

Policy on Significance

Background

All councils are required by s90 of the Local Government Act 2002 (LGA) to have a 'Significance Policy'. The aim of the requirement is to ensure that councils consider all relevant factors when making decisions¹.

That means that before making a decision Council must identify and assess all practicable options and in so doing ensure that community views have been sufficiently considered. In the course of this process Council must make judgements about the level of detail to consider that is in proportion to the significance of the decision to be made. The circumstances of the decision, council resources and principles relating to local authorities may also be factors relevant to the judgement as to the level of detail to be considered.

The purpose of this policy is to outline the approach of Ashburton District Council to determining the significance of a matter. It includes criteria and procedures used when determining the significance of a matter and whether it is significant. It also includes a schedule of strategic assets.

Definitions

Section 5 of the LGA defines significance, significant 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 future social, economic, environmental or cultural wellbeing 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 any 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 and 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

¹ Every decision must be made in accordance with the provisions of ss77,78, 80, 81, 82; (s5 and s14 are also relevant). Compliance with these provisions will ensure that all relevant factors are considered.

Determining Significance

General Approach

Council will determine the significance of any issue requiring a decision by making a judgment as to:

- The likely impact on or consequences for the wellbeing of the community²
- The likely impact on or consequences for those particularly affected or interested,
- The financial or non financial costs and implications having regard to the Councils capacity to perform its role

The higher the impact/consequences, costs or implications, the higher the degree of significance. When making a decision: the higher the degree of significance the more detail that will be considered in terms of assessment of options, relative costs and benefits and consideration of community views.

A significant decision is one that has a high degree of significance in terms of the factors considered above and information considered should be commensurate with the significance of the decision. That is: a high degree of compliance with the decision-making provisions; s77, 78, 80, 81, 82 will be required.

Criteria to Assess Degree of Significance

The following criteria may be used to assist in determining the degree of significance and whether a matter is significant.

- The extent to which the decision is inconsistent with a significant decision already made or referred to in the LTCCP or Annual Plan.
- The magnitude of the decision in terms of its net cost to Council and exposure to risk. Most major spending decisions should be made in the context of the LTCCP or annual plan. Decisions involving major unidentified and unbudgeted expenditure should receive at least as much scrutiny as they would have received if they had been included in the LTCCP or Annual Plan.
- The long term implications. The longer the decision is likely to create consequences and the more difficult it is to reverse a decision, in general, the greater its significance.
- Practicality. The aim of this policy is for the Council to make policy decisions on behalf of its communities in a well informed, efficient and effective manner. The Council will therefore take into consideration the urgency and magnitude of the decision when determining its significance.
- Precautionary Principle. Where the significance of a matter being considered or a decision being made is unclear or the matter is controversial then the Council will tend to treat the issue as of more rather than less significance.

Procedure for determining significance

- 1 All matters considered by Council officers should be assessed for the degree of significance taking account of the general approach and criteria listed above as appropriate.
2. Where a decision is required by Council, officers will make an assessment of significance and report to the Council with a level of detail that is commensurate with the assessment.

² Taking account of social, economic, environmental or cultural factors in relation to current and future needs

3. It is implicit in a Council decision that the Council has made a judgment as to the degree of significance and whether the appropriate level of detail has been considered.

Strategic Assets

Council is required pursuant to section 90(2) to list all strategic assets as defined in section 5 of the Act (refer 'definitions).

Schedule of Strategic Assets

Comment

Section 97 of the Act requires that decisions to transfer the ownership or control of a strategic asset to or from the council, or a decision to construct, replace or abandon a strategic asset can only be taken if the decision has been explicitly provided for in the Council's LTCCP or through an amendment to the current LTCCP. Strategic assets as described above are the assets in total and not the separate elements of the assets.

Activity/group of activity	Asset
Investments	<ul style="list-style-type: none"> • Equity in Electricity Ashburton • Equity in Transwaste Canterbury Ltd • Equity in Rangitata Diversion Race Management Ltd
Water Supply	<ul style="list-style-type: none"> • The water supply and reticulation networks as a whole including the stockwater intake but excluding the stockwater network
Community Services	<ul style="list-style-type: none"> • Public cemeteries • Council owned Elderly Persons Housing portfolio as a whole • The land and buildings comprising Baring Square Ashburton, including the Ashburton Town Clock, the Cenotaph • Civic Offices • Reserve lands as a whole including land held under the Reserves Act 1977 and land used for parks, gardens, sports field and recreation areas. Includes the Ashburton Domain
Roading	<ul style="list-style-type: none"> • The roading network as a whole
Wastewater	<ul style="list-style-type: none"> • Wastewater infrastructure as a whole