

Significance and Engagement Policy – strategic assets review

Meeting: Council Briefing
Date of meeting: 14 May 2020
Reporting officer: Shireen Munday, Senior Policy Analyst

Purpose/Ngā whāinga

To discuss the list of strategic assets to be included in the proposed amended Significance and Engagement Policy.

Context/Horopaki

Council has requested a review of the Significance and Engagement Policy (SEP). An item on this matter was presented to Council at the April 7 Long Term Plan (LTP) Briefing. Elected members raised some questions about the list of strategic assets, which this item discusses.

Discussion/Ngā kōrerorero

Legislative background

Council's SEP is required to include a list of 'strategic assets' in accordance with section 76AA(3) of the Local Government Act 2002 (LGA). Section 5 of the LGA provides a definition of 'strategic assets':

***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 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*

Council does not have a social policy that provides for affordable housing, nor does it hold equities in a port or airport company. Therefore, the only strategic assets of Council are those assets that are listed in Council's SEP.

Kaipara District Council's strategic assets are Council-owned assets that Council considers need to be retained to contribute to any outcomes determined by Council to be important to the current or future well-being of the community.

Implications

The difference between a strategic asset and other assets of Council is provided in section 97 of the LGA. This section states that there are some decisions that Council can only make if the matter is provided for in an LTP.

In simple terms, by listing an asset as a strategic asset in its SEP, if Council wished to consider the transfer of ownership or control of such an asset, this would have to be first included as a matter in the LTP consultation document for community consultation. The proposed transfer of the asset would also have to be considered within the wider strategic and financial direction of the proposed LTP.

Should Council wish to consider the transfer of a strategic asset outside of the LTP review cycle, then an amendment to the LTP, with associated audit and community consultation requirements would have to be proposed.

Non-strategic assets

Assets of Council that are not strategic are regularly reviewed, usually in conjunction with the LTP review process. Any transfer of ownership or control of an asset of Council is through a decision at a Council meeting.

Any decision Council makes regarding the sale of assets still requires consideration of the SEP. As such, this includes a requirement for Council to decide whether community feedback is appropriate prior to making a final decision. Even if the matter is deemed to have a lower degree of significance, Council will still need to consider whether community input to the decision is appropriate before proceeding.

Current and proposed list of strategic assets

Council's list of strategic assets in the current SEP is:

Stormwater schemes	The roading network
Water supply schemes	Reserves
Wastewater schemes	Cemeteries
Pensioner housing	

Staff are proposing to amend the list based on the direction and decisions made during the 2018 LTP process, feedback from senior staff and also the discussion of Elected Members at the 7 April 2020 LTP Briefing. The proposed amendments to the list of strategic assets is as follows, together with explanatory comments.

Strategic Asset	Comments
Water supply schemes	No change proposed
Wastewater schemes	
Stormwater schemes	
The transportation network	This includes the existing roading network but expands the asset to clearly include important other parts of the network, such as footpaths and cycleways.
The open spaces network	This includes the existing reserves and cemeteries but is expanded to include all open spaces (e.g. parks, civic spaces etc) under the control of Council.
The stop bank network	Proposed new inclusion, based on EM feedback and the impact any change of ownership in the network may have on the affected communities.
Pensioner housing	Direction and decisions on Council's pensioner housing assets was provided during the development, consultation and adoption of the 2018 LTP. This proposed removal is consistent with those decisions.

A presentation will be provided at the Briefing to support the discussion.

Next steps/E whaiake nei

Based on the discussion and any further direction received at this meeting, staff will prepare a final draft amended SEP for discussion at the June LTP Briefing.