

Significance Policy

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Contents

1. INTRODUCTION	3
2. GENERAL APPROACH TO DETERMINING WHICH PROPOSALS ARE SIGNIFICANT (S.90(1)(A)).....	3
3. THRESHOLDS, CRITERIA AND PROCESSES FOR DETERMINING WHICH PROPOSALS AND DECISIONS ARE SIGNIFICANT (S.90(1)(B))	3
4. STRATEGIC ASSETS AND GROUPS OF STRATEGIC ASSETS.....	5
5. OTHER STATUTORY PROVISIONS.....	5

1. INTRODUCTION

1.1 Section 90 of the Local Government Act 2002 (the Act), requires every local authority to adopt a policy on significance.

1.2 Section 5 of the Act defines significance and significant as:

“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 well-being 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.”

2. GENERAL APPROACH TO DETERMINING WHICH PROPOSALS ARE SIGNIFICANT (S.90(1)(A))

2.1 When determining the question of the significance of proposals and decisions in relation to issues, assets or other matters the Council will determine the extent to which:

- The consequences or impacts of the issue, assets, or other matters, impinge on a large number of residents and ratepayers to a moderate or greater extent;
- The consequences or impacts of the issue, assets, or other matters, impinge on a small number of residents and ratepayers to a large extent; and
- The issue, asset, or other matters have a history of generating wide public interest within Central Otago, the Otago Region or New Zealand generally.

2.2 The Central Otago District Council will also consider the likely impact of decisions on:

- (a) the current and future social, economic, environmental, or cultural well-being of the district;
- (b) the achievement of, or ability to achieve, the Council's strategic issues and objectives as set out in the Long Term Council Community Plan;
- (c) the capacity of the local authority to perform its role and carry out its activities, now and in the future; and
- (d) the financial, resource and other costs of the decision.

3. THRESHOLDS, CRITERIA AND PROCESSES FOR DETERMINING WHICH PROPOSALS AND DECISIONS ARE SIGNIFICANT (S.90(1)(B))

- 3.1 When undertaking a process to determine the extent to which issues, proposals, decisions or other matters are significant, the Council will use the following thresholds, criteria and procedures:

Thresholds:

- Issues, assets, or other matters that incur more than \$1,200,000 of budgeted or \$150,000 of unbudgeted expenditure, income or change in separate account balances, where council considers it has not already undertaken sufficient consultation, *or where Council believes consultation would add no value to the decision making process because the issue is routine;*
- Any transfer of ownership or control, or the construction, replacement or abandonment, of a strategic asset as defined by the Act or listed in this policy;
- A decision that will, directly or indirectly, significantly affect the capacity of the Council to carry out any activity identified in the Long Term Council Community Plan;
- Entry into any partnership with the private sector to carry out a significant activity; and
- Council owns a number of assets and groups of assets that it considers to be strategic; however, not all trading decisions made regarding these assets are regarded as significant nor do they affect the assets strategic nature. For example, the roading network is strategic, but small parcels of land that make it up may not be, and the purchase or sale of such small pieces of land may not amount to significant decisions.

Criteria:

- Whether the asset is a strategic asset within the meaning of the Act or listed in this policy.
- The extent to which there is, or is likely to be, a change in the level of service in carrying out any significant activity.
- The extent to which there is, or is likely to be, a change in the way in which any significant activity is carried out.
- The extent to which there is, or is likely to be, a change in the capacity of the Council to provide any significant service or carry out any significant activity.

Procedures:

- Decisions on significance will be made in accordance with Council's Standing Orders and Delegations Register.

4. STRATEGIC ASSETS AND GROUPS OF STRATEGIC ASSETS

4.1 As set out in Section 5 of the Local Government Act 2002, strategic asset means:

“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 well-being 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”*

4.2 The assets and groups of assets in terms of s.90(2) that Central Otago District Council considers to be strategic are:

- The Council roading network as a whole;
- The land and buildings comprising the Alexandra office, and the Ranfurly, Roxburgh and Cromwell Service Centres;
- Council owned elderly persons housing in the district as a whole;
- Reserves listed and managed under the Reserves Act; and
- Council water and wastewater networks as a whole.

5. OTHER STATUTORY PROVISIONS

5.1 The following do not form part of the Council’s policy on significance; however, they are a range of the sort of other matters which are listed in the Act which require various levels of statutory consultation:

- Establishing a council controlled organisation [s.56];
- Adoption, review or amendment of any bylaw [s.86];
- Any proposal for an alteration in the mode by which a significant activity is undertaken by or on behalf of the Council [88(1)];
- Adoption of the Council’s Long Term Council Community Plan [s.93(2)];
- Alteration to the Council’s Long Term Council Community Plan[s.93(5)];
- Adoption of the Council’s Annual Plan [s.95(2)];
- Adoption or amendment of the Council’s policy on significance [s.90(4) and s.103-s.108];
- Adoption or amendment of the Council’s funding and financial policies [s.102(4)];
- Assessment of the Council’s water and other sanitary services [s.125];
- Entry into a partnership or joint venture for the provision of water services [s.137]; and,
- Disposal of a park [s.138].

5.2 This section is provided for information only.