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PALMERSTON
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CITY

PALMERSTON NORTH CITY COUNCIL

AGENDA

RISK & ASSURANCE COMMITTEE

9AM, WEDNESDAY 26 APRIL 2023

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

MEMBERS

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

Mark Arnott
Brent Barrett
Vaughan Dennison
Leonie Hapeta

Lorna Johnson
Orphée Mickalad
William Wood
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

Te Marae o Hine | 32 The Square
Private Bag 11034 | Palmerston North 4442 | New Zealand
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RISK & ASSURANCE COMMITTEE MEETING

26 April 2023

ORDER OF BUSINESS

1. Apologies

2. Notification of Additional Items

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

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

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

3. Declarations of Interest (if any)

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

4. Public Comment

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

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

REPORTS

- 5. 2023/24 Business Assurance Work Programme** Page 7

Memorandum, presented by Masooma Akhter, Business Assurance Manager.
- 6. Quality Assurance Report - Kōtuia (Ozone Replacement) Project** Page 27

Memorandum, presented by Masooma Akhter, Business Assurance Manager & Simon Lloyd-Evans, Programme Manager.
- 7. Assurance Report - Risk Management Review** Page 59

Memorandum, presented by Masooma Akhter, Business Assurance Manager.
- 8. Business Assurance Accountability Report** Page 83

Memorandum, presented by Masooma Akhter, Business Assurance Manager.
- 9. Health, Safety and Wellbeing Report, July to September 2022 (Q1 2022)** Page 103

Memorandum, presented by Danelle Whakatihi, Chief People & Performance Officer.
- 10. Health, Safety and Wellbeing Report, October to December 2022 (Q2 2022)** Page 117

Memorandum, presented by Danelle Whakatihi, Chief People & Performance Officer.
- 11. Health, Safety and Wellbeing Report, January to February 2023 (Q3)** Page 133

Memorandum, presented by Danelle Whakatihi, Chief People & Performance Officer.

12. Committee Work Schedule

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13. Exclusion of Public

To be moved:

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

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

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
14.	Business Assurance Accountability Report - Confidential	Third Party Commercial and Health Safety	s7(2)(b)(ii) and s7(2)(d)
15.	Fraud & Whistleblowing Policy Update	Privacy, Third Party Commercial, Prejudice Info Support and Pressure or Harrass	s7(2)(a), s7(2)(b)(ii), s7(2)(c)(i) and s7(2)(f)(ii)

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].

MEMORANDUM

TO: Risk & Assurance Committee

MEETING DATE: 26 April 2023

TITLE: 2023/24 Business Assurance Work Programme

PRESENTED BY: Masooma Akhter, Business Assurance Manager

APPROVED BY: Donna Baker, Acting Chief Executive Unit Manager

RECOMMENDATION(S) TO RISK & ASSURANCE COMMITTEE

1. That the Committee approve the Business Assurance Work Programme for the 2023/24 period (Attachment 1) presented to the Risk & Assurance Committee on 26 April 2023.
 2. That each review from the 2023/24 Business Assurance Work Programme be included on the work schedule for Risk & Assurance Committee.
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1. ISSUE

To ensure the protection of self, leadership and the organisation, the International Standards for the Professional Practice of the Internal Auditing (the standards) requires that the Business Assurance work programme is approved by the Risk & Assurance Committee, or its equivalent. This will ensure robust outcomes can be confidently represented by management and governance.

2. BACKGROUND

The Business Assurance division was established to:

- Provide independent and objective assurance and advice on organisational governance, risk management and internal control processes.
- Help identify opportunities for improved outcomes.
- 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.

The relationship between Business Assurance and the Council is a constructive one with a mutual goal of helping the organisation better understand and manage risks through an effective control environment.

The division's initial focus was on ensuring that basic controls are in place and that is still where part of the focus is for the upcoming programme of work. However, this

upcoming work programme also reflects a shift to more value-add reviews in the form of the quality assurance work being proposed.

The work programme has been prepared to incorporate both full reviews and quality assurance reviews. This enables the delivery of a wider range of assurance and give broader coverage with the current resourcing available.

A summary of the detailed process undertaken to develop the upcoming work programme and the proposed reviews is attached to this memorandum.

3. NEXT STEPS

It is intended that this programme will be reviewed every six months to reflect changes in the Council's operating environment, risk profile and assurance needs. Should amendments be required, these will be raised with the Risk & Assurance Committee for endorsement.

At the completion of each review identified below, a formal written report will be reported to the Risk & Assurance Committee by the Business Assurance Manager.

It is intended that training opportunities will be offered to Committee members that are interested in obtaining a more in-depth view of Business Assurance and the role of Governance.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual: Committee TOR 2.a.	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	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' effectiveness and reputation.	

Contribution to strategic direction and to social, economic, environmental and cultural well-being	Business Assurance aims to help the Council succeed by building trust and confidence in the core controls relied on by management.
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ATTACHMENTS

1. 2023/24 Business Assurance Work Programme [↓](#) 

BUSINESS ASSURANCE WORK PROGRAMME

June 2023 to December 2024

Business Assurance Division
April 2023

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Executive Summary

Business Assurance operates a centralised assurance function. It was established to:

- Provide independent and objective assurance and advice on organisational governance, risk management and internal control processes.
- Help 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.

It partly delivers assurance through a formal work plan that provides a clear, concise and transparent programme of work that is approved by Council. But it also delivers assurance through advisory services to accommodate the dynamic and changing economic, social and technological environment we operate in.

Programme Development & Consultation Process

In developing the suggested focus for Business Assurance for the next 18 months, significant time was spent gaining an understanding of the core objectives, operations, strategic priorities, areas of change and potential risk faced by the organisation for the period ahead.

We undertook procedures to understand the current environment. This included assessing the strategic goals, understanding key risks and communication with key stakeholders.

The following stakeholders were engaged with:

- Elected Members
- ELT
- Leadership team for each unit
- Risk & Resilience

We then identified assurance activities, gaps and needs. This included mapping the lines of defence and incorporating reviews that have previously been completed or are provided for by other assurance providers.

A significant list of potential reviews was developed from the data analysed, the following criteria was used to develop a long list and subsequently a short (proposed) list of assurance engagements.

- Risk Focused (*see operational and enterprise risks section for detail*)
- Value Protect vs Value Enhance
- Previous Reviews
- Work of Other Assurance Providers
- Current Management Activities
- Linkage to Strategic Goals
- Governance/Management Requests

Professional judgement was used when making trade offs and determining the proposed work programme. It was also shared with the ELT to gain their perspective on the priority operations, risks and assurance needs.

Reviews that did not make it to the short list will be reviewed routinely to ensure circumstances haven't changed that would warrant a review and will also be taken into consideration in the next work programme.

Section 3 of this report outlines the process undertaken to develop the upcoming work programme.

Operational and Enterprise Risks

Operational and enterprise risk registers were assessed, primarily those that were rated extremely high and those that showed an extremely high reliance on mitigations to achieve a low risk rating.

At an operational level, the following risks had an extreme residual risk rating:

1. Contact Centre – Performance & Capability
2. Employee Experience – Performance & Capability
3. Employee Experience – Psychosocial Wellbeing
4. Legal Processes

Below is a summary of the top 10 enterprise risks that were taken into consideration:



These risks formed part of the consideration when developing the proposed work programme.

Work Programme

The proposed work programme has been prepared to incorporate both internal audits and quality assurance reviews. This enables the plan to deliver a wider range of reviews and give broader coverage. Reviews proposed:

Internal Audits – To undertake a review of:

- Human Resource Support Processes
- Commercial Advisory Framework
- Contract Management Framework
- Complaints Policy & Processes
- Legal Services Framework

- CCTV Policy & Processes

Quality Assurance – To provide assurance over:

- Ozone Replacement Project
- Nature Calls Project
- Call Centre
- CCOs

The resourcing currently available to the division has been considered when developing the work programme, to ensure it is achievable but also allows for sufficient flexibility to adapt to the changing environment or additional reviews that pop-up.

Section 5, outlines the suggested 18-month review programme. It is intended that this programme will be reviewed every six months to reflect changes in the Council's operating environment, risk profile and assurance needs. Each review is selected based on building trust and confidence in the core elements of the Council's internal control environment. They were linked to risk and cover the more fundamental business processes with the potential for improved outcomes.

At the completion of each review identified below, a formal written report will be reported to the Risk & Assurance Committee by the Business Assurance Manager.



Masooma Akhter
Business Assurance Manager
12 April 2023

Background & Journey to Date

Background

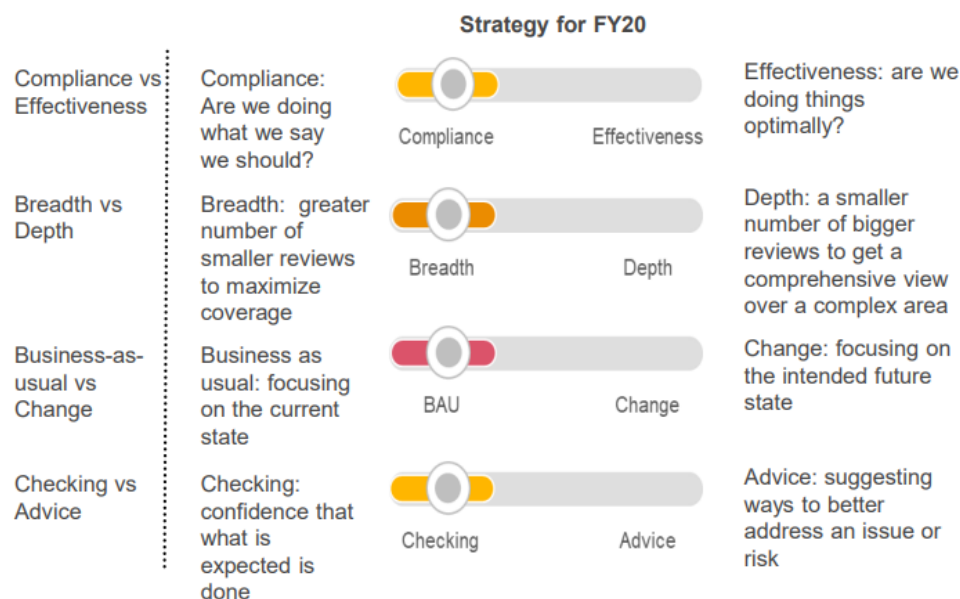
PNCC is a complex organisation with a range of accountabilities, services and functions. These are delivered through operational units, related entities, contracted service providers and key change projects. There are a range of risks within the organisation's operations and the wider business environment. These risks pose a threat to us achieving the objectives set out in the Long Term Plan and supporting the Annual Plan.

The relationship between Business Assurance and the Council is a constructive one with a mutual goal of helping the organisation better understand and manage risks through an effective control environment. While delivering on this plan, Business Assurance will balance the need to:

- Work collaboratively with management to provide advice and support.
- Whilst providing an independent and objective assessment of the organisation's performance in maintaining an appropriate control environment.

Journey

When established, the divisions initial focus was on getting the basics right i.e. confidence that core controls were in place and working effectively. In 2019, an assessment was undertaken to highlight what the focus areas of the division should be for it to support organisational maturity.



Over the last 3 years, the division has worked on each of these areas and progressed towards a more modern way of working (centred). The increased level of advisory and increased number of quality assurance reviews is an example of the more progressive work being undertaken by the division in an effort to add value to the organisation and its control environment. The next steps will be to scope how we can most effectively and efficiently provide adequate assurance in the digital space, as that is where significant change is intended and is a high-risk area for the organisation.

A high-level exercise was undertaken over the last few months to compare our function to our peers in the industry and it appeared that we were considered to be delivering a better and more modern assurance framework than most. A high-level framework of our current services can be found in section 2 of this report.

Business Assurance Charter

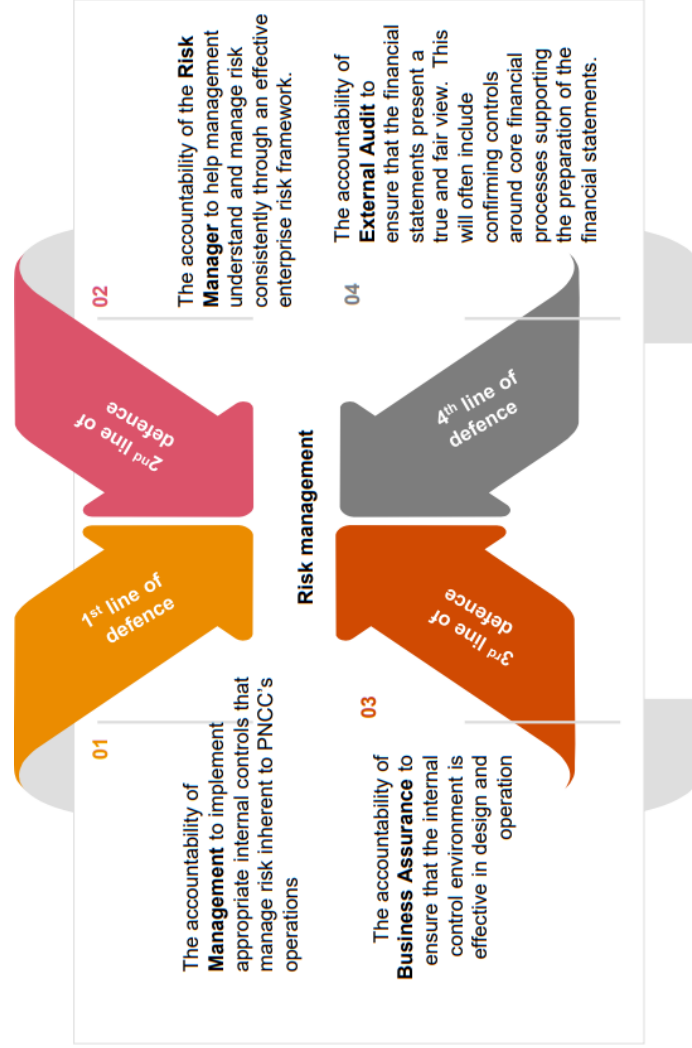
In 2019, a Business Assurance Charter was approved by Council. The purpose of the charter is to set out the objectivity, authority, scope and responsibility of Business Assurance at PNCC. The charter grants the Division with full and complete access to records, physical property and personnel related to a review and authority to obtain and oversee specialised assistance (internally and externally) to complete the engagements. It is there to protect the confidentiality of the information the function reviews but also enable the function to deliver its objectives independently.

The Business Assurance Manager has direct access to the Chief Executive and also to the Chair and Deputy Chair of Risk & Assurance Committee (and vice versa) for any relevant matters they feel appropriate. The Charter requires that the Business Assurance work programme is approved by, and subsequently reported to Council.

It is intended that the Business Assurance Charter is reviewed in this term of Council.

Section 1 - Where we fit in the organisation

Accountability for identifying risks and implementing controls lies with management. The role of the Risk Function is to ensure that there is an effective and consistent basis by which PNCC identified, assesses, reports and manages risk. The role of Business Assurance is to confirm that key controls relied on to manage risk are effective in design and operation.



A 'lines of defence' model provides a good basis for delineating the respective roles and accountabilities for providing assurance within PNCC. It is recommended that the following accountabilities be confirmed based on a lines of defence model.

Section 2 - The Assurance Framework



Section 3 - Programme Development Process

Work Programme Drivers / Triggers



Risks

Things that could go wrong in the future

All divisional risk registers and enterprise risks were assessed. Particularly where the current risk was either sitting very high or extreme to ensure we were well positioned to manage those risks.



Issues

Things that went wrong in the past

Interviews, historic knowledge and findings from fraud and whistleblowing incidents were utilised to identify opportunities for reviews.



Change

Areas where we have changed the way we work

Identified and assessed projects or initiatives planned, underway or recently completed that brought change in the operating environment of the organisation. Assessed impact of change and consideration to value in reviewing the realisation of the intended benefits.



Controls

Routine activities that don't / haven't changed

Identified areas that have not been subject to review previously and present an opportunity for better ways of working.



Requests

Where would you like reassurance

Interviews were undertaken with Divisional Managers (Tier 3s), the Executive Leadership Team and Elected Members. This assists in identifying specific areas of focus to support senior leaders understand where to prioritise resources to address risks.

Work Programme Development Process



Section 4 – The Long List

From the consultation and data analysis we identified a “long list” of 19 priority review areas. See long list below.

Review Title	
Quality Assurance - Assurance framework for CCOs	Review of Contract Management Discipline
Quality Assurance - Debrief of Civic & Cultural Precinct Project - Design Phase	Review of Development Contributions Policy / Process
Quality Assurance - Debrief of Remuneration Review	Review of Employee Experience Framework <i>(HR)</i>
Quality Assurance – Risk Review & Future of Libraries	Review of Human Resource Support Processes <i>(HR)</i>
Quality Assurance - Nature Calls Project	Review of Legal Framework <i>(HR)</i>
Quality Assurance - PWC recommendations for Call Centre <i>(HR)</i>	Review of LTP Affordability / Deliverability
Review of Business Steering Group Framework / Implementation	Review of Organisational Performance Framework <i>(HR)</i>
Review of CCTV Policy / Processes <i>(HR)</i>	Review of Project Management Discipline <i>(HR)</i>
Review of Commercial Advisory Framework	Review of Social Media Channel Administration <i>(HR)</i>
Review of Complaints Policy / Process	

*(HR) – Identified as a high risk from risk registers
Items in bold were selected to form part of the short list*

From this ‘long list’ a ‘short list’ of 11 reviews were selected based on a focus on building trust and confidence on the core elements of PNCC’s internal control environment, linked to risk and covering the most fundamental business process, financial management control and safeguarding of assets. The short list was also determined considering the historic programme of internal audit previously undertaken. The next section reveals the proposed work programme.

Reviews that did not make it to the short list will be reviewed routinely to ensure circumstances haven’t changed that would warrant a review and will also be taken into consideration in the next work programme.

Section 5 - 2023 / 2024 Proposed Work Programme

The following pages outlines the suggested 18 month review programme. It is intended that this programme be reviewed or refined every 6 months to reflect changes in the Council's operating environment, risk profile and assurance needs.

Internal Audits

Timeframe	Review & Indicative Scope	Assurance Element	ELT Sponsor
Dec – June 2023	Animal Shelter Review Review project plan and process from the approval of the business case to the contract being awarded in June 2022.	Issue	Chief Infrastructure Officer
July – Sept 2023	Review of Human Resource Support Processes A review of human resource support processes that are in place to manage the talent attraction and retention risk. The following areas will be considered for inclusion when scoping the review: recruitment; onboarding; workflow management; performance management; employment records; legislative compliance; and exiting processes.	Issue / Control / Risk	Chief People & Performance Officer
Oct – Dec 2023	Review of Commercial Advisory Framework A review of the commercial advisory operating framework and surrounding processes to ensure it is appropriately mitigating the “effectiveness of organisation support services” enterprise risk.	Control / Risk	Chief Finance Officer
Jan – March 2024	Review of Contract Management Framework A review of contract management discipline across Council, primarily in Infrastructure and its alignment with best practice.	Issue / Change	Chief Infrastructure Officer / Chief Finance Officer
April – June 2024	Review of Complaints Policy A review of policies and processes in place to support the management and handling of customer complaints.	Issue / Control	Chief Customer Officer
July – Sept 2024	Review of Legal Services Framework A review of policies and frameworks in place to support and enable the delivery of legal services across Council to ensure it is appropriately mitigating the “cross council legal processes” enterprise risk.	Risk	Assistant Chief Executive
Oct – Dec 2024	Review of CCTV Policy / Processes A review of policies and processes in place to support the management and handling of CCTVs.	Risk / Change / Issues	Chief Finance Officer

Note: The scope noted is at a high level, when planning for the review a specific scope will be determined and consulted with the sponsor.

Quality Assurance

Timeframe	Review & Indicative Scope	Assurance Element	ELT Sponsor
2022-2023	Ozone Replacement Project (Underway) Develop and implement a quality assurance framework over the Ozone Replacement Project.	Change / Risk / Issue	Chief Finance Officer
2023 Onwards	Nature Calls Project Develop and implement a quality assurance framework over the Nature Calls Project. This was requested by Council in 2022.	Change / Risk	Chief Infrastructure Officer
July – Dec 2023	Call Centre Review In 2021, PWC undertook a review of the call centre with the primary focus on its future direction and the commercial viability of how these services are provided. This included gaining an understanding of the future demand and the associated investment requirements. Several recommendations were made accordingly. A quality assurance review be undertaken to follow up on the recommendations from this report and understand its current state.	Risk	Chief Customer Officer
Jan – June 2024	Quality Assurance – Risk Review & Future of Libraries Undertake an independent review of the libraries operational risk registers. This will highlight areas where there is an opportunity for deeper dives for process reviews. Undertake an independent assessment of the role of the library by gaining the views of governance, management and operational staff to assess alignment. Any other relevant perspectives will also be considered. This is intended to feed into the work undertaken by the function in relation to the future of libraries.	Issue / Change	Chief Customer Officer
Jan – June 2024	Council Controlled Entities Develop an assurance framework to ensure Council is satisfied that sufficient controls are in place to mitigate key risks.	Control	Chief Executive

Monitoring & Accountability

Timeframe	Review & Indicative Scope	ELT Sponsor
*	Accountability Report A progress update on outstanding recommendations from prior reviews.	Chief Executive

* This will be reported to every second Risk & Assurance Committee. Ideally resulting in an update every 6 months.

Section 6 - Update on Previous Work Programme

At the end of 2020, Council approved a work programme covering 18 months from January 2021 to June 2022. This was then reviewed at the end of 2021 and the programme of work was spread out until December 2022. During this time, additional items were requested, either internally or by Council. Those that involved Elected Member input have been reported below.

Review	Status
Council Policy Framework Review	Completed
Review of Community Development and Events Funding	Completed
Asset Management Planning Review	Completed
Health & Safety Review	Completed
Financial Delegation of Authority Policy Review	Completed
Procurement Review	Completed
Sustainable Practices Review	Completed
Asset Management Review	Completed
Review of Project Planning and Budgeting	Completed
Enterprise Risk Management Framework Review	Reporting to RAC April 2023
Benefits Realisation Framework and Strategic Prioritisation Review	Completed
<i>Additional Item: LTP Debrief (Internal)</i>	Completed
<i>Additional Item: Committee Structure Review (Advice)</i>	Completed
<i>Additional Item: CET Arena Redevelopment Audit</i>	Completed
<i>Additional Item: Communication Consultancy Advice</i>	Completed
<i>Additional Item: Action Plan for Audit NZ Annual Report Review</i>	Completed
<i>Additional Item: Action Plan for EM/ELT Culture Review</i>	Completed
<i>Additional Item: Quality Assurance over Ozone Replacement</i>	In Progress
<i>Additional Item: Animal Shelter Review</i>	In Progress
<i>Additional Item: Quality Assurance Framework for Nature Calls</i>	Not Started
<i>Additional Item: City Transport Review</i>	Reporting to Council May 2023

A full work programme and a number of additional reviews has meant that resourcing was tested and compromises on the other level of services were made when prioritising work. We have therefore proposed a differently structured work programme for the next 18 months that we feel is more achievable, will add value and still leave some capacity to manage new requests.

MEMORANDUM

TO: Risk & Assurance Committee

MEETING DATE: 26 April 2023

TITLE: Quality Assurance Report - Kōtuia (Ozone Replacement) Project

PRESENTED BY: Masooma Akhter, Business Assurance Manager & Simon Lloyd-Evans, Programme Manager

APPROVED BY: Donna Baker, Acting Chief Executive Unit Manager

RECOMMENDATION(S) TO RISK & ASSURANCE COMMITTEE

1. That the Committee receive the memorandum titled 'Quality Assurance Report – Kōtuia (Ozone Replacement) Project' and its attachment, presented on 26 April 2023.
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1. ISSUE

Palmerston North City Council (PNCC) has a Programme 1572 to replace Ozone (Finance and Regulatory system) with Civica's Authority Altitude. For a project of this magnitude, it was deemed beneficial to maintain an independent quality assurance framework over its life. This is to ensure the project is effectively structured, governed and managed in line with sound management principles to deliver according to its objective and that the deliverables from the project are fit for purpose.

In September 2022, the former Finance & Audit Committee endorsed a quality assurance framework for the Ozone Replacement Project. This memorandum provides an update on progress to date.

2. BACKGROUND

A Financial Systems Review was completed in February 2019 with the primary recommendation being:

"To replace Council's current Finance & Regulatory solution (Ozone) to enable better business outcomes by replacing our outdated and poorly performing current system".

Audit NZ noted in its Management Report to PNCC its concerns on the integrity of the financial system which is unable to be resolved with the Ozone product.

A robust procurement process was completed in 2019 where Civica's Cloud-based Authority was selected as the preferred solution to replace Ozone. After a series of challenges and resulting reviews, in 2022 it was confirmed that PNCC would continue with Civica's Authority Altitude product to replace Ozone. Through a mobilisation

phase, project planning was completed and a quality assurance framework was developed.

Since the project was re-launched in August 2022, we have completed the solution design, established the environments, and completed the initial system configuration and build. The first data migration run has been completed and we are remediating issues raised, preparing for the second run which is planned for April.

Business Process validation and training is under way and detailed test plans and processes are being drafted in order to start the testing and end user training phases. Initial go-live planning sessions have been held and draft timelines are being socialised to ensure any business impact is minimal during the go-live period.

Integration developments for third party systems are under way, with expected testing to kick off at the end of April.

Detailed communications plans have been developed to ensure all PNCC staff are well informed about the project and have a clear understanding of the impacts they can expect, and how to mitigate any issues that might arise.

3. PROJECT MANAGEMENT UPDATE

The project is still tracking largely on time, and within budget and go-live is still planned for 1 July.

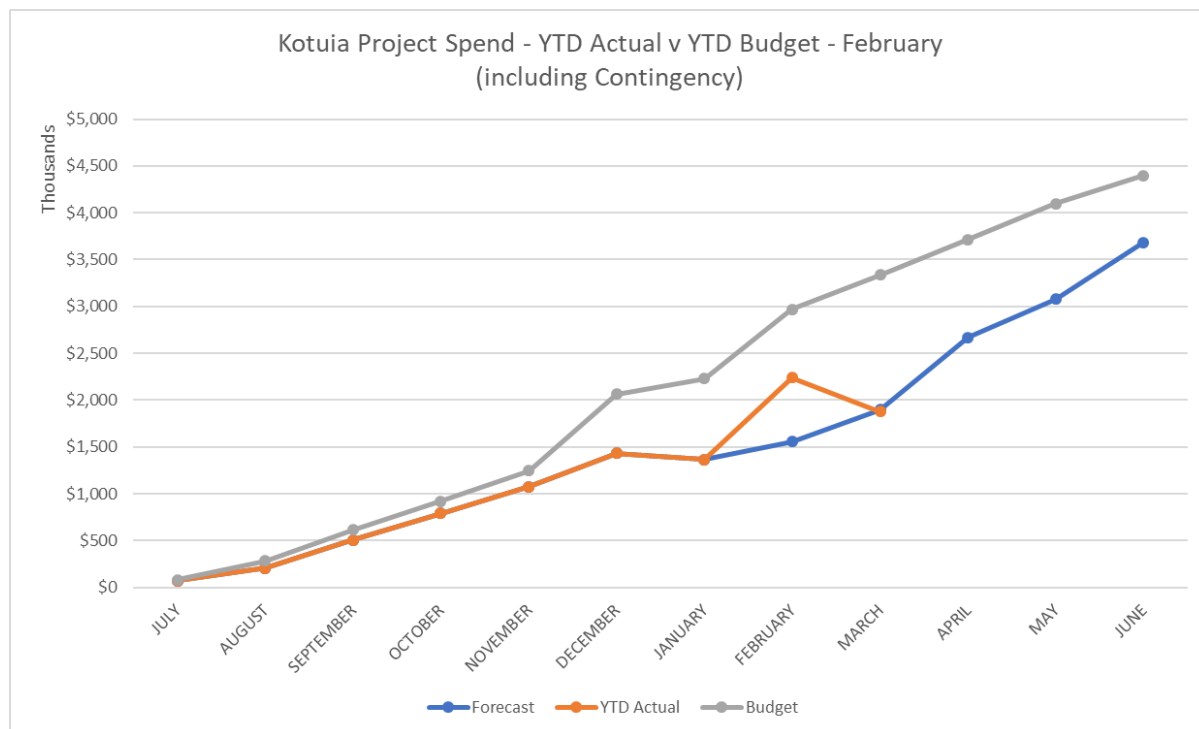
Due to a couple of unforeseen issues the project Red, Amber, Green (RAG) status moved from Amber to Red (high risk) in March. This is due to:

- Delays finalising the Electronic Document and Records Management System (EDRMS) requirements for documentation management. Detailed confirmation of our requirements, and how the available options meet those requirements, is under way and we expect to finalise the solution design by 14 April, which will reduce this status to AMBER, and begin development and implementation by 28 April.
- Delays incurred completing third party integrations. Multiple associated systems work with Authority Altitude to deliver our services, such as Consenting, and thus process and information integrations need to be built. We are working with our integration partner to re-baseline the plan and associated costs for the completion of the integrations by 1 May in order to start end-to-end testing of these services. This will reduce the status of this issue to AMBER and once tested will reduce further to GREEN.

The implementation of Authority Altitude (AA) is a complex programme and the issues that we have encountered are not unusual for a software project of this magnitude. The project is progressing with a focus on configuration of modules within the product and data migration, with issues that are identified being addressed. System familiarisation sessions are being held for staff as we move into the next phase of the project being UAT (User Acceptance Testing), followed by user training for staff which is covered further in the change section below.

The Project Manager is preparing a go-live plan that will outline the process for cutting over into AA from Ozone. This involves planning for a short period of time where neither system will be available, and will include temporary processes to enable business functions to continue.

Based on the current project forecast we are tracking below the budgeted \$4.4M (Incl. contingency) and are on target to complete the go-live without drawing down on the contingency.



The February spend showing higher than expected due to costs incorrectly allocated to the project and were journaled to the correct cost centre this month.

4. CHANGE MANAGEMENT UPDATE

The Change Management workstream for Kōtūia is comprised of three elements; Change Impact, Staff Training, and Communications.

The Change Impact work is progressing as the Altitude Authority (AA) system is built and the difference between AA and the current system in Ozone is better understood. This information helps the project to understand who is most impacted by the change this project is bringing about, and therefore where to place our highest efforts in communications and support.

Work to develop collateral for Staff Training is well underway, but timing is tight. Detailed planning is underway to ensure that all staff will have the training they need before system Go-Live on 1 July.

Communications work is also progressing well. A detailed plan is being developed for Go-Live which encompasses PNCC staff, customers and service providers, so that all people who are impacted by this system change will have the information they need for a smooth transition and ongoing support.

5. QUALITY ASSURANCE UPDATE

5.1 Risk Management

The Risk Management Advisor is currently on the Project Steering Committee and is assisting with the administration of the risk management process and advising where required. Below are the top high risks for the Project as at the end of February 2023.

Risk 1: Ineffective and/or under-resourced people and material for training of end users.	Residual Risk	Very High
<u>Context</u> (Cause & Consequence): <p>Civica's Business Process Manuals (BPM's), their end-to-end process guides, do not currently reflect Authority Altitude ("AA") operating environment and the project plan did not factor fully the size of work in respect to the creation of 'To-Be' business processes maps for Council. Also, Civica's e-learning system is not currently updated to AA, and while Civica is replacing their eLearning system to AA, it won't be in time for Council go-live. This is also creating time pressure to create training materials and user guides to provide staff with a quality learning experience.</p> <p>This could result in staff being unable or unsure of the effective and efficient use of AA in relation to key processes and resultant negative impact on customer experiences with Council. This could also result in costs of retraining staff.</p>		
<u>Mitigation & Controls</u> (In Place): <ul style="list-style-type: none"> • Change Manager resource on board and committed to project. • Workshops scheduled for planning. • Feedback post familiarisation sessions input in to training development. 		
<u>Next Steps / Plans:</u> <ul style="list-style-type: none"> • To complete end-to-end training strategy and plan (including training material). • Identified resources required for training (partially complete). • Document end-to-end documented processes (informed by changes identified in the business process analysis). • Develop clear, comprehensive user manuals/operating procedures. 		
Risk 2: Unavailability of Platforms during go live – switchover period from Ozone to AA	Residual Risk	Very High
<u>Context</u> (Cause & Consequence): <p>During the switchover some services will/may be unavailable for a short period, some of which are deemed essential, which could adversely affect customers.</p>		
<u>Mitigation & Controls</u> (In Place): <ul style="list-style-type: none"> • Skeleton process in place for identifying service requirements. • Several work arounds being finalised. 		
<u>Next Steps / Plans:</u> <ul style="list-style-type: none"> • Go live planning under way in detail to pick up all issues requiring attention. • Detailed communication plan around system down periods for internal and external stakeholders being completed. 		

Risk 3: Bank Reconciliation unable to be performed effectively	Residual Risk	Very High
<u>Context</u> (Cause & Consequence): AA does not have a fit for purpose automated bank reconciliation function for the NZ market. The absence of this would make reconciliation of significant volume of inward payments extremely challenging.		
<u>Mitigation & Controls</u> (In Place): <ul style="list-style-type: none"> Hamilton City Council ("HCC") has created a utility tool for dealing with large numbers of payment reconciliations. PNCC has engaged with them to onboard the tool (N.B. Tool is not fully effective or panacea but provide enough relief for go-live). HCC's utility installed and ready to test with PNCC data. 		
<u>Next Steps / Plans:</u> <ul style="list-style-type: none"> Test and run comparative analysis between HCC utility tool verse functionality within AA. Decision to be taken post-testing on which version to be used. Both require manual intervention (resource cost associated with either option). 		

5.2 Internal Audits

The scope of the audits was planned to be covered through the following 4 phases.

Phase 1: Base line understanding of the Programme. *(Completed – no report, desktop review only)*

Phase 2: Programme review with a focus on configuration and development, data migration and testing. *(Completed – November 2022)*

Overall, it was noted that there was a lack of fundamental project management controls being applied to the project that would be required to successfully deliver a project of this nature. The most significant aspects that were highlighted as a priority were project management fundamentals, planning, scope management, risk and issue management, and reporting.

A total of 23 recommendations were made for this phase, of which 21 have been actioned. This is a great effort by the project team.

Phase 3: Programme review with a focus on business process training and cutover planning. *(Completed – attachment)*

Since the review in November 2022, a new Project Manager was appointed who has delivered a significant uplift in the project management practices that are being applied to the project. In the previous review, we found the standards and principles for driving the project forward inadequate. This is no longer the case and there has been significant improvement.

Refer to the separate report from KPMG to see the detailed results. A detailed action plan has been developed and agreed with the project team. Progress on this will be reviewed at the next gate way review.

Phase 4: A post implementation review. This is intended to begin following go-live in July 2023.

6. NEXT STEPS

The next project update will be provided post go-live, unless material issues arise that require escalation by the Project Governance Group.

7. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual: Committee Terms of Reference 1.	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	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	This report is presented as a business assurance activity in response to the business assurance plan endorsed by Council.

ATTACHMENTS

1. Phase 3 Quality Assurance Report [↓](#) 



Palmerston North City Council

Independent Project Assurance
Kōtuia Project
13 April 2023

FUELLING PROSPERITY

We passionately believe that the flow-on effect from focusing on helping **fuel the prosperity** of our clients significantly contributes to ensuring that our communities, and ultimately our country and all New Zealanders, will enjoy a more prosperous future.



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Masooma Akhter
Business Assurance Manager
Palmerston North City Council
32 The Square,
Palmerston North Central,
Palmerston North 4410

13 April 2023

Dear Masooma

Independent Assurance Project Review

We were engaged to provide an independent assurance review of the Kōiua project in relation to the council's 'Ozone' replacement / Authority Altitude implementation programme.

The purpose of the Independent Quality Assurance (IQA) is to identify strengths of and opportunities for the project. The review aims to provide pragmatic recommendations for further development of project controls that will support effective project delivery.

Our report details our findings and includes recommendations where the project management controls can be strengthened.

Thank you for the opportunity to support the Council.

Gina Barlow
Director

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01 Executive Summary

Background, Scope and Approach

Background

Palmerston North City Council (PNCC) has established a programme to replace its legacy finance and regulatory systems with the Authority Altitude, a Financial Management Information System (FMIS). The programme is currently planned to culminate with the go-live of Authority Altitude on 1 July 2023.

PNCC drivers for change:

"To replace Council's current Finance & Regulatory solution (Ozone) to enable better business outcomes by replacing the outdated and poorly performing current system with modern, efficient, fit-for-purpose technology".

Scope

PNCC required a series of independent quality reviews in relation to the planning and execution of the programme to ensure that it is appropriately planned for, with robust project management controls in place to ensure a successful delivery to the business.

KPMG was engaged to provide the PNCC and key stakeholders with confidence that the FMIS programme is positioned to successfully deliver the programme outcomes. This report marks Phase 3 of a four phase engagement, focused on business process training and planning for cutover in order to make recommendations to the Governance Group and Steering Committee.

Approach

KPMG has achieved this scope of work by:

- reviewing key project artefacts; and
- interviewing project team members.

The aspects of project management assessed included in this phase were:

- Governance
- Planning and Cost Management
- Scope and Scope Change
- Team and Resources
- Reporting
- Risk and Issue Management
- Testing and Quality
- Vendor Management
- Organisational Change Management, including training and communication
- Data Migration and Go-Live Readiness

This review has been undertaken as the project has been tracking to meet key decision dates. As such, many of the artefacts have been updated during and subsequent to our review..



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Executive Summary

Since our last review in November 2022, PNCC has engaged a new Project Manager who has delivered a significant up-lift in the project management practices being applied to the Kōtuitia Project.

In previous reviews, we found the standards and principles for driving the Kōtuitia project forward inadequate. This is no longer the case and there has been significant improvement. We found a coherent delivery team supported by strong organisational leadership with clear commitment to deliver the project outcomes.

Whilst the maturity of the project management practices and controls has increased, the implementation timeframes for the project remain ambitious and the Council still has a significant amount of work to complete to enable a successful on-schedule implementation.

The period between March and June 2023 will be the most critical period activity for the project where Council staff will get exposed to Authority Altitude and undertake training to familiarise themselves of its functionality.

Our latest assessment of the project highlights a number of areas where we believe intervention is required to support a successful delivery.

To increase the likelihood of an on-schedule delivery, the most significant recommendations from our review are:

Testing and quality

Once the business familiarisation process is complete, the Test Lead will need to review the current test plans and scripts to develop an understanding of where the gaps may be and whether this creates additional risk for the Project.

The Test Lead should monitor any defects arising out of the testing and training phases to ensure that the quality issues encountered during data migration are not impacting the results.

Vendor management

The Project Manager should assess whether Civica can provide an adequate security assessment of their cloud solution or whether penetration testing will be required to protect the Councils data assets.

The PNCC Project Manager should ensure that Civica are aware of the Councils requirements on their staff between now and go-live to ensure that an appropriate level of personnel, and substitute personnel are available as and when required.

The Governance Group and Project Manager should facilitate a black hat session with Civica to work through the end to end solution and identify any other areas of risk in the solution that have not yet been escalated.

Organisational change management

The Project Sponsor should review the temperature checks from the business process familiarisation sessions to ensure that they can respond appropriately where Council staff are reluctant to embrace the Authority Altitude changes.

The Project Manager should assess the change management and training resourcing to ensure that sufficient resources with the necessary experience are available to fully support the change and training activities through to go-live.

The Project Manager should discuss resourcing with Tregaskis Brown, to confirm where additional resources would benefit the change management activities.

The Project Manager should review the training plan to ensure that it is adequate to prepare staff and to create a positive impact.

Executive Summary

Go-live readiness.

The Project Manager should ensure that Civica understand the dates where their team members will be required to provide hypercare to the Council.

The Project Manager should develop a Cut-over Plan to enable the Council to respond quickly if problems arise during the transition to Authority Altitude. The plan should include escalation and reporting procedures, and key communication messages for stakeholders.

The Cut-over Plan should then be reviewed against the Civica project plan to ensure that the plan delivers all the needs for cutover on a timely basis.

Whilst we believe these shortcomings can be addressed, given the time available, the current levels of resourcing available to the Project should be reviewed as a priority.

Our detailed findings and recommendations are included in the body of this report.



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02 Detailed Findings

Detailed Findings

Governance

The key focus for the Governance Group is to provide executive governance and oversight of the Programme. The Governance Group is accountable to the Chief Executive for the success of the Programme and functions as the escalation point for issues escalated by the SRO, and/or the Project Manager. The Governance Group has delegated authority to approve changes (scope, milestones, benefits, finances, design, access to contingency) within tolerances and provide oversight of quality assurance recommendations.

The Programme Steering Group provides coordinated programme management of the Programme, of which Kōtuitia is part. They are accountable for the successful delivery of the Programme and are responsible for progressing the programme to the approved scope, plan and budget, and for the delivery of the approved Investment Outcomes.

The governance continues to demonstrate a strong commitment from the organisational leadership with members being well engaged and committed to the success of the Project. The Governance Group are keen to keep things moving and provide challenge to the Project Manager where they have concerns or where they need greater levels of information.

The governance structure continues to interact with the right levels in the organisation and with Civica, the supplier, and the structure of the governance brings diverse skills and knowledge to the Project. Also, an independent advisor continues to sit on the Governance Group. The Governance Group is also supported by the Risk and Assurance team which enables escalation of 'red' and 'amber' risk-based escalations.

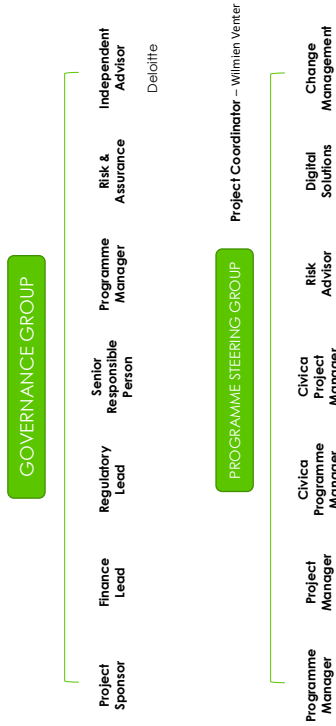
The agility of the governance structure has also enabled stand-up versions of the Governance Group to be called when issue resolution has required interim meetings to provide strategic decision making and maintain momentum.

A project Decision Register has now been implemented and is being used to maintain the history of key decisions being made across the project lifecycle.

The incoming Project Manager has reviewed ad updated the reporting from the Project to provide the Governance Group with adequate information to steer and provide leadership and decision making for the Project. Governance Group members are reading the reporting prior to the meetings to ensure that robust discussions are occurring.



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Recommendations

The governance arrangements for the Project are adequate in terms of set-up and process and so there are no recommendations in the area of governance.

Planning and Cost Management

DRAFT

Planning

Since our last review the new Project Manager has implemented a detailed level of planning that covers the project activity from the task level and consolidates up to the high-level milestone level. The task level detail provides planned start and finish dates for each task by month and identifies where resources are allocated and confirmed and where resources are still tentative. The planning also details whether the project activities are to be completed on-site and their percentage complete.

The level of planning now being undertaken should ensure that deliverables for all major activities are defined and agreed with all parties and are logically sequenced to produce deliverables and dependencies, so that timing can be coordinated.

The project plans have been agreed with the project team and project progress is reviewed with team members every second Thursday, where progress is discussed and any blockers are identified.

Civica is using Microsoft Project 2013 for their planning; however as the Council has a different version of Microsoft Project, the PNCC Project Manager is using Microsoft Excel to track the project activity. Whilst we would recommend the use of project management software, the Excel task tracking is adequate in the short-term.

Whilst the project schedule is not baselined so that actuals can be tracked against the original estimates, the Project Manager is monitoring the schedule on a weekly basis and is actively managing any potential in task slippage. Whilst there has been time impacts incurred during the Data Migration phase, the Project Manager is working to reschedule tasks so that the overall project schedule and go-live dates are not impacted. Any key changes in the schedule are escalated to and discussed at the Governance Group to facilitate approval by the key stakeholders.

As the PNCC Excel plan is directly downloaded from the Civica plan, key milestones are now incorporated which provides an integrated view and defines the key dependencies across the Project timeline.



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Cost management

The change in the delivery timeframe for components of the system have not materially affected the budget for the Project, and provisions have been made across the 2023 and 2024 financial year for future implementation phases.

The Project Manager has developed a good grasp on the current financial health of the Project. The Project Manager is in the process of creating a very detailed forecast and plan, including the identification of a change request required for the implementation of EDRMS data migration which had not initially been included in the original budget. Despite this and unforeseen delays, it does not seem likely that the budget will be exceeded.

Recommendations

The Project Manager and Governance Group should continue to closely monitor key project tasks through the remainder of the data migration, testing and training phases to mitigate the risks of further delay.

The Project Manager needs to confirm all outstanding tentative resources to minimise the risks of project tasks not being completed on time and impacting the implementation.

For Phase Two of the Project, the Council should work with Civica to use a consistent project management software for planning and tracking of component delivery and to support inter-dependency management.

Once the schedule changes are approved by the Governance Group, a change request should be raised to formally document the change to the Project.

Once the detailed financial forecast and plan are complete, these should be approved by the Governance Group.

Detailed Findings

Scope and Scope Change

To date there have been no scope changes on the Project. However, to mitigate the schedule risk on the Project, the Project Manager is currently working with the Governance Group to re-assess the scope for the Phase One implementation of Kōtuiti so that the immediate core module requirements for day one can be delivered and then non-critical components of the application that are not immediately required will be delivered as Phase Two or Three. For example, the Bank Reconciliation module which requires the development of a front end interface will be re-scheduled to a later phase. This phased approach should give the Council the time to ensure the required system components are implemented when they are required.

There are also other components such as CM10, the document management system that is intertwined with Civica, where the current version is not functioning correctly. This gives the Council the opportunity to explore other alternatives that could provide a more cost effective solution.

Once the scope has been re-assessed the Project Manager is planning to raise change control documentation with the change impacts quantified, to formalise the scope of the Project and to gain agreement with the Governance Group and then Civica.

Recommendations

Once the scope of the future Phases are defined, the Project Manager should ensure that

- a change control is documented presented to the Governance Group to enable them to make an informed decision.
- the commercial agreements with Civica reflect the changes to the scope and any financial impacts (positive or negative) on the budget.
- an impact analysis is undertaken to ensure that the Day One delivery components are adequate.



Detailed Findings

Team and Resources

Since the inception of Kōtuitia there has been an ongoing challenge to get the right resources onto the project in a timely manner. To mitigate the resource challenges, the project leadership has given people the opportunity to step up and stretch their capabilities; however for a project of this importance to the organisation getting the right capabilities should be the first priority.

The incoming Project Manager has reviewed the resource allocations across the workstreams and has been working with the Governance Group to bring on additional resources. Following the review of resourcing a number of key changes have been made and additional contractor support has been engaged in areas such as:

- The architecture team to develop the timesheets and other data migration requirements
- Full time Test Lead and business analysts for modules outside of Authority Altitude
- Organisational Change Management support from Tregaskis Brown.

As part of the progress tracking, the Project Manager is reviewing the team requirements on an ongoing basis and will work to obtain additional resources for external communications, change and training if required.

In our last review there was confusion across the team as to individuals specific roles and responsibilities. At this time, team members are very clear on their roles and the tasks they have been engaged to deliver on.

Whilst team members reported a friendly and supportive team environment with a strong focus on wellness and mental health, the next few months are going to be the time where the most pressure is put upon the PNCC team to familiarise themselves and test the new system. Training and organisational change will also be key to ensuring a smooth implementation and strong uptake of the new system.

Recommendations

Once the Project has been re-scoped the Project Manager should review the resources to ensure there is sufficient capability to deliver on the Councils project commitments.

The Project Manager should also continue to monitor the resource requirements, especially through the business process familiarisation, training and change management activities and escalate as required.

If any shortfalls arise, the Project Manager should engage experienced practitioners.



Detailed Findings

Reporting

The incoming Project Manager has reviewed the content of the status reporting and updated the reporting so that a clear understanding of project progress can be understood. The project reporting provides a clear colour coded indication of the project status by month and a high level summary of the workstreams.

The status reporting provides detail on the following aspects of the Project and a forecast of where progress is expected to change:

- Plan / milestones;
- Financials;
- Scope;
- Delivery partners;
- Stakeholders;
- Team; and
- Change and communications.

The status reporting also provides key actions and next steps that are to be taken to maintain momentum on the Project for each of the above aspects. A summary plan on a page is incorporated in the reporting which defines the critical path through to the "system live" and "business live" milestones. Change management, training and communication for the Project are given their own section of the report which demonstrates the focus on this area for the Project. High-level delivery timelines are also included for these aspects of Project delivery.

The reports also provide a Business As Usual heightened activity map so the governance bodies across the Project can understand where the business units are going to be impacted.

The status reporting also details the project budget with Year To Date actuals, budget and variances against the approved budget and commentary of where additional items have been incorporated into the budget such as additional project resource requirements.

Risks, issues, dependencies and decisions are now also included in the reporting with their current status and a forecast of future status. Again a clear description is provided on the key issues and risks for governance to focus on and the planned treatments for each. An analysis of the risks is included which identifies the number of raw risks requiring mitigation, the residual risk, target risk and open risk status. For issues the number of open issues is being tracked and the owners of the high and extreme issues are identified.

Governance Group members indicated that the quality of information included in the reporting is providing more transparency of the Projects progress and any challenges the Project is facing, in turn enabling more informed decision making.

Recommendation

The quality of the status reporting has increased significantly since our last review and we have no recommendations in this area.

Detailed Findings

Risk and Issue Management

The PNCC Risk Advisor continues to be assigned to the Kōtuitia Project to support the project team in developing its risk understanding.

Risks and issues are being recorded in Azure DevOps (ADO) and the projects risk process is based on the PNCC risk framework. The risk log contains an assessment for each risk for the residual risk post mitigation, inherent risk and target risk.

The risk information now contains the date that the risks were created so it is possible to track the length of time risks are open and there have been few instances where the target resolution dates have been missed.

The Risk Advisor holds the pen for all risks to ensure that there is consistency in the recording of information included within the risk logs. The Risk Advisor also ensures that a risk lens is applied to the documenting of risks rather than focussing on the cause of the risk. The risks are reviewed and updated on a weekly basis and review dates are assigned for each risk so that risk mitigations are refreshed on a regular basis.

The Risk Advisor holds one on one meetings with the risk owners where they define and document actions taken against the risks and update the risk ratings and next review date.

A fortnightly catch up is held with the Programme Steering Group to review the risk articulation and actions and the Risk Advisor attends the fortnightly risk meeting and weekly team leads progress meeting to maintain a sense of the potential project roadblocks and issues. During the progress meeting the Project Manager reviews the risks and issues and any blockers with the Team Leads to ensure that everyone is aware of the potential challenges for the Project.

There is also a joint meeting with the Civica Project Manager and Programme Manager where the risks and issues are discussed. The Governance Group continues to provide an escalation path to the Civica leadership for any issues where the Council is not comfortable with progress.

From a governance perspective, the Business Assurance Manager has a role on the Governance Group to support any risk related conversations and the Risk Advisor attends the Programme Steering Group.

Recommendation

The Risk Advisor should review the Risk Register to ensure there is adequate consideration of the go-live and assesses any go / no go decision points.

Detailed Findings

Testing and Quality

Testing

The project engaged a Test Lead in January 2023 to test Civica's Altitude Authority ERP system for PNCC use prior to implementation. Since coming on board the Test Lead has developed a draft Test Strategy and identified the necessary areas for testing. Each of the Authority Altitude components have been mapped against the Ozone test scripts from 2016 and high level testing areas have been identified.

The Test Strategy defines the testing principles, data approach and the test environments. It also defined the entry and exit criteria, test cycles, defect management processes and key milestone dates.

The Test Strategy does not define any Service Level Agreements for the resolution of defects or the version control process to have the resolutions implemented back into the Authority Altitude product. The Test Strategy also does not include the approach to handling the logistics of the testing (communications, escalation procedures, risks and mitigations)

Whilst the existing test scripts from Ozone are being used as a reasonable base for what needs to be tested; the planned training commencing in March 2023 will be need to be completed to enable the team to complete the necessary suite of test scripts to support the testing activities.

The Test Lead plans to commence exploratory testing during the system familiarisation sessions, mid March, to identify an mis-matches between the business processes and the software. Post the familiarisation sessions the Change Management team will meet with the business teams to ensure that any change management activities are linked to the testing activities to ensure that communication is well managed.

The test team will be exposed to the new system for the first time at the familiarisation sessions. This leaves them with no time to develop detailed test scripts. Communication between the test team and Civica during the test phase will be critical to ensure that any perceived defects can be communicated quickly and efficiently to ensure that testing timeframes are not impacted.



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The Test Lead is working to ensure that the people involved with the testing are fully supported and comfortable with the activities that they are being asked to undertake. Time is being scheduled with the business areas to ensure that the people involved in the testing have adequate time to undertake the activities that are required.

The testing will take place in a separate room, away from their business as usual activities to ensure they can focus on the testing. The Test Lead will be available in person to support any queries or difficulties encountered by the testers.

The Test Lead is also currently developing a User Acceptance Testing (UAT) test pack describing what is a defect within the system and what to do if the testers find one.

The testing is set to commence once the familiarisation sessions are complete and are scheduled for Once the test environments are populated with a robust set of data, the test team plan to roll the environment dates forward to enable them to mimic month end and year end activities in the system.

During the test period the Test Lead plans to produce daily reports on the number of completed test scripts including the number of passes and failures. Test exit reports are also being planned for.

Currently the Council do not have any information from the Civica testing of the Authority Altitude configuration / development. It would be useful for the Council to have the test results and volume of defect information as a baseline for their testing and expected performance of the system.

Testing environments have been set up for Production, Support (including data migration), training and UAT. This means that only test environment has been set aside for the UAT testing.

Detailed Findings

Testing and Quality

Quality

As the user familiarisation sessions will be the first real visibility for Council users to understand the look and feel of the new Ozone replacement system, the quality of the Configuration and Development Phase will not be understood until the sessions have been completed or are at least well underway.

The project team are reporting a number of aspects where the quality of the supporting artefacts does not meet their requirements, for example the training material provided by Civica supports Version 7 of Authority Altitude rather than Version 9 that PNCC is implementing, and there are no e-learning materials available. The quality of supporting artefacts, particularly training materials could have an impact on the users confidence in the system and their willingness to engage actively with the new system.

A number of issues have arisen during the project lifecycle such as remote access which will require late changes for them to be resolved before go-live. The end-to-end testing will provide the first visibility of the true quality of the system and future implementation and will need to be closely monitored.

Recommendations

Regular monitoring of test progress and system quality should be a focus for the Project Manager during March and April 2023.

Once the business familiarisation process is complete, the Test Lead will need to review the current test plans and scripts to develop an understanding of where the gaps may be and whether this creates additional risk for the Project.

A clear escalation path should be implemented with Civica to support the communication of perceived defects during the testing phase.

The Test Lead should ask Civica for statistics on the results of their testing to be used as a baseline for the PNCC testing.

Contingency planning should be put in place in the event of the UAT test environment or its components becoming unavailable or corrupted.

The PNCC Training Lead will need to develop training artefacts for Version 9 of Authority Altitude to support the Councils users.

The PNCC Training Lead will need to ensure that common Frequently Asked Questions are documented for Council staff and any gaps between the two versions of the software are highlighted in the PNCC training materials.

The Test Lead should monitor any defects arising out of the testing and training phases to ensure that the quality issues encountered during data migration are not impacting the results.

The Project Manager should assess whether Civica can provide an adequate security assessment of their cloud solution or whether penetration testing will be required to protect the Councils data assets.



Detailed Findings

Vendor Management

At an organisational level the Council has taken a robust approach to managing the relationship with Civica. The Project Sponsor, Civica Managing Director and Chief Operating Officer continue to meet on a fortnightly basis to discuss and resolve any concerns arising from the project delivery. The relationship is seen as respectful where the two partners are working together. At the project level the change in PNCC Project Manager has had a positive effect and the teams continue to communicate on a daily basis. Joint risk and issues meetings are being held and there are no commercial issues being identified.

There have been a number of issues arising late in the Project that are out of the Councils control and despite the regularity of communication between the two parties, these issues have taken a long time to surface.

During the development of the requirements the Council found that the Civica consultants did not have a common approach which caused confusion for the Council staff.

Functionality such as the document management does not currently work with the Civica software version v.10.1, so the Council now needs to consider potential alternative options and the remote access requirements to Authority Altitude now require a VPN to enable people to work outside of the office environment.

The data migration has been a challenge for both Civica and PNCC and individual ways of working have made some of the challenges harder. For example, an issues spreadsheet has been created to capture the data migration issues, however the PNCC staff are not consistently using the spreadsheet to record the issues.

Sometimes the team approach the Civica consultants directly via text or phone and exclude the project managers which has created re-work and an increase in time required by the vendor. Any further issues in the data migration could have a knock on effect on the implementation timeline for the Project and Civica are currently assessing how much additional resource will be required for the Register module data migration.

Status reports are prepared by the Civica's project manager and delivered to PNCC and are representative of project health.

There was an instance of resource shortage in regards to integration script validation as a Civica consultant fell sick and was consequently unavailable for an extended period of time. This risk was raised and resolved between PNCC and Civica, however it is unclear if there is any planning to mitigate the potential risk of resourcing risk in other areas of the Civica support team.

Recommendations

The PNCC Project Manager should ensure that Civica are aware of the Councils requirements on their staff between now and go-live to ensure that an appropriate level of personnel, and substitute personnel are available as and when required.

The Governance Group and Project Manager should facilitate a black hat session with Civica to work through the end to end solution and identify any other areas of risk in the solution that have not yet been escalated.

The PNCC and Civica Project Managers should meet to identify where any current team practices are impacting progress so that any future re-work or mis-communication can be minimised in the run up to go-live.

Detailed Findings

Organisational Change Management

In November 2022, Tregaskis Brown was engaged to lead the change management activities for the Project. There is a significant amount of work to be undertaken in the change management space to ensure the project can be successful; however Tregaskis Brown have been engaged for two days per week. Given the team will only see the Authority Altitude functionality in mid-March for the first time, the volume of work to be completed for change and training and the available time before go-live, we feel that the team will be under significant pressure to achieve all that needs to be completed with a good level of quality.

An additional permanent change management resource has been brought into the PNCC Organisational Performance area of the business who is currently undertaking a whole of organisation change heat map to monitor change fatigue.

Change management activities are being delivered through the:

- Change and impact assessment;
- Training; and
- Communications for the team, staff, PNCC customers and service providers.

The change and impact assessment is currently limited to the current business processes for Ozone as the team do not yet have visibility of the Authority Altitude solution. Civica will be delivering the Authority Altitude business process familiarisation workshops, commencing mid-March 2023. Until the familiarisation workshops are well underway the level of change between the current processes and future system will not be fully understood.

For training, the most significant current challenge is the shortness of time between the familiarisation sessions and when the training material is required. The team are planning to overlap the familiarisation sessions and developing the training artefacts, however this could lead to re-work of the materials or impact the quality of the training materials.

The Change Lead has scheduled fortnightly meetings with the Training Lead and their manager from May to keep a track of progress and to monitor the collateral being produced. The Change Lead is also scheduling time with staff to manage the change, notify impacted users and identify the training required.

The Change Lead is developing a detailed go-live plan for communication and key messages will be sent out to staff, suppliers and Council clients in May and June 2023.

Some team members felt that there is still resistance to the change that Authority Altitude will bring and that people are still working through the commitment stage. The Change Lead is planning on taking temperature checks as the business process familiarisation sessions are delivered to mitigate this risk as much as possible.

Recommendations

The Project Sponsor should review the temperature checks from the business process familiarisation sessions to ensure that they can respond appropriately where Council staff are reluctant to embrace the Authority Altitude changes.

The Project Manager should assess the change management and training resourcing to ensure that sufficient resources with the necessary experience are available to fully support the change and training activities through to go-live.

The Project Manager should discuss resourcing with Tregaskis Brown, to confirm where additional resources would benefit the change management activities.

The Project Manager should review the training plan to ensure that it is adequate to prepare staff and to create a positive impact.

The Project Manager could negotiate with PNCC Organisational Performance to obtain support from their change management resource to support the Tregaskis Brown team and ensure there is change continuity into business as usual.

The Project Manager should identify potential additional resources to support the development and rollout of the training and also post go-live support activities.

Detailed Findings

Data Migration and Go-Live Readiness

Data Migration

PNCC has brought in additional resource to aid in the data migration requirements since the Christmas shut-down period.

After the first two rounds of data migration, the data migration progress was around six weeks behind schedule. The slippage has been caused by a variety of reasons, including but not limited to PNCC resourcing constraints, instances of delayed responses from Civica, complexity of the data and additional time required due to human error in the data extraction. The majority of this work has now been completed, bringing timelines closer to the planned delivery timeframe. There was consensus amongst interviewees that this will not impact the go-live timeframe as it currently stands, however it is likely to have a negative influence on the quality of the initial data sets loaded data into the test environment.

The General Registers module has been confirmed in the Project scope and will require a significant effort from the data migration and testing resources as well as Civica consultants to complete the required activities prior to go-live.

Due to the above delays, the business familiarisation workshops that will commence in the week beginning 13 March 2023 will be utilising data obtained in the first data migration cut as opposed to the data from the second data migration cut as originally planned. This could cause issues during the familiarisation and training sessions as staff try to acquaint themselves with Authority Altitude.

Go-live readiness

Through the detailed planning, the Project Manager has included activity for Civica support through the go-live period including on-site support from Civica consultants through the go-live period. A commitment to hypercare support services is to be provided for bulk work load areas – e.g. auto-billing and month end will provide further assurance that user problems are more likely to be resolved at this critical time if they arise.

At this stage we have not seen any contingency or backout planning if issues arise during the cut-over to Authority Altitude.

Whilst Civica are planning for the go-live event and having staff available on site to support PNCC, they currently need to understand the required dates for providing support staff for go-live hypercare.

Recommendations

The Project Manager should ensure that Civica understand the dates where their team members will be required to provide hypercare to the Council.

The Project Manager should develop a Cut-over Plan to enable the Council to respond quickly if problems arise during the transition to Authority Altitude. The Plan should include escalation and reporting procedures, and key communication messages for stakeholders.

The Cut-over Plan should then be reviewed against the Civica project plan to ensure that the plan delivers all the needs for cutover on a timely basis.

The Project Manager should develop an impact assessment and change control for the impact to the schedule, resourcing and budget for the General Registers.

03 Appendices

Documentation Reviewed

Document
PNCC Altitude Implementation Project Plan v1.9
Kōtuia Project Governance Structure (November 2022)
Kōtuia Action Register
Kōtuia Wiki – updated
Test Strategy (Draft)
Key Decision Register
Kōtuia project action register
Configuration Workshop Checklist
E-services Current Forms list
Data migration spreadsheets
09/02/23 Steering Group Meeting Notes
23/02/23 Steering Group Meeting Notes
23/02/23 Steering Group Meeting Minutes
PNCC Governance for Kōtuia
Ozone Governance Report 20230223
Project Kōtuia Wiki – Microsoft teams platform – Various project level documentation

Stakeholders Interviewed

We would like to thank the following people for their participation in our review:

- PNCC Chief Financial Officer, Programme Sponsor
- PNCC Programme Manager
- PNCC Senior Responsible Person
- PNCC Project Manager – Project Kōtūia
- Civica Project Manager
- Civica Programme Manager
- PNCC Risk Advisor
- PNCC Change Management Consultant
- PNCC Project IT & Data Migration Lead
- PNCC Project Test Lead
- PNCC Project Coordinator





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MEMORANDUM

TO: Risk & Assurance Committee

MEETING DATE: 26 April 2023

TITLE: Assurance Report - Risk Management Review

PRESENTED BY: Masooma Akhter, Business Assurance Manager

APPROVED BY: Donna Baker, Acting Chief Executive Unit Manager

RECOMMENDATION(S) TO RISK & ASSURANCE COMMITTEE

1. That the Committee receive the memorandum titled 'Assurance Report – Risk Management Review' and its attachment, presented to the Risk & Assurance Committee on 26 April 2023.

1. ISSUE

The Business Assurance plan for 2021/22 endorsed by Council on 21 December 2021 required this review.

2. BACKGROUND

In the context of PNCC, risk is defined as the effect of uncertainty on the achievement of the Vision and Goals set within the 10 Year Plan. PNCC faces both external and internal factors which make it uncertain whether we will achieve our objectives set i.e. Vision and Goals within the 10 Year Plan. The purpose of risk management is to appropriately reduce threats and maximise opportunities in an informed, methodical and material way.

The overall objective of this review was to provide assurance over the effectiveness of the internal controls and processes put in place over the Council's enterprise risk management practice. It included reviewing the current risk management framework (the framework) against ISO 31000: 2018 Risk Management guidelines, and whether its implementation and organisational practice is considered fit for purpose and deemed best practice.

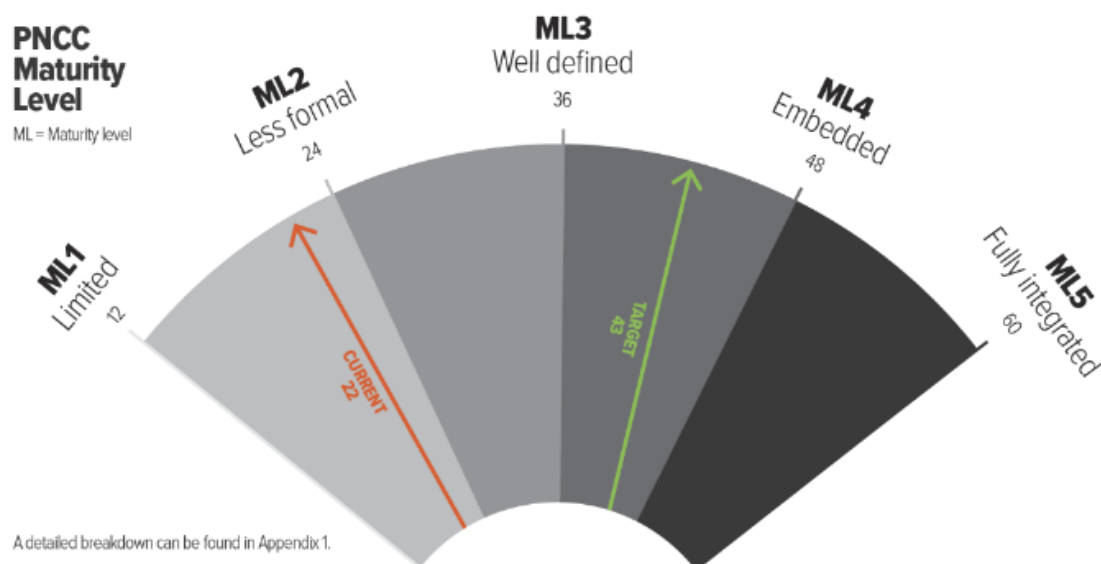
3. FINDINGS & RECOMMENDATIONS

We would like to note that the organisation has significantly improved its risk management processes over the last 3 years. Where there was previously no framework and minimal processes in place, we now have an adopted risk policy and framework with every division in the organisation having a complete risk register in place. The risk function has significantly contributed to the set-up of processes and systems to ensure the organisation is best placed to gain maturity effectively.

We reviewed the technical aspects of the framework and found that it met all the requirements of the ISO:31000 standard (considered best practice for a government agency). The risk function is still rolling out the framework which was evident when we reviewed actual practice. However, rolling out the framework is a journey that requires focus, prioritisation and effort, and they are still on that journey.

While the framework covered operational risks well, what we noted to be absent were strategic risks. It is the layer that would sit above divisional and enterprise level risks, both considered "operational risks" in nature. Strategic risk refers to the internal and external events that may make it difficult, or even impossible, for an organisation to achieve their objectives and strategic goals. These risks can have consequences that impact organisations in the long term. PNCC currently focuses on operational risk remediation as such risks drive day to day operations and business continuity. This approach is considered to lack a long-term focus.

The All of Government (AoG) Enterprise Risk Assessment Maturity Framework was used to undertake a maturity assessment. This tool was deemed appropriate and most relevant for local government agencies from what was available. The results were as follows:



PNCC has an appropriate policy and framework in place, the next steps would be to continue the roll-out of the framework and take into consideration the recommendations detailed in the attached report.

An action plan has been prepared and agreed with Management. This forms part of the report attached.

4. NEXT STEPS

The actions from this review will be followed up by Business Assurance and reported back to the Risk & Assurance Committee through the six-monthly accountability reporting.

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual: Committee Terms of Reference 1.		Yes
Are the decisions significant?		No
If they are significant do they affect land or a body of water?		No
Can this decision only be made through a 10 Year Plan?		No
Does this decision require consultation through the Special Consultative procedure?		No
Is there funding in the current Annual Plan for these actions?		Yes
Are the recommendations inconsistent with any of Council's policies or plans?		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	This report is presented as a business assurance activity in response to the business assurance plan endorsed by Council.	

ATTACHMENTS

1. Risk Management Review Report [↓](#) 

ENTERPRISE RISK MANAGEMENT REVIEW

Business Assurance Division
March 2023

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Executive Summary

Objective & Scope

The overall objective of this review was to provide assurance over the effectiveness of the internal controls and processes put in place over the Council's enterprise risk management practice. It included reviewing the current risk management framework (the framework) against ISO 31000: 2018 Risk Management guidelines, and whether its implementation and organisational practice is considered fit for purpose and deemed best practice.

Background

In the context of PNCC, risk is defined as the effect of uncertainty on the achievement of the Vision and Goals set within the 10 Year Plan. PNCC faces both external and internal factors which make it uncertain whether we will achieve our objectives set i.e. Vision and Goals within the 10 Year Plan. The purpose of risk management is to appropriately reduce threats and maximise opportunities in an informed, methodical and material way.

To achieve this, PNCC has a risk management framework (framework) which has been approved by Management and is being rolled out. PNCC are currently on Stage 2 of the framework rollout, a diagram summarising PNCC's roll-out plan can be seen in Appendix 3.

The framework adopted is integral and we compared it to good practice guidelines which include the ISO 31000: Risk Management Guidelines, Institute of Internal Auditors and Office of the Auditor General guidance and All of Government Maturity Assessment Framework on risk management. We also compared actual practice to the requirements of the framework adopted. In addition to this we interviewed key staff and Elected Members to obtain their views on the current processes in place. Findings and recommendations from our work done can be found in the "Key Findings and Recommendations" portion of our report.

Summary of Findings & Recommendation

We would like to note that the organisation has significantly improved its risk management processes over the last 3 years. Where there was previously no framework and minimal processes in place, we now have an adopted risk policy and framework with every division in the organisation having a complete risk register in place. The risk function has significantly contributed to the set-up of processes and systems to ensure the organisation is best placed to gain maturity effectively.

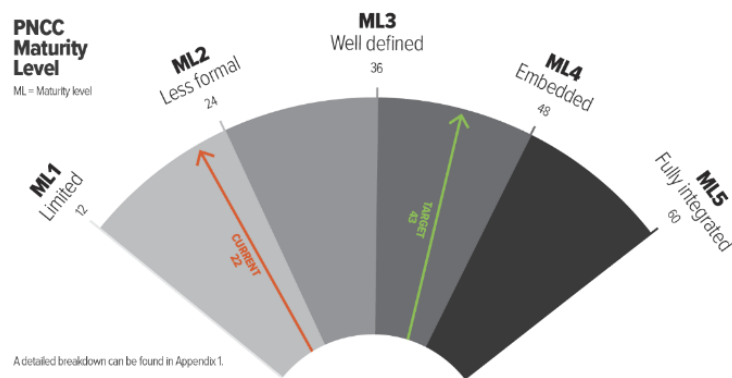
We reviewed the technical aspects of the framework and found that it met all the requirements of the ISO:31000 standard (considered best practice for a government agency). The risk function is still rolling out the framework which was evident when we reviewed actual practice. However, rolling out the framework is a journey that requires focus, prioritisation and effort, and they are still on that journey. Therefore, we have not commented on areas that have not been rolled out at the time of this review and focused on the gaps identified with the portion of the framework that has been rolled out.

While the framework covered operational risks well, what we noted to be absent were strategic risks. It's the layer that would sit above divisional and enterprise level risks, both considered "operational risks" in nature. Operational risks bring a more tactical, day to day view of the organisations risk profile. These risks relate to systems, people and business processes, anything that can affect the ongoing activities. Strategic risk refers to the internal and external events that may make it difficult, or even impossible, for an organisation to achieve their objectives and strategic goals. These risks can have severe consequences that impact organisations in the long term. PNCC currently focuses on operational risk remediation as such risks drive day to day operations and business continuity. This approach is considered to lack a long-term focus.

We believe the organisation should focus on both strategic and operational risks, doing so would create a more comprehensive and balanced picture of PNCC's risk profile and Management can grow the

organisation while effectively reducing unnecessary risks. Both enterprise and strategic risks should regularly be reported to Governance as required by the Committee terms of reference.

When developing a framework and rolling out a new discipline, it is essential that an organisation determines the level of maturity it targets to achieve. This enables the function responsible to focus their efforts and prioritise effectively. We noted that Management had not determined the target maturity that they were working towards which makes it difficult to monitor the success of the framework roll-out and whether the organisations risk management maturity is at an appropriate level. We undertook an independent assessment of what we believe the current maturity is and what we believe the target maturity should be, however it is essential that Management undertake a sense check and agree on what they believe this target should be. The All of Government (AoG) Enterprise Risk Assessment Maturity Framework was used to undertake this assessment. This tool was deemed appropriate and most relevant for local government agencies from what was available. The results were as follows:



General

PNCC operates in a complex environment. With new technologies, increasing digitisation and evolving community demands create risks that can disrupt operations, harm reputation or impact the organisations financial position, leaving the organisation unable to achieve its visions and goals. Understanding these risks can improve business practices and decision making and allow for the implementation of risk mitigation and management controls. On the other hand, confusion about or immaturity in risk management undermines an organisations ability to manage risk well.

PNCC has an appropriate policy and framework in place, the next steps would be to continue the roll-out of the framework and take into consideration the recommendations in this report.

We would like to extend our appreciation to staff for their assistance in completing this review.

Prepared By:

Reviewed By:

Yui-teng Chan
Internal Auditor
3 Mar 2023

Masooma Akhter
Business Assurance Manager
17 Mar 2023

Key Findings & Recommendations

Governance

Ref	Finding	Recommendation
	Strategic Risks	
	<p>We noted that the risk management framework currently covers divisional risks and enterprise risks, both “operational risks” by nature. However, we noted that an additional layer which would cover strategic risks was absent.</p> <p>Operational risks and strategic risks are two distinct kinds. 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.</p> <p>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 vision and goals as set out in the LTP. The organisation may accept some strategic risks in the short term but take action to reduce or eliminate them over a longer timeframe.</p> <p>It was also noted that enterprise risks that were approved by Management in May 2022 were never reported to EMs for information. It would be expected that these would have been communicated to Governance so that they can ensure the risks are sitting at an acceptable tolerance level and if not then ensure that Management are resourced to manage these risks. This was a requirement of the former Finance & Audit’s terms of reference that was never met.</p>	<p>The organisation should focus on both strategic and operational risks, doing so would create a more comprehensive and balanced picture of PNCC’s risk profile and Management can grow the organisation while effectively reducing risks. We recommend that the framework be reviewed to include strategic risks. Top risks should be identified and assessed.</p> <p>Strategic risks in addition to the enterprise risks should be reported to EMs. It would be expected that in time, these risks will assist to inform Governance decisions.</p> <p>Priority: High</p>
1		

Risk Appetite & Tolerance	
2	<p>During the review we noted that ELT approved the risk appetite and tolerance levels. We would have expected that this was the role of Governance and should have been formally approved by the former Finance & Audit Committee.</p> <p>In simple terms, the risk appetite and tolerance sets the level of risk-taking that is acceptable to achieve specific objectives or when managing a category of risk. Some categories including Financial, Legal, Health & Safety, Reputational, Strategic etc.</p> <p>When Governance sets these limits, it provides Management with direction on what acceptable decision making might be when managing risks.</p> <p>Refer to Appendix 2 to see the current risk appetite and tolerance approved within the risk framework.</p> <p>We would like to acknowledge that we did not find any concerns with the limits approved by ELT however we recommend that these are also now reviewed and approved by Governance. This may require a workshop with all EMs however should ultimately be reported to the Risk & Assurance Committee.</p> <p>Priority: High</p>

Management/Divisional

Ref	Finding	Recommendation
3	<p>Target Risk Maturity</p> <p>We noted that the organisation has not set a target maturity state for risk management. So while the risk division was focused on rolling out a framework approved by Management, there are no gateway reviews to determine if an appropriate level of maturity is being gained. Consequently, we noted the following:</p> <ul style="list-style-type: none"> - While some staff were aware that a policy and framework existed, they didn't know what their roles or responsibilities were in relation to risk. 	<p>We recommend that Management determine what an appropriate level of risk maturity is for PNCC. This may be the rating of 43 that has been recommended or might be something else, however whatever this is needs to be collectively agreed with Management and endorsed by Governance. It is essential that leaders are seen to be leading by example and setting an appropriate tone from the top to gain the benefits a mature risk function.</p>

	<ul style="list-style-type: none"> - It is not evident that risk-based decisions are being made. - A clear and consistent tone from the top was not evident. - Other than the framework, no internal (job descriptions, performance measures etc.) or external (tenders, contracts etc.) documents were noted to include PNCC's risk management obligations and appetite. - Staff/Managers were not well versed with risk terminology and its meaning. - Lack of accountability noted for where the requirements of the framework were not met (e.g. risk tolerance acceptance). <p>While a lot of administrative effort has been placed on setting the organisation up for a mature risk environment with the development of divisional risk registers, we noted that the culture remains immature and risk management is not at this stage intrinsic in what we do.</p> <p>Appendix 1 has a detailed risk maturity assessment that we have completed. We scored the organisation a 23 out of 60, however recommended that a target maturity of 43 would be more appropriate.</p>	<p>It should be noted that once a target maturity is set, consideration should be given to the resources and a timeline that will be required to achieve it.</p> <p>We acknowledge that a communications plan was developed in November 2021. We recommend that this is reviewed and rolled out. The organisation can benefit from more effective risk management communication.</p> <p>Priority: High</p>
4	<p>Risk Management Framework</p> <p>We undertook a detailed review of the risk management framework that was approved by ELT. We compared the framework to the ISO:31000 standard (considered best practice) and found no exceptions.</p> <p>We subsequently reviewed whether the requirements of the framework had been adequately applied into practice. Some exceptions were noted however the primary driver for them was that the risk function are still in the process of rolling out the framework. Detailed findings have been provided to the risk function that should be taken into consideration during the next phase of the roll-out.</p>	<p>We recommend that as the framework continues to be rolled out.</p> <p>We acknowledge that the framework is now due for review, we recommend that the detailed findings shared with the risk function are taken into consideration during this review.</p> <p>Priority: Medium</p>

5	<p>Risk Registers and Decision Making</p> <p>As part of the first stage of the framework roll-out we noted that risk registers were developed for all divisions of Council. This was undertaken through a very effective process that included the Risk Management Advisor partnering with the divisions in completing the exercise and the Head of Risk and Resilience challenging each division on the risk ratings. This ensured there was consistency in the approach and ratings and made the information comparable and assist with more effective decision making. The team should be commended on the effort placed to completing good quality and likely industry leading risk registers at an operational level.</p> <p>While we appreciate that the detail sitting behind the enterprise level risks is still being completed, we believe there have been opportunities to discuss the risks and what the organisations priorities are in terms of allocating resources to mitigate high risks to more acceptable levels.</p> <p>We noted that these risks have not been communicated to the organisation, particularly the enterprise risks. While all risk registers are stored on the designated document management system, their presence is not well known.</p> <p>Therefore, while there are comprehensive risk registers completed, there are significant benefits that these could produce if they are made more accessible, communicated widely and used to inform decisions made by Management.</p>	<p>We recommend that the risk registers are used to inform decisions made by Management. Primarily, determining which risks are sitting above an acceptable level and if resourcing is appropriately allocated to assist with the management of these. Risk Registers should assist to determine organisational priorities and not be a document that is looked at periodically.</p> <p>We acknowledge that a communications plan was developed in November 2021. We recommend that this is reviewed and rolled out. The organisation can benefit from more effective risk management communication.</p> <p>Currently, Microsoft word and excel are utilised to complete and report risks. While this is sufficient for our current maturity level, we recommend that a formal risk management platform be considered if further maturity is desired. We believe this can add efficiencies and effectiveness to the risk management function. We acknowledge that an initiative brief is currently going through the Business Steering Group process however lacks confirmation of resourcing allocation.</p> <p>Priority: Medium</p>
6	<p>Key Project Advisory</p> <p>During the review we noted that on occasion the Risk Management Advisor provided risk management advice on key project like Ozone Replacement. The project team were appreciative and acknowledged the positive impact this advice has had on the project.</p>	<p>We recommend that the Risk Management Advisor be included as a key advisor on major enterprise wide PNCC programmes and projects.</p>

	While we acknowledge that the Risk Management Advisor's priority has been to roll out the risk management framework, providing real-time advice on projects shouldn't be lost sight of as it is also a key part of the function. We can see large scale projects benefiting from this lens and advice such as the LTP project or/and being a part of the Business Steering Group (BSG).	Priority: Medium
7	<p>Obligations Register</p> <p>We noted the risk framework required the roll-out of an obligations register. We acknowledge that PNCC are currently exploring options for tools that can meet this requirement. The objective of having this register is to ensure PNCC as an organisation is aware of and complies with its legal obligations.</p> <p>The organisation currently does not have any tool or process to would provide any assurance that we are compliant with all applicable legislations. Reliance is placed on Managers being aware of these requirements.</p>	<p>We recommend prioritising the development of a regulatory/legislative obligations register, against which PNCC can map our processes to ensure legislative compliance.</p> <p>The owner of this register would be Legal Counsel.</p> <p>Priority: Medium</p>

Key

Priorities

High ■	Significant benefits will be gained by addressing this finding, impacting positively on key functions, activities and controls. Actions plans with clear timelines, formal progress monitoring and reporting will be defined as a matter of urgency, ideally less than three months.
Medium ■	Medium benefits will be gained by addressing this finding, impacting positively on key functions, activities and controls. Action will be prioritised to be completed within three to six months.
Low ■	Lower level benefits will be gained by addressing this finding, impacting positively on key functions, activities and controls. Action will be prioritised to be completed within 12 months.

Management Agreed Action Plan

Ref	Action	Target Completion Date / Responsible Owner
1	Strategic Risk & Engagement with Elected Members <ul style="list-style-type: none"> » Define scope and breath of strategic risk » Seek feedback and endorsement to strategic risk definition » Create strategic risk registers, subject to agreement on above » Seek feedback on Risk Management Policy and Risk Management Framework » Seek feedback on risk appetite and risk tolerance and gain endorsement » Seek feedback on maturity level aspirations of PNCC and gain endorsement » Initiate risk reporting to Risk & Assurance Committee 	March 2024 Head of Risk & Resilience
2	Continuous Improvement & Implementation of Framework <ul style="list-style-type: none"> » Determine maturity assessment models and assess degree of risk maturity appropriate to PNCC » Create and agree multi-year iterative maturity journey » Create communications strategy and plan » Ensure risk acceptance for higher risks is undertaken by Risk Owners » Define scope and breath of Risk Management Platform » Procure a system that will provide the organisation with a risk management platform that enables users to can monitor and manage risk effectively » Implement the system 	Feb 2024 Head of Risk & Resilience
3	Undertake Scheduled Review of Risk Management Framework <ul style="list-style-type: none"> » Seek feedback on potential improvements from lessons learnt, this review and industry engagement » Update technology risks attributes » Define strategic risk in Risk Management Framework as per 1) above » Issue version 2.0 of Risk Management Framework » Key organisation-wide projects – advocate for Risk Management Advisor involvement » Ensure Unit and Division managers are advised of requirement for Risk Management Advisor to be engaged for major enterprise wide programmes and projects and that the management of such is in line with the requirements of the Risk Management Framework » Review enterprise risks with ELT 	November 2023 Head of Risk & Resilience
4	Obligations/Compliance Register <ul style="list-style-type: none"> » Define scope and breath of Obligations Register » Procure a system that will provide the organisation with an obligations register » Implement the system 	December 2023 Legal Counsel

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Management Comment

By Head of Risk & Resilience:

I am delighted to see the first business assurance review of the Risk Management Framework, and appreciate the comments that PNCCs risk management maturity is relatively well advanced against many peers in the local government sector. I will be seeking a further review of the Risk Management Framework maturity in two years' time to measure our success and journey of risk maturity for Palmerston North City Council.

I feel the comments and notes from the Business Assurance Team are a good reflection of the implementation of the risk management framework and it has been a pleasure to work with the team during this review process. Significant progress and maturity has been made considering the challenges Council has faced through the Covid-19 pandemic, however there is still a lot to do and I am confident the action plan will enable Council to process to another key risk management maturity milestone.

Engagement with Elected Members and leaders across the organisation will be a key to the success of stage 2 of the implementation plan and to realise a risk management maturity closer to the target or aspiration maturity marker (page4). As maturity is gained council may wish to consider the risk management resources to ensure risk management can be embedded into all decision-making and practices across Council.

The Risk and Resilience Division was created in January 2020, with positions in the team under recruitment following the first Covid-19 lockdown, our Risk Management Advisor joined Council late 2020 and quickly identified that Council did not have a suitable operational risk policy or risk management framework. The updated risk management policy was approved in April 2021 and the risk management framework was approved by the executive leadership team on 8 June 2021. Receiving a positive review almost two years into a risk journey and our maturity is promising and exciting to see the efforts of the organisation to date.

Divisional risk registers (operational risk registers) are now complete with managers and key staff developing a better understanding their business with a risk lens. As we keep progressing our plan we will analysis and create enterprise risk registers.

A key learning from this review was that there is a difference between enterprise risk and strategic risk and we will be developing common language and process to ensure Elected Members will have visibility of identified strategic and enterprise risks that could impact Council on meeting its goals.

Appendix 1: All of Government (AoG) Enterprise Risk Assessment Maturity Framework Comparison

The AoG Enterprise Risk Maturity Assessment Framework enables organisations to objectively measure their risk management capability against a continuum of five possible maturity levels. This would identify improvement opportunities and assist senior leaders to prioritise resources to those areas of greatest need to further strengthen risk management across the organisation.

Table below shows the scoring of PNCC’s maturity

Element	Attribute	Current Maturity Score (1-5)	Target Maturity Score (1-5)	Max Maturity Score Available
Leadership & Direction	Governance, Policy & Accountabilities	2	3	5
	Culture, Innovation & Risk Appetite	1	4	5
	Continuous Improvement	2	3	5
People & Development	Roles & Responsibilities	2	4	5
	Resources, Skills & Training	2	3	5
	Risk Assessment & Mitigation	3	4	5
Processes & Tools	Assurance	2	4	5
	Risk Monitoring & Reporting	2	5	5
	Strategic Risk Management	1	3	5
Business Performance	Managing Risk in Partnerships	1	3	5
	Business Resilience	2	4	5
	Change & Transformation	2	3	5
Total		22	43	60

Conclusion:
Overall, PNCC scored a 22 which would put the organisation at a high level 1 maturity. Per our assessment, PNCC should aim for a mid level 3 maturity overall.

Element	Score Attributes				
	1	2	3	4	5
Leadership & Direction	<ul style="list-style-type: none"> • The governance framework for overseeing risk management is not formally documented. • An independent governance body does not exist. • There is no internal audit function and the provision of assurance is primarily focussed on meeting external audit requirements. • There is limited guidance on how risks should be managed and escalated. • There is limited evidence of risk focussed discussions taking place at senior leadership team meetings. • Limited action is taken based on the results of assurance activities. 	<ul style="list-style-type: none"> • A formal governance framework exists that sets out high level accountabilities for overseeing risk management. • An independent governance body (e.g. Audit and Risk Committee) exists but is largely passive e.g. reviews and approves risk management strategy / annual audit plan. • An internal audit function has been set up with a focus on controls and compliance monitoring in specific areas. • There is some guidance on how risks should be managed and escalated across the agency but this tends to have an operational focus e.g. health and safety. • Application of the risk management guidance is not consistent across all business units. • There is some evidence of risk focussed discussions taking place at senior leadership team meetings. • However, there is limited evidence of challenge regarding risk and assurance information or proactive action being taken as a result, or action is taken in isolation to other business units. 	<ul style="list-style-type: none"> • There is a comprehensive governance framework in place that explicitly assigns individual accountabilities for managing top risks, including risks with core delivery partners. • An independent governance body exists that regularly reviews and monitors top risks and progress against the risk management strategy / annual audit plan. • The internal audit 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 the senior leadership team and the governance body. • Application of the risk management policy and guidance is consistent across all business units. • The senior leadership team provides specific direction around the management of top 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. 	<ul style="list-style-type: none"> • There is a comprehensive governance framework in place with explicit accountabilities for managing top risks, including some system level risks in support of inter-agency, sector and AoG outcomes. • An independent governance body exists that challenges and directs the senior leadership team on managing top risks and the results of assurance activities. • The internal audit function is well established and provides assurance across a range of risks, including system level risks. • Senior business leaders clearly understand the need to escalate risks and there is good evidence of this happening. • There are mechanisms in place for sharing risk and assurance insights and lessons learned with senior business leaders. • Risk is a standing agenda item at senior leadership team meetings and there is good evidence of risk focussed discussions and challenge regarding risk and assurance information e.g. deep dive into specific risks; action taken considers the potential impact on some inter-agency, sector and AoG outcomes. 	<ul style="list-style-type: none"> • The risk management policy is formally reviewed by the independent governance body every one to two years or when significant changes occur. • The effectiveness of the governance body and internal audit function are independently reviewed every three to five years and benchmarked against a recognised achievement standard as 'best in class'. • Risks, including system level risks in support of inter-agency, sector and AoG outcomes, are escalated in near time. • There are mechanisms in place for sharing risk and assurance insights and lessons learned with other agencies and partners. • New and emerging risks are discussed at senior leadership team meetings with strong evidence of proactive action being taken in support of inter-agency, sector and AoG outcomes.
Governance, Policy & Accountabilities					

Leadership & Direction		Culture, Innovation & Risk	
People & Development	Roles & Responsibilities	<ul style="list-style-type: none"> • Risk informed decision making is implied in organisational values and behaviours. • There is a basic understanding of the concept of risk appetite by senior business leaders, although tolerance levels for different types of risk have not been defined. • The agency has a common definition of innovation but this is not linked to risk appetite in any way. • Risk appetite, including the desire for innovation, is considered informally as part of strategic planning and decision-making processes. 	<ul style="list-style-type: none"> • There is an explicit link between organisational values and behaviours and risk informed decision making. • There is a comprehensive risk appetite statement in place that has been approved by the senior leadership team. • Risk tolerance levels for individual risks have been defined using basic risk rating criteria (e.g. High, Medium, Low). • The agency has a common definition of innovation and there is some link to risk appetite e.g. tolerance levels for change and transformation risk have been agreed. • Risk appetite and the desire for innovation are formally considered as part of strategic planning and decision making processes.
	Continuous Improvement	<ul style="list-style-type: none"> • The effectiveness of risk management practices is periodically reviewed on a formal basis e.g. internally by the risk management or internal audit function every two to three years. • Improvement opportunities are documented in a basic risk management strategy that has been approved by the independent governance body. • There is no formal endorsement of the resources required to deliver improvements from the senior leadership team. 	<ul style="list-style-type: none"> • The effectiveness of risk management practices is regularly reviewed on a formal basis e.g. internally by the risk management or internal audit function every one to two years. • There is a comprehensive risk management strategy that has been approved by the independent governance body. • There is formal endorsement of the resources required to deliver improvements from the senior leadership team and regular updates on progress against the risk management strategy.
People & Development		<ul style="list-style-type: none"> • Risk management roles and responsibilities are documented and communicated in traditional areas, such as corporate risk management and compliance functions. • Corporate risk management roles and responsibilities are focused on risk reporting and compliance. • There may be some link to position descriptions, terms of reference, contracts and goals but this is not consistent across the agency. • Some senior business leaders may require assurance over their area of responsibility, but this is ad hoc across the agency. 	<ul style="list-style-type: none"> • Risk management roles and responsibilities are well understood and are generally incorporated into individual performance objectives. • Corporate risk management roles and responsibilities are focused on driving good practice across the agency and there is a senior risk management advisor to provide leadership and direction. • There is some evidence that good risk management behaviours are rewarded. • Senior business leaders routinely expect and request assurance over their area of responsibility, and may ask for ad hoc reviews.
Roles & Responsibilities		<ul style="list-style-type: none"> • Risk management is regarded as a core competency and risk management roles and responsibilities are explicitly incorporated into individual performance objectives with a high degree of consistency across the agency. • Corporate risk management roles and responsibilities are focused on optimising good practice across the agency and there is a head of risk / chief risk officer who is seen in the agency as the senior risk management advisor. • There is strong evidence that good risk management behaviours are rewarded. • Senior business leaders plan for assurance advice and reviews without being prompted. 	<ul style="list-style-type: none"> • Risk informed decision making is fully integrated into organisational values and behaviours and is visibly encouraged, supported and rewarded by senior business leaders. • Risk appetite discussions are supported by a range of qualitative and quantitative tolerances that include inter-agency, sector and AoG outcomes. • Risk appetite and the desire for innovation form an integral part of strategic planning and decision making processes and are regularly reviewed. • There is strong evidence of risk appetite being applied to strategic options analysis and contingency planning.
Continuous Improvement		<ul style="list-style-type: none"> • The effectiveness of risk management practices is independently reviewed every three to five years and benchmarked against a recognised achievement standard (such as this framework) as 'best in class'. • Inter-agency, sector and AoG risk management outcomes are fully integrated into business performance reporting to the senior leadership team. 	<ul style="list-style-type: none"> • The effectiveness of risk management practices is independently reviewed every three to five years and benchmarked against a recognised achievement standard (such as this framework) as 'best in class'. • Inter-agency, sector and AoG risk management outcomes are fully integrated into business performance reporting to the senior leadership team.
Roles & Responsibilities		<ul style="list-style-type: none"> • Risk management is regarded as a core competency and risk management roles and responsibilities are explicitly incorporated into individual performance objectives with a high degree of consistency across the agency. • Corporate risk management roles and responsibilities are focused on optimising good practice across the agency and there is a head of risk / chief risk officer who is seen in the agency as the senior risk management advisor. • There is strong evidence that good risk management behaviours are rewarded. • Senior business leaders plan for assurance advice and reviews without being prompted. 	<ul style="list-style-type: none"> • Risk informed decision making is encouraged and supported through internal communications with a clear link to organisational values and behaviours. • The risk appetite statement incorporates some system level risks in support of inter-agency, sector and AoG outcomes. • Risk information, beyond basic risk rating criteria, is used to challenge the senior leadership team on what tolerance levels should be, including the acceptable level of risk for different types of innovation. • Risk appetite and the desire for innovation are integrated into strategic planning and decision making processes through risk focussed discussions and analysis.

Processes & Tools	Resourcing, Skills & Training			
	Risk Assessment & Mitigation			
<ul style="list-style-type: none"> Limited resourcing is allocated to risk management activities. The agency has limited access to the skills and experience required to provide effective risk management. 	<ul style="list-style-type: none"> There are some gaps in the effectiveness of risk management activities due to insufficient resourcing. Risk management skills and experience are assessed at a high level for some key roles. Some ad hoc risk management training exists for key roles. 	<ul style="list-style-type: none"> 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 the senior leadership team. Structured risk management training is provided for all key roles. Risk management forms part of induction training for all management and staff. 	<ul style="list-style-type: none"> Resourcing is sufficient for the agency and supports some inter-agency, sector and AoG risk management outcomes. Risk management skills and experience for all key roles are regularly reviewed to ensure alignment with risk management outcomes and strategy. Risk management training needs are included in individual performance plans. There are mechanisms in place for keeping staff up to date with developments in risk management e.g. newsletters and other regular internal communications. 	<ul style="list-style-type: none"> Resourcing fully supports inter-agency, sector and AoG risk management outcomes Risk management skills and experience are optimised and continually improved. There are opportunities for secondments between the business and risk and assurance functions. There are mechanisms in place to measure the effectiveness of risk management training.
<ul style="list-style-type: none"> There is no common definition of risk across the agency. Risk assessment processes are informal and ad hoc with no clear linkage to business objectives. 	<ul style="list-style-type: none"> There is a common definition of risk that is focused on the 'downside' of risk: some definitions exist for different types of risk but the boundaries are not always clear. Risk assessment processes and templates are defined and may be applied in some key business units, but there is a lack of management buy-in in other areas. Risk measurement is largely subjective based on high level qualitative likelihood and impact criteria. Inherent and residual risk evaluations are undertaken but the link to control effectiveness is not clearly understood. Risk mitigation plans are based on reactive responses. 	<ul style="list-style-type: none"> There is a common definition of risk that recognises the 'upside' of risk and there is a formal risk categorisation model for the agency. Risk assessment processes and templates are defined and applied consistently across all key business units. There is some evidence of a data driven approach to risk measurement (e.g. based on internal management information). Inherent and residual risk evaluations taking into account the effectiveness of controls are sometimes undertaken. There is some evidence of alignment between risk mitigation plans and agreed tolerance levels for different types of risk. 	<ul style="list-style-type: none"> There is a common definition of risk and a formal risk categorisation model that recognises the agency's role in supporting inter-agency, sector and AoG outcomes Risk assessment processes and templates extend beyond the agency's boundaries to include some system level risks linked to inter-agency, sector and AoG 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. Inherent 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. 	<ul style="list-style-type: none"> There is a fully integrated risk management solution supporting an optimal risk and control framework that includes inter-agency, sector and AoG outcomes. Risk and control assessments are performed near time. Risk and control information is used to optimise insurance arrangements. There is strong evidence of alignment between risk mitigation plans and agreed tolerance levels for different types of risk. Cost-benefit analysis is performed to support prioritisation of risk mitigation plans.

Processes & Tools	Assurance				
	<ul style="list-style-type: none">Senior business leaders have limited understanding of the need for assurance over their areas of responsibility.The assurance framework (e.g. three lines of defence) is not formally documented.Assurance activities cover only a few operational risk areas of the agency, or are reactive to specific events.Controls and assurance activities are not formally considered when designing new systems, process and policies.Assurance needs are not formally aligned to the agency's risk profile and there is limited evidence of assurance results being used to inform risk assessments.	<ul style="list-style-type: none">Senior business leaders have some understanding of the need for assurance over their areas of responsibility.There is a formal assurance framework in place but limited evidence of coordination across the 'three lines of defence' internally to better integrate risk and assurance activities.Assurance activities are targeted at business unit operations on a cyclical basis and focus on historic transactional or systematic compliance.Compliance-focused control and assurance activities are considered when designing new systems, processes and policy.Assurance needs are somewhat aligned to the agency's risk profile and there is some evidence of assurance results being used to inform risk assessments.	<ul style="list-style-type: none">Senior business leaders are able to describe the areas across the agency that require assurance and how this is being obtained.There is a formal assurance framework in place and some evidence of coordination between the 'three lines of defence' both internally and with core delivery partners.Assurance activities are targeted at critical enterprise-wide functions and focus on controls assurance and systemic improvements.Risk assessments are undertaken when designing new systems, processes and policy, including for some core delivery partner activities.Assurance needs are generally responsive to changing agency risks and assurance results are consistently used to inform risk assessments, including across a range of core delivery partner activities.	<ul style="list-style-type: none">Senior business leaders understand the quality and amount of assurance required across the agency and this extends to some system level risks in support of inter-agency, sector and AoG outcomes.There is an effective assurance framework with good coordination between the 'three lines of defence' both internally and externally in support of some inter-agency, sector and AoG outcomes.Assurance activities are multi-layered and targeted at agency outcomes, including in support of some inter-agency, sector and AoG 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.	<ul style="list-style-type: none">Senior business leaders obtain the right quality and amount of assurance and promote a strong assurance culture including in support of inter-agency, sector and AoG outcomes.There is a fully integrated assurance framework in place with seamless coordination between the 'three lines of defence' internally and externally in support of inter-agency, sector and AoG outcomes.Assurance activities fully support inter-agency, sector and AoG outcomes and focus on improving performance across the system.Automated assurance activities are embedded into new systems, processes and policy.Assurance is forward-looking and assurance providers anticipate risks and expect priorities to change.
	<ul style="list-style-type: none">There is limited coordinated collection of risk data from business units.There is limited formalised monitoring or reporting of risk information to support decision making or management action.	<ul style="list-style-type: none">Risk data collection is formalised and coordinated on an annual basis. This is largely viewed as a compliance requirement and the quality of risk data is variable.Risk data is aggregated across the agency to create a bottom-up view of the top risks faced by the agency which is presented to the senior leadership team.There is some review of risk information to assist with decision making and management action.	<ul style="list-style-type: none">Risk data collection is formalised and coordinated on a regular basis e.g. every three to six months. There is some quality review of risk data to address duplications, inconsistencies and gaps.Aggregated risk data is supplemented by a top down assessment of strategic risks to give an enterprise-wide view of the top risks faced by the agency.Senior business leaders regularly review risk information to assist with decision making and management action.	<ul style="list-style-type: none">There is some use of technology to improve the quality and consistency of risk data collection and automate risk monitoring and reporting.There is increasing use of semi-quantitative approaches to risk aggregation.There is an enterprise-wide view of the top risks faced by the agency that includes strategic risks and some system level risks in support of inter-agency, sector and AoG outcomes.Risk monitoring and reporting is aligned to the agency's risk appetite framework to assist with decision making and management action.	<ul style="list-style-type: none">Risk data collection, aggregation, monitoring and reporting is frequent, automated and fully integrated with the agency's risk appetite framework.Risk reporting is easily able to be tailored to meet the needs of inter-agency, sector and AoG stakeholders.Risk reporting has a distinct forward looking view using leading risk indicators, to assist with proactive decision making and management action.

Business Performance		Strategic Risk Management		Managing Risk in Partnerships	
	<ul style="list-style-type: none">• There is limited integration of risk management into the strategic planning cycle.	<ul style="list-style-type: none">• The strategic planning cycle includes a review of the agency's top risks.• There is some evidence of strategic risks and opportunities being documented in the agency's strategic plan but there is no refresh of the agency's top risks based on strategic planning outcomes.• Strategic risk contingency planning to safeguard the strategic and hedge delivery of business outcomes is not undertaken.	<ul style="list-style-type: none">• The strategic planning cycle includes a review of the agency'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 agency's top risks is undertaken based on strategic planning outcomes.• There are some risk contingency plans in place to safeguard the strategy and hedge delivery of business outcomes.	<ul style="list-style-type: none">• The strategic planning cycle includes forward-looking scenario analysis to identify new and emerging risks, including some system level risks in support of inter-agency, sector and AoG outcomes.• There is strong evidence of strategic risks and opportunities being documented in the agency's strategic and long term investment plans with a formal process for capturing new and emerging risks.• Some key external trends and indicators have been identified but are not actively monitored by the senior leadership team.• Risk contingency plans are in place to safeguard the strategy and hedge delivery of business outcomes.	<ul style="list-style-type: none">• Strategic risk management practices are independently reviewed every three to five years and benchmarked against a recognised achievement standard as 'best in Class'.• Key external trends and indicators are actively monitored and their impact on the agency's business outcomes is regularly assessed by the senior leadership team.• Strategic risk contingency plans are continuously reviewed and updated.
	<ul style="list-style-type: none">• There is no clear definition of what a 'partner' is or what 'partnering' involves.• There is no formal partnering policy providing guidance on how to manage partner related risks.	<ul style="list-style-type: none">• 'Partner' is defined at a high level and a group of core partners has been identified.• There is a basic partnering policy in place that addresses how to identify, assess and manage risks.• Risk and reward trade-offs may be applied informally in individual contracts.• There is some evidence of risk and performance monitoring of partners.	<ul style="list-style-type: none">• The agency 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.	<ul style="list-style-type: none">• The agency has a formal partner scoring model in place that covers all key aspects of risk and performance.• The partner scoring model is used to differentiate levels of monitoring and partner authority / delegation.• Risk and reward trade-offs are articulated across a range of partners and are routinely applied in contracts.• There is strong evidence of risk and performance monitoring of partners, including some integrated testing of contingency arrangements between different partners.	<ul style="list-style-type: none">• Partnering practices are independently reviewed every three to five years and benchmarked against a recognised achievement framework as 'best in Class'.• Risk and reward trade-offs are clearly articulated across a wide range of partners and systematically applied.• Contingency arrangements with partners are continuously reviewed and updated.

Business Performance						
Change & Transformation	Business Resilience	<ul style="list-style-type: none">• There is no formal process for assessing the potential impacts of disruptive or extreme events (e.g. environmental, social, economic, technological changes).	<ul style="list-style-type: none">• Disruptive and extreme events are assessed but not on any regular basis.• Assessment of impacts is high level and predominantly routine in nature.• There is limited alignment between disruptive and extreme event assessment and BCP / DRP planning as well as longer term investment planning.• There is no systematic 'feedback' loop to actively learn from disruptive or extreme events.	<ul style="list-style-type: none">• Disruptive and extreme events are assessed on a regular basis using stress testing and scenario analysis.• Potential reputational, financial and business impacts are comprehensively assessed.• There is some alignment between disruptive and extreme event assessment and BCP / DRP planning as well as longer term investment planning.• There is some evidence of 'feedback' in the wake of extreme or disruptive events which is used to make improvements.	<ul style="list-style-type: none">• 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.	<ul style="list-style-type: none">• There is a fully integrated and ongoing programme of actions and interventions that support business resilience, including facilities and tools to support new knowledge and technologies, cross-agency and partner collaboration, and incentives for improving resilience.
		<ul style="list-style-type: none">• There is no clear definition of what constitutes a 'significant change' or formal process for assessing related risks.	<ul style="list-style-type: none">• There is a basic process to assess the risks associated with significant change initiatives but this is applied informally and no independent assurance is sought.• There is limited evidence of a portfolio view of risk related to significant change initiatives.	<ul style="list-style-type: none">• There is a formal definition of what constitutes a 'significant change', including new services, business models and other strategic 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.	<ul style="list-style-type: none">• The agency has a formal approach in place that allows risk and reward trade-off decisions across the agency's entire portfolio of change initiatives to be made in line with the agency's risk appetite.• The monitoring and assurance regime is regularly reviewed and updated to reflect changes to the risk profile of significant change initiatives.• There is good evidence of a portfolio view of risk related to significant change initiatives that includes active monitoring against the agency's risk appetite.	<ul style="list-style-type: none">• P3M3 practices are independently reviewed every three to five years and benchmarked against a recognised achievement standard as 'best in class'.• There is very strong evidence that risk and reward trade-offs across the agency's entire portfolio of change initiatives are clearly articulated and systematically applied.• The monitoring and assurance regime is continuously reviewed and updated.

KEY	
	Where PNCC currently sit in terms of maturity
	The target maturity PNCC should reasonably aim for
Orange Font	The elements of the next maturity level that PNCC currently does not meet and should focus on to progress

Appendix 2: Risk Appetite & Tolerance

Current Risk Appetite

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.

Risk Category	Risk Appetite								
	Adverse			Neutral			Seeking		
	1	2	3	4	5	6	7	8	9
Financial Generally related to risks to money and assets.									
Legal/Compliance The risk that the Organisation is deemed to have violated a law or regulation or risk or loss because of regulatory or legal actions.									
Environmental Adverse effects on living organisms and/or the environment.									
Health, Safety & Wellbeing The potential for harm to come to people. Includes physical security.									
Reputational Potential for a major adverse event that threatens the Organisation's reputation.									
Service Delivery Failure of a process, such as a human error, can give rise to the non-delivery of service, activity or project.									
Performance and Capability Lack of people, capital or inappropriately trained people.									
Cultural The risks that arise because of monocultural local government systems not responding to the diverse communities they serve.									

Adverse: Avoidance of risk must be the priority, with minimal risk exposure and maximum treatment effort required.

Neutral: Risk exposure is not preferred but is recognised as part of achieving objectives.

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

Current Risk Tolerance

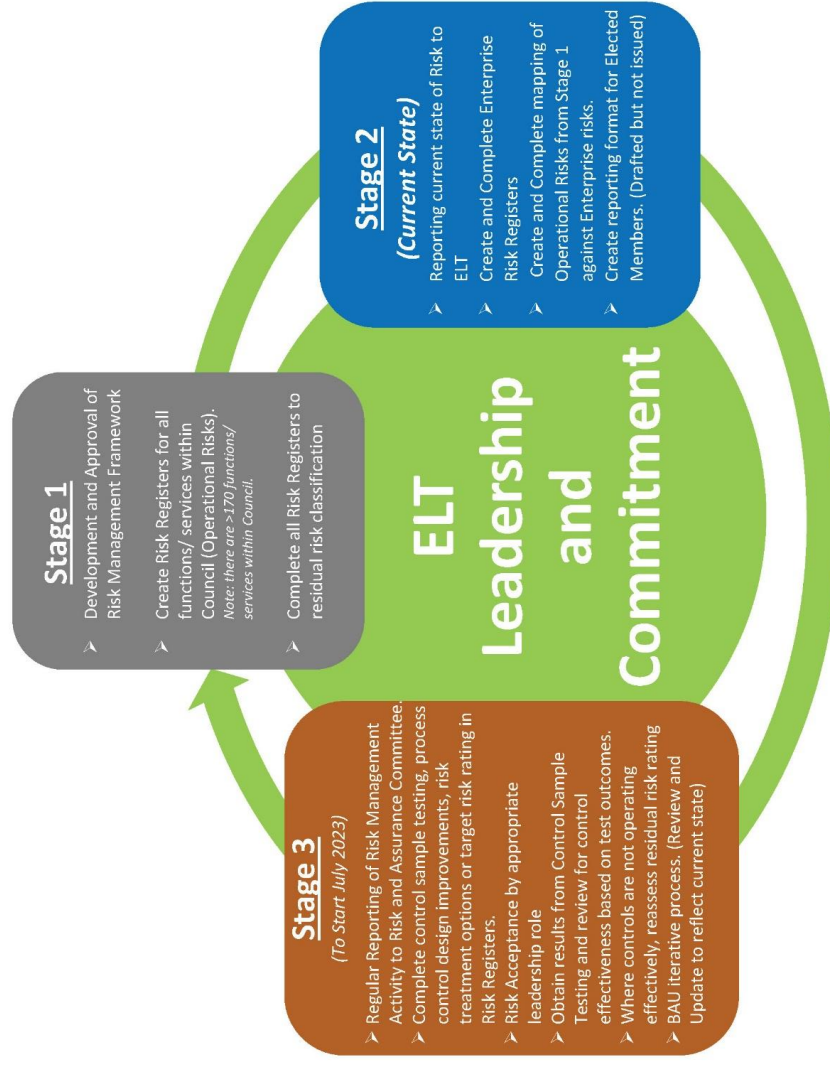
The Organisation defines **Risk Tolerance** as the level of risk-taking acceptable to achieve a specific objective or manage a category of risk.

Risk Category	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.

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.

Appendix 3: Management's Plan for Risk Framework Rollout



Appendix 4: Interviewees

Name	Current Job Title
Aleisha Rutherford	Elected Member (Former)
Brent Barrett	Elected Member
Grant Smith	Mayor
Karen Naylor	Elected Member
Lorna Johnson	Elected Member
Susan Baty	Elected Member (Former)
Vaughan Dennison	Elected Member
Chris Dyhrberg	Chief Customer Officer
Sheryl Bryant	Assistant Chief Executive (Former)
Cameron McKay	Chief Financial Officer
David Murphy	Chief Planning Officer
Sarah Sinclair	Chief Infrastructure Officer (Former)
Donna Baker	Acting Assistant Chief Executive
Kathy Dever-Tod	Group Manager Parks and Logistics
Ryan Eames	Head of Digital Solutions
Jono Ferguson-Pye	City Planning Manager
Desiree Harvey	Legal Counsel
Bryce Hosking	Group Manager Property
Sue Kelly	Manager - Project Management Office
Julie Macdonald	Strategy and Policy Manager
Jason McDowell	Head of Risk and Resilience
Stephen Minton	Risk Management Advisor
Steve Paterson	Strategy Manager Finance
Selwyn Ponga-Davis	Safety and Health Manager
Peter Roberts	Customer Contact Manager
Leigh Sage	Building Services Manager
Todd Taiepa	Principal Maori Advisor
Hannah White	Democracy and Governance Manager
Rob Weber	Procurement Manager

Appendix 5: Acronyms Used

PNCC - Palmerston North City Council	ISO - International Organization for Standardisation
Council - Palmerston North City Council	RAC - Risk and Assurance Committee
RMA - Risk Management Advisor	LTP - Long Term Plan (10 Year Plan)
EMs - Elected Members	Agency - organization providing a particular service on behalf of the NZ government
ELT - Executive Leadership Team	eg - example
AoG - All of Government	BCP - Business Continuity Planning
TOR - Terms of Reference	DRP - Disaster Recovery Planning
etc - et cetera (meaning: and the rest)	P3M3 - Portfolio, Programme, and Project Management Maturity Model.
HoRR - Head of Risk and Resilience	BAU - Business as Usual

MEMORANDUM

TO: Risk & Assurance Committee

MEETING DATE: 26 April 2023

TITLE: Business Assurance Accountability Report

PRESENTED BY: Masooma Akhter, Business Assurance Manager

APPROVED BY: Donna Baker, Acting Chief Executive Unit Manager

RECOMMENDATION(S) 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 26 April 2023.
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1. ISSUE

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

2. BACKGROUND

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.

Where an external review/audit has been completed and reported to the Risk & Assurance Committee, the recommendations will form part of the accountability report.

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. AUDIT NZ – DIA UPDATE

A modification to the financial statements audit report was noted due to PNCC not recording all complaints per DIA's current definition of a 'Complaint' for the mandatory measures.

Similar to 2020 and 2021, PNCC will continue to receive modified audit opinions until either DIA provide updated guidance or we change our internal processes and systems to meet the requirements of the current guidance in place.

In June 2022, Council resolved to await DIA guidance and maintain status quo, rather than developing a business case to substantiate the resource requirements to comply with the existing DIA guidance.

DIA's mandatory measures guidance remains the same since we brought the decision to council in June 2022. The DIA are currently reviewing their guidance regarding mandatory measures, consequently, it is uncertain when this will be completed or what the expected changes will be.

The DIA wrote a letter to the Office of the Auditor General (OAG) on 21 Oct 2022; the key points raised in the letter were:

- The DIA acknowledged that they believe there is some ambiguity in the guidance and have been working with key stakeholders to update the guidance.
- The DIA acknowledged the considerable work that affected councils have undertaken over the last two years to try and address these issues, both through changing reporting practices and developing a proposal to update the guidance.
- It is anticipated that the Three Waters reforms will remove water supply, sewerage and the treatment and disposal of sewage services from Council provision from 1 July 2024. Therefore, there is only one additional year for which these rules will apply – 2023/24
- Although DIA cannot intervene in audit decisions, they would support a recommendation for the OAG to treat the issues identified around the reporting of NFPM rules as a matter of emphasis rather than continuing to give affected councils a qualified audit opinion.

It is PNCC's understanding that the OAG have not yet provided a response to DIA's letter. The Chief Customer Officer is maintaining proactive contact with DIA regarding this issue.

4. NEXT STEPS

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

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.

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual: Committee Terms of Reference 4.		Yes
Are the decisions significant?		No
If they are significant do they affect land or a body of water?		No
Can this decision only be made through a 10 Year Plan?		No
Does this decision require consultation through the Special Consultative procedure?		No
Is there funding in the current Annual Plan for these actions?		Yes
Are the recommendations inconsistent with any of Council's policies or plans?		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	Business Assurance aims to help the Council succeed by building trust and confidence in the core controls relied on by management.	

ATTACHMENTS

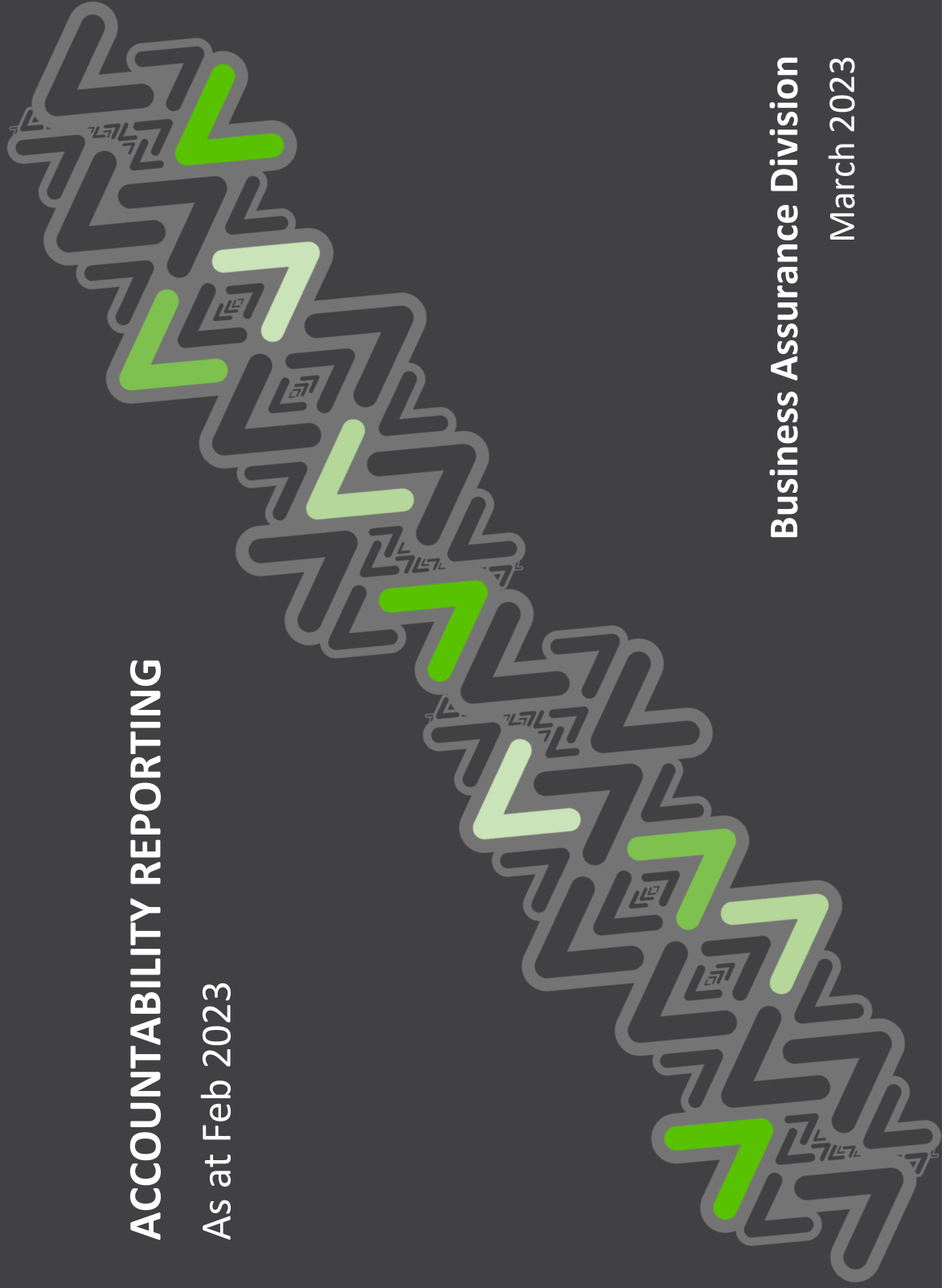
1. Accountability Report [↓](#) 

ACCOUNTABILITY REPORTING

As at Feb 2023

Business Assurance Division

March 2023



Compilation

Details of items making up the current status have been categorised by audit programme. Further details on items overdue are presented in the section of the audit programme they originated from. Audit Programmes have been presented from earliest to most recently completed.

Review Programme	Not Started	In Progress	Completed	Total	Ref Pg.
Audit NZ	6	14	8	28	2-4
Business Continuity Planning Review – Stage 1	-	6	6	12	5
PMO (Project Management Office) Review	-	11	11	22	6-7
Procurement Review	4	9	2	15	8-9
Delegations Review	-	3	3	6	10
EM-ELT Cultural Survey	1	2	6	9	11
Asset Management Maturity Assessment (AMMA) Review	2	24	5	31	12-14
Total Actions	13	69	41	123	

Sustainability Review:

This review was presented to Finance & Audit in September 2022. Management have developed an action plan however this has not been agreed to by our division and therefore has not been included in this report. It is intended that this will be consulted further and once agreed, presented to Governance for approval.

Audit NZ – Items Raised in the Year End 2019 Management Report

Review Programme	Not Started	In Progress	Completed	Total
Audit NZ	6	14	8	28

Ref	Recommendation	Owner	Initial Due date	Current Due Date	Status	Management Comment
1-6	Mandatory performance measures (6 Recommendations) <ol style="list-style-type: none"> 1. Continue to review the effectiveness of current reporting and systems to accurately capture the underlying data and to ensure the data is complete. 2. Perform a regular weekly quality review of data entered the Request for Service (RFS) system in relation to complaints, service requests and response times 3. Ensure data fields include information to clearly show why data has been amended or re categorised 4. Document any calls that are excluded as DIA service requests or complaints. 5. Continue to review Department of Internal Affairs' guidance to ensure that the data being captured and reported meets the mandatory reporting requirements. 6. Ensure there is a system in place to check contractor times recorded are accurate instead of relying solely on the time that the contractor/staff noted. 	TaDS / CCS	Not yet Determined	Not yet Determined	Not Started	See comment in attached memorandum.
7-12	Procurement (6 Recommendations) <ol style="list-style-type: none"> 1. That conflict of interest declaration forms are completed 2. Staff who are involved in procurement are aware of the different types of conflict of interest and how these should be managed 	Procurement Manager/ Legal Counsel	Not yet Determined	Not yet Determined	In Progress	Pending Audit NZ's 30 June 2022 Management report clarifying whether this recommendation remains relevant

	<p>3. Declaration forms be treated as a live document and they are updated numerous times throughout the procurement.</p> <p>4. A procurement strategy or plan to be completed for every significant project prior to tendering which includes maintenance or operations contracts.</p> <p>5. An analysis of procurement risk as part of procurement planning so that risks can be identified, avoided or appropriately managed.</p> <p>6. There is evidence that the processes at key stages has been conducted fairly and appropriately, including finalising non price scoring prior to opening the price envelope</p>					
13	<p>Contract management</p> <p>We recommend:</p> <ol style="list-style-type: none"> 1. The City Council consider whether a whole of Council contract management system would be useful. 2. Ensure completeness and accuracy of data information on the contract management system. Also, review the data that is being placed there. 3. Ensure consistency of what is retained on the contract management system by formally documenting the required documents that are needed on the system. 	ELT	Not yet Determined	Not yet Determined	In Progress	Pending Audit NZ's 30 June 2022 Management report clarifying whether this recommendation remains relevant
14	Financial statements reconciliations for June Year End should be prepared in a timely manner and independently reviewed.	CFO	Jul-22	Jul-23	In Progress	PNCC are of the opinion that this is currently being done. Pending Audit NZ's 30 June 2022 Management report clarifying whether this recommendation remains relevant.
15	All financial statements reconciliations for rest of the year should be prepared in a timely manner and independently reviewed.	CFO	Jul-22	Jul-23	In Progress	A new policy and procedure is being created to help with defining timeliness on

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						different reconciliations based on risk of misstatement.
16	Ensure the financial instrument accounting policies disclosed are updated to be consistent with the requirements of PBE IPSAS 41;	CFO	Jun-22	Jul-23	In Progress	PBE IPSAS 41 is Effective for reporting periods beginning on or after 1 Jan 2022. The first financial year PNCC will adopt this is 1 July 2022 - 30 June 23.
17	Business Continuity Plan (BCP) should be finalised and re-tested. Plans be regularly updated and tested.	HoRR	Jun-22	Jul-23	In Progress	Consultant engaged to train and run exercises with Crisis Management Team and Units
18	Gifts, inducements and rewards policy overdue for review.	CPPO	Aug-21	Jun-23	In Progress	Lack of resourcing and priority. This policy was pending completion of the sensitive expenditure policy for alignment before progressing.
19	Use of Council vehicles policy overdue for review	ELT	Jun-21		In Progress	
20	Conflicts of interest policy overdue for review	Legal Counsel	Jun-21	Jun-23	In Progress	A policy has been drafted, an implementation plan is being considered.
21	Expenses Policy overdue for review	CFO	Dec-21	Oct-22	Completed	
22	PNCC to ensure that there is a baseline set for the measure "Achieve a positive city reputation". To also ensure there are systems in place to ensure this measure can be reported against in the 30 June 2022 annual report.	HoMC	Jun-22	Jun-22	Completed	

Business Continuity Planning Review, Stage 1 – Items Raised in August 2020

Review Programme	Not Started	In Progress	Completed	Total
Business Continuity Planning	-	6	6	12

Recommendation	Priority	Owner	Initial Due date	Current Due Date	Status
Call centre risk – review plans against a range of scenarios	High	HoRR	Sep-20	Jul-23	In Progress
Looking after staff: Implement Text Blast to all Staff	High	HoRR	Dec-20	Jul-23	In Progress
Where we rely on external partners to deliver services, we need to ensure our BCPs are aligned	High	HoRR	Dec-20	Jul-23	In Progress
Looking after staff: Train managers and team leaders on their immediate response to emergency events	High	HoRR	Dec-20	Jul-23	In Progress
That exercises are run across the Council at least annually using a range of scenarios	High	HoRR	Dec-20	Jul-23	In Progress
Plan what staff may be required where and backfilling plans (delegations / training) (ELT to Decide	High	HoRR	Dec-20	Jul-23	In Progress
BCPs to be enhanced, made more useful and relevant	High	HoRR	Mar-21	Sep-22	Completed
Review of service restoration times in the context of a crisis event	High	HoRR	June-21	June-22	Completed

Management Comment by Head of Risk and Resilience:

Good progress has been made with Business Continuity, finalised BCPs have been distributed to all Managers prior to Christmas. Training and exercising will take place in the coming months. An opportunity to use these new processes will be provided with the implementation of the Ozone replacement this June.

PMO Review – Items Raised in December 2020

Review Programme	Not Started	In Progress	Completed	Total
PMO Review	-	11	11	22

Action Plan (Recommendation)	Priority	Owner	Initial Due date	Current Due Date	Status Feb 23
The PMO manual should be finalised and approved by the CIO	High	PMOM	Mar-21	May-23	In Progress
That a suitable project management portfolio tool is invested in to assist the PMO to meet its goals and objectives.	High	ELT/ PMOM	TBD	July 2023	In Progress
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.	High	CIO	Jun-21	Jun-23	In Progress
In the 'Develop' phase a more detailed project plan should be completed.					
Fast track the new procurement and contract management system's implementation and associated training and knowledge resources.	High	CFO	Mar-21	May-23	In Progress
That adequate risk management training is offered to all Project Managers	High	HoRR	Jun-21	Dec-23	In Progress
Update the PMO manual to include the role and responsibility of the CFO, the internal Communications Advisor and Strategy & Planning unit (being a centre of excellence for external consultation).	Medium	PMOM	Mar-21	May-23	In Progress
The financial information presented to PRB should be updated to include commentary on any current or forecast variation.	Medium	PMOM	Mar-21	May-23	In Progress
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.	Medium	CIO	Jun-21	Jun-23	In Progress
If the benefits are only realised after the project has closed down, then a mechanism to continue tracking their realisation should be established.	Medium	CIO	Mar-21	Jun-23	In Progress

Determine, when and how, benefits realisation will be reported to the ELT and Elected Members.	Medium	CIO	Jun-21	Jun-23	In Progress
Established a process to capture learnings from contractor, supplier and Project Manager performance.	Medium	CIO	Jun-21	Jun-23	In Progress
That central planning of internal resources is led by the PMO division. All programmes and projects should be allocated to the PMO division. The PMO Manager should then use a complexity tool (under development) to determine which Project Manager is best suited to carry out the work, regardless of which division they usually report to.	High	CIO	Mar-21	Jul-22	Completed
That a stakeholder mapping exercise is undertaken, and the stakeholder management plan finalised.	High	PMOM	Mar-21	Sep-22	Completed
That procurement plans are completed for all programmes and projects during the Develop/Execute phase.	High	PMOM	Mar-21	Dec-22	Completed
A quality management plan should be produced during the Develop phase outlining how, and by whom, key outputs from the projects will be reviewed, tested and accepted, this should then be embedded into the project schedule.	High	PMOM	Jun-21	Dec-22	Completed

Management Comment by PMO Manager:

The teams within infrastructure are working together to consolidate and document staff role and process changes developed gradually over the past fourteen months. These changes have resulted in incremental improvements to the way in which projects are planned and delivered. They will be reflected in the revised set of Project Management Framework and process documents currently being drafted. They will be reflected in the processes being embedded in the proposed new project management tool which will support project delivery and reporting. Request for proposals for the new project management tool are currently on GETs. Once procured there will be a change management process put in place to enable effective use of the Project Management Framework, processes, PM Tool and templates.

Procurement Review - Items Raised in August 2022

Review Programme	Not Started	In Progress	Completed	Total
Procurement Review	4	9	2	15

Action Plan (Recommendation)	Priority	Owner	Initial Due date	Current Due Date	Status Feb 23
Undertake regular spot checks and report results through finance dashboard to ELT.	Medium	Procurement Manager	Jun-23	Jun-23	Not Started
Review OAG goods and services contract template and endorse for PNCC use.	Medium	Legal Counsel	Dec-22	Sep-23	Not Started
Develop a checklist to support contract variations that will also assist in determining when legal advice should be sought.	Medium	Legal Counsel	Dec-22	Jun-23	Not Started
Develop guidelines on contract management and incorporate into the procurement framework.	High	Procurement Manager	Dec-22	Sep-23	Not Started
That the policy framework processes are applied to the consideration of the best response to communicating Council direction on procurement principles. Most likely through a Governance Policy.	Medium	Procurement Manager	Mar-23	May-23	In Progress
Incorporate procurement training into the Elected Member triennium training programme.	Medium	DaGM	Oct-22	Jun-23	In Progress
Complete and roll-out an updated management procurement policy and framework.	High	Procurement Manager	Dec-22	May-23	In Progress
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.	High	CFO	Dec-22	May-23	In Progress
Procurement division to define levels of service provided by the division and obtain endorsement from ELT.	High	Procurement Manager	Dec-22	Jun-23	In Progress

Current procurements will be pulled from each business unit and updated throughout the year to present an overview of PNCC procurement activities.	High	Procurement Manager	Dec-22	Jun-23	In Progress
Change management plan should be prepared for the roll out of the procurement policy and framework.	Medium	Procurement Manager	Dec-22	Jun-23	In Progress
To add a live link to the portal (that has all the templates on it) on the Sauce.	Low	Procurement Manager	Dec-22	May-23	In Progress
Prepare a plan to develop preferred supplier panels. Starting with the Planning Unit.	Low	Procurement Manager	Aug-22	Jun-23	In Progress
Develop guidelines on when and how marketing plans should be completed for procurements.	Low	Marketing Manager	Dec-22	Dec-22	Completed
Workshop procurement principles with Elected Members. This should cover a discussion on how we can support local capability.	High	Procurement Manager	Nov-22	Nov-22	Completed

Management Comment by Procurement Manager:

The procurement review recommendations are tracking in the right direction with all actions underway. Due to staff challenges, timelines have shifted but are all expected to be completed within due dates proposed. Strong engagement across the organisation has allowed procurement action plans to develop. Key is the successful roll out of the procurement portal which will underpin the behaviour changes required for PNCC to mature in the procurement space.

Delegations Review - Items Raised in August 2022

Review Programme	Not Started	In Progress	Completed	Total
Delegations Review	-	3	3	6

Action Plan (Recommendation)	Priority	Owner	Initial Due date	Current Due Date	Status Feb 23
Update Delegations Made by Chief Executive Manual	High	DaGM	Mar-23	Jul-23	In Progress
Develop Framework to support Delegations Made by Chief Executive Manual	High	DaGM	Mar-23	Mar-23	In Progress
Update Council Delegations Manual	High	DaGM	Mar-23	Jun-23	In Progress
Update Council Delegations Manual – Administrative Changes Only	High	DaGM	Nov-22	Nov-22	Completed
Elected Member Workshop - options analysis provided to Elected Members for consideration and direction obtained	High	BAM	Nov-22	Nov-22	Completed
Ownership for Delegations Made by Chief Executive Manual	High	CE	Aug-22	Aug-22	Completed

Management Comment by Democracy and Governance Manager:

In November, Council agreed several revised sections in the Delegations Manual to ensure it matched the new structures of Council. A workshop on financial delegations in November helped shape draft financial delegations. We expect revision of the financial delegations section of the Delegations Manual to be presented to Council for debate and agreement by June, due to a busy Council work schedule. The 'Delegations made by the Chief Executive Manual' and its associated implementation framework is being designed in parallel to the Kotuia Project roll out for 1 July 2023.

EM-ELT Culture Survey (working environment) Review - Items Raised in September 2022

Review Programme	Not Started	In Progress	Completed/ Accept Risk	Total
EM-ELT Culture Survey Review	1	2	6	9

Action Plan (Recommendation)	Priority	Owner	Current Due Date	Status Feb 23
Develop an organisational health dashboard that covers the elements of Employee Experience, Health and Safety, Risk and Resilience, Infrastructure CapEx Pipeline, Performance and Progress	Medium	CPPO	Apr-23	Not Started*
Establish development plans for Elected Members	High	DaGM	Jun-23	In Progress*
Undertake review of the Quarterly report presented by Finance and see how this can be improved	High	CFO	Oct-22	Completed*
Review and revise EM code of conduct.	High	DaGM	Sep-22	Completed
Develop an Induction Programme inclusive of elements highlighted in the Culture Review Report	High	DaGM	Dec-22	Completed
Add EM and ELT meetings into the global diary in advance	High	CE	Apr-23	Completed*
Performance management process to be put in place for the CE	Medium	DaGM	Mar-23	Completed
Relationship coach be appointed to support CE and Mayor	High	DaGM	Mar-23	Accept Risk^
Mayor to determine if he would like a formal criteria to be put in place for the allocation of Elected Members leadership roles	High	Mayor/DaGM	N/A	Accept Risk*

^With the appointment of the new CE, there has been no reason to suggest that this step is necessary or will add value at this point.

*These were only suggested improvements and not formal recommendations. This suggests that they are lower risk and more value add.

Note: Following the release of this report, Business Assurance facilitated the development of an action plan, the above actions were agreed with the acting Chief Executive at the time.

Asset Management Maturity Assessment Review - Items Raised in August 2022

Review Programme	Not Started	In Progress	Completed	Total
Asset Management Maturity Assessment	2	24	5	31

Action Plan (Recommendation)	Priority	Current Due Date	Status Feb 23
Conduct LoS workshops with Councillors. Present options aligned with organisational strategies and include discussion of costs and risks against different service levels.	■	June 2025	Not Started
Review the policy threshold for open market tenders	■	July 2025	Not Started
Develop separate wastewater and stormwater development plans and explore the impact of different development scenarios and management strategies.	■	June 2024	In Progress
Review transport levels of service performance measures and develop options for the next LTP round.	■	December 2026	In Progress
Develop programme and implement bridge condition assessments.	■	April 2024	In Progress
Develop asset management plans that are more focused on the transport corridor and reallocating space, and align the Network Operating Plans to the AMP.	■	August 2024	In Progress
Develop LoS scenarios to test through the Waste Minimisation Management Plan (WMMMP) and Long Term Plan (LTP) processes.	■	December 2026	In Progress
Undertake review of new growth areas in the future to determine number of trucks, staff, estimate waste volumes and impact on recycling	■	June 2024	In Progress
Complete condition assessment of Material Recovery Facility (MRF) and any other critical assets	■	April 2024	In Progress
Review asset data and determine where gaps are. Work with new asset data team to fill gaps	■	June 2024	In Progress
Review property levels of service performance measures and develop options for the next LTP round.	■	December 2026	In Progress
Undertake further condition assessment training to enable staff to rate condition.	■	April 2024	In Progress
Review parks levels of service performance measures and develop options for the next LTP round.	■	December 2026	In Progress

Complete community needs assessments prior to the next LTP.	■	December 2023	In Progress
Ensure that the responsibilities of each division - ownership, management and funding of Council assets, is clearly articulated in AMPs and/or policy.	■	June 2024	In Progress
Review the levels of service for each activity through customer engagement to identify areas for change prior to the next LTP.	■	December 2026	In Progress
Cost and evaluate the level of service options resulting from the customer engagement.	■	December 2025	In Progress
Complete the asset criticality identification and align processes for inspection frequency, response time and interventions to the criticality of assets.	■	December 2023	In Progress
Develop a programme and a process for updating the SAMP	■	December 2023	In Progress
Embed standard operating policies, processes, and procedures for documenting and escalating new risks to provide a consolidated and consistent view across all activities	■	June 2026	In Progress
Each of the activities needs to develop processes to centrally develop and track proactive maintenance schedules	■	October 2023	In Progress
Develop business case process to ensure cases progressively become more detailed as they progress through the project investigation, feasibility and detailed design stages	■	June 2024	In Progress
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.	■	December 2024	In Progress
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.	■	December 2024	In Progress
Continue to build asset management competencies through industry training, conference participation, mentoring and job-related experience.	■	April 2025	In Progress
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.	■	April 2024	In Progress
Prioritise the number of improvement items to a manageable three year list with other items on a list for future years, and programme in a rolling update process.	■	-	Completed
Assess risk of stormwater flooding due to climate changes and the impact of demand resulting from infill development on existing infrastructure	■	-	Completed
Reconfigure IPS system to improve functionality, especially around the capture of condition data.	■	-	Completed
Secure approval for the Palmerston North Integrated Transport Initiative (PNITI).	■	-	Completed

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Establish a formalised decision-making process to prioritise LTP and annual plan projects and programmes across Council, which aligns with strategies and is supported by reliable data.	■	-	Completed
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Management Comment by Asset Management Planning Manager

As noted in the comment for the August 2022 report on the Asset Management Maturity Assessment (AMMA) these actions represent the most significant items in terms of effort and importance to overall asset management maturity.

These actions have now been folded into the much larger Asset Management Improvement Plan (AMIP) but have been tagged to ensure that their significance is not lost. The target dates for the actions are part of this overall improvement plan.

As part of this prioritisation and programming actions were identified that could be completed as part of the current revision of the Strategic Asset Management Plan and Asset Management Plans. This is to make efficient use of scarce resources.

Resourcing required for the ongoing actions will be further considered as part of the Long-Term Plan process and the revision of the operating programme for the AMIP. This budget will need to be revised to consider the continual improvement nature of asset management maturity.

In order to effect lasting improvements in asset management practice the changes need to be fully considered and carefully managed. Enduring organisational change in asset management practice will be continual. Firstly, to attain the desired state of maturity, and then to maintain it.

Change management is an important part of, and will continue to inform, our strategy to progress the AMIP. The capability to absorb and give effect to the change associated with AMIP tasks will vary across the different parts of the organisation at different times. Many of the target dates for the actions will rely on different parts of the organisation working together to improve asset management maturity.

To monitor the asset management maturity of Palmerston North City Council will continue to audit our maturity with an AMMA every three years. The next AMMA will be carried out in 2025.

Key:		
Owner – Role responsible for progressing and completing the item raised.		TaDS – Transport and Development Manager
CCS - Customer Contact Manager		CPPO – Chief People and Performance Officer
HoRR – Head of Risk and Resilience		CFO - Chief Financial Officer
ELT – Executive Leadership Team		PMOM – Project Management Officer Manager
HoMC – Head of Marketing and Communications		DaGM – Democracy and Governance Manager
BAM - Business Assurance Manager		SHM – Safety and Health Manager
CIO – Chief Infrastructure Officer		EEM – Employee Experience Manager

MEMORANDUM

TO: Risk & Assurance Committee

MEETING DATE: 26 April 2023

TITLE: Health, Safety and Wellbeing Report, July to September 2022 (Q1 2022)

PRESENTED BY: Danelle Whakatihi, Chief People & Performance Officer

APPROVED BY: Waid Crockett, Chief Executive

RECOMMENDATION(S) TO RISK & ASSURANCE COMMITTEE

1. That the memorandum titled 'Health, Safety and Wellbeing Report, July to September 2022 (Q1 2022)' presented to the Risk and Assurance Committee on 26 April 2023, be received for information.
-

1. EXECUTIVE SUMMARY

The area for focus during this period has involved communicating our intention to revisit Safety across the Palmerston North City Council leadership (with reference to the audit recommendations within the Deloitte and SafePlus reports).

Notable highlights over the reporting period include:

- Progression of the CE's Commitment Statement – Āhurutanga / Safe Space.
- Development of the Health and Safety Representative roles and responsibility.

Looking forward:

- Progression of an appropriate Safety audit tool to be drawn upon by our leaders and added to reports.
- Inspections and Reviews with managers (with reference to the Deloitte report recommendations).
- Review of the PeopleSafe system as part of the change management project.
- Progression of the Frontline Safety Project / Charter.
- Launching of the Frontline Safety in action initiative through the Employee Experience team. The project is about putting training and plans in place to support and protect front line interacting staff.

- Employee Experience unit: Release of the Umind app – proactive, preventative approach to mental health with expert tools and techniques; leader training – understanding mental health in the workplace.
- Comprehensive fire safety training (late October) to learn the science and types of fire, how to properly use a fire extinguisher, and how to understand / implement a fire response plan.

2. REPORT

This report covers the period 1 July to 30 September 2022. The information included in this report is discussed at the relevant Health and Safety Committees.

A. Hazards, Incidents and Near Misses Reported (Year to Date)¹

Quarter	Sept 21		Dec 21		Mar 22		Jun 22		Sep 22	
	PNCC	Con	PNCC	Con	PNCC	Con	PNCC	Con	PNCC	Con
Hazards	14		41		52		14		14	
Incidents	38	3	32	3	32	4	49	2	107	3
Near Misses	9	6	22	1	18	1	25	1	15	
Lost Time (days)	78		86		100		95		73	
Lost Time Injuries	5		2		4		5		3	

Key: PNCC = Staff; CON = Contractor

Comments:

- The spike in Incidents recorded reflects the increased number of public encounters. These mainly resulted in line manager/direct staff debriefs post incident, provision of de-escalation training, as well as reminders about appropriate personal protection equipment (PPE). The Frontline Safety project was also in place to support and protect staff when customers behaved unacceptably within our central business areas. Process changes were made as well to ensure there was 2-up coverage within identified areas of high risk.

B. Critical Risk Table

This table has been included to provide clarity on the number of critical risk events and the category each event relates to.

¹ The data provided previously may differ due to an increased focus on data integrity.

No.	Critical Risk	Near Miss	Incident
1	Bodies of water		
2	Use of powered hand tools and stationary plant		
3	Tree felling / sectional takedowns		
4	Working alone		
5	Working at height (fall to lower level)	2	
6	Excavation work		
7	Confined space work		
8	Working with mobile plant	1	1
9	Work environment (psycho/social)		
10	Members of the public		12
11	Asset control		1
12	Hazardous substances		

Comments:

- The increased number of incidents involving Members of the Public has resulted in the uptake of the following training: Challenging Conversations & Resilience, OPSEC Situational Safety.

C. Manual Handling ²

Manual Handling incidents have previously been identified as being a key area which contributes to Lost Time and remains a PNCC area of focus. PNCC monitors the effectiveness of Manual Handling capabilities by identifying incidents which are attributed to it, undertaking investigations and assessing the effectiveness of controls for this area. Manual Handling incident data is drawn from injuries, accidents and pain and discomfort reports.

Training recommenced since the March 2022 quarter, and the frontline workers' face to face training was completed in full by the end of August 2022. The office worker online manual handling training also started in the June 2022 quarter and will run for 12 months.

The Manual Handling incidents recorded over the last 24 months is shown below:

Manual Handling	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22
Incidents	12	7	11	5	10	8	5	10
Manual handling incident divided by		0.00003	0.00004	0.00002	0.00004	0.00003	0.00002	0.00003

² The data provided previously may differ due to an increased focus on data integrity.

Manual Handling	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22
hours worked								
Manual handling incident frequency ratio (FR) Quarter	1.9	1.2	1.9	0.9	1.6	1.3	0.8	1.6
12 Month Moving Average (12MMA-FR)	6	5.5	7.2	6.1	5.3	5.5	4.5	5.3

Comments:

- The 12-month moving average frequency ratio (12MMA-FR) levels out the spikes and dips in the quarterly results and reveals we are averaging 5.3 or one manual handling incident for every 18 years of actual hours worked which is assessed as positive.
- PNCC has a number of proactive measures in place including:
 - Education – The manual handling procedure including stretching, warm-up/cool down and the importance of early reporting of discomfort, pain and injury is covered at unit specific inductions.
 - Training – Move at work/manual handling training occurs annually with refresher training occurring every three years (next one is due August 2025).
 - Monitoring – Manual handling incidents are reviewed, and additional training/supervision initiated as needed.
 - The Safe Systems of Work (SSW) manual handling procedure is also used as refresher by business unit supervisors.

D. WorkSafe Investigations

Investigations occurred this quarter 0

Previous investigations (last 12 months)

Number of remedial actions required 0

Number of remedial actions completed 0

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

E. 2018 Audit Action Plan

The previous information reported is a legacy audit and we completed 83% of the actions identified in the Action Plan from 2018. A SafePlus audit was undertaken in 2021, this overwrote the previous audit findings and a new action

plan was developed. The Business Assurance division will be reporting on SafePlus audit actions every six months through their accountability reporting.

F. Training³

Summary information on Health & Safety training undertaken in the last 12 months is shown below. Further detail is provided in Attachment 2.

Date	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22
Number of events	20	8	6	16	23
Staff attending	49	47	91	212	330

Comments:

- For the current period, note there has been a positive increase in staff attendances. This can be attributed to face-to-face / in-person training – Infrastructure courses, evacuation chair training (in the case of emergencies), increased first aid (up on previous periods since June 2021), manual handling at work, and OPSEC situational safety (for front-facing staff).

G. Wellbeing

- The Activate Wellness Gyms (CAB and Depot) were used 635 times during the September quarter or an average of 48 times per week by 130 individual members during that period.

Gym Usage	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22
Gym usage quarterly total	937	1313	1127	1128	635
Average weekly use	72	101	82	86	48

Wellbeing Table	Sep	YTD	
Gym usage	635	5140	Q1 2022 impacted by the CAB refresh project.
Biennial health/eye check	20	74	Biennial health and eye check information is sent directly to staff members on their even birthdays, e.g. age 38.
Annual flu vaccinations	0	0	Flu vaccination information is widely published across the organisation. These occur annually in Q4 period (occurring in May 2023).

³ The data provided previously may differ due to an increased focus on data integrity.

Vitae – Pastoral contacts (significant strengths / issues)	324	904	Vitae's new reporting platform gives improved clarity on pastoral contacts and has been reflected here.
Vitae – Other contacts (electronic/ referrals / management)	7	73	
Sick Leave days	1626	4664	Average 7 days Per Person YTD
People Feedback - Survey It is planned that the Tuia te Whakaaro / Employee Engagement Survey will run in Q3/Q4. Tuia te Whakaaro is about listening to and acting on the thoughts and ideas of our people. This survey seeks to listen to the thoughts of our staff and help us understand where we are as we work towards our aspirational state, as outlined in the Employee Experience Framework.			
Safe from physical harm (76% of staff participated).	4.23	4.4	Safe from physical harm and Safe from bullying / racism and harassment are both captured in Tuia te Whakaaro.
Safe from bullying, racism, harassment (46% of staff participated – there was a short lead in time).	3.82	3.9	

Comments:



- Management continues to review the provision of Mental Health/Resilience training to identify opportunities to capture our workforce and equip our people with skills and tools. The Frontline Safety Project training remains positive.

3. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	No
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 5: A Driven & Enabling Council	
The recommendations contribute to the achievement of action/actions in (Not	

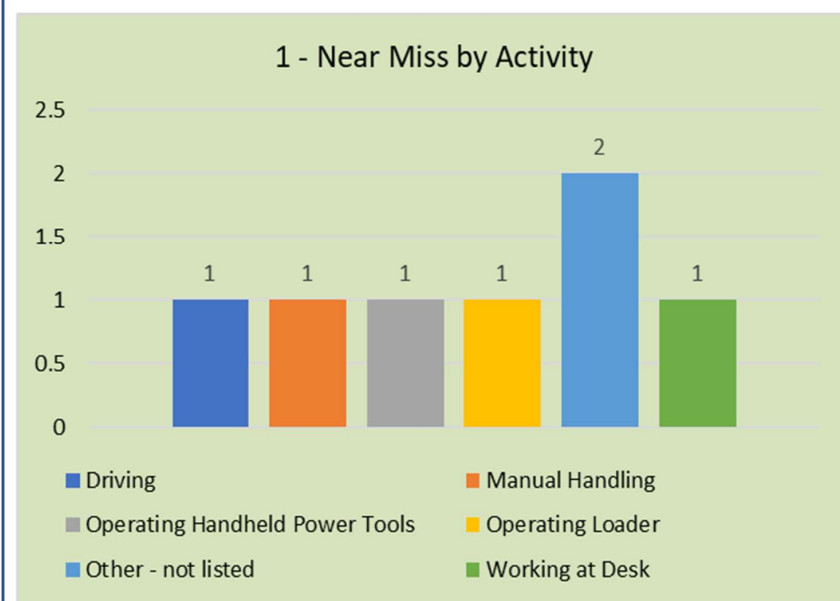
Applicable)	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Providing information to Council about the ongoing progress towards the good performance of the organisation regarding health and safety.

ATTACHMENTS

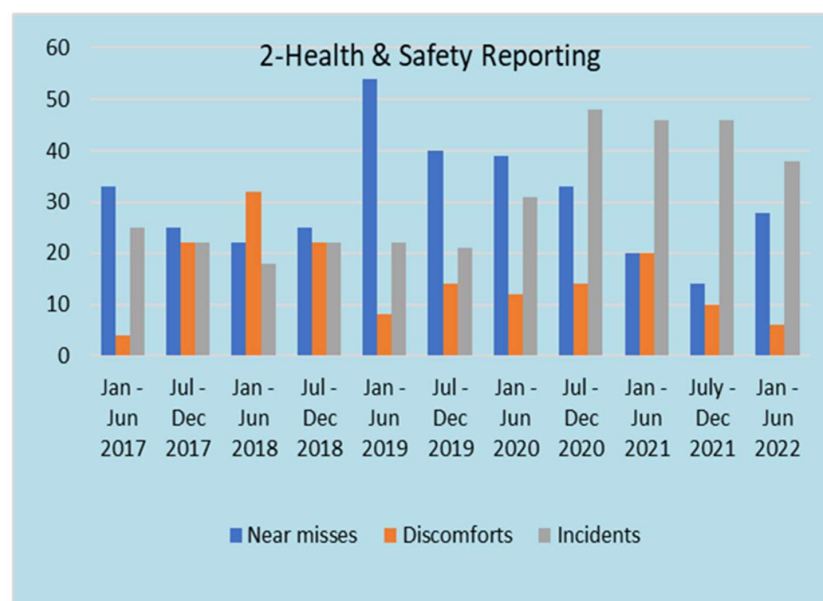
1. HSW Dashboard Report for July to September 2022 [↓](#) 
2. Training Update for July - September 2022 [↓](#) 

Health and Safety Quarterly Dashboard Report: July to September 2022

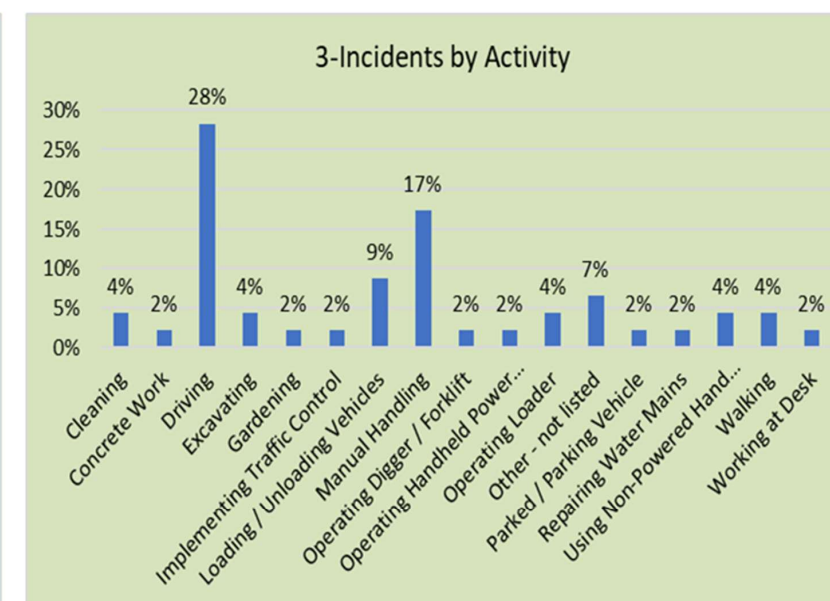
INFRASTRUCTURE



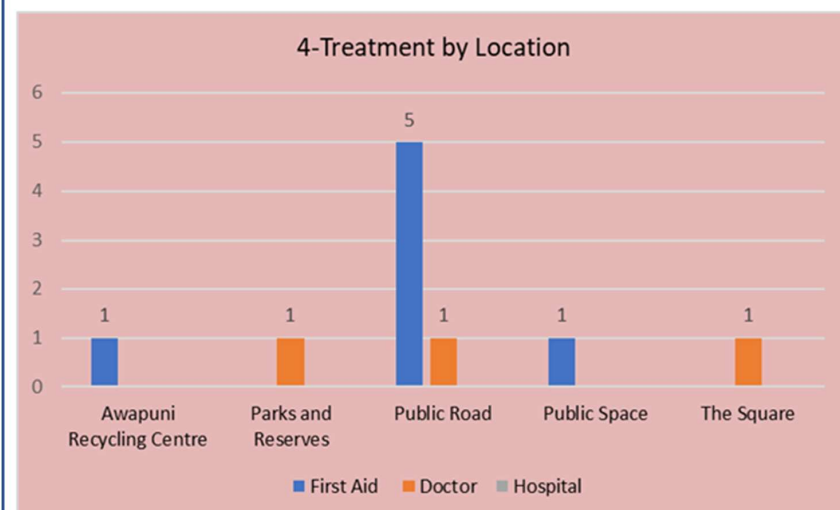
1 – Near Miss by Activity: Spread evenly in the July – September quarter with one peak.



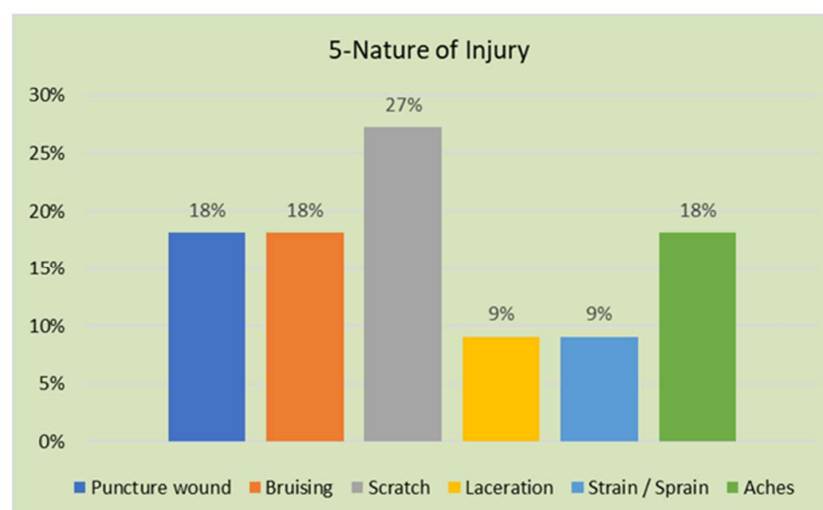
2 – Health & Safety Reporting graph is updated six monthly to enable increased visibility of trending. Next occurrence will be captured in Q2 2022 reporting (October – December).



3 – Incidents by Activity: The top 3 activities account for 56% of the incidents. The most common sources are Driving and Manual Handling.



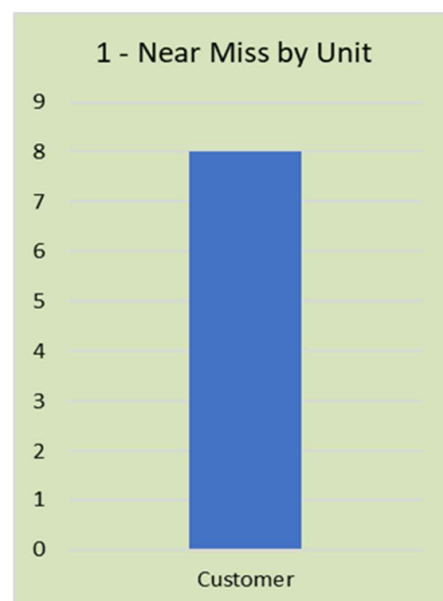
4 – Treatment by Location graph reflects the amount of work-related injuries (public roads).



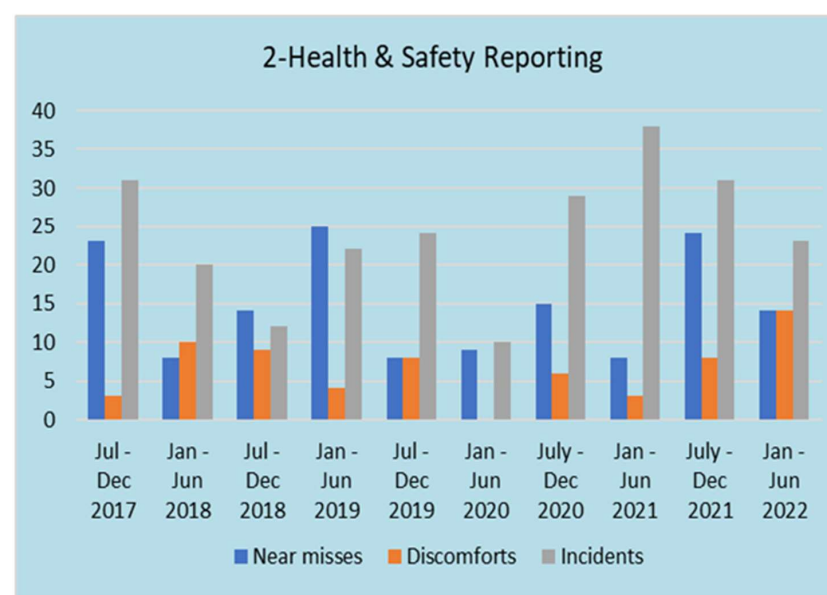
5 – Nature of Injury graph is reflective of our manual handling incidents that have resulted in scratches, puncture wounds / bruising, and aches / pain for this period.

Health and Safety Quarterly Dashboard Report: July to September 2022

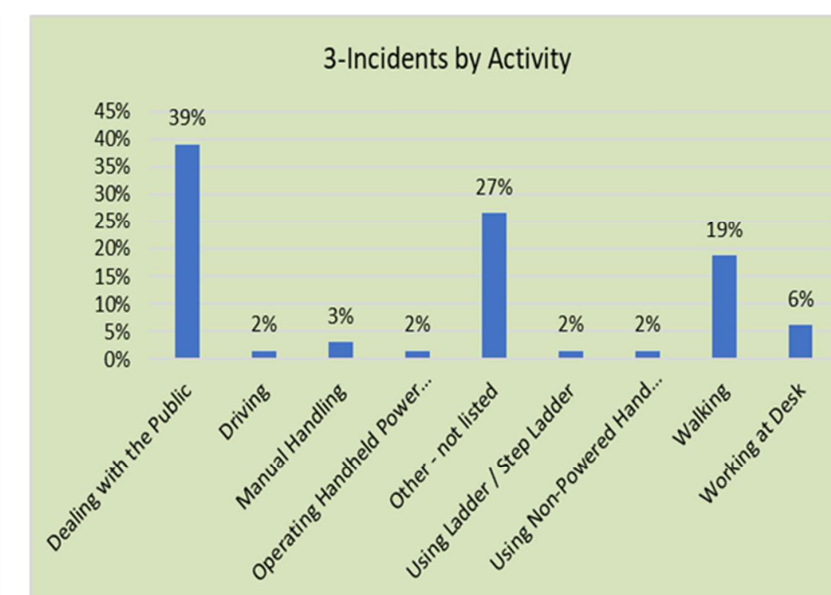
REST OF COUNCIL



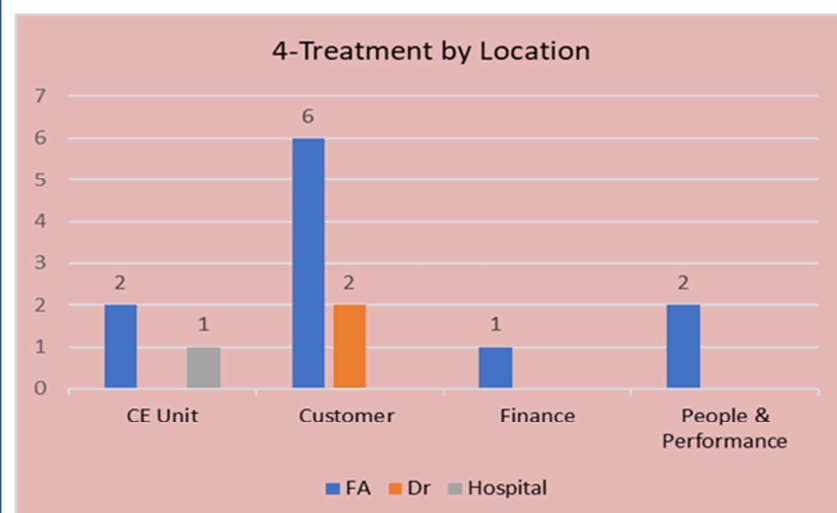
1 – Near Miss by Unit: Customer's reporting of Near Miss incidents is slightly up for the July – September quarter, positive overall because there were no incidents reported for other units.



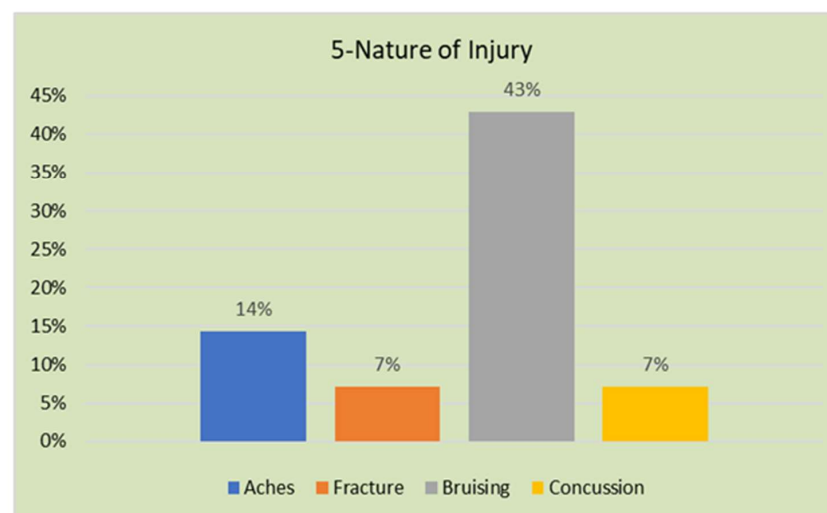
2 – Health & Safety Reporting graph is updated six monthly to enable increased visibility of trending. Next occurrence will be captured in Q2 2022 reporting (October – December).



3 – Incidents by Activity: The top 3 activities account for 85% of the incidents. Dealing with the Public, Other – not listed (mobile wardens, animal management, building services, equipment damage), and Walking are the most common sources.



4 – Treatment by Location graph reflects the number of injuries that occurred at the Wildbase Recovery Centre, CAB, City Central Library, and Blueprint.



5 – Nature of Injury graph is reflective of our manual handling incidents that have occurred for this period. Some incidents involved the public.

Health and Safety Quarterly Dashboard Report: July to September 2022

CRITICAL RISK	INCIDENT DESCRIPTION	CAUSE	MITIGATION
There have been 3 critical risk near miss incidents related to the last quarter:			
Working at height	1. An Estimator on behalf of the Contractor was carrying out a roof inspection of the Trades Workshop/Nursery Roof to provide a quote to repair the roof. The Estimator (of light/slender build) partially fell through (one foot only) the clear lite on the Trades roof as they walked over the roof for inspection. Fortunately, only their foot went through, though this has made it clear the roof is in urgent need of attention and no one else should be stepping foot on that roof until it is replaced. The roof is brittle and unsafe.	Working at height	The roof is to be replaced and quotes are being obtained. Staff providing quotes have been informed they are not to go on to the roof; photographs of the work required have been obtained and have been given to those providing quotes.
Manual handling	1. Team member was seen stepping onto a moving conveyer belt to clear product behind it.	Didn't follow procedure.	Coaching/training/re-enforcement conversation.
Accident	1. Worker was up a ladder dropping a power cable and had to cut a rope with a knife that secured it and had become tangled. The worker was holding on to a sprinkler pipe and got one big electric shock. The worker had nicked an electrical cable nearby as they had an electrician check it and repair.	Working at height. Rushing to get job done. Inappropriate equipment for the task.	Reviewing control work at height risk mitigations. Consider working at height training - ensure workers be aware of risks of height work.
There have been 10 critical incidents related to the quarter and 4 Other Incidents of Interest:			
Members of the Public	1. Worker approached member of the public who entered the Square toilets and placed a trolley in the shower area. Worker asked if they wanted to have a shower. Person decided to leave and, as heading out, pushed worker out of the way and used negative language. Worker fall back into the wall and onto pot plants.	Member of public verbally abusive / physically intimidating.	Staff have been advised not to approach the public member due to possible mental health problems.
	2. Member of public verbally abusive as staff walked by. Later while staff were working on a vehicle (no WOF/reported as stolen), same member of public yelled at staff. Person stated vehicle was not stolen, then hopped in vehicle and drove off.	Member of public verbally abusive.	Body camera recorded the incident. Staff to be aware of their surroundings.
	3. Processing ticket to place on vehicle found parked with no payment at the meter. Member of the public approached advising they would pay and to take ticket back. After worker advised otherwise, person became verbally abusive to worker.	Member of public verbally abusive.	Body camera recorded the incident. Staff to be aware of their surroundings.
	4. Verbal and physical altercation between a member of the public (youth) and a staff member. Staff member was sworn at by male youth – staff member had told the youth to change his language. The youth didn't and the staff member told the youth to leave; staff member then forced youth out of the building.	Youth was swearing at staff member.	Other staff intervened – staff member went to staff workroom; security guard got the youth out of the building.
	5. On mobile patrol staff came across a vehicle parked on a fire hydrant. As staff member worked on ticketing the vehicle a member of the public approached and started abusing the staff member. Seeing the person's aggressiveness, the staff member changed the ticket to a warning and tried to educate the person, who was not ready to listen. Staff member issued warning. Person continued verbally abusing staff member till staff member left the location.	Member of public became verbally abusive.	Issued a warning instead of a ticket; tried to educate the member of the public about parking on a fire hydrant.
	6. During the period concerned there have been a number of incidents involving members of the public verbally abusing and threatening staff.	Members of public verbally abusive and threatening.	Two primary members of the public were trespassed; Frontline Safety project in place to support and protect staff when customers behave unacceptably.
	7. Whilst ticketing a parked vehicle a member of the public got out from another vehicle parked in front of the vehicle concerned and approached. Person queried ticketing courier vans, to which the staff member responded yes, if people infringe yellow lines, time limits, etc. Person questioned how staff member could issue tickets to someone who is working, your rules are !@#\$. At this point staff member started recording on the body camera; informed person if they have any issues to contact Council. As member of the public went to get back into car, they threatened the staff member with "I will see you somewhere around". Staff member then called on RT and informed their mobile partner and rest of the team about threatening behaviour. Mobile partner arrived to support.	Member of public became verbally abusive and threatening during issuing of parking ticket.	Staff member contacted mobile partner who arrived to support. Reminder to all staff to be aware of their surroundings.
	8. Worker was assaulted by a tenant when visiting the tenant's flat to provide access for the mental health crisis team. The tenant approached the worker and hit the worker on the side of the head with a closed hand.	Dealing with Member of Public. Wasn't aware of the risk.	Risk assessment of the situation done beforehand - liaise with other agencies, Council officers being aware of any potential threats/risks.

Health and Safety Quarterly Dashboard Report: July to September 2022

CRITICAL RISK	INCIDENT DESCRIPTION	CAUSE	MITIGATION
	9. An animal control operator was dealing with the dog attack complain. When they arrived at the site, the operator decided to seize the dog and secure the dog in the animal control truck. The animal control removal document was put under the wiper of the dog owner's van. When the dog owner returned to the van, they were angry and tried to open the canopy. When the worker advised the dog owner that that was an offence, the dog owner didn't listen. The dog owner jumped off the animal control truck and threw a pastry at the animal control vehicle.	Dealing with customer.	The incident was reported. PPE. De-escalation training. Procedure of dealing with aggressive member of public.
	10. A youth member of the public came in with a scooter, the worker told them to take it out and the youth started abusing the worker. The worker went into the office (as they had no security guard) and locked down until the member of the public left.	Public behaviour.	Correct process was followed.
Other Incidents of Interest	1. Member of public sitting on the footpath. Worker offered assistance whilst another member of the public was calling for an ambulance – suspected dislocated shoulder, person had tripped causing injury. Worker offered glass of water, retrieved an umbrella to shield person from the sun, and stayed until ambulance arrived.	Member of public received injury.	Provided assistance to the injured member of the public. Staff to be aware of their surroundings.
	2. Using a CAB lift - doors closed on worker - nearly knocking worker to the ground.	Worker a little later than usual exiting the lift.	Caution signage progressed by Health & Safety and Property.
	3. Rugby team manager slipped in changing room on wet floor and fractured leg.	Wet floor slippery – area is utilised often, and floor gets wet adjacent to showers.	Ensure signage evident, reminding users of slippery floor when wet.
	4. Worker was driving a work wagon towards the work trailer to reconnect it and slid on the wet grass and hit the rear of the trailer.	Loss of control of vehicle.	Drive to the conditions.

STAFF REPORT COMMENTS – JULY TO SEPTEMBER 2022

During this period there were a number of reported encounters involving members of public. Unit managers, as part of duty of care, were required to undertake robust investigations to support opportunities for improvement (OFI). This had not taken place as there had been no training around 5 Whys, ICAM, and Teams Investigation.

During this time the Front Facing Charter for PNCC, a project that empowers staff, was under development. This was to be supported by the front facing Safety Plans, which was the responsibility of the Safety and Health Team.

Attachment Two – July to September 2022: Training undertaken¹

Event	Jun-21	Sept-21	Dec-21	Mar-22	Jun-22	Sep-22
Behavior Safety Observed training	1					
Breathing Apparatus						
Chainsaw Training					1	
Challenging Conversations & Resilience					45	29
Chemical training /handling				34		
Confined Space Entry & Gas Detection	2	5				9
Creating Respectful Workplaces					69	16
Customer Conflict Awareness						
Dangerous Goods (DG)	1					
Mental Wellbeing at Work (completed in May 2020-21)	28					
Driver's License – Class 1R (Restricted)		1				
Driver's License – Class 2L (Learners)			1			
Driver's License – Class 4L (Learners)		2				
Driver's License – Class 1 (Car License)	2	2	1		1	1
Driver's License – Class 2 (Medium Rigid Vehicle)		3				1
Driver's License – Class 4 (Heavy Rigid)						4
Driver's License – Class 6 (Motorcycle)			1			
Efficient Compaction Operators Course	42					
Electrofusion certificate						15
Elevated Working Platform (Scissor Lift and Boom)						
Emergency Medical Response Revalidation						1
Endorsement (D) Dangerous Goods					1	
Endorsement (F) Forklift					2	1
Endorsement (R) Roller		1			2	3
Endorsement (T) Tracks		1			2	2
Endorsement (W) Wheeled Special Type		1			3	2
Evac Chair						7
Fire Warden Training						
First Aid Certificate	4	5	27	2	9	53
Forklift OSH Certificate	5	5	11	1	2	
Forklift (F) Endorsement	2					
Front End Loader						
Gantry Crane Training		9				
Grow-safe	10				14	2

¹ Sourced from PeopleSafe and Employee Experience training resources.

Event	Jun-21	Sept-21	Dec-21	Mar-22	Jun-22	Sep-22
Harassment Prevention and Awareness						
Harassment Prevention and Awareness – Managers workshop						
Certified Handlers (hazardous Substances)						
Height Safety Introduction	2	4	2			4
Height Safety Advanced	3					1
H&S Representative Training		9			9	
IVO Power Brush XL – Cleaners						
Kerbside Collection Traffic Leader KCTL (was WCTL)						6
Managing Mental Health						
Move at Work / Manual Handling (occurred July 2020-21)						
Manual Handling	10					37
Manual Handling Online						21
NC Utilities Maintenance L4 (water)						
OPSEC Situational Safety						69
PeopleSafe Training	31		3			
Permit to Work	44					
Playground Safety Inspections				4		
Resilience training (Completed in May 2020-21)	38					
Safety into CAB		1				
Safety Plans					32	
Site Safe Foundation Passport						
Site Specific Safety Plan						
Spill Management				34		
SOP Compost Op G/Waste Shredder						
STMS Level 1 – Site Traffic Management	1		1			
TC1 – Basic Traffic Controller Level 1						
T1 Tennant Battery Floor Scrubber - Cleaners						
TC Refresher	1					
Trespass Training					4	
Truck Loader Crane / HIAB				16		
Twintec TTB 1840 Battery Compact - Cleaners						
Understanding Mental Health in the Workplace					16	25
Understanding Unconscious Bias						21
Total Number of Events	29	20	8	6	16	23
Total Number of Staff Attending	215	50	47	91	212	330

MEMORANDUM

TO: Risk & Assurance Committee

MEETING DATE: 26 April 2023

TITLE: Health, Safety and Wellbeing Report, October to December 2022 (Q2 2022)

PRESENTED BY: Danelle Whakatihi, Chief People & Performance Officer

APPROVED BY: Waid Crockett, Chief Executive

RECOMMENDATION(S) TO RISK & ASSURANCE COMMITTEE

1. That the memorandum titled 'Health, Safety and Wellbeing Report, October to December 2022 (Q2 2022)' presented to the Risk and Assurance Committee on 26 April 2023, be received for information.

1. EXECUTIVE SUMMARY

Health, Safety and Wellbeing continues with visual leadership not only in areas of reporting, but also in actively managing reported events across the organisation to keep our people safe. Although incidents involving the public continue to be high, there has been an overall increase in PeopleSafe reporting, which had been a culture of under reporting previously.

Notable highlights over the report period include:

- Safety and Health Advisor who commenced at PNCC in November started working out of the Depot during the quarter to provide support for civil construction, operations, transport, painters, cleaners, stores, graffiti and parks and reserves businesses.
- Combined Health and Safety Representatives (HSR) hui in December held – development of the HSR role and responsibility, revitalisation/redesign of the message boards.
- Ahurutanga Safe Space/Commitment Statement by the CE and other foundational documents for PNCC achieved.
- The Activate Wellness Studio in the CAB re-opened following refurbishment work.
- The results following the Taituarā Health Safety and Wellbeing Survey were being worked through by the Employee Experience unit. The information

would eventually lead to developing PNCC's wellbeing initiatives in the New Year.

Looking ahead:

- Work continues, between the Safety team and the Risk and Resilience unit, in developing a document to change the critical risk register as part of the Critical Risk Review.
- In early 2023 a review will be conducted of the Health and Safety Representative election process.
- A review that included feedback in an Employee Experience survey (carried out earlier in the year) resulted in Vitae Counselling services now providing PNCC's external employee support services. Includes current on-site support staff as well as confidential counselling services.

2. REPORT

The report covers the period 1 October to 31 December 2022. The information included in this report is discussed at the relevant Health and Safety Committees.

A. Hazards, Incidents and Near Misses Reported⁴

Quarter	Dec 21		Mar 22		Jun 22		Sep 22		Dec 22	
	PNCC	Con	PNCC	Con	PNCC	Con	PNCC	Con	PNCC	Con
Hazards	41		52		14		14		17	
Incidents	32	3	32	4	49	2	100	3	69	8
Near Misses	22	1	18	1	25	1	14		19	3
Lost Time (days)	86		100		95		93		62	
Lost Time Injuries	2		4		5		3		4	

Key: PNCC = Staff; CON = Contractor

Comments:

- Incidents involved large numbers of Member of the Public encounters with parking wardens, youths and adults during library service hours, and Infrastructure collections staff dealing with disgruntled customers.

⁴ The data provided previously may differ due to an increased focus on data integrity.

B. Critical Risk Table

This table has been included to provide clarity on the number of critical risk events and the category each event relates to.

No.	Critical Risk	Near Miss	Incident
1	Bodies of water		
2	Use of powered hand tools and stationary plant		
3	Tree felling / sectional takedowns		
4	Working alone		
5	Working at height (fall to lower level)	1	
6	Excavation work	1	
7	Confined space work		
8	Working with mobile plant		
9	Work environment (psycho/social)		6
10	Members of the public		17
11	Asset control		
12	Hazardous substances		

Comments:

- The number of incidents involving Members of the Public has increased since the last quarter – resulting in the following training being undertaken: Challenging Conversations & Resilience, Customer Conflict Awareness, Managing Upset or Difficult Customers, as well as Understanding Mental Health in the Workplace and Unconscious Bias. These complement the Frontline Safety Project.

C. Manual Handling⁵

Manual Handling incidents have previously been identified as being a key area which contributes to Lost Time and remains a PNCC area of focus. PNCC monitors the effectiveness of Manual Handling capabilities by identifying incidents which are attributed to it, undertaking investigations and assessing the effectiveness of controls for this area. Manual handling incident data is drawn from injuries, accidents and pain and discomfort reports.

Manual Handling training recommenced last March, and the frontline workers' face to face training was completed in full by the end of August 2022. The office

⁵ The data provided previously may differ due to an increased focus on data integrity.

worker online manual handling training also started in June 2022 and is to run for 12 months.

The Manual Handling incidents recorded over the last 24 months is shown below:

Manual Handling	Mar 21	Jun 21	Sept 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22
Incidents	7	11	5	10	8	5	10	8
Manual handling incident divided by hours worked	0.00003	0.00004	0.00002	0.00004	0.00003	0.00002	0.00003	0.00003
Manual handling incident frequency ratio (quarter)	1.2	1.9	0.9	1.6	1.3	0.8	1.6	1.3
12 Month Moving Average (12MMA-FR)	5.5	7.2	6.1	5.3	5.5	4.5	5.3	5.4

Comments:

- The 12-month moving average frequency ratio (12MMA-FR) levels out the spikes and dips in the quarterly results and reveals we are averaging 5.4 or one manual handling incident for every 22 years of actual hours worked – assessed as positive.
- PNCC has proactive measures in place including:
 - Education – The manual handling procedure including stretching, warm-up/cool down and the importance of early reporting of discomfort, pain and injury is covered at inductions.
 - Training – Move at work/manual handling training occurs annually with refresher training occurring every three years (next one is due August 2025).
 - Monitoring – Manual handling incidents are reviewed, and additional training/supervision initiated as needed.
 - The Safe Systems of Work (SSW) manual handling procedure is also used as refresher by business unit supervisors.
 - Online Manual Handling training is also available. The training, in nine half-hour modules, helps learners understand the principles in everyday activities.

D. WorkSafe Investigations

Investigations occurred this quarter 0

Previous investigations (last 12 months)

Number of remedial actions required 0

Number of remedial actions completed 0

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

E. 2018 Audit Action Plan

The previous information reported is a legacy audit and we completed 83% of the actions identified in the Action Plan from 2018. A SafePlus audit was undertaken in 2021, this overwrote the previous audit findings and a new action plan was developed. The Business Assurance division will be reporting on SafePlus audit actions every six months through their accountability reporting.

F. Training⁶

Summary information on Health & Safety training undertaken in the last 12 months is shown below. Further detail is provided in Attachment 2.

Date	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22
Number of events	8	6	16	23	25
Staff attending	47	91	212	330	315

Comments:

- For the current period, note there has been an increase in the number of events held. This relates to mental wellbeing when engaging with the public and emergency management during a crisis.

G. Wellbeing

- The Activate Wellness Gyms (CAB and Depot) were used 639 times during the December quarter or an average of 49 times per week by 169 individual members during that period.

Gym Usage	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22
Gym usage quarterly total	1313	1127	1128	635	639
Average weekly use	101	82	86	48	49

⁶ The data provided previously may differ due to an increased focus on data integrity.

Wellbeing Table	Dec	YTD	
Gym usage	639	4842	Q2 2022 impacted by Covid, school holidays and the CAB refresh project.
Biennial health / eye check	33	107	Biennial health and eye check information is sent directly to staff members on their even birthdays, e.g. age 38.
Annual flu vaccinations	0	0	Flu vaccination information is widely published across the organisation. These occur annually in Q4 period (May 2023).
Vitae – Pastoral contacts (significant strengths / issues)	154	855	Vitae's new reporting platform gives improved clarity on pastoral contacts and has been reflected here.
Vitae – Other contacts (electronic/ referrals / management)	8	73	
Sick Leave days	1099	5763	Average 9 days Per Person YTD.

People Feedback - Survey

It is planned that the Tuia te Whakaaro / Employee Engagement Survey will run in Q3/Q4. Tuia te Whakaaro is about listening to and acting on the thoughts and ideas of our people. This survey seeks to listen to the thoughts of our staff and help us understand where we are as we work towards our aspirational state, as outlined in the Employee Experience Framework.

Safe from physical harm (76% of staff participated).	4.23	4.4	Safe from physical harm and Safe from bullying / racism and harassment are both captured in Tuia te Whakaaro.
Safe from bullying, racism, harassment (46% of staff participated – there was a short lead in time).	3.82	3.9	

Comments:

- Management continues to review the provision of Mental Health/Resilience training to identify opportunities to capture our workforce and equip our people with skills and tools. The Frontline Safety Project training remains positive.

3. COMPLIANCE AND ADMINISTRATION

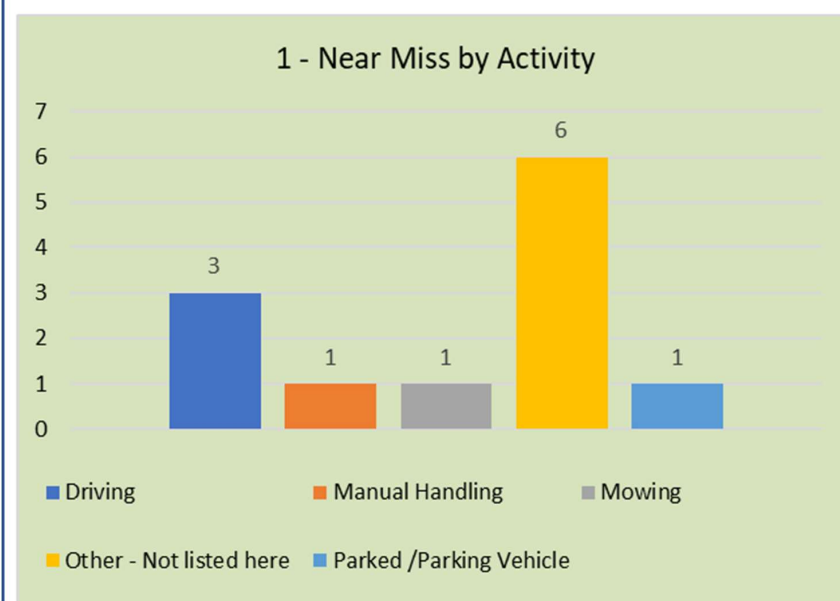
Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	No
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 5: A Driven & Enabling Council.	
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	Providing information to Council about the ongoing progress toward the good performance of the organisation regarding health and safety.

ATTACHMENTS

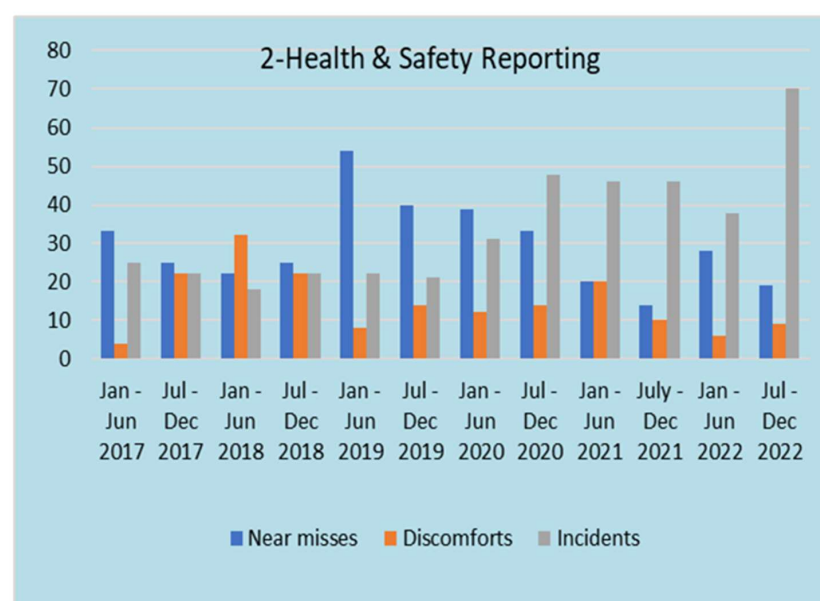
1. HSW Dashboard Report for October to December 2022 [↓](#) 
2. Training Update for October to December 2022 [↓](#) 

Health and Safety Quarterly Dashboard Report: October to December 2022

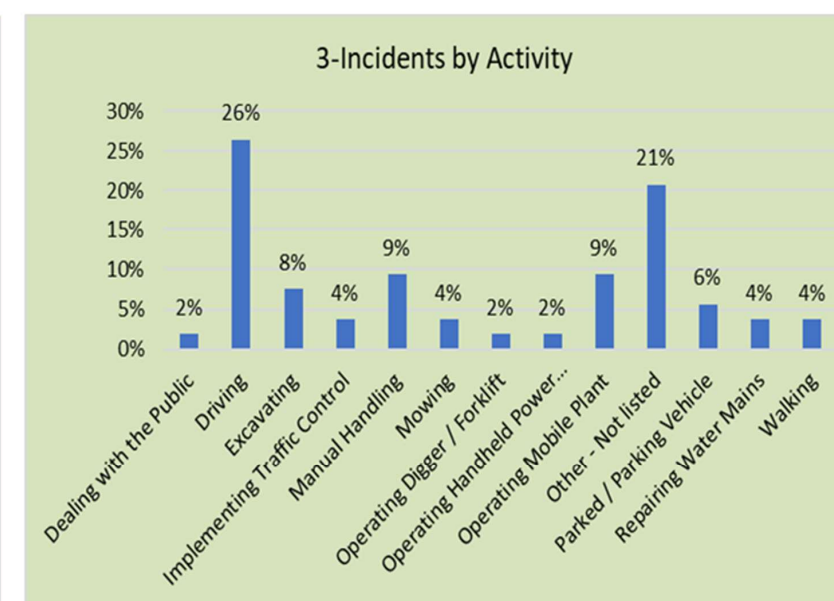
INFRASTRUCTURE



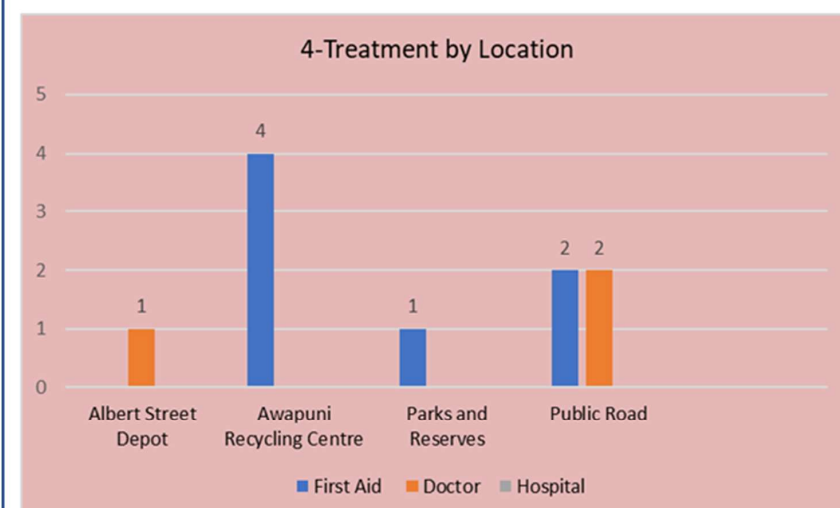
1 – Near Miss by Activity: A few spikes for the quarter. Of note, under Other – not listed, a few of the incidents involved contractors.



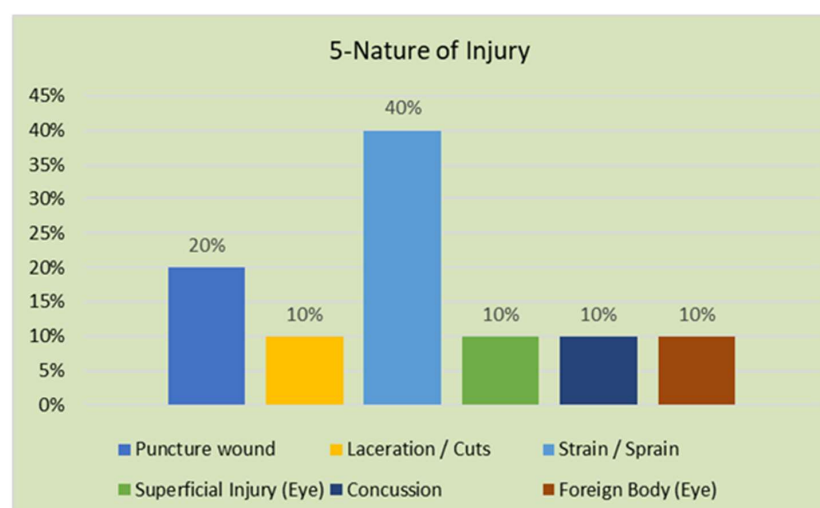
2 – Health & Safety Reporting graph is updated six monthly to enable increased visibility of trending. The surge in incidents reported relates to increased engagement with internal stakeholders – visual leadership.



3 – Incidents by Activity: The top activities account for 66% of incidents. The most common sources are Driving, Manual Handling, Operating Mobile Plant, and Other incidents.



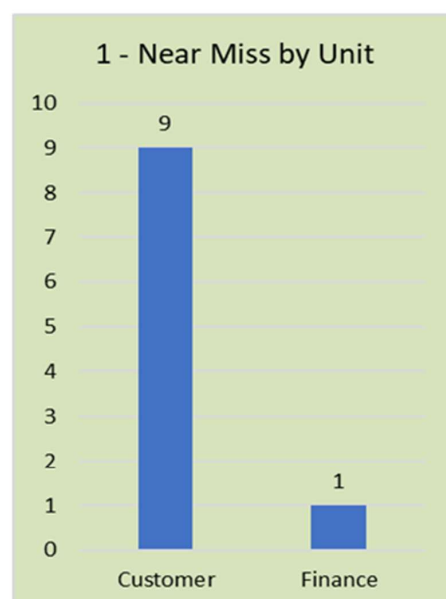
4 – Treatment by Location graph reflects the amount of work-related injuries and where they occur (Awapuni Recycling Centre and Public Roads).



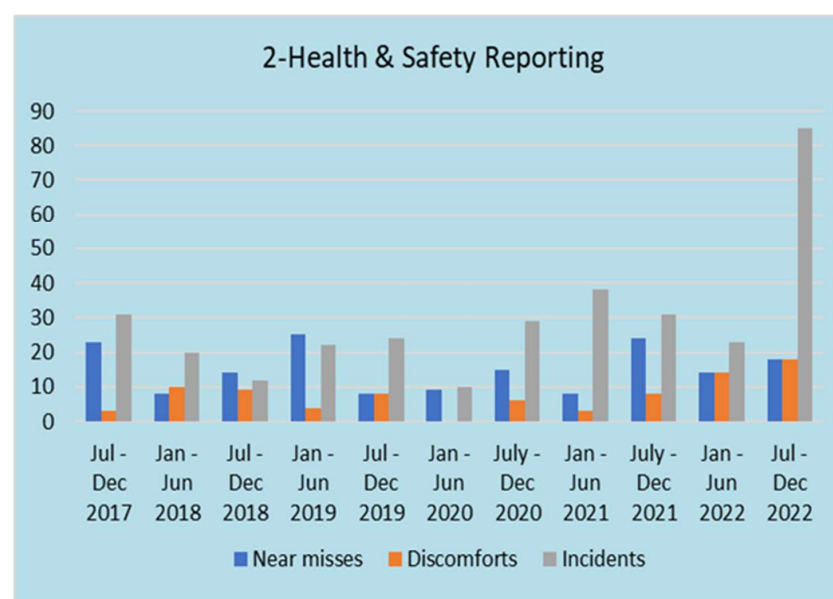
5 – Nature of Injury graph is reflective of Driving, Walking and Manual Handling activities resulting in Puncture Wounds, Strains / Sprains.

Health and Safety Quarterly Dashboard Report: October to December 2022

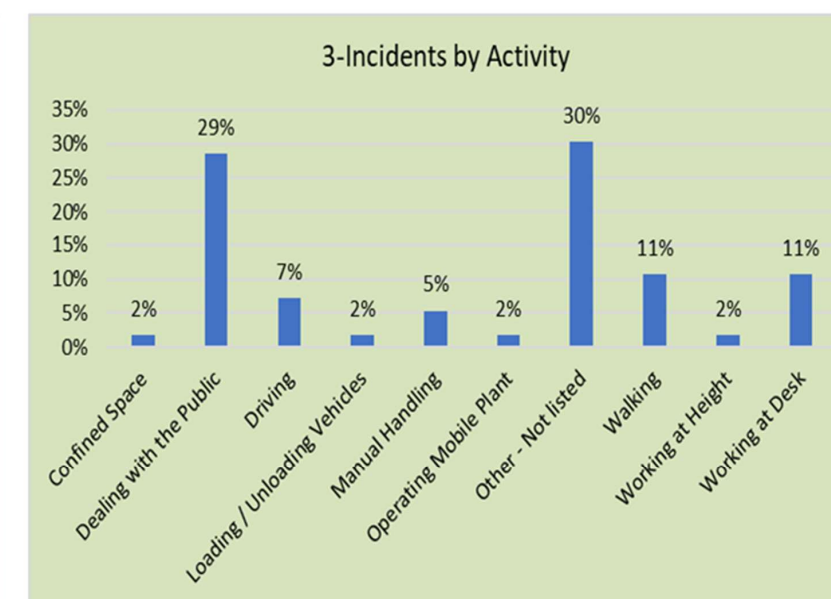
REST OF COUNCIL



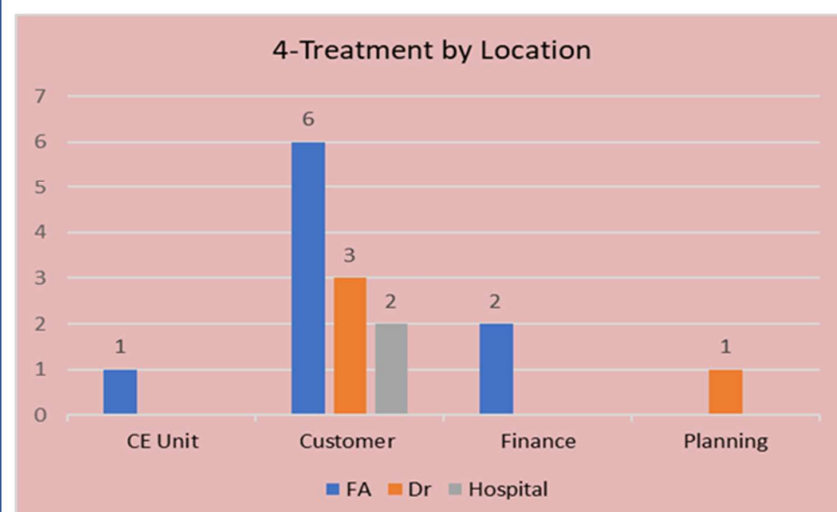
1 – Near Miss by Unit: Customers reporting involved volunteers whilst Driving; a contractor failing to have safety fencing erected under Other – not listed.



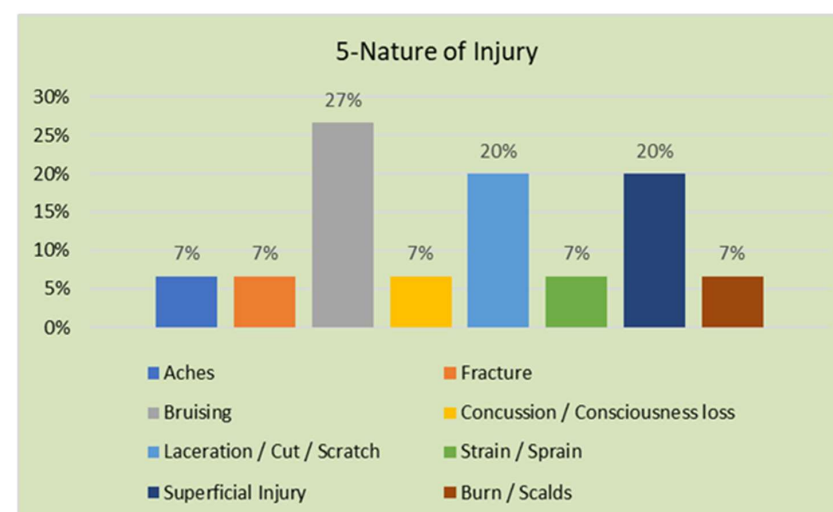
2 – Health & Safety Reporting graph is updated six monthly to enable increased visibility of trending as a result of internal stakeholder engagement (visual leadership).



3 – Incidents by Activity: The top activities account for 80% of incidents. Dealing with the Public (parking wardens and libraries), Other, Walking and Working at Desk are the most common sources.



4 – Treatment by Location graph reflects the number of injuries that have occurred (Manual Handling by Wildbase Contractors); collapse of elderly Customer; bone fracture due to paving tiles.



5 – Nature of Injury graph is reflective of Manual Handling and Walking incidents that have occurred for this period. Some incidents involved contractors and members the public.

Health and Safety Quarterly Dashboard Report: October to December 2022

CRITICAL RISK	INCIDENT DESCRIPTION	CAUSE	MITIGATION
There have been 17 critical risk near miss incidents related to the last quarter:			
Member of public (MOP)	1. Customer questioned and verbally abused worker who, after trying to sticker a 240L contaminated recycling bin and unable to do so – hopped back into truck and left street.	Customer unhappy with worker not collecting the recycling bin.	A safety review process (after an increase in frequency/severity of unsafe interactions with the public) will involve Collections team reps at the front leading changes. First step, to change reporting culture.
	2. Whilst driver went to sticker a contaminated recycling bin, customer verbally unhappy and pushed driver's hand off the bin. Driver could not affix sticker – moved quickly back to truck and left the area.	Customer unhappy that worker didn't get recycling bin emptied.	A safety review process will involve reps from Collections team at the front leading changes.
	3. Two reports on the same incident. Whilst informing a member of the public that the sticker on their vehicle was not a valid permit and a ticket was therefore issued, further members of the public joined the discussion and proceeded videoing the staff member.	Educating public that a warning notice (diplomatic immunity) was not valid.	Mobile team members arrived in support.
	4. Whilst issuing a ticket, owner of moped approached staff member. Discussion ensued referencing claim by moped owner to have spoken to staff member's supervisor. A shop owner approached and started recording staff member. Both shop owner and moped owner became verbally aggressive as a result.	Member of public upset at getting ticketed.	Radioed team members and notified shop owner and owner of moped. Another member of the public contacted Police who attended.
	5. Staff revealed at a recent workshop that they had been subjected to verbal abuse and in one case physical.	Historical verbal and physical abuse events.	As a way forward, People & Performance asked for the matter to be discussed further with relevant stakeholders (involved P&P, Safety Business Partners, Security and dept leadership).
	6. Driver of a vehicle paused in the middle of the street, verbally abused, then threw balled up issued tickets at worker.	Driver upset at issuance of tickets – sought worker out.	Staff to be aware of their surroundings.
	7. Group of youths using computers spoken to several times. Due to threatening manner front door was secured to prevent re-entry - called 111.	Behaving in a disruptive manner.	Staff involved took appropriate Code of Conduct steps to de-escalate the situation.
	8. Youth informed staff of an incident that had occurred involving a young female seeking safety from a member of a youth gang. A youth regular has confronted the unknown male parked in a vehicle and sighted a shotgun inside the car.	Member of the public.	Staff locked down the Youth Space and called Police. Police responded.
	9. Warden started process for issuing ticket to occupied vehicle parked in mobility park and not displaying mobility card. Driver became verbally aggressive and exited vehicle. Driver then got back into vehicle, reversed and revved the accelerator. Incident caught on body camera.	Member of the public became upset as infringement process progressed.	Educating the public that they cannot park in the mobility parking unless they have a mobility card.
	10. PNCC carried out a Dangerous and Insanitary operation under section 124 of the Building Act on a property. After returning to the office worker received a threatening phone call from a member of the public.	Member of the Public	The operation went well – no further action was required.
	11. Trespassed member of the public sent a concerning email directly to a staff member. The tone of the email was aggressive and laid out a series of complaints against PNCC and the Library.	Member of the Public upset with PNCC and the Library.	Police have the person's contact details; person remained trespassed.
	12. Vehicle drove up behind parked truck worker on side of road, blasted horn and drove past. Same vehicle turned down a street, pulled up behind truck again, all whilst worker collected bins. Worker waved for vehicle to go past, which vehicle did after a short while. Worker called 2IC to inform what happened and continued on their way.	Driver disgruntled with the bin collection truck.	Investigations didn't back up what car driver later complained to PNCC about.
	13. Argument broke out amongst youth and as a result one was asked to leave. The youth concerned continued making threats about another youth – Police were contacted. Several further occasions that day resulted in de-escalation and monitoring of the situation.	Member of the Public	Always ensure two staff at locations – actively assisting and limiting (computer) access where required.

Health and Safety Quarterly Dashboard Report: October to December 2022

CRITICAL RISK	INCIDENT DESCRIPTION	CAUSE	MITIGATION
	14. Youth were warned about language and later asked to leave. Thereafter youth interaction with other public services outside the library resulted in Police being contacted.	Members of the Public	Youths involved were banned as a result.
	15. Whilst a patron was taking photos at a badminton event two members of the public approached and assaulted the patron. First occasion was in the B&M Centre corridor where they pinned the patron up against one of the brick walls and took the patron's camera. The second, whilst they walked away with the camera out the front doors of Arena 4 and into the carpark – the patron had gone after them to get the camera back but was shoved to the ground outside of the Arena 4 (ballroom) roller door, suffering minor cuts to arm and knee.	Unknown members of the Public	Required further investigation – Police were informed.
	16. Driver of a vehicle swore at warden after issuance of two tickets. Verbally aggressive and threatening.	Member of the Public	Staff to be aware of their surroundings.
	17. Warden approached by member of the public who became verbally aggressive. Then, whilst preparing to process a vehicle, warden felt a hand on right upper arm push them to the left. Warden turned and recognised the member of the public – warden verbally advised the person that the action was assault. Thereafter the warden managed to take photos of the member of the public and their vehicle and passed the information and the assault details on to Police.	Driver upset at getting ticketed.	Staff to be aware of their surroundings.
There have been 6 Other Incidents of Interest related to the quarter:			
	1. Engagement around Critical Incident Checklist that was developed by Maori staff in 2018.	Request to review/ comment on document's currency.	Requirement to refresh its branding.
	2. Presented Safety Road Map to Leadership Forum. Delivered in a manner that was received positively.	Interactive.	Positive engagement/feedback.
	3. Training with Safety Business Partner to understand civils. 1. Sign into STMS and review risks, TMP and 2 hourly checks; 2. Sign into infrastructure works and review hazards/permits; 3. Training around no go/exclusion zones; 4. Locates and service plans explained; 5. Pot holing explained, plastic handle shovels, 'sucker truck'.	Improvement around PPE.	Health and Safety Inspection and staff training.
	4. Staff member arrived at development site not officially open to public. Although no power on site, found that contractor had left deep wet well open, submersible pumps out in the open and left on site.	Unsafe development site.	Staff called contractor and advised site unsafe. Remained on site until contractor workers arrived. Safety Alert distributed.
	5. Activity: Reactive Maintenance on a stormwater manhole fault. After TM contractor secured worksite in a live lane, saw storm/sewer maintenance crew working safely in the road corridor.	Stormwater manhole fault.	Improvement in safe work practices after recent issues.
	6. Part of a fixture dropped, and contractors caught it whilst installing lighting fixtures.	No safety fencing.	Safety fencing erected after some time had passed.

STAFF REPORT COMMENTS – OCTOBER TO DECEMBER 2022

During this period saw the recruitment of the Safety and Health Manager. The focus during this period was the development of the road map as part of the safety improvement project to support foundational strengthening. An active approach was taken to triage reported events across PNCC and encourage reporting with PNCC business units. This produced positive results.

PNCC were now aware of the critical risk of working with members of the public. More importantly there had been an overall increase in reporting to PeopleSafe as previously there had been a culture of under reporting.

Attachment Two – October to December 2022: Training undertaken¹

Event	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22
Behavior Safety Observed training					
Breathing Apparatus					
Chainsaw Training			1		
Challenging Conversations & Resilience			45	29	20
Chemical training /handling		34			
Confined Space Entry & Gas Detection				9	6
Creating Respectful Workplaces			69	16	
Customer Conflict Awareness					14
Dangerous Goods (DG)					
Mental Wellbeing at Work (completed in May 2020-21)					
Driver's License – Class 1R (Restricted)					
Driver's License – Class 2L (Learners)	1				
Driver's License – Class 4L (Learners)					
Driver's License – Class 1 (Car License)	1		1	1	5
Driver's License – Class 2 (Medium Rigid Vehicle)				1	5
Driver's License – Class 3 (Medium Combination)					1
Driver's License – Class 4 (Heavy Rigid)				4	7
Driver's License – Class 5 (Heavy Combination)					1
Driver's License – Class 6 (Motorcycle)	1				
Efficient Compaction Operators Course					
Electrofusion certificate				15	2
Elevated Working Platform (Scissor Lift and Boom)					
Emergency Management – Foundations					9
Emergency Management – Intermediate					6
Emergency Management – Specialist					4
Emergency Medical Response Revalidation				1	
Endorsement (D) Dangerous Goods			1		1
Endorsement (F) Forklift			2	1	2
Endorsement (R) Roller			2	3	2
Endorsement (T) Tracks			2	2	2
Endorsement (W) Wheeled Special Type			3	2	3
Evac Chair				7	
Fire Safety					164
Fire Warden Training					

¹ Sourced from PeopleSafe and Employee Experience training resources.

Event	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22
First Aid Certificate	27	2	9	53	13
Forklift OSH Certificate	11	1	2		
Forklift (F) Endorsement					
Front End Loader					
Gantry Crane Training					
Grow-safe			14	2	
Harassment Prevention and Awareness					
Harassment Prevention and Awareness – Managers workshop					
Certified Handlers (hazardous Substances)					
Height Safety Introduction	2			4	1
Height Safety Advanced				1	
H&S Representative Training			9		
Internal Training – Forklift SOP					1
IVO Power Brush XL – Cleaners					
Kerbside Collection Traffic Leader KCTL (was WCTL)				6	
Managing Mental Health					
Managing Upset or Difficult Customers					22
Move at Work / Manual Handling (occurred July 2020-21)					
Manual Handling				37	
Manual Handling Online				21	9
NC Utilities Maintenance L4 (water)					
OPSEC Situational Safety				69	
PeopleSafe Training	3				
Permit to Work					
Playground Safety Inspections		4			
Resilience training (Completed in May 2020-21)					
Safety into CAB					
Safety Plans			32		
Site Safe Foundation Passport					
Site Specific Safety Plan					
Spill Management		34			
SOP Compost Op G/Waste Shredder					
STMS Level 1 – Site Traffic Management	1				5
TC1 – Basic Traffic Controller Level 1					
T1 Tennant Battery Floor Scrubber - Cleaners					
TC Refresher					

Event	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22
Trespass Training			4		
Truck Loader Crane / HIAB		16			
Twintec TTB 1840 Battery Compact - Cleaners					
Understanding Mental Health in the Workplace			16	25	10
Understanding Unconscious Bias				21	
Total Number of Events	8	6	16	23	25
Total Number of Staff Attending	47	91	212	330	315

MEMORANDUM

TO: Risk & Assurance Committee

MEETING DATE: 26 April 2023

TITLE: Health, Safety and Wellbeing Report, January to February 2023 (Q3)

PRESENTED BY: Danelle Whakatihi, Chief People & Performance Officer

APPROVED BY: Waid Crockett, Chief Executive

RECOMMENDATION(S) TO RISK & ASSURANCE COMMITTEE

1. That the memorandum titled 'Health, Safety and Wellbeing Report, January to February 2023 (Q3)' presented to the Risk and Assurance Committee on 26 April 2023 be received for information.

1. EXECUTIVE SUMMARY

Health, Safety and Wellbeing continues to be a focus area for leadership at all levels of PNCC. The number of Critical Risk incidents involving Members of the Public remains high. ELT are considering a Frontline Safety Project/Charter presentation from the Employee Experience unit in early April.

Notable highlights over the January and February report period include:

- Providing visual leadership assurance at community and main libraries, as well as the youth space, as a result of increased interaction with members of the public.
- Training opportunity with Infrastructure project team to better understand PCBU responsibilities at a contractor-controlled site. Opportunities for improvement discussed.
- Support provided at the Library Summer Reading Finale community event involving children and their families.
- Engagement with consultant to discuss the scope of works around our competency framework, review lone worker procedures and best practice guidance, as well as programme of works to effect improved health, safety and wellbeing system.
- Introduced new toolbox process tailored for various business streams through the Operations and Officers health and safety committees.
- Safety support provided during the Festival of Cultures community event.

Looking ahead:

- Revitalisation and redesign of the Health and Safety message boards has been completed.
- Work continues in developing a document to change the critical risk register as part of the Critical Risk Review.
- Frontline Safety plans continue to be worked on supporting the intent of the Frontline Charter.
- Employee Experience encouraging the app, Unmind's Better with Money series to boost personal financial wellbeing. Seven-session series helps develop / maintain a healthy relationship with personal finances.
- Development by the Employee Experience unit on the Employee Experience Framework for PNCC. Comes out of discussions on what staff think the ingredients are that make a great place to work.
- Random alcohol and/or drug testing is to restart across the organisation by April. The testing program is managed by The Drug Detection Agency, which uses a random number selector for picking whose turn it is to get a test.

2. REPORT

The report covers the period 1 January to 28 February 2023. The information included in this report is discussed at the relevant Health and Safety Committees.

A. Hazards, Incidents and Near Misses Reported⁷

Quarter	Dec 21		Mar 22		Jun 22		Sep 22		Dec 22		Feb 23	
	PNCC	Con	PNCC	Con	PNCC	Con	PNCC	Con	PNCC	Con	PNCC	Con
Hazards	41		52		14		14		17		13	1
Incidents	32	3	32	4	49	2	100	3	69	8	80	10
Near Misses	22	1	18	1	25	1	14		19	3	12	2
Lost Time (days)	86		100		95		93		62		112	
Lost Time Injuries	2		4		5		3		4		6	

Key: PNCC = Staff; CON = Contractor

Comments:

⁷ The data provided previously may differ due to an increased focus on data integrity.

- Incidents of note continue to involve Members of the Public: A chapel service which Police attended and numerous incidents at the City Central Library. A serious harm incident also occurred during this period involving the loading/unloading of a vehicle – medical treatment required, regulator notified, investigation led by the Safety team.

B. Critical Risk Table

This table has been included to provide clarity on the number of critical risk events and the category each event relates to.

No.	Critical Risk	Near Miss	Incident
1	Bodies of water		
2	Use of powered hand tools and stationary plant		
3	Tree felling / sectional takedowns		
4	Working alone		
5	Working at height (fall to lower level)		
6	Excavation work		3
7	Confined space work		
8	Working with mobile plant	1	1
9	Work environment (psycho/social)	1	12
10	Members of the public		18
11	Asset control		1
12	Hazardous substances	2	1

Comments:

- Training is ongoing in relation to the number of incidents involving Members of the Public.

C. Manual Handling

As previously reported, Manual Handling incidents have been identified as being a key area which contributes to Lost Time and remains a PNCC area of focus. PNCC monitors the effectiveness of Manual Handling capabilities by identifying incidents which are attributed to it, undertaking investigations and assessing the effectiveness of controls for this area. Manual handling incident data is drawn from injuries, accidents and pain and discomfort reports.

Last March 2022, Manual Handling training recommenced and the frontline workers' face to face training was completed in full by the end of August 2022. The office worker online manual handling training also started last June and is to run for 12 months.

The Manual Handling incidents recorded over the last 24 months is shown below:

Manual Handling ⁸	Jun 21	Sept 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Feb-23
Incidents	11	5	10	8	5	10	8	5
Manual handling incident divided by hours worked.	0.00004	0.00002	0.00003	0.00003	0.00002	0.00003	0.00003	0.00002
Manual handling incident frequency ratio (quarter).	1.9	0.9	1.6	1.3	0.8	1.6	1.3	0.8
12 Month Moving Average (12MMA-FR).	7.2	6.1	5.5	5.5	4.5	5.3	5.4	4.4

Comments:

- The 12-month moving average frequency ratio (12MMA-FR) levels out the spikes and dips in the quarterly results and reveals we are averaging 4.4 or one manual handling incident for every 36 years of actual hours worked which is assessed as positive.
- PNCC has a number of proactive measures in place including:
 - Education – The manual handling procedure including stretching, warm-up/cool down and the importance of early reporting of discomfort, pain and injury is covered at inductions.
 - Training – Move at work/manual handling training occurs annually with refresher training occurring every three years (next one is in August 2025).
 - Monitoring – Manual handling incidents are reviewed, and additional training/supervision initiated as needed.
 - The Safe Systems of Work (SSW) manual handling procedure is also used as refresher by business unit supervisors.

⁸ The data provided previously may differ due to an increased focus on data integrity.

D. WorkSafe Investigations

Investigations occurred this quarter 1

Previous investigations (last 12 months)

Number of remedial actions required 0

Number of remedial actions completed 0

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

E. 2018 Audit Action Plan

The previous information reported is a legacy audit and we completed 83% of the actions identified in the Action Plan from 2018. A SafePlus audit was undertaken in 2021, this overwrote the previous audit findings and a new action plan was developed. The Business Assurance division will be reporting on SafePlus audit actions every six months through their accountability reporting.

F. Training⁹

Summary information on Health & Safety training undertaken in the last 12 months is shown below. Further detail is provided in Attachment 2.

Date	Mar 22	Jun 22	Sep 22	Dec 22	Feb 23
Number of events	6	16	23	26	24
Staff attending	91	212	330	315	285

Comments:

- For the current period, uptake in situational safety training for front-facing staff continues; digital training in cyber security has also been occurred.

G. Wellbeing

- The Activate Wellness Gyms (CAB and Depot) were used 829 times during January to February 2023 or an average of 63 times per week by 207 individual members during that period.

Gym Usage	Mar 22	Jun 22	Sep 22	Dec 22	Feb 23
Gym usage quarterly total	1127	1128	635	639	829
Average weekly use	82	86	48	49	63

Wellbeing Table	Mar	YTD	
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⁹ The data provided previously may differ due to an increased focus on data integrity.

Wellbeing Table	Mar	YTD	
Gym usage	829	5671	Q3 2022-23 (January to February) showing a positive increase thus far due to the completion of the CAB refresh project.
Biennial health / eye check	33	107	Biennial Health and Eye Check information is sent directly to staff members on their even birthdays, e.g. age 38.
Annual flu vaccinations	0	0	Flu vaccination information is widely published across the organisation. These occur annually in Q4 period (May 2023).
Vitae – Pastoral contacts (significant strengths / issues)	202	1057	Vitae's new reporting platform gives improved clarity on pastoral contacts and has been reflected here.
Vitae – Other contacts (electronic/ referrals / management)	7	80	
Sick Leave days	629	6392	Average 10 days Per Person YTD.
People Feedback - Survey It is planned that the Tuia te Whakaaro / Employee Engagement Survey will run in Q3/Q4. Tuia te Whakaaro is about listening to and acting on the thoughts and ideas of our people. This survey seeks to listen to the thoughts of our staff and help us understand where we are as we work towards our aspirational state, as outlined in the Employee Experience Framework.			
Safe from physical harm (76% of staff participated).	4.23	4.4	Safe from physical harm and Safe from bullying / racism and harassment are both captured in Tuia te Whakaaro.
Safe from bullying, racism, harassment (46% of staff participated – there was a short lead in time).	3.82	3.9	

Comments:

- Management continues to review the provision of Mental Health/Resilience training to identify opportunities to capture our workforce and equip our people with skills and tools. The Frontline Safety Project training remains positive.

H. Annual Leave

Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Mar 23
4995	2562	1775	1343	4448	2391	2389	2147	4752	2427

Total days of annual leave taken per quarter

Comment:

- The average annual leave balance per staff member is 20.33 days as at 28 February 2023.
- In negotiations with the Unions last year the right to accumulate leave was reduced from two years to one year. This will, over time, reduce leave balances and subsequently leave liability.
- Leave patterns appear to be returning to normal after the impact of Covid19 in the Jun quarter 2020.

I. Sick Leave / Covid19

Dec 20	Mar 21	Jun 21	Sep 21	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Mar 23
1175	1120	1367	1089	1072	1277	1831	2150	1571	1271

Total days of sick leave taken per quarter

Comment:

- Sick leave increased in the last two quarters of 2022. The average number of days taken per employee in 2022 was 9.8 which is high compared to the historical average of 7.3 days. Covid19 has influenced this figure.
- Covid19 is now being treated similar to other illnesses as the number of reported cases in NZ has reduced significantly.
- The Council has applied for reimbursement for time lost due to Covid19. To date 1144 days have been applied for or are in the process of application.

J. Turnover – Employee initiated

Year	17/18	18/19	19/20	20/21	21/22	22/23 Projected
Number	67	67	85	120	123	129
%	12.0%	12.0%	14.1%	20.9%	19.8%	20.0%

Month	Turnover for Month	Turnover Previous 12 Months	Percentage (annual)
Mar 22	11	109	18.0%
Apr 22	13	110	18.0%
May 22	14	117	19.0%
Jun 22	13	124	19.8%
Jul 22	12	123	19.5%
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%

Comment:

- Turnover is higher than desirable and has been for the last 3 years, although this is not unique to Council.
- The highest turnover occurs in the first 12 months of employment, with 32.3% of leavers in this category. Staff with less than 12 months tenure account for 21.6% of all staff.
- The next group over-represented is 2-4 years of service.
- Recruitment and retention is more difficult in the current tight labour market with more opportunities available than qualified applicants.
- In the previous 12 months to 28 February 2023, 156 permanent employees were recruited, while for the same period 136 employees left.

3. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	No
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 5: A Driven & Enabling Council	
The recommendations contribute to the achievement of action/actions in (Not Applicable)	
Contribution to strategic direction and to social,	Providing information to Council about the ongoing progress towards the good performance of the organisation regarding health and safety.

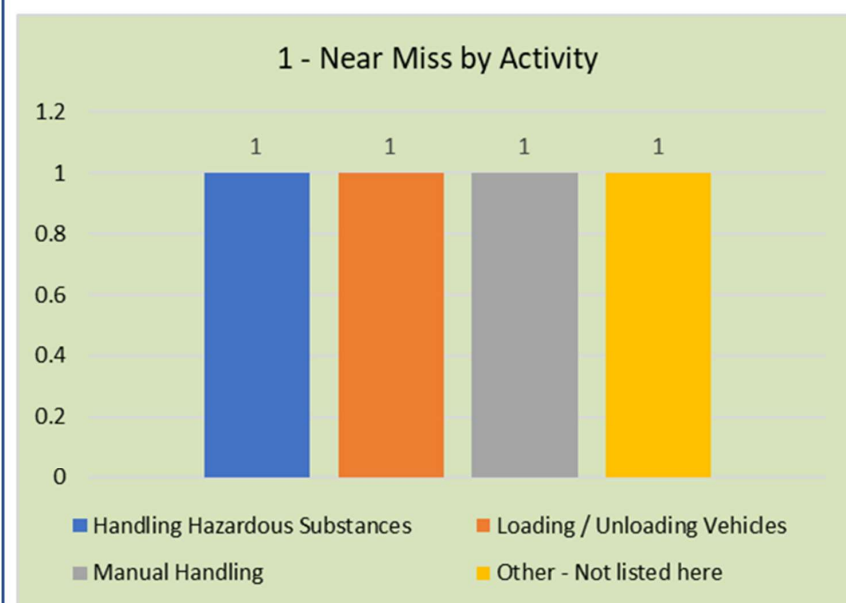
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ATTACHMENTS

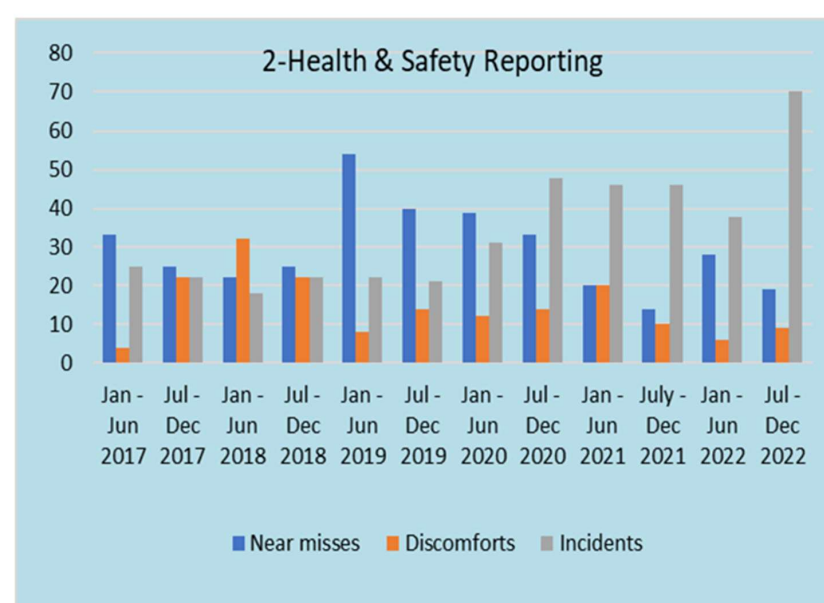
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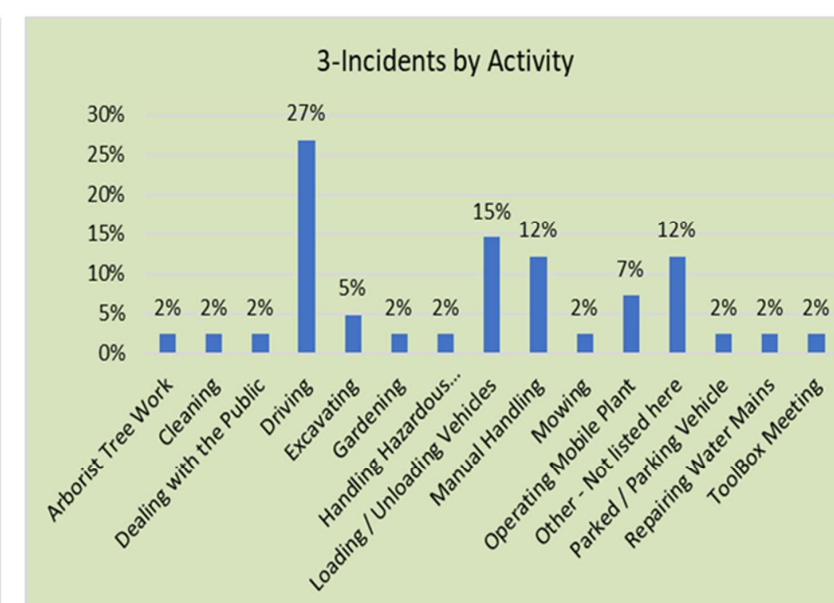
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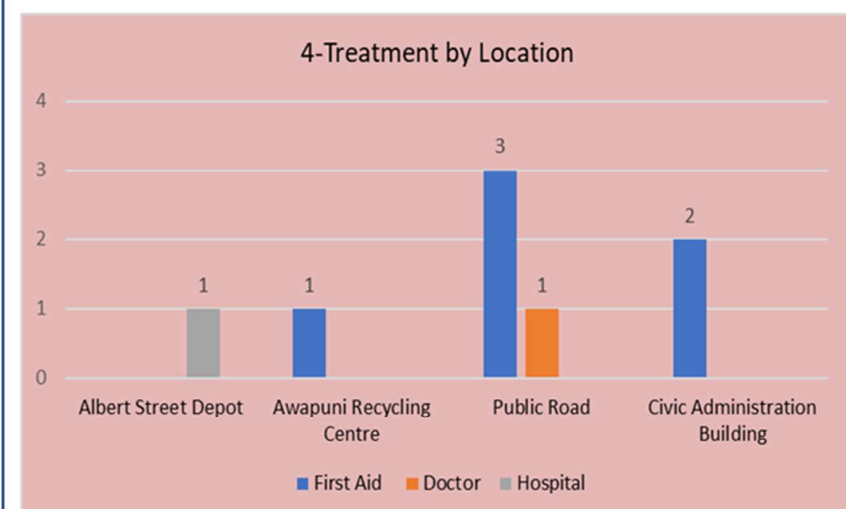
1 – Near Miss by Activity: Evenly spread for January and February. Will change at the completion of the quarter (March).



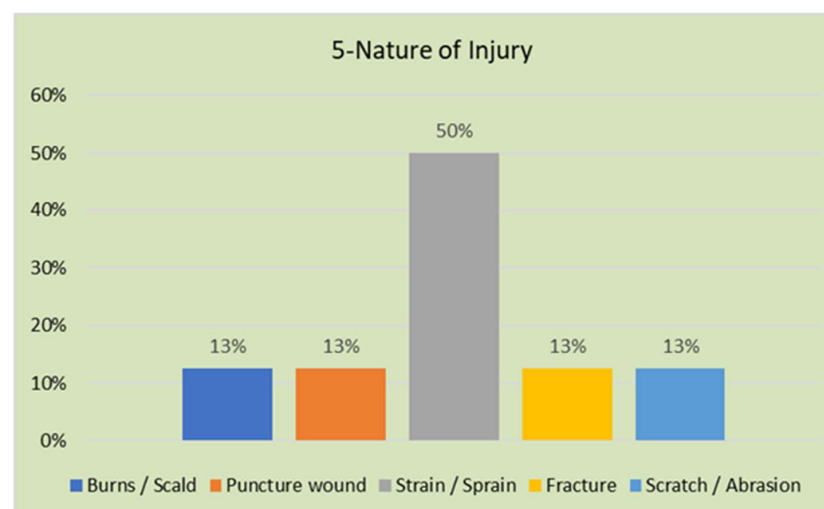
2 – Health & Safety Reporting graph is updated six monthly to enable increased visibility of trending. The next occurrence will be for the January to June 2023 half-year period.



3 – Incidents by Activity: The top Incidents by Activity account for 66% (Driving, Loading/Unloading Vehicles, Manual Handling, and Other – not listed) and also included contractors.



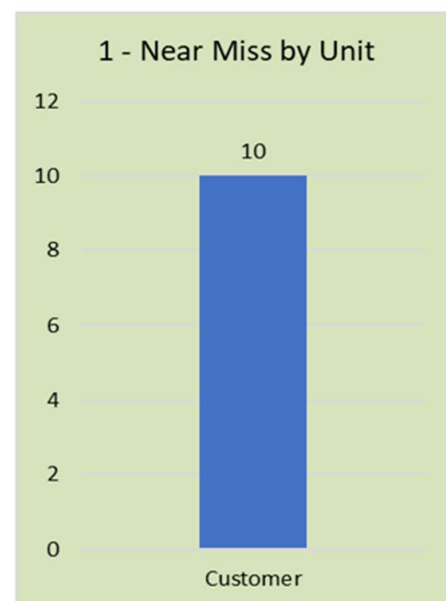
4 – Treatment by Location graph reflects the work-related injuries and where they have occurred; a serious harm incident (hospitalisation for a fracture) occurred within the Depot.



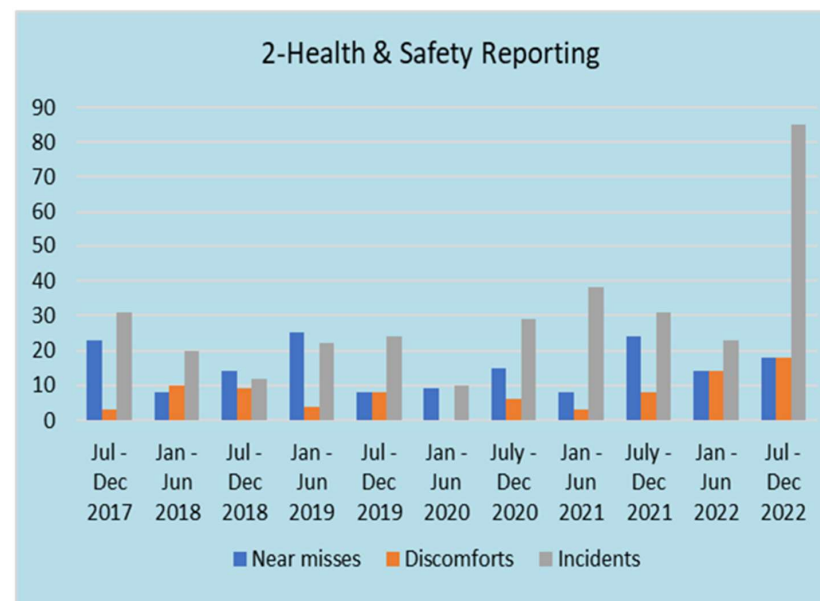
5 – Nature of Injury graph is reflective of Manual Handling, Loading/Unloading Vehicles – resulting in mainly strains / sprains; and the aforementioned serious harm (fracture).

Health and Safety Quarterly Dashboard Report: January to February 2023

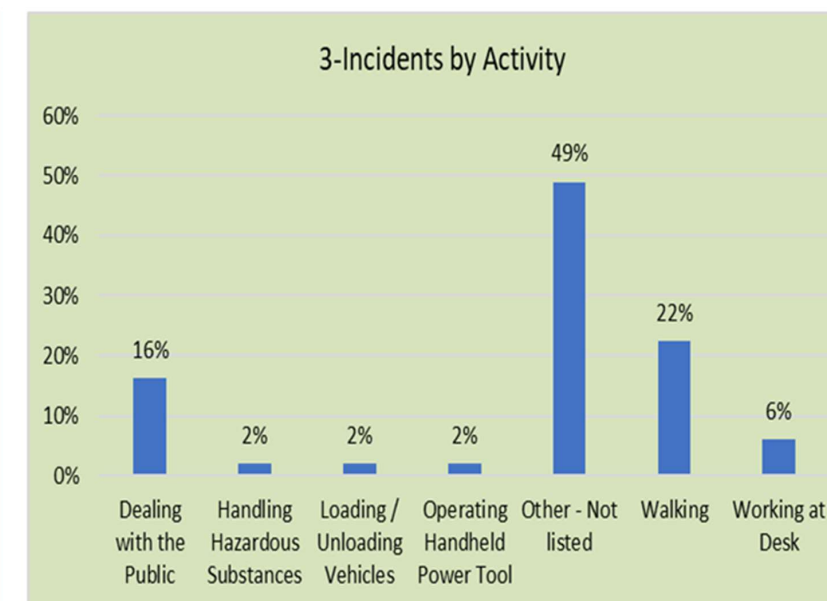
REST OF COUNCIL



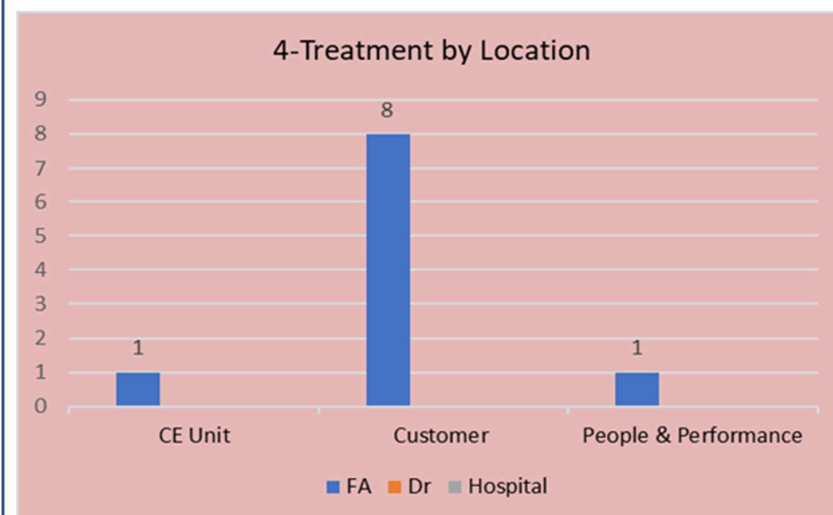
1 – Near Miss by Unit: As previously reported for October – December 2022 (9), Customer incidents similarly the same (10); mainly located in our libraries, one incident involving a contractor.



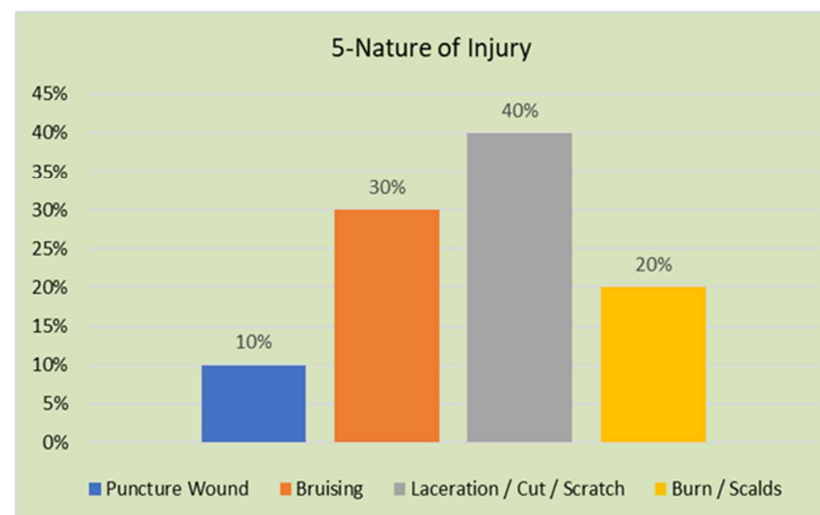
2 – Health & Safety Reporting graph is updated six monthly to enable increased visibility of trending. The next occurrence will be for the January to June 2023 half-year period.



3 – Incidents by Activity: The top activities account for 88% of incidents. Dealing with the Public, Walking, and Other (welfare and site visits to our libraries) are the most common sources.



4 – Treatment by Location graph reflects the number of injuries that have occurred. A number of Customer incidents also involved contractors (Wildbase).



5 – Nature of Injury graph is reflective of Other (again including Wildbase contractors), plus other activities (involving members of the public).

Health and Safety Quarterly Dashboard Report: January to February 2023

CRITICAL RISK	INCIDENT DESCRIPTION	CAUSE	MITIGATION
There have been 19 critical risk near miss incidents related to the last quarter:			
Member of public (MOP)	1. Staff heard three huge blows on an internal library door and identified a regular patron exiting a room and approaching staff in another area. The patron displayed aggression and became verbally abusive and threatening when confronted about striking doors. Another staff member intervened and asked the person to leave but was shoved aside.	Member of the public displaying unacceptable behaviour.	De-escalation; staff intervention and accompanying patron to exit premises.
	2. During a chapel service verbal aggression occurred between a member of the public and Police. People in a vehicle then did a burnout which caused a fire and damage to the road near the chapel. Drinking and highly emotional occupants of the vehicle soon left.	Members of the public displaying unacceptable behaviour.	Cameras installed in the area concerned.
	3. After completing a 360 degree turn around round-a-bout, a vehicle followed work truck. Driver got out and verbally abused the worker as they thought they were – incorrectly – cut off. Driver threatened the worker with physical abuse, then got into their vehicle and drove off.	Disgruntled member of the public.	Incident discussed at a toolbox meeting for awareness purposes.
	4. Whilst collecting wheelie bins, person on a mail motorbike crashed into a power box – breaking it and smashing the underside of their bike. Person was distracted and blamed worker. Became verbally abusive, then rode off.	Member of the public not paying attention to surroundings.	Staff to be aware of their surroundings.
	5. Worker removed a black bag from a wheelie bin and placed it in another bin that was present. Customer ran out stating it wasn't their bin – became verbally abusive to worker. Worker emptied recycling bin, but customer still went on about it not being his bag.	Member of the public.	Staff to be aware of their surroundings.
	6. Staff observed a known patron to kick the door to a Library room. Upon being spoken to about the incident the patron became verbally abusive and threatening to various staff. Patron physically pushed a staff member and at this point the Police were contacted.	Member of the public; linked to another report on the same incident.	Patron left whilst accompanied and was observed yelling on a public street.
	7. A member from a group of youths approached another and hit this youth in the head. Thereafter the group lingered outside. Returned to the vicinity later. Staff member requested the youths leave and informed one of them they were banned from the library. Youth became verbally abusive and was informed they were in a CCTV area.	Youth members of the public.	Parents of the youth victim contacted. Staff discussions held around banning vs trespassing; elements of risk involving staff.
	8. Whilst a staff member was issuing a ticket, co-worker was receiving verbal abuse.	Unknown member of the public.	Staff to be aware of their surroundings.
	9. Young person attempted to climb the guard gates in front of an inactive elevator, intending to walk down the immobile stairs.	Member of the public.	Patron didn't identify the risks around the inoperable and inert elevator.
	10. Driver of vehicle that had previously been ticketed drove past staff member, abusing worker and making threats.	Member of the public.	Staff to be aware of their surroundings.
	11. Worker called the escalation phone as a regular patron had kicked a Library door. Patron was observed to be talking to a staff member who was distressed/feeling intimidated. As a result, other staff attempted to de-escalate and engage patron – patron shoved one staff member away. Police were contacted.	Member of the public; linked to earlier report on the same incident.	Patron accompanied a staff member and exited building. Patron advised a trespass order would be issued, to which patron understood and left in a calm state.
	12. Whilst unloading in the Square a member of the public threatened the drivers with serious harm. The person did not appear to be targeting the team as they were abusive to any other people/vehicles.	Member of the public.	Appears one of the staff engaged with the person which may not have helped the situation – People have been reminded about our rules/processes.
	13. Warden supported another colleague near the Square. Happened upon a person yelling to execute Council staff.	Member of the public.	Wardens assessed the situation and called staff to return to the base for safety concerns.
	14. Warden observed a member of the public verbally threatening men in an orange Council truck in the middle of the inner Square.	Member of the public.	Wardens maintained safe distance from person; call made to get all of the officers to return to base.
	15. A member of the public approached and assaulted a warden on the street with a parking ticket. After the assault the person put on a hoody and walked fast. Worker possibly identified person in a vehicle; recorded incident on the body worn camera and informed the rest of the team.	Unknown member of the public.	People have been reminded about situational awareness, our rules/processes.

Health and Safety Quarterly Dashboard Report: January to February 2023

CRITICAL RISK	INCIDENT DESCRIPTION	CAUSE	MITIGATION
	16. After warden issued a ticket to a vehicle for expired registration, the driver of the vehicle came back and racially abused the warden. Driver took the ticket from windscreen and threw it on the ground, saying they knew people working in the Council and would not pay the ticket.	Member of the public.	People have been reminded about our rules/processes.
	17. Vehicle drove past warden and occupant repeatedly yelled abuse at warden.	Member of the public.	People have been reminded about our rules/processes and situational awareness.
	18. Two members of the public approached desk and one requested staff contact the Police.	Members of the public.	Individuals separated and several sensitivities worked through with other involved services. Police not called.
Working with Mobile Plant	1. SERIOUS HARM: Staff member was manually hooking a trailer up to a truck. Jockey wheel collapsed causing the hitch/drawbar to land on the staff member's foot.	Being hit by falling / moving object.	Investigation carried out by H&S; new operating procedure created; safety alert sent out; addition made to Operations induction; trailer pre starts implemented.
There have been 21 Other Incidents of Interest related to the quarter:			
Work Environment (Psycho/Social)	1. Welfare check with Youth Space staff. Offer to assist with induction for new staff discussed, and training opportunities for city host.	Health and safety audit.	Support and visual leadership offered.
	2. Site visit to Library to check in with staff. Discussion around support events, Esplanade Day, etc; library activities and introducing therapy dog as part of the Canine Friends team. Welfare check with security guard also.	Health and safety audit.	Support offered; new initiatives suggested.
	3. Site visit to community library (Te Pātikitiki). Revisited previous issues for status update/s.	Health and safety audit.	Welfare check-in conducted.
	4. Site visit to community library (Roslyn). Discussed status of public interventions handled, building leaks, consideration of K9 Friends engagement and process when duress alarm activated.	Health and safety audit.	Due to uncertainty Library staff to investigate internal processes further.
	5. Site visit to community library (Ashhurst). Discussed wider community incidents involving youth; community concern as a result of a vaping store opening nearby.	Health and safety audit.	Welfare check-in conducted.
	6. As part of our visual leadership, ELT took part in their monthly site visit – WWTP was chosen.	Visual leadership.	Site supervisor provided a full brief of current operations and H&S information – explained further in a presentation.
	7. Vehicle check point.	Driving.	Review of seatbelts and pre-starts as part of visual leadership engagement.
	8. Site inspection of the erection of tents prior to Festival of Cultures event. Good conversation with business owner – understanding of risks / hazards that may be present.	Weather conditions – wind and water build up.	On-call staff member to assist if there was an increase in wind conditions.
	9. Site visit to check-in with everyone during Toolbox meeting.	Members of the public.	De-escalation reminder when dealing with members of the public – physical awareness.
	10. Mobile visits to Downers site (Ferguson/Pitt sts) and Fulton Hogan (Rangitikei/Cuba sts).	Welfare check-ins with contractors.	Health and Safety team conducting visual leadership with PCBU's.
	11. Site visit to community library (Awapuni).	Welfare check-ins/updates.	Inspection of public alleyway and previous issues to be followed up.
	12. Site visit to community library (Te Pātikitiki).	Welfare check-ins / updates.	Matters previously discussed to be progressed/updated.
	13. Sun beaming through large round window on the right-hand side of the front square facing windows on Level 2 of the library (floor carpet in Genealogy space).	Environmental exposure - Heat from sun caused smoke.	Changed a process to make things safer.
Excavation Work	1. Site visit to Downer NZ contractor undertaking works at Pitt Street upgrade project.	Earth moving machinery.	Health and safety audit – good documentation in place; robust brief from the STMS.
	2. Inspection of water team who were cleaning out drainage / pressure release valves on the stop bank of the Manawatu river. Workers were of high spirits and well supervised.	Flooding events.	Conducting team welfare checks along riverbank.
	3. Inspection of road closures across PNCC, near Ahimate Park, Dittmer Rd and Awatapu College bend. Check with Fulton Hogan TCs. Public behaviour and welfare check.	Flooding events.	Conducting risk assessments post weather events.
Working with Mobile Plant	1. Worker witnessed a contractor employee riding a trolley, using their feet to steer down the ramp into the garage of the CAB.	Contractor employee goofing around.	Awaiting Management sign-off.

Health and Safety Quarterly Dashboard Report: January to February 2023

CRITICAL RISK	INCIDENT DESCRIPTION	CAUSE	MITIGATION
Hazardous Substances	1. Connecting the regulator onto the chlorine cylinder, the lead washers didn't create a proper seal. When gas was turned on it leaked. Cylinder was shut off; operators left the room to allow the chlorine to clear. Once room safe to enter the washer was replaced and the chlorine regulator was put back into service.	Lead washers.	Washers will be checked for impurities or deformation before being installed.
	2. Dealing with overpowering odour of dampness in library space when library has been closed up.	Environmental exposure – Potential mould.	Escalated concerns to property team and landlord.
	3. Phone box found in front of a public computer counter on the ground floor of the library.	Unattended phone box containing pipe and hazardous substances.	Staff who handled the box instructed to wash hands well; box sealed in a bag and filed with Police.
Asset Control	1. Staff from the library involved in the relocation of archive boxes as a result of leaks in concrete joins within CAB basement.	Water leaks in concrete joins.	Moved boxes to isolated space to be assessed and removed from any further leaks.

STAFF REPORT COMMENTS – JANUARY TO FEBRUARY 2023

This period of reporting saw a significant increase in reporting across PNCC against our Critical Risk profile at PNCC. It had almost tripled and should be regarded as positive. A new initiative launched by the Safety team was the use of the PeopleSafe tab – 'NICE'. Whilst not a perfect audit tool, it provided a data collection point to demonstrate a 'footprint' against the visual leadership intent of the Safety team.

We were becoming more aware of Member of Public negative interactions which were not just occurring at the library, but also in the Infrastructure business. We had become more aware also of the negative impacts on our parking wardens (Customer business).

Further work was still required in the investigation close outs; however, the Safety team were now leading 5 Why and Teams Investigations for Serious Events with the inclusion of Health and Safety Reps. During this period an Investigation module was developed to be launched in the next quarter with business leaders.

Attachment Two – January to February 2023: Training undertaken¹

Event	Mar-22	Jun-22	Sep-22	Dec-22	Feb-23
Asbestos Awareness Training					13
Behavior Safety Observed training					
Breathing Apparatus					
Certified Handler Preparation Online (CHOP)					1
Certified Handlers (Hazardous Substances)					
Chainsaw Training		1			
Challenging Conversations and Resilience		45	29	20	10
Chemical training /handling	34				
Confined Space and Gas Detection			9	6	13
Creating Respectful Workplaces		69	16		30
Customer Conflict Awareness				14	
Cyber Security at Work					85
Dangerous Goods (DG)					
Mental Wellbeing at Work (completed in May 2020-21)					
Driver's License – Class 1R (Restricted)					
Driver's License – Class 2L (Learners)					
Driver's License – Class 4L (Learners)					
Driver's License – Class 1 (Car License)		1	1	5	1
Driver's License – Class 2 (Medium Rigid Vehicle)			1	5	
Driver's License – Class 3 (Medium Combination)				1	
Driver's License – Class 4 (Heavy Rigid)			4	7	
Driver's License – Class 5 (Heavy Combination)				1	
Driver's License – Class 6 (Motorcycle)					
Drug and Alcohol					7
Efficient Compaction Operators Course					
Electrofusion certificate			15	2	
Elevated Working Platform (Scissor Lift and Boom)					
Emergency Management – Foundations				9	3
Emergency Management – Intermediate				6	1
Emergency Management – Specialist				4	
Emergency Management – Critical Incident Stress					1
Emergency Management – Working in the NCMA/NCC					1
Emergency Medical Response Revalidation			1		
Endorsement (D) Dangerous Goods		1		1	

¹ Sourced from PeopleSafe and Employee Experience training resources.

Event	Mar-22	Jun-22	Sep-22	Dec-22	Feb-23
Endorsement (F) Forklift		2	1	2	
Endorsement (R) Roller		2	3	2	1
Endorsement (T) Tracks		2	2	2	1
Endorsement (W) Wheeled Special Type		3	2	3	1
Evac Chair			7		
Fire Safety				164	
Fire Warden Training					
First Aid Certificate	2	9	53	13	32
Forklift OSH Certificate	1	2			
Forklift (F) Endorsement					
Front End Loader					
Gantry Crane Training					
Grow-safe		14	2		
Harassment Prevention and Awareness					
Harassment Prevention and Awareness – Managers workshop					
Height Safety Introduction			4	1	
Height Safety Advanced			1		
H&S Representative Training		9			
Internal Training – Forklift SOP				1	
IVO Power Brush XL – Cleaners					
Kerbside Collection Traffic Leader KCTL (was WCTL)			6		
Managing Mental Health					
Management and Handling of Hazardous Substance					1
Managing Upset or Difficult Customers				22	
Manual Handling			37		
Manual Handling Online			21	9	1
Mask Fit Testing					15
Move at Work / Manual Handling (occurred July 2020-21)					
NC Utilities Maintenance L4 (water)					
Onboarding – Easy Start Orientation					27
Onboarding – Tour of the City					15
OPSEC Situational Safety			69		
Peer Lunch and Chat – Report Writing					11
PeopleSafe Training					
Permit to Work					
Playground Safety Inspections	4				

Event	Mar-22	Jun-22	Sep-22	Dec-22	Feb-23
Resilience training (Completed in May 2020-21)					
Report Writing and InfoCouncil					8
Safety into CAB					
Safety Plans		32			
Site Safe Foundation Passport					
Site Specific Safety Plan					
Spill Management	34				
SOP Compost Op G/Waste Shredder					
STMS Level 1 – Site Traffic Management				5	
TC1 – Basic Traffic Controller Level 1					
T1 Tennant Battery Floor Scrubber - Cleaners					
TC Refresher					
Trespass Training		4			
Truck Loader Crane / HIAB	16				
Twintec TTB 1840 Battery Compact - Cleaners					
Understanding Mental Health in the Workplace		16	25	10	6
Understanding Unconscious Bias			21		
Total Number of Events	6	16	23	25	24
Total Number of Staff Attending	91	212	330	315	285

COMMITTEE WORK SCHEDULE

TO: Risk & Assurance Committee

MEETING DATE: 26 April 2023

TITLE: Committee Work Schedule

RECOMMENDATION(S) TO RISK & ASSURANCE COMMITTEE

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

COMMITTEE WORK SCHEDULE – APRIL 2023				
Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction & Clause number
26 April 2023	City Transportation Review	Business Assurance Manager	Report to be presented to Council on 3 May 2023	Infrastructure 17 August 2022 Clause 14.3-22 Council 5 October 2022 Clause 123.2-22
26 April 2023	Business Continuity Plan Update	Head of Risk and Resilience	Covered in Business Assurance Accountability Report	22 June 2022 Clause 49
26 April 2023	Enterprise Risk Management Framework review	Business Assurance Manager		15 December 2021 Clause 95

COMMITTEE WORK SCHEDULE – APRIL 2023				
Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction & Clause number
26 April 23 August 2023	Audit NZ Management Report & Action Plan - update	Business Assurance Manager	Waiting on Audit NZ Report	22 June 2022 Clause 46
26 April 23 August 2023	Quality Assurance Framework for Wastewater Discharge Consent Project	Business Assurance Manager	Slow progress due to consenting timeframes	28 September 2022 Clause 69
26 April 2023	Health, Safety & Wellbeing quarterly update	Safety & Health Manager		
26 April 2023	Review of Project Planning and Budgeting, Benefits Realisation Framework, Strategic Prioritisation Review	Business Assurance Manager	Report presented at 5 April Council meeting	15 December 2021 Clause 95
26 April 2023	Business Assurance six-monthly accountability report	Business Assurance Manager		16 December 2020 Clause 68.2
26 April 23 August 2023	Sustainable Practices Review - Action Plan	Business Assurance Manager	In progress	28 September 2022 Clause 67
26 April 23 August 2023	Animal Shelter review	Business Assurance Manager	Incorporated into 2023/24 Business Assurance work programme	Committee of Council 15 June 2022 Clause 38.4-22
26 April 2023	2023/24 Business Assurance Work Programme	Business Assurance Manager		Terms of Reference

COMMITTEE WORK SCHEDULE – APRIL 2023				
Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction & Clause number
26 April 2023	Quality Assurance Reporting for Ozone Replacement Project	Business Assurance Manager		Finance and Audit Committee September 2022