

Report **04.606**
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Committee **Policy, Finance and Strategy**
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Decision-making process and guidelines

1. Purpose

For the Committee to consider a draft decision-making process and associated guidelines.

2. Background

Part 6 of the Local Government Act 2002 (“the Act”) includes the decision-making and planning requirements that must be used to decide which activities Greater Wellington will undertake. It prescribes:

- the procedural steps associated with making decisions
- the judgements local authorities are entitled to make when determining the extent of compliance with part 6 of the Act.

The Act distinguishes between decisions and significant decisions. A significant decision has a high degree of importance for any of the following:

- community wellbeing
- the people who are interested in or likely to be affected by the decision
- the capacity of a local authority to perform its role and the costs of it doing so.

For all decisions, Greater Wellington is required by section 76(3)(a) of the Act to ensure that its “decision-making processes” promote compliance with applicable decision-making requirements.

In the case of significant decisions, Greater Wellington is required by section 76(3)(b) to ensure that before a decision is made, all applicable requirements have been observed.

Broadly speaking, the Council's decision-making processes must:

- involve consideration of all reasonably practicable options, including the costs and benefits of those options
- involve consideration of the views and preferences of persons likely to be affected or have an interest in a decision
- identify and explain any significant inconsistency between any decision and the Council's policies or plans
- provide opportunities for Maori to contribute
- promote compliance with the principles of consultation.

3. Comment

3.1 Recommendation to adopt a decision-making process

Given the requirement in the Act to have processes that "promote compliance" with part 6 of the Act it is recommended that the Council adopt a decision-making process that accurately records the requirements of the Act and is used:

- by officers when making decisions under delegated authority or preparing reports for consideration by the Council or its committees
- as a guide by councillors when making decisions – particularly "significant" decisions – to ensure that the requirements of the Act have been met.

A draft decision-making process is included as **attachment 1** to this report. A commentary on the draft process is included as **attachment 2** to this report.

3.2 Certain operational decisions to be exempt

The draft decision-making process anticipates that officers will be able to make routine administrative decisions without reference to the process - i.e. staff will not be expected to give specific consideration to decision-making requirements when making these decisions (see 'exempt' decisions – page 1 of **attachment 1**).

In order for this to be possible, whilst still ensuring compliance with the Act in respect of these decisions, the Council must consider these types of 'exempt' decision in the context of section 79 of the Act and judge that it is not necessary, given the significance of the decisions, for officers to:

- identify different options
- quantify costs and benefits

- consider information
- keep a written record of compliance with sections 77 and 78 of the Act.

When making these judgements, the Council must have regard to the significance of all relevant matters. It must also have regard to –

- the principles set out in section 14 of the Act; and
- the extent of Greater Wellington’s resources;
- the extent to which the nature of a decision, or the circumstances in which a decision is taken, allow Greater Wellington scope and opportunity to consider a range of options or the views and preferences of other persons.

Given the comparative insignificance of these decisions it is thought that it is appropriate that they be made without the need to record compliance with the Act. However, officers will still be expected to exercise appropriate judgement about the products or services being purchased and to comply with any applicable Council guidelines or delegations.

4. Communications

If adopted, the decision-making process will be circulated to all managers and made available to staff via the intranet.

5. Recommendations

That the Committee recommend to the Council that:

- 1. Subject to any necessary amendments, it adopts the draft decision-making process and guidelines.*
- 2. Note that the Council Secretary will ensure that the decision-making process and guidelines are circulated to all managers and made available to staff via the intranet.*
- 3. Subject to 5 below, require that officers have regard to the decision-making requirements contained in part 6 of the Local Government Act, and described in the decision-making process, when preparing reports for decision by the Council or its committees.*
- 4. Subject to 5 below, require that, as far as possible, officers comply with the decision-making requirements contained in part 6 of the Local Government Act 2002, and described in the decision-making process, when making decisions under delegated authority*
- 5. Confirm that certain decisions, identified in the decision-making guidelines as ‘exempt’ decisions, can be made without reference to the decision-making process.*

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Attachment 1: Draft Greater Wellington decision-making process

Attachment 2: "What does it mean when writing Council reports" – a commentary on the decision-making process