

STRATFORD DISTRICT COUNCIL

SECTION: DEMOCRACY	
POLICY: <u>POLICY ON SIGNIFICANCE</u>	
RESPONSIBILITY: Chief Executive	REVIEW DATE: November 2007
VERSION: 1	APPROVED DATE: December 2004
FILE NUMBER: 16043	
DELEGATIONS REGISTER NO: [Click here]	

INTRODUCTION

As set out in the Local Government Act 2002, significance means:

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.*

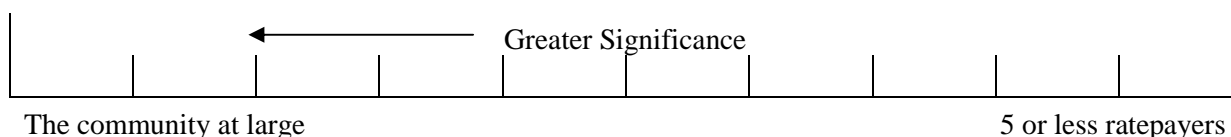
significant, in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.

POLICY

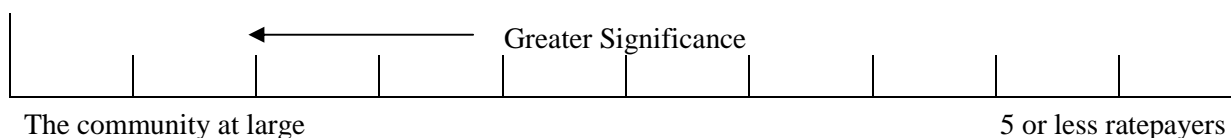
Part 1: General approach to determining which proposals and decisions are significant (s.90(1)(a)).

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:

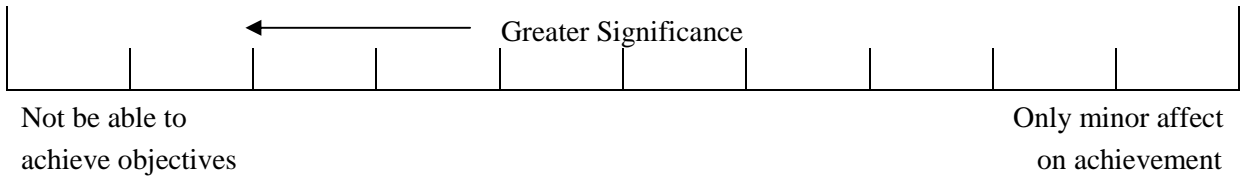
- The consequences or impacts of the issue, assets, or other matters, affect a large number of residents and ratepayers to a moderate extent; or



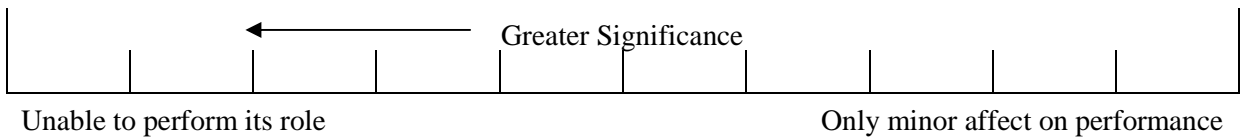
- The consequences or impacts of the issue, assets, or other matters, affect a small number of residents and ratepayers to a large extent; or



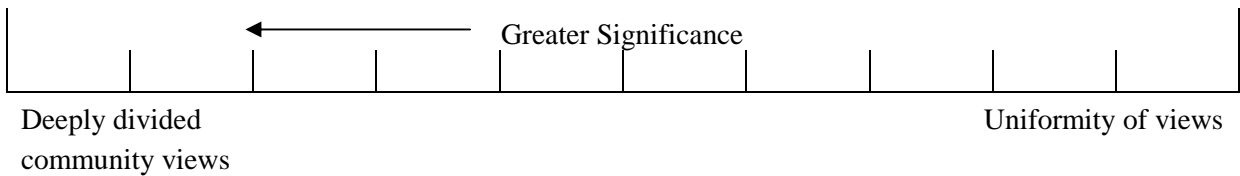
- The consequences or impacts of the issue, assets, or other matters are likely to affect the achievement of, or ability to achieve, the Stratford District Council’s strategic issues and objectives; or



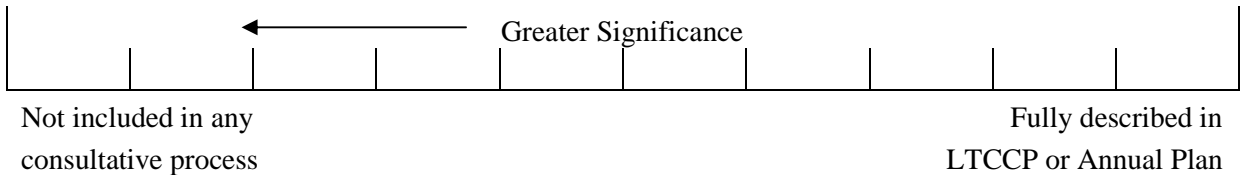
- The consequences or impacts of the issue, assets, or other matters are likely to affect the capacity of the Stratford District Council to perform its role, now or in the future;



- The issue, asset, or other matters have a history of generating wide public interest within Stratford District, the Taranaki Region or New Zealand generally; and



- The issue, asset, or other matter has not been already considered as part of a previous consultative process (for example, in the Annual Plan/Long Term Council Community Plan consultation).



Part 2: Thresholds, criteria & processes for determining which proposals and decisions are significant (s.90(1)(b)).

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

Criteria

The criteria to be considered are:

- Whether the asset is a strategic asset within the meaning of the Act or listed in this policy in Part 3.
- 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.

Thresholds

The thresholds to be tested are:

- Issues, assets, or other matters that incur more than 7.5% of budgeted annual total expenditure or unbudgeted expenditure of more than 5% of annual total expenditure; (These limits would be approximately \$0.78 million and \$0.52 million on 2003 total expenditure levels); or
- The transfer of ownership, or the construction, replacement or abandonment, of a strategic asset as defined by the Act or listed in this policy in Part 3; or
- The sale of all or part of Council's shareholding or any other form of ownership tenure in any council controlled trading organisation, or council controlled organisation; or
- A decision that will, directly or indirectly, significantly affect the capacity of the Council to carry out or achieve, or the cost to the Council in carrying out or achieving, any activity or project identified in the Long-Term Council Community Plan and/or Annual Plan; or
- Entry into any partnership with the private sector to carry out a significant activity.

Procedure

The procedure to be followed is:

1. Identification of an issue requiring a council decision on significance; followed by
2. An assessment of significance, using the "General approach to significance", set out in Part 1 above, and consideration of the criteria and thresholds in Part 2; followed by
3. Report to Council that includes a statement indicating that the issue of significance has been considered, with a recommendation to Council assessing the significance of the proposal or decision; followed by
4. Council consideration and final decision on the degree of significance of the issue and the appropriate level and type of any necessary consultation.

Part 3: In accordance with s.90(2) the Council has identified the following strategic assets and groups of strategic assets

As set out in the Local Government Act 2002 [s.5], 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.*

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

- The Stratford District roading network as a whole;
- Reserves listed and managed under the Reserves Act;
- Stratford, Midhirst and Toko water schemes as a whole;
- Stratford wastewater network as a whole;
- Stratford stormwater network as a whole;
- Properties categorised Vital in Council's Property Category List;
- Elsie Fraser Pensioner Housing.

Please note: Housing for the elderly are required by law to be included as strategic assets.

Note: Stratford District Council considers all assets classes listed above as single whole assets. This is because the asset class as a whole delivers the service. Strategic decisions, therefore only concern the whole asset class and not individual components, unless that component substantially affects the ability of the council to deliver the service, or would be deemed significant and strategic under the procedure in Part 2 above.