

# SIGNIFICANCE & ENGAGEMENT POLICY

## POLICY REFERENCES

- Effective date: 1 July 2018
- Review due: 30 June 2021
- Legal compliance: Pursuant to Section 76AA of the Local Government Act 2002.

## INTRODUCTION

The decisions local authorities make affect their communities on a daily basis. Some decisions have greater significance than others. This Policy explains how the Council will determine the significance of matters.

Effective community engagement builds trust in Council decision making, while also increasing the Council's awareness of issues in the community. Council engages with the community during its everyday business using a range of informal methods. However, some Council 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. This Policy provides guidance on Council's engagement processes.

This policy will apply specifically to the Local Government Act 2002 (LGA) and in generality to decisions under other Acts unless there are expressed provisions to the contrary in the other Acts. Emergencies and emergency works are excluded from this policy.

## PURPOSE

The purpose of this policy (in accordance with section 76AA(2) in the (LGA)) is:

- to enable the local authority and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities; and
- to provide clarity about how and when communities can expect to be engaged in decisions about different issues, assets, or other matters; and
- to inform the local authority from the beginning of a decision-making process about—
  - the extent of any public engagement that is expected before a particular decision is made; and
  - the form or type of engagement required.

The extent of significance and engagement is determined on a case-by-case basis. This policy is intended to guide decision-making on these matters. 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 considered significant. The second part focuses on engagement and consultation. It sets out the principles of engagement Council will use, how Council will engage with iwi, the role of elected representatives, and sets some parameters around minimum information requirements, timeframes, and management of feedback.

## PART 1 – SIGNIFICANCE

### 1.1 WHAT IS SIGNIFICANCE AND WHAT IS SIGNIFICANT?

Section 5 of the LGA 2002 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 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”.

Section 5 of the LGA 2002 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”.

### 1.2 DETERMINING SIGNIFICANCE

This section describes Council’s general approach to determining significance (in accordance with section 76AA(1)(a)).

Determining the significance of a matter is an exercise of judgment. Council must assess how a proposal, decision, issue or matter may affect people, services, facilities and infrastructure in the District. Significance has to be considered as a continuum – ranging from the day to day matters where the decision is of low importance and has low significance, through to those which are critical with high or a very high significance. At some point in the continuum, the degree of significance becomes high enough that the matter is considered ‘significant’.

Schedule 2 sets out the procedure for assessing the significance of matters. Council will use the criteria described below to help determine the level of significance of issues, proposals assets, activities, decisions or other matters. The criteria will be considered together in determining significance rather than separately – a proposal that rates highly against one of the criteria in isolation may not necessarily be considered to be of high significance.

Criteria for Determining Levels of Significance:

- Does the proposal or decision relate to an asset that is a ‘strategic asset’, as defined by the Act or this policy (See Schedule 1 – Strategic Assets), including the transfer of ownership or control, or the construction, replacement or abandonment of a ‘strategic asset’ (as defined by the Act or listed in this policy)?
- Is there, or likely to be, a substantial change in the level of service provided by Council?
- Is there, likely to be, or has there been:
  - a high level of community interest in a proposal or decision? or
  - controversy in the context of the impact or consequence of the change? or
  - a specific area affected (e.g. geographic area, or area of a community by interest, age or activity)? or
  - an impact or consequence relating to the duration of the effect arising from a proposal, decision or activity?
- Will the decision substantially affect Council debt, rates on residents or the financial figures in any one year or more of the Long Term Plan (LTP)?
- Does the proposal, activity or decision 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 the proposal or decision involve entry into any partnership with the private sector to carry out a significant activity; or any new proposal to contract out the delivery of any Council group of activities?
- Does the decision involve Council exiting an existing activity or adding a new group of activities?

### 1.3 DETERMINING WHAT IS SIGNIFICANT

This section describes the criteria and procedure Council will use to assess the extent to which issues, proposals, assets decisions or activities are significant (in accordance with LGA section 76AA(1)(b)).

An issue, decision, proposal or other matter is considered to be significant if it has a high level of significance; is determined to be significant by Council through resolution, and has not previously been consulted on using a special consultative procedure, including through the LTP or Annual Plan.

## 1.4 WHAT HAPPENS WHEN THE LEVEL OF SIGNIFICANCE HAS BEEN DETERMINED?

Once Council has decided what level of significance an issue has and whether it is significant, it will consider how it should engage with its communities. Like determining significance, engagement is also a continuum. At one end of the spectrum, the Council could simply provide information to the community (e.g. advise that there will be a change to rubbish collection days). At the other end of the spectrum, the community is empowered to make a decision itself, such as in the electoral voting system. Where a Special Consultative Procedure is required under any legislation (e.g. for making a bylaw, adopting a LTP or Annual Plan), then the matter is likely to be towards the higher end of the engagement and significance continuum.

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

The exact form and extent of consultation and engagement will be determined by Council on a case by case basis, including considering the level of significance of the matter and any statutory requirements.

An illustration of how Council will approach communities on matters of significance, along with examples of engagement methods used by Council, is provided in the following table.

**Table 1. Matching Engagement to Significance**

LOW	MEDIUM TO HIGH SIGNIFICANCE (ONE OR MORE APPROACH MAY BE USED)			
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 alternatives and decisions	Council works directly with the public throughout the process, to ensure both public and private concerns are understood	Council seeks direct advice from the community in formulating solutions. This advice is incorporated in decisions to the maximum extent possible	The public is empowered to make the decision
EXAMPLES OF ENGAGEMENT METHODS IN TASMAN (ADDITIONAL ACTIVITIES, FROM LEFT TO RIGHT)				
Council reports, website update, media release, public notice, letter, Newsline, social media, customer services staff information training, or councillor or staff email networks	Notification to identified stakeholders & those directly affected, information display at Council offices or local venue in vicinity of activity/initiative, public meeting, open days, surveys, focus groups, online consultation, public hearings, identified staff as points of contact, print and radio advertising, Special Consultative Procedure (LGA)	Discussion groups and workshops, road shows, residents' survey, community led activities, pre-engagement strategy to heighten awareness and create interest and/or participation, expert opinion on outcomes sought by initiative/activity	Working groups, advisory boards	Local body elections

Council regularly surveys its communities on their preferences and satisfaction with Council communication methods. This means Council can track how community preferences and satisfaction change over time and adapt the methods as required.

## PART 2 – ENGAGEMENT AND CONSULTATION

### 2.1 PRINCIPLES FOR ENGAGING AND CONSULTING WITH COMMUNITIES

Overarching principle: Council will engage with the community/ies affected by a matter with high significance to a greater extent than it will for a matter with less significance.

Some principles are common to all engagement processes. Many of the principles listed below have been adapted from the LGA 2002 (Sections 78 and 82), while others have been added to reflect the Council's commitment to community engagement.

**Access to information** – Council will provide reasonable access to relevant information in a timely manner and in a format that is appropriate to people's needs, taking into account the District's geographic and technological challenges.

**Timeliness** – Council will build engagement into the planning process from the start. Sufficient time will be allowed for considered responses from all groups with an interest in, or who are affected by, the issue.

**Partnerships** – in engaging and making decisions, Council will work in partnership with appropriate representative and special interest groups.

**Transparency** – Council will provide information about the purpose of engagement and the scope of the decisions. To ensure that participants know and understand the impact of their involvement, information may be provided on why Council is engaging, what issues are and are not up for decision-making, how the decisions will be made and who will be making them.

**Encouragement to Present Views** – Council will encourage all those affected by, or who have an interest in, an issue or project to present their views. The views can be presented in any way that is appropriate to their needs, e.g. written submission, oral submissions.

**Openness** – Council will receive views with an open mind and will give those views due consideration when making a recommendation (reflecting the differing views), or making a decision. Council welcomes indications of support for, or opposition to, proposed projects or issues.

**Engaging with iwi/Māori** – Council has put in place processes to provide opportunities for iwi/Māori to contribute to Council's decision making processes (refer to section below). Council will work with iwi/Māori to refine and improve these processes over time.

**Responding to Diversity** – Council will endeavour to seek the views of a wide cross-section of the community, using the most appropriate ways of engaging with various representative groups in the community.

**Co-ordination** – Council will encourage planning, coordination and collaboration amongst Council departments and entities for engagement processes.

**Feedback** – Council will provide information regarding the outcome of the decision making process and the reasons for the decisions.

**Extent of Engagement** – Council will weigh up the cost of the methods of engagement relative to the level of significance in determining the extent and nature of engagement.

Council recognises there are different needs in different communities. There are 17 urban and village settlements in Tasman District, and many more dispersed rural communities. Electronic communication challenges exist in some remote rural locations. There are long distances from rural areas to larger urban centres, wide ranging age groups and time availability, and different social and environmental interests to account for. The geographic spread of these communities creates challenges for both Council and community members in engaging in public meetings, workshops, open days and the like. The unique needs of each affected community will be factored into engagement exercises undertaken by Council wherever possible. Where an issue has District wide implications, Council will also endeavour to ensure that the locations selected for direct engagement with communities are spread across the District and are readily accessible to local residents and ratepayers.

### 2.2 ENGAGEMENT WITH IWI/MĀORI

Council will honour all engagement processes, agreements and memorandums of understanding developed with iwi/Māori as they relate to its decision-making policies.

As well as Council's organisational commitment to providing opportunities for iwi/Māori participation in its decision-making processes, the Local Government and Resource Management Acts also place a number of obligations and responsibilities on Council in regard to iwi/Māori. These include the need to establish and maintain processes to:

- Provide opportunities for iwi/Māori to contribute to pre-engagement process prior to the decision-making processes of Council.
- Foster the development of iwi/Māori capacity for contributing to the decision-making processes of Council.

- Provide relevant information to iwi/Māori for the above purposes.
- Have regard to kaitiakitanga and any relevant iwi environmental management plans.
- Take into account the relationship of Māori to, and their culture and traditions with, their ancestral land, water, sites, wāhi tapu, valued flora and fauna, and other taonga, if any options in significant decision making processes are in relation to land or a body of water.

Council has made a commitment to honour its relationship with iwi/Māori of the Tasman District through its 'Statement on Fostering Māori Participation in Council Decision Making' within the current LTP.

The contribution by iwi to Tasman's decision-making processes is provided through the relationships we share with Ngāti Tama, Ngāti Rarua, Te Ātiawa o Te Waka-a-Māui, Ngāti Koata, Ngāti Kuia, Rangitāne O Wairau, Ngāti Toa and Ngāti Apa ki te Rā Tō, and with Ngāi Tahu for the relevant area of the District around the Lakes/Murchison locality. Where appropriate, Council will work with Wakatū Incorporation and Ngāti Rārua Ātiawa Iwi Trust (NRAIT) when dealing with matters relating to the land holdings of those agencies and will also work with those agencies when they represent the manawhenua interests of the traditional owners.

For guidance and advice as to the appropriate approach when dealing with iwi or Māori, staff should contact the Strategic Policy team.

### 2.3 ENGAGEMENT WITH ELECTED REPRESENTATIVES

This policy recognises the role of elected representatives, both Councillors and Community Board members, as valued and recognised conduits to the communities they represent.

Council, when engaging with affected or interested communities, will recognise the relationship elected members have with the location, specific communities and individuals affected by consultation or engagement initiatives.

Participation of elected representatives is an essential step to consider, in light of broader community good, when initiating any project requiring engagement.

### 2.4 SPECIAL CONSULTATIVE PROCEDURE

The Special Consultative Procedure (SCP) is a prescribed process for consultation set out in the LGA 2002 which Council must follow for some decisions. A SCP may also be used for any other decision Council wishes to consult on. This will generally occur when the issue is recognised as being significant in terms of the Council's Significance and Engagement Policy.

The LGA 2002 requires Council to use the Special Consultative Procedure for:

- adoption of or amendment to the LTP (including significant amendments to the Revenue and Financing Policy or transfer of ownership of a strategic asset)
- revocation, adoption or amendment to a bylaw that has significant impacts on the public

It is important to note that formal consultation by a special consultative procedure is a structured process outlined in legislation and supported by case-law. This type of consultation still applies in some decision making processes. In other engagement processes, however, there are no explicit statutory or legal rules constraining or defining community engagement processes. The LGA 2002 has given local authorities the ability to determine this as appropriate for their communities.

At the time of writing this policy there are a number of other acts that require use of the Special Consultative Procedure,

### 2.5 CONSULTATION UNDER OTHER ACTS

Section 82(5) of the LGA 2002 states that where specific consultation is required under the LGA, or any other enactment, and if inconsistent with any section 82 principle – the other provisions will prevail (to the extent of the inconsistency). Those other Acts include, among others, the Reserves Act 1977, the Biosecurity Act 1993, Land Transport Act 1998 and the Resource Management Act 1991.

### 2.6 PLANNING FOR COMMUNITY ENGAGEMENT

Council will provide opportunities for communities to engage, and encourage people to play a role, in Council's decision-making processes. To support those opportunities, Council will:

- choose the type of engagement most suited to each issue, and the preferred means of communication unique to each Tasman community, and form an engagement plan;
- consider the extent that Council is already aware of views of potentially affected and interested people;

- take opportunities to consider the views of affected communities at all stages of the process, through the adoption of solutions, initiatives or policies;
- in deciding the type and extent of any consultation, have regard for the nature and significance of the decision, its likely impact on, and the degree of importance to, those affected;
- engage as early as possible, and as appropriate, in a decision-making process. Ensure engagement processes are an integral part of project planning in its earliest stages;
- integrate and combine engagement and decision-making processes across departments as appropriate and wherever practicable;
- be sensitive to engagement becoming a burden, and people becoming reluctant to participate (effectively losing faith in the process);
- work in partnership with members and/or associations within particular communities to engage with the wider community where appropriate or cost-effective, and within time constraints;
- recognise that the significance or potential impact of a decision may be affected by more than the number of affected people.

## 2.7 INFORMATION REQUIREMENTS

For early engagement processes (i.e. prior Council having decided on a draft plan, policy or proposed option) at a minimum Council will provide the following information when conducting consultation or engagement activities:

- What the issue being addressed is and why it is being considered
- Any initial practicable options identified to date (including the status quo)
- Any initial consideration of the consequences of the different options identified
- How those being engaged with can provide their views
- The likely subsequent stages in engagement and decision making processes
- How those being engaged will be informed about subsequent stages in engagement and decision making processes

For engagement/consultation processes in which Council has decided on a draft plan, policy or proposed option, at a minimum, Council will provide the following information when conducting consultation or engagement activities:

- what is being proposed;
- why it is being proposed;
- what the 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 to the plan, policy, or other document.
- what impacts (if any) may occur if the proposal goes ahead;
- how submitters and participants can provide their views;
- the timeframe for consultation and engagement; and,
- how submitters and participants will be informed about the outcome.

(This list incorporates requirements under section 82A of the LGA 2002)

Note: in some circumstances all of the above may not be available during consultation, for example, if Council is seeking community views early in a process to inform the preparation of a draft plan or policy, which will be consulted on at a later date.

## 2.8 HOW COUNCIL WILL PROVIDE FEEDBACK TO THE COMMUNITY

Council will make available clear records, or descriptions of relevant decisions, made on an issue or matter where engagement has taken place. Explanatory material relating to the decision will be included, e.g. references to reports used to reach a decision. Those who participated in the engagement and the community at large will be notified of decisions by letter, email, Council newsletter, media statement or public notice. Decisions and reports will be made available on the Council website, or hard copies supplied upon request, unless they contain confidential matters that are not able to be made available to the public.

## **2.9 LENGTH OF ENGAGEMENT**

The length of engagement can and does differ. It will be directed by:

- The level of significance or timeframes, as determined by legislative obligations; or
- The decision-making requirements and the possible effects of the decision that have not been deemed highly significant;
- The extent to which Council is already aware of the issue or views of the community;
- The level of community interest in proposed Council decisions; and,
- The structure and demands of the decision-making process.

## **2.10 ENGAGEMENT ON OTHER MATTERS**

Council will engage with its communities on other matters in a wide range of ways and on an ongoing basis. This will be achieved through more formal means such as public forums at Council and committee meetings or making presentations to Council workshops, through to more informal means such as staff or elected members attending the meetings of other organisations, participating in network meetings or communicating by telephone, email, publications, website or social media.

## **REVIEW OF THE SIGNIFICANCE AND ENGAGEMENT POLICY**

The Significance and Engagement policy will be reviewed by Council every three years.

## SCHEDULE 1: STRATEGIC ASSETS

Section 5 of the LGA 2002 defines strategic asset as:

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 future well-being 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.

For Tasman District the list of Strategic Assets are:

- a) Strategic Assets required by legislation consisting of:
  - Shareholding in Port Nelson Ltd
  - Shareholding in Nelson Airport Ltd
  - Any land or buildings owned by Council and required to maintain Council's capacity to provide affordable housing as part of its social policy.
- b) Strategic assets determined by the Council consisting of the following in their entirety:
  - Transportation system
  - Wastewater reticulation system
  - Stormwater reticulation system
  - Ownership of Port Taroakohe as a whole
  - District Libraries
  - Reserves and Cemeteries
  - Water reticulation system
  - Water treatment plants
  - Wastewater treatment plants
  - Forestry Estate

Note:

In the event that the Waimea Community Dam proceeds, Council will include its investment in the Council Controlled Organisation (to be formed to own and operate the Dam) in the list of Strategic Assets in this policy.

## SCHEDULE 2 – PROCESS FOR ASSESSING SIGNIFICANCE

The LGA 2002 states that it is the responsibility of a local authority to make, at its discretion, judgments about how to achieve compliance with provisions relating to the decision making process and obtaining community views (sections 77 and 78). The decisions on the extent of consultation will be proportionate to the significance of the matters affected by the decision, as determined in accordance with this Significance and Engagement Policy.

### PROCEDURES FOR ASSESSING SIGNIFICANCE

Decisions will be made in accordance with this policy, the Council’s Governance Statement, Standing Orders and the Tasman District Council’s Delegation Register. In practice, this means:

- Where any issue, policy, decision or other matter is not covered by a delegation recorded in Council’s delegation register, the matter will be reported to Council or one of its committees.
- Each report shall include a statement indicating that the issue, policy, decision or other matter has been considered in regard to Council’s 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. Each matter may be assessed on any one or more criteria.
- 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, whether the issue, policy, decision or other matter is deemed to be significant and reasoning behind the conclusion (e.g. why was it determined to have moderate significance).
- The assessment shall also include consideration of the following requirements, matters and procedures set out in the LGA 2002:
  - section 77 Requirements in Relation to Decisions,
  - section 78 Community Views in Relation to Decisions
  - section 79 Compliance with Procedures in Relation to Decisions
  - section 80 Identification of Inconsistent Decisions
  - section 81 Contributions to Decision-making Processes by Maori
  - section 82 Principles of Consultation

The report should 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 a decision on significance has been made, the report should recommend appropriate methods and extent of consultation and engagement. The recommended engagement is to be proportionate to the significance of an issue, proposal, activity, asset or decision.

**Table 2: Determining levels of significance – Examples**

MATTER/ISSUE	DETERMINING THE LEVEL OF SIGNIFICANCE		
Proposal or decision relates to an asset that is a ‘strategic asset’	Low Significance	Moderate	High Significance
	e.g. Proposal or decision does not relate to strategic assets or does not substantively affect other Council assets.	e.g. Proposal or decision involves sale of, or substantial impact on, part of a strategic asset, or other Council asset.	e.g. Sale of a strategic asset; or activities that affect the performance of the strategic asset as a whole
Changes to Levels of Service	Low Significance	Moderate	High Significance
	e.g. Minor loss of, or change to, service levels provided by Council (or its contractors).	e.g. Moderate changes to the level of service provided by Council.	e.g. Decision or proposal creates substantial change in the level of service provided by Council.

MATTER/ISSUE	DETERMINING THE LEVEL OF SIGNIFICANCE		
Community interest levels; Controversial; Areas affected & timing of effects	Low Significance	Moderate	High Significance
	e.g. Decision or consequence has little impact and/or is easily reversible	e.g. 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 settlements or Wards of the District are affected disproportionately to another; or duration of an effect may impact detrimentally on people or a community.	e.g. 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	Low Significance	Moderate	High Significance
	e.g. No material effect on Council's budget, loans or projected debt.  No material effect on rates	e.g. Minor effect on rates for residents, Council debt or the financial figures in any one year or more of the LTP.	e.g. Decision or proposal substantially affects Council debt, rates on residents or the financial figures in any one year or more of the LTP.
Sale of a substantial portion or controlling interest in a Council-controlled trading organisation (CCTO) or Council controlled organisation (CCO).	Low Significance	Moderate	High Significance
	e.g. No material effect on Council shareholdings in a CCO or CCTO	e.g. The sale of less than 20% of Council's shareholding in any CCTO or CCO .	e.g. Proposal, activity or decision involve the sale of more than 20% of Council's shareholding in any CCTO or CCO organization.
Partnership Arrangements with the Private Sector.	Low Significance	Moderate	High Significance
	e.g. No substantive change to partnership arrangements	e.g. Entry into any partnership with the private sector to carry out minor activities on behalf of Council (excluding consultant services).	e.g. Proposal or decision involves entry into any partnership with the private sector to carry out a significant activity; or any new proposal to contract out the delivery of any Council group of activities.
Changes to Groups of Activities	Low Significance	Moderate	High Significance
	e.g. Minor change to how Council manages groups of activities	e.g. Partial exit from a group of activities	e.g. Decision involves Council exiting an existing activity or adding a new group of activities.