matters which will assist the Council to discharge its responsibilities to exercise due care and diligence to facilitate management of risk robustly and appropriately.

	Authors: Stephen Minton, Risk Management Advisor and Jason McDowell, Head of Risk & Resilier		
Approved by Evecutive Leadership Team	Approved by Executive Leadership Team	Date: 9 th June 2023	
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Management Team Policy

Risk Management	Policy No: MT76
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Council Council are responsible for ensuring that appropriate risk management

governance structures, policies and accountabilities are in place.

Other Roles To ensure best practise management it will be necessary, through the

Risk Management Framework, for other dedicated roles to be expressly

 $\ defined\ in\ respect\ to\ their\ responsibilities\ for\ risk\ management$

activities

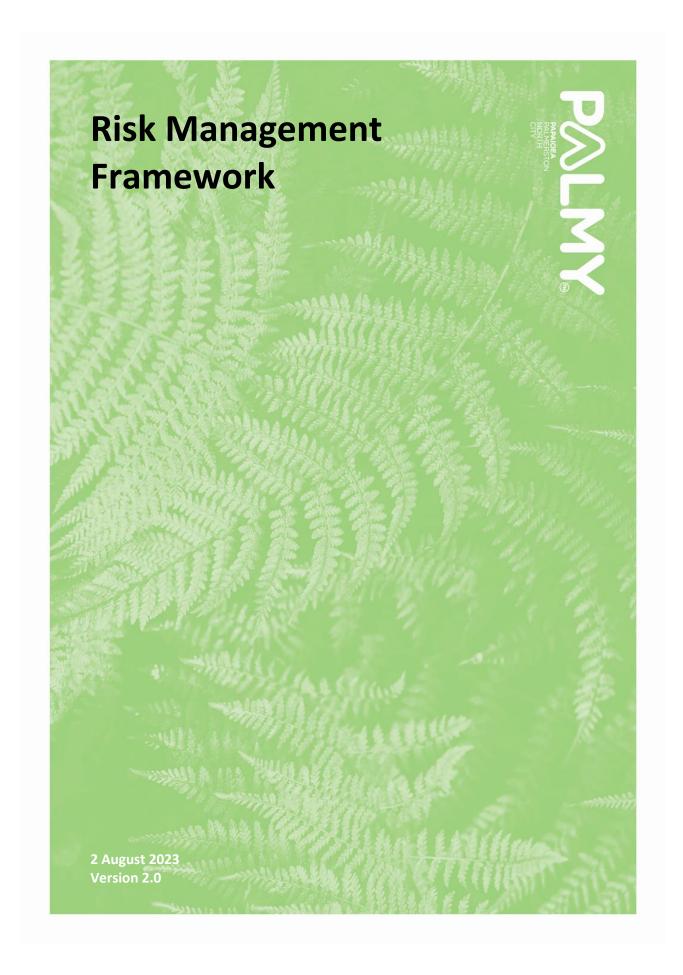
Policy Implementation

This policy will be operationalised through Council's Risk Management Framework.

Review of Policy

The next review is due in 31st March 2026 with reviews at least triennially thereafter or as required.

	Authors: Stephen Minton, Risk Management Advisor and Jason McDowell, Head of Risk & Resilience	
Approved by Executive Leadership Team	Approved by Executive Leadership Team	Date: 9 th June 2023
	Version 3.0	



	Name	Date
Prepared by:	Stephen Minton	27/07/23
	Risk Management Advisor	
Reviewed by:	Jason McDowell	27/07/23
	Head of Risk & Resilience	
Approved for Issue	Executive Leadership Team	02/08/23
by:		

Version No.	Reason for Amendment	Date
1.0	First Approved Version	21/06/21
2.0	New Version	02/08/23

Version 1.0 PNCC Reference No:	OASIS: 16613401
Version 2.0 PNCC Reference No:	OASIS: 16836380

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Appendices

Appendix 1 - Terms and Definitions

Appendix 2 - Risk Register Template

Appendix 3 - Risk Assessment of Likelihood

Appendix 4 - Risk Criteria (Consequence Table)

Appendix 5 - Request for "Approval Residual Risk Acceptance Greater than Risk Appetite" Template

Appendix 6- Risk Treatment Plan / Process Control Design Improvement Template

Appendix 7 - Root Cause Analysis Template

Appendix 8 - Terms of Reference

Appendix 9 - Risk Section – Council Papers to Elected Members

Appendix 10 - ELT Top Risks Review

Appendix 11 - Bow Tie Analysis Top Risks

1 Introduction

A management system is the framework of policies, processes and procedures employed by the Palmerston North City Council to ensure it can fulfil the tasks required to achieve its purpose and objectives. These objectives will cover all aspects of the Organisation to fulfil our goals and objectives. It defines the roles, responsibilities and accountabilities of us all in respect to assessment, management and treatment of risks in all we do. These responsibilities are laid down in section 4.3.3 and we should all be familiar with them. The tools for risk management are described and included in this framework, including in the appendices.

This Risk Management Framework has been prepared using guidance laid down in ISO 31000:2018.

In the context of this Risk Management Framework, the categories of risk are as follows:

Risk Type	Description
Financial:	Generally related to risks to money and assets.
Legal/Compliance:	The risk that the Organisation has violated a law or regulation or
	risk or loss because of regulatory or legal actions. This includes our
	legislative obligations under the Treaty.
Environmental:	Adverse effects on living organisms and/or the environment.
Health, Safety and Wellbeing	The potential for harm to come to people. Includes physical and
NB2.	phycological security.
Reputational:	Potential for a major adverse event that threatens the
	Organisation's reputation. It is typically related to financial
	mismanagement, employee relations, social concerns,
	governance, information security, violation of laws or
	environmental practices.
Service Delivery ^{NB3} :	Failure of a process, such as a human error and/or digital tools, can
	give rise to the non-delivery of service, activity or project.
Performance and Capability:	Lack of people, capital or inappropriately trained people. It also
	refers to higher than normal staff turnover.
Strategic:	Risks that arise from the fundamental decisions concerning the
	Organisation's objectives and goals. Essentially, strategic risks are
	the risks of failing to achieve these objectives and goals.
Cultural	The risks that arise because of monocultural local government
(Including spiritual matters)	systems not responding to the diverse communities they serve.
	The failure to uphold obligations relating to the Treaty of Waitangi
	partnership and relationship with tangata whenua.

NB1: References to "Organisation" in this document refers to employees of PNCC from Chief Executive down and their responsibilities therein. It does not include Elected Members, The Council, its committees or their responsibilities.

NB2: Consequence tables have health & safety separated from wellbeing

NB3: Service delivery consequences are broken down into subsets dependent on the type of delivery type.

2 Risk Management Policy

This Risk Management Framework implements the principles and requirements for risk management as set out in the Staff Policy MT76 Risk Management Policy (version 3.0).

The Policy Statement:

PNCC is committed to proactively and consistently managing risk to:

- Support the achievement of the Vision and Goals of the Long-Term Plan;
- Control organisational threats and opportunities as aligned with the Organisation's risk attitude and tolerance; and
- Provide a safe and secure environment for PNCC officers, contractors and users.

Risk Management Objectives

The policy sets out PNCC's risk management objectives as listed below. These objectives support how the policy statement is achieved and will be referred to throughout the remainder of this framework.

- Develop risk management to be an integral part of all the Organisation activities to safeguard assets, people, finances, the environment, and the reputation of the city and Organisation.
- > Involve all the Organisation's officers in embedding a risk-based approach to achieving their work, ensuring that human and social factors are forefront during decision-making and continually improve risk management through learning, experience and review.
- Be agile and responsive along with a structured, comprehensive and effective approach to emerging and changing risks within our Organisation.
- Provide assurance that risks are being managed and, where necessary, mitigated adequately, and there are timely responses to escalating risks and risk events.

3 **Principles**

The purpose of risk management is the creation and protection of value. It improves performance, encourages innovation and supports the achievement of objectives.

The principles outlined in Figure 1 provide guidance on the characteristics of effective and efficient risk management, communicating its value and explaining its intention and purpose. The principles are the foundation for managing risk and should be considered when establishing the Organisation's risk management framework and processes. These principles should enable an Organisation to manage the effects of uncertainty on its objectives.

Figure 1 Risk Management Principles **Continual Integrated Improvement** Structure **Human** and and Cultural Comprehensive **Value Creation Factors** and Best **Protection** Available Customized Information Dynamic Inclusive

Effective risk management requires the elements of Figure 1 and can be further explained as follows.

- a) Integrated: Risk management is an integral part of our activities.
- b) Structured and comprehensive: A structured and comprehensive approach to risk management contributes to consistent and comparable results.
- Customised: The Risk Management Framework and process are customised and proportionate to our external and internal context and related to our objectives.
- Inclusive: Appropriate and timely involvement of stakeholders enables their knowledge, views, and perceptions to be considered. This results in improved awareness and informed risk management.
- Dynamic: Risks can emerge, change or disappear as our external and internal context changes. Risk management anticipates, detects, acknowledges and responds to those changes and events in an appropriate and timely manner.
- f) Best available information: The inputs to risk management are based on historical and current information, as well as on future expectations. Risk management explicitly considers any limitations and uncertainties associated with such information and expectations. Information should be timely, clear and available to relevant stakeholders.
- Human and cultural factors: Human behaviour and culture significantly influence all aspects of risk management at each level and stage.
- Continual improvement: Risk management is continually improved through learning and experience.

4 Framework

The purpose of this Risk Management Framework is to assist us in integrating risk management into all activities and functions. The effectiveness of risk management will depend on its integration into the governance of the Organisation, including decision-making. This requires support from all stakeholders.

The Risk Management Framework development encompasses integrating, designing, implementing, evaluating and improving risk management across the Organisation.

Figure 2 illustrates the components of a framework.



4.1 Leadership and commitment

The Executive Leadership Team ("ELT") will ensure that risk management is integrated into all the Organisation's activities and will demonstrate leadership and commitment by:

- > Implementing all components of the framework;
- Ensuring that the necessary resources are allocated to managing risk;
- Assigning authority, responsibility and accountability at appropriate levels within the Organisation;
- Applying continuous improvement practices.

This implementation is part of the maturity development that the Organisation will go through over the coming phases of risk management development, a journey that can be expected to be multi-year.

This will help us to:

- Align risk management with its objectives, strategy and culture.
- Recognise and address all obligations, as well as its voluntary commitments.

- Establish the amount and type of risk that may or may not be taken to guide the development of risk criteria, ensuring that they are communicated to the Organisation and its stakeholders.
- Communicate the value of risk management to the Organisation and its stakeholders.
- Promote systematic monitoring of risks.
- Ensure that the Risk Management Framework remains appropriate to the context of the Organisation.

ELT is accountable for managing risk, while Council committees are accountable for overseeing risk management.

Council committees are often expected or required to:

- Ensure that risks are adequately considered when setting objectives;
- Understand the risks facing the Organisation in pursuit of our objectives;
- Ensure that systems to manage such risks are implemented and operating effectively;
- Ensure that such risks are appropriate in the context of our objectives;
- > Ensure that information about such risks and their management is properly communicated.

4.2 Integration

Integrating risk management relies on an understanding of the Organisation's structure and context. Risk is managed in every part of our structure, and everyone takes responsibility for managing risk.

Governance is one attribute that guides the course of the Organisation, its external and internal relationships, and the rules, processes and practices needed to achieve its purpose. Management structures translate governance direction into the strategy and associated objectives required to achieve desired levels of sustainable performance and long-term viability. Determining risk management accountability and oversight roles within the Organisation are integral parts of our governance.

Integrating risk management into the Organisation is a dynamic and iterative process. Risk management should be a part of, and not separate from, our purpose, governance, leadership and commitment, strategy, objectives and operations.

4.3 Design

4.3.1 Understanding Council

In designing this framework for managing risk, examination and understanding of the Organisation's external and internal context have been considered.

Examining our external context has included, but is not limited to:

- Social, cultural, political, legal, regulatory, financial, technological, economic and environmental factors;
- Key drivers and trends affecting our objectives;
- External stakeholders' relationships, perceptions, values, needs and expectations;
- Contractual relationships and commitments;
- The complexity of networks and dependencies.

Examining our internal context has included, but is not limited to:

- Vision, mission and values;
- Governance, organisational structure, roles and accountabilities;

- Strategy, objectives and policies;
- Our culture;
- Standards, guidelines and models adopted by the Organisation;
- Capabilities understood in terms of resources and knowledge (e.g. capital, time, people, intellectual property, processes, systems and technologies);
- Data, information systems and information flows;
- Relationships with internal stakeholders, considering their perceptions and values;
- Contractual relationships and commitments;
- Interdependencies and interconnections.

4.3.2 Risk Management Commitment

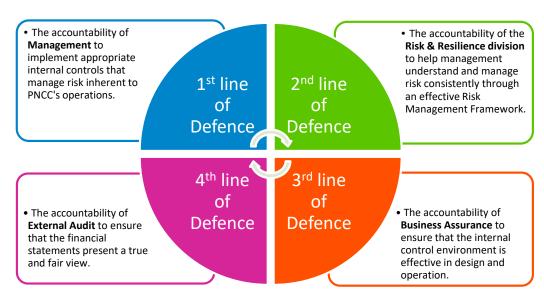
Management will demonstrate and articulate their continual commitment to risk management through policy, a statement or other forms that clearly convey the Organisation's objectives and commitment to risk management. The commitment will include, but is not limited to:

- Our purpose for managing risk and links to its objectives and other policies;
- Reinforcing the need to integrate risk management into our overall culture;
- Leading the integration of risk management into core Organisation activities and decision-making;
- Assigning authorities, responsibilities and accountabilities;
- Making the necessary resources available;
- The way conflicting objectives are dealt with;
- Measurement and reporting within our performance indicators;
- Review and improvement.

The risk management commitment will be communicated within the Organisation and to stakeholders.

4.3.3 Roles, Authorities, Responsibilities and Accountabilities

A "Lines of Defense" model provides a good basis for delineating the respective roles and accountabilities for risk management activities within the Organisation. This is represented by the following:



Elected Members, through the respective committees and the council involvement with risk management, is as follows:

The Elected Council

To achieve the purposes of local government, the Elected Members of Council are accountable for ensuring that appropriate risk management governance structures, policies and accountabilities are in place.

Risk & Assurance Committee

The Committee independently considers matters which will assist the Council to discharge its responsibilities to exercise due care and diligence to facilitate management of risk robustly and appropriately.

The Organization's Roles and Responsibilities

Chief Executive

The Chief Executive is responsible for implementing robust Risk Management policies and processes to protect the Organisation and discharge their statutory duties.

Executive Leadership Team

- Accountable for the implementation of the Risk Management Framework.
- Accountable for the implementation of identified controls and mitigation within their respective Unit.
- Approve residual risks as set out in this Risk Management Framework.
- Acceptance of Root Cause Analysis as set out in this Risk Management Framework
- Periodically review enterprise risks, as defined in the Enterprise Risk Management approach laid out in this framework, in the Organisation to ensure they remain acceptably managed, controlled and mitigated.

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Head of Risk & Resilience/ Risk Management Advisor

- Accountable for developing and maintaining risk management processes across the Organisation, including:
- Custody of the risk management policy and framework
- Provision of advice and guidance to achieve the Council's risk management policy and framework objectives.
- Cultivating PNCC's organisational risk maturity
- Monitor and Report the Organisation's risk profile to the ELT and the Risk & Assurance Committee
- Act as the primary owners of this Risk Management Framework.
- Participate in Business Steering Group and enterprise wide programmes.
- Partner with People and Performance to co-design and establish learning and development outcomes and initiatives in respect to risk management for employee learning and development purposes.
- Regularly consult with Division Managers to review existing and arising risks.

Divisional Managers

- Owner of the risks for their division
- Responsible for implementation of controls and mitigation in their division.
- Responsible for completion of Control Sample Testing identified in their risk register.
- Responsible for preparation and completion of any RCAs.
- Responsible for implementation of any Control Design Improvement Plans and risk treatment options
- Ensure there is a risk awareness culture within their teams.
- Consult with and keep their unit manager and the Head of Risk & Resilience/Risk Management Advisor informed about new or changed risks, & high, very high and extreme risks as appropriate
- Regularly consult with Risk Management Advisor to review existing and arising risks.

Council Staff

- Be aware of the Organisation's risk management policy approach.
- Participate in the management of risks where they have the responsibility to do so, or as is appropriate, escalate risk management issues to risk owners and/or other defined reporting channels.
- Attend risk management training relevant to their role.

Project Managers

Project risk is considered and treated as discrete risk universes, and the responsible Project Manager has individual responsibility for their projects as follows:

- Owner of the risk registers for their projects
- Responsible for implementation of controls and mitigation in their project unless the identified risk is wider than their project and there is an agreed risk owner.

	identified in their risk register or agreed handoff for other party to complete. Responsible for preparation and completion of any RCAs and Finish and Review Reports. Responsible for implementation of any Control Design Improvement Plans and risk treatment options specific to their projects.
Business Assurance Division	 Reviewing the rollout of the Risk Management Framework and its effective implementation. Undertake periodic review of the ongoing effectiveness of the framework based on materiality. Provide assurance to the Organisation that key controls/mitigation activities are operating and effective.
Safety & Health Division	 Facilitate, cultivate and support the application of our health, safety and wellbeing processes. Act as a central point of support for health, safety and wellbeing reporting in the Organisation. Act as the primary owner of the Health, Safety and Wellbeing systems.
Māori Advisory Division	In addition to responsibilities as a Divisional, Māori Advisory shall assist in identifying, advising on controls and mitigate cultural risk across critical projects and programmes.
People and Performance Unit	 Ensure integration of responsibilities for risk management into position descriptions and personnel performance reviews. Oversee the establishment, socialisation and integration of people processes supporting risk management strategies. Implement training in risk management into our learning and development programme. Monitor Risk Management training and development targeted outcomes and partner with Risk Management Advisor to ensure targets are achieved.
Suppliers and Contractors	 Where an activity is outsourced, the contractor/supplier will engage with the Organisation's staff, who will work with the Procurement Division, to ensure there are processes where the supplier/contractor will comply with the following: All risk related advice and recommendations are implemented/followed, whether it be from the Organisation or other authoritative bodies. We are provided with assurance that risks are being managed and that relevant legislation is being complied

Responsible for completing Control Sample Testing

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Any instances of significant risk, risk event or noncompliance are reported immediately in line with contractual, legislative or regulatory obligations.

- The supplier/contractor has the capability and capacity to effectively deal with the consequences of all risks associated with their services.
- The supplier/contractor abides by the Organisation's Supplier Code of Conduct (to be implemented).

Accountability and Responsibility within this Risk Management Framework

Across organisations, the functional definition for responsibilities and accountabilities is relatively consistent, and within this framework, its application is also applied with the same consistency. Accountabilities can only be assigned to one person/role where the result is owned, while responsibilities can be assigned across more than one person or role and are tasked focused.

For example, in the Organisation, the Procurement Manager will be <u>accountable</u> for the development, maintenance and oversight of processes undertaken in the Procurement of goods and services while Project Managers and/or Contract Managers (or other Organisation officers) will be <u>responsible</u> for the implementation and action of those processes. The Procurement Manager is the accountable process owner in the Risk Registers for the procurement activity.

The Risk Management Policy and this Risk Management Framework do not relieve the Organisation of its responsibility to comply with any health, safety, and well-being-related obligations.

4.3.4 Resources for Risk Management

We will develop a practical means to allocate appropriate resources for risk management through:

- People, skills, experience and competence;
- Our processes, methods and tools used for managing risk;
- Documented processes and procedures;
- Information and knowledge management systems, ideally through a risk management platform;
- Training and development needs.

While we will need to consider capabilities of, and the control owners will articulate constraints on, existing and future resources, the description of risks, their causes and controls. These are typically the division managers (and/or their delegates). The assessment will be accommodated within normal BAU activities and as part of a well-managed approach.

4.3.5 Communication and Consultation

As part of creating a mature risk management culture, there is a need to drive behaviours such that risk management in all its facet's is intrinsic in what we do. One of the aspects that will help drive behaviour change is engagement, distilling understanding and knowledge and informing our people through two-way internal communication.

We will establish an internal communication, consultation and reporting mechanism which will ensure that:

- Key components of the Risk Management Framework are communicated appropriately, including to the appropriate people;
- There is adequate internal reporting on the Risk Management Framework, its effectiveness and the outcomes;
- Relevant information derived from the application of risk management is available at appropriate levels;

Impart the benefits of risk management for all levels of the Organisation.

Communication and consultation should be timely and ensure that relevant information is collected, collated, synthesised and shared, as appropriate having consideration for its sensitivity, and feedback is sought and provided.

4.4 Implementation

We will implement the rollout of the Risk Management Framework, under guidance from the Risk & Resilience division, by:

- Developing an appropriate plan including time and resources;
- Apply the Risk Management Framework to all processes, activities, services and assets;
- Prioritise rollout based on perceived need and potential riskiness of a particular area;
- Communicate with stakeholders to ensure that the Risk Management Framework remains appropriate and clearly understood and practiced.

As outlined under resources (4.3.4), divisional managers will essentially undertake this and within their normal BAU accommodation.

The risk management process should be part of all activities throughout the Organisation, including decision-making, allowing for changes in the internal and external contexts to be adequately captured.

This is an iterative process.

4.5 Evaluation

To evaluate the effectiveness of the Risk Management Framework, the Organisation, in part through the Risk & Resilience division, should:

- Periodically measure Risk Management Framework performance against its purpose, objectives, implementation plans, indicators and expected behaviour;
- Determine whether it remains suitable to support achieving our objectives and goals;
- In a post-facto review of a significant risk event or control failure (RCA, refer later), consider as part of the review whether the Risk Management Framework requires any amendments to manage risk events in the future better;

As laid down in the Risk Management Policy, objectives are one of the aspects of measuring performance in risk management and under this framework. The Head of Risk & Resilience will determine the measurement of performance. It may include, amongst other factors, some of the following measures:

- Proportion and absolute numbers of high and greater risks treated in a reporting period
- Number of people trained in risk management
- Number of RCAs completed
- Number of new controls identified during a period
- Number of new controls and mitigants fully implement in a reporting period
- Number of CSTs completed in a reporting period and their pass rate
- Number of iterative cycles completed

4.6 Improvement

We should continually monitor and adapt the Risk Management Framework to address external and internal changes. In doing so, we can improve its value.

We should continually improve the suitability, adequacy and effectiveness of the Risk Management Framework and the way the risk management process is integrated.

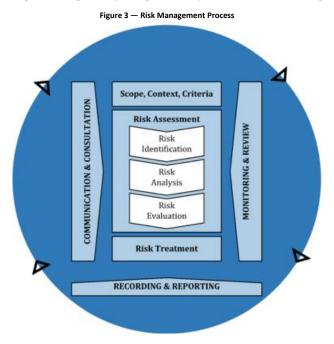
As relevant gaps (refer evaluation above) or improvement opportunities are identified, we should develop plans and tasks and assign them to those accountable for implementation. Once implemented, these improvements should contribute to the enhancement of risk management.

In a mature organisation with a fully integrated Risk Management Framework, there would be a stream of activity to measure Key Risk Indicators ("KRI") and Key Control Indicators ("KCI"). These are used to identify emerging risks and control breakdowns respectively on an organisation basis. At Palmerston North City Council, we are not in a state of maturity to incorporate this into our Risk Management Framework at this stage.

The Risk Management Framework should be reviewed periodically, at least triennially and in line with the Risk Management Policy. Triennial stake point should be broadly in line with post local elections.

5 Risk Management Process

The risk management process involves the systematic application of policies, procedures and practices to communicating and consulting, establishing the context and assessing, treating, monitoring, reviewing, recording and reporting risk. This process is illustrated in figure 3.



The risk management process should be an integral part of management and decision-making and integrated into the Organisation's structure, operations, and processes.

The dynamic and variable nature of human behaviour and culture should be considered throughout the risk management process, including the effectiveness of controls. While risk management is often seen as sequential, particularly when viewed with a narrow focus, it needs to be iterative in practice. That is, it is an ongoing process of assessment and reassessment.

5.1 Scope, Context and Criteria

The establishment of the scope under this Risk Management Framework ensures the risk management process is customised in the internal and external environment resulting in an effective risk assessment and appropriate risk treatment and is in line with the Risk Management Policy.

5.2 Scope

As expressed in the Risk Management Policy, the Organisation seeks to apply and embed risk management into all aspects of its activities having regard for materiality, consequences and resources.

5.3 Context

The external and internal context is the environment the Organisation seeks to capture through the five goals.

- 1. Innovative and growing city
- 2. A creative and exciting city
- 3. A connected and safe community
- 4. An eco-city
- 5. A driven and enabling Council

The Risk Management Framework has been created based on an understanding of the environment in which the Organisation operates, reflecting all activities of the Organisation.

In practice, this means divisions will need a clear description of their process universe and definition of the process, service, activity or asset for which the division is responsible. This will allow the process owner (risk owner/division manager) to determine the activity risks and create risk registers.

Note the reference to process owner means the Divisional Manager that is accountable for processes, services, activities and asset provisions. For example, a division may be accountable for the provision of clean water, where the water is the asset and the provision of it is the process.

5.4 Risk Criteria

The Organisation has defined (refer to later in this Risk Management Framework) the amount of risk by type that it may or may not take relative to its objectives. The definition of risk types is laid down in this Risk Management Framework.

The Organisation's description of the likelihood of an event occurring is laid down in Appendix 3. The likelihood scales identify how likely or often an event is expected to occur. The descriptors provide several different ways of evaluating the probability in line with the nature of each risk.

The Organisation's risk criteria by consequence are laid down in Appendix 4. It reflects the Organisation's values, objectives and resources and is consistent with its policies and seeks to meet the views, obligations and expectations of internal stakeholders and the public.

Based on the assessed consequence and likelihood of an event occurring, the risk matrix provides an overall significance rating of an event. They are determined as follows:

		CONSEQUENCE					
		Minor	Moderate	Serious	Major	Severe	
		(1)	(2)	(3)	(4)	(5)	
	Almost	Medium	High	Very High	Extreme	Extreme	
	Certain (5)	5	10	15	20	25	
0	Likely (4)	Medium	High	Very High	Very High	Extreme	
	4	8	12	16	20		
Possible (3) Unlikely (2)		Low	Medium	High	Very High	Very High	
		3	6	9	12	15	
¥	Halikoly (2)	Low	Medium	Medium	High	High	
Unlikely (2)		2	4	6	8	10	
	5 (4)		Low	Low	Medium	Medium	
Rare (1)		1	2	3	4	5	

5.5 Risk Assessment

Risk assessment is the overall process of risk identification, risk analysis and risk evaluation.

Risk assessment should be conducted systematically, iteratively and collaboratively, drawing on the knowledge and views of stakeholders. It should use the best available information, supplemented by further enquiry as necessary.

It is not solely the responsibility of the Risk and Resilience team.

5.6 Risk Identification

The purpose of risk identification is to find, recognise and describe risks that may prevent the Organisation achieving its objectives. Relevant, appropriate and up-to-date information is important in identifying risks. The Divisional Managers are responsible for the identification, as laid down in this Risk Management Framework, of risks under advice and guidance from the Organisation's Risk and Resilience team.

The Organisation should identify risks, whether its sources are under its control or not. Consideration should be given that there may be more than one type of outcome, which may result in a variety of consequences.

The Organisation can use a range of techniques for identifying uncertainties that may affect one or more objectives dependent on the context. The following factors, and the relationship between these factors, should be considered:

- > Tangible and intangible sources of risk;
- Causes and events;
- Vulnerabilities and capabilities;
- Changes in the external and internal context;
- Indicators of emerging risks;
- The nature and value of assets and resources;
- Consequences and their impact on objectives;
- Limitations of knowledge and reliability of information;
- Time-related factors;
- Biases, assumptions and beliefs of those involved.

As part of the risk identification activity, ideally, maps of the process universe would be a useful tool in defining the activities and where and how risks arise.

5.7 Risk Analysis

The purpose of risk analysis is to comprehend the nature of risk and its characteristics, including, where appropriate, the level of risk. Risk analysis involves a detailed consideration of uncertainties, risk sources, consequences, likelihood, events, scenarios, controls and their effectiveness. An event can have multiple causes and consequences and can affect multiple objectives. Analysis techniques can be qualitative, quantitative or a combination of these.

The output from the risk analysis will form the main body of the risk registers and ultimately facilitate embedding risk management culture into the Organisation. Risk analysis should consider:

- The likelihood of events and consequences;
- > The nature and magnitude of consequences;
- Complexity and connectivity;

- Time-related factors and volatility;
- The effectiveness of existing controls;
- The reliance of existing controls*;
- Sensitivity and confidence levels.

*While current division risk registers do not document reliance against individual controls, inference of the reliance should be applied when determining overall risk likelihood and consequences.

The quantification of likelihood and consequences are laid down in the appendices of this Risk Management Framework.

The risk analysis may be influenced by any divergence of opinions, biases, perceptions of risk and judgements. Additional influences are the quality of the information used, the assumptions and exclusions made, any limitations of the techniques and how they are executed. These influences should be considered, documented and communicated to decision-makers.

Highly uncertain events or those extremely difficult to predict or quantify resulting in catastrophic damage are known as "black swan" events. In black swan event cases, a combination of techniques generally provides greater insight, although identification and quantification of the unknown will always be a challenge.

Risk analysis provides input to risk evaluation through the risk registers to decide whether risk needs to be treated and how and on the most appropriate risk treatment strategy and methods. The results provide insight for decisions, where choices are being made, and the options involve different types and levels of risk. This is driven by the Organisation's risk appetite and risk tolerance. It is different across risk types. In some instances, it is very low/conservative where risk is to be avoided (e.g. health and safety events) and higher/more open where the Organisation needs to take on risk or is prepared to accept a higher level of risk. Consequently, the measure is used in decision-making, monitoring and building a risk culture across the Organisation.

The Organisation defines **Risk Appetite** as the amount of risk the Organisation is willing to accept or retain, on a broad level, in order to achieve its objectives/goals.

The Organisation defines **Risk Tolerance** as the level of risk-taking acceptable to achieve a specific objective or manage a category of risk.

The difference between the two is that risk appetite is a broad-based description of the desired level of risk that the Organisation will take in pursuit of its goals, whereas risk tolerance reflects the acceptable variation in outcomes related to specific measures linked to objectives the Organisation seeks to achieve.

The risk appetite is expressed in three broad bands, Averse, Neutral and Seeking.

Averse:

Avoidance of risk must be the priority, with minimal risk exposure and maximum treatment effort required. Any uncertainty or risk that remains after treatment efforts (controls and/or mitigation) should only be allowable where necessary to achieve goals.

achieve goals.

Neutral:

Risk exposure is not preferred but is recognised as part of achieving objectives. Treatments to minimise risks and uncertainties are expected to be in place where reasonably considered necessary.

Seeking: The Organisation is actively seeking to take on more of this risk/uncertainty as it relates to and enhances the achievement of goals.

		Risk Appetite							
Risk Type	Avei	rse			Neutr	al		Seekin	g
	1	2	3	4	5	6	7	8	9
Financial									
Legal/Compliance									
Environmental									
Health, Safety & Wellbeing									
Reputational									
Service Delivery									
Performance and Capability									
Cultural									

The Organisation's risk tolerance by risk rating and risk type is as follows:

Risk Type	Risk Tolerance
Financial	Medium
Legal/Compliance	Medium
Environmental	Medium
Health, Safety & Wellbeing	Low
Reputational	Medium
Service Delivery	Medium
Performance and Capability	Medium
Cultural	Medium

This risk tolerance classification is used as a trigger for escalation and approval of higher risks and is not meant to be a hard barrier.

5.8 Risk Evaluation

The purpose of risk evaluation is to support decisions. Risk evaluation involves comparing the results of the risk analysis with the established risk criteria to determine where additional action is required. This can lead to a decision to:

- Do nothing further;
- Consider risk treatment options;
- Undertake further analysis to better understand the risk;
- Maintain existing controls;
- Reconsider objectives.

Decisions should take account of the wider context and the actual and perceived consequences to external and internal stakeholders of the Organisation. The decision of what action needs to be taken is based on the Organisation's risk appetite. It differs across risk types.

The risk evaluation should also consider the effectiveness of the controls. The following control assessment criteria should be used to assess the overall effectiveness of the controls in place that are mitigating the risk. Note that the controls identified may not always exert the intended or assumed modifying effect or are not yet at a point where they are fully operational or effective.

Effectiveness Rating	Level of protection/mitigation
Effective	The control environment should provide management with a reasonable level of assurance that objectives will be achieved. Control practices are embedded in business processes. There may be some minor control weakness or system improvements that management can make to improve controls and/or efficiency.
Partially Effective	The control environment is only partially effective at mitigating risks, with either gaps or weaknesses in control identified where control practices are not fully embedded in business-as-usual processes yet. Significant process changes may be required.
Ineffective	The control environment does not mitigate identified risks, is inefficient or ineffective (i.e. controls are yet to be implemented, not implemented effectively and/or additional controls are needed). Control breaches are common. Objectives are likely not to be achieved.
Non-existent	The effectiveness of controls has not been adequately determined or is unknown, or there are no identified or planned controls.

The risk evaluation should also consider the control reliance. This will provide the criticality of the control sample testing. As the Organisation's risk management culture and processes mature the use of a reliance rating will become more embedded in the risk articulation process. At the time of this first Risk Management Framework, the Organisation's risk management maturity is best categorised as sitting between stage one and two of a four-stage maturity measure.

Reliance Rating	Description
Very High	Operation of this control is critical to the management of risk. Without
	this control this risk would revert to its raw state.
High	This control plays a key role in the management of the risk. The presence
	of other controls (significant or routine) means that the management of
	the risk is not totally dependent on this control.
Medium	This control provides comfort that a component of the risk is managed,
	e.g. the likelihood or the impact has been reduced.
Low	Control could be considered important were it not for the presence of
	other controls. The absence of this control would not change the
	classification of the risk.

While current division risk registers do not document reliance against individual controls, inference of the reliance should be applied when determining overall risk likelihood and consequences.

The outcome of risk evaluation should be recorded, communicated and then validated at appropriate levels of the Organisation.

Authority for acceptance of a residual risk rating above the risk appetite lies with the following levels of authority:

Risk Rating	Reviewed By	Acceptance Authority
Low	RMA	None Required
Medium	RMA,	Division Manager
High	RMA, HRR	Unit Chief
Very High	RMA, HRR, UC	Chief Executive
Extreme	RMA, HRR, UC	Chief Executive

RMA: Risk Management Advisor HRR: Head of Risk & Resilience UC: Unit Chief

CE: Chief Executive

Other reviewers may include Legal, Maori Advisory, Compliance and Health, Safety & Wellbeing representatives if there is assessed to be implications covered by these areas.

Request for approval should be undertaken using the form set out in Appendix 5, Residual Risk Acceptance Greater than Risk Appetite.

5.9 Consequence Tables

Consequences are quantified against each of the risk types defined Section 1 of this Risk Management Framework. However, for Health, Safety and Wellbeing, the Wellbeing aspect has its own consequence sub-table. Both Health & Safety and Wellbeing consequences should be considered, and the highest (worst) consequence applied to the risk type.

Similarly, Service Delivery has sub-tables as well. The delivery of water has definitional differences to provision of library services for example. The sub-tables are broken down as follows:

- Essential Services: Those services required for public good. In the context of this framework, these are defined as-:
 - Water Supply Network (including Water treatment plant)
 - Wastewater Network (including Wastewater treatment plant)
 - Cemetery services
 - Rubbish collection
 - Essential road maintenance (Contract)
 - Contact centre
 - Emergency management
- Critical Services: Those services required for the efficient, effective running of the Organisation and/or where there is regulatory requirement to provide such, and not covered under essential services.
- Other Services: Those not covered by above

Failure to provide a service is defined by the amount of time the service is not provided to the expected standard, and this is included in our business disruption plans as maximum tolerable downtime. In this RMF, we refer to it as the Recovery Time Objective ("RTO"). This is the targeted duration of time a service level within which a business process must be restored after an event (or disruption) in order to avoid unacceptable consequences associated with a break in provision of services (or before it has a significant detrimental impact).

The RTO is used to define quantitatively the degree of the consequence. The determination of the RTO is in a BAU scenario, not when there is a BCP event. Qualitative descriptions are also available in some cases.

5.10 Enterprise Risk Management

Risk management is a process of, in part, identifying an Organisation's risks across, within and outside the Organisation and events that may influence or affect the objectives and goals of the Organisation. Part of the process of risk management involves the creation of risk registers. Within our Organisation the creation of risk registers at a divisional level is consider a "bottom up" approach to risk management and provides an invaluable tool for risk owners at a divisional level to identify and manage risk. This approach does have some limitations, which may mean significant risks on the horizon may go undetected by management. These limitations may arise due to the following:

- Risks may fall between divisions that none of the divisional managers can see. Risks don't necessarily follow our Organisation chart.
- Some risks may affect multiple divisions in different ways and therefore risks owners may not realise the significance of a risk to other aspects of the Organisation, and vis versa. A risk

- that seems relatively innocuous for one division might have a significant cumulative effect on the Organisation.
- Individual division managers may not understand how an individual response to a particular risk might impact other aspects of the Organisation.
- Focus on risks at a division level may have an internal lens with minimal focus on risks that might emerge externally.
- While division managers will have an understanding of the connection between risk and return, the Organisation may struggle to connect efforts in risk management to strategic planning. New strategies may lead to new risks not considered by divisional views of risk.

To address the above limitations an enterprise risk management approach is required to identify from the top down Organisation wide and outside threats and risks, and develop a holistic, portfolio view of the most significant risks to the achievement of the Organisation's most important objectives/goals.

The broad characteristics of the output from an enterprise risk assessment is in line with that undertaken for divisional risk registers (e.g. likelihood, consequence, raw risk rating etc.) although a broad strategic lens is required to identify, assess and manage risks on the horizon. Typically, the top ten risks would be identified, assessed and communicated under the enterprise risk process. There is no fixed number, but the expectation is that they are in this quantum.

Given the enterprise risk management assessment process does not follow entirely the traditional risk articulation process in risk registers, a useful tool for identification and reporting of these risks may follow the "Bow-Tie" tool, represented as follows:



Articulating and recording enterprise risks will take a slightly different approach to that laid down for the divisional risk registers. Reporting will be double-pronged approach:

- Bow-Tie Assessment of potential/actual enterprise risks
- Enterprise Risk Register (Appendix 10)

Forms for above are included in appendices.

5.11 Strategic Risk

Divisional and enterprise risk registers are both "operational risk registers" by nature however in the context of the Organisation there is the need for an additional layer which would cover strategic risks. Operational risks and strategic risks are two distinct kinds or risk. Operational risk is potential harm resulting from disruptions to day to day business operations. These are connected with internal resources, systems and processes, and can have a financial impact, affect business

continuity, damage reputation or weaken regulatory compliance. These are, on the whole, shorter term in nature and therefore ongoing management of these is essential.

Strategic risks focus on internal and external scenarios that introduce risk into the organisation and aims to help the organisation in achieving any direction set or its visions and goals as set out in the long-term plan. The organisation may accept some strategic risks in the short term but take action to reduce or eliminate them over a longer timeframe.

To differentiate between operational type risk assessments and strategic risk assessments, this framework seeks to address strategic risk as the failure to meet one of the goals laid down in our Vision and Strategic Direction. For example, the LTP and Asset Management Plans form part of the tools (therefore controls) for the delivery of these goals and their failure can have resultant negative impact on the achievement of our goals (i.e. a risk event has occurred). In addition to the defined goals, we will also look towards failure to deliver on significant strategic activities that would have an impact of significant societal outcomes (e.g. Nature calls programme).

The methodology and form of assessment should be the same as used for enterprise risk assessment and recording, that is, bow-tie analysis and risk register creation. Papers to Elected Members should also consider and risks of a strategic nature.

5.12 Sustainability Risk (Climate Change)

Sustainability is a rapidly evolving field of practice. Globally, and in New Zealand, standards are being developed and expanded to include preparedness for the effects of both physical climate changes and the transition to low-carbon economies, circularity and more efficient use of resources. Sustainability includes these and many more areas where organisations such as ours can positively impact the social, economic, environmental, and cultural well-being of their communities and stakeholders. At the time of this version of the framework, our Organisation's overall maturity is assessed as "limited", and as we grow in maturity, we will extend our sustainability assessment footprint.

In the context of this framework, sustainability is referenced to the following aspects:

- Climate related physical risks emanating from climate change that can be eventdriven(acute) such as increased severity of extreme weather events (e.g. cyclones, droughts, floods and fires). They can also relate to longer-term shifts (chronic) in precipitation and temperature and increased variability in weather patterns. ("Climate Adaptability")
- Climate related transition risks associated with the transition to a low-carbon economy, the most common relating to policy and legal actions, technology changes, market response and reputational considerations. ("Carbon Mitigation")

Risk identification can be a double-sided coin, and the process of identifying and mitigating risks can also give rise to what can be construed as opportunities. For example, an activity seen as creating a carbon footprint will also potentially give rise to the ability to reduce our carbon footprint, therein being an opportunity.

Responsibility for identifying, controlling and mitigating sustainability risks rests with the owner of the process, or, the asset owner. Identification of risks should be undertaken as part of the organisation's creation and management of the divisional risk registers, assessments of the asset criticality ratings and risk articulation within the asset management plans. The principal record will be in the divisional risk registers.

Risks arising from climate change adaptability will have a potential impact on the organisation's ability to provide services, and accordingly the risk type upon which the largest impact will occur is service

delivery (although that will have the potential impacts on all risk types). It is not intended within this Risk Management Framework version 2.0 to create an additional Risk Type for sustainability however within the divisional risk registers where there is a sustainability risk, as reference above, within a process, a tag against that process will be added to allow identification organisation wide of our sustainability risks.

Tags to be added are detailed below. They are determined by their influence over the risk type consequence, including where inaction may result in consequences.

	Minor (1)	Moderate (2)	Serious (3)	Major (4)	Severe (5)
Climate Adaptability	CA1	CA2	CA3	CA4	CA5
Carbon Mitigation	CM1	CM2	CM3	CM4	CM5

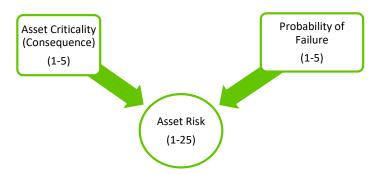
If not applicable/no sustainability risk, record "NA"

Assessment should be against the risk type that has the largest risk attribute against sustainability.

Asset Management Plans ("AMP") should consider sustainability risk as well. Each AMP should consider the overall holistic implications of the two different aspects for this risk and the degree of susceptibility to risk events as well as the opportunities. Consideration, in this assessment, would also consider the implications of not mitigating or control these potential risks.

5.13 Asset Critical Risks in Infrastructure

Overall, this framework addresses risk management through the standards and process laid down and influenced by ISO31000. As a subset of risk events, assets form part of the universe we operate in and their failure can be a significant contributory element in risk events. We identify criticality of assets, based on the consequence tables herein, to assess consequence of asset failure. Condition will drive determination of failure probability (when we have sufficient condition data, until then age can be used as a proxy). Within Infrastructure Unit an assessment of the asset criticality should be undertaken to prioritise resource allocation (interventions) to the most important (critical) assets with the highest risk. Interventions can be applied through operation and maintenance strategies (including inspections and/or assessments) and renewal strategies.



The Infrastructure Asset Criticality framework has the following principles applied:

Asset Criticality Principles	Descriptor
Aligns to Risk Management Framework	Asset criticality criteria and descriptors are derived from the consequence, likelihood and risk rating laid down in this framework.
Enables cross- activity comparison	Common metrics will be used where possible (e.g. \$ for financial impacts, no. of injuries/fatalities for health and safety impacts). Service impact metrics may differ (e.g. loss of water supply versus loss of access to facilities) but will aim to have equivalent impacts at each criticality rating level.
Uses asset attributes in existing databases, where possible.	Recognises that data modelling is the most efficient way of calculating asset criticality where there are large numbers of assets. Minimises unnecessary additional data capture, unless necessary to achieve a good result.
Can be applied at all asset levels	Can be tailored to apply to the most appropriate level, depending on its intended use (e.g. the level at which asset renewals are planned). Service impact is initially derived from the highest level ('complex', refer Figure 1) and assets within the complex are rated based on their % impact on overall operation.

Further reference should be made to the Infrastructure Asset Criticality Framework, which is guided by this Framework.

5.14 Asset Management Plans

We manage a wide range of assets on behalf of our community. These assets are essential to the delivery of services for our community. To extract maximum value out of these assets and provide the services, an approach is taken, and the development of Asset Management Plans ("AMP"). These AMPs describe how we plan to manage and make decisions about our assets in a way that supports the Organisation's strategic direction, that achieves the vision and goals set for the city. Accordingly, following our understanding of risk, uncertainty on objectives (goals), there needs to be an assessment of the risks within the AMPs.

Risk management within the AMPs should take a multi-pronged approach to determining the effects of uncertainty on our goals/vision. These approaches should follow the themes:

- Derational Uncertainty: Our divisional risk registers consider the operational processes for delivery of our services and facilities from a bottom up assessment approach. These registers consider the processes around management of assets and the "What can go wrong?" assessment. The assessment within the risk registers of the asset owning divisions should be considered and form part of risk management in the AMP.
- Criticality: With the introduction of an Infrastructure Asset Criticality Framework (refer section 5.13 herein), we are able to identify the level of risk criticality of individual assets and classes of assets. The AMP should, as a minimum, describe the asset classes, their criticality and corresponding controls and mitigations. Greater graduality should be applied within the AMP for assets with higher levels of criticality.

The Risk Management Advisor should review and provide support for final drafts of the sections of (S)AMPs that deal with risk management.

This will also align with ISO55001:2014 (Asset Management – Management Systems) and ISO55002:2018 (Asset Management – Guidelines for the application of ISO55001).

6 Risk Treatment (including Process Control Design Improvement)

The purpose of risk treatment is to select and implement options for addressing risk that will ultimately reduce the residual risk rating of a risk event. It can also include a process control design improvement.

Risk treatment involves an iterative process of:

- Formulating and selecting risk treatment options;
- Planning and implementing risk treatment;
- Assessing the effectiveness of that treatment;
- Deciding whether the remaining risk is acceptable;
- If not acceptable, taking further treatment, including potentially ceasing the activity.

6.1 Risk Treatment Options

Selecting the most appropriate risk treatment option(s) involves balancing the potential benefits derived in relation to the achievement of the objectives against costs, effort or disadvantages of implementation.

Risk treatment options are not necessarily mutually exclusive or appropriate in all circumstances. Options for treating risk may involve one or more of the following:

- Avoiding the risk by deciding not to start or continue with the activity that gives rise to the risk;
- Taking or increasing the risk in order to pursue an opportunity;
- Removing the risk source;
- Changing the likelihood;
- Changing the consequences;
- Sharing the risk (e.g. through contracts, buying insurance);
- Retaining the risk by informed decision and through delegated authorities.

Justification for risk treatment is broader than solely economic considerations and should consider all the Organisation's obligations, voluntary commitments, values and stakeholder views. The selection of risk treatment options should be made in accordance with the Organisation's objectives and goals, risk criteria and available resources.

When selecting risk treatment options, the Organisation should consider the values, perceptions and potential involvement of stakeholders and the most appropriate ways to communicate and consult with them. Though equally effective, some risk treatments can be more acceptable to some stakeholders than to others.

Risk treatments, even if carefully designed and implemented, might not produce the expected outcomes and could produce unintended consequences. Monitoring and review need to be an integral part of the risk treatment implementation to give assurance that the different forms of treatment become and remain effective. This in part is achieved through periodic testing and assurance of the controls and the testing plan/script needs to be part of the control and/or process design.

Risk treatment can also introduce new risks that need to be managed.

Risk treatments, or controls, can be defined granularly as preventive or detective. The former prevents a risk event while the latter reduces the consequences. Certain types of potential risk events and their consequences are not suited to one or the other type. For example, a detective control would not be suitable in the case of a risk event that resulted in death, a binary outcome.

They can also be corrective where they include any measures taken to repair damage or restore resources and capabilities to their prior state following an unauthorised or unwanted activity.

If there are no treatment options available or if treatment options do not sufficiently modify the risk, the risk should be recorded and kept under ongoing review. If it also breaches the Organisation's risk appetite, appropriate approval must be held for the continuation of the risk remaining.

Decision-makers and other stakeholders should be aware of the nature and extent of the remaining risk after risk treatment. The remaining risk should be documented and subjected to monitoring, review and, where appropriate, further treatment.

6.2 Preparing and Implementing Risk Treatment / Process Control Improvement Plans

The purpose of risk treatment plans is to specify how the chosen treatment options will be implemented so that arrangements are understood by those involved, and progress against the plan can be monitored. The treatment plan should clearly identify the order in which risk treatment should be implemented.

Treatment plans should be integrated into the management plans and processes of the Organisation, in consultation with appropriate stakeholders.

The information provided in the treatment plan should include:

- The rationale for selection of the treatment options, including the expected benefits to be gained:
- Those who are accountable and responsible for approving and implementing the plan;
- The proposed actions;
- The resources required, including contingencies;
- The performance measures;
- The constraints;
- The required reporting and monitoring;
- The timeframe when actions are expected to be undertaken and completed.

The treatment plan should be completed by the risk owner in line with the template laid down in Appendix 6.

Authority to approve treatment plan is based on the existing residual risk rating, and is as follows:

Residual Risk Rating	Reviewed By	Acceptance Authority	
Low	RMA	None Required	
Medium	RMA	Division Manager	
High	RMA, HRR	Unit Chief	
Very High	RMA, HRR, UC	Chief Executive	
Extreme	RMA, HRR, UC	Chief Executive	

RMA: Risk Management Advisor HRR: Head of Risk & Resilience

UC: Unit Chief
CE: Chief Executive

Other reviewers may include Legal, Compliance, Maori Advisory and Health, Safety & Wellbeing representatives if there is assessed to be implications covered by these areas.

Note that approval of a treatment plan does not constitute resource and budgetary approval and existing Organisation policies and procedures should be followed in this respect.

There may be many instances where a treatment plan may be part of a broader risk acceptance exercise as laid down in the latter part of section 5.8 in this Risk Management Framework. If that is the case, then Appendix 5 should be used with the additional attributes from Appendix 6 included.

7 Monitoring and Review

The purpose of monitoring and review is to assure and improve the quality and effectiveness of process design, implementation and outcomes. Ongoing monitoring and periodic review of the risk management process and its outcomes should be a planned part of the risk management process, with responsibilities clearly defined. This assurance is undertaken by first line of defense and should not be confused with the activities performed by Business Assurance, the Organisation's third line of defense.

To this extent the risk owner is responsible for ensuring the periodic review process is undertaken as per the test script. The test script is termed Control Sample Testing and should include the following information:

- Description of Control/Mitigation.
- Description of risk over which it addresses.
- Description of how sample test is to be conducted.
- Description of sample size.
- Frequency of testing (monthly, quarterly or yearly).

The Control Sample Testing should be in a form that makes them auditable.

As part of the process of undertaking the Control Sample Testing, if there is evidence that the controls or mitigations are not operating as expected or required the matter should be escalated to the responsible Divisional Manager and Risk Management Advisor, even in cases where there has not been a risk event. Where the process/potential failure point has a very high or severe raw risk rating, the Control Sample Testing identification of the control or mitigation failure should be escalated to the relevant Unit Chief under which the division sits.

Where/when the Organisation establishes a risk management platform solution the intention is that the results of the Control Sample Testing input will automatically result in appropriate escalation.

Monitoring and review should take place in all stages of the process. Monitoring and review include planning, gathering and analysing information, recording results and providing feedback.

The results of monitoring and review should be incorporated throughout the Organisation's performance management, measurement and reporting activities.

7.1 Recording and Reporting

Reporting is an integral part of the Organisation's governance and should enhance the quality of dialogue with stakeholders, ELT and Elected Members in meeting their responsibilities. Factors it should consider including, but are not limited to, are:

- Differing stakeholder and their needs;
- Sost, frequency and timeliness or reporting;
- Method of reporting;
- Relevance of information to the Organisation objectives and decision-making requirements.

The Organisation's risk management reporting may consider, amongst other factors, the following attributes:

- Identify all risks with residual risk of very high or extreme;
- Record of all risk events since the last reporting where the consequences are risk rated medium and above and/or where the consequences are above the Organisation's risk appetite;

- Summary of risk treatment plans progress where the residual risk remains above the Organisation's risk appetite because of to the treatment plan not being completed.
- Summary of progress on rollout of the Risk Management Framework by Unit;
- Summary of findings from the Control Sample Testing where controls or mitigation failed albeit there has not been a risk event.

Until the Organisation implements a new risk management platform, the reporting of the Organisation's risk profile and corresponding management may be fragmented.

8 Risk Event Management

In the instance where a risk event occurs, a Root Cause Analysis must be undertaken by the risk owner to establish what went wrong, why it went wrong and what can be done to prevent it recurring.

The Root Cause Analysis allows for a detailed examination of the event. It will record:

- Information on the event background, including:
 - 1) A record of the event description
 - 2) The timeline
 - 3) The investigation team
 - 4) The methods used
 - 5) Any identifiable control or mitigation failures and
 - 6) The consequences of the event, immediately and ongoing;
- The contributing factors on the event;
- Actions taken to reduce future risk events;
- Findings related to the identified root cause, as well as other notable findings that aren't directly related to the problem.

With reference to actions to reduce future risk events, the guidance and principles laid down earlier for process control design improvements and risk treatment options and their subsequent preparation and implementation should be considered in the preparation of a Root Cause Analysis.

A Root Cause Analysis is not a process targeted at laying blame on an individual, its aim is to reduce or eliminate the primary problem or root cause giving rise to the risk event.

Where a Root Cause Analysis is completed it must undergo acceptance/approval at the appropriate level within the Organisation. The level of authority for such is dependent on the consequence, as defined in Appendix 4, of the risk event. The authorities are as follows:

Consequence	Reviewed By	Acceptance Authority
Minor	RMA	Division Manager
Moderate	RMA	Unit Chief
Serious	RMA, HRR, UC	Chief Executive
Major	RMA, HRR, UC, CE	Risk & Assurance Committee *
Severe	RMA, HRR, UC, CE	Risk & Assurance Committee *
	RMA: Risk Management Advisor HRR: Head of Risk & Resilience UC: Unit Chief CE: Chief Executive	

^{*}And The Council as may be determined from time to time

Other reviewers may include Legal, Compliance, Maori Advisory and Health, Safety & Wellbeing representatives if there is assessed to be implications covered by these areas.

The template for completion of the Root Cause Analysis is attached in Appendix 7.

Where there is a risk event that is a direct health and safety matter, a Root Cause Analysis is not required under this Risk Management Framework version 2.0 but procedures for completing a review in PeopleSafe must be undertaken as required by Health & Safety and any other legislative or regulatory requirement.

9 New, Changed Processes, Activities, Services and Assets Management Procedure

A new or change process, activity, service or asset type can bring new and/or unexpected risks to the Council or change the existing risk profile/rating. Or they may have the effect of reducing or removing and existing risk.

Accordingly, any change or new process, activity, service or asset type must trigger a review of the affect from a risk perspective. To this extent it should undergo the same process of assessment and inclusion in the divisional risk register as existing risks, and as laid out in this Risk Management Framework. Divisional Managers are responsible for ensuring this occurs and should consult with the Council's Risk and Resilience team.

10 Risk Management Platform

To ensure best practice in the management of risk in the Organisation, investment in a risk management platform will be considered as the Organisation's risk management matures.

The risk management platform should ideally have the following attributes:

Risk identification: Identifies and records risks the Organisation faces. Defines the risks for a

repository or allows you to choose from a pre-established risk dictionary.

Risk assessments: Assigns simple ratings to risks or enables you to develop detailed classifications

based on multiple factors defined by individual business units.

Monitoring and Defines key risk indicators (KRIs) and records the effectiveness of risk

testing: management processes and the CST activity

Reporting and Monitors risks and solutions with easy-to-understand visual reporting and

dashboards: dashboards.

Regulatory Ensures your risk management processes meet all necessary regulatory compliance: compliance by defining and tracking processes and required compliances.

Issue management: Manages the execution of key risk-based projects. Ensures critical risk

management issues are identified and accounted for. Manages RCA activity.

Document Allows you to collaborate and share documents and reports in real time.

management: Houses a knowledge base for new and curious employees.

11 Obligations Register

As part of the Organisation's goal to strive to have best practice in its risk and compliance management activities, there needs to be a drive to the creation of a regulatory/legislative obligations register. Against this tool an understanding of processes driven by obligations should form part of divisional and enterprises risks.

Legal Counsel is best placed to own and be accountable for the Obligations Register.

12 Technology Risk

Technology risk is a significant risk to any organisation, and the consequences of a risk event can be severe. The Organisation is not immune to such risk; it should be dealt with as usual as part of the Divisional Risk Registers, and where deemed necessary, as an enterprise or strategic risk.

13 Project Risk

Projects inherently have risk attached to them and this Risk Management Framework is applicable in the management of project risk as well. The difference that project management has from a risk perspective is that there is a start date and an end date to the risk.

The most common, but not only, project risks are:

- Cost risk: Typically, escalation of project costs due to poor cost estimating accuracy and scope creep, or inadequate investigation pre-start.
- Schedule risk: The risk that activities will take longer than expected. Slippages in schedule typically increase costs and delay the receipt of project benefits, with a possible loss of competitive advantage.
- Performance risk: The risk that the project will fail to produce results consistent with project specifications.
- Benefit Realisation Failure Risk: The risk that benefits are not clearly articulated prior to proceeding. Benefit realisation measurement pre and post change is not fully completed, as requires measurement often over a period of years.

There are many other types of risks of concern to projects. These risks can result in cost, schedule, or performance problems and create other types of adverse consequences for the Organisation. For example:

- Sovernance (with a small" g") risk relates to organisation and management performance regarding ethics, community stewardship, and organisation reputation.
- Strategic risks result from errors in strategy, such as choosing a technology that can't be made to work.
- Operational risk includes risks from poor implementation and process problems such as Procurement, production, and distribution.
- Legal risks arise from legal and regulatory obligations, including contract risks and litigation brought against the organisation.
- Risks associated with external hazards, including storms, floods, and earthquakes; vandalism, sabotage, and terrorism; labour strikes; and civil unrest.

As indicated by these examples, project risks include both internal risks associated with successfully completing each stage of the project, plus risks that are beyond the control of the project team. These latter types include external risks that arise from outside the Organisation but affect the ultimate value to be derived from the project. In all cases, the seriousness of the risk depends on the nature and magnitude of the possible end consequences and their likelihood.

In addition to project risk, project deferral risk can be important. Project deferral risk refers to the risks associated with failing to do a project. Like project risk, project deferral risk can arise from any of the bulleted risk sources listed above (the second list). Project deferral risk can also occur if there is only a limited window of opportunity for conducting a project—if the project is not conducted now, there may be a risk that it might never be possible to effectively do it later. Project deferral risk may also have an impact on strategic risks.

As part of best practice ongoing improvement processes, the Project Manager will undertake a Project Finish & Review at the end of the project. As part of this process, a review of risks identified at the start of the project is to be undertaken. This review will include a determination of whether any of the identified risks arose during the term of the project. These are to be included in the Finish & Review in the Lessons Learnt section.

Refer to Project Management Office for the Finish & Review format.

Where a Project is determined to have risks above our risk tolerance based on risk rating, it should be referred to the project sponsor and the Risk Management Advisor whom shall determine any further escalation requirements

Where residual risks on a project are above our risk tolerance, the approval process is that laid down in this framework with the addition on the requests being reviewed and supported by the Project Governance Group if one exists for a particular project.

14 Reports to Elected Members

Council/Committee reports to Elected Members should consider identified risks above tolerance and suggested mitigations and any strategic risk implications. Form and guidance in this respect is attached as Appendix 9. This includes the section which will be included in the report as well as supporting working papers on risk assessment that officers may wish to complete to create a more focused risk assessment and keep on file.

All reports to Council and Committees which have financial implications are reviewed by Finance Business Partners. As part of their review, they will also review commentary in the risk section for clarity of risk articulation and if doubt exists as to its acceptability escalate to the Risk Management Advisor for review. This review will also include ensuring that risks are described (that MAY affect delivery of our goals), not actual issues. Similarly, those reports not reviewed for budgetary matters will be, subject to timely submission, reviewed by Democracy & Governance Division.

15 Risk and Resilience Guidance

Risk and Resilience maintains a Standard Operating Procedure for its use as a guide for risk register creation and maintenance.

The Risk Management Advisor should be given the opportunity to be included as a key advisor on major enterprise wide Organisation programmes and projects. This is principally achieved through the Risk Management Advisor being a panel advisor on the Business Steering Group.

16 Organisational Risk Management Maturity

The Organisation should set itself a target maturity state for risk management to objectively measure our current level of risk maturity and identify improvement opportunities. This will assist management to prioritise resources to those areas of greatest need to further strengthen risk management across the Organisation. Not all organisations need to achieve the same level of maturity and therefore we should "right size" our target maturity level so that risk management practices are fit for purpose.

Broadly defined, we see as a target level of maturity in our risk management as follows: Risk management practices are well defined, documented and there is consistent application across all business units. Senior leaders actively promote the value of risk management across the organisation. There is good use of evidence-based data and more sophisticated risk management techniques to support risk informed decision making and provide risk-based assurance that risks are being managed effectively. as a result, overall business performance is predictable with limited variation from expected outcomes.

Against a scale of 1 to 5 (1 being immature), the elements and attributes against which we aspire are as follows:

Element	Attribute	Target Maturity Score (1-5)
	Governance, Policy & Accountabilities	3
Leadership & Direction	Culture, Innovation & Risk Appetite	4
·	Continuous Improvement	3
Doonlo 9 Dovolonment	Roles & Responsibilities	4
People & Development	Resources, Skills & Training	3
	Risk Assessment & Mitigation	4
Processes & Tools	Assurance	4
	Risk Monitoring & Reporting	5
	Strategic Risk Management	3
	Managing Risk in Partnerships	3
Business Performance	Business Resilience	4
	Change & Transformation	3

Detailed descriptions of these attributes are laid down in Appendix 8.

16 Version Control

Risk Management Framework Owner	Head of Risk & Resilience	ce
Date First Issued	Version 1.0	21/06/2021
First Review Date	By 31/3/23	
Periodicity of Review Thereafter	Triennially	
Oasis ID	TBA	
Approved by ELT, 8/6/21		

	Version Control / History						
V1.0	First Version						
V1.1	Triennial review kick off, with update from RMA						
V1.2	Update based on feedback.						
V1.3	Final review version						
V1.4	Version for approval to ELT 2/8/23						
V2.0	Issued version						

Appendix 1 - Terms and Definitions

For the purposes of this document, the following terms and definitions apply.

Accountability: Consequence:

Ownership of the outcome of an activity or event.

Outcome of an event affecting objectives.

- A consequence can be certain or uncertain and can have positive or negative direct or indirect effects on objectives.
- Consequences can be expressed qualitatively or quantitatively.
- Any consequence can escalate through cascading and cumulative effects.

Control:

Measure that maintains and/or modifies risk.

- Controls include, but are not limited to, any process, policy, device, practice, or other conditions and/or actions which maintain and/or modify risk.
- Controls may not always exert the intended or assumed modifying effect.

Control Sample Testing Periodic review and testing of key controls to ensure their ongoing effectiveness. Sometimes referred to as "Review".

Sustainability
Maturity: Limited
Definition

Few structures, policies, or processes are currently in place to manage climate related risks and opportunities, nor does leadership seem committed to meaningful improvement. Organisational culture has been re-active to climate related risks and is typically resistant to implementing good practices above or beyond regulatory requirements. Participation in partnerships/alliances for action, if any, are motivated by 'greenwashing.'

Event:

Occurrence or change of a set of circumstances.

- An event can have one or more occurrences, and can have several causes and several consequences.
- An event can also be expected which does not happen, or something that is not expected which does happen.
- An event can be a risk source.

Likelihood:

Chance of something happening.

In risk management terminology, the word "likelihood" is used to refer to the chance of something happening, whether defined, measured or determined objectively or subjectively, qualitatively or quantitatively, and described using general terms or mathematically (such as a probability or a frequency over a given time period).

Mitigation:

To minimise, moderate or make less intense or consequential.

Residual Risk:

Risk remaining after implementation of risk treatment (through mitigation on controls). The treatment might include avoiding, modifying or sharing the risk.

Responsibility:

To be answerable for an action.

Risk:

Effect of uncertainty on objectives/goals

An effect is a deviation from the expected. It can be positive, negative or both, and can address, create or result in opportunities and threats.

40

Objectives/goals can have different aspects and categories and can be applied at different levels.

Risk is usually expressed in terms of risk sources, potential events, their consequences and their likelihood.

Risk Management: Coordinated activities to direct and control an organisation regarding risk

Raw Risk: The initial assessment of a risk without any controls or mitigation. Sometimes

referred to as gross or inherent risk.

Risk Register: A documented record of each risk identified.

Risk Source: Element which alone or in combination has the potential to give rise to risk.

Stakeholder: Person or organisation that can affect, be affected by, or perceive themselves to

be affected by a decision or activity.

> The term "interested party" can be used as an alternative to "stakeholder".

Acronyms Used in this Risk Management Framework

AMP: Asset Management Plan
CST: Control Sample Testing
ELT: Executive Leadership Team

LTP: Long-Term Plan (As defined in Local Government Act 2002)

RAC: Risk and Assurance Committee

RCA: Root Cause Analysis

RMF: Risk Management Framework

TOR: Terms of Reference

Interpretations

"Us" means all employees of the Organisation from the Chief Executive down

References to "Organisation" in this document refers to employees of Palmerston North City Council from Chief Executive down and their responsibilities therein. It does not include Elected Members, The Council, its committees or their responsibilities

rage – a

Appendix 2 - Risk Register Template

Risk Management Framev	k Management Framework: Risk Register Working Paper				Division/Unit:					
Process Name					Process Owner					
Sub Process			•							
Potential Failure	1.									
Risk Category	Cho	ose an item.			Link to Strat. Go	oal	Choose	e an item.		
Raw Risk Likelihood	Cho	ose an item.			Raw Risk Conse	quence	Choos	e an item.		
Raw Risk Rating	Cho	ose an item.								
Raw Risk Rating Overall	(Choose an item.								
Causes	1.									
				•						
Controls & Owners		trol Type			Effectiveness			Control Re		
(Include control		ose an item.		Choose	an item.			Choose an	item.	
description, % population	1.	Effect	ive							
checked, Material items checked, source of any	2.	Effect	ive							
check, how is check										
performed)										
Residual Risk Likelihood	Ch	oose an item.			Residual Risk Co	onsequence	Choo	se an item		
Residual Risk Rating	Ch	oose an item.	Choose an it	tem.	Within Risk Tole	erance	Choo	se an item		
Residual Risk Rating Overa	all	Choose an item.								
Control Sample Testing (To	o be	CST Description				Control	Freq	uency	Sample	Size
undertaken in later phase)										
Process Control Design	1.									
Improvement / Risk										
Treatment Options										
Target Risk Rating C	hoose	an item.	Choose an item.		Likelihood	Choose an it	em.	Conse	equence	Choose an item.
Target Risk Rating Overall		Choose an item.		-		·				

Additional rows to be added depending on number of Risk Categories

Unit	Division	Risk ID	Process Name	Risk Owner	Potential Failure	Causes	Risk Category	Link to Strategic Goals	Raw Risk Likelihood	Raw Risk Consequence
As per Council organisation	As per Council organisation	Unique ID per risk	Short name or description of process, activity, service or asset purpose	Divisional Manager's title	Description of failure / risk event	Description of potential causes	Refer risk categories defined in RMF	Link process, activity, service or asset purpose to at least 1 of the strategic goals.	Refer likelihood table in Appendix 4 of RMF	Refer consequence table in Appendix 5 of RMF

Continued.....

Raw Risk	Mitigation /	Control Type	Control Effectiveness	Control	Control Sample	Residual Risk	Residual Risk	Residual Risk	Process Control	Target Risk Rating
Rating	Controls			Reliance	Testing	Likelihood	Consequence	Rating	Design	
									Improvement /	
									Risk Treatment	
									Options	
Refer to risk	Description of	Preventive	Effective	Very High	Description of	Refer likelihood	Refer consequence	Refer to risk	Description of any	Target rating with
rating table	controls and/or	Detective	Partially Effective	High	testing of the	table in	table in Appendix 4	rating table of	improvements	implementation of
of the RMF	mitigation in	Corrective	Ineffective	Medium	controls or	Appendix 3 of	of RMF	the RMF	identified to	control
	place to reduce		Non-existent	Low	mitigation. To	RMF			reduce the residual	improvements or
	risk. Can be				include frequency				risk rating.	risk treatments.
	multiple				of testing and					
	controls				sample size. At					
					least 1 test per					
					control.					

NB: As the risk management process in the Organisation is rolled out and matures the processes and their controls will have overlaid on them the key risk indicators as a measure of change in their context that may change the risk profile of a process, activity or asset. Not all attributes herein will be articulated in the early stages of risk management maturity development in the Organisation.

A risk event may be categorised in a bow tie description, that is there are multiple causes and consequences or one event.

Appendix 3 - Risk Assessment of Likelihood

	General Description	Strategic	Project	Quantitative	Likelihood
	Risk is expected to occur in most circumstances.	Almost certain to occur in the next 3 years.	Almost certain to occur in most circumstances during the life of the project.	>90% within the next 12 months, or 18 out of every 20 years.	Almost Certain
Frequency	Risk event will probably occur in most circumstances.	Will likely occur in the next 3 years.	Will likely occur sometime during the life of the project.	75% - 90% within the next 12 months, or 11 out of every 20 years.	Likely
of	Risk event should occur at some time.	Possibly occur in the next year.	Possibly occur sometime during the life of the project.	25% - 75% within the next 12 months, or 5 out of every 20 years.	Possible
Likelihood	Risk event could occur at some time.	Unlikely to occur in the next 3 years.	Unlikely to occur during the life of the project.	5% - 25% within the next 12 months, or 1 out of every 10 years.	Unlikely
	Risk event may only occur in exceptional circumstances.	Would occur only in rare instances in the next 3 years.	Occur in only rare circumstances during the life of the project.	<5% within the next 12 months, or 1 out of every 20 years.	Rare

Appendix 4 - Risk Criteria (Consequence Table)

Risk Category	Minor	Moderate	Serious	Major	Severe
Financial	No impact on achievement of output targets, business can continue as normal. Localised failure only. Financial loss <\$50,000	Up to 1% impact on targets Limited to a single business area of the Council. Financial loss between \$50,000 and \$200,000	Up to 5% impact on targets Financial loss or between \$200,000 and \$500,000	Up to 10% impact on targets. Financial loss between \$500,000 and \$1 million. Impact to multiple and diverse areas of the Council	Greater than 10% impact on targets Financial loss >\$1 million.
Financial – Projects (Budget means Annual)	No impact on achievement of budget targets or <\$10,000	Up to 1% impact on Project budget, or between \$10,000 and \$100,000	Up to 5% impact on Project budget, or between \$100,000 and \$250,000	Up to 10% impact on Project budget or between \$250,000 and \$1 million.	Greater than 10% impact on Project budget or greater than \$1 million
Legal/ Compliance	Council fined / sued for a sum <\$10,000	Council fined / sued for a sum between \$10,000 and \$100,000	Council fined / sued for a sum between \$100,000 and \$250,000 Compliant to the Ombudsman or other statutory office	Council fined / sued for a sum between \$250,000 and \$1 million Legislative noncompliance involving the prosecution or the potential for a fine or a significant criticism of Council by Judiciary or Ombudsman. Adverse ruling by the Ombudsman or other statutory officer with power to investigate or make rulings. Judicial review of Council decision	Council fined / sued for a sum more than \$1 million. Legislative noncompliance involving potential for imprisonment of a Councilor or senior officer Judicial review of a Council decision on a matter relating to funding or rates
Environmental	Small localised and reversible environmental resulting in: Slight, short term damage to use (use of) land and/or water Slight short-term damage to land and/or water ecosystems No noticeable species reduction Occasional inconsistency with the intent of legislation, district plan, and Council's goals.	Contained and reversible (minimal) environmental impact resulting in: > Localised minor reversible damage to use (use of) land and/or water > Localised minor reversible damage to land and/or water ecosystems > Temporary reduction in one species Minor erosion and/or damage to property. Minor inconsistency with the intent of legislation, district plan, and Council's goals.	Measurable damage to the environment requiring significant corrective action resulting in: Localised medium-term reversible damage to use (use of) land and/or water Localised medium-term reversible damage to land and/or water ecosystems Moderate reduction in 1 or more species Moderate resion and/or damage to property. Recovery time 1 month. Repeated inconsistency with the intent of legislation, district plan, and Council's goals.	Irreversible localised damage (major) to the environment resulting in: Widespread long-term reversible damage to use (use of) land and/or water Widespread long-term reversible damage to land and/or water ecosystems Significant reduction in 1 or more species Serious erosion and/or damage to property. Recovery time up to 6 months. Repeated and significant inconsistency with the intent of legislation, district plan, and Council's goals.	Extensive irreversible damage (widespread) to the environment resulting in: > Widespread long-term irreversible damage to use (use of) land and/or water > Widespread irreversible damage to land and/or water ecosystems > Permanent reduction in 1 or more species Destruction of property/widespread flooding. Recovery time exceeding 9 months. No recognition of the intent of legislation, district plan, and Council's goals.
Reputational	No significant adverse comment of media coverage Letter to Council and/or to Call Centre Minimal public disquiet	Adverse comment on local media (coverage 3 days+) Letters to CE, complaints to Councilors Public disquiet limited to small sections of the community	Adverse comment on local media (coverage 1 week+) Coverage in national media Public disquiet one or more community	Adverse comment on local media (coverage 2-3 weeks) Coverage in national media 2-3 days Public disquiet over majority is city e.g. major rates issue	Adverse comment on local media (coverage for 4 weeks+) Coverage in national media >3 days All plus "Commission of Inquiry/questions in Parliament Widespread civil unrest
Strategic	Negligible impact on goals and outcomes.	Temporary impact on long terms goals and outcomes.	Noticeable impact on long term goals in one or more categories.	Achievement of goals significantly below expectation in one or more categories.	Achievement of goals significant across all outcome categories.
Performance and Capability	Permanent staff turnover equal to or 1.25 times industry average Insignificant skill gaps. Individual significance or concern that can be managed as part of business as usual	Permanent staff turnover 1.25 – 1.5 times industry average. Pew specialist skills gaps. Minor disruption to the organisation that can be managed as part of business as usual	Permanent staff turnover 1.5 – 1.75 times industry average Some specialist skill gaps. Moderate disruption to the organisation resulting in reduced performance	Permanent staff turnover 1.7 – double industry average Major specialist skill gaps. Major disruption to the organisation resulting in the failure of core activities	Permanent staff turnover is more than double industry average No internal or external specialist skills available. Critical disruption to the organisation resulting in the ongoing failure to deliver core activities

Risk Category	Minor	Moderate	Serious	Major	Severe
Health & Safety NB: To be addressed under Health, Safety & Wellbeing Risk Type	Minor injury or near miss, first aid not required.	Minor injury requiring first aid (minor cuts, bruises).	Injury and/or sickness requiring medical treatment. Up to 3 months incapacitation.	Serious injury and/or sickness requiring specialist medical treatment or hospitalisation. 3+ months incapacitation or long-term disability. H&S issue taken to court.	Permanent severe disability or loss of life, or multiple serious injuries. H&S issue taken to court resulting more likely in fine imprisonment or entering in to Undertaking arrangement. Widespread sickness in the community.
Wellbeing NB: To be addressed under Health, Safety & Wellbeing Risk Type	The person impacted resolves themselves. There is no disruption to ongoing work	Some internal intervention (facilitation, training, restorative) is required. Any issues are resolved within the workplace. There may be some disruption to the work, person or team, but it's not ongoing.	An external level of intervention (e.g. GP, psychologist, mediator, EAP) is required to support. There may be short-term (generally less than a month) impact of absenteeism / presenteeism / reduced capability / performance.	An external level of intervention is ongoing. There is a negative impact on the wider team and / or organisation. There may be a long term (more than one month) impact of absenteeism / presenteeism / impact on capability / performance. Trust in the organisation is diminished	Permanent or ongoing impact on a person. This could result in resignation / severely affected mental health or illness, or loss of life / suicide. Results in adverse impact on rest of team and operational functions of the service. Negative impact is on whole function. Impact on reputation of organisation if not addressed. Loss of employee trust in the organisation.
Service Delivery -General	No loss of operational capability and/or minimal disruption to service levels. Access affected Minimal loss of internal capacity. No measurable disruption to delivery of essential services.	Loss of operational capability in some areas and/or some disruption to service levels.	Serious loss of operational capability and /or disruption to service levels. Isolated, or suburb-wide impact to essential service delivery/facility.	Serious loss of operational capability for over extended period and major disruption to service levels. Suburb, multi-suburb or critical facility impact to essential service delivery that is extended over significant period.	Serious loss of operational capability long term and serious disruption to service levels loss of internal capacity. Suburb, multi-suburb or critical facility /service impact to critical service delivery.
Service Delivery -Essential Services	25% of the RTO is reached	50% of the RTO is reached	100% of the RTO is reached	The RTO is breached by up to 50%	The RTO is breached by more the 50%
Service Delivery - Critical Services	50% of the RTO is reached	100% of the RTO is reached	The RTO is breached by up to 50%	The RTO is breached by more the 50%	The RTO is breached by more the 100%
Service Delivery - Other Services	100% of the RTO is reached	The RTO is breached by up to 50%	The RTO is breached by more the 50%	The RTO is breached by more the 100%	The RTO is breached by more the 250%
Time Delay -Projects -Programmes of work	1 month (0-5%)	1-3 months (5-10%)	3-6 moths (10-15%)	6-9 months (15-20%)	>9 months (20%)
Cultural	Cultural factors are not considered when making decisions requiring a review before the decision is implemented Minor observations of tikanga and/or other cultural protocols Translations including signage Lack of cultural confidence Perceiving Māori engagement as more challenging or difficult Perceiving engagement with culturally and/or inguistically diverse community members as more challenging or difficult.	Cultural factors are not considered when making decision requiring decisions to be reviewed and reconsidered after action has commenced on the decision Cultural advice not sought Relevant parties excluded from a decision affecting their cultural interests Failure to acknowledge Rangitāne Partnership with PNCC and their kaitiaki role encompassing all cultures Failure to consider culturally and/or linguistically diverse community members in a decision.	Offence is caused to a group of people requiring some effort to repair relationships; or; mana, artefacts/place of cultural or heritage significance is damaged requiring repair. Disregard for tikanga and/or other cultural protocols Cultural advice ignored.	Offence is caused to a group of people requiring significant efforts to repair relationships; or; mana, artefacts/place of cultural or heritage significance is significantly damaged. Rectification may be difficult but possible in the long term >> Decision to act against best practice advice and/or tikanga and/or other cultural protocols.	 Significant offence is caused to a group of people resulting in ongoing strain on relationships; Or; mana, artefacts/place of cultural or heritage significance is irreparably destroyed Systematic or conscious suppression of Treaty partnership commitments and diverse cultural worldviews of our community.

RTO: Recovery Time Objective. Refer section 5.9, Consequence Tables. Refer also to Divisions' Business Continuity Plan.

Residual Risk Acceptance Greater than Risk Appetite Division: Unit: Choose an item. Risk ID: Process Name: Risk Category: Choose an item. Choose an item. Sub Process: Description of Process: Choose an item. Raw Risk: Choose an item. Residual Risk: Choose an item. Risk Tolerance: Choose an item. Raw Risk: Choose an item. Residual Risk: Choose an item. Risk Tolerance: Choose an item. Raw Risk: Choose an item. Residual Risk: Choose an item. Risk Tolerance: Choose an item. Approval Authority: Description of Potential Failure within Process (Consequences): 1. 2. Current Controls/Mitigation (Effectiveness): 1. 2. Proposed New Controls, Mitigation and Process Design Improvements (If Any): Risk if implemented: Choose an item. Recommendation: Recommended by: Approved by:	Request for Approv	Date:				
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2. implemented: Choose an item. Recommendation: Recommended by:		ugation and F	rocess besign impro	vements (II Any):		
Recommended by: Choose an item. Choose an item.						
Recommended by:					· ·	
Recommended by:					Choose an item.	
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Recommended by:						
	Recommendation:					
Approved by:	Recommended by:					
	Approved by:					

Template may be obtained from Risk Management Advisor

Appendix 6- Risk Treatment Plan / Process Control Design Improvement Template

Risk Treatment Plan / Process Cont	rol Design Improvement	Date:
Division:	Unit: Choose an item.	
Process/Activity Risk to be Treated/Improved:		
Risk ID (if any)	Risk Type:	
Current Residual Risk: Choose an item.	Risk Tolerance: Choose an item.	
Risk / Process Owner:		
Proposed Treatment Plan / Design Improvement:		
Description of any Impediments to Implementati	on	
Budgetary Requirements:		
Held/Not Held		
Timeframe for Implementation (Include milestones if necessary)		
Proposed Residual Risk (Target): Choose an item.		
Recommended by:		-
Supported by:	<u> </u>	<u> </u>
Approved by:		

Template may be found obtained from Risk Management Advisor

Appendix 7 - Root Cause Analysis Template

Root Cause Analysis	S			Date: Xx/xx/20xx
Division:		Unit: Choo	se an item.	
Risk ID:	Risk Description:		Risk Category:	
Raw Risk: Choose an item.	Residual Risk: Choose			: Choose an item.
Risk Event Consequence:				
Approval Authority:				
Description of Risk Event/Wh	nat went wrong:			
Current Controls/Mitigation:				
Proposed/New Controls/Miti	igation (If Any):			osed Residual Risk: se an item.
Recommendation:				
Recommended by:				
Approved by:				

Template may be found obtained from Risk Management Advisor

Appendix 8 – Risk Management Maturity Descriptions

Source: All of Government Risk Maturity Tool

		Il of Government Risk Maturity Tool Description	Maturity
Element	Attribute		
Leadership & Direction	Governance, Policy & Accountabilities	There is a comprehensive risk management framework in place that explicitly assigns individual accountabilities for managing top risks, including risks with core delivery partners. An independent governance body exists (RAC) that regularly reviews and monitors top risks and progress against the risk management strategy / annual audit plan. The Business Assurance function has a broad remit with a focus on risk assurance and process improvements. There is a formal risk management policy together with clear guidance for escalating risks (e.g. to whom) that has been approved by ELT and the governance body. Application of the risk management policy and guidance is consistent across all business units. ELT provides specific direction around the management of enterprise and strategic risks and there is some evidence of challenge regarding risk and assurance information; action taken considers the potential impact on other business units and core delivery partners.	3
Leadership & Direction	Culture, Innovation & Risk	Risk informed decision making is encouraged and supported through communications internally with a clear link to organisational values and behaviours. The risk appetite statement incorporates some system level risks outcomes. Risk information, beyond basic risk rating criteria, is used to challenge the ELT on what tolerance levels should be, including the acceptable level of risk for different types of risk. Risk appetite are integrated into strategic planning and decision-making processes through risk focused discussions and analysis.	4
Leadership	Continuous	The effectiveness of risk management practices is regularly reviewed on a formal basis e.g. internally by the risk management or internal audit function. There is a comprehensive risk management strategy that has been approved by the independent governance body (RAC). There is formal endorsement of the resources required to deliver improvements from ELT and regular updates on progress against the risk management strategy.	3

relopment	Roles & Responsibilities	Risk management roles and responsibilities are well understood and are generally incorporated into individual performance objectives. Organisation risk management roles and responsibilities are focused on driving good practice across the Organisation and there is a risk management advisor to provide leadership and direction. There is some evidence that good risk management behaviours are rewarded. Senior Organisation leaders routinely expect and request assurance over their area of responsibility and may ask for ad hoc reviews.	4
People & Development	Resourcing, Skills & Training	Risk management activities are generally well resourced across the agency although some areas would benefit from additional resourcing. Risk management skills and experience are formally assessed for all key roles, including ELT. Structured risk management training is provided for all key roles. Risk management forms part of induction training for all management and staff.	3
Processes & Tools	Risk Assessment & Mitigation	There is a common definition of risk and a formal risk categorisation model that recognises the Organisation's role in supporting societal outcomes and delivery against our goals. Risk assessment processes and templates extend beyond the Organisation's boundaries to include some systemic level risks linked to external outcomes. There is some use of technology to improve the consistency and quality of risk assessment and mitigation processes. Quantitative approaches (where appropriate) are used for risk measurement. Raw and residual risk evaluations taking into account the effectiveness of controls are consistently undertaken. There is good evidence of alignment between risk mitigation plans and agreed tolerance levels for different types of risk.	4
Processes & Tools	Assurance	ELT understand the quality and amount of assurance required across the Organisation and this extends to some system level risks in support of societal and our goal outcomes. There is an effective assurance framework with good coordination between the 'three lines of defence' both internally and externally in support of goal outcomes. Assurance activities are multi-layered and targeted at Organisation outcomes, including in support of some societal outcomes. Risk assessments determine the assurance activities implemented when designing new systems, processes and policy, including some automated assurance activities. Assurance needs are regularly reviewed and reprioritised and assurance results are used to inform some system level risk assessments.	

	Risk Monitoring & Reporting	 Risk data collection, aggregation, monitoring and reporting is frequent, automated and fully integrated with the Organisation's risk appetite framework. Risk reporting is easily able to be tailored to meet the needs of the Organisation's stakeholders. Risk reporting has a distinct forward-looking view using leading risk indicators, to assist with proactive decision making and management action. 	5
rformance	Strategic Risk Management	The strategic planning cycle includes a review of the Organisation's top risks as well as some external trends and indicators to inform the level of risk in the external environment. There is good evidence of strategic risks and opportunities being documented in the agency's strategic plan together with planned response. A formal refresh of the Organisation's top risks is undertaken based on strategic planning outcomes. There are some risk contingency plans in place to safeguard the strategy and delivery of Organisation outcomes.	3
Business Performance	Managing Risk in Partnerships	The Organisation has a common definition of 'partner' that recognises the different types of partnership arrangements that exist. There is a comprehensive partnering policy that addresses how to identify, assess and manage risks, including arrangements for risk ownership and sharing of risk information. Risk and reward trade-offs are formally articulated and are generally applied in contracts. There is good evidence of risk and performance monitoring of partners, including testing of contingency arrangements.	3
Business Performance	Business Resilience	 Disruptive and extreme events are assessed on a regular basis and cover a range of alternative, forward-looking scenarios. Early warning indicators exist that allow management to anticipate disruptive and extreme events. There is a clear link between disruptive and extreme event assessment and BCP / DRP planning that includes core partners as well as long term investment planning. There is a good evidence of post-event analysis and assessment and learning for the future. 	4

investments. There is a comprehensive risk assessment process for the approval of significant change initiatives that is consistently applied across the agency. There is a formal monitoring and assurance regime in place for significant change initiatives that includes independent assurance. There is some evidence of a portfolio view of risk related to significant change initiatives.
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Strategic planning cycle is set as part of triennial cycle of Elected Members and their goal setting.

Appendix 9 - Council Reports to Elected Members

Risk Section in Council Reports

A risk assessment of the recommended option described in this report has been completed for the principal risk categories. The outcome of this assessment is reported below:

principal risk categories. The outcome of this assessment is reported below.				
Risk Type	Residual Risk			
Financial	High			
Choose an item.	Choose an item.			
Choose an item	Choose an item			

Strategic Risk Commentary

Provide a brief summary of any matters that affect strategic risk.

Strategic risk arises from the fundamental decisions concerning the Council's objectives and goals. Essentially, strategic risks are the risks of failing to achieve these objectives and goals.

Overall Risk Summary

Provide a brief narrative of the principal risks identified not covered under strategic risk (typically residual risk rated high and above) and how they affect matters in this memorandum. Include details of any mitigation plans and their implications.

Other Options Risk Commentary

Provide a brief summary of any matters that may be relevant for Elected Members to understand in respect to other options provided in the analysis. Delete section if not applicable.

N.B1. Typically, we would not see more than three risk categories. If uncertainty exists, please consult with your Risk Management Advisor

N.B.2: Risk type and residual risk in first row above are examples.

Elected Members Reports - Working Document

Presenting Officer is to complete the below and hold on file as evidence of assessment of risks for the options included in the report. These workings are not to be included in the report to Elected Members.

A risk assessment of matters described in this report has been completed for each of the risk categories defined by the Council. The outcome of this assessment is detailed below:

Risk Type	Residual Risk Rating	Risk Tolerance*	Above Risk Tolerance*
Strategic	Choose an item.	Not Rated	
Financial:	Choose an item.	Medium	Choose an item.
Legal/Compliance:	Choose an item.	Medium	Choose an item.
Environmental:	Choose an item.	Medium	Choose an item.
Health, Safety & Wellbeing:	Choose an item.	Low	Choose an item.
Reputational:	Choose an item.	Medium	Choose an item.
Service Delivery:	Choose an item.	Medium	Choose an item.
Performance and Capability:	Choose an item.	Medium	Choose an item.
Cultural	Choose an item.	Medium	Choose an item.

*NB: Risk tolerance levels are a trigger for review, not a hard barrier

Strategic Risk:

Provide an overview of any matters that affect strategic risk.

Risk Summary:

Provide a narrative of the principal risks identified (typically residual risk rated high and above) and how they affect matters in this report.

Risk Owner(s) for matters in this Memorandum: Name responsible tier 3 manager position or above

Where the residual risk rating is "Very High" or above the following mitigation plans, process control improvement plans and/or risk treatment plans have been agreed:

Provide a brief description of

- The risks identified and how they affect matters in this Memorandum
- How they are being mitigated and/or controlled at present
- Details of plans agreed and timeframe to completion of implementation

Target Residual Risk Rating: Choose an item.

Where there are no plans, or the target risk rating remains above the risk tolerance, there has been an acceptance by management under their risk acceptance authority.

Submitting Manager to ensure this is completed in terms of Risk Management Framework before submission

Grey italic to be delete from final submitted paper

Template may be obtained from Risk Management Advisor

ENTERPRISE RISK REGISTER

Risk Name		Risk Event Description	Risk Owner
Risk ID:	EP		

Overall Raw Risk Rating	Overall Residual Risk Rating	Target Risk Rating	
Choose an item.	Choose an item.	Choose an item.	

Potential Failure/Consequence	Causes	Control ID	Control/ Mitigation Description	Control Effectiveness	Control Reliance	Proposed Actions
>	External S			Effective	High	Yes/No
				Choose an item.	Choose an item.	Yes/No
				Choose an item.	Choose an item.	Yes/No
				Choose an item.	Choose an item.	Yes/No
				Choose an item.	Choose an item.	Yes/No
				Choose an item.	Choose an item.	Yes/No
				Choose an item.	Choose an item.	Yes/No

Risk Rating Determination

Raw Risk

Risk Category	Choose an item.			
Risk Likelihood	Choose an item.	Risk Consequence	Choose an item.	
Risk Rating	Choose an item.			
Risk Category	Choose an item.			
Risk Likelihood	Choose an item.	Risk Consequence	Choose an item.	
Risk Rating	Choose an item.			
Risk Category	Choose an item.			
Risk Likelihood	Choose an item.	Risk Consequence	Choose an item.	
Risk Rating	Choose an item.			
Raw Risk Rating Overall	Choose an item.			

Residual Risk

Risk Category	Service Delivery			
Residual Risk Likelihood	Choose an item.	Risk Consequence	Choose an item.	
Residual Risk Rating	Choose an item.			
Risk Category	Legal/Compliance			
Residual Risk Likelihood	Choose an item.	Risk Consequence	Choose an item.	
Residual Risk Rating	Choose an item.			
Risk Category	Reputational			
Residual Risk Likelihood	Choose an item.	Risk Consequence	Choose an item.	
Residual Risk Rating	Choose an item.			
Residual Risk Rating Overall	Choose an item.			

Residual Risk Rating Rationale:

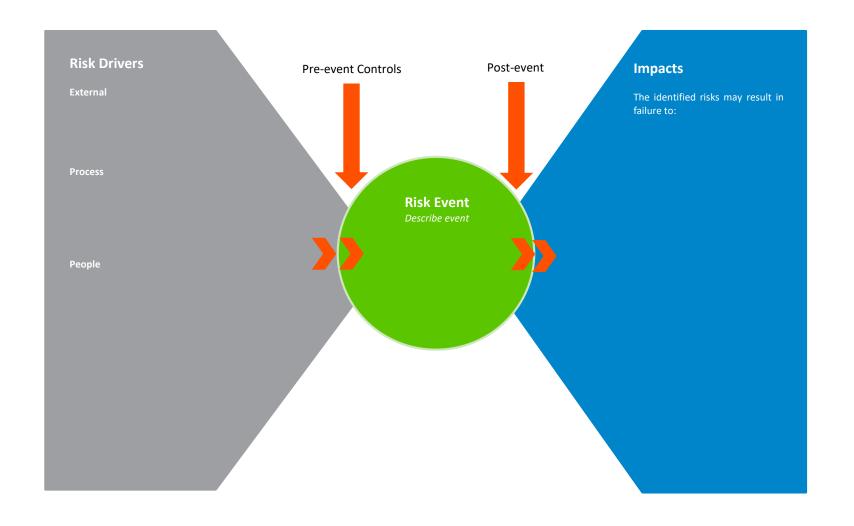
Target Risk

Risk Category	Choose an item.			
Target Risk Likelihood	Choose an item.	Risk Consequence	Choose an item.	
Target Risk Rating	Choose an item.			
Risk Category	Choose an item.			
Target Risk Likelihood	Choose an item.	Risk Consequence	Choose an item.	
Target Risk Rating	Choose an item.			
Risk Category	Choose an item.			
Target Risk Likelihood	Choose an item.	Risk Consequence	Choose an item.	
Target Risk Rating	Choose an item.			
Target Risk Rating Overall	Choose an item.			

Control	Short Description	Gaps/Weaknesses	Proposed Improvements	Review
ID				Date
EP			>	To be
				determined
				for all
				items
			>	
			>	
			>	
			>	
			>	
			>	

Appendix 11: Bow Tie Analysis Enterprise Risks

Enterprise Risk Number XX Risk Title Risk Owner: Chief XX





Palmerston North City Council

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MEMORANDUM

TO: Risk & Assurance Committee

MEETING DATE: 18 October 2023

TITLE: Adoption of Annual Report 2022/23

PRESENTED BY: Scott Mancer, Finance Manager and Debbie Perera, Audit

Director

APPROVED BY: Cameron McKay, Chief Financial Officer

RECOMMENDATIONS TO RISK & ASSURANCE COMMITTEE

1. That the Committee note the 2022/23 financial reporting and draft auditor's opinion of Council's 2022/23 Annual Report.

RECOMMENDATIONS TO COUNCIL

- 2. That Council adopt the Annual Report 2022/23 and Summary Annual Report 2022/23.
- 3. That Council note that, assuming Audit clearance is given, the final Auditor's 'opinion' from Audit New Zealand will be received following expected adoption by Council on 25 October 2023 and Council signing of the reports.
- 4. That Council delegate authority to the Chief Executive to make minor edits to the Annual Report 2022/23 and Summary Annual Report 2022/23.

1. ISSUE

- 1.1 The Council has a legal obligation to adopt its audited Annual Report by 31 October 2023. Adoption of the Annual Report will allow the Council to report to the community on the Council's performance in the 2022/23 year.
- 1.2 The Annual Report is a key part of the 10 Year Plan process. The Annual Plan sets out the strategic direction and shows the community what the Council intended to do in the 2022/23 year. The Annual Report is made publicly available and shows the community how well the Council did that work towards meeting agreed levels of service and performance measures.
- 1.3 Having the committee scrutinise the financials and consider the draft auditor's opinion contributes to a robust process on the part of Council, before adoption.



2. BACKGROUND

- 2.1 The presentation of the Annual Report is the culmination of the quarterly reports presented to Council, which monitored progress against the second year of the Long Term Plan 2021-31.
- 2.2 As of the time of writing this report, Audit New Zealand have completed the bulk of their audit of the Annual Report, and it is expected that verbal clearance will have been granted before 18 October 2023.
- 2.3 A copy of the draft Annual Report and the draft Summary Annual Report are attached.
- 2.4 The adoption of the Council's Annual Report marks a milestone of the Council's accountability and dedication to the public. The wide-ranging and complex nature of Council activities together with the requirements for disclosure under the Local Government Act, and Public Benefit Entity Accounting Standards, means the Council's full Annual Report is relatively lengthy and yet necessary. This complexity makes the Summary Annual Report an ideal document for those readers who wish to have an easy read and yet still understand the Council's activities.
- 2.5 Officers recommend that Council adopt the 2022/23 Annual Report and the Summary Annual Report, following the Committee's consideration.

3. NEXT STEPS

- 3.1 Once the Annual Report and Summary Annual Report have been adopted by Council and the Auditor's opinion received, copies of both documents will be made available for public distribution.
- 3.2 Copies will be sent to the organisations prescribed by legislation and to regular readers according to Council's existing mailing list. The Annual Report and its Summary will also be made available on the Council's website, at the City Library and the Customer Service Centre.

4. COMPLIANCE AND ADMINISTRATION

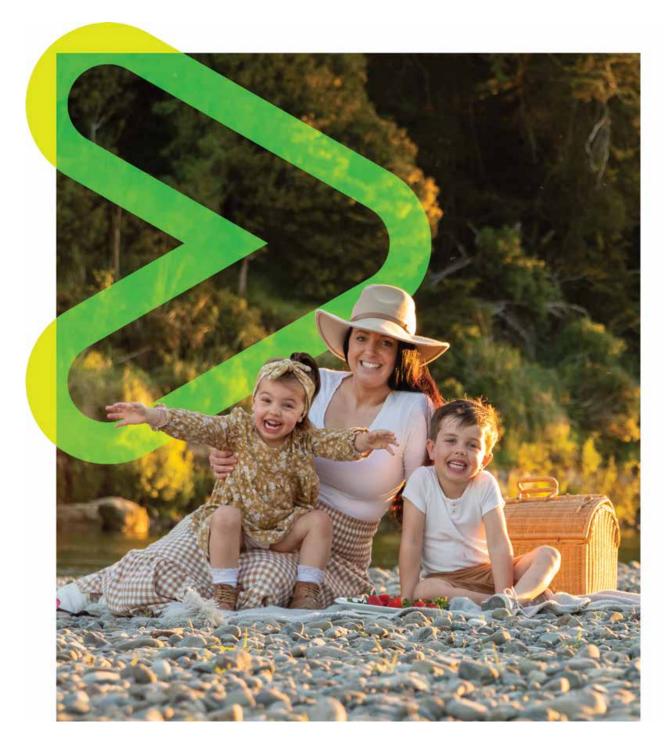
Does Committee have delegated authority to decide?				
Are the decisions significant?				
If they are significant do they affect land or a body of water?				
Can this decision only be made through a 10 Year Plan?				
Does this decision require consultation through the Special Consultative procedure?	No			
Is there funding in the current Annual Plan for these actions?				



Are the recomme plans?	ndations inconsistent with any of Council's policies or No		
The recommendations contribute to Goal 5: A Driven & Enabling Council			
The recommendations contribute to the achievement of action/actions in Governance and Active Citizenship			
The action is: Ongoing review of governance systems and structures to support Council's effectiveness and reputation			
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Publishing of the Annual Report is a legal requirement and one mechanism by which Council shows accountability to the community on how we deliver on our strategic goals, rooted in the four wellbeings.		

ATTACHMENTS

- 1. Annual Report 2022-23 (attached separately, as at 13 October 2023)
- 2. Annual Report Summary 2022-23 (as at 13 October 2023) 🗓 🖫



Te Kaunihera o Papaioea Palmerston North City Council

PŪRONGO Ā-TAU WHAKARĀPOPOTO ANNUAL REPORT SUMMARY 2022/23



Matawhānui Papaioea
Palmerston North Vision

He iti rā, he iti pounamu

Small city benefits, big city ambitions

Whāinga 1: He tāone auaha, he tāone tiputipu

Goal 1: An innovative growing city

Whāinga 2: He tāone whakaihiihi, tapatapahi ana

Goal 2: A creative and exciting city

Whāinga 3: He hapori tūhonohono, he hapori haumaru

Goal 3: A connected and safe community

Whāinga 4: He tāone tautaiao

Goal 4: An eco city

Whāinga 5: He Kaunihera ahunui, whakamana i te iwi

Goal 5: A driven and enabling Council

He Mihi

Kei te rere ngā mihi maioha ki te iwi kainga ki a Rangitāne o Manawatū i runga i te ahua o te mahitahi me te Kaunihera o Papaioea, te whai i te ngā mātāpono o te Kawenata ki waenganui i a tāua.

No reira he tika te whakatairanga ake i ngā moemoea o te lwi me te Kaunihera tae atu ki ngā hāpori whānui o tēnei Taonenui.

Kia kaha tātou ki te hāpai ake ngā ohaki o ngā tipuna me ngā moemoea o ngā tamariki mokopuna kei te haere mai.

Tini whetu ki te Rangi, Ko Rangitāne nui ki te whenua.

Mauri tū mauri ora ki a tatou katoa.

The Palmerston North City Council respectfully recognises the local iwi Rangitāne and their customary relationship to this area and appreciates the ongoing support of the iwi in the development of this City and all of those people who have made it their home.

Council remains committed to fostering and strengthening our relationship with Rangitāne.

Year in review

Kia ora tatou,

Like the rest of the country, Palmerston North has been feeling the effects of the current global recession and cost of living increases. Riding out a couple of tough financial years has again seen Council looking at every service, programme and project on our books to find areas where spending can be reduced, or we can defer non-essential work to minimise the financial impact on our ratepayers.

Just like our residents and businesses, we too have been impacted by higher interest rates, inflation and price rises for everyday products. These pressures were a major factor in the rise of 7.7 per cent in total rates for this coming 23/24 financial year – while higher than what we consulted with our community with, it does still come under the 8.3% we'd indicated in our Long-Term Plan.

Despite some challenging circumstances, it's been a busy year. We've been making upgrades to Ferguson Street to make safety improvements and widening a portion of the street to help traffic flow more smoothly. We also began work seismically strengthening our Crematorium and build a new animal shelter.

Construction at our Tamakuku Terrace development was completed, with landowners now starting to build and move into their dream homes.

We've made strides in the sustainability space too by trialling a food waste collection, and introducing the recycling of liquid fibreboard (the cartons that alternative milks and stock come in). That initiative alone has seen our city recycle the equivalent of 60,000 1Litre cartons in just a year!

We've also received more than \$10 million dollars in funding from Waka Kotahi New Zealand Transport Agency to extend, improve or create new protected cycleways on Featherston St and Summerhill Drive, as well as making pedestrian improvements. We've also received funding from the agency for upgrades to our bus stops and shelters ahead of Horizons Regional Council introducing new routes around the city in February.

Like all cities around the country, we're in the midst of some challenges resulting from inflation including increased power and insurance bills to name just a few. The Reserve Bank's efforts to bring inflation under control has shown positive signs but we expect for some time that households and businesses like us will continue to be paying much higher costs across the board this coming year. The positive though is our city continues to perform well. Our local economy has experienced strong growth over the last five years, with GDP increasing by 20.5%, compared with national growth of 14.4%.

4

YEAR IN REVIEW

Over the past year job growth has been strong over sectors including construction, healthcare, accommodation and food services, professional, scientific and technical jobs. Overall earnings and salaries also increased by 8.5 percent over the year to March 2023.

While we're undoubtably in midst of some turbulence right now, high levels of investment and public sector spending look set to support the city's economy throughout the challenges over the coming years.

We know the year ahead is going to be a challenging one for our community and we will continue to do our best for them. We'll be continuing to deliver the services they rely on, partnering with organisations looking after those in need and moving forward with projects that are important to our city, our people and our economy.

Ngā mihi nui,

Grant Smith JP Mayor 25 October 2023 Waid Crockett
Chief Executive
25 October 2023





We have 5 goals for our city

Our vision for Palmerston North is to embrace the benefits of small city living while still offering our residents and region the lifestyle, education and business opportunities of much larger metropolitan cities. Council's vision is 'Small city benefits, big city ambition'. To achieve this Palmerston North people and its businesses require Council to provide appropriate levels of services and facilities.

The 10-Year Plan and Annual Budgets (Plans) provide more detail on these services and how our performance can be measured. The council develops a vision and goals in consultation with the community. These are called community outcomes. Many of the community outcomes also require collaboration and involvement from other organisations in the community to achieve them.

Council's goals as set in the 10-Year Plan for 2021/31 were:



Whāinga 1 **He tāone auaha, he tāone tiputipu**

Goal 1 Innovative and Growing City

A city that is clever about the way it uses its natural advantages to encourage and support innovation, entrepreneurship and new industries, and positions itself to take advantage of the change to fuel sustainable growth, prosperity and wellbeing.

- Solution Street Street
 Solution St
- ➤ Economic
 - Development
- ➢ Active and Public Transport
- Strategic Transport (Roading)



Whāinga 2 **He tāone whakaihiihi,** tapatapahi ana

Goal 2 CREATIVE AND EXCITING City

A city that draws inspiration from the diversity within its culture and creates a vibrant urban environment that attracts creative and clever people and nurtures creative talent.

- > Active Communities
- > Arts and Heritage
- City Shaping

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Whāinga 3 **He hapori tūhonohono, he hapori haumaru**

Goal 3 Connected and Safe Community

A city that includes, supports, connects and uses the talents and advantages of the whole community in the pursuit of prosperity and wellbeing. A city that has an international reputation as a safe city in which to live, study, work and play. A city that embraces its lwi heritage and partnership, and where people connect with the city's past, celebrating its history and heritage.

- ➤ Connected Communities
- Safe Communities



Whāinga 4 He tāone tautaiao

Goal 4 ECO-CITY

A future-focused city that plans for and cares about the future, enhancing its natural and built environment. Our city will realise the benefits to society from creating clean energy, lowering carbon emissions, and reducing our ecological footprint.

- > Climate Change
- ➢ Resource Recovery
- ➤ Environmental Sustainability
- Stormwater Activity
- ➤ Manawatū River
- Wastewater ActivityWater Supply Activity



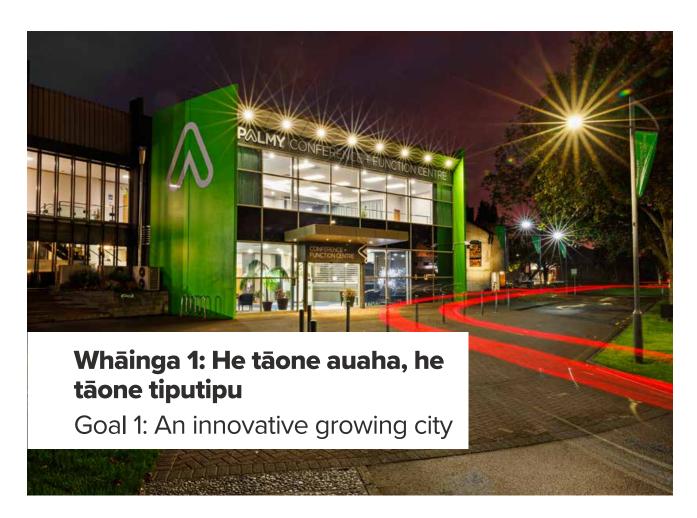
Whāinga 5 **He Kaunihera ahunui, whakamana** i **te iwi**

Goal 5 Driven and Enabling Council

A Council and organisation that works as one team with its communities and is a catalyst and enabler for change in the city.

- ➢ Good Governance and Active Citizenship
- ➢ Organisational Performance
- Strategic Investments

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THIS GOAL INCLUDES

- City Growth (Includes Housing and Future Development and Urban Design)
- ➢ Economic Development (Includes Economic Development and International Relations)
- > Active and Public Transport
- Strategic Transport (Roading)

Palmerston North is a growing city, and we need to plan for this growth. We aim to encourage and support innovation, entrepreneurship and new industries, while making changes that fuel sustainable growth, prosperity and wellbeing.

KEY ACHIEVEMENTS

- ➤ Retail growth in the city has been solid over the last 12 months with the city's role as a regional shopping hub strengthening
- Over the past 12 months, 7,272m² of footpaths have been repaired or upgraded and 1,280m² of new footpaths have been constructed.
- Waka Kotahi funding will see improvements to Featherston St, Summerhill Drive and the city's bus shelters.
- Repaired 2,593 potholes. A very wet winter meant many potholes appeared on the Road network that Fulton Hogan responded to.

INNOVATIVE AND GROWING CITY

BUILDING SERVICES

Our Building Services team had a relatively busy year. Building consent applications peaked as new energy efficiency building code requirements came into effect in November 2022 and May 2023 and the industry rushed to beat having to meet the higher standards.

However, the longer term effects of the industry supply chain issues and the current economic outlook have slowed construction activity overall to an extent. Our Building Services team continues to be better placed to meet current and future demands as a result of recruitment and retention measures adopted in previous years. The number of building consent applications dropped by 14% over the previous year, 93% of these processed within the statutory timeframes. This shortfall was largely due to the peaks of building consent applications in the industry rush to beat energy efficiency implementation dates.

The region's growth in major construction projects has also slowed a little due to supply chain and economic drivers. However, there remains a large forward projected workload in this area, particularly in Defence Force projects at Linton Camp and Ohakea Base.

Our team has continued to build strong relationships with key industry professionals, owners, designers, builders, and developers through the Build Palmy initiative. A key focus of the Building Services division this year has been the more efficient use of inspection resources through scheduling improvements. Notifications and consultation with owners of earthquake prone buildings (EPB) has continued, with all potential EPBs now identified and notified.

BUSINESS

The city's land use strategies for business and industrial development are now well embedded. Our strategy to prioritise pedestrian based retail in the city centre and destination vehicle orientated retail in the outer business areas is working well. Retail growth has been solid over the last 12 months, with the city's role as a regional shopping hub strengthening. Further development of large format retail activity in the Outer and Fringe Business Zones picked up over the last 12 months following a period of low investment in the past.

The Notice of Requirement process for the 177 hectare KiwiRail freight hub was completed in late 2022. As a result of this and ongoing investigations by Waka Kotahi regarding the Regional Freight Ring Road, we are working with CEDA to focus on the development of a nationally significant, integrated multi-modal freight and distribution hub.

The Te Utanganui Master Plan (Central New Zealand Distribution Hub) project was initiated in late 2021 in partnership with Rangitāne and key stakeholders. The purpose is to develop a planning framework to support the region's growing freight and distribution activities and give a wide range of stakeholders the confidence to invest in the city.

HOUSING

A series of District Plan changes are underway or will soon be, to deliver on our City Growth Plan, there commendations of the Housing and Business Needs Assessment, and new National Planning Standards. Significant District Plan work was progressed throughout the year focusing on additional land for housing at:

- Kākātangiata
- ➢ Aokautere
- ➢ Roxburgh Crescent
- Ashhurst
- ➤ Whiskey Creek/Matangi (Private Plan Change)

Plan changes for Aokautere, Ashhurst, Roxburgh Crescent, Medium Density intensification and Kākātangiata are well underway. Aokautere was notified in August 2022 and is progressing toward a hearing in late 2023. Whiskey Creek/Matangi was made operative in March 2023. Medium Density planning and Roxburgh Crescent are well advanced and expected to be notified in early 2024. Master planning for Kākātangiata is at an advanced stage and is informing the development of a proposed plan change, which is expected to be notified in mid-2024. Ashhurst growth planning has been delayed due to flood assessment work. Flooding evidence is expected in late 2023 and will determine what areas can be promoted for rezoning in Ashhurst.

PLANNING SERVICES

The Planning Services Team has experienced another busy year. Changing market conditions have resulted in a drop in consent volumes allowing us to focus on process improvements to improve customer experience. We granted 459 consents during the 2022/23 year which represents an increase of 1% from 459 in 2021/22.

The steady volume led to less reliance on external contractors to process consents and more time to reduce the backlog of consents that had built up during the 2 year 'boom' period.

PŪRONGO Ā-TAU WHAKARĀPOPOTO ANNUAL REPORT SUMMARY 2022-2023

Some key consents processed during the financial year included:

- > A Summerset Retirement Village at James Line
- Large multi-unit Kainga Ora social housing projectsat Crewe Crescent, Rugby, and Church Streets
- A large extension to the Kendalls Lineand Back Road Quarries
- > A land-based solar farm at Massey University
- ➤ A large rural residential subdivision at Kelvin Grove Road
- Also, of note was the commissioning of the Turitea Windfarm (originally consented in 2011) and the re-powering and extension of the Te Rere Hau Windfarm, which both involved the time and expertise of our staff members.

Staffing levels in the team remained stable throughout the year, with changes in the Planning Services Manager and Senior Planner roles via internal transfers. This added further leadership and general experience to the team which was a welcome addition given the complexity of resource management decision making.

Public enquiries on land development opportunities also remain high, with the team responding to an average of 150 enquiries per month. On the outreach side, the Build Palmy initiative continues to build momentum. This is focused on sharing information and knowledge in the development industry. The team contributed to a monthly e-newsletter and hosted well attended in-person and virtual forums in November 2022 and May 2023.

URBAN DESIGN

The city continues to experience many of the same global issues facing other cities that are impacting people's overall wellbeing. These include; recovering from Covid-19, effects of climate change, congestion, increased housing and living costs, inequality and safety. We continue to promote, advocate and collaborate to ensure good urban design principles, with a range of practices applied across different projects at varying scales to address such challenges.

There is an increasing need to work more collaboratively and creatively at all levels to find local solutions to our urban issues and challenges. There is an increasing presence of higher density, multi-unit housing developments being constructed across the city which will provide a much needed boost to new housing choice and supply to the market. Many proposals previously consented are now in construction, though increases in construction costs and interest rates have impacted speed and confidence by some to deliver.

There is still a high interest in achieving greater density on many residential zoned sites with 2–3 storey duplexes, terraced housing, and walkup apartments proposals becoming more commonplace during preapplication meetings. The Former Post Office is the most prominent City Centre project currently in train. As a strategic development site and a key catalyst for change in the City Centre we're providing a lot of urban design support to this project through Delivering Change.

STRATEGIC TRANSPORT

We've now established a Palmerston North Integrated Transport Initiative working group with Horizons, Waka Kotahi, and Manawatū District Council. The purpose of this group is to ensure the various stages and packages of the initiative covering regional freight, walking and cycling, public transport and land use, all continue to be delivered by us and our partners. The key to achieving the safety, economic, and live ability outcomes of the initiative is to optimise the use of our roads and key transport routes to make sure they're functioning as intended.

Over the past year, we've been working to define all our roads according to a movement or place hierarchy which will lead to greater clarity around how we safely, efficiently, and deliberately prioritise certain types of travel across our network. We have developed a strategic networks document and set of priority routes to help deliver on the objectives of PNITI.

We're also currently developing a citywide strategic parking framework to guide future decision making on Council controlled parking spaces for on-street and offstreet parking. The framework will set out our aspirations and objectives for parking across the city, define priorities of use in different areas, guide our strategies for managing supply and demand, and outline our approach to setting parking fees and other restrictions. Following preliminary studies and engagement with key partners we're aiming to implement the framework in early 2024.

INNOVATIVE AND GROWING CITY

ONGOING CONSIDERATIONS

As Palmerston North grows, congestion on key roads in the city will become more common. Resolving these issues along with increased safety risks and generation of emissions will require major infrastructure and behaviour change programmes aimed at making alternative modes such as walking, cycling, and public transport more viable for more people. Council will continue to prioritise the development of infrastructure to support safer cycling routes, pedestrian-friendly spaces and improved and accessible bus services.

MAINTENANCE AND RENEWAL

In 2021/22 Fulton Hogan became our new road maintenance contractor. The general expectation is that the first year for a new contractor involves a fair bit of settling in, gearing up, and learning about our city. Having just completed the second full year of the contract this seems to have been successful. This year we've:

- Received under half the number of customer complaints relating to heavy leaf fall compared to the same time in the first year.
- Resealed more than 11 km of roading. This includes work on some of the asphalt roads in our residential areas, while the remainder went on chip sealing some rural or urban roads.
- Repaired 2,593 potholes. A very wet winter meant a large number of potholes appeared which Fulton Hogan responded to.
- Undertook \$1.7 million worth of road surface renewals and \$1.6m sealed road maintenance repairs
- Vegetation management, street sweeping, sump cleaning, and asset inspection were generally undertaken in line with the contract requirements.

ONGOING CONSIDERATIONS

A major issue the city faces is the deterioration of our road network due to heavy traffic and the thin road structures. Maintaining and improving the ride quality and comfort for customers across the road network is a key focus for our maintenance and renewal programmes over the next couple of years. The focus will be on pothole repairs, heavy maintenance patching and resurfacing to help keep the seal intact. In the future, a significant programme of road rehabilitation will be required to address the impact of heavy vehicles and keep on top of the deteriorating network.

NETWORK IMPROVEMENTS

In line with the government's 'Road to Zero' vision, Council has collaborated with Waka Kotahi to identify safety priorities across the city to be included in a safety network programme of work. The key focus of our delivery during 22/23 has been on road safety improvements which have targeted safety infrastructure around schools, traffic calming of local roads, and pedestrian safety crossings.

Additionally, 28 streets within our district have had work done to improve lighting coverage as part of the Street Light Infill programme. Major construction is underway on several improvements which will carry over into the first quarter of 23/24. These projects include

- > Ferguson Street / Pitt Street
- > James Line Upgrade to an urban standard
- ➢ Richardsons Line Upgrade to industrial standard

An ongoing issue we're also working on is an increase in street racing, especially in our industrial areas. We've recently added some physical deterrents like speed humps on Works Road, Valor Drive, and Bennett Street to make these areas less appealing for this behaviour.



THIS GOAL INCLUDES

- ➢ Active Communities
- Arts and Heritage
- ➢ City Shaping

Our goal is for Palmerston North to be a creative and exciting place to live. We aim to support the arts to flourish and our cultural institutions to thrive. We want to offer a great lifestyle in a city that reflects the diversity of our communities and provides opportunities for everyone to be active.

KEY ACHIEVEMENTS

- Some key sporting events returned to our sports fields this year including the Touch Nationals, Super Smash Cricket, and the Weetbix Triathlon
- ➤ A grant from the Lottery Environment and Heritage Fund enabled the restoration of the Bunnythorpe War Memorial.
- Detailed design and engagement for our City Centre Transformation Streets programme are ongoing with capital works expected to be delivered in the future.

CREATIVE AND EXCITING CITY

ACTIVE COMMUNITIES

PLAY AND ACTIVE RECREATION

Routine maintenance and project delivery were very challenging this year due to the changeable weather. Cyclone Gabrielle resulted in extensive flooding in the Manawatū River Park which required reallocating resources for the clean-up. The wet spring delayed sport field renovations and the wet autumn resulted in midweek sports ground closures. Despite all this disruption we continue to receive positive feedback about our parks through the annual Park Check Survey. Vandalism within our parks and public spaces has escalated this year and we've received an increase in complaints about motorbikes in parks. It has been challenging to balance accessibility for active transport and parks users, whilst also maintaining safety and security in our parks.

Some key sporting events returned to our sports fields this year including the Touch Nationals, Super Smash Cricket, and Weetbix Triathlon. Annual visitor numbers to the Ashhurst Camping Ground continue to increase year on year There has been a continued focus in 2022/23 on closing identified level of service gaps, especially in suburb reserves, with improvements completed at Cloverlea and Kelvin Grove Parks. Several projects have been completed during the year, and others are underway. These include:

Memorial Park

- A major upgrade and reconfiguration of the toilets and changing rooms was completed. These facilities have been well received by the public. They are more accessible and better support the increased water activity at the park.
- A long section of wooden boundary fence was replaced with pool fencing. This has improved the aesthetics of the site and visibility into the park below. A major upgrade of the park commenced in the 2020/21 year and continued into 2021/22.
- > The heroes' walk design was completed. The project is now entering the cost estimation phase.

Te Marae o Hine/The Square

- > The lime surface surrounding the clock tower was replaced with concrete to improve accessibility and to better provide for 'pop-up' events. The new concrete surface includes drainage and artwork in the form of a traditional clock pattern.
- Minor improvements in the wider area include the replacement of the light fittings within the tree surrounds, concreting paths, temporary bus facilities, the restrooms, pruning of the large trees, and ongoing refreshment of garden displays.

Victoria Esplanade

- The Manawaroa Street pedestrian entrance to the Esplanade was upgraded. It provides better visibility and should encourage more use of this car park, helping to relieve pressure on other car parks.
- The rollout of the new wayfinding signs and furniture has begun, with new directional signs at the main entrances and intersections of roads and the replacement of seats beside the paddling pool.
- The gas boiler used for heating the conservatory was replaced with a wood pellet boiler. Unlike gas,wood pellets are a renewable energy source.
- Other improvements in the Esplanade this year include the replacement of the mulch bins.

Ashhurst Domain

- > The stone wall at the cemetery was extended and new gates installed. Barrier railing was constructed between the Cemetery and the Campground to prevent camping activity from overflowing into the cemetery.
- Signs throughout the Domain have been upgraded and barrier fencing replaced alongside roads and carparks
- Plans were developed for a new camper dump station located in the car park in Cambridge Avenue car park. Relocating the dump station will make it more accessible to passing tourists. We're seeking external funding to complete the project in 2023/24.
- A review of the Ashhurst Domain Reserve Management plan has begun with initial stakeholder engagement underway.

PŪRONGO Ā-TAU WHAKARĀPOPOTO ANNUAL REPORT SUMMARY 2022-2023

Cloverlea Park

- The playground was upgraded, with a natural -themed playground at Cloverlea Park being built after the community told us they wanted to see more wooden play equipment. The playground has a flying fox, wooden climbing forts and an accessible spinner re-purposed from Memorial Park.
- There is a new shared pathway across the park to make it easy to access by walking, cycling, or scootering.
- There are picnic tables, rubbish bins, a drinking fountain, and a shelter to complement the existing natural shade.

Valcluse Heights

- Access between Te Motu o Poutoa/ANZAC Park and Te Arapiki a Tane steps has been improved with a new shared pathway.
- Other developments include new fencing and a drinking fountain.

Ruahine Reserve

- Work began on establishing a new public reserve within the Centennial Park development. Named Ruahine Reserve, the reserve has been designed in partnership with Rangitāne and Wallace Developments. The area already has substantial native plantings, established by Massey University College which occupied the site. It sits at the base of the river stopbank, adjacent to the Hokowhitu Golf Course.
- Initial developments include levelling the open reserve area and installing paths, planters and seats. When completed the reserve will have extensive native plantings and a traditional pātaka kai (food storehouse).

Water Recreation

- Overall, there has been an increase in visitors to the three Council pools, and CLM reports that visits are back to pre Covid-19 levels.
- More families accessed the free swimming for supervised under 5 year olds than in previous years.
- > Further delays in architectural services have delayed the upgrade of the Lido changing rooms until the 2023/24 financial year.

Sport

- It's been a difficult year for sports field maintenance. There have been extended dry periods, intense wet periods, a cyclone, and warm autumn weather to contend with. Despite this, there was no noticeable disruption to sports tournaments and games. Winter training was however disrupted in May and early June by a period of wet weather, causing the closure of training grounds mid-week.
- > The Big Bash Netball/Tennis courts at Vautier Park were resurfaced.
- The neighbourhood basketball court in Ashhurst was upgraded
- > The Colquhoun Carpark was sealed.
- Gravel banding was completed at Lincoln Park to improve drainage.

CENTRAL ENERGY TRUST ARENA

Central Energy Trust Arena returned to business as usual during the 2022/23 financial year after all Covid-19 restrictions were lifted in April 2022. This saw events that had been postponed finally able to take place along with a large variety of regular events on the calendar. The calendar of activity included large scale festivals, national sporting tournaments, international sports fixtures, concerts, exhibitions, and commercial events. This was all on top of the regular community sport and non-sport activity that makes up 95% of the use of the facilities. Central Energy Trust Arena hosted many major events during the year which brought significant economic benefits to the city.

Central Energy Trust Arena hosted 3,057 individual bookings in 2022/2023 with more than 468,000 in attendance.

CREATIVE NEW ZEALAND

Creative New Zealand provided two grants to support initiatives towards the achievement of their Pasifika Arts Strategy, totalling \$45,000. As a result we have facilitated a Pacific Arts Regional Fono and a Pacific Artist Residency in 2023, to nurture and strengthen Pasifika-led arts in the city. The annual Creative Community Scheme, which is partly funded by Creative New Zealand, was allocated over two funding rounds, with just over \$6000 unspent and to be carried forward to 23/24.

CREATIVE AND EXCITING CITY

Art Event Fund

The Art Event Fund, which offers community groups support to host art events that have regional or national significance and that bring economic benefits to the city, was mostly allocated. Manawatū Youth Theatre's Moana Jr, performed at the Regent Theatre, was a recipient. Moana Jr showcased local youth talent and was produced in collaboration with the Pasifika community.

Care and Maintenance of public art and sculptures

The regular maintenance programme for public art continued this year, with some delays to work related to the availability of specialist support. A grant from the Lottery Environment and Heritage Fund enabled the restoration of the Bunnythorpe War Memorial in time for Anzac Day 2023. Repairing vandalism to the monuments and memorials in Te Marae o Hine The Square significantly impacted the maintenance budget and resulted in the postponement of some planned work.

Cultural CCOs

> The Regent Theatre

The Regent's ability to operate was severely affected by the Covid-19 lockdown and restrictions. Because the Regent Theatre caters for larger events, it experienced significant cancellations as it was not financially feasible for shows to run with an audience of only 100 people.

> The Globe Theatre

The Globe was able to continue to host shows under Alert Level 2 by using the larger theatre to accommodate the social distancing requirements.

The Globe actively encourages community use of the venue and community use has increased significantly over the last few years - from 31% in 2019 to 77% in 2021.

> Te Manawa

Te Manawa also experienced a decline in visitor and participation numbers due to the attendance restrictions required under Alert Level 2. For example, visitor numbers for the first six months of the year declined from 71,050 in 2019 to 45,683 in 2021. Te Manawa has invested substantial time during this reporting period to progress several plans and strategies. This work will provide valuable information for Te Manawa to shape its future operations and performance targets.

HERITAGE

Caccia Birch House has undergone a positive transformation since being placed under Council management. The shift in focus has been towards enhancing community access to this historical landmark. With an emphasis on community public events, the house has increased its position as a unique location for community gatherings and celebrations.

Working with owners of earthquake-prone heritage buildings was a key focus of heritage management. This meant we concentrated on helping owners understand the process, options, and costs of addressing the earthquake-prone status of their buildings.

CITY SHAPING

CITY MAKING

Cities around the world are trying to turn around decades of disjointed city planning to provide better outcomes for communities. We are well positioned to connect local groups and sectors to maximise the collective impact of both public and private projects.

CITY CENTRE

The city centre plays a key role in creating the perception of any city. Some New Zealand city centres have been weakened by mall development in outlying areas, suburban sprawl, and natural constraints. Palmerston North has a stable city centre, supported by the retention of The Plaza and Downtown Shopping Centre, the centre-based office and retail hierarchy within the District Plan, the compact nature of the city and investment in quality public space design.



THIS GOAL INCLUDES

- > Connected Communities
- Safe Communities

Our goal is for Palmerston North to be a place where everyone feels connected and included. We aim to be a safe city, where people have access to appropriate social support and opportunities to connect with others. We know we will achieve better outcomes by working together with our communities to achieve these goals.

KEY ACHIEVEMENTS

- > The seismic strengthening of the crematorium began in late 2022.
- ➤ Council's NZRT4 response team has grown to 22 members
- > The Mangai Atawhai City
 Ambassadors programme was run for
 the sixth time

CONNECTED AND SAFE COMMUNITY

COMMUNITY CENTRES

Palmerston North Community Leisure Centre, Rangiora Community Centre and Kelvin Grove Community Centre received considerable refurbishment, including a new car park and access ramp for Kelvin Grove. The kitchen in the Pasifika Centre was also replaced. Regular meetings were held with Management Committees of each Community Centre throughout the year. Two hui were facilitated to encourage the sharing of ideas and best practice. Bookings from regular and casual users have returned to pre Covid-19 levels across all centres. Community Places - a stocktake and needs assessment of all community facilities was completed, and presented to Council. Recommendations from the needs assessment will be incorporated into work plans for next year and the development of our next Long Term Plan.

CITY LIBRARY

Ongoing resourcing issues continued to affect overall service delivery resulting in our libraries not returning to full opening hours or programming this year. However, all our libraries continued to be valued by the community. The City Library had 495,355 physical visits this year (noting that not all library locations were open for the full twelve months). The City Library website had 166,289 sessions Manawatū Heritage had 279,273 page views and 80,975 sessions. The library continued to be innovative and responsive in the way it responded to community needs by providing a range of physical and digital content, services, programmes, connections, and experiences. The digital library continued to expand, and the breadth of digital content allowed people to stream 21,409 films, read 6645 titles through Press Reader, and use Ancestry 23,861 times. The Library App saw significant growth in uptake with 107,505 sessions this year versus 85,511 last year.

The Central Library building was designated earthquakeprone in December 2018. The City Library continues to occupy the building with full services while work continues to consider options for the building in relation to the Civic and Cultural Precinct Masterplan.

COMMUNITY LIBRARIES

Unfortunately, two of our community libraries that we lease at Awapuni and Roslyn had to be temporarily closed while we worked with the respective landlords on water tightness issues. This caused a disruption to services in these communities, we worked hard to limit the time these facilities needed to close

HERITAGE

This year, the Heritage team commenced a significant piece of work to improve the records and data structure for physical Council records. These records will be moved from an external database into Manawatū Heritage. This will create visible connections through time between the official running of the city (Council Archives) with the lives of its people (Community Archives) and will be an invaluable resource for researchers in the future. Development work to increase the capacity of Manawatū Heritage for our collections will enable Manawatū Heritage to be a 'one stop shop' for our archival and heritage collections and will provide the ability to search Council and Community Archives at the same time.

FUNDING

Our grant funding has been very well subscribed, returning to pre Covid-19 levels of activity. The Community-Led Initiatives Fund saw 36 applications, compared to last year's 17, and was 93% allocated, a 41% increase on last year which was 52% allocated. A further \$67,625.50 was allocated out of the Covid-19 relief fund, which remained available for groups who had evident financial impact caused by restrictions. Contracts for the 43 successful Strategic Priority Grants 2022 commenced, and monitoring of outcomes is underway.

NEIGHBOURHOODS

We have continued to be active in the Ora Konnect network and squads, assisting community led activities in the 4412 neighbourhoods. Highlights of the year have included the Vaka Festival, the Pā Tamariki whānau event in Highbury, the co-design of a revitalised Highbury Shopping precinct, and burglary prevention initiatives. Relationships have also been strengthened with communities on the eastern side of the city, particularly Roslyn, Bunnythorpe, and Ashhurst. Initial work has begun on a Roslyn revitalisation project, similar to the Highbury Shops project.

ENVIRONMENT

The Community Garden Guide has continued to be promoted, and preliminary work has been completed with several potential new gardens. Planting of fruit trees across the city, in collaboration with the community, was well received. A guide for Pātaka kai, community pantries, was created and shared with the community, in partnership with Manawatū Food Action Network.

PŪRONGO Ā-TAU WHAKARĀPOPOTO ANNUAL REPORT SUMMARY 2022-2023

CEMETERY

The seismic strengthening of the crematorium building commenced in late 2022 along with the project to incorporate an office within the crematorium building. This work is due for completion in mid-2024. There has been an increase in demand for graves in a non-decorated area of the Kelvin Grove Cemetery. This has necessitated the laying of two further beams in burial Section W of Kelvin Grove Cemetery, where the decoration of graves is not permitted.

SOCIAL HOUSING

Throughout the fiscal year, occupancy levels across our social housing portfolio remained consistently high, with persistent demand exceeding availability. We continued with Stage 3 of the Papaioea Place housing redevelopment, which saw the completion of the last 7 units within the complex. Construction of the tenant lounge within the complex is due to finish in September. We also completed upgrade work across the housing portfolio to meet the new Healthy Homes requirements. This included heating and cooling, ventilation, draft stopping, and insulation.

HEALTHY COMMUNITIES

Council supports healthy community choices in a variety of ways. The Smokefree Reference Group, including members from partner organisations including the Midcentral DHB and the Cancer Society, continues to promote the implementation of the Auahi Kore Smokefree and Vape-free Policy. Council funded events are promoted as smoke-free and we continue to support smoke-free and vape-free outdoor dining through the implementation of permit conditions for outdoor dining under the Signs and Public Places Bylaw. All council funded and delivered events are also required to meet Sun Protection and Healthy Beverages policies. Event locations are chosen with both natural and built shade options and where this is not possible, shade items such as gazebos and umbrellas are sourced to provide a safe environment for event-goers. Rangitāne o Manawatū

has opportunities for involvement in the development and review of council policies and initiatives to promote community health and wellbeing through discussions at the regular Rangitāne engagement hui. Progress has not yet been made toward incorporating a wider health impact assessment into the policy process due to pandemic - related constraints.

EVENTS AND FESTIVALS

A strong public desire for community events with a meaningful purpose has been a continuing theme as events have returned after the pandemic. This year council continued collaborative planning and delivery of cultural events and initiatives in the City:

- Puanga Twilight Festival and Waitangi Dayin collaboration with Rangitāne
- Diwali and Holi (Festival of Colours) with IndianCommunities, Manawatū Multicultural Council (MMC), and Ministry of Ethnic Communities
- Lunar New Year and Moon Festival with East AsianCommunities, MMC, and Ministry of Ethnic Communities
- Festival of Cultures with MMC, and a number of othercommunity - based cultural groups and organisations.

Other key city community events were delivered by the council and their partners including Explore Esplanade Day, New Year's Event in The Square, A Very Palmy Christmas and Parade. All events will return in 12 months. In collaboration with the PNAAOC (Palmerston North ANZAC and Armistice Organising Committee) and the local RSAs, the council supported the delivery of Anzac Day services in the city, Bunnythorpe, and Ashhurst. A service to commemorate Armistice Day has also become a regular annual fixture for Palmerston North. A dawn service of remembrance and a civic service of commemoration is now established as the standard format for Palmerston North recognising the important significance of the city as charter partner to both Linton Army Base and Airforce Base Ohakea.

CONNECTED AND SAFE COMMUNITY

SAFE COMMUNITIES

ANIMAL MANAGEMENT

The Animal Management team remains committed to ensuring public safety, promoting responsible dog ownership, and mitigating potential risks associated with animals, particularly dogs. Construction of the new shelter facility is expected to be complete by December 2023. The new facility will greatly enhance our ability to provide temporary housing and offer a much safer and healthier environment for dogs while in our care. The new shelter's modern infrastructure and advanced features will assist in the safe and humane handling of dogs, further strengthening the ability to carry out effective animal management for the city. The number of registered dogs in the city increased from 9,565 in 2021/22 to 9,636 in 2022/23, with 7,522 owners, of whom 3,554 are approved as a "preferred owner."

In addition to core animal management activities, several public events have been successfully completed and positively received by the community. One such event was a free microchipping event in Linklater Reserve, aiming to increase the number of microchipped dogs in the city and help increase the chances of reuniting lost dogs with their families.

CIVIL DEFENCE EMERGENCY MANAGEMENT

Council provides a 24/7 emergency management duty officer to monitor and respond to community risks and hazards. The Civil Defence Emergency Management team organise and chair our local Emergency Management Committee and work with our regional partners for continuous risk assessment and best practice. Cyclone Gabrielle saw a significant response this year when we sent our Emergency Management staff, other internal function leads and our volunteer Rescue Team NZRT4 to assist our neighbouring councils. One of our Emergency Management teams was deployed to support the Auckland Council with their response and recovery operations during the January 2023 floods and Council

staff went to Tararua District Council and Napier City Council to assist with Cyclone Gabrielle's response and recovery efforts in February 2023. Experience gained from emergencies outside of our city strengthens the knowledge base and sharpens skills and lessons identified are used to improve the local process.

Our council volunteer response team (NZRT4) was deployed in rescue support capability 14 times this year to assist emergency services across the region. NZRT4 provided swift water rescue, rope rescue, support to Auckand and Hawkes Bay Emergency Management during Cyclone Gabrielle and other severe weather events, and support to Palmerston North during Cyclone Gabrielle. Council's NZRT4 response team has grown to 22 members with all team members now trained responders following recruitment and selection during 2022. The team conducts regular training and exercises to ensure they are prepared and ready to respond at any time.

SAFETY ADVISORY BOARD

The Safety Advisory Board continues to meet regularly to discuss local safety issues. A key focus this year has been the safety concerns related to the stretch of retailers outside the Plaza entrance. Additional meetings have been coordinated to ensure the retailers feel heard in their concerns, and a collaborative response, which includes members of the Safety Advisory Board is ongoing. Relationships have also been maintained with community groups funded through Strategic Priority Groups that contribute to Safe Communities outcomes. The rainbow flag was raised for Rainbow Domestic Violence awareness day, which received positive feedback from the Rainbow community. The Māngai Atawhai City Ambassadors programme was run for the sixth time in the central city over the summer months. Despite challenges with securing sufficient staff to resource the programme, once up and running it was well received by stakeholders, including city retailers and Police, and contributed to vibrancy in Te Marae o Hine, particularly alongside the UNBOX in the area outside The Verdict café.



THIS GOAL INCLUDES

- ➢ Climate Change
- > Environmental Sustainability
- ➢ Manawatū River
- ➢ Resource Recovery
- Stormwater
- ➤ Wastewater
- Water

We provide rubbish and recycling services for Palmerston North City. We also play a part in regenerating biodiversity by re-establishing bush and controlling introduced predators, working in partnership with iwi and community groups such as Green Corridors. We are working to lower our organisational emissions each year and will continue to work with the community to also gain traction on lowering Palmerston North's city wide emissions.

KEY ACHIEVEMENTS

- > We contributed \$208,000 to the environmental sector via the Strategic Priority Grants programme.
- ▶ 14,330 eco sourced native plants planted.
- We sent our first bales of liquid paper board to be recycled into building products
- We partnered with a local company to include our waste glass into their concrete production process.
- > We have started work on a stormwater Management Framework.

ECO-CITY

CLIMATE CHANGE

The International Panel on Climate Change (IPCC) published the sixth Climate Change Synthesis Report in March 2023. This report highlights the increasing urgency of rapid emissions mitigation and adaptation planning by the world's governments. New Zealand's response is included in the Draft National Adaptation Plan and National Emissions Reduction Plan, both published in early 2022.

We've already adopted many of the principles of these international and national reports in our Eco City Strategy 2021-31 and Climate Change Plan 2021-31. Actions taken over the last financial year include:

- The Regional Climate Joint Action Committee published the regional Manawatū - Whanganui Climate Change Action Plan in January 2023. This document will provide a structure for the joint delivery of climate initiatives by Territorial Authorities across the region.
- We continue to provide support to capital projects within council through the Low Carbon Fund. This has included converting to LED lighting, installing heat pumps in council offices and facilities, reducing energy requirements in the Lido and the installation of fast chargers for new electric vehicles.
- Volunteers planted 19,264 trees as part of the Green Corridors project. This not only helps attract biodiversity into the city, it also helps to absorb and store carbon dioxide from the atmosphere.

We continue to develop and deliver organisational and citywide inventories to track our greenhouse gas emissions. This helps to measure our progress against our published goals and focus on inefficient or high emission areas.

ORGANISATIONAL EMMISSIONS

Between June 2021 and July 2022, we were responsible for 18,855 tons of carbon dioxide emissions (or equivalent other gasses). This is a 2.29% reduction since last year and a 28.7% reduction since the 2016-17 baseline year. We'll continue to seek efficiency savings and build on this ongoing success, primarily through the Low Carbon Fund. As part of our long-term vision, we're developing a feasibility study to look at options for developing a carbon-neutral council by 2050. This would include the minimization of council emissions and planting permanent native forests to offset any remaining emissions.

CITYWIDE EMMISSIONS

Between June 2021 and July 2022 Palmerston North City as a whole was responsible for approximately 458,924 tons of carbon dioxide emissions (or equivalent other gasses). This is a 0.5% reduction since last year and an 8.18% reduction since the 2016-17 baseline year. This means that a great deal more work is needed to meet our target of a 31% reduction by 2031.

We're currently developing a Low Carbon Road Map in anticipation of the regional action plan. This will further focus our efforts, particularly concerning citywide emissions, and help to develop programs and projects to further reduce our environmental impact and move towards a more circular sustainable economy.

ENVIRONMENTAL SUSTAINABILITY

SUSTAINABLE PRACTICES

We continue to promote sustainable practices within the city with activities, events and campaigns promoted through media, social media and the Council's website.

Promotions have included:

- Our website outlines where items can be recycled or disposed of correctly. Content is continuously updated.
- > Positive steps are taken to avoid illegal dumping.
- Encouraging the public to refill their water bottles at locations that are part of the Refill NZ Initiative.
- Encouraging people to collect their own rainwater for emergency or outdoor use.
- Informing and inviting the public to participate in community planting days.

SUPPORT FOR ENVIRONMENTAL GROUPS

Over the last year we contributed \$208,000 to the city's environmental sector via the Strategic Priority Grants programme. The groups promoted sustainability through educational programmes, food sovereignty, and other activities. In addition, a range of joint environmental initiatives have been delivered in partnership with community groups throughout the year, including support for community gardens, fruit tree planting, kai security planning and the development of a pātaka kai, or community pantry guide.

BIODIVERSITY

We continued our investment in pest and weed management in parks and reserves including throughout the Kahuterawa Outdoor Recreation Park. This included regular predator trapping, weed control, and the monitoring and reporting of trapped species. Pest and weed management was also carried out throughout the Turitea Green Corridors and Manawatū River Park/ Esplanade by a mix of contractors and volunteers. Our ongoing investment in pest management in the Turitea Reserve is showing positive results through native bird species monitoring. Results continue to show significant population increases in key native species, with a tripling of Bellbirds and Riflemen since monitoring began, and a fifteenfold increase in Tūī and Kererū. We also continue to contribute to Horizons-led biodiversity enhancements in the Te Apiti/Manawatū Gorge.

Ongoing Considerations

In 2021, the Turitea saw a significant milestone with the reintroduction of the Toutouwai (NZ Robin), a species that had been locally extinct for generations. Unfortunately, due to a significant increase in the number of rats, observed nationally, their first breeding season was poor, putting the future survival of the colony in question. A series of special rat control operations have been conducted, with the 2022/23 season being more successful.

Further successful seasons will be required before we know if the Toutouwai will be able to fully establish themselves in the Turitea.

GREEN CORRIDORS

The Green Corridors team managed the planting of 14,330 eco-sourced native plants throughout their network of gullies and streams. This aligns with our strategic direction to extend the Green Corridors programme.

Volunteer planting and maintenance resumed in 2022 in a limited capacity, largely focused on Aokautere and Turitea, where regular community working bees were carried out.

MANAWATŪ RIVER

The Manawatū River Framework provides the overall strategy for increasing the health and enjoyment of the river and its surroundings for the community and visitors to the city.

The Long Term Plan 2021-31 includes funding for a series of projects to implement the Manawatū River Framework. Due to parts of the 2021/22 programme

of works carrying over into 2022/23 year, we did not provide funding for any new developments. This allowed officers to concentrate on completing the 2021/22 work programme including planning for Te Motu o Poutoa, and recovery work following Cyclone Gabrielle.

Cyclone Gabrielle caused extensive flooding throughout the Manawatū River Park, including the shared pathway, Ahimate Reserve, and the Eel Platform. Significant quantities of silt were deposited.

The flooding also resulted in He Ara Kotahi bridge and large sections of the river pathway closing. The river silt took a few weeks to dry out, and as the Parks Team worked through clearing and spreading silt, the River Park was progressively reopened.

The Albert Street entranceway was completed in June.

A new entranceway has been constructed between Centennial Drive and the river. The pathway takes the public through reserve areas in the Centennial Park subdivision, and over the stop bank. Preliminary planning for Te Motu o Poutoa entered a new phase during the year as concepts for the site were developed. This information will inform the scope, design, and funding of the staged development of this site with Rangitāne and feed into the Long Term Plan 2024-34.

RESOURCE RECOVERY

This year has seen announcements from the Ministry of the Environment for long anticipated industry changes. These changes, designed to lead New Zealand into a low waste, low carbon, circular society, will have a significant impact on how we operate day to day and the levels of service we provide. Along with meeting national standards on what items can be accepted in kerbside recycling bins, we'll be required to have a kerbside food scraps collection system in place by 2030.

Our food scraps trial recently finished and will provide critical information as to how a citywide roll out could be implemented. Waste diversion targets have also been introduced which will mean that by 2027, 30% of material collected at the kerbside will need to be diverted from landfill.

Although overall recycling per capita decreased slightly this year, we continued to collect a significant amount of material through our kerbside collections service. Unfortunately, we've also seen an increase in the amount of illegal dumping being picked up.

Several improvements were made to increase our efficiency and resilience this year. They include:

Improved signs and upgraded facilities to increase capacity and improve the user experience at Ferguson St and Ashhurst drop-off points.

ECO-CITY

- Extended the glass storage bunkers and welcomed the arrival of specialist glass collection vehicles. This will allow more glass to be sorted onsite, creating resilience and providing a safer working environment when unloading the trucks.
- Installed a backup power option at the materials recycling facility and extended the platform around the baler for improved operational safety.
- Upgraded our compost screen and installed an irrigation system in our compost production area to ensure we continue to produce a quality product.
- Continued to improve our data capture systems to help with data-driven decision making.

We've also been providing more opportunities for Palmerston North to recover resources, minimise waste and reduce what is sent to landfill. These include:

- Establishing a trial food scrap collection after the first three months we have seen positive engagement and successfully diverted food scraps from landfill.
- We sent our first bales of liquid paper board to be recycled into building products and continue to provide a collection point to divert tyres from landfill.
- Provided support to four more Resource Recovery Fund applicants from the community.
- Recommencing tours of the recycling facility at Awapuni.
- Supported the delivery of two future living skills. workshops facilitated by Environment Network Manawatū.
- Partnered with a local concrete company to include our waste glass in their concrete production process.

Ongoing Considerations

The waste levy set by the Ministry for the Environment is forecasted rise. This has gone from \$10 a tonne before 2020 to \$50 a tonne in July 2023. It will reach \$60 per tonne in July 2024, significantly increasing the cost to dispose of waste. The revenue generated through the waste levy is currently distributed to councils and made available as a contestable fund. In June 2024 we are expecting new waste legislation which will replace the Waste Management Act and the Litter Act. This will provide local councils with more tools to divert resources from landfill. The new waste legislation will also change the way the waste levy is distributed, with councils needing to meet certain waste diversion targets to receive funding.

STORMWATER MANAGEMENT

A significant increase in subdivision activities, particularly infill and greenfield development, has continued within the city. Council has worked proactively with property owners and developers to support their development and mitigate the negative effects of additional stormwater runoff. This is expected to become more relevant due to the impacts of climate change.

National Freshwater policies will set higher water quality standards for stormwater discharges. To mitigate impacts, Stormwater Management Plans are now a standard requirement for all subdivision and major building consent applications. Several projects were delivered this year to reduce stormwater issues in specific locations.

We have continued to work to identify and address local nuisance flooding issues with significant stormwater improvements made to Setters Line, Church Street and Pirani Place.

Ongoing Considerations

Many of our stormwater pump stations in the city require upgrades to provide additional capacity and improve resilience. This is the fourth year of a program to renew and refurbish major stormwater pump stations across the city.

As part of the resilience improvement programme, several new assets were purchased this financial year. This included portable pumps and generators which were fully utilised during Cyclone Gabrielle when some streets flooded due to the high river levels. Our citywide flood model has also undergone significant improvement in preparation for the proposed medium density plan change.

NETWORK PERFORMANCE

Flooding is typically caused by prolonged periods of heavy rainfall which can result in significant stormwater runoff within the city and elevated river and stream levels. Incidents of localised ponding and road flooding were reported at levels similar to the previous year. Some immediate mitigation work was undertaken to clear the local network of blockages and investigation is underway to identify cost-effective improvements to reduce the risk of future flooding in these areas. Investigations to improve and upgrade the existing network continues.

We continue to receive a high number of complaints regarding street ponding, nuisance flooding, and overland flow paths.

PŪRONGO Ā-TAU WHAKARĀPOPOTO ANNUAL REPORT SUMMARY 2022-2023

Ongoing Considerations

Cyclone Gabrielle has increased public sensitivity and heightened awareness among residents. This is amplified where waterways pass through private properties.

We have an ongoing investment in CCTV inspection of critical and aged parts of the pipe network. In the last financial year 2.6km of the critical network was inspected. The data will be used to plan and prioritise renewal work for the next few years. The CCTV inspections, along with condition assessments of pump stations also identified areas of the network in need of renewal.

WASTEWATER

TOTARA ROAD WASTEWATER TREATMENT PLANT

Effective and efficient operation of the Totara Road Wastewater Treatment Plant is critical. Several upgrade projects at the treatment plant were initiated, progressed, or completed.

The current and planned upgrades are key to ensuring the plant is effective, efficient and resilient and can manage current and future flows through to 2028 when a new wastewater treatment and disposal system will need to be in place.

NATURE CALLS PROJECT

The Nature Calls Project moved into the consenting phase in 2022/23, with a resource consent being lodged with Horizons Regional Council in December 2022. During the consenting phase, a Project Steering Group was created to oversee the management of the consenting process. This group met regularly leading up to the lodging of the consent.

In early February 2023, Horizons requested an extension to allow for a technical review to be completed, acknowledging the complexity of the application. Council agreed to the extension with a review date of 31 March, 2023.

On the 31st March 2023 Horizons informed Council that the consent application had been rejected under S88 of the Resource Management Act (RMA). Horizons cited in their correspondence to Council that the application did not include sufficient information.

Members of the project team met with Horizons on 6th April to discuss the rejection of the application and the implications of the decision. This was a proactive discussion, with both parties committing to move forward constructively to work towards the long term goal of improving the health of the Manawatū River.

Council decided to lodge a formal objection to the notice from Horizons. This was deemed necessary to assert the position that the consent application was sufficient to be accepted under S88 of the RMA. Work is continuing with technical representatives from each organisation meeting regularly to work through the various requirements under S88.

WATER SUPPLY ACTIVITY

QUANTITY AND QUALITY OF SUPPLY

Summer water conservation was encouraged over the summer period and restrictions were not needed. Water conservation measures, including a water loss reduction programme will continue to be implemented across the city. The final section of the Turitea Rd duplicate trunk main project was completed, which involved the replacement of the last critical section of the network. This was completed in 2022/23 and has greatly enhanced the resilience of this critical piece of water supply infrastructure from the Treatment Plant to the Ngahere Park reservoirs. Bore headwork renewals are underway and other minor work is progressing well. This work is being undertaken as part of improvements to ensure compliance with the new Drinking Water Quality Assurance Rules. It forms part of a medium term strategy as it is recognized that some of the new compliance issues cannot be resolved in the short term.

RISK AND RESILIENCE

We have purchased and installed standby generators for Bunnythorpe and generators for Longburn and Ashhurst are mobile and ready to be deployed on demand. A review of the chemical dosing systems at the Turitea Water Treatment Plant has been completed, and critical modifications made to the treatment plant as part of the seismic upgrade programme. The seismic strengthening project for Turitea Water

Treatment Plant is expected to be finalised in the 2023/24 financial year.

NETWORK INVESTMENT

We continued our rolling renewal programme in the 2022/23 year. This ensures that parts of our 560km of water main system and treatment plant assets are replaced at the end of their economic life.



THIS GOAL INCLUDES

- ➢ Governance and Active Citizenship
- ➢ Council's Performance
- Strategic Investments

Council provides leadership and strategic direction for local government services and development in the city. We will work in partnership with our communities to enable growth and change and ensure community voices are reflected in everything we do.

KEY ACHIEVEMENTS

- Community organisations continue to make informed contributions to Council's decision making processes.
- > We have the most engaged social media of any council in NZ.
- > We launched a fresh new look more customer centric website
- > We're helping 39 councils with after hours call centre support.

GOOD GOVERNANCE AND ACTIVE CITIZENSHIP

COMMUNITY ENGAGEMENT

In the formal consultation space, we've had several consultations on topics where the community connected closely with us. The recent speed limits around school's proposal was one of these, with more than 350 submissions to date. More than 300 submissions were received on street racer provision additions to the Traffic and Parking Bylaw, showing that our community is prepared to engage with complex issues.

Resident and community group voice was a valued contribution in the consideration of the future use of Adderstone Reserve, where the Council decided not to proceed at this time.

The Mayor continues to hold regular Meet the Mayor sessions, both at his office and at Ashhurst Library. Councillors connect with the community at a variety of community events and through their own social media networks, and represent Council on several local organisation boards.

ENDURING PARTNERSHIP WITH RANGITĀNE

The Palmerston North City Council and Rangitāne o Manawatū have an enduring and strong relationship founded on Te Tiriti o Waitangi, that is essential to the long term future and wellbeing of the people of Palmerston North.

We continue to build on the foundations of the Partnership Agreement, which was signed in 2019. This ensures Rangitānenuirawa, the values, and perspectives of Rangitāne have significant weight in decision making, as the council works towards a city that is more responsive to their needs and aspirations.

COUNCIL MEETINGS AND ELECTIONS

Following the election, the Mayor set up the new committee structure for the new triennium. Most committees meet from 9 am or 1 pm on a Wednesday. Meetings are streamed on our Youtube channel live and available on demand. Since May 2022, the public can also attend workshops in person. Workshops are an informal format where elected members consider matters before they are brought to the committee or Council for decision. These are listed on our website.

ORGANISATIONAL PERFORMANCE

CUSTOMER - CENTRIC SERVICE

We work closely with local and national media to share our stories. Over the past year, we continued to receive an average of 40 enquiries each month. We released more than 120 media releases and also completed an average of 15 radio interviews each month on local stations. During the year we did a number of television interviews – some about council decisions or projects, and some about our TikTok channel and how we're engaging differently with young people now.

Our social media continues to far exceed any other council in the country due to our storytelling and interactions with our residents.

Our website continues to be the place our residents go for information, with an increase of 18.6% more visitors over the past year. Three of our online tools (rates and property search, cemetery and cremation search, and rubbish days finder) account for just under a third of all site visits.

We continue to work with teams across Council to find opportunities to simplify business processes by offering online alternatives to traditional paper-based forms.

The Communications Team focus on protecting and enhancing the reputation of our organisation and our city. The team led more than 20 major consultations last year and worked on major construction initiatives.

Our Marketing Team continues to promote the Palmy identity and make residents proud of our city. The established identity means that our residents can see the whole picture of the depth and breadth that the Council look after. Our focus is to help make residents and ratepayers aware of what Council is working on at a general level.

Our Marketing Team has also started the Manawatū Convention Bureau, aimed towards helping delegates find the best venues, hotels, and exclusive activities.

OPERATIONAL EXCELLENCE

Digital Transformation

Work has commenced lifting the operational maturity of our key platforms, with a strategy to first simplify and then modernise. Once these foundations are in place it will be easier and faster to adopt new digital-enabled initiatives in order to more effectively deliver our services.

DRIVEN AND ENABLING COUNCIL

STRATEGIC INVESTMENTS

EXTERNAL CONTRACTS

After Hours Call Centre

We provide after-hours contact centre services for the wider local government sector for other cities, districts, and regions. Attracting and retaining staff in a competitive local market has been an issue during the year and plans have been made to address these in the coming year.

Tamakuku Terrace

Stage 1 of the Tamakuku Terrace was completed in November 2022, with section titles being issued in December 2022. In addition to new transport and water infrastructure being constructed to support the subdivision and wider Whakarongo growth area, Stage 1 has created 79 new residential sections which are currently available for sale.

Investments in Companies (including Airport)

Council owns Palmerston North Airport Ltd (PNAL) to ensure the city has an appropriate air gateway for passengers and freight. PNAL was significantly impacted by Covid-19 like most airports in New Zealand, and this impacted the growth in financial returns and passenger numbers.

ONGOING CONSIDERATIONS

EXTERNAL CONTRACTS

After Hours Call Centre

Demand for the service has risen post pandemic and following a growing number of civil defence events. From July, half of New Zealand councils will rely on us to support their communities. A programme to modernise and future-proof this service (including investment in technology and operational capabilities to sustain profitability and enable potential growth of the contact centre) is in progress.

Investments in Companies (including Airport)

Airport

With the impacts of Covid-19 on aviation dissipating, Palmerston North Airport Ltd is planning to embark on significant capital investment. A terminal development plan (with an estimated price tag of \$40m) is an unavoidable expense that constrains PNAL's ability to achieve wider objectives. This and other critical airside infrastructure development absorb all PNAL's debt capacity.

Our Council recognises that obtaining appropriate strategic partners is key to further airport development and will work with PNAL to facilitate this. At this stage, it has been assumed the development will occur without further capital investment by Council as shareholder. Council has requested PNAL to return to paying dividends following the 2023/24 year, though in doing so it recognizes this will constrain PNAL's ability to undertake further investment or pay down debt.

PŪRONGO Ā-TAU WHAKARĀPOPOTO ANNUAL REPORT SUMMARY 2022-2023

Financial Summary

SUMMARY STATEMENT OF COMPREHENSIVE	COUNCIL			GROUP		
REVENUE AND EXPENSE FOR THE YEAR ENDED 30 JUNE 2023	Actual 2023 \$000	Budget 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000	
Rates revenue	116,037	115,370	109,700	115,676	109,299	
Finance revenue	1,126	17	400	962	413	
Other operating revenue	43,923	37,219	35,911	58,194	46,318	
Capital revenue	19,521	12,929	14,056	19,561	14,073	
Total revenue	180,607	165,535	160,067	194,393	170,103	
Depreciation and amortisation	42,152 5.021	38,858 6.731	38,801 (10,612)	44,766 5.397	41,029 (10,078)	
	122.771	119.815	109.639	129.647	115.874	
Other expenses Total expenses	169,944	165,404	137,828	179,810	146,825	
Total expenses	109,944	105,404	157,020	179,010	140,023	
Net surplus/(deficit)	10,663	131	22,239	14,583	23,278	
Increase/(decrease) in operating property valuations Share of associate's surplus/(deficit)	-	- -	-	- 10	- 6	
Income tax refund / (expense)	43	-	18	(1,019)	137	
Movement in deferred tax	-	-	-	-	-	
Net surplus/(deficit) after tax	10,706	131	22,257	13,574	23,421	
OTHER COMPREHENSIVE REVENUE AND EXPENSE						
Increase/ (decrease) in operating property valuations	83,606	46,871	123,528	81,381	140,512	
Financial assets at fair value through other comprehensive revenue and expense	(4)	-	50	(4)	50	
Movement in deferred tax on revaluations	-	-	-	623	(3,637)	
TOTAL COMPREHENSIVE REVENUE AND EXPENSE	94,308	47,002	145,835	95,574	160,346	

EXPLANATION OF THE MAJOR VARIANCES ARE:

Finance revenue: Higher than budget due to term deposits held.

Other operating revenue: Higher than budgeted due to receipt of revenue relating to sale of land development and additional Waka Kotahi subsidies received for maintenance.

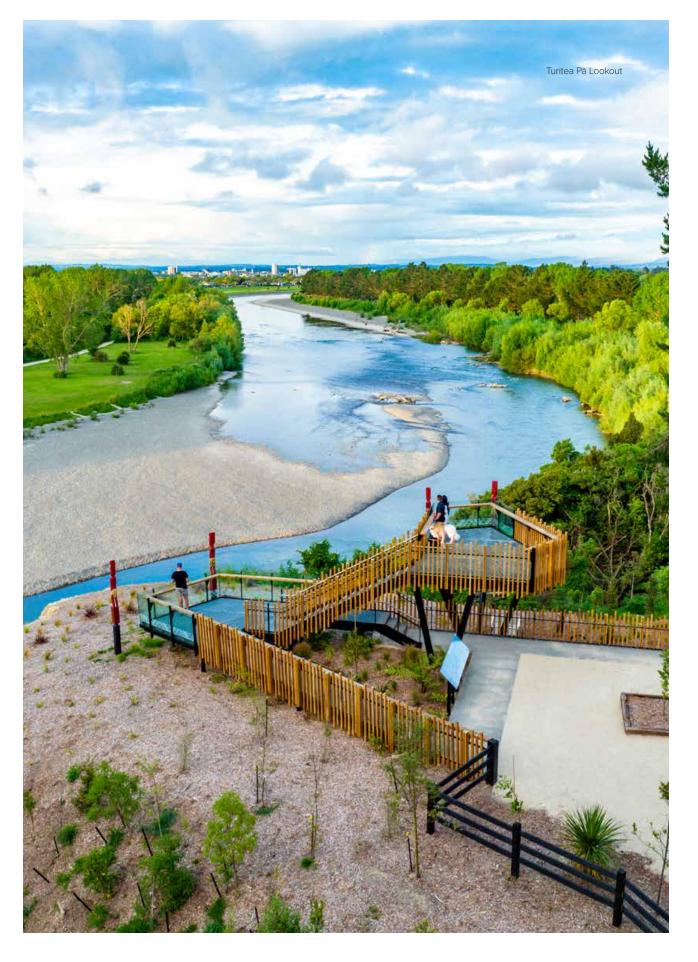
Capital revenue: Higher capital revenue was received due to higher than budgeted vested assets and development contribution revenues.

Depreciation and amortisation: Higher than budget due to June 2022 revaluation of 3 waters.

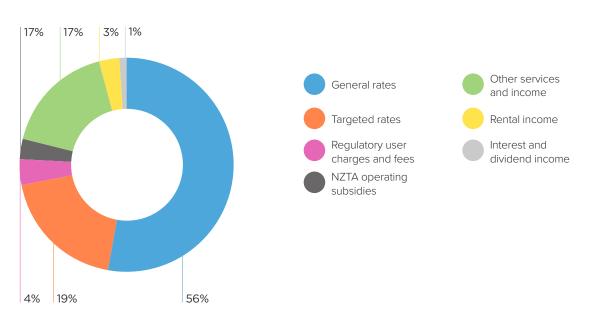
Finance costs: Lower than budget due to unbudgeted favourable non-cash valuation on derivative financial instruments.

Other expenses: Higher than budget due to additional contracted and professional services expenses, offset by additional revenues.

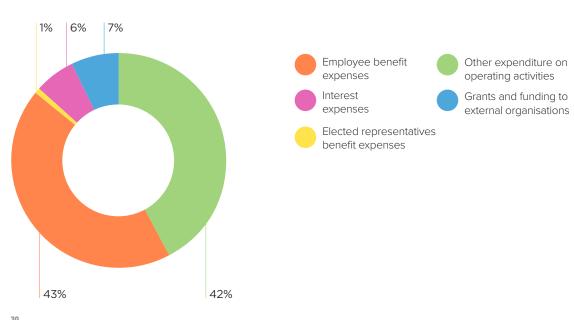
Increase in operating property valuations: Due to the value of materials increasing significantly, the roading revaluation increased by more than budgeted.



Sources of revenue



Types of expenses incurred



FINANCIAL SUMMARY

SUMMARY STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

		COUNCIL			GROUP		
	Actual 2023 \$000	Budget 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000		
Current Assets	28,440	17,192	43,689	31,422	47,207		
Non-current Assets	2,285,575	2,134,235	2,154,419	2,394,673	2,270,447		
Total Assets	2,314,015	2,151,427	2,198,108	2,426,095	2,317,654		
Current Liabilities	53,754	34,679	59,321	59,703	72,918		
Non-current Liabilities	201,623	238,486	174,457	213,578	188,105		
Equity Attributable to PNCC	2,058,638	1,878,262	1,964,330	2,152,205	2,056,631		
Total Liabilities and Equity	2,314,015	2,151,427	2,198,108	2,426,095	2,317,654		

EXPLANATION OF THE MAJOR VARIANCES ARE:

Current assets: Higher due Tamakuku Terrace sections expected to be sold within 12 months, and current derivative financial instruments being favourable to budget.

Non-current assets: Property, plant and equipment higher than budget due to revaluations being higher than budgeted for.

Total liabilities: Lower than budget due to a lower debt level resulting from lower capital expenditure than budgeted.

Equity: Higher than budget due to higher revaluations than budgeted for.

SUMMARY STATEMENT OF CHANGES IN EQUITY

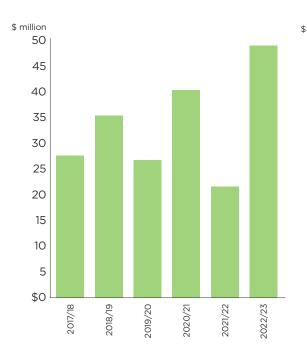
FOR THE YEAR ENDED 30 JUNE 2023

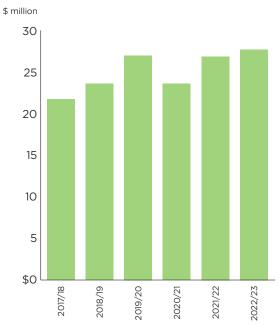
	COUNCIL			GROUP	
	Actual 2023 \$000	Budget 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Equity at beginning of the year	1,964,330	1,831,260	1,818,495	2,056,631	1,896,285
Total comprehensive revenue and expense for the year	94,308	47,002	145,835	95,574	160,346
Equity at the end of the year	2,058,638	1,878,262	1,964,330	2,152,735	2,056,631
Comprising:					
Retained earnings	1,097,509	1,070,376	1,086,803	1,135,801	1,121,729
Special funds	-	-	-	444	413
Revaluation reserves	961,129	807,886	877,527	1,016,490	934,489
Equity at the end of the year	2,058,638	1,878,262	1,964,330	2,152,735	2,056,631

Operating expenditure by activity Capital expenditure by activity Climate Change Mitigation and Adaption \$0.2M Manawatū River \$0.2M Environmental \$0.3M \$0.2M Manawatū River Sustainability Climate change City Shaping \$0.5M \$0.3M mitigation and adaption Environmental Sustainability Economic \$0.8M \$0.5M Development City Shaping \$0.6M Safe Communities \$2.4M \$1.5M \$4.8M Resource Recovery Stormwater Active and Public Transport \$4.9M Strategic Investments \$2.2M Organisational Performance Organisational \$5.7M \$2.3M Performance \$6.0M \$2.9M Strategic Investments Arts and Heritage Economic Development \$6.2M \$3.2M Safe Communities Active and Public Arts and Heritage \$9.8M \$3.3M Transport Governance and Active Citizenship \$5.6M \$9.8M Active Communities Connected Resource Recovery Communities Water \$11.0M Stormwater City Growth \$11.2M \$8.5M Wastewater \$10.1M Wastewater \$12.8M Water Connected Communities \$24.8M \$20.2M Roading Active Communities \$25.0M \$25.9M Roading

New capital expenditure spent

Renewal capital expenditure spent





SUMMARY STATEMENT OF CASH FLOWS

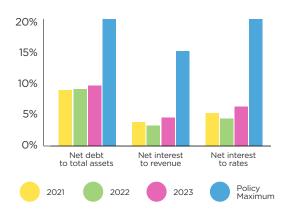
FOR THE YEAR ENDED 30 JUNE 2023

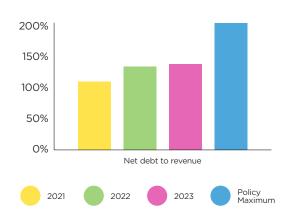
	COUNCIL			GROUP	
	Actual 2023 \$000	Budget 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Net cash from operating activities	33,815	36,989	46,701	39,482	49,152
Net cash from investing activities	(56,458)	(91,737)	(78,026)	(53,543)	(82,552)
Net cash from financing activities	22,378	54,748	31,725	13,435	33,733
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	(265)	-	400	(626)	333
Cash, cash equivalents and bank overdrafts at the beginning of the year	1,922	500	2,039	3,221	2,888
Cash, cash equivalents and bank overdrafts at the end of the year	1,657	500	2,439	2,595	3,221

PŪRONGO Ā-TAU WHAKARĀPOPOTO ANNUAL REPORT SUMMARY 2022-2023

BORROWING RATIOS AGAINST POLICY

Borrowing ratios at 30 June





EVENTS AFTER THE BALANCE SHEET DATE

PNCC are not aware of any events subsequent to balance date which would materially affect the amounts included in these financial statements or disclosures made.

ACTIVITY FINANCIAL SUMMARY

Activity Financial Summary

The following table details for each activity group the net operating cost of delivering the services (before rates-funding) together with the capital expenditure.

		ACTIVITY GROUP T OPERATING CO:	ST	ACTIVITY GROUP CAPITAL EXPENDITURE		
	Actual 2023 \$000	Budget 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Budget 2023 \$000	Actual 2022 \$000
Innovative and Growing City	5,289	8,376	8,593	485	465	495
Creative and Exciting City	31,052	30,358	30,008	11,215	16,685	6,490
Connected and Safe Community	21,229	20,757	19,497	10,031	13,805	5,817
Eco-City	8,096	7,506	6,580	2,200	3,091	2,596
Transport	19,785	21,964	19,057	21,268	30,085	9,480
Stormwater	4,767	4,355	4,336	7,481	3,357	2,364
Wastewater	11,104	9,645	9,983	8,546	11,490	7,176
Water	10,944	9,349	8,474	10,146	12,530	6,220
Driven and Enabling Council	15,693	15,858	11,068	4,507	5,229	7,324
TOTAL	127,959	128,168	117,596	75,879	96,738	47,962

EXPLANATION OF MAJOR NET OPERATING VARIANCES TO BUDGET:

Innovative and Growing City: Favourable to budget due to sales relating to Tamakuku Terrace.

Transport: Favourable to budget to to increased Waka Kotahi subsidies made available.

Wastewater: Higher costs than budget due to increased depreciation expense resulting from revaluation of assets

Water: Higher costs than budget due to increased depreciation expense resulting from revaluation of assets

EXPLANATION OF MAJOR CAPITAL VARIANCES TO BUDGET:

Creative and Exciting City: Lower than budget due to delayed and deferred works, mostly associated with seismic strengthening and urban growth.

Connected and Safe Community: Lower than budget due to delayed works, mostly associated with Papaioea Place redevelopment and animal shelter.

Transport: Lower than budget due to works deferred to 2024 relating to urban growth.

Stormwater: Higher than budget due to a land purchase brought forward from 2024 relating to urban growth.

Wastewater: Lower than budget due to delayed works, as well as some identified savings, associated with wastewater treatment plant.

Water: Lower than budget due to reprioritisation of works relating to water supply resilience.

3!

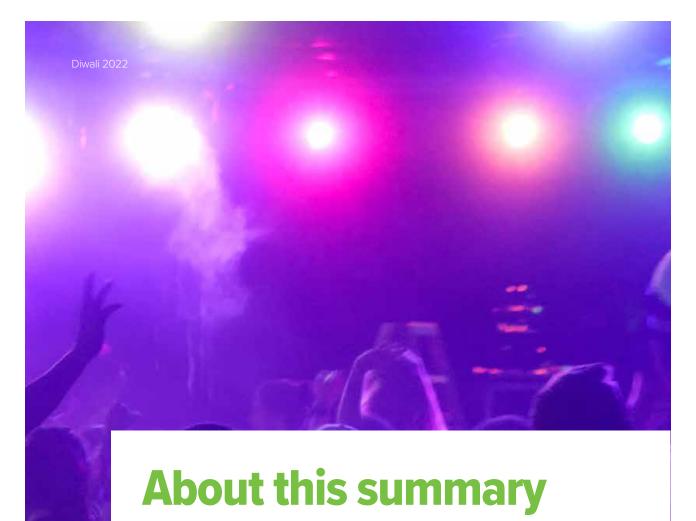
PŪRONGO Ā-TAU WHAKARĀPOPOTO ANNUAL REPORT SUMMARY 2022-2023

SUMMARY OF NON-FINANCIAL PERFORMANCE MEASURES

The following table records a summary of the non-financial performance achievements for each activity group. More details of the measures are found after each activity within this section.

	# OF MEASURES	# TARGETS MET
Whāinga 1 – He tāone auaha, he tāon	e tiputipu	
Goal 1 – An innovative growing city		
City Growth	5	2
Economic Development	2	2
Active and Public Transport	N/A*	N/A*
Strategic Transport	5	3
Whāinga 2 – He tāone whakaihiihi, ta Goal 2 – A creative and exciting city	patapahi ana	
Active Communities	5	4
Arts, Culture and Heritage	5	4
City Shaping	2	2
Goal 3 – A connected and safe communities Safe Communities	unity 9 3	7 3
Whāinga 4 – He tāone tautaiao Goal 4 – An eco city		
Climate Change	3	3
Environmental Sustainability	2	2
Manawatū River	1	1
Resource Recovery	2	2
Stormwater	5	5
Wastewater	5	5
Water Supply	9	7
Whāinga 5 – He Kaunihera ahunui, wh Goal 5 – A driven and enabling Council		
Good Governance and Active Citizenship	1	0
Organisational Performance	N/A*	N/A*
Total Measures	64	52

^{* -} This area does not have external measures of Levels of Service that are reported on.



This Summary Annual Report has been extracted from the full Annual Report and is designed to give an overview for the year to 30 June 2022 of the Council's operations as a legal entity and also those for its "group", including its subsidiary and Council controlled organisations. The Annual Report contains detailed information about our finances and service performance and was adopted by Council and approved for issue on 25 October 2023.

This summary report has been prepared in accordance with PBE FRS 43: Summary Financial Statements. It cannot be expected to provide as complete understanding as provided by the full financial report of the financial and service performance, financial position and cash flow of the Council.

The full financial statements for the year ended 30 June 2023 have been prepared in accordance with NZ GAAP. They comply with NZ PBE IPSAS Tier 1, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The functional and presentation currency of Palmerston North City Council is New Zealand dollars with all values rounded to the nearest thousand dollars. The Council of Palmerston North City confirms that all other statutory requirements relating to the Annual Report have been complied with.

Audit New Zealand has audited the full financial statements and issued an unmodified on the audited information, excluding the statement of service provision. A qualified opinion was issued relating to the statement of service provision with respect verifying the response times and number of complaints relating to the wastewater system, drinking water supply, and performance of the stormwater system, as well as the time taken to attend and resolve water supply and wastewater faults. This Summary has been examined by Audit New Zealand for consistency with the full Annual Report.

The full Annual Report can be obtained from our website **pncc.govt.nz**

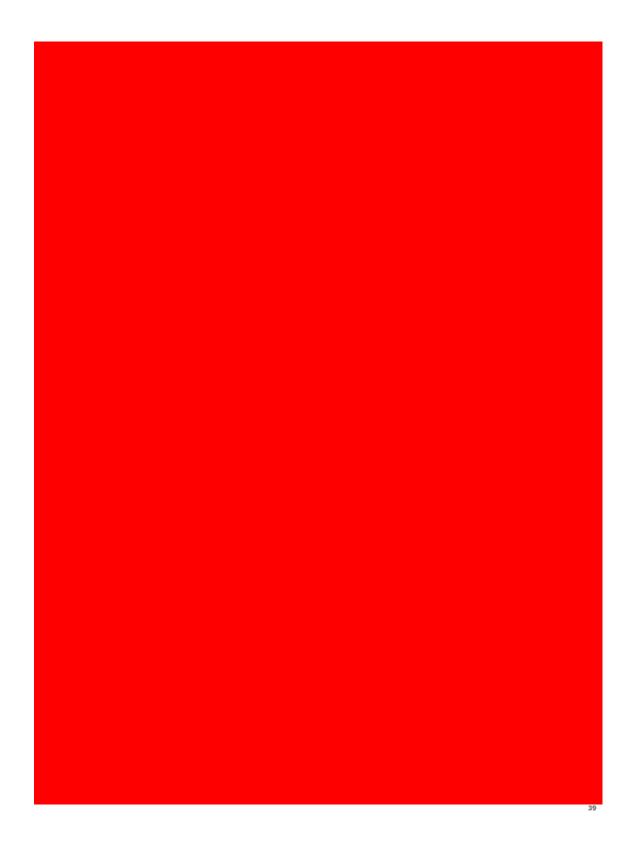
Independent Auditor's Report

AUDIT NEW ZEALAND

Mana Arotake Aotearoa



INDEPENDENT AUDITOR'S REPORT





Te Kaunihera o Papaioea Palmerston North City Council

pncc.govt.nz / info@pncc.govt.nz / 06 356 8199 / Te Marae o Hine — 32 The Square, Palmerston North



MEMORANDUM

TO: Risk & Assurance Committee

MEETING DATE: 18 October 2023

TITLE: Wellbeing Report, July to September 2023

PRESENTED BY: Connie Roos - Employee Experience Manager and Wayne

Wilson - People Operations Manager

APPROVED BY: Danelle Whakatihi, Chief People & Performance Officer

RECOMMENDATION TO RISK & ASSURANCE COMMITTEE

1. That the Committee receive the memorandum titled 'Wellbeing Report, July to September 2023' presented to the Risk and Assurance Committee on 18 October 2023.

1. ISSUE

- 1.1 Wellbeing continues to be a focus area for leadership at all levels of Council and is core to our Employee Experience.
- 1.2 Due to feedback from the Risk and Assurance Committee, this report has been adjusted to align with our wellbeing programme. These three components, Prevent Harm, Provide Support and Enhance Wellbeing are a holistic approach to wellbeing. Support relating to each of these components will be found under each section. When applicable comparative data is included for context.
- 1.3 Employee initiated turnover and lost time is included in this report.

Prevent Harm

Quarter 1 Wellbeing Report – Prevent Harm	Q1 2023	YTD	Average Quarter for 2022/23 FY	
Gym usage	1506	1506	1418	The comparative data shows that gym usage has improved compared to the previous year. As the CAB wellness room is situated within the gym it is noted that gym



Quarter 1 Wellbeing Report – Prevent Harm	Q1 2023	YTD	Average Quarter for 2022/23 FY	
				usage is projected to increase in future quarters.
Biennial health / eye check	16	16	20	Biennial Health and Eye Check information is sent directly to staff members on their even birthdays, e.g. age 38. This quarter had a similar uptake to the previous quarter (15), potentially related to organisational capacity.

1.4 The Executive Leadership team have endorsed Hybrid working principles in August 2023. These were communicated to the organisation in September. The organisation is approaching hybrid working by providing staff with opportunities to work in alternative locations, if they can and want to do so. Being flexible about how we work contributes to life-work integration which can improve overall wellbeing.

Provide Support

Quarter 1 Wellbeing Report - Provide Support	Q1 2023	YTD	Average Quarter for 2022/23 FY	
Vitae – Pastoral contacts (significant strengths / issues)	202	202	324	In response to staff feedback, Vitae pastoral services in the Civic Administration Building ceased at the end of Q4 2023.
Reflect and Learn sessions	16	16	18	Reflect and Learn sessions were confirmed as a permanent offering in ELT. Following the trial, some areas changed the frequency of these sessions as bimonthly or quarterly.

1.5 Reflect and Learn was confirmed as a permanent wellbeing offering by ELT. These are a regular opportunity for kaimahi (staff) in frontline roles to meet with an independent facilitator to reflect on and explore work-related issues, challenges, and achievements in a safe and supportive environment. Sessions are designed to assist staff to deal constructively with high conflict incidents in front facing customer roles. Reflect and Learn sessions can now be opted in by various teams across council. The frequency of these sessions will depend



on the specific needs of the team. The Employee Experience team will guide this process and co-ordinate external facilitators alongside Vitae.

Enhance Wellbeing

Quarter 1 2023	Q1 2023 Number of attendees	Target to be completed by End of FY 23/24	
Creating Respectful Workplaces (attendees)	11	60	This training encourages positive workplace relationships by addressing unacceptable behaviours such as bullying and harassment that could create internal and unhealthy conflict.
Challenging Conversations & Resilience (attendees)	7	30	This workshop is designed to provide employees with practical information and frameworks to deal successfully with situations evoking strong emotional responses.
Tools for Change (attendees)	24	150	This training helps employees to identify thinking styles, recognise thinking traps and manage responses to change.
Manager Completion of Leading Through Change (Manager attendees)	35	70	One way to support employee's wellbeing is to provide managers with a toolset to lead their team through changing environments
Manager completion of Understanding Mental Health in the Workplace (Manager attendees)	9	20	Support can be enhanced if managers understand the impact of mental health on wellbeing.
Wellbeing Presentation (number of new starters)	27/37 (77% of new starters)	90% of new starters	This presentation helps to orient new starters to the wellbeing support available here at Council. This presentation was first created in February 2023 and is presented to all staff who attend Orientation Day.

1.6 Mental Health Awareness week was the week of 18-24 September. Activities were held across PNCC to build awareness of Mental Health around the Mental Health Foundations 'Five Ways of Wellbeing'. Each day was dedicated to one of the five ways, with ELT members sharing how they reflect one of the 'Five Ways' in their lives. Activities such as quizzes, play activities, pilates, volunteering opportunities and fitness sessions helped build awareness



- of the 'Five Ways' and how kaimahi (staff) can implement them in their everyday lives. Preliminary feedback indicates that this was a success.
- 1.7 The new CAB wellbeing space, Piringa Āio Peaceful Haven, is available for staff to use. The purpose for this space is for meditation, prayer and group activities. The parents' room, Āhuru Mātua Safe Haven for Parents/Guardians, as well as the first aid/sick bay Āwhina Tūroro have been refreshed as they were not suitable in their state. Currently People and Performance are reviewing spaces across sites where similar rooms may be implemented.
- 1.8 Unmind app usage has decreased this quarter. Top completed Unmind Shorts in July to September are Morning Goal Setting, Mindful Relaxation and Breathing Waves.

Turnover – Employee initiated

Year	17/18	18/19	19/20	20/21	21/22	22/23
Number	67	67	85	120	123	119
%	12.0%	12.0%	14.1%	20.9%	19.8%	18.8%

Month	Turnover for Month	Turnover Previous	Percentage	
		12 Months	(annual)	
Aug 22	8	121	19.5%	
Sep 22	11	122	19.2%	
Oct 22	9	114	18.0%	
Nov 22	8	115	18.3%	
Dec 22	8	119	18.9%	
Jan 23	14	127	20.0%	
Feb 23	9	130	20.6%	
Mar 23	9	128	20.3%	
Apr 23	13	128	20.3%	
May 23	7	121	19.1%	
Jun 23	11	119	18.8%	
Jul 23	10	117	18.5%	
Aug 23	8	117	18.5%	
Sep 23	4	110	17.4%	



- 1.9 Turnover is higher than desirable and has been for the last 3 years, although this is not unique to Council.
- 1.10 The turnover rate is improving.
- 1.11 The highest turnover occurs in the first 12 months of employment.

Lost Time (Days)

Dec-21	Mar-22	Jun-22	Oct-22	Dec-22	Mar-23	Jun-23	Sep-23
378	319	286	348	352	257	263	358

1.12 The above lost time includes non-work injuries.

Recruitment

Advertised	Filled	Still active
44	24	20

- 1.13 24 roles had the full recruitment process applied (advertised, interviews conducted, offers made and accepted). All 24 roles were successfully filled.
- 1.14 Some roles cross from one quarter to another due to being at different stages of the recruitment process.

2. BACKGROUND

- 2.1 Wellbeing is interconnected with a variety of individual and systemic factors which makes it a difficult area to report on. The above metrics have been recorded with that in mind.
- 2.2 The Employee Experience team continue to review the provision of Mental Health/Resilience training to identify opportunities and improvements to capture our workforce and equip our people with skills and tools.

3. NEXT STEPS

- 3.1 Explore new initiatives in the wellbeing space that prevent harm, provide support and enhance wellbeing.
- 3.2 Explore expanding our wellbeing offerings by investigating Rongoā at Council. Rongoā refers to the traditional Māori healing system, encompassing ancient practices that have been handed down through the generations. This approach employs a range of techniques to address ailments in a holistic manner, and the practitioners participating in the session are endorsed and supported by Rangitāne o Manawatū. This would sit alongside current wellbeing initiatives.



4. COMPLIANCE AND ADMINISTRATION

Does the Committe	Yes			
Are the decisions s	No			
If they are significa	int do they affect land or a body of water?	No		
Can this decision o	only be made through a 10 Year Plan?	No		
Does this decis Consultative proce	ion require consultation through the Special edure?	No		
Is there funding in	the current Annual Plan for these actions?	No		
Are the recommendations inconsistent with any of Council's policies or plans?				
The recommendat	ions contribute to Goal 5: A Driven & Enabling Counci			
The recommendations contribute to the achievement of action/actions in (Not Applicable)				
Contribution to strategic direction and to social, economic, environmental and cultural well-being				

ATTACHMENTS

Nil



COMMITTEE WORK SCHEDULE

TO: Risk & Assurance Committee

MEETING DATE: 18 October 2023

TITLE: Committee Work Schedule

RECOMMENDATION TO RISK & ASSURANCE COMMITTEE

1. That the Risk & Assurance Committee receive its Work Schedule dated October 2023.

RISK & ASSURANCE COMMITTEE WORK SCHEUULE

18 Oct 2023	Health and Safety Quarterly Update (Q1 Jul to Sept 23)	Chief People and Performance Officer		
18 Oct 2023	Wellbeing Quarterly Update (Q1 Jul to Sept 23)	Chief People and Performance Officer		
18 Oct 2023	Animal Shelter Review	Business Assurance Manager		Committee of Council 15 June 2022 Clause 38.4 22 26 April 2023 Clause 2-23
18 Oct 2023	Business Assurance sixmonthly accountability report	Business Assurance Manager		Finance and Audit Committee 16 December 2020 Clause 68.2
18 Oct 2023	Risk Management Reporting	Chief Financial Officer		Terms of Reference of Committee
18 Oct 2023	Quality Assurance Reporting for Ozone Replacement Project	Business Assurance Manager	Final Review in Progress	Finance and Audit Committee September 2022



18 Oct 2023	Annual Report 2022/23 Consideration	Chief Financial Officer		
18 Oct 2023 TBC 2024	Review of Human Resource Support Processes	Business Assurance Manager	In progress	26 April 2023 Clause 2-23
18 Oct 2023 TBC 2024	Quality Assurance Framework for Wastewater Discharge Consent Project	Business Assurance Manager	Work aligned with timeframes of external authorities. In progress.	Finance and Audit Committee 28 September 2022 Clause 69
18 Oct 2023 2024	Fraud and Whistleblowing Policy Update	Business Assurance Manager	No new matters to report	26 April 2023 Clause 12-23
March 2024	Business Assurance Report - Featherston Street Cycleway and Safety Improvements process and engagement	Business Assurance Manager	Confirmed capacity and resourcing to support this request	2023
TBC 2024	3 Waters Transition - Assets and Liability Assessment	Chief Financial Officer	On hold until direction set after election	
TBC 2024	Delegations Manual - Review of financial delegations and associated definition sections	CE Unit Manager		Council 6 September 2023 Clause 147-23
TBC 2024	Review of Commercial Advisory Framework	Business Assurance Manager		26 April 2023 Clause 2-23
TBC 2024	Review of Contract Management Framework	Business Assurance Manager		26 April 2023 Clause 2-23
TBC 2024	Review of Complaints Policy	Business Assurance Manager		26 April 2023 Clause 2-23



TBC 2024	Review of Legal Services Framework	Business Assurance Manager	26 April 2023 Clause 2-23
TBC 2024	Quality Assurance Reporting - Call Centre Review	Business Assurance Manager	26 April 2023 Clause 2-23
TBC 2024	Quality Assurance Reporting - Risk Review & Future of Libraries		26 April 2023 Clause 2-23
TBC 2024	Quality Assurance Reporting for Council Controlled Entities	Business Assurance Manager	26 April 2023 Clause 2-23
TBC 2025	Review of CCTV Policy/Processes	Business Assurance Manager	26 April 2023 Clause 2-23