

# APPENDIX 7: SIGNIFICANCE AND ENGAGEMENT POLICY 2015-2018

## THIS POLICY

- sets out the general approach Council will take to determining the significance of proposals and decisions relating to issues, assets or other matters; and
- provides clarity about how and when communities can expect to be engaged in decisions about different matters depending on the degree of significance the council and its communities attach to those matters.

## OBJECTIVE

All decisions Council makes must be made in accordance with the decision-making requirements of the Local Government Act 2002 (set out in sections 76AA-81). Council must also ensure that the community gets every opportunity to engage with the decision making process particularly in cases where the decision being made is significant and may be a material departure from existing policy.

Council must make a judgement about how to comply with the Act in a way:

- that reflects the significance or materiality of the matter under consideration; and
- enhances the community's ability to engage.

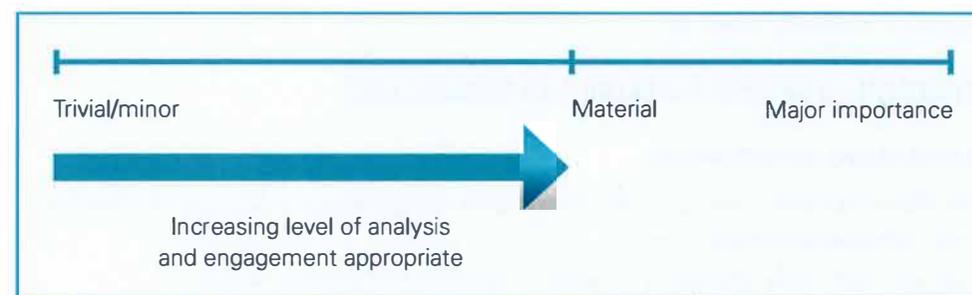
This policy explains Council's approach to determining the significance or materiality of a decision and lists the thresholds, criteria and procedures that Council and its community will use in the assessment.

## INTRODUCTION

The Local Government Act 2002 (the Act) sets out the framework for Council's consultation and decision-making processes. Significance is a key concept in this framework. The term significance, as used in the Act, is defined in Section 5 of the Act.

A decision about issues, assets and other matters is significant if it will mean a material departure from existing policy. A difference or variation is material if it could, itself or in combination with other differences, influence the decisions or assessments of those reading or responding to the engagement document.

The type of decisions a Council and its community must make can range from those that are trivial in nature to those that are of major importance. The Council must decide where in the range of trivial to very important a decision sits and what level of analysis and engagement is appropriate every time a decision is made.



The significance (materiality) range has a threshold at which point decisions are deemed to be 'significant'. If an issue requiring decision is determined to be 'significant' the Council will:

1. Undertake community engagement responding to community preferences for engagement and clearly identifying why, how and when the community can expect to be engaged with using the Special Consultative Procedure (see Section 83 of the Act).
2. Ensure that every decision complies with the decision-making requirements set out in Sections 76AA - 81 of the Act).
3. Take into account the relationship of Māori and their culture and traditions, if any of the options involves a significant decision in relation to land or a body of water Section 77 of the Act).

The Significance and Engagement Policy and the supporting information contained in Council's Community Engagement Strategy, gives Council guidance on what consultation processes should be followed in relation to a particular decision. The Council's 'Guide to Good Decision Making' provides further assistance as to what analysis is appropriate given the significance and nature of a decision. Even where Council thinks that a particular decision does not reach the 'significant' threshold, they may still choose to adopt the Special Consultative Procedure.

### APPROACH TO DECISION-MAKING AND SIGNIFICANCE

#### DETERMINING SIGNIFICANCE

A significant decision is one that has a high degree of significance in terms of its impact on:

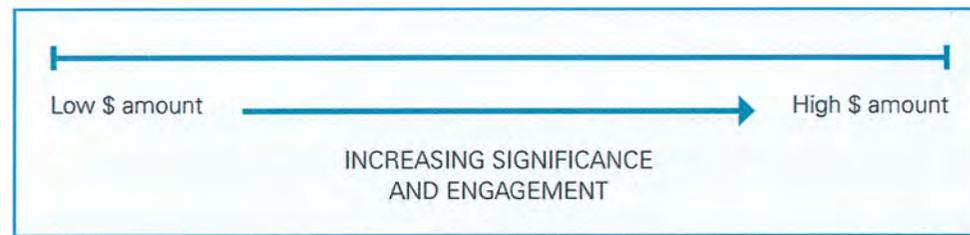
- the wellbeing of Hutt City; and/or
- persons likely to be affected by or with an interest in that decision; and/or
- the costs to or the capacity of the Hutt City Council to provide for the wellbeing of the city.

When considering the significance of a proposal, decision or other matter, the Council will use the following threshold and criteria: (Note: it is the cumulative effect of all these criteria that determines the overall significance of a matter).

- The extent to which the matter flows logically and consequentially from a significant decision already made or from a decision in the LTP or the Annual Plan.



- The extent of the matter in terms of its net cost to the Council. Where a decision has not been highlighted through the LTP or Annual Plan, a decision involving a change in spending of more than 10% of the planned capital expenditure for capital items or 5% of the planned operating expenditure for operating decisions will be considered significant.



- The transfer of ownership or control, or the disposal or abandonment of a Strategic Asset as a whole as defined by the LGA or listed in section 5 of this policy will be considered to be significant. The degree to which transfer of ownership or control, or the disposal or abandonment of a part of a Strategic Asset undermines the integrity/functioning of the asset as a whole or restricts the networking utility of the asset will also be considered.



- The matter includes consideration of a large increase in user fee or the introduction of a user fee for a service that has previously been provided free of charge.



- Reversibility and Intergenerational equity. The more irreversible the effects of a decision the more significance it has - particularly where the decision involves the unsustainable use of resources and so reduces the right of future citizens to inherit the same diversity of natural and societal resources enjoyed by current citizens. This includes the cumulative effects of previous decisions and their impact on irreversibility and intergenerational equity.



- Practicality. The Act provides for Council to take into account the circumstances under which a decision is taken and what opportunity there is to consider a range of options and the views and preferences of other people. In circumstances in which failure to make a decision urgently would result in the loss of opportunities which are assessed as able to contribute to achieving the community outcomes, then Council will tailor its decision making processes to allow as much evaluation and engagement as is practicable while working within the required timeline.



- The extent to which the matter under consideration is of public interest or controversial within the community.



### PROCEDURE

All reports to Council will include an assessment of the significance of the report's recommendations and the level and type of engagement required to ensure that the community gets every opportunity to engage with the decision making process particularly in cases where the decision being made is significant and may be a material departure from existing policy. A statement showing how the Council has (or will) appropriately observe(d) the Act, with regard to the appropriate degree and form of engagement and analysis, will also be included.

If the recommendations are considered to be above the 'significant' threshold, an external peer review will be sought to confirm that the decision-making process undertaken is in accordance with the decision-making requirements set out in ss76AA to 81 of the Act.

### ENGAGEMENT

In 2011 Council consulted on its Community Engagement Strategy (CES) and received positive feedback on the proposed approach. The CES was subsequently approved by Council as part of the 2011 Annual Plan.

The CES covers:

1. Interaction between Hutt City Council and the community undertaken for democratic decision making
2. Ongoing engagement with the community in the spirit of partnership.

It outlines Council's community engagement philosophy and commitment to the community and summarises:

- Our community engagement goals
- The main types of community engagement Council undertakes
- How community engagement relates to the decision-making process and how Council considers how to involve the public in decision-making
- Our approach to community partnerships
- Our commitment to engaging Māori as a Treaty partner
- Key opportunities for improving our community engagement

Community engagement is much broader than consultation, although consultation is encompassed within it. Community engagement includes the full range of community participation in decision-making - from being provided with information only right through to Council supporting community initiatives. The different degrees of community engagement relate to the extent that decision-making powers (and implementation) are devolved to the community, or conversely, held with Council.

At a high level, there are five main types of community engagement that Hutt City Council undertakes with the community. These are summarised here. Although each type of community engagement has its place in Council, this strategy does not prescribe the type of community engagement that must be employed in specified circumstances. The range of Hutt City Council activities and types of decision is too varied for such an approach. However, the section on decision-making does outline some of the high-level factors Council takes into account when considering what type of community engagement is suitable for a specific proposal or issue.

**Information** – Supports all types of community engagement and keeps people informed about such things as decisions, services and local events.

**Consultation** – Can be used when there is a decision to make about something or when there are a number of choices about the details. Most of the proposals Hutt City Council considers involve consultation.

**Deciding together** – Local people are involved in deciding which option to choose, but it is Hutt City Council that will act on the decision. A good example of this is the Walter Nash Park playground in Taita. Locals helped design the playground that Council built.

**Acting together** – Decisions and implementation are made in partnerships between local people or agencies and Hutt City Council. The intended beautification around the Waiwhetu Stream is a good example of this in action. Locals have not only contributed to the development of the vision but are also to be involved in actively developing the area.

**Supporting community initiatives** – Independent groups are empowered to develop and carry out their own plans. Council's role is primarily supportive or facilitative. A lot of the work of Hutt City Council's community support staff involves supporting community initiatives.

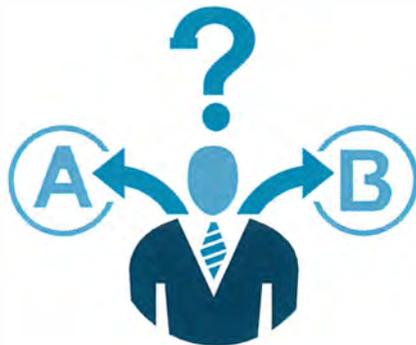
## DECISION MAKING

Hutt City Council is involved in a wide range of activities, from setting policies on gaming in the city, developing and enforcing local regulations and promoting tourism right through to the delivery of services and infrastructure like libraries and roads. In most of these activities, the kinds of decision range from setting longer-term strategy to minor operational matters.

In general terms, these decisions usually involve the first three types of community engagement – information, consultation and deciding together. In many cases, the same decision or issue may involve different types of community engagement at different steps in the decision-making process. It is important that the community and Hutt City Council have a common understanding of the decision-making process and how Hutt City Council decides when and how much to engage the community.

Hutt City Council's general decision-making process is illustrated in its Community Engagement Strategy (CEG). The CEG also outlines the key factors Council generally takes into account when developing a community engagement plan for a specific proposal or decision.

Council has also developed internal guidance – the Community Engagement Guidelines – to assist staff when they are deciding on the best approach to community engagement for a particular matter, proposal or decision. Council has trained community engagement mentors who are also available to assist colleagues design and implement an engagement strategy that is appropriate to the circumstances.



## SPOKEN/SIGN LANGUAGE INTERACTION

Council will make sure that those who require spoken/sign language interaction have this service available through liaising with the Sub Regional Disability Forum and non-government organisations that provide sign/spoken language services.

## STRATEGIC ASSETS

The Act defines a Strategic Asset 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 wellbeing of the community; and includes—

- (a) any asset or group of assets listed in accordance with section 76AA (3) 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”

In accordance with section 76AA (3) of the Local Government Act 2002 Hutt City Council considers the following assets to be strategic:

- Roading Network
- Wastewater Network and Treatment
- Stormwater Network
- Water Supply Network
- Landfills
- Network of parks and reserves
- Dowse and Settlers Collections
- Library Network