



8.0 Significance Policy

8.1 Objective

To ensure that the community of Hamilton is fully consulted and able to actively participate in the consideration of issues, proposals, decisions or other matters which are significant, and/or which involve the community's strategic assets.

8.2 Policy Outline

This policy outlines the general approach of Hamilton City Council (Council) to determining the significance of issues, proposals, decisions, and other matters. It includes thresholds, criteria and procedures that Council will use in assessing which issues, proposals, decisions and other matters are deemed to be significant as required by Section 90 of the Local Government Act 2002.

It also provides a list of assets which Council considers to be strategic assets.

Council will normally consult on any matters of significance through the preparation, review, or amendment to its Long-Term Council Community Plan (LTCCP), or where appropriate through its Annual Plan. Notwithstanding this Council may consult at any time, using the Special Consultative Procedure, with its community, where a matter is deemed to be significant through the application of this policy.

8.2.1 Legislative Requirement

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

8.2.2 Definitions

Section 5 of the LGA 2002 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 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; and
- (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.



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;
- (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.

8.3 Application of the Significance Policy

In determining the application of this policy Council will have regard to the definition of "Significance", "Significant", and "Strategic Asset" as defined in the LGA 2002, and contained in section 1.2 of this policy. It will further have regard to the general approach to determining which issues, proposals, decisions or other matters are significant (Section 90(1)(a) LGA 2002), the thresholds, criteria, and procedures for determining which issues, proposals, decisions or other matters are significant (Section 90(1)(b) LGA 2002), and those strategic assets and groups of strategic assets as a whole identified by the Hamilton City Council (Section 90(2) LGA 2002). (See Attachment One.)

8.3.1 General Approach

In considering whether any issue, proposal, decision or other matter is of significance under this policy Council will be guided by the following:

- the likely impact/consequences of the issue, proposal, decision or other matter, on the current and future social, economic, environmental, and cultural well-being of the community;
- the parties who are likely to be particularly affected by or interested in the issue, proposal, decision or other matter;
- the likely impact/consequences of the issue, proposal, decision or other matter from the perspective of those parties;
- the financial and non-financial costs and implications of the issue, proposal, decision or other matter having regard to Council's capacity to perform its role.

The more material the impact or consequences of the issue, proposal, decision or other matter is likely to be, the higher the standard of compliance required with Part 6 of the LGA 2002, and the more likely the matter will be 'significant'.

In determining whether any issue, proposal, decision or other matter is significant Council will consider the thresholds and apply the criteria and procedures set out below in this policy.



8.3.2 Thresholds

When undertaking a process to determine which issue, proposal, decision or other matter is significant, Council will recognise the following thresholds in determining significance:

- Issues, proposals, decisions, assets, or other matters for which Council will:
 - incur unbudgeted operational expenditure exceeding 7.5% of its annual budget for that year
 - incur unbudgeted capital expenditure exceeding 2.5% of the total value of Council's assets, or where spent on a strategic asset or strategic asset as a whole as defined in the LGA 2002, or in Attachment One of this policy, exceeds 25% of that asset's value

(provided that emergency works which are required to protect life, property or level of service target as specified in an LTCCP shall be exempted);

- Any transfer of ownership or control, or the disposal or abandonment, of a strategic asset as a whole as defined by the LGA 2002 or listed in Attachment One of this policy;
- The sale of Council's shareholding in any council controlled trading organisation, or council controlled organisation;
- A decision that will, directly or indirectly, severely affect the capacity (including financial capacity) of Council to carry out any activity identified in the LTCCP;
- Entry into any partnership with the private sector to carry out a **significant activity**.

Where any issue, proposal, decision or other matter triggers one or more of the above thresholds, it shall be considered against the criteria spelt out in section 2.7 of this policy in determining whether it is significant.

8.3.3 Criteria

In considering whether any issue, proposal, decision or other matter is significant the following criteria will be used:

- the issue, proposal, decision or other matter affects all or a large portion of the community in a way that is not inconsequential;
- the impact or consequences of the issue, proposal, decision or other matter on the affected persons will be substantial;
- the financial implications of the issue, proposal, decision or other matter on Council's overall resources are substantial;
- the outcomes will dramatically impact on the level of service for any significant activity, and/or will affect the Council's capacity to continue to carry out an established significant activity; and
- a consultation process for the issue, proposal, decision, or other matter is not specifically provided for under the Local Government Act 2002, or any other specific legislation.



8.3.4 Procedures

In achieving this policy:

- Decisions on 'significance' shall be made by Council or a committee where specifically delegated in accordance with Council's Governance Statement, Standing Orders, and the Council Policy Manual.
- Where an issue, proposal, decision or other matter is considered to be significant in accordance with the Policy, any report to Council will also include a statement addressing the appropriate observance of such of Sections 77, 78, 80, 81 and 82 of the LGA 2002 as are applicable.
- Once an issue, proposal, decision or other matter is determined as significant in accordance with the application of this policy, the "Decision Making" provisions of the LGA 2002, shall be applied as outlined in Sections 76 to 82 of the LGA 2002.
- Council will determine the most appropriate means to conduct its consultation on any significant issue, decision or other matter. Generally Council will undertake this as part of the preparation, review or amendment to its LTCCP, or where appropriate through its Annual Plan.
- Council will report annually through its Annual Report on all issues, proposals, decisions or other matters determined to be significant, and subject to the procedure outlined in Sections 76 - 82 of the LGA 2002 as appropriate.

8.4 Strategic Assets of the Hamilton City Council

The LGA 2002 requires that this policy shall identify all the strategic assets, as defined in Section 5 of the LGA 2002, and outlined in Section 1.2 above.

The Strategic Assets register (Attachment One) is not an exhaustive list of Council assets but includes those that are considered to be significant in ensuring Council's capacity to achieve or promote any important outcome.

The strategic assets also include, pursuant to Section 90(2)(c)(ii) of the LGA 2002 the Hamilton City Council shareholding in the Waikato Regional Airport Limited.

Note: The Hamilton City Council owns a number of assets and assets managed "as a whole" that it considers to be strategic, however not all trading decisions made regarding these assets are regarded as significant nor do they affect the assets' strategic nature. For example the roading network is strategic, but the individual parcels of land that make it up may not be, and the purchase or sale of such parcels of land are unlikely to amount to a significant decision.



Attachment One

Register of Hamilton City Council's Strategic Assets

ASSET	NOTES
Hamilton City Libraries as a whole	Includes books and heritage collections
Waterworld, & Gallagher Pool	Includes all land, buildings and structures
Founders Memorial Theatre, & Westpac Trust Theatre	
Waikato Museum of Art and History	Includes buildings and collections
Pensioner Housing as a whole	
Hamilton Transport Centre	
Hamilton Zoo	Includes all buildings, structures, land, animals and animal enclosures
Hamilton Gardens	Includes all land, buildings and structures
Amenity Parks, Sports Parks and Facilities under the Reserves Act 1977	
Stadiums	Includes Waikato Stadium, Seddon Park, CaludelandsEvents Centre, and Porritt Stadium
Cemeteries	
Refuse Transfer Station	
Wastewater reticulation system as a whole	Includes pipes, pump stations, and sewer bridge
Stormwater reticulation system as a whole	
Roading system as a whole	Footpaths Off-street Parking Bridges
Reservoirs and water reticulation system as a whole	Includes the land and structures
Waste Water Treatment Plant	Includes all land, buildings and plant
Water Treatment Station	Includes all land, buildings, treatment plant and tanks