



Significance and Engagement Policy
Governance Policy

Policy Owner	Strategy and Policy Manager		
Adopted by	Governing body		
Description of policy	Procedures and criteria for determining the significance of decisions and the extent of engagement required before a decision is made.		
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This policy effective from:	<<Insert Text.>>	Date of next review:	<<Insert Text.>>

1. Purpose

- 1.1 To enable the Council and its communities to identify the degree of significance attached to particular issues, proposals, decisions, activities and assets.
- 1.2 To provide clarity about how and when communities can expect to be engaged in decisions made by the Council.
- 1.3 To guide the Council about the type and method of engagement expected before a decision is made.
- 1.4 To identify assets considered by the Council to be strategic assets.

2. Objectives

- 2.1 To set out criteria the Council will use for assessing the extent to which issues, proposals, decisions, activities or assets are significant.
- 2.2 To guide the Council to choose the appropriate type and method of engagement to be used to obtain community views, including when it will use the special consultative procedure in section 83 of the Local Government Act 2002 (LGA).

3. Background

- 3.1 Under the LGA, the Council must have this policy to consider the significance of a matter when:
 - making judgments about requirements to obtain community views on matters before decisions are made
 - exercising its discretion about the extent to which the principles of consultation are considered appropriate in any particular instance, and therefore to be followed.
- 3.2 All Council reports must refer to the assessments made under this policy about the degree of significance of the matter and how the degree has been used to choose the type and method of engagement.
- 3.3 This policy must be read and applied alongside the Council's Māori Contribution to Council Decision Making Policy.

4. Application of Policy

- 4.1 This policy applies to all proposals and decisions made under the LGA, or when other legislation requires that Act's procedures to be followed. It does not override Council

decisions under legislation that specifies other public participation processes, such as the Resource Management Act 1991.

- 4.2 An assessment of the degree of significance and the appropriate level of engagement, will be considered in the early stages of a proposal before decision making occurs, whether those decisions are made by staff (under delegation) or elected members, and if necessary, reconsidered as a proposal develops.
- 4.3 The Council is required to follow the special consultative procedure set out in section 83 of the LGA, or carry out consultation in accordance with section 82 of the LGA, on certain matters regardless of the degree of significance determined using this policy.

5. Definitions

Words or phrases used in this policy that are defined in the LGA have the same meaning as in that Act. For ease of reference some of those definitions are copied here (correct as at the date of adoption of this policy).

Community means a group of people living in the same place or having a particular characteristic or interest in common.

Decisions refers to all decisions made by or on behalf of the Council, and includes decisions made under delegation. It does not include decisions made by Council staff that are necessary to implement governing body decisions.

LGA means the Local Government Act 2002.

Significance has the same meaning as in the LGA, as follows:

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;
- (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

Significant has the same meaning as in the LGA, as follows:

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 has the same meaning as in LGA as follows:

An asset or group of assets the Council needs to retain if the Council is to maintain its capacity to achieve or promote any outcome it 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 76AA(3) [of the LGA] 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.

Sub-group is an assortment of people commonly recognised as a group/collection within the District's community, i.e. residents of a recognised settlement e.g. Coromandel, Ward or particular area (e.g. Thames Coast, households/businesses along the length of a major road, dog owners, users of a district reserve/facility/service, etc).

6. Policy

6.1 Two-step process

The Council will follow a two-step process to inform its decision-making. This process will be used on a case-by-case basis for each issue, proposal, decision, activity or asset.

1. Determine significance – the Council will use criteria to assess the degree of importance of a matter as low, medium or high, which will then determine the degree of significance.
2. Link the degree of significance – the degree of significance will then be used to inform decisions about the appropriate type and form of engagement used to obtain community views on the proposal or decision.

6.2 An assessment of the degree of significance and the appropriate level of engagement will be considered in the early stages of a proposal, before decision making occurs, whether those decisions are made by staff (under delegation) or elected members, and if necessary, reconsidered as a proposal develops.

6.3 Step 1 – Determine significance

6.3.1 General approach

The Council will establish the degree of significance of each issue, asset or matter that is the subject of a proposal or decision on a case-by-case basis and consider the impacts and consequences using the criteria in Section 6.3.2 of this policy. The degree of significance is a judgment to be made after considering the combination of all likely impacts and consequences. The degree will be assessed as low, medium or high significance.

6.3.2 Criteria for assessing significance

The following criteria are derived from the definition of significance in the LGA. They are not exclusive and some proposals or decisions may require assessment using additional criteria.

6.3.2.1 Well-being of the district

- Will the proposal affect any aspect of the social, economic, environmental or cultural well-being of a specific community, or the District as a whole?
- Can the impact of the decision be easily reversed?
- Will the impact be major and long term?

6.3.2.2 Community interest and effect

- Is the community already, or is it likely to become, interested in the proposal?
- Is the proposal likely to be controversial?
- Will a large portion of the community be affected or have interest in it?
- Will the impact on communities will be major and long-term?
- Will it impact a specific demographic?
- Will it impact Māori, Māori culture and traditions (note: this policy must be read and applied alongside the Council's Māori Contribution to Council Decision Making Policy).

6.3.2.3 Financial and operational consequences for the Council:

- Will the proposal or decision impact the capacity of the Council to carry out its role and functions?
- Will a level of service (as set out in the Council's Long Term Plan) be affected?
- Will a strategic asset be affected? (note: a proposal to transfer the ownership or control of a strategic asset will always have a high degree of significance)

- To what extent will the financial costs of making and implementing the proposal or decision impact rates?
- Can the impact of the decision be easily reversed?

See **Appendix 1** for further guidance on use of the criteria for determining significance.

6.3.3 Matters that will always be of high significance

Some proposals and decisions that are part of the regular functioning of the Council, will always be of high significance. They are:

- Transferring responsibilities to another local authority under section 17 of the LGA
- Transferring the ownership or control of strategic assets (see list of strategic assets in Section 9 of this policy)
- Development and adoption of a long-term plan
- Proposals or decisions that are inconsistent with existing Council plans or policies and will have one or more of:
 - costs (excluding external funding) exceeding \$5 million
 - a high level of community interest
 - major and long-term impacts on people in the District.

These matters do not need to be assessed under this policy.

6.4 Step 2 – Link degree of significance to type and method of engagement

6.4.1 Choose type of engagement

Engagement covers a variety of types of communication between the Council and its communities. Based on the degree of significance of an issue, proposal or decision, the Council will choose the type and method of engagement it will use to seek community views before it makes a decision.

Unless prescribed otherwise by law, the extent to which engagement is undertaken should be in proportion to the degree of significance and the costs and benefits of any engagement process.

The more significant an issue, proposal, decision, or matter, the more likely the Council will need to engage with the community on their views, and the more time and resources will be dedicated towards those engagement processes. The Council always reserves the discretion to make judgements about the allocation of resources in accordance with the specific nature and circumstances of the proposal or decision.

Different types of engagement may be required during different stages of the decision-making process.

See **Appendix 2** for guidance on choosing the type and method of engagement, examples of how and when communities can expect to be engaged in the decision-making process, and the types of engagement the Council may use for specific issues.

6.4.2 Special consultative procedure

Some matters, regardless of their degree of significance, require the use of the special consultative procedure in section 83 of the LGA. These matters include (but are not limited to):

- Adopting or amending a long term plan
- Adopting, amending or revoking a local alcohol policy under the Sale and Supply of Alcohol Act 2012
- Adopting or reviewing a local approved products policy under the Psychoactive Substances Act 2013
- Adopting or reviewing a class 4 venue policy under the Gambling Act 2003
- Preparing, amending or revoking a waste management and minimisation plan under the Waste Minimisation Act 2008

- Making a bylaw under the Freedom Camping Act 2011.

For these matters, using the special consultative procedure is the minimum type of engagement. It may be appropriate to use other types of engagement in addition to the special consultative procedure.

7. Responding to community preferences about engagement

- 7.1 Although the Council may not directly engage with the community on every matter, it gathers information about the views and preferences of the District's communities in many, less formal, ways, and uses that information to inform its decisions. The Council uses its existing relationships and networks with individuals and communities to gather information as appropriate.
- 7.2 The Council may also develop ongoing relationships with the community on general matters, rather than engage purely on issues that require a decision. This will also allow the community to raise matters outside of formal engagement activities.
- 7.3 When the Council does engage, it will take a proactive and flexible approach with the aim of receiving balanced and representative views. The Council will adapt how it engages with communities, depending on the people involved, to be as inclusive and accessible as possible.
- 7.4 Any engagement the Council has with the community will be conducted in good faith and in an open, honest and transparent manner.
- 7.5 The Council will also take into consideration that the community can experience 'consultation fatigue'.
- 7.6 During a decision-making process, the Council may tailor the engagement based on a range of factors, including history and public awareness of the issue, previous community involvement, timing related to other events, and budget.

8. When will the Council not engage?

There are times when, due to their nature and circumstances, it will not be appropriate for the Council to engage with the community on certain issues, proposals, decisions, or matters. Examples of this include where the Council:

- is protecting the privacy and safety of individuals (as provided for in the Privacy Act 1993).
- is maintaining confidentiality and/or commercial sensitivity to enable the Council to carry out commercial activity or negotiations without prejudice (as provided for in the Local Government Official Information and Meetings Act 1987).
- is acting with urgency in a crisis (for example under the Civil Defence Emergency Management Act 2002).
- already has clear direction on a strategy or plan and has already made up its mind about an issue and therefore does not have a sufficiently open mind to carry out meaningful engagement.

Confidential decision-making may be required when engagement is likely to considerably increase the cost of a commercial transaction to the Council.

In these situations, the Council will either not engage at all, or tailor its engagement to suit the circumstances in which the decision is to be made.

9. Strategic assets

The Council identifies the following assets, or groups of assets, as strategic assets:

- Roading and footpath assets
- Water supply, wastewater, and stormwater networks

- Reserves
- Community housing (land owned by Council where this housing is located)

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Appendix 1 – Guide to assessing significance

Degree	Criteria to consider – refer to Section 6.3.2	Examples	Consider effort required for engagement
High	<ul style="list-style-type: none"> Any matter listed in Section 6.4 of this Policy Large consequences for the socio-economic, environmental or cultural well-being of the whole District Very difficult to reverse Impact is major and long term Affects a wide range of people Has high public interest Is very likely to be controversial Has high impacts on a specific demographic (eg older people on fixed incomes) Large impact on Council being able to carry out its role Unbudgeted capex of more than \$5 million Affects a strategic asset Will require a major increase or decrease in rates Is inconsistent with an adopted Council policy or plan Major reduction in a current level of service 	<ul style="list-style-type: none"> Adopting a significant bylaw (e.g. Public Places or Freedom Camping Bylaw) Adopting a policy that has wide community interest, e.g. Local Alcohol Policy Bylaw A large investment, e.g. a new wastewater treatment plant or kerbside waste collection system Ceasing a Council activity Adoption of a Long Term Plan A major change to the level of service for a significant activity that will have a major impact on a large number of people, e.g. parks and open spaces. Transfer of a strategic asset. 	<p>Go to Appendix 2 for guidance on types and methods of engagement and when to use them.</p>
Medium	<ul style="list-style-type: none"> Moderate consequences for the socio-economic, environmental or cultural well-being of a settlement or area Somewhat difficult to reverse Moderate impact and duration Affects a subgroup May have a degree of controversy Has moderate impacts on a specific demographic Moderate impact on Council being able to carry out its role Unbudgeted capex of \$1-5 million Flows from a prior Council decision or has some alignment with an adopted policy or plan, but there are some notable differences 	<ul style="list-style-type: none"> Adoption of or major amendment to a bylaw Adoption of a strategy or policy that will only affect a subgroup or have moderate community interest, e.g. Coromandel Creative Arts Strategy or Leases and Licenses to Occupy Policy A moderate investment, e.g. a community playground. A change to Council user fees and charges that affects a subgroup, e.g. increase in dog registration fees A moderate change in the way an activity operates, e.g. changing the day for rubbish collection Adoption of Annual Plan 	
Low	<ul style="list-style-type: none"> Minor consequences for the socio-economic, environmental or cultural well-being of a settlement or area Able to be reversed Low impact of short duration Affects individuals Not likely to be controversial Minor impacts to a specific demographic Low impact on Council being able to carry out its role Less than \$1 million capex Aligned with a prior Council decision or with an adopted policy or plan 	<ul style="list-style-type: none"> Minor amendment to an existing bylaw or policy that has low community interest A proposal for a small playground upgrade that is a short-term project with minor, reversible impact on people and the natural or built environment Adoption of a policy that has low public interest and/or is not controversial, e.g. Significance & Engagement Policy A minor change in the way an activity operates, e.g. a tender with a different contractor or water restrictions 	



Appendix 2 – Guide to linking degree of significance to type and method of engagement

The table below describes the types and methods of engagement and when each of them is appropriate to be used. The table is based on international best practice developed by the International Association of Public Participation (IAP2).

Engagement types and methods and when to use them Council must comply with legal decision making requirements (note section 76-79 of the LGA). How to achieve compliance is to be largely in proportion to the significance of the matters affected by the decision (e.g. extent of options identified, detail of information considered).					
TYPE	Inform	Consult	Involve	Collaborate*	Empower*
Engagement Objective	To provide communities with information to assist their understanding	To obtain community feedback on our proposals	To work directly with our community throughout the decision-making process to ensure their views are understood and considered	To partner with our communities in the decision-making process, including jointly developing options and solutions	To give our communities power to make the final decision
Degree of significance this type is appropriate for#	Low e.g. decisions required by legislation, business-as-usual updates	Low or medium , including matters where consultation is required under section 82 or 83 of the LGA	Medium or high including matters where consultation is required under section 82 or 83 of the LGA, e.g. major changes to council services such as waste management	High where an on-going working relationship with other people or organisations is required, e.g. roading infrastructure works and plans developed with Waka Kotahi	High where decision-making can be delegated or transferred, e.g. voting systems
	Low		Medium		High
# There may be occasions where the Council chooses to use an engagement type different to that indicated by the degree of significance. For example, as part of its commitment to promote participatory democracy, the Council may choose to collaborate with the community on a matter of medium significance.					
When the public can expect to be involved	After a decision is made	After options have been developed and a proposed solution identified	In the process of developing and considering options and evaluating solutions	Proactively to consider matters of mutual interest At the start to scope the issue, again after information has been collected and again when options are being considered.	After the Council has gathered sufficient data and information to enable people to make a decision
Method	<ul style="list-style-type: none"> Websites Social media posts Information flyer Public notices 	<ul style="list-style-type: none"> Feedback on published proposals Surveys Public meetings Focus groups Must meet LGA s 82 & 83 requirements 	<ul style="list-style-type: none"> Workshops/hui Focus groups Citizens Panel Open days 	<ul style="list-style-type: none"> Regular hui/ meetings Working groups Advisory panels Consensus decision-making 	Binding referendum
When to use	<ul style="list-style-type: none"> Urgent or commercially sensitive decisions Previously approved projects Minor amendment to a bylaw Water restrictions 	<ul style="list-style-type: none"> Section 82 and 83 consultative procedures for Annual Plans, LTPs, bylaws, some policy reviews Change to fees and charges 	<ul style="list-style-type: none"> Early engagement on proposals for District Plan, Annual Plan and LTPs Engagement on options, design of specific projects or proposals such as new playgrounds 	<ul style="list-style-type: none"> Engagement on options, design of specific projects or proposals such as new playgrounds where community views will be incorporated 	

* These engagement types are also commonly called 'co-design'.