PALMERSTON NORTH CITY COUNCIL

AGENDA

RISK & ASSURANCE COMMITTEE

9:00 AM, WEDNESDAY 11 JUNE 2025
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	**Lorna Johnson**
Brent Barrett	**Orphée Mickalad**
Vaughan Dennison	**William Wood**
Leonie Hapeta	**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

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PALMERSTON
NORTH
CITY

RISK & ASSURANCE COMMITTEE MEETING

11 June 2025

ORDER OF BUSINESS

1. **Karakia Timatanga**

2. **Apologies**

3. **Notification of Additional Items**

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

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

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

4. **Declarations of Interest (if any)**

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

5. Public Comment

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

6. Confirmation of Minutes   Page 7

That the minutes of the Risk & Assurance Committee meeting of 12 March 2025 Part I Public be confirmed as a true and correct record.

7. Audit New Zealand 2024/25 Financial Year Audit Plan   Page 13

Memorandum, presented by Scott Mancer, Manager - Finance, Desiree Viggars, Manager - Legal, Risk & Assurance and Debbie Perera, Audit Director - Audit New Zealand.

8. Business Assurance Accountability Report   Page 41

Memorandum, presented by Desiree Viggars, Manager - Legal Risk & Assurance.

9. Strategic Risk Management Reporting January to March 2025 (Quarter 3)   Page 69

Memorandum, presented by Stephen Minton, Risk Management Advisor.

10. Long-Term Plan 2024-2034 Debrief   Page 83

Memorandum, presented by Grace Nock, Manager Organisational Planning and Performance and David Murphy, General Manager Strategic Planning

11. Wellbeing Report, 1 January to 31 March 2025 (Quarter 3)   Page 115

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

12. Committee Work Schedule   Page 125

13. **Health and Safety Report, 1 January to 31 March 2025 (Quarter 3)**   Page 129

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

14. **Karakia Whakamutunga**

15. **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
13.	Health and Safety Report, 1 January to 31 March 2025 (Quarter 3) **Confidential Attachment 2**	PREJUDICE THE SUPPLY OF SIMILAR INFORMATION: Releasing this information could negatively effect similar confidential information or discourage people from sharing such information; and ENDANGER THE SAFETY OF A PERSON: Sharing this information could put someone's health and safety at risk	s7(2)(c)(i) and s6(d)
16.	Presentation - Cyber Security	PREVENT DAMAGE TO THE PUBLIC INTEREST: Withholding information is in the public's best interest.	s7(2)(c)(ii)
17.	Confirmation of the minutes of the Risk & Assurance Committee meeting of 12	For the reasons set out in the Risk & Assurance Committee of 12 March 2025, held in public present.	

	March 2025 Part II Confidential	

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

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

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

PALMERSTON NORTH CITY COUNCIL

Minutes of the Risk & Assurance Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 12 March 2025, commencing at 9.01am

Members Present:	Stephen Armstrong (in the Chair), The Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Vaughan Dennison, Leonie Hapeta, Orphée Mickalad, William Wood and Kaydee Zabelin.
Non Members:	Councillors Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.
Apologies:	The Mayor (Grant Smith) (early departure).

Councillor Lorna Johnson entered the meeting at 9.04am after consideration of clause 1. She was not present for clause 1.

Councillor Kaydee Zabelin left the meeting at 10.57am during consideration of clause 7. She entered the meeting again at 10.59am after the consideration of clause 7. She was not present for clause 7.

Karakia Timatanga

Councillor Debi Marshall-Lobb opened the meeting with karakia.

1-25   Apologies

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the apologies.

Clause 1-25 above was carried 15 votes to 0, the voting being as follows:

For:
Stephen Armstrong, The Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Vaughan Dennison, Leonie Hapeta, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

Councillor Lorna Johnson entered the meeting online at 9.04am.

2-25   **Confirmation of Minutes**

Moved Karen Naylor, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the minutes of the Risk & Assurance Committee meeting of 27 November 2024 Part I Public be confirmed as a true and correct record.

Clause 2-25 above was carried 13 votes to 0, with 3 abstentions, the voting being as follows:

For:
Stephen Armstrong and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Vaughan Dennison, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Roly Fitzgerald and Patrick Handcock.

Abstained:
The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb and Billy Meehan.

3-25   **Independent Health and Safety Audit**
Memorandum, presented by Franz Assenmacher, Director, Safe on Site, Selwyn Ponga-Davis, Health and Safety Manager and Desiree Viggars, Manager Legal, Risk & Assurance/Legal Counsel.

Moved Karen Naylor, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the Committee receive the Health and Safety Audit Report from the independent Auditor, presented to the Risk & Assurance Committee on 12 March 2025.

Clause 3-25 above was carried 16 votes to 0, the voting being as follows:

For:
Stephen Armstrong, The Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Vaughan Dennison, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

EXCLUSION OF PUBLIC

4-25   **Recommendation to Exclude Public**

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

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

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

follows:

	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
8.	Health and Safety Report, 1 April to 30 June 2024 (Quarter 4) **Confidential Attachment 2**	PREJUDICE THE SUPPLY OF SIMILAR INFORMATION: Releasing this information could negatively ffect similar confidential information or discourage people from sharing such information; and ENDANGER THE SAFETY OF A PERSON: Sharing this information could put someone's health and safety at risk	s7(2)(c)(i) and s6(d)

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

Clause 4-25 above was carried 15 votes to 0, with 1 abstention, the voting being as follows:

For:
Stephen Armstrong, The Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Vaughan Dennison, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, Kaydee Zabelin, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

Abstained:
Councillor William Wood.

The public part of the meeting adjourned at 9.44am.
The meeting resumed in public at 10.26am.

6-25 **Health and Safety Report, 1 October to 31 December 2024 (Quarter 2)**
Memorandum, presented by Selwyn Ponga-Davis, Health and Safety Manager.

Moved Karen Naylor, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the Committee receive the memorandum titled 'Health and Safety Report, 1 October to 31 December 2024 (Quarter 2)' presented to the Risk & Assurance Committee on 12 March 2025.

2. That the Chief Executive release Attachment 2 as is practicable.

Clause 6-25 above was carried 16 votes to 0, the voting being as follows:

For:
Stephen Armstrong, The Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Vaughan Dennison, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

7-25   **Audit NZ 2024 Management Report with Action Plan**
Memorandum, presented by Desiree Viggars, Manager Legal, Risk & Assurance/Legal Counsel, Scott Mancer, Manager Finance and Debbie Perera, Audit Director.

Councillor Kaydee Zabelin left the meeting at 10.57am.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the memorandum titled 'Audit NZ 2024 Management Report with Action Plan' presented to the Risk & Assurance Committee on 12 March 2025.

Clause 7-25 above was carried 15 votes to 0, the voting being as follows:

For:
Stephen Armstrong, The Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Vaughan Dennison, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

Councillor Kaydee Zabelin entered the meeting again at 10.59am.

8-25   **Wellbeing Report, 1 October to 31 December 2024 (Quarter 2)**
Memorandum, presented by Connie Roos, Manager Employee Experience and Wayne Wilson, Manager People Operations.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the memorandum titled 'Wellbeing Report, 1 October to 31 December 2024 (Quarter 2)' presented to the Risk & Assurance Committee on 12 March 2025.

Clause 8-25 above was carried 16 votes to 0, the voting being as follows:

For:
Stephen Armstrong, The Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Vaughan Dennison, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

9-25   **Setting Council's Risk Management Appetite and Tolerance Levels**

Memorandum, presented by Stephen Minton, Risk Management Advisor.

The Mayor (Grant Smith) left the meeting at 11.16am.
The Mayor (Grant Smith) entered the meeting again at 11.26am.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council reconfirm the risk appetite and risk tolerance levels as noted in section 3.1 and 3.2 of the memorandum titled 'Setting Council's Risk Management Appetite and Tolerance levels', presented to the Risk and Assurance Committee on 12 March 2025.

Clause 9-25 above was carried 13 votes to 3, the voting being as follows:

For:
Stephen Armstrong, The Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Vaughan Dennison, Leonie Hapeta, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Roly Fitzgerald, Patrick Handcock and Billy Meehan.

Against:
Councillors Brent Barrett, Lorna Johnson and Debi Marshall-Lobb.

10-25   **Strategic Risk Management Reporting October 2024 to December 2024 (Quarter 2)**

Memorandum, presented by Stephen Minton, Risk Management Advisor.

Moved Karen Naylor, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

1. That the Committee receive the following updated strategic risk assessment

   - Strategic Risk 7: Failure to Attract and Retain Staff

   and the Strategic Risk Dashboard (section 3.2).

Clause 10-25 above was carried 16 votes to 0, the voting being as follows:

For:
Stephen Armstrong, The Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Vaughan Dennison, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

11-25   **Committee Work Schedule**

Moved Karen Naylor, seconded Vaughan Dennison.

The **COMMITTEE RESOLVED**

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

dated March 2025.

Clause 11-25 above was carried 16 votes to 0, the voting being as follows:

For:
Stephen Armstrong, The Mayor (Grant Smith) and Councillors Karen Naylor, Mark Arnott, Brent Barrett, Vaughan Dennison, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Debi Marshall-Lobb and Billy Meehan.

Karakia Whakamutunga

Councillor Debi Marshall-Lobb closed the meeting with karakia.

The meeting finished at 11.47am.

Confirmed 11 June 2025

Chair

MEMORANDUM

TO:	**Risk & Assurance Committee**
MEETING DATE:	**11 June 2025**
TITLE:	**Audit New Zealand 2024/25 Financial Year Audit Plan**
PRESENTED BY:	**Scott Mancer, Manager - Finance, Desiree Viggars, Manager - Legal, Risk & Assurance and Debbie Perera, Audit Director - Audit New Zealand**
APPROVED BY:	**Cameron McKay, General Manager Corporate Services**

RECOMMENDATION(S) TO RISK & ASSURANCE COMMITTEE

1. **That the Committee receive the Audit Plan for the 2024/25 Financial Year from our appointed auditor – Audit New Zealand, presented to the Risk & Assurance Committee on 11 June 2025.**

1.   ISSUE

1.1   Palmerston North City Council must undergo a legislative audit at the completion of each financial year. This report outlines the key focus areas for the upcoming audit as well as the attached Audit Plan.

2.   BACKGROUND

2.1   Council's appointed auditor is Debbie Perera, Audit Director, Audit New Zealand.

2.2   For the upcoming audit, the following areas have been highlighted as a key focus, based on work that the Office of the Auditor General has undertaken in planning for the audits of the Local Government sector.

2.3   Key focus areas for 2024/25 Audit:

  i)   Valuation of infrastructure assets – Water, Wastewater & Stormwater

  ii)   Fair value assessment of infrastructure assets (non-valuation year) – Roading, Parks and Reserves, Waste Management

  iii) Fair value of investment property

  iv)   Accounting for impairment, capitalisation of costs and recognition of completed assets

  v)   Risk of management override of internal controls

2.4   Other areas of focus across the Local Government Sector:

   i)   Amendments to disclosure of audit fees

   ii)   Mutual liability Riskpool Scheme

   iii)   Local Water Done Well

   iv)   Benchmark reporting

   v)   Fraud risk

   vi)   Legislative compliance

   vii)   Service performance information

2.5   The attached audit plan outlines the full detail of the items above, including further details on the full plan. The timetable is included in the table below, as well as in the attachment.

Table 1: Audit Timeline	Date
Planning meetings	February & March 2025
Interim audit begins	14 April 2025
Risk & Assurance Committee – Audit Plan	11 June 2025
Audit of Revaluations	23 & 30 June 2025
Draft financial statements available for audit (including notes) with actual year-end figures	31 July 2025
Final audit begins	4 August 2025
Final financial statements available, incorporating all agreed amendments	19 September 2025
Annual Report available, including Chair and Chief Executive's overview or reports	19 September 2025
Verbal audit clearance given	24 September 2025
Risk & Assurance Committee – Annual Report	1 October 2025
Audit Opinion issued	8 October 2025
Draft report to Council issued	20 October 2025

3. NEXT STEPS

3.1 The end of year audit will be undertaken by the auditors and any new issues (if applicable) will be reported to the Risk & Assurance Committee following the adoption of the Annual Report 2024/25.

3.2 The Annual Report 2024/25 is scheduled to be approved for adoption by the Risk & Assurance Committee on 1 October 2025 and adopted by Council on 8 October 2025.

4. 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 objectives?	**Yes**
Are the recommendations inconsistent with any of Council's policies or plans?	**No**

The recommendations contribute to: Whāinga 3: He hapori tūhonohono, he hapori haumaru Goal 3: A connected and safe community	

The recommendations contribute to this plan:
14. Mahere mana urungi, kirirarautanga hihiri
14. Governance and Active Citizenship Plan
The objective is: Oversee Council operations and communicate outcomes and decisions to our communities.

Contribution to strategic direction and to social, economic, environmental and cultural well-being	The Business Assurance function of Council aims to enable Council to succeed by building trust and confidence in the core controls that are relied on by management and governance.

ATTACHMENTS

1. 2025 Audit Plan - Palmerston North City Council ⇩ 📄

Audit plan

Palmerston North City Council and group

For the year ending 30 June 2025

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Executive summary

I am pleased to present our audit plan for the audit of Palmerston North City Council and group (the City Council) for the year ending 30 June 2025. Our role as your auditor is to give an independent opinion on the financial statements and performance information. Our work improves the performance of, and the public's trust in, the public sector. We also recommend improvements to the internal controls relevant to the audit.

The contents of this plan should provide a good basis for discussion when we meet with you. We will be happy to elaborate further on the matters raised. If there are additional matters that you think we should include, or any matters requiring clarification, please discuss these with me.

Yours sincerely

Debbie Perera
Appointed Auditor
11 March 2025

Contents

ITEM 7 - ATTACHMENT 1

Focus areas: risks and issues

Based on the planning work and discussions that we have completed to date, we set out in the table below the main risks and issues relevant to the audit. These will be the main focus areas during the audit.

Many of these risks and issues are relevant to the audit because they affect our ability to form an opinion on your financial statements and statement of service performance. As part of the wider public sector audit, we are also required to be alert to issues of effectiveness and efficiency, waste and a lack of probity or financial prudence.

Additional risks may also emerge during the audit. These risks will be factored into our audit response and our reporting to you.

Risk/issue	Our audit response
Valuation of infrastructure assets	
The City Council revalues its infrastructure assets whenever there is expected to be a material movement in the fair value of those assets. We understand that the City Council intends to revalue its water, wastewater, and stormwater assets as at June 2025. The reasonableness of the valuation depends on the valuation method applied, the completeness and accuracy of the source data, and the appropriateness of key assumptions. Some valuations are inherently complex and involve the use of numerous data sources and key assumptions that can have significant impacts on valuations and the future depreciation expense. The City Council will need to collate information about the underlying assumptions and data to support the valuations. One of the key assumptions in a depreciated replacement cost valuation is the unit rate adopted for significant components. When developing the unit rates, the City Council should have a documented methodology and database of cost information to support the unit rate applied in the valuation.	We will: • review the valuation report to assess the objectivity and competence of the valuer and whether the requirements of accounting standard, PBE IPSAS 17 *Property, Plant and Equipment*, have been met; • assess relevant quality controls that support the integrity of the underlying data and assumptions schedules used in the valuation; • obtain an understanding of and test the underlying source data used in the valuation; • review the methodology used to develop unit rates and test those rates back to the City Council's analysis of recent contract costs; • engage with the valuers as part of assessing the reasonableness of the assumptions used as well as the reasons for movements in key asset components;

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Risk/issue	Our audit response
The City Council should ensure the scope of the valuation work is sufficient and the reasons for the movement in the valuation are documented and justified. As a minimum, the reasons for the movement should identify and explain movements at an asset component level since the last valuation due to changes in source data (for example, lengths and volumes), unit rates, and any other significant adjustments. Valuations prepared by a firm external to the City Council should be subject to quality reviews by the valuation firm and suitably experienced members of the City Council's management team. When a valuation is completed internally this should be peer reviewed by a suitably experienced and qualified person, for example an external valuation firm would be considered appropriate.	• review the accounting entries and the fixed asset register to ensure the values are correctly updated; and • review the appropriateness of the disclosure, including any narrative.
Fair value assessment of infrastructure assets (non-revaluation year)	
For those assets that the City Council does not plan to revalue, the City Council needs to perform a fair value movement assessment (assessment) to determine whether there could be a material difference between the fair value and the carrying value. An assessment should: • factor in local cost information; • utilise relevant and reliable price movement indicators; and • involve consultation with valuers, where necessary.	We will review the reasonableness of the City Council's assessment including the appropriateness of the assumptions used in the assessment.

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Risk/issue	Our audit response
If the fair value movement of the assets, individually or in combination with other asset classes, is likely to be material, the City Council will need to complete a full revaluation. If specified criteria are met, the City Council may be able to undertake an index-based revaluation.	
Fair value of investment property	
The City Council has elected to apply the fair value model to its investment property and is required to revalue its investment property annually in accordance with accounting standard PBE IPSAS 16 *Investment Property*. This standard requires the fair value of investment properties to reflect the fair value of the properties based on the market conditions as at the reporting date. Determination of the fair value requires key judgements and assumptions to be made by the City Council's valuer.	We will: • review the valuation report and hold discussions with management and their valuer to confirm our understanding of the approach taken to estimate fair value, key judgements made, assumptions applied, and source data used; • assess the valuer's expertise and their objectivity; • evaluate whether an acceptable approach has been taken to estimate fair value, and assess this (and the related disclosures in the financial statements) for compliance with the requirements of accounting standards; • review the source data for errors and omissions, and assess the reasonableness of key judgements made and assumptions applied; and • test calculations, determine if the revaluation has been correctly accounted for, assess the overall valuation movement and obtain explanations for any significant or unusual changes in value.

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Risk/issue	Our audit response
Accounting for impairment, capitalisation of costs and recognition of completed assets	
Impairment Assets are required to be assessed for indicators of impairment at each reporting date. In addition, work in progress (WIP) values on projects that span an extended period of time should be assessed regularly for impairment over the period of the project. **Capitalisation of costs** The City Council should ensure appropriate policies and processes are in place to identify and capitalise costs that are capital in nature. This includes both direct and indirect capital costs. **Completed projects** The City Council also needs to ensure that, as phases of a project are completed, and assets become operational, capitalisation of the WIP balance is performed in a timely manner. This will ensure that depreciation on these assets starts when the asset is complete and ready for use. The City Council had a significant WIP balance at 30 June 2024 with a risk that some projects within the balance may have been abandoned and should be written off. The City Council should analyse the aging of WIP balances by year and consider whether any old balances should be written off or impaired.	We will: • assess the processes used by management to assess for impairment, including all significant WIP balances and review the analysis of WIP aging; • update our understanding of the City Council policy and processes to identify and capitalise both direct and indirect capital costs; and • review management's processes to ensure that the capitalisation of WIP costs is performed in a timely manner.

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Risk/issue	Our audit response
The risk of management override of internal controls	
There is an inherent risk in every organisation of fraud resulting from management override of internal controls. Management are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Auditing standards require us to treat this as a risk on every audit.	Our audit response to this risk includes: • testing the appropriateness of selected journal entries; • reviewing accounting estimates for indications of bias; and • evaluating any unusual or one-off transactions, including those with related parties.

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Other areas of interest across the local government sector

There are a number of sector wide issues significant to most local authorities. These include areas of interest that are not necessarily significant to the City Council but are areas we monitor as part of our responsibility to consider the broader risks affecting local authorities. We have reviewed the specific areas of interest for the 2024/25 year and have not identified any areas of focus over and above those already covered in this plan. Should any additional areas be identified during the year we will notify the Council separately. Wider public sector areas of interest are set out on pages 7 to 8.

Amendments to PBE IPSAS 1 regarding the disclosure of audit fees

The amendments to PBE IPSAS 1 have expanded and clarified the disclosure expectations for audit fees. These changes are applicable to reporting periods beginning on or after 1 January 2024, which means they will apply to the 2025 annual report.

The enhanced disclosure requirements introduce a requirement to disclose the fees incurred for services received from audit or review firms using specific categories. Under each category of other non-audit or review services, entities reporting under Tier 1 are required to provide a description of each type of service received and the corresponding fees incurred for the reporting period.

The amendments also clarify that for the purpose of these disclosures, the fees for services received from the audit or review firm are based on the amount of fees expensed during the reporting period. This includes any disbursements incurred in connection with the services.

Mutual Liability Riskpool Scheme

Although Riskpool is in wind down, member councils have an ongoing obligation to contribute to it should a call be made in respect of any

historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme.

In August 2023, Riskpool indicated that member councils might have to provide further contributions to cover identified shortfalls whereby claims exceed reinsurance recoveries. This led to relevant councils recognising a provision or including disclosure of the situation and what it meant in their 2022/23 financial statements.

In November 2023, Riskpool made a call on member councils to fund quantified shortfalls. The amount to be funded by member councils was $12.9 million. Riskpool reserves the right to make further calls for additional funding if needed. To date, we are not aware of any further calls being made.

The Council will need to consider its disclosures in this regard and should specifically consider whether further information is available to allow the Council to reliably measure a provision for unpaid calls.

Dealing with the "Local Water Done Well" water reforms in the 2025 annual report

Local Water Done Well is being implemented in stages:

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- Stage 1 – repealing the affordable water reforms (completed in February 2024);

- Stage 2 – passing the Local Government (Water Services Preliminary Arrangements) Act 2024 (completed in September 2024); and

- Stage 3 – introducing the Local Government Water Services Bill, which will establish the enduring settings for the new water services system (expected to be passed by mid-2025).

Depending on the status of the water reforms and the Council's response to those, we recommend the City Council provide a high-level summary of the reforms at the time of reporting. This should include that the Council must prepare, consult on aspects of, and adopt a water services delivery plan. Where the Council's intentions are well developed and formalised via Council resolution, the Council may wish to describe the anticipated or proposed model or arrangement for delivering water services, and planned timing of implementation.

We will communicate any changes in expectations to you when we have a better understanding of water service delivery plans and their possible effects on the audited information contained in the annual report.

Benchmark reporting

As part of the local government reform programme, the Department of Internal Affairs (DIA) is set to benchmark council performance. The DIA will publish a yearly report on key financial and delivery outcomes, of which the first report is to be released mid-2025. The report is expected to include several performance metrics, including rates, debt, capital expenditure, balanced budget, and road condition. Legislation is expected to be amended to allow future benchmarking reports to include comparison of contractors and consultant expenditure, alongside other metrics.

We wish to signal to the Council that where information used in the DIA's benchmarking process is drawn from the annual report, this may create additional areas of focus for both the Council and the audit team during the audit process. Should any additional areas be identified, we will notify the Council separately.

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Fraud risk

Misstatements in the financial statements and performance information can arise from either fraud or error. The distinguishing factor between fraud and error is whether the underlying action is intentional or unintentional. Our consideration of fraud risk covers both misstatements resulting from fraudulent reporting and misstatements resulting from misappropriation of assets.

Your responsibility

The primary responsibility for the prevention and detection of fraud and error rests with the Council, with assistance from management. In this regard, we will discuss the following questions with you:

- How does the Council see its role in relation to fraud? How do you monitor management's exercise of its responsibilities?

- Has a robust fraud risk assessment been completed? If so, is the Council satisfied that it had appropriate input into this process?

- How does management provide assurance that appropriate internal controls to address fraud risks are in place and operating?

- What protocols/procedures have been established between the Council and management to keep you informed of instances of fraud, either actual, suspected, or alleged?

- Are you aware of any actual, suspected, or alleged fraud? If so, have the results of management's investigation been reported to the Council? Has appropriate action been taken on any lessons learned?

Our responsibility

Our responsibility is to obtain reasonable, but not absolute, assurance that the financial statements and performance information are free from material misstatement, including any resulting from fraud. Our approach to obtaining this assurance is to:

- identify fraud risk factors and evaluate areas of potential risk of material misstatement;

- evaluate the effectiveness of internal controls in mitigating the risks;

- perform audit testing to address the risks identified; and

- remain alert for indications of potential fraud in evaluating audit evidence.

The Auditor-General has published useful information on fraud that can be found at oag.parliament.nz/reports/fraud-reports.

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Legislative compliance

As part of the Auditor-General's mandate, we consider compliance with laws and regulations that directly affect your annual report. Our audit does not cover all of your requirements to comply with laws and regulations.

Mandatory disclosures

The annual report must contain the disclosures required under certain legislation, including:

- the Local Government Act;
- the Local Government (Financial Reporting and Prudence) Regulations 2014; and
- the Non-Financial Performance Measures Rules 2024.

The City Council should continue to review the legislative disclosure requirements and check that these are accurate and complete.

Integrity self-assessment survey

In December 2024, the Office of the Auditor-General (OAG) published the second edition of the integrity framework for the public sector, followed in January 2025 by a guide on monitoring integrity in public organisations. The OAG's 2024/25 Annual Plan highlighted as a priority supporting strong organisational integrity practices. Aligned with that priority, Audit New Zealand is conducting an integrity self-assessment survey (the survey) as part of the 2024/25 annual audits across 51 local authorities and 22 central government organisations. The survey aims to understand how these organisations establish a culture of integrity and

raise awareness about its importance. Palmerston North City Council is one of the organisations being surveyed.

The survey results will be shared with the Council and will serve as a baseline for possible future audit work. A summary report will also be compiled from the findings across all surveyed organisations. This will be shared with the City Council.

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Materiality

In performing our audit, we apply materiality. Materiality refers to information that if omitted, misstated, or obscured could reasonably be expected to:

- influence readers' overall understanding of the financial statements and service performance information; and
- influence readers in making decisions about the stewardship and allocation of resources or assessing your performance.

This definition of materiality is broader than the one used in the private sector.

It is a matter of judgement whether information is material. We consider the nature (qualitative) and amount (quantitative) of each item judged in the surrounding circumstances and its impact. Qualitative considerations are of equal significance as quantitative considerations. Qualitative considerations are of primary importance in in the context of disclosures for transparency and accountability reasons, and in evaluating any non-compliance with laws and regulations.

The Council and management need to make their own assessment of materiality from a preparer's perspective Management and the Council should not rely on our materiality assessment as a basis for owning and making judgements about the integrity of the financial statements and service performance information.

Financial statements materiality

For planning purposes, we have set **overall group materiality** for the financial statements at $245,390,000 and **overall parent materiality** of $236,600,000 based on group and parent budgeted property, plant and equipment. These are subject to change once the actual results for the current year are available. For this audit we are only applying this overall materiality to the fair value of property, plant and equipment.

Overall group materiality	$245,390,000
Specific group materiality	$5,700,000
Group Clearly trivial threshold	$285,000
Parent overall materiality	$230,000,000
Parent specific materiality	$5,000,000
Parent clearly trivial threshold	$250,000

For this audit we have set a lower, **specific group materiality** of $5,700,000 and **specific parent materiality** of $5,000,000 for all items not related to the fair value of property, plant and equipment.

A lower specific materiality is also determined separately for some items due to their sensitive nature. For example, a lower specific materiality is determined and applied for related party and key management personnel disclosures.

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We design our audit procedures to detect misstatements at a lower level than overall materiality. This takes account of the risk of cumulative misstatements and provides a safety net against the risk of undetected misstatements.

We will report all uncorrected misstatements to the Council other than those that are **clearly trivial**. We consider misstatements of less than $250,000 to be clearly trivial unless there are relevant qualitative considerations. We will ask for each of these misstatements to be corrected. Where management does not wish to correct a misstatement we will seek written representations from the governing body on the reasons why the corrections will not be made.

Misstatements

Misstatements are differences in, or omissions of, amounts and disclosures that may affect a reader's overall understanding of your financial statements and Service Performance Information . The effects of any detected and uncorrected misstatements, individually and in aggregate, are assessed against materiality and qualitative considerations.

Audit of service performance information

Our audit work will be undertaken under Auditing Standard 1 (Revised) *The Audit of Service Performance Information* (issued by the External Reporting Board July 2023). This standard is closely related to the accounting standard for service performance reporting (PBE FRS 48). The new standard is broadly similar to the existing standard on auditing service performance information but may result in a few changes in our audit work, including our approach to determining which performance measures are material, or how we link the work we do on some performance measures to the work we do in related financial statement areas.

Of particular note are specific requirements relating to the measurement bases or evaluation methods used to measure or evaluate performance measures and/or descriptions. Auditors are required to assess if these are appropriate and meaningful, if they are available to intended users, and whether the service performance information is prepared, in all material respects, in accordance with these. In respect of availability to intended users, we will be looking for adequate disclosure in the annual report on the basis of measurement/evaluation methods for performance measures and/or descriptions, where this is not self-evident.

Materiality for service performance information

At an overall level, we assess whether the service performance information is suitable, given your purpose and the nature of your activities, and whether the reporting allows for an informed assessment of the City Council's performance. In doing this we consider whether the information is relevant, complete, reliable, neutral, and understandable.

We set materiality for service performance information at an individual measure level based on what we expect would influence readers' overall understanding, decision making, or assessment of the City Council's performance. Because of the variety of measurement bases applied, we normally express this materiality as a percentage of the reported result.

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We have identified the following measures as material and assessed materiality for planning purposes. We will reassess this during the audit.

Material measure	Materiality
Safety of drinking water 100% compliance with the bacterial and protozoal requirements of the Water Services (Drinking Waster Services for New Zealand) Regulations 2022.*	5%
Drinking water - customer satisfaction Resident satisfaction with Council's provision of water supply is at least 78%	8%
Compliance with wastewater resource consents 100% compliance with resource consents for discharge from the wastewater system. Measured by the number of abatement notices, infringement notices, enforcement orders, and convictions received for discharges from wastewater system.	5%
Wastewater - customer satisfaction Resident satisfaction with Council's provision of the sewage system is at least 73%	8%

Compliance with stormwater resource consents 100% compliance with resource consent conditions for discharge from the stormwater system. Measured by the number of abatement notices, infringement notices, enforcement orders, and convictions.	5%
Transport - customer satisfaction Resident satisfaction with Council's provision of roads throughout the city is at least 32%.	8%
Road network maintenance More than 3.5% of the sealed local road network is resurfaced.	8%
Building consents processing times At least 95% of building consent applications are processed within accordance with statutory timeframes.	8%

*We understand that DIA are publishing guidance around the reporting of safety of drinking water measures. The City Council will need to review this guidance once it has been issued.

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Group audit

Our audit report covers the group as a whole. We developed our audit approach for the group to obtain sufficient information to give an opinion on the group financial statements and performance information. We have assessed the risks of material misstatement and have identified our approach for each component.

We will report any significant internal control deficiencies to the Council and management of the group. This will include any deficiencies identified by the group engagement team or brought to our attention by a component auditor. We will communicate deficiencies related to:
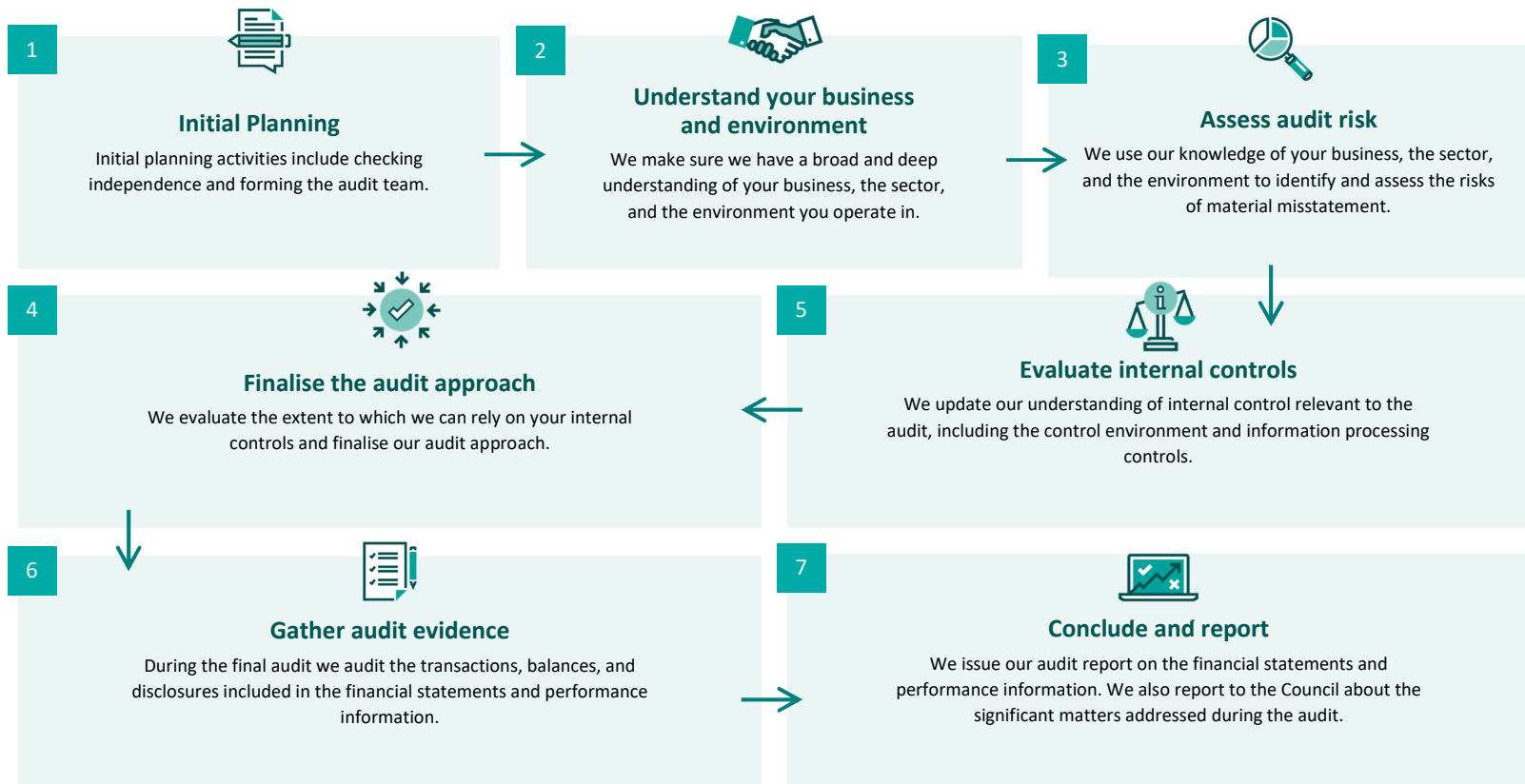
- group-wide internal controls; or

- internal controls at each component.

We will also communicate any fraud identified by the group engagement team or brought to our attention by a component auditor.

Component	Our audit approach
Palmerston North Airport Limited	I am also the component auditor of Palmerston North Airport Limited. The audit work on this component will be a full financial statement and performance information audit. The significant audit risk relevant to this component is: • The risk of management override of controls

This table shows the work we have planned for each component. In addition to this, we will perform analytical procedures for other components.

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Our audit process

1 Initial Planning

Initial planning activities include checking independence and forming the audit team.

2 Understand your business and environment

We make sure we have a broad and deep understanding of your business, the sector, and the environment you operate in.

3 Assess audit risk

We use our knowledge of your business, the sector, and the environment to identify and assess the risks of material misstatement.

4 Finalise the audit approach

We evaluate the extent to which we can rely on your internal controls and finalise our audit approach.

5 Evaluate internal controls

We update our understanding of internal control relevant to the audit, including the control environment and information processing controls.

6 Gather audit evidence

During the final audit we audit the transactions, balances, and disclosures included in the financial statements and performance information.

7 Conclude and report

We issue our audit report on the financial statements and performance information. We also report to the Council about the significant matters addressed during the audit.

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Enhancing year-end processes

The year-end financial statement close process and the preparation of the annual report requires a large number of resources to be committed to complete it effectively. We want the audit process to run smoothly, and we will work with management to achieve this through bringing forward the timing of audit procedures.

The City Council has agreed to prepare the water, wastewater, and stormwater valuations for 30 June 2025 at 31 May 2025, this will allow the work over the revaluations to be brought forward.

Bringing forward audit procedures

Substantive audit procedures are traditionally performed after year-end. Where possible, we will aim to bring audit procedures forward to earlier in the year. This will be focused on year-to-date transactions for revenue, expenditure, and performance information. Completion of these tests earlier in the year should allow for more timely identification and resolution of errors.

We will work with management to facilitate getting the information required at the right time. We will communicate with management if information is not available as agreed, including any impact on the year-end audit.

Professional judgement and professional scepticism

Many of the issues that arise in an audit, particularly those involving valuations or assumptions about the future, involve estimates. Estimates are inevitably based on imperfect knowledge or dependent on future events. Many financial statement items involve subjective decisions or a degree of uncertainty. There is an inherent level of uncertainty which cannot be eliminated.

The term "opinion" reflects the fact that professional judgement is involved. Our audit report is not a guarantee but rather reflects our professional judgement based on work performed in accordance with established standards.

Auditing standards require us to maintain professional scepticism throughout the audit. Professional scepticism is an attitude that includes a questioning mind and a critical assessment of audit evidence. Professional scepticism is fundamentally a mind-set resulting in a questioning approach when considering information and in forming conclusions.

Exercising professional scepticism means that we will not accept everything you tell us at face value. We will ask you and management to provide evidence to support what you tell us. We will also challenge your judgements and assumptions and weigh them against alternative possibilities.

Wider public sector considerations

A public sector audit also examines whether:

- the City Council carries out its activities effectively and efficiently;
- waste is occurring or likely to occur as a result of any act or failure to act by the City Council;

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- there is any sign or appearance of a lack of probity as a result of any act or omission by the City Council or by one or more of its members, office holders, or employees; and

- there is any sign or appearance of a lack of financial prudence as a result of any act or omission by the City Council or by one or more of its members, office holders, or employees.

Reporting protocols and expectations

Communication with management and the Council

We will meet with management and the Council throughout the audit. We will maintain ongoing, proactive discussion of issues as and when they arise to ensure there are "no surprises".

Our planning meetings have been scheduled as follows

Meeting with	Planned timing
Mayor	7 April 2025
Chair Risk & Assurance Committee	12 March 2025
Chief Executive	17 March 2025
GM Corporate Services	27 February 2025
GM Infrastructure	20 March 2025
GM Customer and Community	20 March 2025
GM Strategic Planning	13 March 2025
GM People and Capability	14 March 2025
GM Development and Regulatory	20 March 2025

Reports to the Council

We will provide a draft of all reports to management (and the Council) for discussion/clearance purposes. In the interests of timely reporting, we ask management to provide their comments on the draft within 10 working days. Once management comments are received the report will be finalised and provided to the Council.

At the end of the audit, we will report to the Council our views on:

- the level of prudence in key judgements made by management in preparing the financial statements; and

- the quality and timeliness of information provided for audit by management.

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Expectations

For the audit process to go smoothly for both you and us, there are expectations that each of us need to meet. Our respective responsibilities are set out in our audit engagement letter.

We expect that:

- you will provide us with access to all relevant records and provide information in a timely manner;

- staff will provide an appropriate level of assistance;

- the draft financial statements, including all relevant disclosures, will be available in accordance with the agreed timetable;

- management will make available a detailed workpaper file supporting the information in the financial statements; and

- the annual report, financial statements and performance information will be subjected to appropriate levels of quality review before being provided to us.

To help you prepare for the audit, we will liaise with management and provide them with a detailed list of the information we will need for the audit.

Health and safety

The Auditor-General and Audit New Zealand take seriously their responsibility to provide a safe working environment for audit staff.

Under the Health and Safety at Work Act 2015, we need to make arrangements with management to keep our audit staff safe while they are working at your premises.

We expect you to provide a work environment for our audit staff that minimises or, where possible, eliminates risks to their health and safety. This includes providing adequate lighting and ventilation, suitable desks and chairs, and safety equipment where required. We also expect management to provide them with all information or training necessary to protect them from any risks they may be exposed to at your premises. This includes advising them of emergency evacuation procedures and how to report any health and safety issues.

Audit logistics and next steps

Our team

Our engagement team is selected to ensure that we have the right subject matter expertise and sector knowledge. Each member of the audit team has received tailored training to develop their expertise.

Our senior audit team members are:

Debbie Perera	Appointed Auditor
John Whittal	Engagement Quality Review Director
Alistair Love	Audit Manager
Vincent Rocero	Assistant Manager

The Engagement Quality Review (EQR) Director forms an important part of our internal quality assurance process to maintain and enhance the quality of your audit. They are independent from the day-to-day audit field work, and so can provide an independent challenge to the audit team on their judgements. The EQR will work with your Appointed Auditor and the audit team but will not have direct contact with you. John Whittal has extensive experience in the sector and is the Appointed Auditor for several other clients in the sector.

Timetable

Our proposed timetable is:

Planning meetings	February & March 2025
Interim audit begins	14 April 2025
Risk and Assurance Committee – Audit Plan	11 June 2025
Audit of revaluations	23 & 30 June 2025
Draft financial statements available for audit (including notes) with actual year-end figures	31 July 2025
Final audit begins	4 August 2025
Final financial statements available, incorporating all agreed amendments	19 September 2025
Annual report available, including any Chair and Chief Executive's overview or reports	19 September 2025
Verbal audit clearance given	24 September 2025
Risk and Assurance Committee – Annual Report	1 October 2025
Audit opinion issued	8 October 2025
Draft report to the Council issued	20 October 2025

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AuditDashboard

We will again use AuditDashboard for transferring files as part of the audit.

Working remotely

Covid-19 restrictions, such as lockdowns, and resultant changes to our own and our client's work locations, including increasing numbers working from home have meant we changed how we worked with our clients.

Lockdowns meant that our clients and our auditors did not always have access to their premises and information and had to work remotely. This confirmed that aspects of our audit work can be done efficiently off-site. We plan to continue to perform aspects of your audit remotely as there are some benefits to you and us of having our team off-site for parts of the audit.

During the previous audit, we were able to perform some of our audit work remotely. Based on our experience we found that the City Council has some systems and processes in place but these will only facilitate a portion of the any off-site work.

We recognise different organisations are positioned differently to enable off-site audit work. We will be discussing and agreeing off-site working expectations in conjunction with our information requests with you. This will include our continued use of AuditDashboard to manage our information requests.

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Audit timetable

Activities/deliverables **Audit NZ / Palmerston North City Council**	2025											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Council planning meetings		▬	▬									
Interim audit				▬	▬							
Audit of revaluations						▬	▬					
Draft financial statements available for audit							▬					
Final audit								▬	▬			
Final financial statements available									▬			
Verbal audit clearance										▬		
Risk and Assurance meeting										▬		
Audit opinion issued – Council Adoption meeting											▬	
Draft report to the governing body issued											▬	

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AUDIT NEW ZEALAND
Mana Arotake Aotearoa

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MEMORANDUM

TO:	**Risk & Assurance Committee**
MEETING DATE:	**11 June 2025**
TITLE:	**Business Assurance Accountability Report**
PRESENTED BY:	**Desiree Viggars, Manager - Legal Risk & Assurance**
APPROVED BY:	**Cameron McKay, General Manager Corporate Services**

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 11 June 2025.

1. ISSUE

The Business Assurance Charter requires that follow-up procedures for review 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 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. 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.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from S4.8 – TOR for Risk & Assurance Committee	**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: All goals.	
The recommendations contribute to this plan: 14. Mahere mana urungi, kirirarautanga hihiri 14. Governance and Active Citizenship Plan	
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 April 2025 ⇩ 📄

Accountability Report

Progress Update on Previous
Review Findings

Business Assurance

Apr 2025

Review Status Summary

Completed Reviews	Not Started	In Progress	Completed	Closed in Prior Period	Total
Business Continuity Planning Review	-	1	-	11	12
PMO Review	-	1	3	18	22
IT Disaster Recovery Review	-	2	2	7	11
Health & Safety Review	-	8	1	38	47
Procurement Review	-	2	1	11	14
Financial Delegations Review	-	2	-	3	5
Asset Management Maturity Assessment	-	17	2	12	31
Sustainable Practices Review	-	1	2	5	8
Risk Management Review	-	2	1	1	4
LTP Programme Planning, Budgeting, Prioritisation and Benefits Review	-	1	-	4	5
Road Maintenance Renewal & Capital Improvements Contract Review	-	-	2	3	5
Employee Life Cycle (Talent Attraction & Retention) Review	-	11	4	18	33
External Funding & Commercial Revenue Review	-	2	-	-	2
Audit NZ Annual Report 2023	-	2	1	5	8
Subtotal before New Actions		52	19	136	207
Audit NZ Annual Report 2024	-	2	3	-	5
SafePlus Health & Safety Audit 2025	-	17	11	-	28
Total Actions	-	71	33	136	240

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Business Continuity Planning Review (Presented August 2020)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	That exercises are run across the Council at least annually using a range of scenarios	Manager Emergency Management	Dec-20	Dec-25	In Progress

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

Management Comment by Manager Emergency Management:

Of the 35 Business Continuity Plans (BCP's), 32 have been reviewed, updated and socialised with the relevant people leaders. 2 of the remaining 3 outstanding BCP's are of greater complexity and consequently require additional time to progress (Three Waters, and Contact Centre BCP's).

During the review process, a range of scenarios, including natural disasters and health and safety-related incidents, have been considered and BCPs updated to reflect the approach Managers would take to operate the service, including any IT workarounds and resources required to enhance the resilience of operations.

During the last 12 months, the organisation has responded to various disruptions where Business Continuity Plans were tested.

- Whole Organisation - Internet connectivity – Late April 2025
- 3 Waters – Potential E. coli Contamination – Mid April 2025
- Front of House / Missoula Room - Water pipe burst - Nov 2024
- Call Centre – Regular Fire Drill - Feb 2025

Additionally, the standard operating procedure for the Activation of the Emergency Operation Centre was tested with the Incident Management Team in May 2025. Plans are in place to further build on this over the coming months.

As BCPs are "live" documents, a work plan has been developed to schedule rolling annual reviews and exercises to ensure any business process improvements or outcomes of business disruptions are reflected in future BCPs. While this approach is different to the intention of the original 2019 recommendation, we believe that this approach will strengthen the organisation's resiliency.

It should be noted that BCP's will be tested proportionally to their complexity, while prioritising the Council's essential and core services.

Management is confident in the progress achieved to date and is working toward full completion by the next reporting period.

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PMO Review (Presented December 2020)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	The PMO manual should be finalised and approved by the Chief Infrastructure Officer. This should include key roles and responsibilities, capturing learnings.	Programme Governance TL	Mar-21	Nov-24	Complete
2	Determine, when and how, benefits realisation will be reported to the ELT and Elected Members.	Manager - PMO	Jun-21	Mar-26	Complete
3	If the benefits are only realised after the project has closed down, then a mechanism to continue tracking their realisation should be established. Determine, when and how, benefits realisation will be reported to the ELT and Elected Members.	Manager - PMO	Mar-21	Mar-26	Complete
4	In the 'Conceive' phase the Project Sponsor should approve an appropriate business case before any programme is commissioned to commence. Additional resourcing is required to enable this. In the 'Develop' phase a more detailed project plan should be completed.	Manager -Asset Management Planning /Manager - PMO	Jun-21	Jun-26	In Progress

An additional 18 items have either been merged or completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by Project Management Office Manager:

Good progress has been made to close out key actions with the Project Management Tool and Project Management Manual. The Project Management Tool has now been signed by the GM infrastructure and is being used as a reference for good project management practice. Likewise the Project Management Tool has enabled more proficient project management practice and allowed a better line-of-sight to key project metrics. As with the implementation of any tool or manual, there is a period of time where all parties become accustom to the changes made and improve on existing standard of practice. Overall the implementation of these actions has provided a tangible improvement to the project management practices at PNCC.

Benefits realisation is reported in project closure documents. Where realisation of these benefits occurs post-project implementation, this is transferred to the appropriate Activity Manager for monitoring and evaluation. This process is evidenced in the project report and project management manual. The project management manual has also been updated to reflect reporting on these benefits to SLT and Elected Members for projects with a budget of $1,000,000 or more on project completion.

Preliminary business case information has been prepared for some programmes as part of the Long-Term Plan programme development process. This is the beginning of the 'conceive' phase of programmes, or as it is now termed, the 'initiate' phase. We are presently working on improved systems and

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process for business case information for the next Long-Term Plan. The goal of this is to improve both the number of programmes with preliminary business case information, and the quality of that information. Not all projects require a more detailed business cases in the 'develop' phase of programmes (now known as the 'plan' phase). The requirement for a more detailed case will be based on the risk and complexity of the project. Detailed project plans are being completed based on programme outcomes from either the 'initiate' or 'plan' phase business cases. This occurs for every project.

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IT Disaster Recovery Review (Presented January 2021)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Prioritise and formalise the IT business continuity programme to provide structure, resources and transparency to IT business continuity enhancements.	Chief Information Officer	Jan-21	Sept-25	Complete
2	Comprehensively update IT DR Plans so they address all aspects of best practice.	Digital Solutions Manager	Jan-21	July-25	Complete
3	Ensure workarounds for any IT disruption are included and tested in all Council Unit BCPs.	Manager Emergency Management	Jan-21	July-25	In Progress
4	Update and exercise the Council's crisis management plan to provide clarity on activation processes, roles and responsibilities for IT DR.	Manager Emergency Management	Jan-21	July-25	In Progress

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

Management Comment by Chief Information Officer

The IT team is progressing its business continuity programme by decommissioning additional legacy systems in QBR and preparing for a cyber security attack simulation in October. This simulation will test and formalise BCP documentation, while identifying areas for improvement.

New Datacentre installation has been implemented, and a DR failover test was completed, and DR plans have been updated.

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Health & Safety Review (Presented August 2021)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Set Health and Safety KPIs and report to the organisation how we are performing against them	SLT	Dec-23	Dec-25	Complete
2	Develop a worker competency framework which includes assessments on training, knowledge and experience	Chief People & Performance Officer	Jun-24	Dec-25	In Progress
3	Develop a Health and Safety Framework	Chief People & Performance Officer	Apr-23	Jun-25	In Progress
4	SLT's professional development include health and safety management, for example through the Institute of Directors NZ or similar	SLT	Dec-23	Jun-25	In Progress
5	Ensure there is regular refresher training programme for workers.	Health & Safety Manager	Jun-25	Jun-25	In Progress
6	Provide First-Aid Mental Health Training through the Wellbeing Advocate initiative	Employee Experience Manager	Jun-23	Jun-25	In Progress
7	Review how hazardous substances will be managed across the organisation	Health & Safety Manager	Jun-23	Jun-25	In Progress
8	Undertake basic hazardous substance training for nominated managers and team leaders	Health & Safety Manager	Mar-23	Jun-25	In Progress
9	Review health monitoring requirement base on hazardous substances used	Health & Safety Manager	Mar-23	Jun-25	In Progress

An additional 38 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by Health & Safety Manager:

Tenā koutou e te rangatira.

Our external accreditation, Sitewise Gold and Totika has now been in place for over 2 years and continues to set the standard for contractors to aspire too when working with PNCC. Our top critical risk, Frontline Working will and always challenge us due to the ever-changing financial challenges our society are facing. The development of our own internal program 'Frontline Awareness Situational Training' (FAST Program) provides the specific information, instruction and skills needed to undertake work on the frontline. Understanding 'triggers' and knowing how to keep yourself safe is key to ensuring our

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people get home safely to their whānau. With a new Government comes change. That change will see the health and safety reform. The 2023 Tuia Whakaaro produced good results affirming that we were on the right pathway. The 2025 survey saw a 3% increase from 90% engagement.

Multiple actions are coming to fruition and will close over the next few months.

With the completion of the 2025 Safe Plus Audit there are further opportunities to strengthen our health and safety journey.

Mā te whakapiki i te hauora me te haumaru o ō hoa mahi e turakina ai ngā whakakōroiroi, ka tino whakamaua te matawhānui kia tina.

By enhancing the health, safety and wellbeing of your colleagues the obstacles will be cleared away and the vision will be achieved and held firm.

Procurement Review (Presented August 2022)

Ref:	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Review OAG goods and services contract template and endorse for PNCC use.	Legal Counsel	Dec-22	Jun-25	Complete
2	Undertake regular spot checks and report results through finance dashboard to ELT.	Procurement Manager	Jun-23	Dec-25	In Progress
3	Spend management encompasses spend analysis, strategic sourcing and supplier relationship management. The first step entails mapping our spend, so we know what we spend, on who, across what units and on what. To do this, we need to ensure all data and information repositories are captured and that rules are in place to establish 'buckets'/ categories. Once the spend analysis is complete prepare a plan to develop preferred supplier panels. Starting with the Planning Unit.	Procurement Manager	Dec-22	Dec-25	In Progress

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

Management Comment by Procurement Manager:

Utilisation of the Procurement and Contracts team is at an all-time high and continues to increase over time. Focus has been on assisting with procurement planning and getting procurements out to market, resulting in limited capacity to deliver strategic procurement initiatives and to meet previously agreed deadlines. Actioning these last recommendations remains an important priority and options are currently being explored to address resourcing issues.

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Financial Delegations Review (Presented August 2022)

Ref:	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Update Delegations Made by Chief Executive Manual (sections 23-39)	Manager Governance	Aug-22	Jun-26	In Progress
2	Develop Framework to support Delegations Made by Chief Executive Manual	Manager Governance	Aug-22	Jun-26	In Progress

An additional 3 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by Manager Governance:

Solid progress on the Delegations Manual, which is now is on an annual review cycle, with rolling section-by-section review, including Principles rewrite agreed by Council this year. Next section is Definitions and review of Section 5 (financial delegations for CE), expected August- for learnings and tightenings/clarity etc one year on from implementation. Financial delegations per role are now included in job profiles, regularly reviewed and published internally. However there has not been sufficient capacity to progress assurance framework recommendation.

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Asset Management Maturity Assessment (Presented August 2022)

Ref	Agreed Action:	Responsibility	Mgmt Comment on Status	Initial Agreed Date:	Current Agreed Date:	Status:
1	Conduct LoS workshops with Councillors. Present options aligned with organisational strategies and include discussion of costs and risks against different service levels.	Manager - Asset Management Planning	It is intended as part of the preparation of the next Long-Term Plan that the review and development of levels of service and performance measures will be presented to Elected Members.	Jun-25	Next LTP	In Progress
2	Develop separate wastewater and stormwater development plans and explore the impact of different development scenarios and management strategies.	Asset Management Team Leader	Progress has been made on the stormwater strategy. With Taumata Arowai becoming the regulator for these waters it is anticipated that they will require planning documentation and we will wait to see what their requirements are to avoid any duplication of work.	Jun-24	Next LTP	In Progress
3	Review transport levels of service performance measures and develop options for the next LTP round.	Asset Management Team Leader	Work is underway with the activity to review and develop levels of service and performance measures that align with the Government Policy Statement on Land Transport and organisational strategies.	Dec-26	Next LTP	In Progress
4	Develop LoS scenarios to test through the Waste Minimisation Management Plan (WMMP) and Long Term Plan (LTP) processes.	Asset Management Team Leader	Work is underway with the activity to review and develop levels of service and performance measures that align with the Waste Minimisation Management Plan and organisational strategies.	Dec-26	Next LTP	In Progress
5	Undertake review of new growth areas in the future to determine number of trucks, staff, estimate waste volumes and impact on recycling	Asset Planning Team Leader	Work is underway assessing the impacts of both the growth in the network and changes in the recycling patterns of customers. This is being undertaken as part of the Resource Recovery Section 17A review.	Jun-24	Dec-25	In Progress
6	Review asset data and determine where gaps are. Work with new asset data team to fill gaps	Asset Information Team Leader	We are presently carefully reviewing the asset data and preparing a detailed analysis	Jun-24	Apr-26	In Progress

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			of gaps that need to be filled for robust decision making.			
7	Review property levels of service performance measures and develop options for the next LTP round.	Asset Management Team Leader	Work is underway with the activity to review and develop levels of service and performance measures that align with organisational strategies.	Dec-26	Next LTP	In Progress
8	Review parks levels of service performance measures and develop options for the next LTP round.	Asset Management Team Leader	Work is underway with the activity to review and develop levels of service and performance measures that align with organisational strategies.	Dec-26	Next LTP	In Progress
9	Ensure that the responsibilities of each division - ownership, management and funding of Council assets, is clearly articulated in AMPs and/or policy.	Manager - Asset Management Planning	Work is underway to improve the lifecycle management sections of the asset management plans so that they clearly articulate a best for asset approach. This will provide more detail on responsibilities.	Jun-24	Next LTP	In Progress
10	Review the levels of service for each activity through customer engagement to identify areas for change prior to the next LTP.	Manager - Asset Management Planning	While it is intended to present the review and development of levels of service and performance measures to Elected Members, they will determine whether this progresses to engagement with customers.	Dec-26	Next LTP	In Progress
11	Cost and evaluate the level of service options resulting from the customer engagement.	Manager - Asset Management Planning	For current levels of service this will be an output of the review and development of the lifecycle management sections of the asset management plans.	Dec-25	Next LTP	In Progress
12	Complete the asset criticality identification and align processes for inspection frequency, response time and interventions to the criticality of assets.	Asset Planning Team Leader	The process to determine criticality is being finalised asset class by asset class. In general those for longitudinal assets, such as pipes and roads, are complete, whereas plant and equipment are still in progress. Once we have populated criticalities in the asset information systems we can move on to planning inspections and interventions.	Dec-23	Dec-25	In Progress

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13	Each of the activities needs to develop processes to centrally develop and track proactive maintenance schedules	Asset Management Team Leader	This is in progress in conjunction with the review and development of the lifecycle management sections of the asset management plans.	Oct-23	Jun-26	In Progress
14	Develop business case process to ensure cases progressively become more detailed as they progress through the project investigation, feasibility and detailed design stages	Asset Planning Team Leader	Business requirements have been identified for the software required to complete this item. The software has been requested and implementation has been prioritised to start in early 2025. Staff resources will be requested and prioritised later in 2025.	Jun-24	Dec-26	In Progress
15	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.	Manager - Asset Management Planning	The financial policy settings are reviewed at each Long-Term Plan, and are adopted by Elected Members at that time. There would be a reasonable impact to the levels of rates required in comparison to current policy assumptions. This decision should only be made during the LTP process.	Dec-24	Next LTP	In Progress
16	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.	Asset Management Team Leader	Review is currently underway of the structure of the asset management plans for the next Long-Term Plan. This will ensure that they clearly articulate the inputs required that enable assets meet the required level of service.	Dec-24	Next LTP	In Progress
17	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.	Asset Planning Team Leader	As the criticality process for each asset class is determined, then the criticality field in the asset information system is being populated.	Apr-24	Dec-26	In Progress
18	Complete community needs assessments prior to the next LTP.	Asset Management Team Leader		Dec-23	Jun-25	Complete
19	Embed standard operating policies, processes, and procedures for documenting and escalating new risks to provide a consolidated and consistent view across all activities	Manager - Asset Management Planning		Jun-26	Jun-26	Complete

An additional 12 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

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Management Comment by Manager Asset Planning Management:

As stated in the previous comment we are now right in the part of the three-year planning cycle that offers the greatest opportunity to improve our asset management practice. The Assets and Planning Division is therefore working on initiatives that will progress both the maturity assessment actions and improve the quality of our asset management plans (AMPs) in the lead up to the next Long-Term Plan.

This work has started with a review of how we express our levels of service in the AMPs. This is close to completion and the next priority will be better describing how we manage out assets across their lifecycle to deliver these service levels. Alongside this we are progressing improvements to asset data, how we define and assign asset criticality and how we plan for the renewals.

We will progress as much of the work as possible in the time available, but it will be slower than anticipated, and therefore less will be done, due to reductions in professional services budgets. In order to enable the required savings, we are unable to engage external support for improvement. We were also due another maturity assessment later in 2025, which will now not proceed because budget is no longer available. The next window of opportunity for another maturity assessment will be 2028.

Regardless of the rate of progress, improvement in our asset management practice as an organisation will be an ongoing process. It requires resource and commitment from the whole organisation to achieve. While it is always a challenge move away from the immediate nature of operational demands, we believe we are raising awareness of asset management principles across Infrastructure.

Sustainable Practices Review (Presented September 2022)

Ref	Agreed Action:	Responsible:	Initial Date:	Current Date:	Status:
1	Add a section for sustainability risks and opportunities in all agenda templates, to ensure Council considers this as part of all reports	Governance Manager	Dec-23	Nov-25	In Progress
2	Define and develop a sustainability framework through the LTP that joins all the siloed efforts across the organisation and how the goals will be achieved	Long Term Planning Manager	Jun-24	Jun-25	Complete
3	Incorporate sustainability into EM training programme	Governance Manager	Jun-24	Oct-25	Complete

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

Management Comment:

A suite of training material is available to Elected Members, including topics of interest like sustainability. Members may take up the training as the need arises.

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Risk Management Review (Presented April 2023)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Scope and implement an obligations/compliance register.	Legal Counsel	Dec-23	Dec-25	In Progress
2	Continuous Improvement & Implementation of Framework - determine target maturity, define and implement risk management platform and undertake risk acceptance for higher risks.	Manager Legal, Risk & Assurance	Feb-24	Dec-25	In Progress
3	Strategic Risk & Engagement with Elected Members - Define strategic risk, socialise policy and framework, gain risk appetite and tolerance endorsement, and initiate Risk & Assurance risk reporting. Review enterprise risks with ELT.	Manager Legal, Risk & Assurance	Mar-24	Nov-24	Complete

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

Management Comment by Manager Legal, Risk and Assurance:

Business requirements for both risk management platform and compliance platform have been approved and service providers have been chosen. Implementation plans are currently being drafted.

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

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Ensure better descriptions of planned benefits and strategic links are clearly described for levels of services and programmes. Governance to determine which capital projects will require a close out report through the LTP development process.	LTP Sponsors	Jun-25	Jun-26	In Progress

An additional 4 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by General Manager Strategic Planning:

Preparing Business Requirements for new LTP programme tool. Governance yet to determine which capital projects will require a close-out report. The Featherston St project did have two post-project monitoring reports.

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

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Status:
1	Develop and implement Joint Relationship Management Plan	Chief Infrastructure Officer	Jun-24	Complete
2	Formulate and set budget and programme	Chief Infrastructure Officer	Jun-24	Complete

An additional 3 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment:

All actions now closed.

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Employee Life Cycle (Talent Attraction & Retention) Review (Presented March 2024)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date:	Status:
1	Develop a DEI framework and strategy	Employee Experience Manager	Jun-24	Aug-25	In Progress
2	Review and update offboarding process and update process maps accordingly	Employee Experience Manager, People Ops Manager and Chief Information Officer	Jun-24	Dec-25	In Progress
3	Review Offboarding Process Review for returning IT equipment	Chief Information Officer	Jun-24	Dec-25	In Progress
4	Implement a legal compliance (obligations) register	Legal Counsel	Dec-24	Jun-25	In Progress
5	Remove duplicate approvals by the CPPO and CFO from the electronic recruitment approval process and update the recruitment manual and associated process map	People Ops Manager	Dec-24	Jun-26	In Progress
6	Recruitment and Retention Strategy - Develop a recruitment and retention strategy	GM People and Capability	Dec-24	Dec-25	In Progress
7	Review, refresh and showcase employer value proposition	People Partner and Internal Comms Advisor	Dec-24	Dec-25	In Progress
8	Update careers page on PNCC's website and associated links to the careers page to ensure consistency of information presented on the website, job advert and the job description	People Partner and Internal Comms Advisor	Dec-24	Dec-25	In Progress
9	Adopt a Human Resource Information System (HRIS)	GM People and Capability	Jun-25	Oct-25	In Progress
10	Develop a flexible working framework and a supporting toolkit	Employee Experience Manager	Jun-25	Dec-27	In Progress
11	Develop a learning and development strategy and guiding principles	Employee Experience Manager	Jun-25	Dec-26	In Progress

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Status:
12	Review end-to-end payroll process	People Ops Manager	Jun-24	Complete

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13	Develop a leadership capability framework	Employee Experience Manager	Jun-26	Complete
14	People Partners continue to share and embed what their roles and responsibilities are with the wider organisation. Including process maps to ensure there is clarity in roles	People Partners	Ongoing	Complete
15	Roles of Hiring Managers/Line Managers to be clarified and communicated once the recruitment manual has been updated	People Partners	Ongoing	Complete

An additional 18 items have been completed and closed off through prior reports. Those marked as completed will drop off this report in the future.

Management Comment by People Operations Manager:

Progress has been made in all areas apart from some work involved in recruitment which will be completed when the Talent Acquisition Advisor returns from parental leave.

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External Funding & Commercial Revenue Review (Presented April 2024)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Current Agreed Date	Status:
1	Governing strategies and policies - Undertake gap analysis. If gaps identified, then governance policy framework applied to determine best pathway forward	Commercial Advisory Manager	Dec-24	Dec-25	In Progress
2	Update commercial advisory framework and establish associated processes - taking into consideration the findings and recommendations of this report and obtain SLT approval	Commercial Advisory Manager	Dec-24	Dec-25	In Progress

Management Comment by Commercial Advisory Manager:

Utilisation and engagement with the team for external funding, and commercial advice and partnerships, continues to grow internally. At the same time, a strategic approach and strong relationships with key commercial and funding partners have been established to ensure the organisation is best placed to achieve success, while respecting that responsibility for funding decisions lies entirely with the funders.

This is happening alongside the day to day management of funding applications for Council events and LTP projects, and management of accountability 7obligations to funders.

Increasing the maturity of the commercial and funding practices across the organisation will be an ongoing process and progress will continue over the next quarter.

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Audit NZ Annual Report 2023 Review

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Updated Due Date	Status:
1	Update Gifts, Inducements and Rewards Policy	People Ops Manager	June-24	July-25	In Progress
2	Update Conflict of Interest Policy	Legal Counsel	June-24	Sept-25	In Progress
3	New finance system to provide better reconciliation processes	Finance Manager	July-24	Oct-25	Complete [NB]

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

Management Comment by Chief Financial Officer:

We continue to make progress against the Audit NZ management report items with 4 items completed. All systems have been updated/replaced and staff are focusing on learning these systems and will focus on progressing the necessary process improvements through the second half of 2024. Updating of polices assigned to People Ops is progressing, a policy framework has been prepared by People and Capability and a programme of reviews is being finalised.

NB: Subject to Audit New Zealand validation as well.

Audit NZ Annual Report 2024 Review

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Updated Due Date	Status:
1	Train the Payroll team to perform regular reconciliations between the payroll system and general ledger. Ensure the payroll reconciliations are independently reviewed.	Manager People Operations & Manager Finance	Jun-26		Complete [NB]
2	Implement a system to record the processing times for resource consent applications. The system should include a review control to ensure that the resource consent processing times are accurately recorded.	Manager Planning Services	Jun-25		In Progress
3	Create a disposal policy and processes that includes mandatory notification to Finance for all disposed assets	Manager Asset Management Planning & Manager Finance	Jun-26		In Progress
4	Perform an independent review over all final pay calculations before payment is made to ensure that are accurate. Improve the Redundancy Template to automatically calculate the redundancy pay with the only inputs into the template being the employees start and finish dates.	Manager People Operations	Jun-25		Complete [NB]
5	Develop a report that shows all changes made to the creditor Masterfile. Perform a regular independent review of changes made to the Creditor Masterfile to confirm that they are valid and accurate.	Manager Finance	Jun-25		Complete [NB]

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

Management Comment by Chief Financial Officer:

Progress is being made, with no major issues to be highlighted from the 2025 Interim Audit – most outstanding issues are expected to be cleared.

NB: Subject to Audit New Zealand validation as well.

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SafePlus Health & Safety Audit (Presented February 2025)

Ref	Agreed Action:	Responsible:	Initial Agreed Date:	Status:
1	A review/gap analysis to be undertaken between current processes and duplication/omissions in duties with contractors. Identified gaps to be addressed.	H&S Manager	Dec-25	In Progress
2	The H&S strategy will be socialised with the HSC and any feedback will be, where deemed appropriate, incorporated into an updated strategy.	H&S Manager	Dec-25	In Progress
3	HSC terms of reference will be updated to ensure they are more involved with site objectives. Guidance will be developed to assist in the completion of this activity. Outcomes to be minuted.	H&S Manager	Dec-25	In Progress
4	The change management framework will be reviewed to ensure that organisational and process changes ensure H&S implications are considered as part of BAU change.	H&S Manager	Dec-25	In Progress
5	Appropriate training will be identified and rolled out. Commitment to complete at the start of the new triennium and periodically thereafter.	H&S Manager	Dec-25	In Progress
6	While SLT feels that attendance is already a priority, it is considered that attendance is a mandatory requirement going forward.	GM People and Capability	Dec-25	In Progress
7	Recommunication of expectations around two-way feedback, including with team leaders/managers. Encouragement of good engagement.	H&S Manager	Dec-25	In Progress
8	People Operations will ensure that HSRs' managers/team leaders are cognisant of the need for sufficient time to complete HSR duties. To be built into workforce management schedules.	H&S Manager	Dec-25	In Progress
9	Additional HSR training to be identified, developed and rolled out progressively as part of the Training Needs Assessment Framework.	H&S Manager	Dec-25	In Progress
10	HSR's role descriptions will be expanded to ensure a verbal update of committee discussions is presented.	HSR Chairs	Dec-25	In Progress
11	Presentation will be developed on workers' rights and responsibilities for unsafe work practices and rolled out with periodic presentations. To be included in the onboarding process as well.	H&S Manager	Dec-25	In Progress
12	Additional HSR training to be identified, developed and rolled out progressively as part of the Training Needs Assessment Framework.	H&S Manager	Dec-25	In Progress

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13	Assessment is underway as part of digital transformation programme. The outcome to be managed through the Quarterly Business Review process.	H&S Manager	Dec-25	In Progress
14	Training needs assessment to be undertaken for site inspections. Training to be identified/developed and rolled out. HSR role profiles are to be updated on inspection duties.	H&S Manager	Dec-25	In Progress
15	Review current documented processes for gaps, both in the agreements and the processes for assessment and decisions. Resolve any gaps.	Procurement Manager	Dec-25	In Progress
16	As part of the rewrite/review of business continuity plans, ensure H&S scenarios are included in test scripts. Conduct tests.	Emergency Management	Dec-25	In Progress
17	H&S framework, policies and procedures are nearing completion and their introduction is deemed to meet this intent	H&S Manager	May-25	In Progress
18	H&S improvement plan to be revisited with gap analysis and shared with HSCs. Where deemed appropriate, changes made on the back of feedback. Plan to be a standing agenda item at HSC meetings.	H&S Manager	May-25	Complete
19	Change management framework to include identification of this action. HSRs are to be given the opportunity to be included in the change process/conversation, where deemed practical, as well as seeking workers' inclusion where possible.	H&S Manager	May-25	Complete
20	Gap analysis between current risk assessments and bowtie methodology to be undertaken and where gaps identified further risk assessment to be completed.	H&S Manager	May-25	Complete
21	Development of assurance program for critical risks and key controls. Already identified as an action in strategic risks	H&S Manager	May-25	Complete
22	Development of a test script for different behaviours and experiential training tools along with a test plan. Include test outcomes to HSC and SLT.	H&S Manager	May-25	Complete
23	Frontline Risk Controls: As part of the rewrite/review of business continuity plans, ensure H&S scenarios are included in test scripts. Conduct tests.	Emergency Management / H&S Manager	May-25	Complete
24	Working in Environment: Development of a test script for different behaviours and experiential training tools along with a test plan. Include test outcomes to HSC and SLT.	H&S Manager	May-25	Complete
25	Working in Environment: Develop self-assurance programme key controls with test script and test timing. Undertake review periodically. Report results along with any recommended improvements to HSC and SLT.	H&S Manager	May-25	Complete

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26	Working at Height: Development of a test script for different behaviours and experiential training tools along with a test plan. Include test outcomes to HSC and SLT.	H&S Manager	May-25	Complete
27	Breaking Ground: Development of a test script for different behaviours and experiential training tools along with a test plan. Include test outcomes to HSC and SLT.	H&S Manager	May-25	Complete
28	Lone Worker: Development of a test script for different behaviours and experiential training tools along with a test plan. Include test outcomes to HSC and SLT.	H&S Manager	May-25	Complete

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

Management Comment by General Manager People & Capability:

Tenā koutou e te rangatira.

Our external accreditation, Sitewise Gold and Totika has now been in place for over 2 years and continues to set the standard for contractors to aspire too when working with PNCC. Our top critical risk, Frontline Working will and always challenge us due to the ever-changing financial challenges our society are facing. The development of our own internal program 'Frontline Awareness Situational Training' (FAST Program) provides the specific information, instruction and skills needed to undertake work on the frontline. Understanding 'triggers' and knowing how to keep yourself safe is key to ensuring our people get home safely to their whānau. With a new Government comes change. That change will see the health and safety reform. The 2023 Tuia Whakaaro produced good results affirming that we were on the right pathway. The 2025 survey saw a 3% increase from 90% engagement.

With the completion of the 2025 Safe Plus Audit there are further opportunities to strengthen our health and safety journey.

Mā te whakapiki i te hauora me te haumaru o ō hoa mahi e turakina ai ngā whakakōroiroi, ka tino whakamaua te matawhānui kia tina.

By enhancing the health, safety and wellbeing of your colleagues the obstacles will be cleared away and the vision will be achieved and held firm.

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MEMORANDUM

TO:	**Risk & Assurance Committee**
MEETING DATE:	**11 June 2025**
TITLE:	**Strategic Risk Management Reporting January to March 2025 (Quarter 3)**
PRESENTED BY:	**Stephen Minton, Risk Management Advisor**
APPROVED BY:	**Cameron McKay, General Manager Corporate Services**

RECOMMENDATION(S) TO RISK & ASSURANCE COMMITTEE

1. **That the Committee receive the following strategic risk assessments:**

   - **Strategic Risk 2: Failure to deliver on key projects and programmes**
   - **Strategic Risk 4: Failure to adapt to the effects of climate change**
   - **Strategic Risk 6: Major failure of health, safety and wellbeing policies and procedures**
   - **Strategic Risk 10: Failure to manage critical/strategic assets**

   and the Strategic Risk Dashboard (section 3.4).

1. ISSUE

1.1 Council agreed on 11 strategic risk statements at the Risk & Assurance Committee on 6 March 2024. All assessments were completed and presented progressively during the calendar year 2024.

1.2 Officers will undertake iterative reviews of the strategic risks at least annually.

2. BACKGROUND

2.1 Officers have completed an iterative review of Strategic Risks listed in the recommendation above. This review has considered any new or emerging contextual aspects of the risk, and progress on the detailed action plan/considerations articulated in the last assessment.

2.2 The 'Conclusion & Action Plan/Considerations' commentaries have been updated. The individual action plans are unchanged save for the outcomes from the 2025 SafePlus audit on Health and Safety. A current update on the action plans has been created and included. Progress of the detailed action plans is within the expected timeframes. While key controls and action plans/considerations are unchanged from the last report, Officers still consider them to be current in the existing risk environment.

3. STRATEGIC RISK DASHBOARD

3.1 Since the last report in March, there have been changes in the residual risk ratings Strategic Risk No's 4 and 6 as detailed below:

Strategic Risk	Previous	New
Failure to adapt to the effects of climate change	High	Medium
Major failure of health, safety and wellbeing policies and procedures	Medium	Low

3.2 While there continues to be a body of work required on climate change adaption, the principal contextual driver in reduced residual risk has been a view of the statistical data indicating that the Manawatū region is at reduced risk from climate change effects (rainfall) relative to other parts of New Zealand.

3.3 The residual risk for Health, Safety and Wellbeing strategic risk has been reduced following the independent external review/audit which categorised the Council as 'Performing' as well as operating in the top quartile in New Zealand. As in 3.2 above, there continue to be actions to be progressed.

3.4 The strategic risk dashboard is set out below. The risk ratings have been determined based on the current risk environment and consequences of the risk event, the controls and their effectiveness, and the reliance on individual controls.

STRATEGIC RISK DASHBOARD		AS AT MAY 2025	
Risk Name	Raw Risk	Residual Risk	Target Risk
Risk 1: Failure to meet financial obligations	Extreme	Medium	Medium
Risk 2: Failure to deliver on key projects and programmes	Extreme	Medium	Medium
Risk 3: Failure to manage and protect Council information	Extreme	High	Medium
Risk 4: Failure to adapt to the effects of climate change	Extreme	Medium	Medium
Risk 5: Ineffective relationship and stakeholder engagement	Very High	Medium	Medium
Risk 6: Major failure of health, safety and wellbeing policies and procedures	Extreme	Low	Low
Risk 7: Failure to attract and retain staff	Very High	Medium	Medium
Risk 8: Failure to meet legal obligations	Extreme	High	Medium
Risk 9: Significant disruption to Council's continuity and/or lifeline utility disruption	Extreme	Very High	Medium
Risk 10: Failure to manage critical/strategic assets	Extreme	High	Medium
Risk 11: Loss of public trust	Very High	High	Medium

4.   NEXT STEPS

4.1   Further Strategic Risks will be assessed and presented to the Committee going forward, with a focus on those risks deemed to have changes in the control/mitigation scene or new/emerging changes to the risk context.

4.2   The Committee is reminded that reviews may also be triggered if there is a significant change in one of the following parameters:

4.2.1   Significant change in the internal or external context, including major organisational or process changes (Reference Risk Management Framework, Section 4.3.1 for external and internal context descriptors).

4.2.2 Major risk event that is deemed to have an influence on the strategic risk.

4.2.3 Substantial control or mitigation failure.

5. 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 objectives?	**Yes**
Are the recommendations inconsistent with any of Council's policies or plans?	**No**
The recommendations contribute to: Whāinga 3: He hapori tūhonohono, he hapori haumaru Goal 3: A connected and safe community	
The recommendations contribute to this plan: 14. Mahere mana urungi, kirirarautanga hihiri 14. Governance and Active Citizenship Plan The objective is: Oversee Council operations and communicate outcomes and decisions to our communities.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The risk management objectives cover all aspects of Council, including strategy, tactics, operations and compliance. The Risk Management Framework sets out the basis for managing risk across Council and a large part of this is culminated through the creation of risk registers and the strategic risk assessments.

ATTACHMENTS

1. Legend ⬇ 📄
2. Strategic Risk 2: Programme & Project Delivery ⬇ 📄
3. Strategic Risk 4: Climate Change Adaption ⬇ 📄
4. Strategic Risk 6: Health, Safety and Wellbeing Failure ⬇ 📄
5. Strategic Risk 10: Management of Critical Assets ⬇ 📄

Legend

Risk Ratings	Definition
Raw Risk	The initial assessment of a risk without any controls or mitigation. Sometimes referred to as gross or inherent risk.
Residual Risk	Risk remaining after implementation of risk treatment (through mitigation or controls). The treatment might include avoiding, modifying or sharing the risk. Considers control effectiveness and reliance.
Target Risk	Assessed residual risk if all controls are operating effectively and/or new controls or improvements to controls are implemented.
Risk Tolerance	The level of risk-taking acceptable to achieve a specific objective or manage a category of risk.

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

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

Risk Matrix

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

Strategic Risk No. 2: Failure to deliver on key projects and programmes

Date: 29/04/25

Group Owner: General Manager Infrastructure

| Raw Risk: Extreme | Current Residual Risk: Medium | Target Residual Risk: Medium | Control Rating: Partially | Control Reliance: High | Risk Tolerance: Medium |

Overview

Risk Description: Inadequate ability to or ineffectual delivery of the infrastructure for the long-term (30+ years) needs to the city, constraining delivery of essential services and ultimately multi-faceted failure of the goals of the city.

Implications: Council failure to deliver major infrastructure for the city will have significant long-term negative implications on essential (public good) levels of service and facilities for the residents. This will lead to significant public disquiet and reputational damage. In serious scenarios, breaches of legislated requirements are likely and worst-case, appointment of Commissioners.

Control Environment: The capital delivery environment is subject to both internal and external factors which impact the deliverability of the capital works programme. Most external constraints and risks can be mitigated, either wholly or partly, through internal controls to ensure successful continued delivery of the works programme.

Conclusion & Action Plan/Considerations

Conclusion: Delivery of infrastructure programmes and projects can be a fraught where many events can quickly result in best laid plans unravelling. While not having full end-to-end knowledge can be a cause of an event, programme management relies significantly on knowledge of assets attributes as well as robust processes, procedures and standards. These are reasonably well understood and exhibited however its is recognised that there remain areas where maturity and effectiveness should be improved. There continues to be some way to go to achieve best practise industry standards although the journey is well underway.

Action Plan: Management have identified areas where improvements are needed to ensure a more robust programme and project delivery regime is achieved. These centre principally around understanding asset data and its management, and the application of industry standards and robust, best practises processes and procedures. Management continue to undertake constructive activities around continuous improvement programmes and thoroughness of processes.

Key Controls and Mitigations Summary

Category	Key Controls	Control Rating	Control Reliance	Action Plan/Considerations
Project Management	⊳ Adequately resourced Project Management division. Other officers undertaking project management provided adequate training and tools. ⊳ Tools for identifying and managing risks, contracts, information and projects. ⊳ End to end processes, including lessons learnt reviews, for project management. All meeting best practise from inception to completion.	Partially Effective	Very High	⊳ Completion of Service Now Project Management Tool implementation and PMO improvement plan. Effective variation and changed management processes. E ⊳ Forward programming and right sizing delivery expectations prior to commencement of projects. E ⊳ Realignment of "project management" activities from Contract Management into Project Management Office and Procurement. E
Design Panel	⊳ Dedicated technical expertise within formalised Design Panel. ⊳ Peer reviews and technical assurance. ⊳ Robust procedures, including technical hold sign off points.	Effective	High	⊳ Realistic design timelines established early in the project to avoid a clash with construction budgets and delays in planned construction. E ⊳ Project management practices and principles used for design projects or phases to ensure they are managed appropriately and delivered on time, within budget and with benefits realisation. E ⊳ Post implementation plan of designs review process and quantity survey and engineering standards.E
Contract Management	⊳ Engineering requirements managed under contract, as well as change, cost and time implications, technical specifications and testing and quality requirements. Practical and Final Completion Certificate and Retention Release Certificate management. ⊳ Application of contract management principles end to end.	Partially Effective	High	⊳ Ongoing development/adoption/rollout of NZS documents, management thereof and library. E ⊳ Risk based approach is taken to establish key roles within a contract including, for example, Independent Certifier, Contract Administrator and Project Manager. E ⊳ Improvements to project claims processes to ensure contract obligations are being met. E
Infrastructure Strategy and Asset Management Plans	⊳ Infrastructure Strategy and Palmerston North Integrated Transport Initiative with 30-year time horizon driven by growth forecasts and changing societal needs. ⊳ Asset Management Plans driven by requirements for supporting growth, levels of service and capacity, managing deteriorating condition of assets. ⊳ Future Development Strategy providing direction on future growth and infrastructure.	Partially Effective	Very High	⊳ Ongoing improvement in asset management practise delivery under Asset Management Improvement Plan. E ⊳ Improve business case process, including through AMPs to drive programme justification. E ⊳ Improving alignment between AMP and project objectives. E
Asset Data	⊳ Dedicated industry standard asset management platforms ⊳ Data rules, quality standards/specifications and definitions ⊳ Multi-year, iterative Asset Management Improvement Plan.	Partially Effective	High	⊳ Ongoing Asset Management Improvement Plan actions. E ⊳ Data checks, audits and cleansing. E
Completion Information	⊳ Completion documentation, including application of engineering standards with life expectancy, warranties, operations and maintenance manuals and as-built plans.	Partially Effective	Medium	⊳ Increase rigor around closing of all completion information/documentation. E ⊳ Monitoring asset data (completion data) workflows. E
Procurement	⊳ Dedicated procurement tools, processes and guidelines, all managed through procurement portal. ⊳ Open, transparent, broad tendering processes, including through NZ Government Electronic Tender Service (GETS).	Partially Effective	High	⊳ Ongoing training and compliance. Quality assurance programme development. E ⊳ Procurement planning completed in advance of projects, driven by required construction start dates. Procurement plans to consider type of procurement, contractor lead in time and whether a council report is required. Include Procurement Strategy development. E ⊳ Improve alignment with NZTA to ensure funding conditions precedent compliance.
Engineering Standards	⊳ Application of PNCC Engineering Standards for Land Development and its supplements	Effective	High	⊳ Completion information process improvement. E
Changing External Context (Increasing Costs, Contractor Availability)	⊳ Contingencies built into budgets, including higher contingencies in price escalating environment. ⊳ Supplier relationship management and overall supply chain strategy.	Partially Effective	High	⊳ Build out processes for lessons learnt. E ⊳ Rules based contingencies. E ⊳ Ongoing management of supplier relationships in line with supplier strategy. E
Growth Forecasting	⊳ Long term population growth forecasting, including household size, ethnicity. ⊳ Household and business needs assessments.	Effective	High	⊳ On-going three yearly iterative reviews. Use planning mechanisms from outputs for programme prioritisation. E
Financial Forecast Governance and Oversight	⊳ Contingencies built into budgets. ⊳ Timely, periodic forecasting. ⊳ Regular programme governance with Infrastructure leadership and Finance.	Partially Effective	High	⊳ Completion of Service Now Project Management Tool. E ⊳ Capital Programme Delivery Plan. E ⊳ Intrusive oversight through Infrastructure Governance Group. E ⊳ Risk management practices undertaken for projects in project planning phase. E

E: Existing / N: New

Strategic Risk No. 2: Failure to deliver on key projects and programmes

Category	Action Plan/Considerations	Current Update	Due Date
Project Management	1. Completion of Service Now Project Management Tool implementation and PMO improvement plan. Effective variation and change management processes. 2. Forward programming and right sizing delivery expectations prior to commencement of projects. 3. Realignment of "project management" activities from Contract Management into Project Management Office and Procurement.	1. Implementation and movement to BAU continues. Growing proficiency of tool use. 2. To be picked up as part of LTP processes. 3. Realignment has been implemented. Subsequent and knowledge transfer is ongoing. Closure assessment once consider fully embedded.	12/25 6/27 12/25
Design Panel	4. Realistic design timelines established early in the project to avoid a clash with construction budgets and delays in planned construction. 5. Project management practices and principles used for design projects or phases to ensure they are managed appropriately and delivered on time, within budget and with benefits realisation. 6. Post implementation plan of designs review process and quantity survey and engineering standards.	4. Projects are broken down before start of financial year. Underway for FY25/26. 5. Implementation of new Manual with best practises. Work underway to ensure fully embedded. 6. Lesson learnt and design reviews are now part of BAU and included within PMO Manual.	BAU 12/25 BAU
Contract Management	7. Ongoing development/adoption/rollout of NZS documents, management thereof and library. 8. Risk based approach is taken to establish key roles within a contract including, for example, Independent Certifier, Contract Administrator and Principals Representative. 9. Improvements to project claims processes to ensure contract obligations are being met.	7. Centralisation of Procurement and Contracts team. Additional work required of creation of fit for purpose user guides, in part under the Legal strategic risk. 8. Ongoing and subject to complexity of contract being entered into. 9. Updated buyer created invoicing with improved efficiency. Being embedded in to activities.	6/26 BAU 12/25
Infrastructure Strategy and Asset Management Plans	10. Ongoing improvement in asset management practise delivery under Asset Management Improvement Plan. 11. Improve business case process, including through AMPs to drive programme justification. 12. Improving alignment between AMP and project objectives.	10. Plan updated on a six-month basis, with maturity continuing to improve although iterative in perpetuity. While BAU, will continue in line of sight. 11. Implementation of tool for programme entry in progress. 12. Work to commence.	BAU 3/26 6/26
Asset Data	13. Ongoing Asset Management Improvement Plan actions. 14. Data checks, audits and cleansing.	13. See 10 above. 14. Data gap analysis in progress. Audit and cleansing to start thereafter.	BAU 4/26
Completion Information	15. Increase rigor around closing of all completion information/documentation. 16. Monitoring asset data (completion data) workflows.	15. New Project Management tool allows for milestone reporting of completion information. Building proficiency and maturity. 16. Monitoring completion information received versus projects completed through PPM. Some increased maturity would be helpful.	6/26 6/26
Procurement	17. Ongoing training and compliance. Quality assurance programme development. 18. Procurement planning completed in advance of projects, driven by required construction start dates. Procurement plans to consider type of procurement, contractor lead in time and whether a council report is required. Include Procurement Strategy development. 19. Improve alignment with NZTA to ensure funding conditions precedent compliance.	17. First iterations of training undertaken. Further training to be rolled out. Periodic assurance of procurement plans. Assurance beyond this to be developed. 18. Undertaken to varying levels. Further growth in maturity required. Multi-project procurement plans will be developed for next FY. Simpler principles to be applied for works aggregation. 19. Audit recommendations being implemented to ensure compliance.	6/26 12/26 6/26
Engineering Standards	20. Completion information process improvement.	20. See 16 above	6/26
Changing External Context (Increasing Costs, Contractor Availability)	21. Build out processes for lessons learnt. 22. Rules based contingencies. 23. Ongoing management of supplier relationships in line with supplier strategy (Procurement Framework).	21. To be built out further in PMO Manual. Build out and maturity to be lifted. 22. Currently based on risk and uncertainty, as well as budget availability. Maturity levels need to be lifted. 23. Embedding procurement activities require additional work and rollout. Timeframes yet to be determined.	6/26 6/26 TBA
Growth Forecasting	24. On-going three yearly iterative reviews. Use planning mechanisms from outputs for programme prioritisation.	24. Undertaken as part of LTP and forecasting. Effectively BAU.	6/27
Financial Forecast Governance and Oversight	25. Completion of Service Now Project Management Tool. 26. Capital Programme Delivery Plan. 27. Intrusive oversight through Infrastructure Governance Group. 28. Risk management practices undertaken for projects in project planning phase.	25. Implementation and movement to BAU continues. Growing proficiency of tool use. 26. In draft in April. Part of Year 2 of LTP 27. Meeting on monthly basis. Considered to be working well. Move to BAU 28. Undertaken throughout all project phases. Reported on monthly basis. Differing qualities output and effectiveness with maturity lift required in some quarters.	12/25 6/25 BAU 6/26

BAU: Business as usual although periodically monitor ongoing effectiveness on action

Version 2.0

Strategic Risk No. 4: Failure to adapt to the effects of climate change

Date: 07/04/25

Group Owner: General Manager Strategic Planning

Raw Risk: Extreme	**Current Residual Risk:** Medium	**Target Residual Risk:** Medium	**Control Rating:** Partially Effective	**Control Reliance:** High	**Risk Tolerance:** Medium

Overview

Risk Description: Unforeseen, unplanned, unbudgeted or lack of resilience to climate change (or related natural events) adaption requirements leads to significant change in direction of city growth, dynamics, economy, financial stability or ability to achieve long term goals. These events, which impacts the community, takes unplanned and expensive corrective action and / or results in harm to public health, negative Council image & legal and financial consequences.

Implications: Council faces significant risk from the effects of more frequent and severe climate change related natural disasters, including the costs associated with building resilience against them, and ongoing increases in stress on existing infrastructure. Poorly managed, the outcomes could be near catastrophic to the long-term success of the city.

Control Environment: The uncertainty in the degree of the impacts from climate change (and related natural events) and the cost of adaptation, in conjunction with legacy control settings, introduces greater uncertainty and therefore risk in this sphere. As more detailed and specific predictive models are developed, maintaining capacity to implement proactive control and mitigation strategies will be a challenge. In such scenarios, currently accepted levels of service will continue to become increasingly expensive propositions that the City needs to reconcile with.

Conclusion & Action Plan/Considerations

Conclusion: While there is general recognition of some of the issues the City faces, many potential remediation matters have only had a partial assessment and work is needed to get to a stronger overall position. This will require not just the financial resources to ensure agreed actions can be delivered, but also a strong commitment from both governance and management bodies to ensure long-term strategic objectives are prioritised appropriately. Notwithstanding this, statistical data suggests that the Manawatū region is predicted to be less affected than most other regions in New Zealand. With this last point in context, the residual risk has been reduced to Medium.

Action Plan: Controls and mitigations are in their infancy in some areas. A commitment to ensuring that the way matters are dealt with intrinsically include appropriate adaptation and mitigation strategies is essential. Management needs to ensure climate impacts within or affecting individual programmes have a clear ownership and a defined path forward. If not taken forward, there must be a well-reasoned rationale as to why not. Individual project monitoring and reporting to senior management will be a key part of this journey.

Key Controls and Mitigations Summary

Category	Key Controls	Control Rating	Control Reliance	Action Plan/Considerations
District and Regional Plans	⯈ Flood risk and surface water flow maps connected to specific catchments, and liquefaction and geotechnical assessments ⯈ Planning for avoidance (e.g. managed retreat), mitigation (e.g. shade planting) or resilience (e.g. personal emergency planning) to future climate impacts ⯈ Asset planning for avoidance, mitigation and resilience to damage from predicted climate impacts (including regular updates)	Partially Effective	Very High	⯈ Update statistical data for flood modelling at a local and catchment scale E ⯈ Consideration of climate future-proofing in District Plan changes (e.g. Plan Change "I") E ⯈ Include predicted changes over time (including to risk of infrequent extreme events) in asset planning and upgrade/maintenance scheduling E
Green Space Management	⯈ Ensure existing green spaces take account of future climate impacts (e.g. drought) ⯈ Adaptation to provide outcomes including flood resilience (e.g. sponge city principles)	Ineffective	Medium	⯈ Investigate storm water management opportunities in public open spaces E ⯈ Review citywide vegetation framework E
Resilience potable water	⯈ Spread of water infrastructure (e.g. bores or water tanks) to provide city-wide resilience ⯈ Planned water use management/reduction measures including activation triggers ⯈ Aquifer monitoring (e.g. through bore pressure testing)	Effective	High	⯈ City wide aquifer mapping E ⯈ Providing water to areas without bores during drought (see below) E
Storm Water Management (Local Rainfall)	⯈ Sponge city principles and mitigation requirements for new impermeable surfaces ⯈ Future proofing three waters asset modelling for future development (including infill) ⯈ Continuous review of existing infrastructure capacity against predicted impacts ⯈ Storm water Engineering Standards for Land Development	Ineffective	High	⯈ Embed new NIWA statistical data into models and projections E ⯈ Develop city wide stormwater strategy including existing and required capacity mapping E ⯈ Develop and implement guidance and controls over new impermeable surfaces/runoff in private development and public asset design E ⯈ Review suitability of Representative Concentration Pathway 6 within water modelling N ⯈ Periodic reviews to ensure climate change impacts are included in SOP for Heavy Rain Events E
Storm Water Management (Rivers & Streams)	⯈ Engagement with upstream neighbours on catchment scale water management ⯈ Zoning to avoid future high-risk areas (See District and Regional Plans) ⯈ Appropriate sizing of flood defences, and future strategies for changing requirements ⯈ Vegetation planting to reduce flow rates and infiltration away from critical assets ⯈ Engineering standards designed to projected future events for bridges and bank scour	Ineffective	High	⯈ Ongoing engagement with Horizons, MDC and TDC E ⯈ Update statistical data for flood modelling to include future projections E ⯈ Periodic reviews to ensure climate change impacts included in scoping and decision making E ⯈ Changes to the District Plan (e.g. Plan Change "I") to consider climate future-proofing E ⯈ Riparian planting plans and alternate flow path design E
Drought	⯈ Enable switching between dam and bore sources ⯈ Planned and socialised water use management measures ⯈ Drought resistant public planting and evaporation prevention measures ⯈ Resilience to heat related impacts (e.g. ground shrinkage and road surface damage) ⯈ Appropriate fire brakes and emergency planning in forestry blocks	Partially Effective	High	⯈ City wide aquifer mapping E ⯈ Scoping reversible pump for in-pipe hydro generation and to refill dams if needed E ⯈ Water storage and transmission at high use or isolated locations (e.g. farms) E ⯈ Inclusion of predicted climate impacts in engineering assessments E ⯈ Future-proofing forestry fire prevention plans E
Carbon Emissions	⯈ Carbon accounting in decision making (e.g. Council reports) projects and procurement ⯈ Education and behaviour change (internally and with the wider city)	Partially Effective	Low	⯈ Ongoing provisions under Low Carbon Fund E ⯈ Ongoing education and behaviour changes programmes E
Public Health	⯈ Provision of passive cooling (e.g. shade and/or standing water) in 'heat island' locations ⯈ Resilience of potable water provision ⯈ Pest control (reactive and proactive)	Ineffective	Low	⯈ Heat mapping and development of mitigation plans E ⯈ Review of the Citywide Vegetation Framework E ⯈ Ongoing pest control measures E
Economic and Political Impacts	⯈ Insurance for climate related events ⯈ Energy conversion assessments ⯈ Goal 4 measures and targets	Partially Effective	Medium	⯈ Review cost benefit analysis of insurance cover levels E ⯈ Climate change related assessments in future planning E ⯈ Reports to Council should consider long term impacts on climate change related risks E

E: Existing / N: New

Strategic Risk No. 4: Failure to adapt to the effects of climate change

Category	Action Plan/Considerations	Current Update	Due Date
District and Regional Plans	1. Update statistical data for flood modelling at a local and catchment scale 2. Consideration of climate futureproofing in District Plan changes (e.g. Plan Change "I") 3. Include predicted changes over time (including to risk of infrequent extreme events) in asset planning and upgrade/maintenance scheduling	1. Latest regional data is in place and used. BAU and data updated when additional information available 2. Plan Change I as 3 policies and 4 standards and submissions are under review. Hearing date expected to be in September after which adoption of Plan. 3. To be completed in the next version of Asset Management Plans	BAU 6/26 6/27
Green Space Management	4. Investigate stormwater management opportunities in public open spaces 5. Review citywide vegetation framework	4. Storm Water Strategy under draft. Expected to be adopted by Council in August. Strategy deals with, amongst other matters, open spaces. 5. Rebranded City Green Print. Currently deprioritised due to other matters. Reporting on progress expected late August and then implementation over 12 months.	9/25 9/26
Resilience potable water	6. City wide aquifer mapping 7. Providing water to areas without bores during drought (see below)	6. Started and being completed on identified growth areas (e.g. Milson Line city north bore). Future mapping only if new growth. 7. Additional bores planned or started will add resilience to the water network.	Close 12/29
Storm Water Management (Local Rainfall)	8. Embed NIWA statistical data into models and projections 9. Develop city wide stormwater strategy including existing and required capacity mapping 10. Develop and implement guidance and controls over new impermeable surfaces/runoff in private development and public asset design 11. Review suitability of Representative Concentration Pathway 6 within water modelling 12. Periodic reviews to ensure climate change impacts are included in Standard Operating Procedures for Heavy Rain Events	8. See 1 above 9. See 4 above 10. Plan Change I include these controls and will be adopted as part of 3 above. Yet to filter through into public asset design. 11. Review to be prepared based, in part, on risk tolerance levels. 12. Procedures to be updated	BAU 9/25 6/26 6/26 TBD
Storm Water Management (Rivers & Streams)	13. Ongoing engagement with Horizons, MDC and TDC 14. Update statistical data for flood modelling to include future projections 15. Periodic reviews to ensure climate change impacts included in scoping and decision making 16. Changes to the District Plan (e.g. Plan Change "I") to consider climate futureproofing 17. Riparian planting plans and alternate flow path design	13. BAU. Project underway to improve surface water mapping. Also, climate change risk assessment is underway with the topmost vulnerable sites across Horizons Region. 14. Refer 9 15. See 3 above 16. See 2 above. 17. Part of Storm Water Strategy (see 5 above) and touchpoints with City Green Print (see 6 above)	BAU BAU 6/27 10/25 9/25
Drought	18. City-wide aquifer mapping 19. Scoping reversible pump for in-pipe hydro generation and to refill dams if needed 20. Water storage and transmission at high-use or isolated locations (e.g. farms) 21. Inclusion of predicted climate impacts in engineering assessments 22. Future-proofing forestry fire prevention plans	18. See 6 above 19. (In low carbon fund) 20. Developing city-wide strategy for resilience and water storage. 21. Land development and engineering design standards included in assessments. Updated annually. 22. Plan under finalisation.	Close 6/26 6/27 BAU 9/25
Carbon Emissions	23. Ongoing provisions under Low Carbon Fund 24. Ongoing education and behaviour change programmes	23. Continues to be provided. Subject to triennial review under LTP. Assessed as continuing to above breakeven over 15 year whole of life period. 24. City-wide Climate Change Action Plan in development. FY25/26 with delivery under the next LTP	BAU 06/27
Public Health	25. Heat mapping and development of mitigation plans 26. Review of the Citywide Vegetation Framework 27. Ongoing pest control measures	25. In part of Plan Change I (see 2), Storm Water Strategy (see 4) and City Green Print (see 5) 26. See 5 above 27. BAU	9/26 9/26 BAU
Economic and Political Impacts	28. Review cost-benefit analysis of insurance cover levels 29. Climate change-related assessments in future planning 30. Reports to Council should consider long-term impacts on climate change-related risks	28. Methodology to be developed in conjunction with brokers 29. In part of Plan Change I (see 2), Storm Water Strategy (see 4) and City Green Print (see 5) and climate change risk assessment underway with topmost vulnerable sites across Horizons Region 30. Work in progress with intention to go live in new triennium.	6/26 6/26 12/25

BAU: Business as usual although periodically monitor ongoing effectiveness on action

Strategic Risk No. 6: Major failure of health, safety and wellbeing policies and procedures

Date: 02/05/25

Unit Chief Owner: General Manager People and Capability

Raw Risk: Extreme	Current Residual Risk: Low	Target Residual Risk: Low	Control Rating: Effective	Control Reliance: High	Risk Tolerance: Low

Overview

Description: The risk of detrimental effect to the health, safety and wellbeing to our people, a result of, amongst other matters, poor health and safety culture, leadership, processes and control/mitigation environment.

Implications: Council has a legal and moral obligation, as far as reasonably practical, to ensure the personnel are safe from harm, both physically and mentally (Wellbeing). Failure to provide a safe environment can result in harm to the Council's most important resource, its people. This has significant implications from a legal, moral, reputational and financial perspective.

Control Environment: The Council takes both a top down and bottom up approach to implementing controls and mitigation through ensuring that the risk is the responsibility of everyone. This involves a top down driven principles and processes with expert advice while taking an on the ground approach to implementation, learnings and personal ownership. While control environment has improved significantly over the recent period, embedding fully, effectively and with assurance is still a work in progress.

Conclusion & Action Plan/Considerations

Conclusion: The current health and safety environment provides some comfort that the Organisation has taken reasoned, well thought out steps to improve health and safety at PNCC. Full embedment is progressing well and ever-present iterative improvement reviews will be necessary, with resource allocation to the more critical elements. Control of risks within the wellness arena are more in their infancy although work is underway to ensure the environment allows for a workplace that is more in tune with the wellness needs of employees. Overall, and with the benefit of the recent external SafePlus Audit assessing our performance as "Performing", the residual risk has been assessed at the improved rating of "Low".

Action Plan: A number of actions are in train or nearing completion. Plans are in place of individual actions which are assigned to owners with milestones set for each individual item. All activities should be part of iterative reviews and there needs to be a clear review timetable laid down and followed. Closure of the SafePlus Audit will need to be actioned

Key Controls and Mitigations Summary

Category	Key Controls	Control Rating	Control Reliance	Action Plan/Considerations
Health, Safety and Wellbeing Culture	▷ Safety Charter supports individual empowerment for front facing staff and teams. ▷ Regular internal communications reinforcing health, safety and wellbeing messaging ▷ Health, safety and wellbeing is everybody's responsibility, and included in all job profiles ▷ Scheduled toolbox meetings.	Effective	Very High	▷ Ongoing cycles of communication, reinforcement and messaging of health, safety and wellbeing activities and culture (E) ▷ Create communications strategy to ensure health, safety and wellbeing culture remains strong (E).
Health and Safety Training	▷ Role specific health and safety training ▷ Onboarding and induction on health and safety for contractors and staff.	Partially Effective	Very High	▷ Digital solutions for training records management(E) ▷ Bring forward on-boarding earlier on health and safety matters(E) ▷ Expanded training needs assessments, particularly for high risk roles and/or where higher numbers of incidents occur(E).
Leadership Commitment	▷ Ahurutanga Statement (Safe Space) and commitment ▷ Executive Leadership site visits ▷ Executive Leadership involvement on Officers' Health and Safety Committee ▷ Escalation channels documented based on event, ultimately to Chief Executive.	Partially Effective	High	▷ Reconfigure Executive Leadership Team site visits for more productive and effective outcomes(E) ▷ Chairs of Officers' and Operations' Health and Safety Committees present to Executive Leadership Team bimonthly(E) ▷ Review Executive Leadership involvement on Operations' Health and Safety Committee.
Hazard Risk Registers	▷ Hazard risk registers, with periodic reviews by stakeholders.	Effective	High	▷ All hazard risk registers to be refreshed, peer reviewed and to undergo iterative periodic reviews, and following incidents as part of Five Whys/ Root Cause Analysis ▷ Communications plan to ensure effective embedding in business.
Assurance Programme	▷ Periodic checks of controls and mitigations (Audits).	Effective	Medium	▷ Assurance programmes based on criticality and balanced against resource requirements. E
Personal Security	▷ Security assessments with improvement-based outcomes ▷ Technology based tools ▷ Safety plans for public facing employees.	Effective	High	▷ Internal training package being developed and then ongoing training for all front facing staff E ▷ Safety plans to be 100% implemented E ▷ CCTV and body worn camera footage to be used as part of lessons learnt activities post event. E
Health and Safety Tools	▷ Health and Safety Manual ▷ PeopleSafe application for reporting and monitoring of incidents and near misses.	Partially Effective	Medium	▷ Rollout and embed updated Health and Safety Manual, after review by SME's E ▷ Review options through a business case for fit for purpose health and safety digital platform. E
Post Event Reviews	▷ Lessons learnt/Five Whys/Root Cause Analysis of events with application of control improvements. Application of Government H&S hierarchy of controls (See below). ▷ Issuance of safety bulletins post event.	Effective	Medium	▷ More robustness to process, particularly on action and closures formally (Accountability). E
Wellbeing	▷ Safety Charter supports individual empowerment for front facing staff and teams. ▷ Regular internal communications reinforcing health, safety and wellbeing messaging ▷ Health, safety and wellbeing is everybody's responsibility, and included in all job profiles ▷ Scheduled toolbox meetings.	Partially Effective	Medium	▷ Planned approach to psychosocial risk assessment, creation of control environment (*Preventing harm*) and assurance programme. E ▷ Development of level appropriate training for spectrum training options within mental health and wellbeing (*Enhancing wellbeing*) E ▷ Continue provision of professional support service (*Provide Support*). E

E: Existing / N: New

Version 2.0

Strategic Risk No. 6: Major failure of health, safety and wellbeing policies and procedures

Category	Action Plan/Considerations	Current Update	Due Date
Health, Safety and Wellbeing Culture	1. Ongoing cycles of communication, reinforcement and messaging of health, safety and wellbeing activities and culture 2. Create communications strategy to ensure health, safety and wellbeing culture remains strong.	1. Activity is working well although additional refinements are being worked on. This is to ensure H&S is brought to the fore as well as ensuring media and mechanisms are fit for purpose. 2. Communication strategy to be worked on in conjunction with 1. Above.	12/25 12/25
Health and Safety Training	3. Digital solutions for training records management 4. Bring forward on-boarding earlier on health and safety matters 5. Expanded training needs assessments, particularly for high risk roles and/or where higher numbers of incidents occur.	3. Currently records held in PeopleSafe. To be considered as part of No. 16 below. 4. In place and being undertaken. Also, new "First Day Back" training commenced. 5. Line managers/supervisors responsible for training needs assessment in to PeopleSafe. However, stocktake/assurance of current position required, as well as consideration under No. 16 below.	 Close 6/26
Leadership Commitment	6. Reconfigure Executive Leadership Team site visits for more productive and effective outcomes 7. Chairs of Officers' and Operations' Health and Safety Committees present to Executive Leadership Team bimonthly 8. Review Executive Leadership involvement on Operations' Health and Safety Committee.	6. In place and operating. Additional recommendations from SafePlus Audit to be implemented. 7. In place and occurring. 8. General Manager People and Capability attends all Committees meetings. Action and implement back up GM in cases of absence.	12/25 Close 6/25
Hazard Risk Registers	9. All hazard risk registers to be refreshed, peer reviewed and to undergo iterative periodic reviews, and following incidents as part of Five Whys/ Root Cause Analysis 10. Communications plan to ensure effective embedding in business.	9. All hazard registers in final state. To be reviewed biannually. Five Whys undertaken. 10. Refer No. 2 above	BAU 12/25
Assurance Programme	11. Assurance programmes based on criticality and balanced against resource requirements.	11. Assurance programme developed and implemented. Review effectiveness over next six months.	12/25
Personal Security	12. Internal training package being developed and then ongoing training for all front facing staff 13. Safety plans to be 100% implemented 14. CCTV and body worn camera footage to be used as part of lessons learnt activities post event.	12. Completed and operating. Additional training requirements identified in SafePlus being investigated. 13. Completed and regularly tested. Ongoing reviews. 14. Processes to be reviewed for effectiveness and ensuring Privacy Act compliance.	12/25 BAU 12/25
Health and Safety Tools	15. Rollout and embed updated Health and Safety Manual, after review by SME's 16. Review options through a business case for fit for purpose health and safety digital platform.	15. Expected to be completed soon. 16. Options analysis underway.	9/25 6/26
Post Event Reviews	17. More robustness to process, particularly on action and closures formally (Accountability).	17. Formalised process in place with H&S Division taking overall accountability.	Close
Wellbeing	18. Planned approach to psychosocial risk assessment, creation of control environment (*Preventing harm*) and assurance programme. 19. Development of level appropriate training for spectrum training options within mental health and wellbeing (*Enhancing wellbeing*) 20. Continue provision of professional support service (*Provide Support*).	18. Proposal by 06/25. Options will be explored to manage psychosocial risks with or without external resources. The preferred approach is expected to have an external assessment. Psychosocial risk management will be progressed in the FY 25/26 year pending option and SLT approval. Resources allocated in FY25/26. 19. Emotional intelligence training has been initiated with service providers to train managers. Will increase quality of conversations with staff on wellbeing and all aspects to employee journey. Resilience, change management, conflict management, respectful workplaces and awareness of wellbeing resources training continuing. 20. The organisation is fully committed to well-being through Āhurutanga Safe Space which includes reference to protecting well-being. A Wellbeing Programme in place that is grounded in preventing harm, supporting people and enhancing well-being. Feedback on the status of well-being support reported to the Risk and Assurance Committee quarterly.	6/26 6/26 BAU
SafePlus Audit Presented to RAC March 25 (New)	21. Audit report made 30 recommendations	21. Work is underway to action recommendations, some of which have touch points in above actions. Reporting on their closure will be included in the Accountability Report to RAC.	

BAU: Business as usual although periodically monitor ongoing effectiveness on action

Version 2.0

Strategic Risk No. 10: Failure to Manage Critical/Strategic Assets

Date: 29/04/25

Group Owner: General Manager Infrastructure

Raw Risk: Extreme	Current Residual Risk: High	Target Residual Risk: Medium	Control Rating: Partially Effective	Control Reliance: High	Target Residual Risk: Medium

Overview

Risk Description: The Inadequate management and maintenance of critical and/or strategic assets to a level that meets the levels of service for the long-term goals of the city.

Implications: Council failure to manage its critical and strategic assets has long-term implications on the ability to meet levels of service. Also, failure to meet management in a timely basis will also result in potentially elevated, and sometimes unbudgeted, financial costs to rectify relative to effectively maintained assets. The loss of service levels and elevated financial costs will also lead to significant public disquiet and reputational damage. Inadequately maintained assets can also lead to matters of insurance cover and claimability.

Control Environment: Controls for the management of this risk rely significantly on data fidelity and completeness, along with maintenance schedules that are complete and followed. The building blocks for this are in place although some of their effectiveness is in need of improvement or a degree of uncertain exists on its completeness. The environment also suffers inherent legacy issues on corrupted and/or misplaced data.

Conclusion & Action Plan/Considerations

Conclusion: The building blocks for avoiding failure to manage critical assets are in place however there remain areas where work is required. Some are extremely long term in nature and will require significant budgetary commitment and unwavering and consistent management of the activities. Asset management and its data are a cornerstone of this and will need a perpetual iterative improvement process. Timeliness of inspections and renewals, and the requisite resource allocation, is a significant potential failure point. Current residual risk, while currently rated as high, is nearing the desired risk tolerance and if actions remain on track, expectation is that risk should move to medium at the next review.

Action Plan: Management have identified areas where improvements are needed to ensure a more robust management of critical/strategic assets. These centre principally around understanding asset data and its management, and the application of industry standards and robust, best practises processes and procedures. These areas are improving through continuous improvement programmes and work needs to continue down this path.

Key Controls and Mitigations Summary

Category	Key Controls	Control Rating	Control Reliance	Action Plan/Considerations
Asset Data	▷ Dedicated industry standard asset management platforms ▷ Data rules, quality standards/specifications and definitions ▷ Multi-year, iterative Asset Management Improvement Plan.	Partially Effective	Very High	▷ Ongoing Asset Management Improvement Plan actions. E ▷ Data checks, audits, and cleansing. E ▷ Ensure inspection data is reconciled with asset data and maintenance requirements/ schedules. E
Asset Management Planning	▷ Asset Management Plans driven by requirements for supporting growth, levels of service and capacity, managing deteriorating condition of assets and responding to issues from climate change and natural hazards.	Partially Effective	Very High	▷ Ongoing improvement in asset management practice delivery under Asset Management Improvement Plan. E
Asset Criticality Framework	▷ Framework designed and approved by asset owners ▷ Criticality assigned to assets in data platforms ▷ Criticality used to determine inspection and maintenance regimes	Ineffective	Very High	▷ Review criticality descriptors by assets class. E ▷ Assignment criticality to all assets. E ▷ Build out inspection regime to further invoke criticality. E ▷ Build processes for criticality assignment for new assets. E
Design Panel	▷ Dedicated technical expertise within formalised Design Panel. ▷ Peer reviews and technical assurance (Safety in Design and Safe Systems frameworks). ▷ Robust procedures, including technical hold sign-off points.	Effective	Low	▷ Realistic design timelines established early in the project to avoid a clash with construction budgets and delays in planned construction. E ▷ Project management practices and principles used for design projects or phases to ensure they are managed appropriately and delivered on time, within budget and with benefits realisation. E ▷ Post implementation plan of designs review process and quantity survey and engineering standards. E
Engineering Standards and Completion Documents	▷ Application of PNCC Engineering Standards for Land Development and its supplements ▷ Completion documentation, including the application of engineering standards with life expectancy, warranties, operations and maintenance manuals, and as-built plans.	Partially Effective	Medium	▷ Increase rigor around the closing of all completion documentation. E ▷ Monitoring asset data (completion data) workflows. E ▷ Review and update Engineering Standards for Land Development. E
Asset Inspection and Maintenance Schedules	▷ Planned and preventative maintenance schedules recorded against assets in asset management platforms. ▷ Maintenance and inspection schedules provided as part of completion data	Partially Effective	High	▷ Review condition data and reconciliation of maintenance requirements. E ▷ Maintenance and renewal schedule refresh. E
Project Management	▷ Adequately resourced Project Management division. Other officers undertaking project management provided adequate training and tools. ▷ Tools for identifying and managing risks, contracts, information, and projects. ▷ End to end processes, including lessons learnt reviews, for project management. All meeting best practice from inception to completion.	Partially Effective	High	▷ Completion of Service Now Project Management Tool implementation and PMO improvement plan. Effective variation and change management processes. E ▷ Forward programming and right-sizing delivery expectations prior to the commencement of projects. E ▷ Standardisation of project delivery (Process and procedure documentation). E ▷ Realignment of "project management" activities from Contract Management into Project Management Office and Procurement. E
Contract Management	▷ Engineering requirements managed under contract, as well as change, cost and time implications, technical specifications and testing and quality requirements. Practical and Final Completion Certificate and Retention Release Certificate management. ▷ Application of contract management principles end to end.	Partially Effective	High	▷ Ongoing development/adoption/rollout of NZS documents, management thereof, and library. E ▷ Risk based approach is taken to establish key roles within a contract including, for example, Independent Certifier, Contract Administrator, and Project Manager. E ▷ Improvements to project claims processes to ensure contract obligations are being met. E
Seismic Resilience	▷ Prioritisation assessments of properties, including application of criticality. ▷ Strengthening programme of 26 earthquake prone buildings. Budget ($230 million) spread over 19 years. Included in LTP and 30-year Infrastructure Strategy.	Partially Effective	Very High	▷ Ongoing execution of strengthening programme. E

E: Existing / N: New

Strategic Risk No. 10: Failure to Manage Critical/Strategic Assets

Category	Action Plan/Considerations	Current Update	Due Date
Asset Data	1. Ongoing Asset Management Improvement Plan actions. 2. Data checks, audits, and cleansing. 3. Ensure inspection data is reconciled with asset data and maintenance requirements/schedules.	1. Plan updated on a six-month basis, with maturity continuing to improve although iterative in perpetuity. While BAU, will continue in line of sight 2. Data gap analysis in progress. Audit and cleansing to start thereafter. 3. When received, data updated however field data collection could be improved.	BAU 6/26 6/26
Asset Management Planning	4. Ongoing improvement in asset management practice delivery under Asset Management Improvement Plan.	4. See 1 above	BAU
Asset Criticality Framework	5. Review criticality descriptors by assets class. 6. Assignment criticality to all assets. 7. Build out inspection regime to further invoke criticality. 8. Build processes for criticality assignment for new assets.	5. Process is in place determining criticality of asset. Some grouping undertaken. BAU 6. Currently in progress to assign. 7. See 3 above 8. Work in progress assets onboarded.	BAU 12/25 6/26 BAU
Design Panel	9. Realistic design timelines established early in the project to avoid a clash with construction budgets and delays in planned construction. 10. Project management practices and principles used for design projects or phases to ensure they are managed appropriately and delivered on time, within budget and with benefits realisation. 11. Post implementation plan of designs review process and quantity survey and engineering standards.	9. Implementation planning for next YE underway and all design brief include breakdown of times and due dates. 10. Updated PMO Manual recently issue which address some of these issues. Further review with additions required by end of 2025. Implementation and fully embedded thereafter. 11. High level panel steering group oversight and review implementation on quarterly basis. Design consultants conduct quality assurance checks ensuring constructability of designs.	BAU 12/26 BAU
Engineering Standards and Completion Documents	12. Increase rigor around the closing of all completion documentation. 13. Monitoring asset data (completion data) workflows. 14. Review and update Engineering Standards for Land Development.	12. New Project Management tool allows for milestone reporting of completion information. Building proficiency and maturity. 13. Monitoring completion information received versus projects completed through PPM. Some increased maturity would be helpful 14. Minor review and changes made. Major changes to be reviewed with industry.	6/26 6/26 6/26
Asset Inspection and Maintenance Schedules	15. Review condition data and reconciliation of maintenance requirements. 16. Maintenance and renewal schedule refresh.	15. Disparate processes by asset class. Further work is required to ensure ongoing compliance with maintenance requirements. 16. Disparate processes by asset class. Further work is required to ensure ongoing compliance with maintenance requirements.	TBD TBD
Project Management	17. Completion of Service Now Project Management Tool implementation and PMO improvement plan. Effective variation and change management processes. 18. Forward programming and right-sizing delivery expectations prior to the commencement of projects. 19. Standardisation of project delivery (Process and procedure documentation) 20. Realignment of "project management" activities from Contract Management into Project Management Office and Procurement.	17. Implementation and movement to BAU continues. Growing proficiency of tool use. 18. To be picked up as part of LTP processes. 19. See 10 above 20. Realignment has been implemented. Subsequent and knowledge transfer is ongoing. Closure assessment once consider fully embedded.	12/25 6/27 12/26 12/25
Contract Management	21. Ongoing development/adoption/rollout of NZS documents, management thereof, and library. 22. Risk based approach is taken to establish key roles within a contract including, for example, Independent Certifier, Contract Administrator, and Project Manager. 23. Improvements to project claims processes to ensure contract obligations are being met.	21. Centralisation of Procurement and Contracts team. Additional work required of creation of fit for purpose user guides, in part under the Legal strategic risk. 22. Ongoing and subject to complexity of contract being entered into. 23. Updated buyer created invoicing with improved efficiency. Being embedded into activities.	6/26 BAU 12/25
Seismic Resilience	24. Ongoing execution of strengthening programme.	24. Body of work completed as well as planned for future.	6/38

BAU: Business as usual although periodically monitor ongoing effectiveness on action

Version 2.0

MEMORANDUM

TO:	**Risk & Assurance Committee**
MEETING DATE:	**11 June 2025**
TITLE:	**Long-Term Plan 2024-2034 Debrief**
PRESENTED BY:	**Grace Nock, Manager Organisational Planning and Performance and David Murphy, General Manager Strategic Planning**
APPROVED BY:	**David Murphy, General Manager Strategic Planning**

RECOMMENDATION(S) TO RISK & ASSURANCE COMMITTEE

1. **That the Committee receive the memorandum titled 'Long-Term Plan 2024-2034 Debrief', presented to the Risk & Assurance Committee on 11 June 2025.**

1. ISSUE

Following the completion of the 2024–2034 Long-Term Plan (LTP), a debrief was commissioned to understand what supported successful delivery and where improvements could be made to strengthen future planning cycles. The attached report summarises findings from interviews with Elected Members and staff and provides clear recommendations to inform the 2027–2037 LTP process.

2. BACKGROUND

In 2024, Council initiated an internal review to evaluate the systems, structures, and processes that shaped the development of the 2024–2034 LTP. The review aimed to document lessons learned, identify strengths and constraints, and support organisational improvement ahead of the next LTP cycle. Interviews were conducted throughout 2024 by the Business Assurance team with 35 participants, including 12 Elected Members, and 23 staff involved in various aspects of LTP delivery. Although interviews were completed in 2024, analysis and reporting has been completed in 2025.

The report identifies areas where Council has made meaningful progress, such as improved engagement, collaboration, and transparency. It also highlights structural and operational challenges. Some of the difficulties encountered include compressed timeframes, limited application of project management principles, or a need for formalised prioritisation frameworks.

3.   NEXT STEPS

The attached report includes a comprehensive summary of findings and a table of recommended actions to guide future LTP implementation. These actions will be reviewed closely by the Organisational Planning and Performance team, and wider LTP team, as preparations begin for the 2027-2037 LTP. Staff will work with the Senior Leadership Team and Council to incorporate these improvements into the design of the next LTP programme.

4.   COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? 4.8 Risk & Assurance Committee Terms of Reference	**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 objectives?	**No**
Are the recommendations inconsistent with any of Council's policies or plans?	**No**

The recommendations contribute to: Whāinga 1: He tāone auaha, he tāone tiputipu
Goal 1: An innovative and growing city

Whāinga 2: He tāone whakaihiihi, tapatapahi ana
Goal 2: A creative and exciting city

Whāinga 3: He hapori tūhonohono, he hapori haumaru
Goal 3: A connected and safe community

Whāinga 4: He tāone toitū, he tāone manawaroa
Goal 4: A sustainable and resilient city

The recommendations contribute to this plan:

14. Mahere mana urungi, kirirarautanga hihiri

14. Governance and Active Citizenship Plan

The objective is: Base our decisions on sound information and advice.

Contribution to strategic direction and to social, economic, environmental and cultural well-being	The LTP debrief supports Council's aspiration to make well-informed and strategic decisions, grounded in robust information, effective systems, and meaningful community engagement. By identifying the challenges and strengths experienced during the 2024–2034 LTP process, the report provides practical

	insights that can strengthen decision-making and process improvement for the 2027-2037 LTP.

ATTACHMENTS

1. Long-Term Plan 2024-2034 Debrief ⇩ 📕

PALMY
PAPAIOEA
PALMERSTON
NORTH
CITY

Long Term Plan 2024-2034

Debrief

Contents

Executive Summary

The purpose of this debrief was to assess the effectiveness of Palmerston North City Council's systems, structures, and processes underpinning the 2024–2034 Long-Term Plan. Drawing from interviews with elected members and staff, it identified key strengths and challenges that impacted planning quality, engagement, and delivery.

Key Strengths:

- A strategy-led approach was maintained, with strong early engagement and some effective pre-engagement tools.
- Staff were highly responsive and collaborative, with improved internal ownership and leadership engagement.
- Consultation documents and public tools were well-designed and accessible.
- The shift away from a steering committee enabled full council involvement and accountability.
- Transparency and communication improved compared to previous LTP cycles.

Key Challenges:

- Compressed timeframes, high staff turnover, and concurrent system changes overwhelmed capacity and created avoidable stress.
- The absence of structured project management, clear prioritisation models, and early alignment across strategic documents hindered effectiveness.
- Induction and support for elected members, particularly new councillors, was insufficient, limiting influence and participation.
- Fees and charges were poorly timed and disconnected from budget decisions.
- Levels of service (LOS) and strategic trade-offs were not meaningfully debated, and performance measures lacked clarity.
- Resourcing gaps, staff burnout, and over-reliance on key individuals highlighted organisational fragility.

Looking Ahead:

To strengthen the 2027–2037 LTP process, a more disciplined, integrated, and strategic approach is required. This includes embedding structured project management, initiating planning earlier, clearly defining roles and decision points, and ensuring that community engagement, financial strategy, and prioritisation processes are robustly interwoven and well-resourced.

1   Introduction

1.1 Objective and Scope

The objective of this debrief was to assess and collate feedback regarding the effectiveness of internal controls and processes supporting the development of the 2024–2034 Long-Term Plan (LTP). Specifically, the review aimed to determine whether the systems and structures in place supported a robust, transparent, and efficient approach to LTP development. The aim of this review seeks to inform actions and recommendations for the 2027-2037 LTP.

The scope of the review covered the entire planning process, through to adoption of the consultation material and subsequent LTP. It included governance processes, stakeholder engagement, prioritisation and decision-making frameworks, financial alignment, and the mechanisms through which staff and elected members contributed to the LTP.

1.2 Background

As a territorial authority, Palmerston North City Council (PNCC) is required under the Local Government Act 2002 (section 93) to adopt a LTP every three years. The purpose of the LTP is to:

A. Describe the council's planned activities and services;

B. Outline community outcomes and long-term priorities;

C. Support integrated and coordinated resource allocation;

D. Provide a long-term decision-making framework; and

E. Enable accountability to the community.

The development of each LTP is a significant undertaking that involves multiple departments and relies heavily on contributions from across the organisation. To promote continual improvement, this internal review was commissioned to assess how well the 2024–2034 LTP process functioned in practice.

The review was initiated by the Business Assurance team in 2024. A total of 35 interviews were conducted, including 12 with elected members, and 23 with staff involved in LTP delivery. These interviews were designed to gather reflections on what worked well and what could be improved. Once written in 2025, the debrief was reviewed and edited by SLT based on their experiences and reflections of the LTP process, with a principal focus on the staff feedback.

1.3 Structure of Report

The report will first synthesise thematically feedback from Elected Members (EMs). Each theme of feedback was informed by multiple individuals suggesting the robust presence of the phenomenon. Within each theme, feedback is divided into positive reflections, followed by opportunities for improvement. Following elected member feedback, staff feedback is collated according to the same formatting. The report will finish with a brief comparative analysis table between staff and elected members across key themes, and a table of future steps to be incorporated into the 2027-2037 LTP process.

1

2   Elected Member Feedback

2.1 Strategy and Vision:

Strategic workshops early on in the development of the LTP provided a good foundation for Elected Members (Ems). It was noted that informal formats sometimes limited diverse input, leading to feedback requesting more structured facilitation and clearer mechanisms for inclusive engagement.

Positive Feedback:
- The sessions at Caccia Birch and Makoura Lodge were consistently valued for providing useful context and promoting focused discussion.
- The 3 November workshop was described as particularly effective, especially for new councillors, in setting a clear foundation for the LTP process.
- Strategy and planning workshops were described as highly engaging and interactive, particularly due to the one-on-one access to knowledgeable officers. There was a suggestion to record these sessions so that members could revisit the discussion and improve understanding over time.
- The review of goals and strategies was considered an enjoyable and constructive process, with pre-discussion surveys effectively capturing a broad range of perspectives.

Challenges / Areas for Improvement:
- The use of notepad-style or open forum input methods (such as in the LinkSpan) was perceived to at times, allow for more vocal participants to be heard. Given the value of these sessions, it is proposed that more structured facilitation is needed in future to mitigate risks of this happening in order to ensure all perspectives are fairly represented.

2.2 Induction for New Elected Members:

While some onboarding support was helpful, new councillors felt underprepared for the complexity of LTP participation. A lack of structured training and guidance potentially hindered confidence and influence.

Positive Feedback:
- Support was readily available when sought, and some new members felt comfortable asking questions, indicating that informal networks and officer responsiveness helped when proactively engaged.
- The iterative and multi-stage process was helpful in building understanding over time, making it easier for less experienced EMs to follow the process and participate.
- General induction was well received for team building and governance protocols, such as standing orders.

Challenges / Areas for Improvement:
- Induction materials were generic and lacked a dedicated guide for new EMs specific to the LTP, leaving some unsure whether critical information had been missed.
- There was no formal mentoring system was in place. New EMs lacked access to a trusted staff contact for informal, "no-stupid-questions" conversations.
- There is a clear gap in training on how and when to influence the LTP. A structured "LTP 101" workshop was strongly recommended to explain entry points, budget cycles, financial literacy and training, and when decisions become finalised.
- Induction sessions were perceived as tailored toward experienced councillors, leaving new members unsure how to contribute or raise recommendations during strategic planning phases.

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2.3 Ability to Influence:

Councillors found it difficult to know when and how to influence outcomes. Gaps in EM understanding of the process transparency and unclear levers left many feeling disempowered to influence effectively.

Challenges / Areas for Improvement:

- EMs consistently struggled with understanding *when* and *how* they could effectively influence the process. Many reported missing critical windows due to a lack of guidance, with new members especially uncertain about where in the timeline to propose changes or raise ideas. The absence of clarity, particularly for introducing new projects or strategic direction meant suggestions often surfaced too late, during deliberations, when options were already constrained.
- In response to previous feedback where the detail of MSL budgets were not as visible as it could be, officers changed the approach to show a more detailed breakdown of operating expenses. However, this change for some EM's made it difficult to understand what was fixed, what could be adjusted, and what trade-offs existed. EMs reported needing to manually piece together information from prior agendas and other documents, calling for centralised, accessible, and transparent financial data to support informed decisions.
- There was some uncertainty around what EMs were actually empowered to do, and whether decisions were made individually, collectively, or operationally. This lack of clarity around roles, responsibilities between governance and operations led to some confusion and inconsistency in how members participated and advocated for change.

2.4 Staff Support:

Staff were praised for their openness and responsiveness, but staff turnover and challenges in the management of the LTP process created pressure and inconsistencies in EM experience.

Positive Feedback:

- Staff were commended for their hard work and responsiveness, providing comprehensive information and clarifications throughout the process. Their efforts to address concerns as they arose were consistently noted and appreciated.
- The overall attitude of staff was described as significantly improved from previous cycles, being more open, collaborative, and helpful, and moving away from a culture where information was only shared if explicitly requested.
- Communication was particularly strong and processes such as hearings, the expo, and sector group meetings were well received.
- The finance team was commended for fostering greater transparency and confidence in financial discussions.
- Facilitated workshops, such as the collaboration with Rangitāne, were highlighted as well-structured and valuable in strengthening understanding and relationships.

Challenges / Areas for Improvement:

- Continuity of the process was somewhat restricted as a result of staff turnover.
- A shift in LTP leadership style, particularly the absence of a clear rates target or structured starting point, was viewed by some as creating an overly open-ended and inefficient process. This made it harder to remove items and resulted in significant time spent debating matters that might otherwise have been streamlined.

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2.5 Elected Member Collaboration:

A generally respectful and collegial environment was maintained, though participation varied, possibly due to availability.

Positive Feedback:
- There was respectful and constructive engagement among EMs, with a collegial atmosphere maintained despite a range of views and   priorities.

Challenges / Areas for Improvement:
- The process was seen to create division at times, with varying levels of participation from EMs. There is a need for stronger structures to support equitable involvement and clearer expectations around contribution.
- There was a perception that debate was extended unnecessarily from time to time, leading to inefficiencies and putting pressure on tight timelines.
- A greater emphasis on maintaining professionalism and safeguarding staff from undue pressure was recommended.

2.6 Meeting Format:

A shift to full council involvement was valued, however a more structured approach would have assisted in early decision-making.

Positive Feedback:
- The transition from workshops to formal council meetings was viewed as beneficial, as workshops often lacked clarity about their purpose and blurred the line between discussion and decision-making.
- Holding questions and discussion in chamber, rather than duplicating effort across both workshops and council was considered a more efficient and accountable in practice.

Challenges / Areas for Improvement:
- There was clear opposition to reinstating a steering committee. It was viewed as exclusionary, limiting full council participation and reducing transparency. A preference was expressed for full council involvement in all key decision-making.
- While avoiding a steering group was seen to be positive, several members called for more structured and formal early decision-making, rather than relying on what was considered an informal or ad hoc processes at times.

2.7 Communications:

Community engagement improved markedly compared to previous LTP's, especially through public events and social media. However, consultation fatigue, unclear consultation messaging, and a perception of predetermined outcomes potentially weaken public trust.

Positive Feedback:
- The Planning Palmy Expo was widely praised for creating meaningful public connection and clarifying council functions; its Saturday timing supported higher attendance, and many felt it should occur biennially regardless of the LTP cycle. The live-streaming component was also seen as effective and accessible.
- There was support for councillor-led forums to engage with politically interested community members in a more conversational and interactive way, offering a diversity of formats for engaging with community members beyond long documents and traditional consultation formats.

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- Pre-engagement with sectors and community groups was considered highly effective, providing productive forums for informed discussion. The consultation design, particularly the inclusion of three clear options for the rates review helped the public engage with difficult issues such as capital vs land value funding. The timing of this engagement, aligning with revaluations, was noted as strategic and appropriate.
- Facebook and other social media tools were cited as significantly improved compared to previous cycles.

Challenges / Areas for Improvement:
- Consultation fatigue was a recurring theme. The volume of overlapping topics, such as the FDS, DC's, and rates review, overwhelmed the public, reducing clarity and effective engagement. Many felt the March–June period should have been dedicated solely to the LTP.
- There was some concern about the tone and complexity of external messaging. Some felt that the council's communications implied decisions were already made, limiting the space for genuine input. Others noted that public education around what the LTP is and how it works was missing.
- Resident-led meetings attracted far greater participation than council-run events. Consideration to how sectors are targeted should be looked at in future (e.g. sector-specific).
- EMs reported a rise in public hostility at consultation events, especially the Planning Palmy Expo, which included confrontational behaviour. Social media feedback as also identified some abusive behavior. A greater need for the communications team to more actively manage online comments in future would assist.
- Some individual community projects were highlighted in the CD with costings, were seen to inadvertently target those initiatives for criticism, while larger capital investments received less scrutiny. Feedback highlighted the need to maintain balance.

2.8   Information and Data:

Elected members appreciated the volume and transparency of information but felt overwhelmed by the format and struggled to engage meaningfully with service levels or financial implications.

Positive Feedback:
- The activity sheets were generally well-regarded for providing sufficient detail and breakdowns, giving elected members confidence in the robustness of the material; some suggested that including costings directly within the sheets would reduce the need for cross-referencing.
- LOS surveys were viewed as a valuable tool for anonymously capturing sentiment and enabling open, pressure-free input. Consequently, their removal was perceived as detrimental.
- Capital new and renewals data, particularly through programme summary sheets, were considered accessible and well-presented, supporting clearer engagement with key infrastructure decisions.

Challenges / Areas for Improvement:
Performance Metrics and Evaluation:
- A lack of measurable KPIs and reluctance to embed metrics that allow for effective performance evaluation was noted.
- Some noted a missed opportunity to enhance activity sheets by incorporating insights from resident surveys, annual plans, and submission trends to better reflect community priorities and concerns.
- The removal of LOS surveys was widely seen as a loss, especially since they offered anonymous, broad insight.

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- While the four strategic goals were supported, many felt the absence of a dedicated organisational goal left a gap, particularly as this would represent the *how* of delivery and should come with its own KPIs.

Formatting and Presentation Issues:
- Graphs in the rates review were described as unhelpful, forcing reliance on written explanations to understand key points. Clearer visuals and simpler comparisons were requested.
- Activity sheets were described as hard to interpret due to unclear decimals, poor formatting, and a lack of structured tables or numbering.

Information Accessibility:
- Many members expressed feeling overwhelmed by the sheer amount of reading required, especially in a compressed timeframe. While some valued the depth, others preferred more upfront advice or clearer guidance, highlighting the need to tailor content delivery to different working styles.
- Members voiced concern about staff presenting only a single "preferred option" in complex scenarios. Without a range of realistic alternatives, this can result in default approval due to a lack of time or clarity.

Budget Information and Financial Challenges:
- Elected members were frustrated by inconsistencies in affordability signals, for example, being told in Year 4 that certain projects were unaffordable, only to be told weeks later that funds had been found and projects could proceed. This undermined confidence in financial direction and led to unnecessary lengthy deliberations in the chamber.
- There was a strong sense that the capital programme was overloaded (particularly with roading) while the operating budget received far less attention than in previous years. Members called for a better balance and line-of-sight between capital investment and the operational costs required to sustain it.
- Several noted that a major financial error early in the process, initially requiring $350–$380 million in cuts, only to later reveal just $60 million was needed, caused unnecessary panic and led to hasty decisions that were not re-examined. The situation stressed the importance of verifying figures when red flags emerge.
- Concerns were raised that unrealistic capital programme ambitions, combined with rising costs, lack of central government support (especially for Nature Calls), and insufficient re-testing of assumptions, have created a long-term financial burden that may not be sustainable
- Finally, many worried that the focus has drifted from core service delivery. Claims of a high degree of confidence in deliverability were questioned, and elected members urged greater realism, including scrutiny of contracts and more disciplined prioritisation.

2.9 LTP Project Planning:

Several elected members identified project management challenges throughout the LTP process.

Challenges / Areas for Improvement:
- There was strong support for appointing a dedicated project manager to lead the LTP process. Someone responsible for defining clear scope, decision rules, and dates, with built-in contingency to manage extended debates and maintain momentum.
- While the timeline provided was appreciated for providing an overview, it was criticised for being too high level. Members felt it lacked the practical detail needed to inform and guide timely decisions across the process.

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2.10 Timeframes:

The timing and scheduling of the 2024–2034 LTP was one of the most frequently criticised aspect of the process. While a few elected members felt more comfortable this year due to increased familiarity, the majority described the overall timeframe as poorly managed, compressed, and stressful.

Challenges / Areas for Improvement:

- The end-of-year schedule was widely seen as unreasonable, with four meetings packed into the final days before Christmas and some members asked to read 700–800 pages of material with just a few days' notice. Many believed that decisions were rushed and that the intense timing negatively impacted the quality of deliberation.
- The process was further strained by last-minute changes to meetings that had originally been agreed upon 12 months in advance.
- Several participants suggested the LTP process could be brought forward to ease pressure, improve the quality of decision-making, and better align early conversations with statutory consultation deadlines.
- Although the LTP induction provided a helpful overview and key dates, there was a noted gap between strategic goal-setting and budget-focused discussions. Some felt that the process stalled early and lacked momentum in the middle stages.

2.11   Prioritisation Process

Prioritisation was another process that received significant criticism during the 2024–2034 LTP process. Elected members expressed frustration with the structure, timing, and overall approach to prioritisation, particularly in contrast with previous LTP rounds, where clearer ranking tools, workshop formats, and structured decision-making supported more efficient and transparent processes. Many felt this LTP lacked a defined prioritisation model, leaving too much to subjective debate.

Positive Feedback:

- In previous LTPs, officers were tasked with making cuts, which were seen as inappropriate. This time, councillors took more ownership which was a positive shift in governance responsibility.
- The categorisation of projects into legal, critical, and optional was viewed as helpful for elected members unfamiliar with technical distinctions.

Challenges / Areas for Improvement:

- Elected members consistently highlighted the absence of an effective, predefined prioritisation model. In contrast to past LTPs, which used structured tools like ranking systems, the current approach, where everything was included by default, was less effective. Some recommended starting with only essential items and adding others through consensus, rather than having to remove untested or "nice-to-have" projects during deliberations.
- Spending hours debating items already assumed to be in the plan felt wasteful. There was a strong call for default assumptions to be clearly signalled, officer judgement to be better integrated, and narratives attached to line items to support self-assessment.
- Operational matters received limited attention and visibility. Elected members felt unable to assess trade-offs or understand available headroom, making it difficult to make meaningful decisions.
- The prior LTP process, featuring structured workshops, ranked evaluations, and clearer expectations, was widely seen as more effective. Many supported its return, particularly the approach of scoring programmes and drawing a funding line to reduce debate and identify contentious areas quickly.

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- Some elected members argued that the plan was overly ambitious and unrealistic without significant debt, calling for a focus on core infrastructure like pipe renewal and maintaining levels of service. Others highlighted the need for a more business-oriented mindset to support revenue generation and long-term sustainability. This later point is acknowledged as direction in the Financial Strategy.

2.12   Fees and Charges:

The timing of fees and charges undermined their usefulness in budgeting discussions, with poor integration and missed opportunities for affordability-focused changes.

Challenges / Areas for Improvement:
- When elected members identified opportunities to use fees and charges to improve affordability or balance revenue, the process did not offer a clear path for activating those changes. The absence of a practical mechanism for elected members to amend or reprioritise fees left some questioning the purpose of the exercise. Several members suggested presenting them in November or December to allow time for proper consideration over the summer break. Officer's note that the concerns and the benefits of doing this exercise earlier, which in turn requires the operating budget to be considered earlier as changes in the cost base has an impact on the revenue required from fees and charges for activities.

3   Staff Feedback

3.1   Project Planning and Staff Support:

Cross-team collaboration and Senior Leadership Team (SLT) engagement were stronger than previous cycles. The absence of a formal project structure, role clarity, and integration across workstreams reduced overall efficiency.

Positive Feedback:
- The role of sponsors was widely acknowledged as effective. There was strong SLT engagement, wherein sponsors clearly guided the process well through their oversight of planning and finance. They attended most meetings and provided consistent direction at both strategic and operational levels.
- The Strategy and Policy team successfully led the development of the vision and goals, and the Asset Management Team effectively managed the integration of the asset management planning process. The Governance team informal involvement was also noted as valuable, with a suggestion to more formally phase in key contributors during appropriate stages.
- Staff from across the organisation collaborated efficiently under tight timeframes. Despite the volume of concurrent workstreams, including budgeting, strategic alignment, and system transitions, key deliverables were completed on time.
- SLT engagement with elected members was appreciated. Councillors acknowledged the quality and timeliness of information provided, and the professionalism and willingness of staff to respond quickly and thoroughly to queries.
- This LTP cycle was viewed as more organised than previous ones, with greater organisational ownership of the LTP and tangible improvements in internal communication through regular staff updates and Leader's Forum briefings.
- Scenario planning, particularly in infrastructure, was cited as a useful exercise to test assumptions and prepare for financial constraints.

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Challenges / Areas for Improvement:

- There were opportunities for improvement in project plan delivery and a consistent application of project management disciplines.
- While the team worked effectively in areas like asset management and strategic planning, it struggled to deliver a cohesive prioritisation process. Many team members were unfamiliar with the technical content, and when senior subject matter experts engaged, discussions often became overly detailed. This caused delays and inefficiencies.
- Project team meetings lacked a clear structure, defined roles or processes, or defined outcomes. The large size of the project team also created duplication and slowed progress. A smaller, more strategically focused team would better support process flow and timely delivery.
- While parts of the LTP process worked well independently, there was insufficient integration between them.
- There is a need for an empowered project lead to manage the process to ensure that momentum and focus is maintained, and there is a clear sense of ownership.
- Several key recommendations from the last LTP review such as starting earlier, providing clear options, and ensuring better integration were not followed through.
- The LTP team did not work closely enough with the Governance team, despite their critical role in facilitating elected member engagement and decision-making. Stronger integration is needed in future to support effective coordination and timely delivery.

3.2   Communications:

Communications improved, particularly through digital tools and events. Targeted engagement could be alignment better in future and with budget decisions.

Positive Feedback:

- The CD and web submission form were praised for being easy to navigate, allowing submitters to focus on areas of personal relevance. Both the CD and submission form were user-focused and were noted for their readability, practical structure, and focus on helping residents engage meaningfully with the LTP content. The new rates tool helped individuals understand financial impacts, and the document struck a balance between clarity and comprehensiveness.
- Compared to previous cycles, the team had a greater presence and influence, with the Communications Team leading energetic and effective public engagements, including Facebook Live events and drop-in sessions. The consultation process included targeted meetings, public events, online tools, and social media campaigns, all of which increased visibility and accessibility for different groups.
- Instead of verbatim transcription, submissions were grouped into key themes, which allowed for quicker insights and more manageable outputs.
- The decision not to submit the CD for audit enabled parallel work to continue in February. Flexibility around engagement dates meant the team could start earlier and avoid lengthy audit delays.
- The 'What Really Matters' publication provided elected members with community and sector priorities early in their term. While deeper follow-up was declined, the initial step supported more informed decision-making.
- The expo was successful in reaching a broader demographic. It provided a one-stop shop for key LTP topics and attracted a more diverse crowd than typical council events.
- The Communications Team supported a smooth post-Christmas transition into consultation. They managed numerous iterations of the CD effectively, ensuring plain English and addressing content gaps under tight timelines.

Challenges / Areas for Improvement:

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- Running the LTP, rates review, WMMP, and FDS together created confusion for the public and added pressure to internal teams.
- Consultation was seen by some staff to lack a clearly defined purpose and strategic alignment. However, it is important to note that a detailed engagement plan was developed and followed well, and that feedback from Taituara indicated that the PNCC consultation document was high in strategic alignment as compared to other councils.
- Pre-engagement was disconnected from budgeting decisions, which while common in an LTP process, nonetheless had associated challenges. Although early input was sought from stakeholders, it was not meaningfully integrated into budget formation.
- There was insufficient meaningful early engagement with the community. Council continues to rely on limited input from a small number of stakeholders rather than broader early engagement to shape priorities and identify trade-offs.
- While content-rich, the CD was considered overwhelming and text-heavy, impacted by combined consultation topics. While used by the Communications team in the consultative process, further recommendations were made for more visuals, shorter formats, or alternative formats like apps and videos to support understanding.
- Key issues like NZTA co-funding, water infrastructure costs, and past projects like Nature Calls were not well understood by the public, impacting the quality of feedback received.
- Drop-in sessions appeared to be driven by affordability concerns and lack of trust in council decision-making.
- Training and clearer expectations around engagement are is considered to be an important skill – further training may be required.
- Some key subject matter experts did not attend relevant community events, which negatively affected credibility with the community. More co-ordinated attendance by relevant staff is needed in future.
- There was an ongoing challenge between simplifying messages for public understanding and ensuring they remained accurate and compliant, particularly in complex areas like the rates review.
- While SLT and tier 3 managers regularly reviewed the CD it is important that the CD is reviewed regularly by the full project team.

3.3   Resource and Capacity Management:

The process placed unsustainable pressure on a small number of individuals. Vacancies, system overlap, and competing priorities highlighted key challenges with managing the LTP across the organisation.

Positive Feedback:
- While a few individuals carried much of the institutional knowledge there was confidence in transition planning, with proactive and positive steps in place to mitigate risk as some key individuals planned to leave.

Challenges / Areas for Improvement:
- Concurrent priorities, including the rating system review and system changes like AA and Magiq, created additional pressure and complexity for already stretched staff, especially in finance roles.
- The timing of the AA system implementation caused critical bottlenecks, removing several weeks of preparation time and heightening stress across the organisation. This was initially scheduled for implementation much earlier but delays related to Covid, coupled with limited options to further delay implementation meant go-live occurred at a difficult time for the LTP process.
- The transport team faced unsustainable pressure, submitting budgets to Waka Kotahi under urgency, which limited time for checks and elevated delivery risk.
- The organisation relied too heavily on a few individuals, especially in finance, creating vulnerabilities when key staff were unavailable.

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- Maintaining business-as-usual during the LTP cycle proved challenging, with staff describing the process as frantic, particularly through managing both the LTP and Annual Plan. The AA system changes also necessitated replacing the former budgeting tools which resulted in issues as the new budgeting system was configured and learned, requiring manual input often completed after hours. These were largely one-off issues with the subsequent Annual Budget since been completed with minimal issues experienced with the new budgeting system.
- Unassigned coordination roles and unfilled vacated roles led to breakdowns in communication and logistics and additional workload stress across communications, corporate, and policy teams.
- Tasks informally carried by certain individuals in previous cycles were not delegated or documented, leading to process gaps when those individuals were not available.

3.4   System Change and External Constraints:

External reforms and system rollouts added complexity and risk. While the system change (Magiq and AA) was considered crucial (especially the requirement for concurrent system change) and the benefits of system change long-term are acknowledged as advantageous for the organisation, managing this process whilst undergoing an LTP presented numerous difficulties, and was necessitated by delays to the initial system implementation timeframes mainly from Covid.

Positive Feedback:
- Despite facing a highly uncertain environment characterised by government transitions, fiscal constraints, and concurrent system implementations, the organisation, particularly the finance team, responded with adaptability and professionalism, ensuring the LTP process continued as smoothly as circumstances allowed.

Challenges / Areas for Improvement:
- The post-election transition introduced ambiguity about the role of councils, particularly concerning major reforms like Three Waters, which complicated LTP planning and implementation.
- The introduction of a new Government Policy Statement (GPS) added uncertainty, with no assurance that several major projects would receive central government support. The timing of the GPS, finalised after the LTP, forced councils to proceed based on assumptions, increasing the risk of needing substantial reprioritisation later.
- Introducing both Magiq and the new AA system during the LTP process placed excessive strain on staff, diminished data integrity, and made the budgeting and planning process significantly more challenging. It is recommended that major systems are not introduced in the year of LTP preparations to ensure stability and maintain process quality. However, in this instance, it was not possible to delay the implementation any further.
- Water-related infrastructure discussions were delayed until after the local elections, which caused last-minute pressures and limited proactive preparation. This delay impacted planning efficiency and added to the sense of disorganisation.
- Mandated changes such as updates to the WMMP and other regulatory reforms triggered an intense consultation load, six major consultations occurred simultaneously, compounding pressure across teams.
- Councils are required to finalise budgets before knowing whether NZTA will co-fund projects, which results in uncertainty and likely post-adoption amendments.

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3.5   Financial Processes:

Zero-based budgeting and Magiq introduced positive transparency, but they were implemented without sufficient preparation, training, or system readiness due to time constraints from the later than planned implementation of AA.

Positive Feedback:
- The use of unconstrained and zero-based budgeting supported a clearer understanding of financial pressure points, making initial budget assumptions and Mark 1 presentations more transparent and easier to communicate.
- Although challenging, the budgeting process made visible the gap between what was needed to deliver services and what was affordable, helping to frame discussions around adjusting service levels or increasing investment.
- Although implementation was not seamless, Magiq was selected to replace a legacy system that posed a serious risk and was not able to be used with the implementation of AA. Magiq improved transparency in categorising programmes, gave clarity on funding sources, and offered some advantages for budgeting and programme   summaries.
- The structured budgeting window set by Finance helped provide a framework and deadline-driven process for budget entry.
- Empowering finance partners to work directly with managers helped them adapt to challenges and evolving requirements. The finance team was described as capable, with the introduction of zero-based budgeting and Magiq being timely for training and confidence-building among managers.

Challenges / Areas for Improvement:
- The introduction of both Magiq and AA during the LTP process added complexity, led to data entry errors and delays, and increased staff stress across budgeting and planning activities.
- Although valuable in theory, the organisation struggled with zero-based budgeting, with many teams reverting to previous year figures and lacking the tools, training, or clarity to align budgets with service levels. Financial training has since been put in place to improve knowledge in budget preparation.
- Multiple budget versions were required due to initial conservatism, system errors, and missing information. Managers received inconsistent guidance under the new system, leading to confusion, inflated budgets, and later reductions.
- Notable finance errors in capital figures and cost allocations undermined trust in the process.
- Many programme entries were not reviewed or approved by third-tier managers. The lack of business cases and scrutiny caused late rework and weakened accountability. Some projects with limited reach were prioritised over more impactful ones, suggesting a need for ROI analysis in future prioritisation.
- Magiq handled basic financial tasks but at the initial time of implementation lacked flexibility for business cases or strategic metadata, forcing reliance on disconnected spreadsheets. Time constraints a result of system implementation also meant Magiq was not able to integrate financial and non-financial data in time, hindering the creation of unified programme-level information.
- In response to debt constraints, some large projects were linked to external funding without clear confirmation of whether this could be achieved, making this reliance risky. However, these projects were timed for after the next review of the LTP allowing for more time to explore the likelihood of these funding assumptions.
- Guidelines were overly complex and hard to interpret. Future cycles need clearer, shorter documents and more accessible training options.
- Budget ownership was unclear for some third- and fourth-tier managers, who assumed Finance controlled the process. Additionally, plans were often not reviewed by delivery

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teams. There is a need for clearer role allocation across the process of reviewing and developing budgets.

3.6 Information and Data:

While elected members received clearer and more open information than in the past, back-end data inconsistencies, integration issues, and system limitations impacted usability and trust.

Positive Feedback:

- The introduction of Magiq provided a structured database for managing programme summaries and helped mitigate the risk of system failure, particularly in capital budgeting.
- Throughout the process, most information provided to elected members was clear and timely, supporting effective deliberations and strategic direction-setting.
- All financial and programme information was presented upfront to elected members. This openness created a strong foundation for discussion and enabled elected members to engage more meaningfully with trade-offs.
- While activity sheets did not fully achieve their intended purpose of aligning budget options with levels of service, they represent a useful starting point for future development.

Challenges / Areas for Improvement:

- It is difficult to meet varied expectations around operating budget information without overwhelming decision-makers or compromising system usability. There is a need to obtain a clearer agreement on the depth and format of reporting required.
- Feedback suggested that some elements, including fees and charges, were assumed or added without full elected member visibility. This reflects issues with process sequencing and clarity of approval pathways.
- Data was presented at the group level rather than by division (e.g. planning, building, EPS), which did not align with how teams operate. This mismatch made initial datasets unusable for some managers, requiring extensive rework and clarification.
- Managers faced significant challenges understanding staffing levels due to unclear baselines and the absence of an integrated HR system. This created unnecessary stress for finance, people and performance, and infrastructure teams.
- While the new finance system added complexity, teams still made errors, such as, omitting years 11–30 from the infrastructure strategy. These minor yet preventable mistakes were frustrating and suggest a need for better quality assurance.
- Asset management plans and financial policies (e.g. rates remission) could have been finalised earlier, which would have helped smooth the process and eased pressure in later stages.
- Data was inconsistently presented, making it difficult to interpret or integrate with other planning tools. Currently, systems do not seamlessly connect financial entries, supporting documentation, and decision rationale.
- Although officers explained the rationale for budget reductions internally, this context did not reach elected members, resulting in limited understanding of the impact on service delivery.
- Discrepancies emerged across platforms which undermined data confidence and increased workload through duplicate checks. Multiple changes, including to coding and tools, created confusion about whether final budgets matched original inputs, affecting staff confidence and the integrity of reporting.
- Business case quality was inconsistent, with missing fields and poorly completed templates common.

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3.7   Strategy and Vision:

The strategy-first approach was upheld in principle, but foundational documents were not aligned early enough. There was limited integration of strategy with budgeting and project sequencing.

Positive Feedback:
- Unlike some councils that begin with a predetermined budget envelope, this process followed a strategic-first model through defining council goals and priorities, estimating the associated costs, and then considering affordability and trade-offs. This helped maintain focus on outcomes rather than purely financial constraints.

Challenges / Areas for Improvement:
- The infrastructure strategy, city strategy, and financial strategy should have been developed in tandem from the outset.
- Longer-term, phased planning is needed for major capital projects. Large projects like the wastewater treatment plant should be broken into phases over multiple years to manage costs, reduce rates pressure, and improve affordability.
- Property-related risk needs greater visibility and strategic management. There are concerns about ageing assets, and inadequate planning for major property-related liabilities. These risks require proactive attention and integration into the LTP.
- Strategic risk management is not embedded in the LTP process. Risk identification and mitigation planning should occur earlier and be woven throughout the LTP. Currently, this is not done in a structured way, limiting the ability to respond to emerging risks through planning and resourcing.
- Concerns were raised about the size of the capital programme relative to capacity. Asset management planning data quality was noted as needing improvement to support realistic delivery.
- Staff often lacked a clear understanding of how their plans connect to other organisational documents or what role performance measures should play. Creating a 'line-of-sight' is important.

3.8   Elected Member Processes:

Early engagement was positive, however limited space for constructive staff-elected member dialogue hampered moving some work forward.

Positive Feedback:
- Rangitāne were meaningfully involved in early planning stages. Their input into the vision, goals, levels of service, financial strategy, and asset management strategy provided valuable direction-setting and reflected a strong partnership model in the initial phase.
- Early surveys and workshops with elected members and Rangitāne were appreciated for creating space for individual contributions.
- Conducting all key discussions and decisions within full council meetings, rather than smaller working groups, allowed elected members to remain involved and accountable throughout the process.
- Omission of a steering group reduced concerns about uneven influence. The decision not to form a steering committee helped maintain a perception of fairness and reduced potential tension around behind-the-scenes influence.
- The sequencing and design of council meetings, especially during budgeting, helped guide elected members through key steps of the LTP process.

Challenges / Areas for Improvement:

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- While well-intentioned, the absence of a structured governance/steering group made it harder to identify and respond to emerging issues, support the mayor's leadership, and manage councillor expectations.
- Wednesday only meetings did put time pressure on staff and compressed deadlines. Further pressure was added if workshops were rescheduled or delayed.
- Despite initial workshops in December 2022 and February 2023, councillors later expressed they were not ready to engage with the LTP until the Annual Budget was complete. This delay significantly impacted internal timelines and added pressure across the organisation.
- A formal mechanism for managing post-meeting queries could streamline responses and reduce ambiguity in future.
- Officers lacked a structured forum to raise operational concerns or advocate for earlier engagement from elected members. As a result, staff impacts were not clearly communicated, and planning was reactive rather than proactive.
- Rangitāne were excluded once the process moved to council meetings. Although they were actively involved early on, the decision to hold all deliberations in formal council settings removed their ability to participate meaningfully later in the process, potentially impacting partnership expectations.
- In the absence of active engagement, many plans and recommendations were based on officer assumptions of elected member priorities, reducing the level of tailored advice.
- The LTP was not prioritised during the elected member onboarding process, leaving new councillors unprepared for the scope, complexity, and decision-making required.
- Inconsistent attendance at critical meetings led to narrow voting margins (e.g. 7–8 votes) and made some decisions more vulnerable to reversals or delays.
- Elected member input via surveys was discontinued as Councillors expressed that surveys didn't allow for shared understanding or discussion, leaving staff without a clear sense of elected member positions during key phases.

3.9   Timeframes:

Compressed and reactive scheduling created stress and compromised quality. Poor sequencing, late prioritisation, and external timing conflicts compounded internal pressures.

Positive Feedback:
- Reviewing the WMMP a year ahead of schedule ensured it was consistent with the LTP and helped avoid the disconnect seen in previous cycles, where actions were unbudgeted or unimplemented.
- The LTP team kept the process on track despite competing demands and system changes.

Challenge / Areas for Improvement:
- Lack of detailed operational timelines affected coordination. While high-level timeframes existed, there was no tiered planning for managers to follow.
- The consultation timeline placed excessive pressure on governance staff. Delays to the consultation start date resulted in an unrealistic 48-hour turnaround for processing submissions.
- Critical meetings occurred too late in the process. Prioritisation workshops were held as late as 18 December, leaving little time for reflection or refinement before the Christmas break and causing fatigue among elected members as well as staff. Late prioritisation consequently compressed consultation preparation. A November or early December deadline would have allowed December to focus on drafting, but the final workshop in late December forced critical work into a narrow window.
- Fees and charges were finalised after budget decisions. Ideally, they should have been made in earlier to guide budgeting, but instead occurred too late for integrated planning. This undermined their usefulness as a funding tool and forced revisions to

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completed work. Additionally, the link between fees and charges and the funding policy review was unclear. Fees and charges were finalised in isolation without reference to the broader funding strategy, which limited alignment between budget setting and revenue generation mechanisms.

- The budgeting process started too late due to system readiness. Budget input did not formally begin until October, though some teams started manually in May. The lack of a functioning tool delayed coordinated budgeting.
- Engagement with elected members began months later than ideal. Annual Plan work was prioritised, delaying LTP engagement until October/November and putting PNCC behind other councils.
- Future planning should begin immediately after adoption. This cycle revealed the need to initiate base planning work (e.g. risk identification, mitigation strategies) early, ideally from August/September, to better distribute effort and prepare for external demands.

3.10   Levels of Service:

Although better documented than in previous cycles, levels of service were not meaningfully debated or used to guide budgeting. The timing and format of activity sheets limited their usefulness.

Positive Feedback:

- While underutilised in practice, the activity sheets gave elected members a clear view of service areas, engagement levels, and budgets. Some found them valuable as a foundation for operational planning, noting they could be refined and reused in future zero-based budgeting cycles.
- Levels of service were communicated more effectively in relation to risk. While asset management does not typically define LOS operationally, there was a clearer articulation this time of the implications of reduced funding. This helped guide understanding of how services might be impacted even if reductions were not framed explicitly as changes to LOS.

Challenges / Areas for Improvement:
- Lack of depth and strategic clarity limited the effectiveness of LOS discussions.
- Reclassifying annual initiatives from programmes to maintaining service levels created confusion. This shift reduced visibility and made year-on-year comparisons difficult.
- Activity sheets were sent out too late in the process and were underdeveloped. Issued in December during a compressed period, they lacked trend data and detail on key cost components like insurance and training. Staff suggested activity sheets could be used earlier in the process to support zero-based budgeting by identifying essential services and potential areas for reduction.
- Strategic plans outlined broad goals, but associated service levels were not consistently costed or resourced. Although activity sheets were meant to align budgets with strategy, they were inconsistently used and of mixed quality.
- Councillors were not fully aware of what budget cuts would impact. Reductions were made without clarity on the resulting service implications, limiting strategic oversight.
- While some teams engaged directly with elected members, others developed their asset management plans with minimal input.
- Departments varied widely in how they defined and interpreted service levels.

3.11   Prioritisation Process:

While some frameworks were helpful, the lack of a formal, transparent prioritisation model may have led to some confusion and reduced strategic clarity.

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Positive Feedback:

- The critical/legal/essential framework guided councillor thinking. By beginning with a comprehensive list that included all projects, elected members were able to remove or adjust items themselves. This represented an improvement in transparency compared to prior LTPs.

Challenges / Areas for Improvement:

- There was no structured return-on-investment or impact-based evaluation to guide decisions. Without cost-benefit analysis or outcome measures, choices were not always aligned with value for money or long-term benefit.
- Programmes were not grouped clearly or effectively for elected members, making it harder to identify what needed protection or investment. The lack of a clear hierarchy complicated prioritisation.
- Operational service levels lacked visibility and structure and a consistent framework is still needed.
- New projects were added late in the process, despite advice to focus on non-negotiables. The absence of a firm cut-off date increased rework and stretched staff capacity.
- Budget information was presented in staggered and inconsistent formats. Summary and activity sheets arrived at different times, and categorisations like "critical" or "strategic" were seen as politically loaded.
- The 1–5 rating system, while introduced to simplify decision-making, lacked rigour and potentially introduces bias, particularly against larger, more complex programmes. Future frameworks should account for programme deliverability, cost-effectiveness, and alignment with Council priorities. A formal moderation process would be required to reduce subjectivity and improve consistency.
- Some decisions reflected preferences rather than strategic priorities, and programmes reliant on uncertain funding sometimes progressed without scrutiny.
- Programme interdependencies were not clearly mapped, which increased the risk of unintended consequences when items were removed.
- The technical prioritisation model developed for the process proved too complex and lacked transparency. To improve the allocation of limited resources, Council should explore the development of a clear, consistent framework for prioritisation.

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4 Feedback Comparison

Theme	Similar Views	Diverging Views
Strategy and Vision	Both recognised the strategy-led approach but noted a lack of integration across key strategies and timing misalignments.	Elected members focused on workshop dynamics and inclusivity; staff highlighted poor strategic document sequencing.
Project Management	Both saw the need for formal project management, clearer roles, and structured timelines.	Elected members wanted more project structure earlier; staff highlighted cross-team collaboration but noted vague team roles.
Prioritisation Process	Agreed there was no clear model; desired more structured, value-based tools to guide prioritisation.	Elected members reflected on past LTP tools being more effective; staff emphasised absence of formal ROI-based tools.
Timeframes	Both described compressed timeframes as a major issue, impacting quality and creating stress.	Elected members highlighted impact on personal wellbeing and rushed decision-making; staff emphasised sequencing failures and delays to discussion limiting earlier EM engagement.
Financial Processes	Agreed that while transparency improved, the rollout of zero-based budgeting and Magiq lacked readiness.	Elected members focused on trust impacts due to errors and late changes; staff focused on training gaps and system integration challenges.
Levels of Service	Both groups acknowledged better visibility of service levels but noted the lack of meaningful discussion or structured trade-offs.	Elected members were frustrated by lack of input and understanding; staff emphasised inconsistent use of activity sheets and cross-team definitions.
Community Engagement	Recognised that events and tools improved, but engagement lacked strategic alignment and clarity.	Elected members perceived hostility and negativity in consultation; staff focused more on technical execution and internal coordination issues.
Elected Member Induction and Support	Both noted induction lacked LTP-specific training, with new EMs needing more clarity and support.	Elected members expressed confusion about timing and influence; staff acknowledged need for better mentoring but focused more on systemic fixes.
Information and Data	Both praised transparency but cited format issues, inconsistent data, and difficulty navigating the volume of information.	Elected members felt overwhelmed and requested simpler, visual data; staff pointed to

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		backend inconsistencies and platform misalignment.
Resourcing and Capacity	Agreed that pressure was unsustainable and reliance on a few individuals created delivery risks.	Staff pointed to workload imbalance and lack of backfilling as key issues.
System Change and Constraints	Recognised that dual system rollouts during LTP planning created unnecessary strain.	Elected members reflected on uncertainty from external reform; staff detailed internal risk from overlapping system demands.
Governance and Meeting Format	Both valued full council involvement over the use of a steering group and acknowledged the benefit of transparency in that approach.	Elected members noted lack of facilitation, rescheduling, and rushed sessions; staff highlighted that the absence of structured governance made it difficult to raise operational concerns, align decisions across workstreams, and maintain regular engagement with EM.

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5 Next Steps

Focus Area	Recommended Actions
Project Management	• Establish a small, strategically focused project team with clear roles. • Develop and publish a full LTP timeline by August 2025.
Elected Member Induction & Support	• Deliver a comprehensive "LTP 101" induction programme, including financial literacy training. • Provide more mentorship for each new councillor. • Clarify elected member influence points throughout the LTP process.
Prioritisation Framework	• Design and endorse a structured, outcomes-based prioritisation model by mid-2026. • Ensure EM and Mayor understanding and agreement with prioritisation tool. • Introduce return-on-investment and whole-of-life costing tools.
Strategic Alignment	• Align financial, infrastructure, and city strategies before the prioritisation phase begins. • Ensure direction setting is guided and integrated with financial restrictions to reduce duplication of effort. • Strengthen integration of strategic documents with LTP narratives and budgets.
Community Engagement	• Avoid bundling multiple consultations; plan an 18-month consultation timeline in advance. • Simplify the consultation document, incorporating visuals and interactive digital tools. • Provide clearer messaging around affordability and trade-offs.
Financial Processes	• Improve budgeting guidelines, including business case templates and accountability processes. • Begin fees and charges review earlier to inform budgeting.
Levels of Service (LOS)	• Integrate LOS discussions early, using activity sheets as a foundation for zero-based budgeting. • Facilitate workshops to define and debate LOS trade-offs. • Clearly distinguish core vs value-add services and link them to performance measures.
Elected Member Engagement	• Hold early, structured public workshops with councillors and staff. • Create formal mechanisms for post-meeting queries and adjustments. • Improve attendance and consistency through a revised meeting schedule. • Ensure there is regular and dedicated engagement with EMs throughout 2026 for the LTP work programme. Establish and confirm expectations for 2026 councillor requirements and meeting schedules in Q2/Q3 2025.
Resourcing & Capacity	• Develop a robust succession and backfill plan for key roles. • Allocate LTP-specific resourcing within the budget cycle. • Ensure workload distribution is sustainable.
System & Data Integration	• Strengthen integration between Magiq and planning tools. • Improve user experience and reporting formats for both financial and non-financial data. • Establish a centralised "source of truth" for LTP documents and responses.
Governance and Democracy Integration	• Involve the Governance and Democracy team early in project coordination.

20

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MEMORANDUM

TO:	**Risk & Assurance Committee**
MEETING DATE:	**11 June 2025**
TITLE:	**Wellbeing Report, 1 January to 31 March 2025 (Quarter 3)**
PRESENTED BY:	**Connie Roos, Manager Employee Experience and Wayne Wilson, Manager People Operations**
APPROVED BY:	**Sarah Morris, General Manager People & Capability**

RECOMMENDATION(S) TO RISK & ASSURANCE COMMITTEE

1. **That the Committee receive the memorandum titled 'Wellbeing Report, 1 January to 31 March 2025 (Quarter 3)' presented to the Risk & Assurance Committee on 11 June 2025.**

1. ISSUE

1.1 Wellbeing continues to be a focus area for leadership at all levels of Council and is core to our Employee Experience.

1.2 Employee initiated turnover and lost time is included in this report.

Prevent Harm

1.3 During World Hearing Week (3-7 March) free hearing checks were offered to kaimahi. These proved popular, with 30 people making bookings, and more on the waitlist. Therefore, a hearing therapist has been invited back to Council sites to continue to offer hearing checks to interested kaimahi, which will continue into next quarter.

Quarter 3 Wellbeing Report – Prevent Harm	Q3 2025	YTD	Average Quarter for 2023/24 FY	
Wellness space usage	1849	5285	1536	The comparative data shows continuous and active utilisation of the wellness space, which includes gym usage.
Biennial health / eye check	13	43	26	There has been a slight increase from 11 to 13 checks this quarter. It is assumed that the holiday season has impacted uptake. The criteria for

Quarter 3 Wellbeing Report – Prevent Harm	Q3 2025	YTD	Average Quarter for 2023/24 FY	
				these checks have now changed to anyone that hasn't had one in the last 24 months.

Provide Support

1.4   Cross functional collaboration between Employee Experience and Health & Safety continue to lead into increased coordinated training offerings to support our people in the frontline. This work will continue into the next quarter.

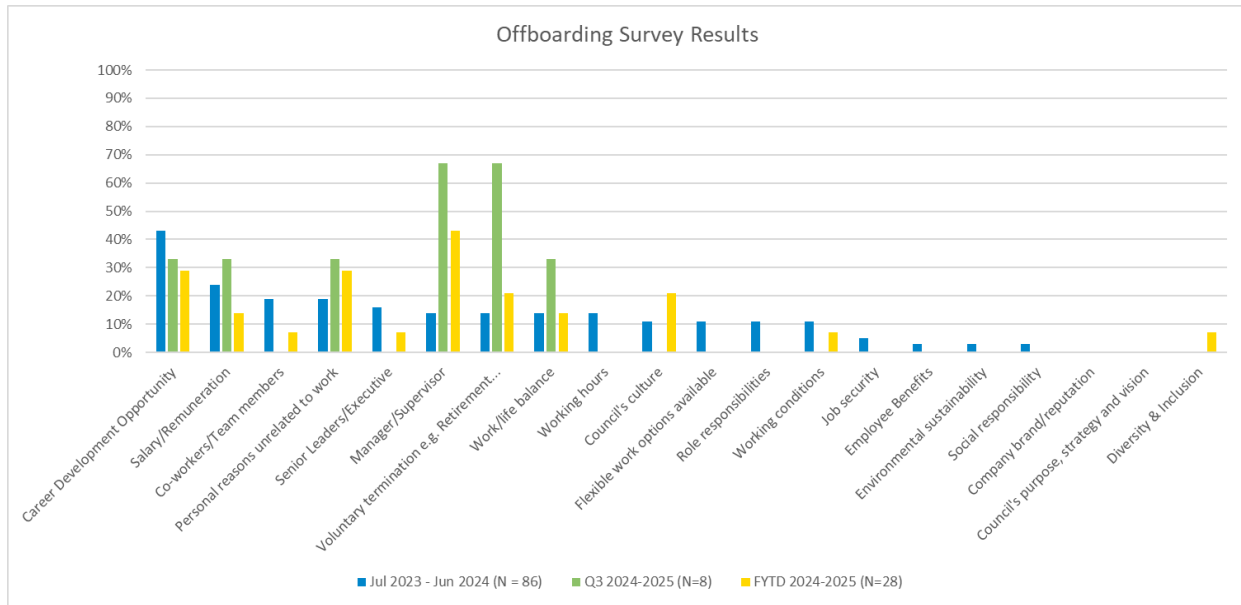| Quarter 3 Wellbeing Report – Provide Support	Q3 2025	YTD	Average Quarter for 2023/24 FY	
Vitae – On-site services	319	559	224	On-site services involve Vitae Officers visiting sites to conduct informal wellbeing check-ins. We have arranged increased visits at some sites as a response to events occurring in this quarter.
Reflect and Learn sessions	5	23	11	Sessions are designed to assist staff to deal constructively with high conflict incidents in front facing customer roles. The Employee Experience team has been working with specific teams to offer individual sessions rather than group sessions as an individual approach may be more appropriate for some services.

Enhance Wellbeing

Quarter 3 2025	Year to date Number of attendees	Target to be completed by end of FY 24/25	
Creating Cultures of Respect (attendees)	24	45	In the previous year this training was known as Creating Respectful Workplaces. It has received a revamp by the provider with an increased focus on creating positive and respectful organisational culture. This training encourages positive workplace relationships by addressing unacceptable behaviours such as bullying and harassment that could create internal and unhealthy conflict.
Challenging Conversations & Resilience (attendees)	23	30	This workshop is designed to provide employees with practical information and frameworks to deal successfully with situations evoking strong emotional responses.
Tools for Change (attendees)	0	30	This training helps employees to identify thinking styles, recognise thinking traps and manage responses to change. Both Tools for Change and Leading Through Change are internal courses run by Principal Advisor Change Management. This training has been presented to 61% of all staff and will now be held on a quarterly basis only.
Manager Completion of Leading Through Change (Manager attendees)	11	15	One way to support employees' wellbeing is to provide managers with a toolset to lead their team through changing environments. Due to the significant number (97%) of People Leaders that have attended this training, both the occurrence of this training and the target will decrease compared to previous FY.

Quarter 3 2025	Year to date Number of attendees	Target to be completed by end of FY 24/25	
Situational Awareness and De-escalation training	102	50	Situational Awareness and De-escalation training is an offering developed by the Health and Safety team. This training package aims to provide our people with all the key information and skills when working on the frontline to keep them safe. As part of the investigative correction actions following a serious attack by a member of the public, a condensed version of this training was offered to Infrastructure kaimahi. The focus in this quarter was to deliver this training rather than the full Situational Awareness and De-escalation training package. See Health & Critical Risks report, Q3 2025 for more details.
Wellbeing Presentation (attendees)	59/66 (89% of new starters)	90% of new starters	This presentation helps to orient new starters to the wellbeing support available here at Council. This presentation was first created in February 2023 and is presented to all staff who attend Orientation Day.

1.5 Unmind is a tool that takes a proactive, preventative approach to mental health. This includes wellbeing and mood trackers, courses and short videos focused on wellbeing. Unmind has a total uptake of 44%. The benchmark compared to similarly sized organisations is 33-39%. Top completed Unmind Shorts in January to March are: (a) What Neurodiversity Really Means (a short explaining Neurodiversity), (b) Never Too Late (a sleep tool) and (c) Morning Goal Setting (a goal setting tool). Employee Experience is working with the Digital team to enable single sign on to simplify ease of access.

Offboarding Data

1.6 The offboarding data represents the number of people that have completed the survey, not the number of people who have left.

ITEM 11

Offboarding Survey Results

Legend: Jul 2023 - Jun 2024 (N = 86) | Q3 2024-2025 (N=8) | FYTD 2024-2025 (N=28)

1.7   The Offboarding Survey Results graph presents the reasons that people choose to leave Council. People may choose more than one reason for leaving in the survey and these reasons are included in the first graph above. For example, while there is a total of 8 reasons recorded in the above graph over the quarter there has only been 3 completed offboarding surveys (as detailed in the Offboarding Survey Response Rate graph below). For the last financial year, the most common reason for someone to leave Council was Career Development Opportunity. This financial year so far, the most common reason for someone to leave Council is Manager/Supervisor, followed by Career Development Opportunity, and personal reasons unrelated to work. This will develop further as the financial year continues. Please note that the number of responses is low which impacts the data above.

Offboarding Survey Response Rate
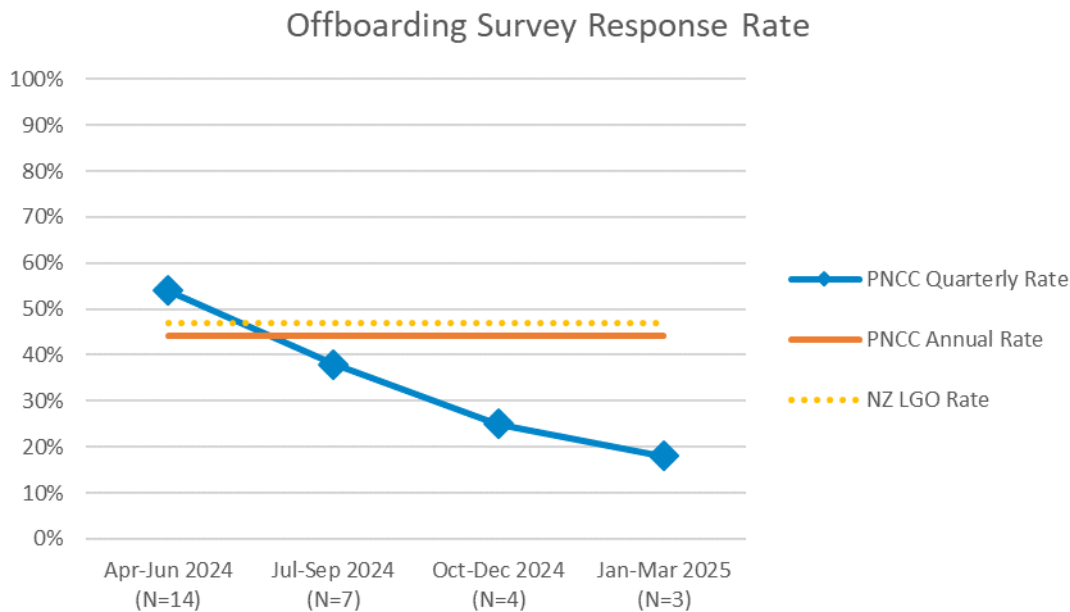
1.8   The Offboarding Survey Response rate above presents the quarterly response rate, as well as the total number of responses received each quarter. This graph also includes both the New Zealand Local Government (LGO) response rate for exit surveys and our Council goal response rate. The graph above indicates that over the last quarter there was a response rate of 18% in the offboarding survey. This is a similar result than the previous quarter. We are aiming to reach the LGO rate of at least 47%. The team have analysed the data to have a better understanding of contributing factors resulting in low participation rates. Participation rate continues to drop, and it is noted that of the 17 eligible terminated staff during this quarter 9 (53%) did not receive the survey in time, and of the 8 that did receive the survey 3 (36%) completed it. This reconfirms that the manual process is not working, and it is assumed that low participation rates in the offboarding survey will continue until an alternative process can be identified. The Employee Experience team will work cross-functionally in the new financial year to re-explore more sustainable solutions until we have appropriate information systems in place.

Turnover

Year	18/19	19/20	20/21	21/22	22/23	23/24	24/25 SEP 1/4	24/25 DEC 1/4	24/25 MAR 1/4
Employee Initiated	67	85	120	123	114	95	19	15	17
%	12.0%	14.1%	20.9%	19.8%	18.8%	14.6%	11.7%	9.1%	10.2%
Other				13	8	14	2	2	2
%				2.1%	1.3%	2.1%	1.2%	1.2%	1.2%

1.9 This quarter there have been 2 others, 1 abandonment and 1 dismissal.

Month	Employee Initiated Turnover for Month	Turnover Previous 12 Months	Percentage (annual)
Jan 23	14	127	20.0%
Feb 23	9	130	20.6%
Mar 23	9	128	20.3%
Apr 23	11	126	19.9%
May 23	7	119	18.8%
Jun 23	8	114	18.0%
Jul 23	10	112	17.7%
Aug 23	8	112	17.7%
Sep 23	5	105	16.6%
Oct 23	8	105	16.9%
Nov 23	7	104	16.7%
Dec 23	9	105	16.4%
Jan 24	8	99	15.7%
Feb 24	10	100	15.9%
Mar 24	4	95	15.2%
Apr 24	11	95	14.7%
May 24	7	95	14.5%
Jun 24	8	95	14.6%
Jul 24	6	91	14.2%
Aug 24	8	91	14.2%
Sep 24	4	90	14.1%
Oct 24	8	90	13.7%
Nov 24	6	89	13.4%
Dec 24	3	83	12.5%
Jan 25	8	83	12.5%
Feb 25	2	75	11.4%
Mar 25	7	78	11.8%
Apr 25	5	72	10.9%

Turnover by Group (12 months to Dec 2024)

Corporate	6	12.0%
Customer & Community	20	10.8%
Development & Regulatory	13	15.3%
Infrastructure	32	12.1%
People & Capability	5	10.2%
Strategy & Planning	3	11.5%
Headquarters	0	0

Turnover has continued to decrease since February 2023.

Infrastructure had 12 terminations in Rubbish and Recycling and the Contact Centre had 10 terminations.

ACC Lost Time (Days)

Period	2020 Ave/ Qtr	2021 Ave/ Qtr	2022 Ave/ Qtr	2023 Ave/ Qtr	2024 Ave/ Qtr	Mar 25
Work				145.4	116.3	134.5
Non-Work				116.1	230.7	138.7
Total	233.6	379.6	325.8	261.5	347.0	273.2

1.10   The number of days lost due to work accidents is 134.5 or 49.2% of all lost time due to accidents.

1.11   There were 5 work related accidents in the quarter resulting in 39.5 lost days.

1.12   The other 95 days were for injuries that occurred prior to the quarter.

1.13   The 7 non-work accidents resulted in 138.7 lost days.

2. BACKGROUND

2.1 Wellbeing is interconnected with a variety of individual and systemic factors which makes it a difficult area to report on. The above metrics have been recorded with that in mind.

2.2 The Employee Experience team continue to review the provision of Mental Health/Resilience training to identify opportunities and improvements to capture our workforce and equip our people with skills and tools.

3. NEXT STEPS

3.1 Explore opportunities in the wellbeing space to prevent harm, provide support and enhance wellbeing.

3.2 In April we will be releasing our Tuia te Whakaaro Staff Engagement survey. This survey has been designed to understand where our organisation is placed against our aspirational state for 'A Great Place to Work'. Part of the survey measures on Health, Safety and Wellbeing which will be a good indicator of where the organisation is placed regarding these factors.

4. 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 objectives?	**No**
Are the recommendations inconsistent with any of Council's policies or plans?	**No**
The recommendations contribute to this plan: 14. Mahere mana urungi, kirirarautanga hihiri 14. Governance and Active Citizenship Plan	
Contribution to strategic direction and to social, economic, environmental and cultural wellbeing	Providing information to Council about the ongoing progress towards the good performance of the organisation regarding wellbeing. The wellbeing of our kaimahi (staff) directly relates to how the strategic direction is implemented.

ATTACHMENTS

Nil

COMMITTEE WORK SCHEDULE

TO: **Risk & Assurance Committee**

MEETING DATE: **11 June 2025**

TITLE: **Committee Work Schedule**

RECOMMENDATION TO RISK & ASSURANCE COMMITTEE

1. That the Risk & Assurance Committee receive its Work Schedule dated June 2025.

COMMITTEE WORK SCHEDULE – JUNE 2025				
~~11 June 2025~~	~~Business Assurance six-monthly accountability report~~	~~General Manager Corporate Services~~		~~Finance & Audit Committee 16 December 2020 Clause 68.2~~
~~11 June 2025~~	~~LTP Debrief~~	~~General Manager Corporate Services~~ ~~General Manager Strategic Planning~~		~~6 March 2024~~ ~~Clause 11-24~~
~~11 June 2025~~ 1 October 2025	Health and Safety Quarterly Update ~~Q3 January to March 2025~~ Q4 April to June 2025	General Manager People & Capability		
~~11 June 2025~~ 1 October 2025	Wellbeing Quarterly Update ~~Q3 January to March 2025~~ Q4 April to June	General Manager People & Capability		

	2025			
~~11 June 2025~~ 1 October 2025	Strategic Risk Management Reporting	General Manager Corporate Services		Terms of Reference
~~11 June 2025~~ 1 October 2025	Review of Contract Management Framework	General Manager Corporate Services	To be actioned once Internal Audit role is filled	26 April 2023 Clause 2-23
1 October 2025	Review Annual Report	General Manager Corporate Services		Terms of Reference
2025	Review of Cyber Security	General Manager Corporate Services		6 March 2024 Clause 11-24
2025	Review of Legal Compliance Framework	General Manager Corporate Services		26 April 2023 Clause 2-23
As required	Fraud and Whistleblowing Policy Quarterly Update	General Manager Corporate Services		26 April 2023 Clause 12-23
2026	Business Assurance six-monthly accountability report	General Manager Corporate Services		Finance & Audit Committee 16 December 2020 Clause 68.2
2026	Annual review of Council's Risk Management Appetite and Tolerance Levels	General Manager Corporate Services		6 March 2024 Clause 4-24
TBC	Local Water Done Well - Assets and Liability	General Manager Corporate	Pending regional CCO investigation	

	Assessment	Services		

Proactive Release of Confidential Decisions

All released confidential decisions can be found on Council's website.

MEMORANDUM

TO:	**Risk & Assurance Committee**
MEETING DATE:	**11 June 2025**
TITLE:	**Health and Safety Report, 1 January to 31 March 2025 (Quarter 3)**
PRESENTED BY:	**Selwyn Ponga-Davis, Health and Safety Manager**
APPROVED BY:	**Sarah Morris, General Manager People & Capability**

RECOMMENDATION(S) TO RISK & ASSURANCE COMMITTEE

1. **That the Committee receive the memorandum titled 'Health and Safety Report, 1 January to 31 March 2025 (Quarter 3)' presented to the Risk & Assurance Committee on 11 June 2025.**

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1.   EXECUTIVE SUMMARY

1.1   Management continues to prioritise staff safety and wellbeing, particularly in relation to **Critical Risk 1 – Frontline Working**, which consistently dominates incident reporting. Quarter 3 continues to emphasise proactive incident reporting, targeted training and ongoing system reviews.

As with the previous quarter, Quarter 3 still shows a strong commitment to improving staff safety through policy, training, and internal process enhancements. The rise in incident reporting reflects greater transparency and engagement rather than a decline in safety performance.

Management is proactively addressing critical risks with strategic partnerships, thorough incident reviews and structured training programs.

1.2   The following are notable highlights over the 1 January through to 31 March 2025 quarter.

- Approximately 70 Infrastructure staff completed **FAST** (Frontline Awareness and Safety Training) sessions post investigation corrective actions.

- **Collaboration with Partners.** Support for front-facing staff continues during early 2025. The evaluation of an alternative Health and Safety reporting platform remains part of the Quarterly Business Review process.

    o **MWLASS** HSW practitioners' forum and tour of Resource Recovery occurred in March.

- As part of the CR 1 – Frontline Working – program of works a review during the quarter was conducted with our Cleaning staff (Infrastructure). This is part of the SafePlus recommendations of our Lone Worker (Critical Risk 8) and front-facing critical risks, as part of our Risk Assurance Program.

1.3   Looking ahead:

- Following the post-audit review in late January 2025, the **Safety Management Framework** is set for implementation mid-2025. Feedback is ongoing for the updated Drug and Alcohol Policy.

- Still awaiting the release of the Customer Code of Conduct for frontline workers. Also awaiting the formulation of an internal focus group for critical management guidance. Work was conducted on reviewing Lone Worker procedures across PN City Council.

1.4   The following are updates on topics previously reported on or queried.

- **Critical Risk 1 – Frontline Working – Opsec Solutions partnership.**

  o   Opsec training refreshers were delivered, particularly focused on de-escalation for frontline staff (approximately 70), within the Customer & Community business group.

  o   Following a pilot (call centre and communications training about challenging phone conversations and emails) session introduced to business units in March; feedback is progressing.

- The revised suite of Safe Operating Procedures for water treatment is in the final phase of implementation. The corresponding manual will now be updated to ensure alignment and consistency across all documentation.

- At the March 2025 Risk & Assurance Committee meeting, Elected Members wanted to see ACC information in the report, which is provided in Table 1 below. Elected Members are asked to note that ACC lost days information is reported on within the Wellbeing report and therefore that aspect will not be reported within this report going forward for reasons of duplication.

Table 1: ACC Lost Time (Days)

Period	2020 Ave/ Qtr	2021 Ave/ Qtr	2022 Ave/ Qtr	2023 Ave/ Qtr	2024 Ave/ Qtr		Mar 25			
Work				145.4	116.3		134.5			
Non-Work				116.1	230.7		138.7			
Total	233.6	379.6	325.8	261.5	347.0		273.2			

o The number of days lost due to work accidents is 134.5 or 49.2% of all lost time due to accidents.

o There were 5 work related accidents in the quarter resulting in 39.5 lost days.

o The other 95 days were for injuries that occurred prior to the quarter.

o The 7 non-work accidents resulted in 138.7 lost days.

2. HEALTH AND SAFETY REPORT

2.1 This report covers the period 1 January through to 31 March 2025. The information included in Table 2 below is discussed at the Officers and Operations Health and Safety Committee meetings.

A. Hazards, Incidents and Near Misses Reported

Table 2: Hazards, Incidents and Near Misses

| Quarter | Mar-24 | | Jun-24 | | Sep-24 | | Dec-24 | | Mar-25 | |
	PNCC	CON	PNCC	CON	CON	CON	PNCC	CON	PNCC	CON
Hazards	83	4	56	4	57	0	73	7	69	7
Incidents	80	7	80	19	78	9	108	6	97	9
Near Misses	7	0	13	7	16	2	17	1	16	2

Key: PNCC = Staff / Staff; CON = Contractor

2.2 Comments:

- The most reported Story Type category continues to be **CR1 – Frontline Working.** A significant decline was observed during the month of January. Events reported remain focused on Customer & Community and Infrastructure. Addressing critical risks continues to be a priority through ongoing collaboration and training efforts. February saw an increase in events across Customer & Community, Development & Regulatory, and Infrastructure. Internal de-escalation training has been specifically rolled out to high-risk and lone working staff; further training is being investigated.

- The number of incidents by month / quarter and group is graphed below, providing visibility on the events reported during Quarter 3 2025, categorised by business group.

2024 / 2025 Total # of Incidents by Month / Quarter / Group
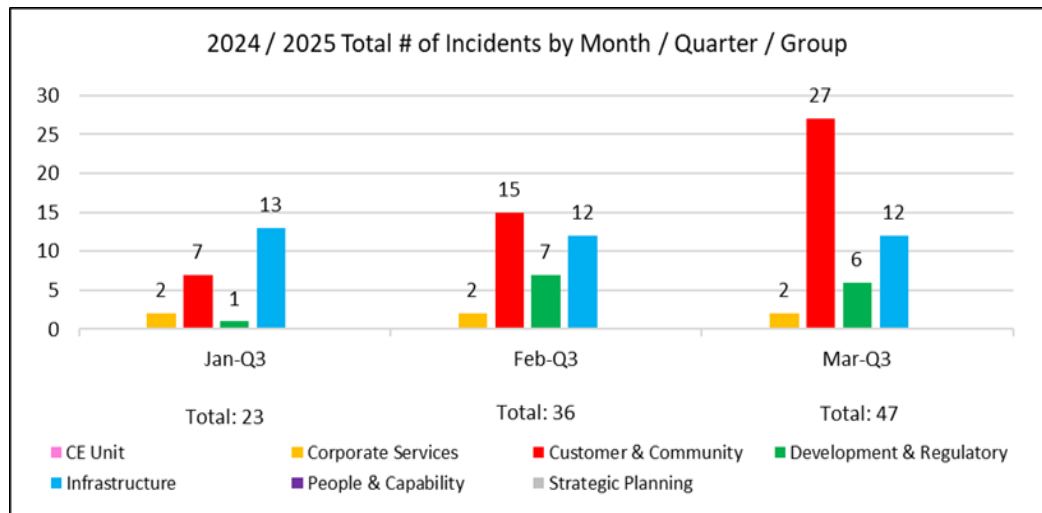
- The **Total Incidents (12 Months)** is reflected in the graph below by month and business group.

Total Incidents 12 Months / Group
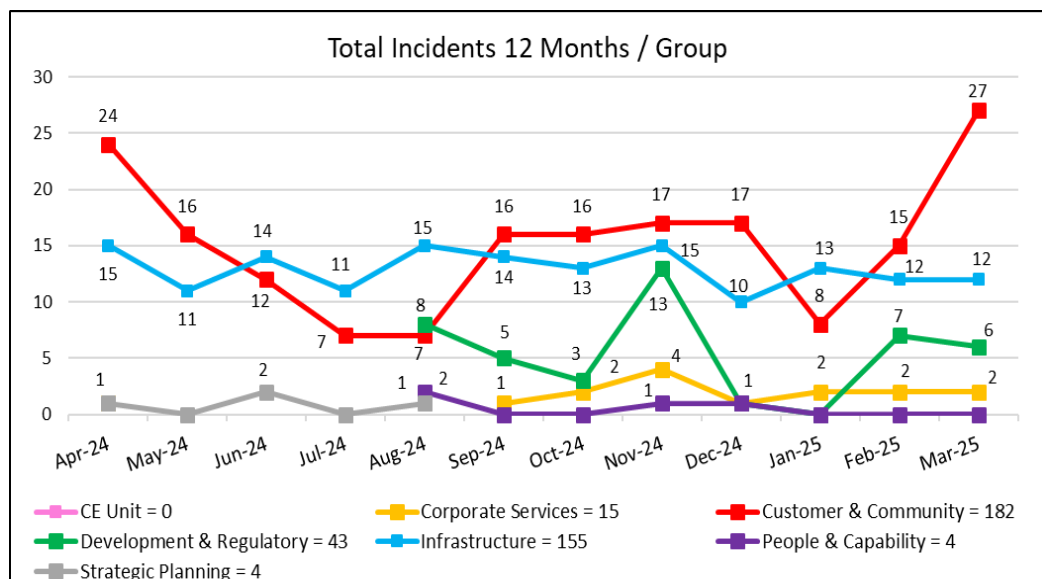
- **Hazards and Incidents.** During the 1 January to 31 March 2025 quarter the following risks were identified and addressed.

  o *Frontline Working (Critical Risk 1)*

      ➢ Multiple incidents involving verbal threats or confrontational behaviour towards staff (in-person and remotely) have highlighted the need for de-escalation training, safeguarding of personal information, and emotional wellbeing support.

      ➢ Close calls involving vehicles encroaching on work zones led to the removal or redesign of exposed garden areas to eliminate the hazard.

      ➢ Staff were involved in providing emergency assistance during a public medical event, demonstrating the value of preparedness in high-stress situations.

- Repeated instances of the public entering restricted areas (CAB) have led to a recommendation to enhance building signage and directional cues.

- Increased poor behaviour in certain public-facing areas (Isite vicinity) prompted a review under the Lone Worker and front-facing staff Risk Assurance Program (part of the SafePlus recommendations) to identify control improvements going forward.

- Incidents involving Police at a public campground resulted in the enforcement of trespass protocols to maintain a safe environment.[1]

- To support the wellbeing of staff working late, changes were made to provide safer parking options to reduce exposure to personal safety risks.

o *Breaking Ground (Critical Risk 4)*

- Multiple discrepancies between service markings and actual underground utilities (e.g. gas, power, telecommunications) were identified, some leading to potential strike risks. Hydro excavation, cross-verification with service providers, and stand-over procedures were employed to mitigate further risk.

o *Working with Mobile Plant (Critical Risk 6)*

- Ignition of trapped gas during work with an angle grinder triggered a review of hot work permit processes and an emphasis on identifying gas sources prior to work commencement.

- An incident involving unsafe elevation of staff via plant machinery prompted updates to operating procedures and reinforcement of safe practices during Toolbox talks.

o *Hazardous Substances (Critical Risk 10)*

- Improper handling practices were identified. Refresher training and toolbox talks were conducted to reinforce PPE use, containment procedures, and proper disposal.

o *Personal Protective Equipment (PPE) Compliance*

- To help prevent potential incidents, and reiterating our expectations, reminders were issued to all temporary and contract workers regarding the consistent use of appropriate PPE as part of ongoing safety reinforcement.

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[1] Refer footnotes 2 and 3 on pages 7 and 8.

B. Critical Risks

2.3   Table 3 below (along with the Critical Risk Total numbers graph) has been included to provide clarity on the number of Critical Risk events and the Story Type category each event relates to.

Table 3: Critical Risks

No.	Critical Risk	Near Miss	Incident	Total: 57
1	Frontline Working	6	36	42
2	Work Environment			
3	Working at Height	1		1
4	Breaking Ground		2	2
5	Confined Space	1		1
6	Working with Mobile Plant	2	5	7
7	Driving	1	2	3
8	Lone Worker			
9	Working Around Water			
10	Hazardous Substances			
11	Use of Power Hand-tools / Plant		1	1
12	Asset Failure			
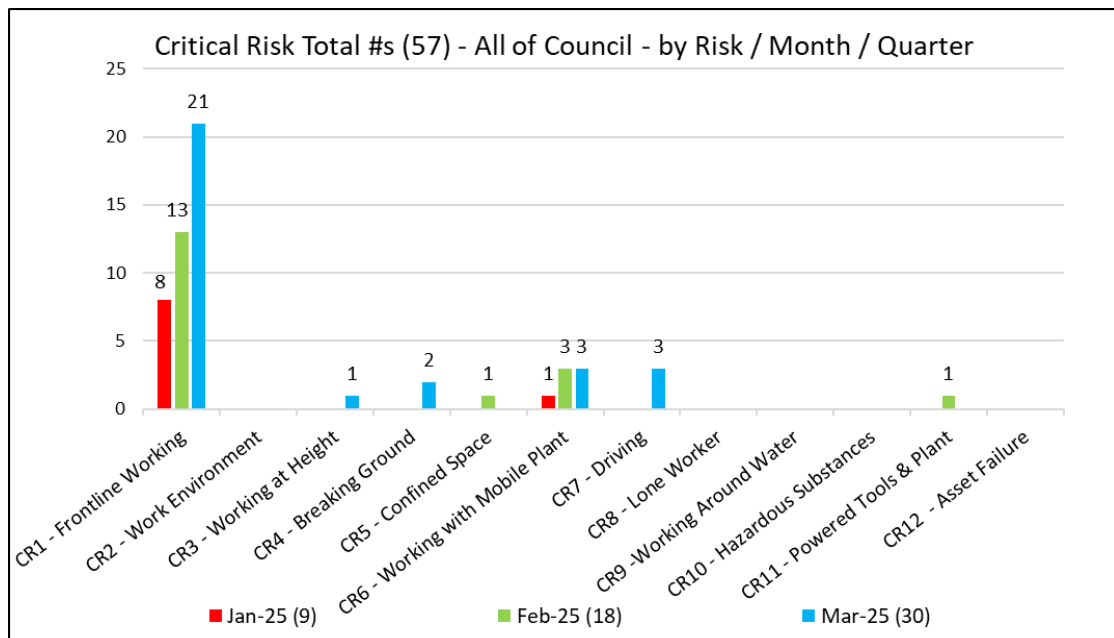
Critical Risk Total #s (57) - All of Council - by Risk / Month / Quarter
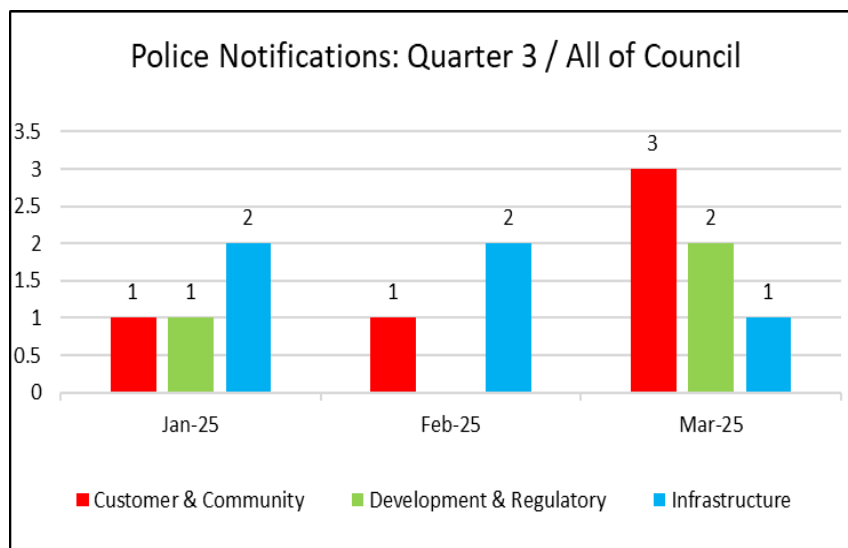
- For more information on the individual events please refer to the confidential Critical Risks report (Attachment 2 – pages 14 to 19 of this report).

2.4   Comments:

- **In summary our Critical Risk focus – Frontline Working (CR1) –** remains the top risk category with 42 of 57 total critical risk events. 13 Police notifications and 4 Trespass notices were issued in Q3, a slight increase from the previous quarter. Incidents include Verbal and Physical threats, requiring expanded de-escalation training and Lone Worker reviews. Police support and Trespass notice information is provided further down.
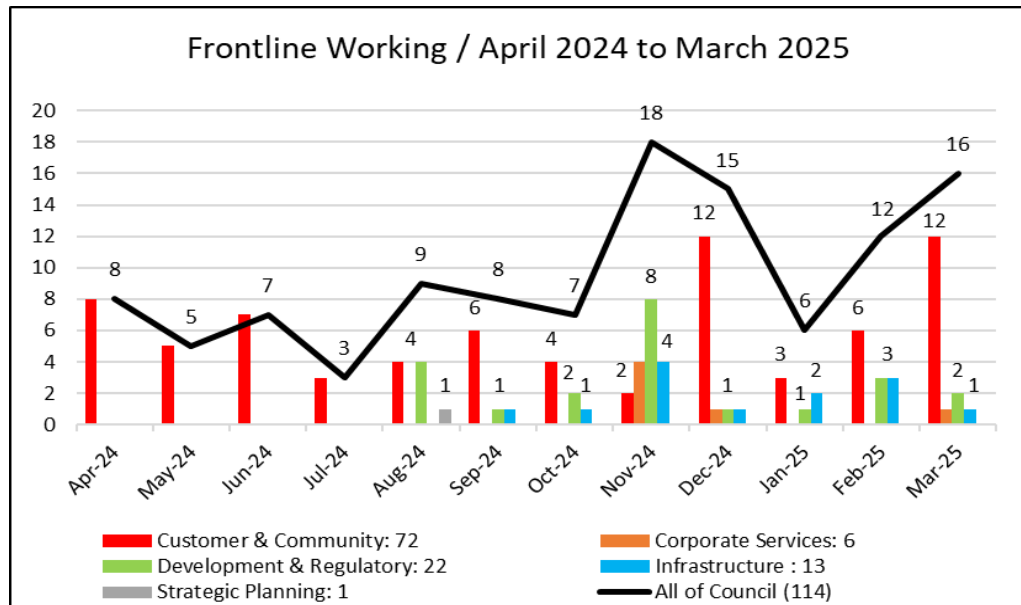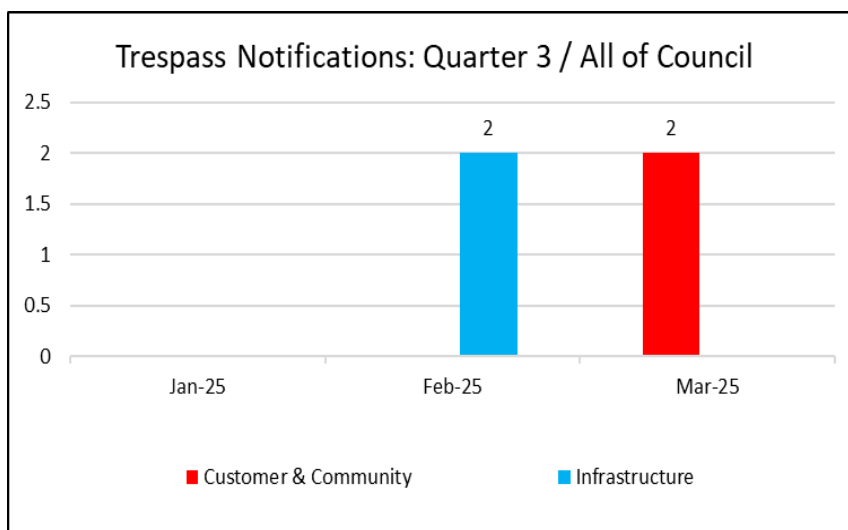

- **Police** support to Council continues. During Quarter 3 there were 13[2] notifications made to Police (up on Quarter 2 – ten).


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[2] Includes 3x PeopleSafe mobile app incidents that occurred at a camping ground.

- Four[3] **Trespass Notices** have been actioned during Quarter 3 (up one on Quarter 2).

- The graphs below identify Critical Risks involving Verbal Altercation (VA) and / or Physical Danger (PD) when staff are Frontline Working. Again, for more information on the individual events please refer to the confidential Critical Risks report (Attachment 2 – pages 14 to 19 of this report).
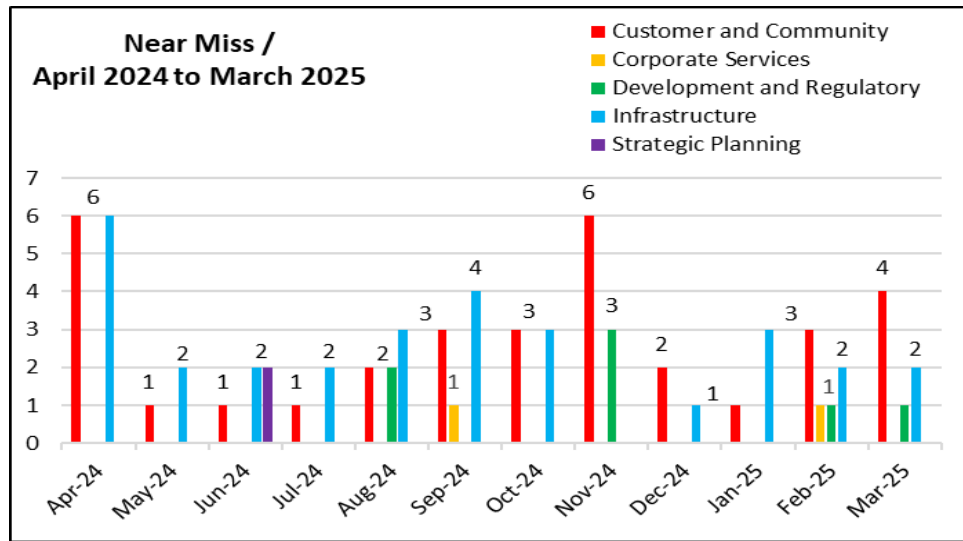

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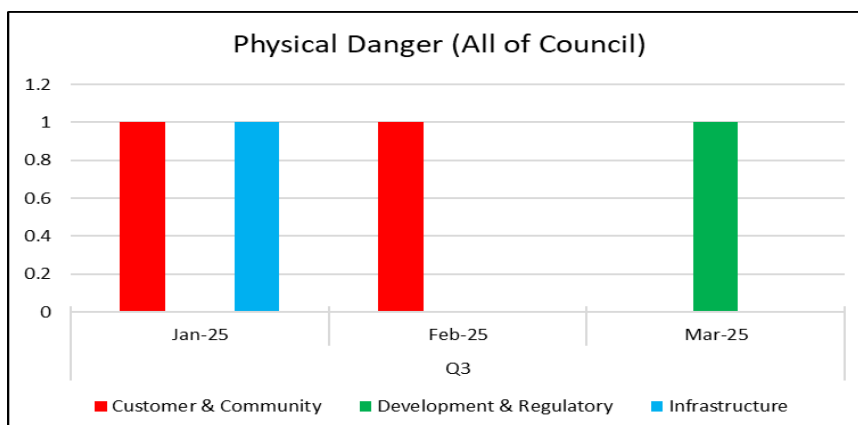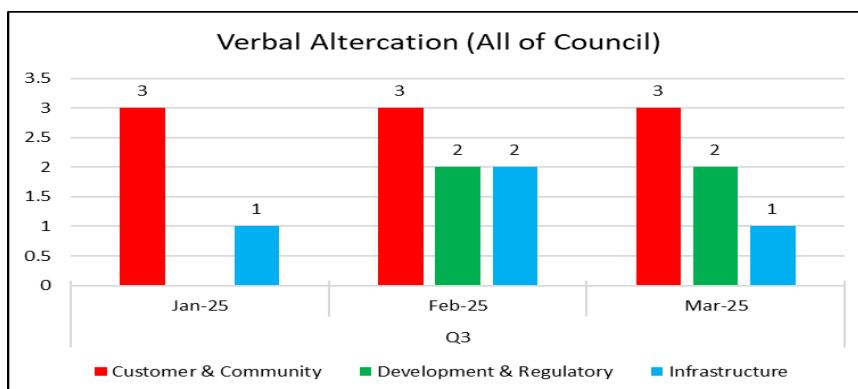
[3] Includes 2x PeopleSafe mobile app incidents that occurred at a camping ground.

- Near Miss incidents:

- For more information on notable individual Near Miss events of interest please refer to the confidential Critical Risks report (Attachment 2 – pages 18 and 19 of this report).

C.   Manual Handling

2.5   Several proactive Manual Handling measures continue to be applied across Council.

- Manual Handling education (stretching, warm-up / cool-down), which is covered during a staff's onboarding process – workstation set-up and onboarding induction; the early reporting of discomfort and pain and injury is also covered during Health and Safety inductions.

- Move at Work / Manual Handling training occurs annually with refresher training every three years (next occurrence is August 2025). There is also an online self-booking manual handling course available via The Sauce.

- Monitoring – Manual Handling incidents are reviewed, and additional training / supervision initiated as needed.

- A refresh on Manual Handling training options used over recent years (onsite via an external provider, internally, and virtually) is being considered.

Manual Handling Incidents by Month / Quarter / Group
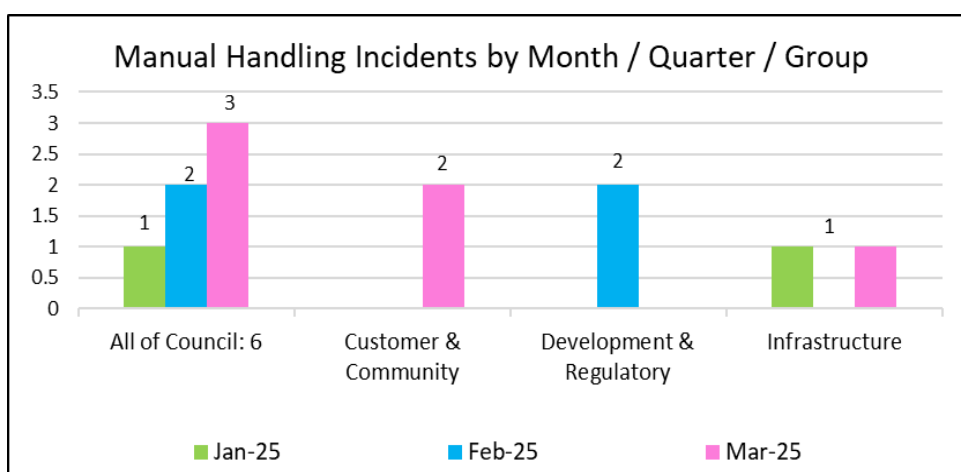
D. Investigations

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

Table 4: Investigations

Investigations occurred this quarter	0
Previous Investigations (last 12 months)	
Number of remedial actions required	0
Number of remedial actions completed	0

2.7 Comments:

- During the 1 January to 31 March (Q3) 2025 period PN City Council classified nil incidents as 'notifiable'.

E. Training

2.8 Summary information on Health and Safety training undertaken in the last 12 months is shown below as reported in PeopleSafe and delivered internally by Health and Safety – there may be some miniscule lag due to information being filtered through our systems on time. For more expansive information on training for Quarter 3, please refer to the Training Update schedule (Attachment 3 – pages 20 to 24 of this report).

Table 5: Training

Date	Jun-24	Sep-24	Dec-24	Mar-25
Number of events	16	16	15	12
Staff / Staff attending	104	133	52	227

2.9   Comments:

- Infrastructure FAST sessions completed for Infrastructure staff as part of the investigation corrective actions following a serious attack by a member of the public. (Refer paragraph 1.2 on page 1, and incident #2 on page 14 within the confidential Critical Risks report – Attachment 2.)

- Correction carried out to reflect First Aid training types (e.g. Stop the Bleed vs. standard First Aid). Historical PeopleSafe system data (Infrastructure) did not differentiate between the two previously – Stop the Bleed training is for remote work and chainsaw activities, etc.

- As mentioned in para 1.4 on page 2, Customer & Community training numbers increased during the month of March due to Opsec refreshers – de-escalation refreshers primarily rolled out to high-risk Frontline Working staff within our libraries.

- At the March 2025 Risk & Assurance Committee meeting, Elected Members reiterated that management ensures training for staff is prioritised.

  - o Council will note that although there were 15 training events held during the previous quarter (Quarter 2), Quarter 3 (12 training events) saw a significant increase driven by FAST sessions and Opsec refreshers.

  - o As previously alluded to within the report, public behaviour and threat management continue to be focus areas for expanded de-escalation training and internal support processes.

- Staff and management remain invested on focussing on Critical Risk 1 – Frontline Working. Internal de-escalation training continues to be specifically rolled out to high-risk and lone working staff; additional training options also continue to be explored as well.

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?	**Yes**
Does this decision require consultation through the Special Consultative procedure?	**No**
Is there funding in the current Annual Plan for these objectives?	**No**
Are the recommendations inconsistent with any of Council's policies or plans?	**No**
The recommendations contribute to: Whāinga 3: He hapori tūhonohono, he hapori haumaru Goal 3: A connected and safe community	

The recommendations contribute to this plan:

9. Mahere haumaru hapori, hauora hapori

9. Community Safety and Health Plan

The objective is: Co-ordinate and support community safety and harm reduction.

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. Health & Safety Dashboard report, Q3 2025 ⇩ 📄
2. Health & Safety Critical Risks report, Q3 2025 - **Confidential**
3. Training Update for Q3 2025 ⇩ 📄

Health and Safety Quarterly Dashboard Report: 1 January to 31 March 2025

ALL OF COUNCIL

1 - Near Miss Incidents (All of Council)

Actual = 18
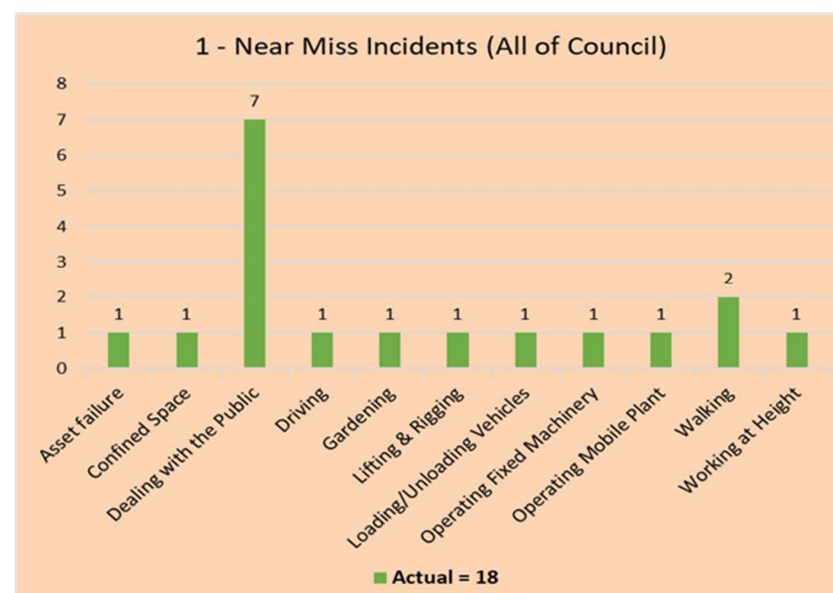
1 – Near Miss by Activity: No change for Quarter 3 numbers (same as Quarter 2 – October to December - 18). Dealing with the Public and Walking record the highest incidents of note.

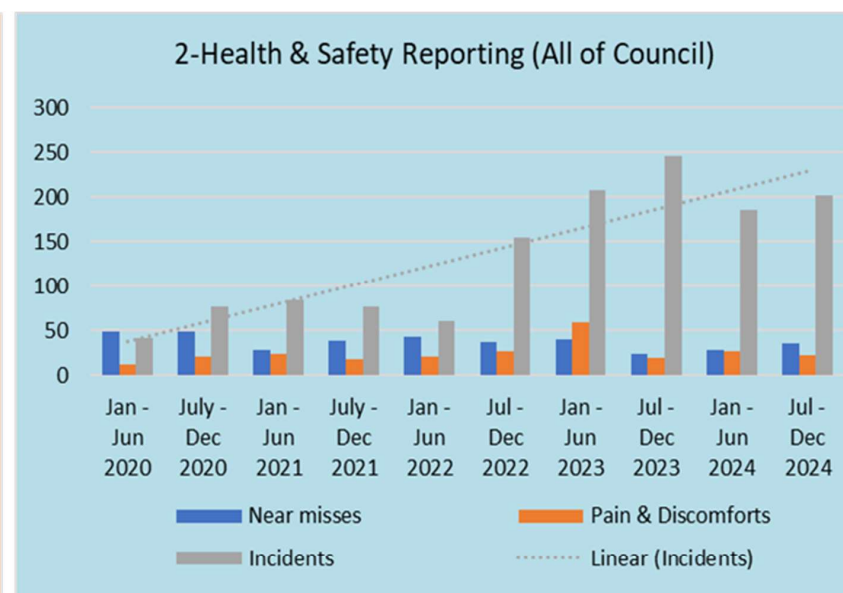2-Health & Safety Reporting (All of Council)

Near misses, Pain & Discomforts, Incidents, Linear (Incidents)

2 – The Health & Safety Reporting graph gets refreshed every six months to enhance the visibility of trends. The next update (during the second half of 2025) will cover the January to June 2025 period. The number of reported incidents overall is still trending favourably.

3 - Incidents by Activity (All of Council)

Actual = 106
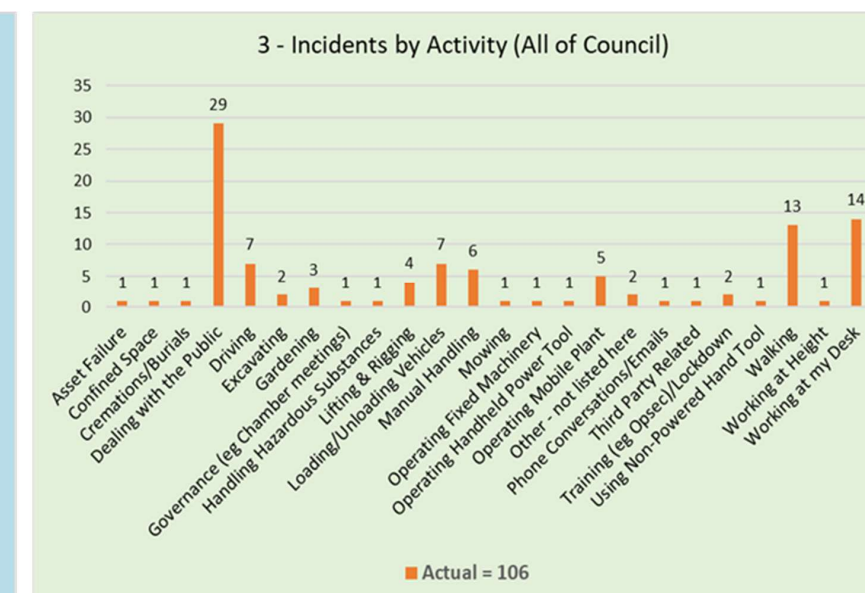
3 – Incidents by Activity: Top Activities account for 53%. The Activities of note are: Dealing with the Public (27%), Walking (12%) and Working at my Desk (13%). Relevant details are included in the confidential Critical Risks report schedule (Attachment 2).

4 - Treatment by Location (All of Council)

First Aid, Doctor, Hospital   Total = 19
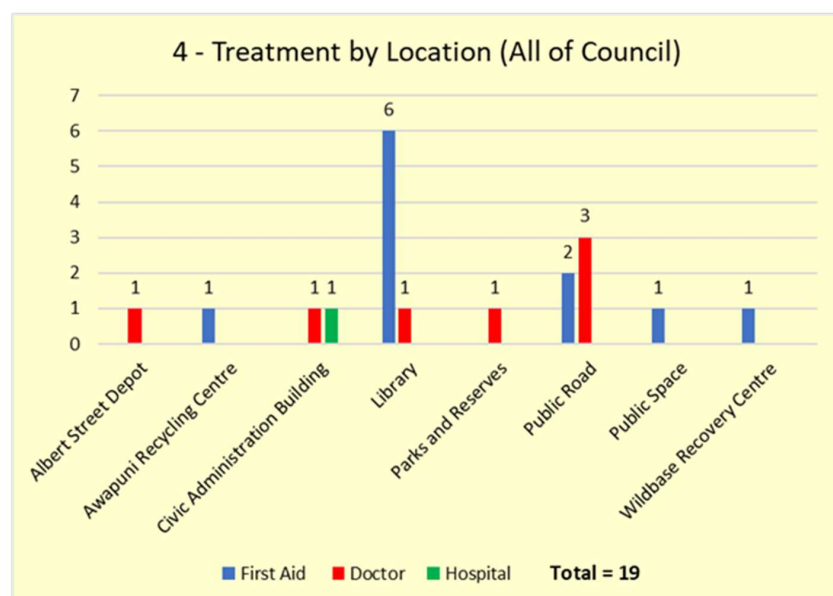
4 – Treatment by Location data reflects work-related injuries and where they have occurred. Q3 totals 19 – well down on Q2 (27). Medical care required for: a kaimahi attacked by a person with knives; a kaimahi who slipped in a bathroom; and a kaimahi doused with a hazardous substance. Reviews are being held regularly.

5 - Nature of Injury (All of Council)

Total = 19
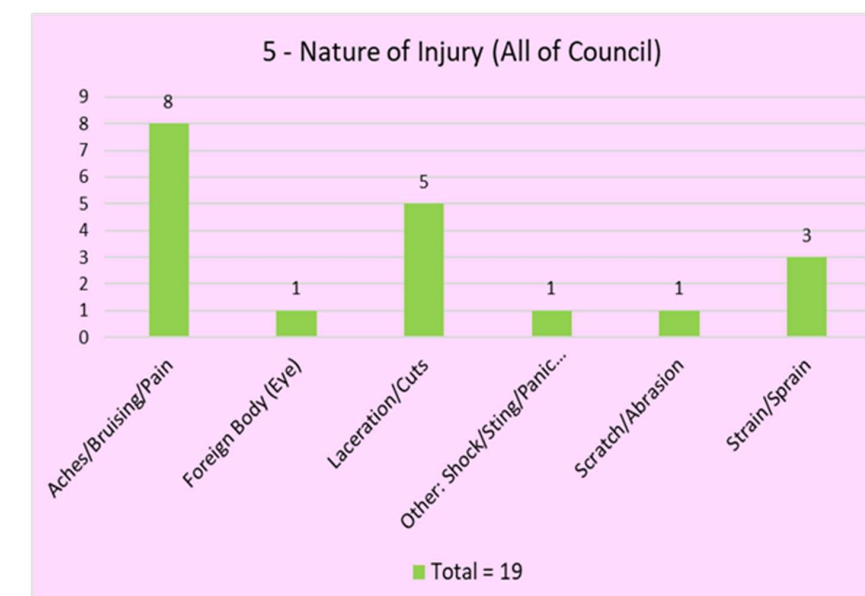
5 – Nature of Injury graph is reflective of Frontline Working (physically harmed whilst Mowing; again, physically harmed whilst executing Parking duties); and slipping whilst Walking in a bathroom. Resulted in deep lacerations, etc, aches/bruising, and chemical reactions to eyes, etc.

Note:
Graph 3 – Incidents by Activity: 'Other – not listed here' involves first aid for a minor lift exiting injury; consideration of a different style of footwear for a worker as a result of a prior and repetitive injury. 'Walking' involves kaimahi walking to the bathroom (resulting in a Lost Time Injury following a slip) and kaimahi leaving work and a suspicious vehicle acting threateningly (refer to page 3, #32, within Attachment 2, Health and Safety Critical Risks report, Q3 2024/2025). 'Working at my Desk' involved kaimahi experiencing first aid minor injuries, an ergonomic assessment to prevent future health issues, and frontline incidents (captured within Attachment 2, Health and Safety Critical Risks report, Q3 2024/2025).

Attachment 3 – 1 January to 31 March 2025 (Quarter 3): Training undertaken[1]

Event	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
Asbestos Awareness Training					
Auditing Awareness				1	
Basic Site Safety				7	4
Behavior Safety Observed training					
Breathing Apparatus					
Business (First Line Management) L4					
Butt Welding Course					
Certified Handler Preparation Online (CHOP)					
Certified Handlers (Hazardous Substances)					
Chainsaw Training				2	
Chemical training /handling					
Concrete Saw Usage and Basic Safety			36		
Confined Space and Gas Detection	8	4	1		
Confined Space Entry			1		
Contractor All-In Induction sessions	41				
CTO Class 1 Vehicle					
CTO Class 2 Crew Cab					
CTO Class 4	2				
CTO Class 5	2				
CTO Concrete Saw					
CTO Excavator					
CTO Hiab Truck Operation	1				
CTO Loader					
CTO New Transport Trailer					
CTO Road Saw					
Dangerous Goods (DG)					
Driver Assessment Training					
Driver's License – Class 1 Motor Vehicle		1			
Driver's License – Class 1R (Restricted)					
Driver's License – Class 1 (Car License)					
Driver's License – Class 2L (Learners)					
Driver's License – Class 2 (Medium Rigid Vehicle)				2	
Driver's License – Class 3 (Medium Combination)					

[1] Sourced from Health & Safety and PeopleSafe training resources.

Event	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
Driver's License – Class 4L (Learners)					
Driver's License – Class 4 (Heavy Rigid)					
Driver's License – Class 5 (Heavy Combination)					
Driver's License – Class 6 (Motorcycle)					
Drug and Alcohol					
DSE Workstation Risk Assessment				1	
Duress Alarm Training		13			
Efficient Compaction Operators Course					
Electrofusion Certificate		3			
Electrofusion Jointing PE Pipe		3			
Elevated Working Platform (Scissor Lift and Boom)	2	3	8		2
Emergency Medical Response Revalidation					
Endorsement (D) Dangerous Goods					
Endorsement (F) Forklift					3
Endorsement (R) Roller		6			
Endorsement (T) Tracks		6			
Endorsement (W) Wheeled Special Type		6			
Endorsement R					
Endorsement T					
Endorsement W					
Environmental Impact Assessment Essentials					1
Evac Chair		20	4		
Evac Chair – Certified In-House Trainer Certificate		17	6		
FAST[2] (Operations Situational Awareness 2hr)					67
Fire Safety					
Fire Warden Training	1		1		
First Aid Certificate	16	16	29	27	30
First Aid – Stop the Bleed – Certificate					37
Floor Warden – In House - Training	34	3			
Forklift OSH Certificate			6	1	
Forklift (F) Endorsement					
Front End Loader					
Gantry Crane Training					
Grow-safe			11		
Harassment Prevention and Awareness – Managers workshop					

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[2] Frontline Awareness and Safety Training.

Event	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
Hazardous Substances in the Workplace					
Hazardous Substance Training General					
H&S Refresher Annual Induction				4	
Height Safety Introduction					3
Height Safety Advanced		1			
Height Safety Advanced Latest					
Height Safety and Fall Arrest					
Health and Safety Representative Stage 1					
H&S Site Induction – Awapuni Resource Recovery			2	1	2
Higgins Gas Toolbox Discussion					
Horticulture Level 3 (no exp)				1	
How to: Tell Your Story					
ICAM Investigation					
Internal Training – Basic Asbestos					
Internal SWP – LEV Rear Packer Collection Vehicle					
Internal SWP – LEV Rubbish Collection Vehicle	2				
Internal SWP – Street Bins Collection Vehicle	2			1	
Internal Training LEV Glass Collection Vehicle					
Internal Training Side Load Collection Vehicle					
Internal Training – Forklift SOP					
Internal Training – Manual Handling					
Internal Training – Safe Entry & Exit from Cab					
Isolations Lockout etc	4				
ISO 9001 Quality Management Systems					
IVO Power Brush XL – Cleaners					
JSA Risk Assessment & Thought Process			15		
Kerbside Collection Traffic Leader KCTL (was WCTL)			5		
Liquor Control Qualifications (LCQ)	1				
Low Level Scaffolding & Inspection					
Management and Handling of Hazardous Substance					
Manual Handling					
Manual Handling Awareness				1	
Manual Handling Online					
Mask Fit Testing					5
Move at Work (Manual Handling)				13	
NC Horticulture Level 4					

Event	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
NC Sewer Level 3					
NC Utilities Maintenance L4 (water)					
NC WasteWater Retic Service Person Level 3					
NC Water Reticulation & WasteWater Level 3					
NC Water Reticulation Level 3					
NC Water Reticulation Supervisor Level 4					
NEEBOSH International General Certificate in Occupational Health and Safety					1
NZ Certificate in Infrastructure Level 2					
NZ Certificate in Infrastructure Level 3					
OPSEC Situational Safety	87			1	72
PeopleSafe Training					
PeopleSafe Dashboard Reporting					
PeopleSafe for Managers/Supervisors	1				
PeopleSafe Standard User Training					
PeopleSafe & The Law – Notifiable Events					
Permit Issuer					
Permit to Work					
Plan Reading Basics					
Playground Safety Inspections					
Quality Management System Training (3 Waters)					
Risk Assessment Awareness				1	
Road Saw Operation					
Safety Induction (CAB)		1			
Safety 'n Action – Construction Site Access Course					
Safety Plans					
Safe Work Zones					
Safety in Trenches			1		
Site Induction (Depot, Collections)		1			
Site Induction Training: MRF					
Site Safe Foundation Passport					
Site Specific Safety Plan					
Slinging Regular Loads					
Spill Management					
SOP Compost Op G/Waste Shredder					
STMS Level 1 – Site Traffic Management					

Event	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
TC1 – Basic Traffic Controller Level 1					
T1 Tennant Battery Floor Scrubber - Cleaners					
TC Refresher					
Tele Handler # 23637			5		
Tools for Change					
Trenching and Excavation					
Truck Loader Crane / HI AB					
Twintec TTB 1840 Battery Compact - Cleaners					
Understanding NZS3910 – Conditions of Contract (v2013)			3		
Would You Do It?					
Total Number of Events	**15**	**16**	**16**	**15**	**12**
Total Number of Staff Attending	**204**	**104**	**133**	**52**	**227**