



Significance and Engagement Policy

(Pursuant to section 76AA of the Local Government Act 2002)

Purpose

The decisions the Council makes affect its communities on a daily basis. Some decisions have greater significance than others.

This Significance and Engagement Policy explains how the Council will determine the degree of significance of particular issues, proposals, assets, decisions, and activities.

It lets both the Council and the community understand when the community can expect to be engaged in the Council's decision-making processes, and to know how this engagement is likely to take place.

Introduction

Councillors are elected to make decisions on behalf of their communities. Consultation with the community is one of a number of ways in which the Council interacts and engages with the people of Carterton to help it make informed decisions.

Effective community engagement builds trust in Council decision-making, while also increasing the Council's awareness of issues in the community, but over-consultation can exhaust the community's willingness to participate.

As well as the informal methods of consultation, some decisions require a more structured form of engagement, due to the significance that a matter has within the wider community, or for groups within the community.

The Council may choose not to consult on some projects when it believes it has enough information with which to make an informed decision. The Council may choose not to consult when it believes the matter is not significant enough. In these cases, the public will receive information about the project and the decision.

This policy does **not** apply to decision-making under the Resource Management Act 1991.

This policy is made up of two parts. The first part on significance explains how decisions on significance will be determined and what happens when something is highly significant or not.

The second part focuses on engagement and consultation. It sets out the principles of engagement the Council will use, minimum information requirements, and the special consultative procedure.

This Policy also lists the assets the Council considers to be strategic assets.

Part 1—Significance

Definition

Section 5 of the Local Government Act 2002 (the Act) defines **significance** as:

‘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 district:*
- (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’.*

And it defines **significant** as:

‘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’.

Determining significance

Councils must make decisions about a wide range of matters and most will have a degree of significance, but not all will be considered to be ‘significant’. An assessment of the degree of significance of proposals and decisions, and the appropriate level of engagement and consultation, will be considered in the early stages of a proposal before decision-making occurs.

The following questions should be considered when assessing the degree of significance of proposals and decisions, and the appropriate level of engagement:

- Does it relate to a ‘strategic asset’, as defined by the Act or Schedule 1 of this policy, including the transfer of ownership or control, or the construction, replacement or abandonment?
- How many residents and ratepayers may be affected or interested?

- To what extent may residents and ratepayers be affected or interested?
- How much public interest is likely to be generated?
- To what extent is the current and future social, economic, environmental, and cultural well-being of the Carterton District likely to be affected?
- To what extent will it affect the capacity of the Council to perform its role and carry out its existing activities, now and in the future?
- To what extent are service levels of any significant activity likely to be affected?
- To what extent is the outcome(s) likely to affect the way in which any significant activity is carried out?
- To what extent is the outcome(s) likely to affect the capacity of the Council to provide any significant service or carry out any significant activity?
- Will a specific area be affected (eg geographic area, or area of a community by interest, age or activity)?
- Will council debt, rates on residents, or the financial figures in any one year or more of the Long Term Plan be substantially affected?
- Does it involve the sale of a substantial proportion of, or controlling interest in, the Council's shareholding in any council-controlled trading organisation or council-controlled organisation?
- Does it involve contracting out, or entry into any partnership with the private sector, to carry out a significant activity?
- Will an existing activity cease or a new group of activities be added?

Process

Decisions on significance will be made in accordance with this policy, the Council's Governance Statement, Standing Orders, and other policies including Delegations.

In practice, this means:

- Where any issue, policy, decision, or other matter meets one or more criterion and is deemed to have significance (low, moderate or high), the matter shall be reported to Council.
- Each report shall include a statement indicating that the issue, policy, decision, or other matter has been considered in regard to Significance and Engagement Policy. The report shall include an assessment of the degree of significance of the issue, policy, decision, or other matter, based on the criteria outlined in this Policy.
- The assessment should consider each criterion of significance and report on these, where applicable. The report should include a statement on the level of significance and reasoning behind the conclusion (eg why was it determined to have moderate significance) using the following table for guidance.

Matter/Issue	Determining the Level of Significance		
	Low Significance	Moderate	High
Relates to an asset that is a 'strategic asset'	Does not relate to strategic assets or does not substantially affect other Council assets	Involves sale of, or substantial impact on, part of a strategic asset, or other Council asset	Sale of a strategic asset, or activities that affect the performance of the strategic asset as a whole
Changes to levels of service	Minor loss of, or change to, service levels provided by the Council (or its contractors)	Moderate changes to the level of service provided by the Council.	Decision or proposal creates substantial change in the level of service provided by the Council
Likely level of community interest	Decision or consequence has little impact or is easily reversible	Minor or moderate level of community interest in a proposal or decision; or there is a moderate impact arising from changes; or one or more areas of the District are affected disproportionately to another; or duration of an effect may impact detrimentally on people or a community	A high level of community interest in a proposal or decision; likely to be, or is, controversial in the context of the impact or consequence of the change; involves a specific area affected (e.g. geographic area, or area of a community by interest, age or activity); or there are substantial impacts or consequences arising from the duration of the effect
Financial impact	No material effect on the Council's budget, debt, or residents' rates	Minor effect on rates, debt, or the financial figures in any one year or more of the Long Term Plan	Substantially affects debt, rates, or the financial figures in any one year or more of the Long Term Plan
Changes to Groups of Activities	Minor change to how Council manages groups of activities	Partial exit from a group of activities	Ceasing an existing activity or adding a new group of activities
Delivery arrangements	No substantive change to partnership arrangements for delivery of services, or consultant services	Contracting out or entering partnership with the private sector to carry out minor activities on behalf of the Council	Contracting out or entering partnership with the private sector to carry out a significant activity or a group of activities

- The assessment, and where appropriate the report, must also include consideration of the following requirements, matters, and procedures set out in the Act:
 - s77 Requirements in Relation to Decisions
 - s78 Community Views in Relation to Decisions
 - s79 Compliance with Procedures in Relation to Decisions
 - s80 Identification of Inconsistent Decisions
 - s81 Contributions to Decision-making Processes by Maori
 - s82 Principles of Consultation.
- The report should recommend appropriate methods and extent of consultation and engagement, proportionate to the level of significance.

Part 2—Engagement and consultation

The primary purpose of consulting with the community is to enable effective participation of individuals and communities in the decision-making of councils. This will enable elected representatives to make better-informed decisions on behalf of those they represent.

Matching engagement to significance

In any engagement process undertaken with the community, that engagement will be in proportion to the significance of the matter being considered and any statutory requirements. This is illustrated in the table below.

← LOW to MEDIUM to HIGH significance → <i>(one or more approach may be used)</i>				
The community is provided with objective information to assist in its understanding of problems, solutions, performance	Feedback is obtained from the community to assist in the formulation of options and decisions	The Council works directly with the public throughout the process, to ensure both public and private concerns are understood	The Council seeks direct advice from the community in formulating solutions, and this advice is incorporated in decisions to the maximum extent possible	The public is empowered to make the decision
← EXAMPLES OF ENGAGEMENT METHODS → <i>(additional activities, from left to right)</i>				
Reports, website update, media release, public notice, letter, <i>Snippets</i> , social media, customer services staff information training, or councillor or staff email networks	Notifications to those directly affected, information displays at Council and Library, and at targeted venue, public meeting, open days, focus groups, online consultation, public hearings, print and radio advertising	Discussion groups and workshops, road shows, residents' survey, community-led development, pre-engagement strategy to heighten awareness and create interest and participation, expert opinion on outcomes sought	Working groups, advisory boards	Local body elections

Engagement principles

When any engagement takes place, other than simply providing information, the Council will:

- ensure that elected members are a primary conduit for engagement with the community they represent
- ensure that the engagement has sufficient time and adequate resources to be effective
- seek to hear from everyone likely to be affected

- ask for views early in the decision-making process so that there is enough time for feedback, and for views to be considered properly
- consider different ways in which views can be presented
- listen to and consider views in an open and honest way
- respect everyone's point of view
- work in partnership with appropriate representative and special interest groups
- be sensitive to engagement becoming a burden
- ensure that the engagement process is efficient and cost-effective
- provide information about the outcome of the engagement and the reasons for any decisions.

Information Requirements

At a minimum, the Council will provide the following information when conducting consultation or engagement:

- what is being proposed
- why it is being proposed
- what the reasonably practicable options and consequences are for the proposal
- if a plan or policy or similar document is proposed to be adopted, a draft of the proposed plan, policy, or other document
- if a plan or policy or similar document is proposed to be amended, details of the proposed changes
- what impacts may occur if the proposal goes ahead
- how submitters and participants can provide their views
- the timeframe for consultation and engagement
- how the decisions will be made and who will be making them
- how submitters and participants will be informed about the outcome.

Special consultative procedure

There are still situations where the Special Consultative Procedure (section 83 of the Act) must be used:

- adoption or amendment of a Long Term Plan
- making amending or revoking a by-law
- reviewing a strategic asset.

There are also statutes that require the special consultative procedure to be followed in specific situations, including:

- Resource Management Act 1991
- Sale and Supply of Alcohol Act 2012
- Reserves Act 1977
- Dog Control Act 1996
- Building Act 1991.

Review of the Policy

The Significance and Engagement Policy will be reviewed at least every three years.

Schedule 1—Strategic assets

Strategic asset is defined in the Local Government Act 2002 as 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—

- any asset or group of assets listed in accordance with section 76AA by the local authority
- 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
- any equity securities held by the local authority in:
 - a port company within the meaning of the Port Companies Act 1988
 - an airport company within the meaning of the Airport Authorities Act 1966.

The Council has identified its strategic assets as:

- roading network, including bridges, street lighting, and footpaths
- water treatment, storage, and supply network
- sewerage reticulation network and sewage treatment facilities
- stormwater drainage network
- rural water race network
- landfill site, including transfer station
- parks and reserves, Council-owned land and buildings, public toilets, and sports fields
- cemetery
- Events Centre
- Outdoor Swimming Complex
- housing for the elderly
- Kaipaitangata Forest.

Significant decisions in relation to strategic assets will be those decisions that affect the whole asset group and not individual components, unless that component substantially affects the ability of the Council to deliver the service. It is the principle of provision of the services, not individual items that make these asset groups strategic.