

# POLICY ON SIGNIFICANCE

## Background

The Local Government Act 2002 (s.278), hereinafter referred to as 'the Act' requires that every local authority adopt, by 30 June 2003, via the special consultative procedure, a policy on "significance".

The terms "significant" and "significance" are defined in s.5 of the Act as follows;

**"Significance**, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for,—

- a) the current and future social, economic, environmental, or cultural wellbeing of the district or region;
- b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter;
- c) the capacity of the local authority to perform its role, and the financial and other costs of doing so."

**"Significant**, in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance."

Section 90 requires that the policy must set out; "...*(the) general approach to determining the significance of proposals and decisions in relation to issues, assets or other matters; and any thresholds, criteria or procedures that are to be used by the local authority in assessing the extent to which issues, proposals, decisions or other matters are significant.*"

Section 90 also requires that the policy list all strategic assets.

### **The Council's general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters**

The Council will consider every issue, proposal, decision, or matter requiring a decision on a case by case basis to determine whether the matter is significant.

In determining whether the matter is significant, the Council will consider the following:

- The likely impact/consequences of the decision on the current and future social, economic, environmental and cultural wellbeing of the community; and
- The likely impact that the impact / consequence(s) of the decision might have on achievement of the agreed community outcomes for the district; and
- (If any proposed action involves a decision in relation to land or a body of water) the likely impact/consequence(s) of the decision on the relationship of Maori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna and other taonga; and
- The parties who are likely to be particularly affected by, or interested in, the issue, proposal, decision or matter and the likely impact/consequences of the decision from the perspective of those parties (including if the decision is likely to affect a large number of residents and ratepayers to a moderate or greater extent; or a small number of residents and ratepayers to a large extent); and
- The financial and non-financial costs and implications of the decision; and
- The extent (if any) to which the issue, proposal, decision or matter (or type of issue, proposal, decision or matter) has had a history of generating public interest within the Rotorua District, the Bay of Plenty Region, or New Zealand.

### **Thresholds And Criteria That The Council Will Use In Assessing The Extent to Which Matters Are Significant**

The more significant or material the likely impact of the required decision, the more likely it will be that the matter is 'significant'.

Significant decisions will include, but will not be limited to, the following:-

- A proposal or decision requiring more than \$10 million of budgeted, or \$2 million of unbudgeted, expenditure;
- A proposal or decision to significantly alter the intended level of service for any significant activity - including a decision to commence or cease such activity (s.97(1)(a));
- A proposal or decision to transfer ownership or control of a strategic asset (s.97(1)(b),
- A proposal or decision to construct, replace or abandon a strategic asset (s.97(1)(c));
- A proposal or decision that will, directly or indirectly, significantly affect the capacity of the Council, or the cost to the Council, in relation to any activity

identified in the Long-Term Council Community Plan (s.97(1)(d));

- A proposal or decision to change the mode of delivery of any significant activity (s.88);
- The sale of all or a majority of the Council's shareholding in any council-controlled trading organisation, or council-controlled organisation;
- A proposal to enter into a partnership with the private sector to carry out a significant activity.
- For the avoidance of doubt, this policy does not apply to:
  - Carry forwards
  - Rejections
  - Maintenance
  - Emergency works

### **The Council's general approach to determining decisions in relation to issues, assets, or other matters**

Decisions pursuant to this policy will be made in accordance with the provisions of the Council's proposed governance statement that is required to be prepared pursuant to Section 40(1) of the Act.

If the matter is deemed to be significant, the Council will decide whether the special consultative procedure should be used – or if the requirement to 'appropriately observe' (see s.76(3)(b)) the provisions of Sections 77, 78, 80, 81 and 82 will be sufficient.

### **The Council's Strategic Assets**

Strategic assets are defined in s.5 of the Local Government Act 2002 as:

*"Strategic asset, in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future wellbeing of the community; and includes—*

- a) *any asset or group of assets listed in accordance with section 90(2) by the local authority; and*
- b) *any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and*
- c) *any equity securities held by the local authority in—*
  - i) *a port company within the meaning of the Port Companies Act 1988;*
  - ii) *an airport company within the meaning of the Airport Authorities Act 1966."*

The assets and groups of assets that the Council considers to be "strategic assets" are:-

- The Council's roading network; and
- The Council's wastewater network and treatment plant; and
- The Council's water supply network; and
- The Council's stormwater network; and
- The Council's public library, museum, pensioner housing, community halls, event facilities, international stadium, aquatic facilities, parks and reserves, nursery, cemeteries and crematorium; and
- Shares in Rotorua Regional Airport Limited and Civic Assurance.

### **Note:**

Legislative references to "significance" include sections 5, 90 and 278 of the Local Government Act 2002. In addition, Schedule 10 (7) of the Act requires that a summary of the significance policy be included in the long-term council community plan.