

Statement of Proposal on the draft Significance and Engagement Policy

Purpose

The purpose of this document is to inform the public and seek comments on council's draft Significance and Engagement Policy.

Background

Council is required to adopt a significance and engagement policy under section 76AA of the Local Government Act (LGA), which may be amended from time to time. The policy is to enable council to determine the degree of significance for particular issues, and to provide clarity to council and the community about when council will engage, and how.

Council adopted a significance and engagement policy in 2018, as part of the previous long term plan process. This policy has now been reviewed and minor amendments are proposed, as reflected in the draft Significance and Engagement Policy.

Council is consulting in accordance with Section 82 of the LGA on these amendments to its Significance and Engagement Policy.

Proposal

Council proposes to adopt a Significance and Engagement Policy to be included in its Long Term Plan 2021-2031, which is substantially similar to the current significance and engagement policy, but with slight alterations for simplicity and readability.

The draft policy also includes reference to council's proposed new regional projects reserve. This is specified as being exempt from the \$750,000 capital or operational expenditure threshold that would be consulted in consideration as to whether a matter is 'likely to be significant'. Council's Investment and Growth Reserve is already exempt from this threshold, as is changes to the council's investment portfolio.

Including the reference to the proposed new regional projects reserve is intended to provide greater scope for this reserve to be able to operate in the way it intended, and to be able to respond to opportunities such as matching central government funding, without triggering a consultation threshold based purely on expenditure. The other significant thresholds would remain and consultation would still be required if these were triggered.

Assessment of options

The reasonably practicable options are:

- That council adopts an updated Significance and Engagement Policy; or
- That council adopts an updated Significance and Engagement Policy, without reference to the regional projects reserve.
- That council retains its current Significance and Engagement Policy without amendments.

Making the slight alterations and updates to the policy are of little consequence and has no disadvantages.

The advantages of making the slight alterations and updates are that the policy is simpler, more straightforward and up to date.

The advantages of including reference to the proposed new regional projects reserve are:

- Consistency with purpose of the reserve
- Provides greater flexibility to be able to use the reserve most efficiently
- Provides greater clarity in the policy about what financial transactions will trigger the threshold
- The other threshold triggers are maintained, including large divisions in community interest, or substantial inconsistency with existing policy.

The disadvantages of including reference to the proposed new regional projects reserve is:

- The bar for determining significance will be set marginally lower.

It is considered that the amendments to the policy improve its usability, and support the intended purpose of reserve funds.

Submission process

Full copies of the draft Significance and Engagement Policy, and information on how to make a submission is available on the council website www.nrc.govt.nz/futureplan

The full draft Significance and Engagement Policy also forms part of the supporting information to the council consultation on the Long Term Plan 2021-2031 consultation document, which is also available on the website.

Significance and engagement policy

Council makes decisions every day, ranging from day-to-day matters to those with a very high level of importance, impact, or public interest. This policy sets out when and how our communities can expect to be engaged in our decision-making processes.⁽¹⁾ The policy:

- tells our community **when and how we will engage** with them on an issue or proposal; and
- provides us with a tool for defining **what is significant**⁽²⁾ helping to determine where a greater level of community engagement will result in better decision making.

Our approach to community engagement

Community engagement means connecting with other people in a decision-making process, to share ideas and build understanding. It involves a range of different approaches

We are elected to make decisions on your behalf, however, when we're engaging communities, or deciding the extent of engagement, we will be guided by the following principles:

We will:

- seek community views on significant issues, to ensure we have enough information to make our decisions;
- give you the information you need to be involved;
- listen to your views and consider them with an open mind;
- continue to improve how we engage with Māori and enable input into our decisions;
- target our engagement to those directly affected or interested in the decision;
- do our best to provide opportunities for you to present your views in a way that suits you;
- let you know what decisions we make and why;
- continue to improve how we engage with you.
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When and how we will engage

Different levels of community engagement will be used in different situations. Sometimes we already have a good understanding of community views and preferences, but at other times we may need more information. Wherever possible we will endeavour to engage with communities on their turf, and at a time that best meets their needs, to make it as simple as we can for you to have your say.

Consulting

We will **consult** when we are required to by law, when a proposal is considered significant (as defined later in this policy) and when we need more information on options for responding to an issue.

When we **consult** we will make information about the issue or proposal available to the relevant communities, present options where relevant, tell them how our process works, and how they can provide feedback. We will offer an opportunity to talk to councillors, or independent commissioners, face-to-face. We will collect information and feedback on the proposal or issue from our communities and use this to guide decision-making. This will often follow a formal process set out in legislation.

Involving and collaborating

We will **involve or collaborate** with our communities in decision-making when we need more information on community views to fully understand an issue and develop a proposal for dealing with that issue; or where we can be more effective and efficient in achieving our priorities through working with others.

When we **involve or collaborate** we will approach those that are likely to be affected by the proposal and invite them to share their thoughts and ideas. This will guide our decision-making, and in some cases help us to decide if we need to consult. We'll also work with already established groups to achieve shared goals.

Informing

We will **inform** our communities about decisions made when we believe there is some interest in the decision and/or people may be affected by the decision, but further engagement is not warranted.

1 This policy is intended to meet the requirements of the Local Government Act 2002 (Section 76AA) for a Significance and Engagement Policy.

2 Significance (as defined by the Local Government Act 2002) 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.

When we inform, we will let you know what we have decided to do, where you can find out more and who to talk to if you have questions and advise you of any timeframes that might be relevant.

No engagement

When there is a need for confidentiality or the matters concern internal operational issues, we won't engage. In this case we will follow all procedures required by law to ensure that decisions are made in a lawful way.

We will always consider:

- The likely impact on, and consequences for, the environmental, social, cultural and economic well-being of the region.
- Who is affected by or likely to have an interest in or want to be involved in decision making on the issue and what we know about their preferences for engagement.
- The importance of the matter to both us as the council, and those affected.
- The impact on Māori and their relationship with ancestral land, water, sites, wāhi tapu, valued flora and fauna and other taonga.
- How to engage Māori in a way that is meaningful to them.
- What we already know about community views.
- The circumstances in which the issue has arisen.
- Options, benefits and costs (current and future).
- The extent to which options will achieve or promote council objectives.
- The extent to which any costs outweigh the benefits of engagement methods.
- The impact on council's capability to fulfil its statutory responsibilities.
- The likely impact on service delivery, levels of service or any of council's strategic assets.
- The degree of information / research required to inform decision-making.
- How we'll inform you of the final outcome of the decision or issue.

Defining which issues and decisions are significant

Distinguishing which decisions are significant and which are not, is not always black and white. The significance of an issue, proposal, asset, decision or activity (referred to in this document as a "matter") lies somewhere on a continuum from low to high, and its significance will influence the level of engagement that council undertakes.

We will consider the significance of each matter on a case-by-case basis. When considering whether any matter is significant, we will consider a combination of factors as detailed in the following table:

Does the matter being considered involve:		Degree of significance	What this means
Rates Setting a new rate; or Increasing an existing specific targeted rate; or Increasing an existing region-wide targeted rate by more than 2% (annually) above that previously approved in the most recent Long Term Plan?		SIGNIFICANT	We will consult with our communities
Assets The transfer, replacement or abandonment of a strategic asset?		SIGNIFICANT	We will consult with our communities
Level of Service A proposal to begin a new activity or cease an existing activity? ⁽¹⁾		SIGNIFICANT	We will consult with our communities
Legislation A legislative requirement to consult?		SIGNIFICANT	We will consult with our communities
Thresholds The matter triggers two or more of the following thresholds:	Is substantially inconsistent with existing policies, strategies or decisions.	LIKELY TO BE SIGNIFICANT	We will determine the best approach, which may be to: <ul style="list-style-type: none"> ● consult ● involve/collaborate ● inform
	Incurs high capital or operational expenditure, or a financial transaction, with a value greater than \$750,000. ⁽²⁾		
	Large divisions in community interest or high levels of prior public interest.		
	The decision is irreversible, has a high degree of risk, or significance of the decision is largely unknown.		
	The decision has a large impact on a moderate number of people or a moderate impact on a large number of people. ⁽³⁾		
Everyday operations The matter is part of normal day-to-day operations of council or is provided for in the Long Term Plan or Annual Plan.		NOT SIGNIFICANT	We will follow usual decision-making procedures

1. Activities as set out in the 'Groups of activities' section of the Long Term Plan 2018-2028
2. This limit covers a single issue, asset or matter as well as a package of the same aligned to deliver a single outcome or objective. This limit does not apply to expenditure funded from the Investment and Growth Reserve, regional projects reserve, or changes to the council's investment portfolio. Note that these investments will need to meet the criteria of council's Investment Policy, pursuant to section 102 of the Local Government Act.
3. As a guide: a moderate number of people is considered to be 4000-8000, and a large number of people is considered to be greater than 8000.

Every report to the council or decision-making body will include an assessment of the significance of the matter, the degree of engagement proposed, the engagement plan proposed and a clear recommendation.

Strategic assets

A strategic asset (as defined by the Local Government Act 2002) means an asset or group of assets that the local authority needs to retain if it is to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future well-being of the community.

The Northland Regional Council's strategic assets as defined in this policy are:

- its interests in Marsden Maritime Holdings Ltd;
- the Awanui river scheme;
- Hopua te Nihotetea (the Kotuku Street Dam in the Whangārei urban rivers scheme) and the land which the dam structure occupies;
- the Kāeo stopbank scheme;
- other river scheme assets as they are constructed.

A decision to transfer the ownership or control of a strategic asset to or from the regional council can only be taken if it has been provided for in its Long Term Plan and, therefore, will be the subject of the Local Government special consultative procedure.

Reviewing this policy

Council intends to review this policy every three years after the local body elections. Any consultation required would likely occur concurrently with a future Annual or Long Term Plan.