

POLICY ON SIGNIFICANCE

Policy on Significance

The Council is required to adopt a policy on significance under section 90 of the Local Government Act 2002. The policy outlines the general approach of the Council to determine the significance of issues, proposals, decisions, and other matters, and includes thresholds, criteria and procedures that Council will use in assessing which issues, proposals, decisions and other matters are deemed to be significant. It also provides a list of assets which Council considers to be strategic assets.

Definitions

Section 5 of the Local Government Act 2002 defines 'significant' and 'significance' and 'strategic asset' 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 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.*

***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.*

Application of the Significance Policy

When determining the application of this policy Council will have regard to

- the definitions of ‘significance’, ‘significant’ and ‘strategic asset’ as defined in the Local Government Act 2002 and
- as contained as a definition within this policy
- the general approach to determining which issues, proposals, decisions, or other matters are significant (Section 90(1)(a) of the Local Government Act 2002 refers)
- the thresholds, criteria and procedures that Council will use in assessing which issues, proposals, decisions and other matters are deemed to be significant. (Section 90(1)(b) of the Local Government Act 2002 refers)

Strategic assets and groups of strategic assets as a complete unit identified by the Council are listed in this policy (Section 90(2) of the Local Government Act 2002 refers).

General Approach

In considering how significant any issue, proposal, decision, or other matter under this policy, Council will be guided by the following matters:

- The definition in Section 5 of the Local Government Act 2002
- The thresholds and criteria established within this policy.

The more significant or material the impact or consequences of the issue, proposal or other matter, the higher standard of compliance required with Part 6 of the Local Government Act 2002 and the more likely the matter will be ‘significant’.

An issue, proposal or decision that does not reach the thresholds or meet the criteria listed in this policy may still be considered significant in terms of the definition as per section 5 of the Government Act 2002. The significance of any issue, proposal or decision will be considered by Council on a case by case basis.

Thresholds

Council when undertaking a process to determine which issue, proposal, decision or other matter is significant Council will recognise the following thresholds in determining significance:

- issues, proposals, decisions, assets, or other matters for which Council will:
 - incur operational expenditure exceeding 5% (\$1.77 million 2003/04 year) of its annual budget for that year
 - incur capital expenditure exceeding 1% (\$5.42 million 2003/04 year) of the total value of Council’s assets, or where spent on a strategic asset or strategic asset as a complete unit as defined in the local Government Act 2002, or listed in this policy, exceeds 25% of that assets value.
- any transfer or ownership or control, or the disposal or abandonment, of a strategic asset as a complete unit as defined by the Local Government Act 2002 or listed in this policy,
- the sale of Council’s shareholding in any Council controlled trading organisation, or Council controlled organisation

- a decision that will, directly or indirectly, severely affect the capacity (including financial capacity) of Council to carry out any activity identified in the Long Term Financial Strategy for 2003/04 and Long Term Council Community Plan for subsequent years.

Where any issue, proposal, decision or other matter triggers one or more of the above thresholds, it shall be considered against the criteria spelt out in this policy in determining whether it is significant.

Criteria

In considering whether any issue, proposal, decision or other matter is significant the following criteria will be used:

- the issue, proposal decision or other matter affects all or a large portion of the community in a way that is not inconsequential
- the impact or consequences of the issue, proposal, decision or other matter on the affected persons will be substantial
- the financial implications of the issue, proposal, decision or other matter on Council's overall resources are substantial
- the issue, proposal, decision or other matter has a history of wide public interest in the Kapiti Coast District community or is likely to generate considerable public controversy

Procedures

In achieving this policy the following procedures must be followed.

- Every report to Council will consider the significance of the decision to be made in relation to definitions, thresholds and criteria as outlined in this policy.
- The Chief Executive will report to Council where any issue, policy, decision or matter triggers one or more of the thresholds noted in this policy. Each report shall include:
 - a statement indicating that the issue, proposal, decision or other matter has been considered with regard to Council's policy on significance
 - an assessment of the degree of significance of the issue, proposal, decision or other matter based on the criteria outlined in this policy
 - make a recommendation to Council.
- If the issue, proposal, decision or other matter is considered to be significant, the report to Council will also include:
 - a statement addressing, as are applicable, the appropriate observance of such of sections 77, 78, 80, 81 and 82 of the Local Government Act 2002. (Refer section 76(3b))

Strategic Assets of the Kapiti Coast District Council

The Local Government Act 2002 (section 97) requires that this policy shall identify all of the assets the Council considers to be strategic, as defined in section 5 of the Local Government Act 2002.

The Strategic Assets Register included in this policy is not an exhaustive list of Council assets. It includes those assets which are considered to be significant in ensuring the capacity of Council to achieve or promote any important activity within one of the following groups:

- A Sustainable District Environment
- A Healthy District Environment
- A Safe and Accessible District
- A Sustainable District Economy
- A District with Community and Leisure Interests
- A District with a Council that Provides Governance and Support for its Community

Note

The Council owns a number of assets and assets managed “as a complete unit” that it considers to be strategic, however not all trading decisions made regarding these assets are considered as significant nor do they affect the asset’s 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 parcels of land is unlikely to amount to a significant decision.

Register of Kapiti Coast District Council Strategic Assets

Strategic Asset	Notes
The Kapiti Coast - A Healthy District Environment	
Water Treatment Plants	Includes all land, buildings, treatment plants and tanks
Reservoirs and water reticulation system as a complete unit	Includes all land and structures
Wastewater Treatment Plants	Includes all land, buildings and plant
Wastewater reticulation system as a complete unit	Includes pipes, pump stations and plant
Stormwater reticulation system as a complete unit	
Landfills	
Refuse Transfer Stations	
Cemeteries	
The Kapiti Coast - A Safe and Accessible District	
Roading system as a complete unit	Includes footpaths, off street parking and bridges

The Kapiti Coast - A District with Community and Leisure Interests	
Amenity Parks, Sports Parks and Facilities as a complete unit under the Reserves Act 1977	
District Libraries as a complete unit	Includes books and heritage collections
District Swimming Pools as a complete unit	Includes all land, buildings and structures
Housing for Older Persons as a complete unit	
Properties as a complete unit	

Resolved Council Meeting Held Tuesday, 24 June 2003