



## WHAKATANE DISTRICT COUNCIL

# Policy on Determining Significance 2012







## POLICY ON DETERMINING SIGNIFICANCE

Adopted: 27 June 2012  
Commences: 1 July 2012  
Review: 1 July 2015

### 1.0 PURPOSE

The purpose of this Policy is to provide guidance to the Council when determining the significance of proposals and/or decisions. It includes procedures, criteria and some thresholds that the Council will use in assessing which issues, proposals, decisions and other matters are significant. This policy also identifies the Council's Strategic Assets and Significant Activities.

The Council is required to have a policy on significance under section 90 of the Local Government Act 2002 (LGA 2002).

This policy should be read in conjunction with the LGA 2002 and the Council's Consultation Policy.

### 2.0 WHY CONSIDER SIGNIFICANCE

All decisions the Council makes must be made in accordance with the decision making requirements of the LGA 2002. As part of these requirements the Council must identify decisions that are 'significant'. This helps the Council to direct the appropriate level of attention, consideration, consultation and disclosure to matters, based on their relative importance to the District.

The LGA 2002 also recognises that there are certain decisions regarding a local authority's Strategic Assets and Significant Activities that are likely to be of high significance. The LGA outlines decision making requirements that must be followed in respect of those decisions.

### 3.0 HOW WILL THE COUNCIL DETERMINE SIGNIFICANCE

#### 3.1. Procedures

- a) **Responsibility for making the Significance Appraisal:** Council officers will be responsible for making the initial significance appraisal based on the approach, thresholds and criteria outlined in this policy. This will be reported to Council or delegated decision maker (refer to section 3.1 (b) below) whom will have the final authority to determine the level of significance of a decision.

A significant decision is one which either exceeds the thresholds listed under section 3.3 of this Policy or which is considered significant against the criteria listed under section 3.4 of this Policy.

Professional judgement and discretion will need to be employed in the process of assessing significance.

This process of determining significance is outlined in Appendix 1 of this Policy.

- b) **Reporting to Council:** Every report on a proposal or decision to the Council or delegated decision maker (e.g. Committee) must include a statement of the degree of significance based on the general approach, thresholds and criteria outlined in the policy.

If the decision is considered to be significant, this statement must include an explanation of the thresholds or criteria that were triggered.

If the proposal or decision is considered to be significant, the report must also include a statement addressing how compliance with sections 76 - 82 of the LGA 2002 will be achieved.

### 3.2. General Approach to Determining Significance

The term “significant” or “significance” is partially defined in the LGA 2002, namely the “degree of importance” of a decision in terms of its likely impact on and likely consequences for community well-being, people affected, and local authority capacity

To determine if a proposal or decision is significant the Council will make judgements about the likely impact of that proposal or decision on:

- a) The social, economic, environmental and cultural wellbeing of the District now and in the future.
- b) The persons who are likely to be particularly affected by, or interested in, the proposal or decision.
- c) The cost to, or the capacity of, the Council to perform its role and carry out its activities, now and in the future.

### 3.3. Thresholds for Determining Significance

The following thresholds will be used as a guide to determine whether the proposal or decision being considered by the Council is significant.

Each threshold will be tested independently of the other thresholds and criteria. Where any individual threshold is exceeded, the matter will be determined to be significant.

- a) Unbudgeted capital expenditure proposals or decisions where the total cost would exceed 5% of the Council’s total annual capital expenditure for the relevant financial year (see note 1 and note 2 below).
- b) Unbudgeted operating expenditure proposals or decisions where the total cost would exceed 1% of the Council’s total annual operating expenditure for the relevant financial year (see note 1 and note 2 below).

- c) Any proposal or decision to transfer ownership or control of a Strategic Asset to or from the Council (see section 4.4 of this policy).
- d) Any proposal or decision to alter significantly the intended level of service provision for any significant activity (see section 4.5 of this policy).

Note 1: Where the proposal or decision will be funded from a funding source other than the Council, the Council's portion of a project, including ongoing costs will be included in the analysis of significance.

Note 2: Major spending decisions should be made in the context of the LTP, so decisions involving unidentified and unbudgeted expenditure should receive as least as much scrutiny as they would have received had they been included in the LTP.

### 3.4. Criteria for Determining Significance

The following criteria will be used to determine whether the proposal or decision being considered by the Council is significant.

If any of the following criteria are met, the proposal or decision may be significant. However, the criteria should be considered collectively to make this determination. The majority of these criteria could be considered to fall on a continuum rather than being an absolute determination. They may be considered as being of low, medium or high significance rather than significant or not significant. For the purposes of this policy and in accordance with section 5 of the LGA 2002, a matter will be determined 'significant' if it has a high degree of significance.

Where the significance of a proposal or decision is unclear against any of the criterion, then the Council will treat that criterion as being more rather than less significant.

- a) The proposal or decision adversely affects all or a large portion of the community.
- b) The impact or consequences of the proposal or decision on the affected persons (being a number of persons) will be substantial.
- c) The financial implications of the proposal or decision on the Council's overall resources are substantial.
- d) The proposal or decision will be difficult to reverse once the Council has committed to it.
- e) The proposal or decision is likely to generate a high degree of controversy in the community.
- f) The proposal or decision does not flow logically and consequentially from a significant decision already made, or, does flow from a significant decision already made but with substantial variations.

## **4.0 IMPLICATIONS FOR “SIGNIFICANT” PROPOSALS AND DECISIONS**

### **4.1. Observe the decision making provisions of the LGA 2002:**

Where a proposal or decision is considered significant under this Policy, the Council must have greater regard for the decision-making provisions of the LGA 2002 (set out in sections 76-82). In particular this includes:

- a) The extent to which different options are to be identified and assessed.
- b) The degree to which benefits and costs are to be quantified.
- c) The extent of the detail of the information to be considered.
- d) The extent and nature of any written record to be kept of a manner in which it has complied with these considerations.

### **4.2. Consider community views:**

Where a proposal or decision is considered significant under this Policy, the Council must give greater consideration to the views and preferences of persons likely to be affected by, or interested in the matter (in accordance with section 78 (1) of the LGA 2002). It is expected that the Council will consult on matters that are determined to be significant, however there are certain situations where consultation may not be necessary, appropriate or possible. Whether the Council will consult on a matter and to what extent, will be guided by the Council's Consultation Policy.

### **4.3. Consider Maori relationship with land and water:**

In accordance with section 77(c) of the LGA 2002, when significant decisions relate to land or a body of water, Council will take into account the relationship of Maori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna and other taonga.

### **4.4. Transferring ownership or control of a Strategic Asset:**

A list of the Strategic Assets of the Whakatane District Council is contained in Appendix 2 of this Policy.

In accordance with section 97(1)(b) of the LGA 2002 any decision to transfer ownership or control of that asset to or from the local authority, must be expressly provided for in the Council's LTP and must have been included in a proposal that followed the Special Consultative Procedure. If the proposal is not provided for, a Special Consultative Procedure will be undertaken in order to amend the LTP.

For the purposes of the Policy, the Council considers its strategic assets as a whole because it is the asset class as a whole that delivers the service. In the interests of the efficient management of resources, the Council will therefore not undertake the special consultative procedure for decisions that relate to the transfer of ownership or control, or minor construction or replacement, of a part of a strategic asset unless that decision triggers the significance thresholds and criteria outlined in this Policy.

Any physical alterations to strategic assets that are required, in the opinion of the Council or Chief Executive, to prevent an immediate hazardous situation arising or to repair an asset to ensure public health and safety due to damage from an emergency or unforeseen situation, will not have to undergo a special consultative procedure. Any actions taken will be reported in the relevant Annual Report.

#### **4.5. Significantly Altering the Levels of Service of a Significant Activity:**

A list of the Significant Activities of the Whakatane District Council is contained in Appendix 3 of this Policy.

In accordance with section 97(1)(a) of the LGA 2002 any decision to alter significantly the intended level of service provision for any significant activity, including a decision to commence or cease any such activity, must be explicitly provided for in the LTP and must have been included in a proposal that followed the Special Consultative Procedure. If the proposal is not provided for in the LTP, the Council will undertake a Special Consultative Procedure before amending the LTP.

These provisions cannot be applied to changes in activities including the decision to alter or cease any activity or to significantly alter the level of service as a result of new legislation or changes to existing legislation being enacted.

The levels of service provision for the Council's activities, including significant activities, do alter from time to time according to changing work programmes and priorities. Whether or not this alteration is 'significant' shall be determined against the approach, thresholds and criteria outlined in this policy.

Significant activities as identified in Appendix 2 are the activities in total and not the separate elements of the activities. The requirements of section 97 are only triggered if the proposal relates to the activity as a whole.

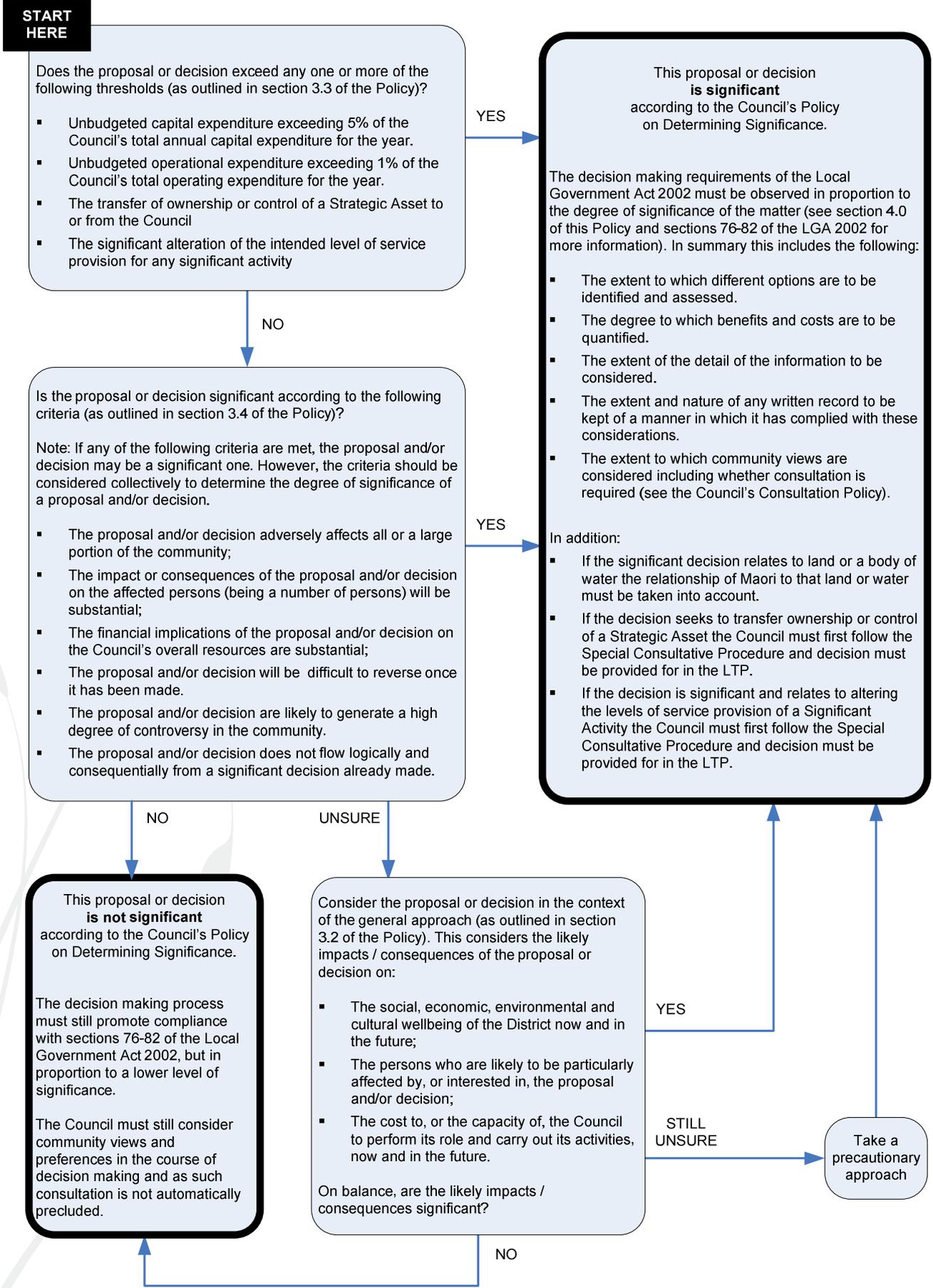
#### **5.0 USE OF THE TERMS "SIGNIFICANT" AND "SIGNIFICANCE"**

The LGA 2002 uses the terms "significant" and "significance" in a number of contexts. Unless it is inappropriate in the context, the contents of this Policy and the statutory definitions will apply.

#### **6.0 REVIEW OF THE POLICY**

The Council's Policy on Determining Significance will be reviewed every three years to coincide with each Long term Plan review process.

## APPENDIX 1 - PROCESS MAP FOR DETERMINING SIGNIFICANCE



## APPENDIX 2 - REGISTER OF THE WHAKATANE DISTRICT COUNCIL'S STRATEGIC ASSETS

For the purposes of section 90(2) of the Act the Council considers the following assets to be strategic assets.

As outlined under section 4.4 of this Policy, the Council will consider the following strategic assets as a whole because it is the asset class as a whole that delivers the service. The Council will therefore not undertake the special consultative procedure for decisions that relate to the transfer of ownership or control, or minor construction or replacement, of a part of a strategic asset unless that decision triggers the significance thresholds and criteria outlined in this Policy.

Asset	Notes
District Libraries	Includes books and collections
Research, Storage and Archives	Includes artefacts and collections, excludes items on loan to the Council
Whakatane Aquatic Centre	Includes land, building and structures
Whakatane, Ohope, Edgumbe and Murupara Halls	
Port (Whakatane, Ohope and Thornton)	Includes all land, buildings and structures associated with the Port Assets
Amenity parks, sports parks and facilities under the Reserves Act 1977	
Public toilets	
Cemeteries	
Landfills, Recycling Park and Transfer Station	
Wastewater reticulation and treatment systems	Includes land, pipes, pump stations and sewage ponds
Stormwater reticulation systems	
Roading system	Includes the land, carriageway, footpaths, bridges, street lighting and off-street parking
Water reticulation, storage and treatment systems	Includes the land, pipes, pumps, reservoirs and treatment plants
Whakatane Airport	Section 5 of the Local Government Act 2002 requires this asset to be included in the list as a Strategic Asset
Harbour Endowment property	
Pensioner Housing	Section 5 of the Local Government Act 2002 requires this asset to be included in the list as a Strategic Asset

### APPENDIX 3 - REGISTER OF THE WHAKATANE DISTRICT COUNCIL'S SIGNIFICANT ACTIVITIES

The following is a full list of Council's activities. Those that are considered as significant activities for the purposes of section 88(1) and 97(1) of the Act, are marked with a tick.

Activity Group	Activities	Significant Activities <input checked="" type="checkbox"/>
Governance	Governance	<input checked="" type="checkbox"/>
	Community Support	
	Strategy and Policy	
Roads and Footpaths	Transport Networks	<input checked="" type="checkbox"/>
	Road Safety	
	Parking Enforcement	
Water Supply	Water Supply	<input checked="" type="checkbox"/>
Sewerage treatment and disposal	Sewerage Treatment and Disposal	<input checked="" type="checkbox"/>
	Tradewaste	<input checked="" type="checkbox"/>
Stormwater drainage	Stormwater Drainage	<input checked="" type="checkbox"/>
Waste	Waste Reprocessing	<input checked="" type="checkbox"/>
	Waste Disposal	<input checked="" type="checkbox"/>
	Waste Recycling	<input checked="" type="checkbox"/>
Environmental sustainability	Resource Management – Consents	<input checked="" type="checkbox"/>
	Resource Management – Policy	<input checked="" type="checkbox"/>
Community safety	Licensing (Liquor and Gambling)	
	Environmental Health	<input checked="" type="checkbox"/>
	Regulation Monitoring	
	Building	<input checked="" type="checkbox"/>
	Animal Control	<input checked="" type="checkbox"/>
	Emergency Management	<input checked="" type="checkbox"/>
	Community Development	
Arts and culture	Library	<input checked="" type="checkbox"/>
	Exhibition, Research, Storage and Archives	<input checked="" type="checkbox"/>
Community property	Pensioner Housing	<input checked="" type="checkbox"/>
	Halls	
	Commercial Property	
Recreation and community facilities	Parks, Reserves, Recreation and Sports-fields	<input checked="" type="checkbox"/>
	Cemeteries and Crematorium	
	Public Conveniences	<input checked="" type="checkbox"/>
	Aquatic Centres	<input checked="" type="checkbox"/>
	Ports and Harbour	<input checked="" type="checkbox"/>
	Visitor Information	
Council Controlled Organisations	Whakatane Airport	<input checked="" type="checkbox"/>
	Toi Economic Development Agency	
	Bay of Plenty Shared Services	