

ACQUISITION, RETENTION, AND DISPOSAL OF PROPERTY POLICY



30 October 2024



POLICY NUMBER: MDC060

First Endorsed	This policy was first endorsed on 30 October 2024
Latest Version	30 October 2024
Endorsed by:	Council
Review Date	30 October 2027 (then 6 yearly beyond)

PURPOSE

The purpose of the policy is to ensure consistent decision making and diligent management of financial and legislative risks relating to the Council's Property Portfolio.

The policy establishes principles, policies and processes for the Acquisition, Retention, and Disposal of Property and seeks to ensure that Acquisition, Retention and Disposal is carried out in a way that:

1. aligns with Council's strategic objectives, policies, strategies and Long-Term Plan;
2. is strategically managed for long-term community benefit;
3. is fair, consistent, transparent, robust and:
 - protects property owners' rights;
 - maintains stakeholder relationships (private, public, Iwi, and Māori);
 - safeguards Council's reputation;
 - complies with the Council's legislative responsibilities; and
 - complies with best practice.
4. reflects good value (financial and non-financial) by:
 - minimising costs associated with Acquisition and Disposal;
 - maximising returns from Disposals;
 - reviewing the Council Property Portfolio regularly and when considering the future ownership of a Council owned property, questioning whether that Property is Surplus, well-used, and suitable for its purpose.

The Policy is broken into the following four schedules:

Part A: Acquisitions (Page 6);

Part B: Review and Retention (Page 13);

Part C: Disposals (Page 18); and

Part D: Related Policy, Legislation and Definitions (Page 23).

SCOPE

The Policy applies to the Acquisition, Retention, and Disposal of Property by the Council and applies to all Council employees, including any temporary staff, contracted staff, consultants, delegates and agents if they are acting on behalf of the Council.

The Policy does not apply to:

- the acquisition or granting of interests in land such as roads, reserves, parks, licenses, leases or easements of or over Property;

- hireage of spaces and any other temporary use arrangements for Property;
- rights to attach equipment/signage to a building (unless it is a permanent right);
- removable furniture, equipment, and other items not fixed to a real property asset;
- disposal of stopped roads;
- intellectual property rights; and
- naming rights.

The Policy does not apply to the development, construction, alteration, renewal, replacement or demolition of buildings, fixtures and fittings, or Council infrastructure and improvements on land. These issues are covered within the relevant asset management plans.

Where Council is directed by central government to acquire property, following a Civil Defence Emergency or as a result of climate change initiatives, this policy will be applied in conjunction with the terms and conditions specified by central government. Where there is any inconsistency between the two, the terms and conditions specified by Central Government will prevail. An example of this is the Future of Severely Affected Land (FOSAL process following Cyclone Gabrielle).

PRINCIPLES

In considering any Acquisition, Retention or Disposal, the Council should have regard to the following principles:

1. **Public Interest:** prioritise community and ratepayer interests;
2. **Transparency:** conduct acquisition or disposal transactions in an open and transparent manner, within reasonable commercial confidentiality constraints;
3. **Conflict Management:** identify, disclose, and mitigate conflicts of interest;
4. **Iwi Partnership:** engage meaningfully with local iwi, respecting tikanga Māori;
5. **Legal Compliance:** adhere to relevant legislation and regulations;
6. **Financial Responsibility:** optimise value and consider non-ownership options;
7. **Needs-Based:** align with community needs and long-term trends;
8. **Consistency:** align with Council policies, strategies, and plans;
9. **Sustainability:** consider social, cultural, environmental, and economic factors; and
10. **End-of-Life Planning:** include disposal plans in acquisition decisions.

CONSULTATION

The Council will apply the Local Government Act and its Significance and Engagement Policy when determining the appropriate level of engagement on

decisions to Acquire or Dispose of Property. Officers will also ensure that consultation meets the requirements of any applicable legislation (see Part D).

Planning for significant Acquisitions and Disposals of Property generally requires the Council to undertake public engagement through the preparation of infrastructure strategies, long-term plans and annual plans.

Engagement with the community and stakeholders affected by potential decisions or that have specific interests in it may take a variety of forms depending on the stage of decision making.

REVIEW OF POLICY

This policy will be reviewed after three years initially, before moving to a six-year cycle, or as necessary to reflect legislative changes.

RELATED DOCUMENTS

Council Documents

- Wairarapa Combined District Plan
- Annual Plan
- Long-Term Plan
- Wairarapa Consolidated Bylaws

Version Control

Version	Date	Summary of Amendments	Endorsed By
1.0	30/10/2024	Initial policy	Council

PART A - ACQUISITIONS

1. General Provisions

Unless otherwise agreed by Council under resolution, when acquiring a Property, the Council must:

- comply with Council decision-making processes, as set out in the delegations register;
- determine the market value by obtaining a registered valuation carried out by a registered valuer;
- evaluate and explore alternative approaches besides ownership to provide the service and consider the respective consequences of each approach.

2. Acquisitions Planning

Operational Acquisitions

Operational Acquisitions of Property are:

- provided for in the Long-Term Plan or Annual Plan, either as specifically identified property/ies or in order to contribute to identified service requirements or associated with or required to enable projects contemplated by the Long-Term Plan or the Annual Plan;
- funded from capital funding sources including but not limited to those identified in the Long-Term Plan, Annual Plan and/or by development contributions;
- purchased within the financial year containing the allocated purchase budget or purchased within delegated financial authority.

Ad Hoc Acquisitions

Ad Hoc Acquisitions of Property are Acquisitions that do not meet the above requirements for an Operational Acquisition. Ad Hoc Acquisitions of Property allow Council to acquire Property on a proactive and efficient basis, ensuring that council can take advantage of market opportunities.

Ad Hoc Acquisitions of Property support Council to deliver improved economic, environmental, social and cultural outcomes and meet its future operational requirements, by allowing for the advantageous purchase of Property not anticipated for in the current financial year.

These unanticipated opportunities to purchase might come from the public, landowners, elected officials, central government or staff. In this situation, an assessment against the criteria in this Policy will be undertaken and presented to Council. If the recommendation is to acquire the Property, the assessment must clearly justify why the Acquisition of the Property should be addressed promptly rather than through the usual planning process.

Strategic Acquisitions

The basis of this category of Strategic Acquisition of a Property is to secure Property to initiate development that will be beneficial for the community which is not

initiated by the private sector. The word 'land' is commonly used for this type of strategy but can equally apply to the wider 'Property' definition used in this policy.

It is envisaged that Council's role in this form of advance purchase would generally be one of initiation or facilitation on a case-by-case basis and usually short term.

For the property to meet the criteria for strategic purchase to initiate further development, the following needs to apply:

- There needs to be an approved land acquisition proposal for the specific property in the form of a report and recommendation to Council to acquire the property. As a minimum, the report should contain supporting arguments, evidence, and a risk assessment.
- The recommendation should be signed off by the activity manager and approved by the Chief Executive/Council resolution.
- If the acquisition proposal is more than two years old, the activity manager needs to confirm that it is still currently valid.

3. Purpose of Acquisitions

Masterton District Council may acquire Property for a diverse range of reasons or purposes. Some common examples include for a public work, for a reserve or open space, for an esplanade strip, or because it was directed to by Central Government as part of a recovery operation. Each of these reasons or purposes has its own specific and individualised requirements, goals and motivations which can affect how the acquisition is made and the steps involved in the acquisition process. Identifying the purpose and following the process can help mitigate risk and support a better outcome for the Council. See the examples of some types of purposes for Acquisition of Property and a description of each set out in the table below:

Type	Description
Public Work	Where the Council requires land for delivering Public Works (e.g. roads, public utilities and other infrastructure for things like drinking water, stormwater or wastewater (sewage)), it may Acquire Property using the Public Works Act 1981. The Public Works Act can also be used to Acquire Property for non-infrastructure projects. The Public Works Act provides a process for Acquisition of Property by Council for a Public Work, either by agreement with the landowner or under compulsion.
Reserves and Open Spaces	Reserves and open spaces in the district are utilised for a range of active and passive pursuits, and assets on Council reserves provide for enhanced community use and enjoyment. Reserve assets vary from toilet blocks to playgrounds and community halls. Reserves and open spaces can also be acquired to protect and preserve ecological values, historic heritage, cultural value, geological value, or landscape values. The Council acquires Reserves and open spaces to accommodate the growth of our communities, and developers are required to contribute either funds (through financial or

	<p>development contributions) or land towards providing this.</p> <p>If land is classified as a Reserve (section 16 of the Reserves Act), the Council has obligations for its management, including rules for revocation and Disposal, under the Reserves Act 1977.</p> <p>If the Reserve is Crown derived, upon revocation of the reserve status, the land would be passed back to LINZ/Crown to dispose. Council can be an "administering body" of the Reserve to control and manage the Reserve (this depends on whether the land was acquired by Council or whether ownership was derived from the Crown).</p>
Esplanade Strips/ Reserves	The Council acquires esplanade reserve when landowners subdivide titles adjacent to significant water bodies and the coast. Whilst esplanade reserves are vested as a separate title with the Council, esplanade strips are simply recognised by an instrument on the record of title of the underlying lot and therefore remain in private ownership, however, there will likely be requirements relating to public access, fencing, and planting.
Offsetting/ Developments	The Council may Acquire Property where a development is required under a resource consent to vest land in the Council to offset a negative effect of the development, or under the LGA for the protection of rights. Commonly as part of these developments, easements are provided to the Council to protect its existing/new infrastructure and Council's specific access requirements.
Central Government Directed Acquisition	The Council may be directed by central government to acquire property following a civil defence emergency, or as part of climate response initiatives.

4. Methods of Acquisition

Masterton District Council has a variety of methods by which it can Acquire Property, depending on the nature and purpose of the Acquisition. The various methods and a description of each are set out in the table below:

Method	Description
Willing Seller/Willing Buyer	Direct negotiation occurs between the Council and the property owner. Terms of the sale, including the price paid for the Property, is determined through the negotiation process.
By Negotiation under the Public Works Act 1981	The Public Works Act 1981 provides the Council with the ability to negotiate to acquire specific types of Property for a Public Work. Direct negotiation occurs between the Council and the property owner to determine the terms of the sale, including the price paid for the property (Section 17 Public Works Act).

By Compulsory Acquisition under the Public Works Act 1981	The Public Works Act 1981 provides the Council with the ability to compulsorily acquire specific types of Property for a public work. The landowner is compensated in accordance with the requirements of the Public Works Act 1981.
Endowment Gifting & Bequeathing	Property owners approach Masterton District Council to gift or bequeath Property. When deciding whether to accept a proposal to gift or bequeath Property, the Council must consider the need for the Property, how much it will cost to develop, the ongoing maintenance costs, ability to on sell if the Property becomes operationally redundant and any other obligations or conditions imposed by the property owner.
Vesting	Property is vested in the Council through the Reserves Act 1977 or due to a requirement in planning rules, such as those relating to roads, public spaces (pocket parks and reserves, stormwater drains, accessways and carparks) and esplanade reserves.
Land Exchange and Transfer between Public Uses	Generally applied to Public Work acquisitions, opportunities can arise for the mutually beneficial exchange of Property through boundary adjustments or outright 'swapping' of property. Masterton District Council owns Property for a wide variety of purposes, and at the end of the life of an asset, or due to changing needs, Property may become available for an alternative public use, such as a park. This may also apply to other Crown Acquiring Authorities/Agencies.
Private-Public Partnerships	The Council can enter into agreements with the private sector for capital works projects, including the Acquisition of Property. In these agreements, the Council would work with and share risk with a private entity to deliver better outcomes for the community. There are various ways to document these agreements, including Memorandums of Understanding/ Heads of Agreement, or bespoke documents that detail the commitments taken on by each party to the agreement.
First Right of Purchase Agreement	The Council and the property owner enter into an agreement that the Council has the option to purchase the Property prior to it being offered for sale on the open market. The agreement outlines the terms and conditions under which the Property will be offered to the Council to purchase. An encumbrance is recorded on the record of title for the Property to acknowledge the first right of purchase agreement.

Voluntary Buyout offer on behalf of central government and Council	Where central government and the Council share the costs of either the purchase of land and a residential dwelling, or just a residential dwelling (without the land, but with compensation to the owner for the value of curtilage around the dwelling). In the first scenario, Council would own the land and the dwelling. In the second scenario, Council would own just the dwelling for removal from the land (with the owner agreeing to the Council registering a land covenant over the land to prevent further residential use of the land).
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5. Funding options

The Council secures funding for Property Acquisitions from various sources. The following table summarises these sources and describes how they apply to the Acquisition of a Property:

Method	Description
Targeted rates	The Council can charge a targeted rate on a group of properties for a defined purpose, such as acquiring a specific piece of land for a specific purpose. Funds collected this way must be spent on the purpose for which they are collected.
Loans	The Council can raise loans against capital works such as purchasing land, and these are used by the Council as a 'smoothing mechanism' to reduce the impact of such a large one-off expenditure on rates, balanced with a prudent approach to ensure the burden of debt does not become too large.
Financial contributions	The Resource Management Act 1991 enables local authorities to make rules requiring financial contributions when land is developed to mitigate the effects of growth.
Development contributions	The Local Government Act 2002 allows Councils to require a contribution from new developments to provide infrastructure required due to growth, such as land for infrastructure projects like Public Works or greenspace. Development contributions can only be spent on growth-related infrastructure in accordance with the Council's Development Contributions Policy.
Proceeds from the disposal of Council-owned or administered land	If the Council Disposes of Property it may choose, or be required under the Reserves Act 1977, to utilise the proceeds from any such sale towards acquiring new land or as otherwise set out in the Reserves Act 1977. Proceeds from asset sales will be credited to the Property Proceeds Reserve. In cases where the Council has been gifted the Property, it may be required to reinvest any proceeds from Disposal into a purpose in line with the original gift.
Funding from reserves	Funding from reserves refers to the practice of using saved money from previous financial years to cover

	current or future expenses. Council may choose to draw on these reserves to Acquire Property, particularly in the short term, without raising rates or changing service levels.
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6. Acquisition opportunity assessment process

The Council will apply a strategic approach to the Acquisition of Property. This approach will include evaluating each Acquisition opportunity against the 6-step assessment process set out below:

1. **Need for Property identified:** this is primarily through asset management planning associated with the Annual Plan or Long-Term Plan. Alternatively, a need could be identified through a request from Elected Members or the public.
2. **Acquisition opportunity identified:** officers identify potential Property or Properties. This should include basic investigatory work on the history, use and price of potential properties. At this stage, an interim decision should be sought from the Council before further work is undertaken.
3. **Opportunity assessed against Acquisition and Prioritisation Criteria:** officers confirm that the Acquisition opportunity aligns with the Acquisition and Prioritisation Criteria (see paragraph 7 below), or alternate rationale clearly documented. This assessment should also include any potential opportunity costs.
4. **Council decision making:** Assessment against Acquisition and Prioritisation Criteria presented to Council as a report for a resolution to acquire.
5. **Consultation:** consultation or engagement may be required as part of the Annual plan or Long-Term Plan process, by the Significance and Engagement Policy, or other applicable legislation.
6. **Acquisition undertaken:** Acquisition undertaken as per terms of the Council resolution.

7. Acquisition and Prioritisation Criteria

When considering the Acquisition of a Property, the Council uses the following acquisition and prioritisation criteria to determine if the Acquisition of the Property aligns with policy objectives:

Strategic Fit

- Aligns with growth or asset management plans.
- No existing Council properties meet the need.
- Enhances functionality or access to current properties.
- Offers social and environmental benefits.
- Fills a recognized gap or need, as noted in plans.
- Included in Long-Term or Annual Plan, with budget allocated.

Community Needs

- Considers community interest and preferences.

- Aligns with community aspirations for site use.

Costs and Value

- Funding source is identified, and life-cycle costs are considered.
- Equitable funding for current and future generations.
- Registered valuation for the Property is obtained.
- If buying extra property, a clear plan for its use or disposal is required.
- Considers strategic value if only part of a property is purchased.

Land Use Restrictions

- Zoning and designations are appropriate for intended use.

Alternative options

- Explores other ownership arrangements (e.g., easements, leases).
- Evaluates alternative acquisition methods (e.g., endowments, partnerships).

Site suitability

- Current use and natural hazards do not obstruct planned use.
- Considers costs and implications of existing structures.
- Ensures site access and functionality.

Due diligence/Tenure

- Legal authority for the proposed activities or intended use is confirmed.
- Investigation of all legal and title issues relating to the Property and any encumbrances or memorials registered on the record of title.
- Resource management, code of compliance and LIM matters relating to the Property are identified and addressed taking into consideration intended use.
- A building report for any buildings on the Property including engineering issues is conducted and evaluated.
- Any existing tenancies (registered or unregistered) e.g. leases or licenses are reviewed and assessed.
- Suitability of the Property for the intended use.

Cultural and Ecological Values

- Supports meaningful iwi relationships.
- Protects ecological, historical, cultural, or landscape values.

Risks of non-acquisition

- Risk of losing the opportunity or site becoming unsuitable.
- Priority given if no alternatives exist, and the need will not be met otherwise.

The Council may still proceed with an Acquisition of Property even if some criteria are not fully met, but any unmet criteria will be thoroughly reviewed and considered in the decision-making process.

PART B – REVIEW AND RETENTION

1. General Provisions

The Council should own, fund, maintain, and manage Property that:

- is strategically important;
- supports core business cost-effectively;
- provides other value or benefit to Council or our community (such as parks, Reserves etc).

If a Property doesn't meet these criteria, it should be considered for Disposal.

2. Review of Council Property Portfolio

A strategic review of the Council Property Portfolio will be conducted every three years as part of the Long-Term Plan (LTP) process. This review will:

- evaluate the adequacy and performance of current properties in alignment with this Policy;
- explore non-ownership options for delivering services or strategies and assess their impacts;
- identify properties that may be considered for Disposal;
- if Disposal is considered, identify any potential service gaps or impacts on organisational objectives.

The results of this review will be reflected in asset management plans, and consultation on any Property identified for potential Disposal will be undertaken as part of the LTP process, in line with consultation requirements of the Local Government Act, our Significance and Engagement Policy and any other applicable legislation.

3. Criteria for the Review of Existing Council Owned Property

Property Review Criteria

Council will evaluate each existing Property using specific criteria to determine whether to Retain it.

The following ten key criteria are to be considered in conjunction with the purpose and principles of this Policy:

- i. **Strategic Relevance:** Has the Property been identified by the Council as being strategically relevant?
- ii. **Core Business/Activity:** Does the Property contribute to the Council's core business activities?
- iii. **Location:** Is the Property in the correct location for current and future needs?
- iv. **Sufficiency:** Is the Property sufficient for delivering these services?
- v. **Function/Utility:** Is the Property in a good state of repair and 'fit for purpose'?
- vi. **Utilisation:** Is the Property well utilised/accessible for its purpose?

- vii. **Provision/Tenure:** Is the Property the only one of its kind, or are there other options available?
- viii. **Cost Efficiency:** Is the Property cost-effective?
- ix. **Return on Investment:** Does the Property provide a good return on investment?
- x. **Capital Costs:** What is the cost of maintaining the Property in a state fit for purpose, including any costs of compliance?

Property Review Scoring of Criteria

The property review applies a weighted scoring system based on the abovementioned ten key criteria, with a total possible score of 60 points. Strategic Relevance and Core Business/Activity each contribute up to ten points, while the other eight criteria are scored out of five points.

A Property will be deemed to have failed the retention benchmark if the review produces a score where:

- i. the total score is less than 35
- ii. any two or more criteria rank as one or less;
- iii. any four or more criteria rank as two or less

Where all or most of the criteria are met, and a Property has not failed the retention benchmark (as noted above), the Council will Retain the Property.

Where the initial retention benchmark is not met, the implications for each Property and stated objectives will be assessed and noted.

Where three or more criteria are not met or where the implications of/for unmet criteria are significant, then a further, more detailed assessment will be undertaken, as part of the asset management planning process.

The ten key criteria are set out again in the following table, with further definitions and the corresponding scoring schedule adjacent:

Criteria	Scoring Benchmark
<p>1. Strategic Relevance Is the function or purpose of the Property identified as a strategic priority for the Council that demonstrably supports a meaningful working relationship with iwi and the social, cultural, economic and environmental benefits associated with Council's published Community Outcomes. For example, it may support/facilitate growth or provide improved amenity, functionality, safety, or access to (or for) the coast, waterways, walkways, cycle tracks, or other recreational connections.</p>	<p>10 - The Property is required and critical to meet Council's current and future strategic priorities as detailed in an Asset Management Plan, Infrastructure Strategy or other strategies and plans adopted by the Council.</p>
	<p>5 - The Property provides the most cost-effective option to meet Council's current and future strategic priorities as detailed in an Asset Management Plan, Infrastructure Strategy or other strategies and plans adopted by the Council.</p>
	<p>1 - The property is one of several options that could meet Council's strategic priorities.</p>

2. Core Business/Activity Is the function the Property will fulfil considered a core Council business/activity? Is it detailed in an Asset/Activity Management Plan?	10 – Core Council business.
	5 – Not core Council business but desirable, and no one else is supplying the service.
	1 - Service could be/possibly should be provided by the private or voluntary sector.
3. Location In terms of the purpose for which the Property is held and utilised, how does its location complement/assist its function?	5 - The location is ideal.
	4 - The location is good to very good.
	3 - The location is good.
	2 - The location is acceptable but could be better.
	1 - The location is poor.
4. Sufficiency Is the Property sufficiently large or able to be adapted to accommodate the service and facilitate growth as required?	5 – The Property and/or improvements are large enough and have sufficient additional capacity to accommodate future development/growth (10-30%).
	4 - The Property and/or improvements are only large enough for the current purpose.
	3 - The Property and/or the improvements are too small, but this can be readily accommodated by improvements costing less than 20% of CV or acquiring adjacent Property.
	2 - The Property and/or the improvements are too large (31%-50% more than required).
	1 - The Property and/or improvements are too large (>50% more than required).
5. Function/Utility Is the Property fit for purpose? Notes: “Depreciation” is the loss in value from any cause. The two main components are physical depreciation and obsolescence. “Physical depreciation” is physical wearing out due to use and natural forces. “Obsolescence” is the loss in value from causes other than physical decay or wear. It includes functional, economic, legal and technological obsolescence.	5 - The functional utility of the Property is estimated to be within 90% of that exhibited by a new Property designed and built specifically for the purpose.
	4 - The functional utility of the Property is estimated to be within 75% to 90% of that exhibited by a new Property designed and built specifically for the purpose.
	3 - The functional utility of the Property is estimated to be less than 75% of that exhibited by a new Asset Property built specifically for the purpose, but the asset can still be practically used for the purpose.
	2 - Physical depreciation and/or obsolescence is of such a degree that the usefulness of the Property is moderately and noticeably constrained.
	1 - Physical decay and/or obsolescence is of such a degree that the usefulness of the Property is significantly constrained.
6. Utilisation Is the Property well utilised? Note: Utilisation in this regard means the Property is either: Well utilised in terms of physical space; or The Property attracts high use levels in relation to the number of people that benefit/use such Property with due consideration to the frequency of such use.	5 – At least 95% of the floor area and 85% of the land area are effectively utilised for the purpose. Alternatively, the Property exhibits a very high level of use for its intended purpose.
	4 – At least 85% of the floor area and land area are effectively utilised for the purpose. Alternatively, the Property has a high level of use for its intended purpose.
	3 – At least 70% of the floor area and land area are effectively utilised for the purpose. Alternatively, the Property has a reasonable level of use for its intended purpose.
	2 – At least 50% of the floor area and land area are effectively utilised for the purpose. Alternatively, the Property has a low level of use for its intended purpose.

	<p>1 – Less than 50% of the floor area or land area are effectively utilised for the purpose. Alternatively, the Property is infrequently used in terms of its intended purpose.</p> <p>Note: The percentage utilisation estimated can include an allowance for future growth.</p>
<p>7. Provision/Tenure Is the Property/resulting service already provided elsewhere locally by the Council or another provider? Are there opportunities to partner with others to deliver the Property/resulting service? Are there alternative ownership structures that could be practicable, such as an easement or lease?</p>	<p>5 – The Property/resulting service fulfils local need, and there are no other providers or viable ownership options.</p>
	<p>3 – The Property/resulting service will need to be provided temporarily but may be provided by others or from alternative ownership modes or another Property longer-term.</p>
	<p>1 - The Property/resulting service is already provided locally or can be provided locally by others.</p>
<p>8. Cost Efficiency Can the function be provided more cost effectively, and is it practical to do so?</p>	<p>5 - No, the function cannot be practically provided more cost-effectively.</p>
	<p>3 - It may be possible to provide the function more cost-effectively practically.</p>
	<p>1 - Yes, the function can be practically provided more cost-effectively.</p>
<p>9. Return on Investment Does the Property achieve a good return on investment in terms of the resulting function and activity, economic return or strategic outcomes? For community facilities, such as libraries, ROI should be considered using usage figures and engagement activities.</p>	<p>5 - The return from the Property is equal to or exceeds a fair market return. Alternatively, it delivers expected returns in line with Council policies.</p>
	<p>4 - The return from the Property is between 90% and 100% of the fair market return or of expected returns in line with Council policies.</p>
	<p>3 - The return from the Property is between 75% and 90% of the fair market return or of expected returns in line with Council's policies.</p>
	<p>2 - The return from the Property is between 50% and 75% of the fair market return or expected returns in line with Council policies.</p>
	<p>1 - The return from the Property is less than 50% of the fair market return or expected returns in line with Council policies.</p>
<p>10. Capital Costs What are the capital costs required to maintain the Property in a state fit for purpose?</p>	<p>5 – Capital costs are < 14% of CV over the next thirty years.</p>
	<p>4 – Capital costs are between 15-25% of CV over the next thirty years.</p>
	<p>3 – Capital costs are between 26-40% of CV over the next thirty years.</p>
	<p>2 – Capital costs are 41-60% of CV over the next thirty years.</p>
	<p>1 – Capital costs are >60% of CV over the next thirty years.</p>
<p>Managed FOSAL land and/or dwellings</p>	<p>Needs to be considered in future planning</p>

It may take several Long-Term Plan cycles to deliver a fully informed position with regard to some areas of the Council. Once a specific property has been reviewed, the subsequent review will focus on improving data integrity and updating the

information based on documented changes, reducing the ongoing workload associated with review.

PART C – DISPOSALS

1. Disposal Process

Disposal refers to the process of removing an asset from the Council's ownership or control. The process is summarised below and explained in more depth after that:

Disposal Process

1. Property flagged for consideration – investigate future ownership and use of Property;
2. Due Diligence (including any statutory requirements/obligations or otherwise and confirmation of Property not being required by a Requiring Authority);
3. Full report to Council seeking designation as operationally redundant and seek approval to undertake Disposal;
4. Undertake any actions to discharge statutory obligations;
5. Disposal – the Property is disposed of in a suitable manner, in accordance with any statutory requirements.

Step One: Property flagged – Investigate Future Ownership and Use of Property

Before considering a Property for Disposal, the following steps should be taken:

- identify the original purpose for acquisition of the Property (see also the table set out in section 2 below entitled "Original Purpose for Acquisition of Property and Relative Disposal Methods");
- confirm whether the Property is still being used for its original purpose, or whether it has some other use, or whether it is no longer needed for any purpose;
- explore whether the Property can be repurposed within the Council or if not the Council, the Crown (as applicable); and
- if no alternative use is found, begin the disposal process as set out in step 3 below.

Step Two: Due diligence

Before a Property is deemed operationally redundant, a due diligence investigation must be carried out (see note regarding engaging internal/external legal below), which includes as a minimum, obtaining a Land Acquisition Status Report that:

- identifies any parties with potential claims on the Property (including Iwi as a result of any settlement obligations the Council may have);
- confirms any obligations toward these parties;
- verifies statutory obligations in relation to the Property, including reviewing the historical record of title (or parcel of land if no title) for the Property to ascertain the history and legal status, offer back requirements.

Checking for any contractual obligations related to the Property (eg first rights of refusal or leasing obligations, transfer of any consents or warranties etc) is also imperative and should be carried out as part of a due diligence investigation.

The due diligence investigation should also assess the commercial viability of selling the Property and consider whether an alternative use, such as leasing, might be more beneficial for the Council.

Assessing the original purpose for the acquisition of the property (see the table in section 2 below) will help guide you on the applicable disposal method that may apply.

To ensure that the above requirements have been met, legal support (either internal or external) should be engaged as part of a quality assurance process.

Step Three: Full Report to go to Council for Consideration

A full report must be submitted to the Council for consideration, determining whether the Property could be deemed operationally redundant, surplus and suitable for Disposal. A property is not officially deemed as operationally redundant and surplus until Council has agreed to proceed with Disposal.

If the property was held for a Public Work and is no longer needed, it may be deemed operationally redundant and surplus if:

- the property is not designated for a Public Work;
- no formal request has been made to the Council for the Property's use in a Public Work.

Step Four: Discharge Statutory Obligations

The Council must comply with any statutory obligations for Disposal, particularly but in no way limited to, the offer-back obligations contained in section 40 of the Public Works Act 1981.

Step Five: Disposal

If the Land Acquisition Status Report, obtained during Step Two, concludes there is no obligation to offer back, and no other agency needs the Property for a Public Work, subject to Council agreeing to proceed with Disposal, it can be Disposed of appropriately. In the case of a Property that was originally held for a Public Work, if the Property is no longer required for a Public Work and subsections (2) and (4) of section 40 don't apply, the Local Authority may sell it in accordance with section 42 of the Public Works Act.

If the Land Acquisition Status Report, obtained during Step Two, concludes there is an obligation to offer back, and no other agency needs the Property for a Public Work, then the Council must follow the steps for disposal set out in the Public Works Act 1981 for disposal to a former owner.

General Provisions

The following requirements will apply to Disposal of all Property by Council:

- determine the market value by obtaining a registered valuation carried out by a registered valuer.

- the Council must ensure it complies with its legislative requirements when a Property is Disposed of, such as the Reserves Act 1977, the Public Works Act 1981 and the Local Government Act 2002. These determine the public consultation process (if applicable), who obtains the proceeds from disposing of Property, rights to purchase the Property once the Council indicates it is Surplus and how the proceeds from Disposal of the Property can be spent.

2. Original Purpose for Acquisition of Property and Relative Disposal Methods

Council needs to consider how and for what purpose the Property was originally acquired as this directly impacts the method utilised to Dispose of such Property. Some examples of types of ownership are set out below, with a list of considerations that you will need to consider relating to each type:

Type	Considerations
Council-owned Freehold Property	Where the Council has acquired a Property for strategic or other purposes (not a Public Work), it commonly holds such property as freehold property. The Council commonly can choose to sell freehold property at its will. An assessment in accordance with this policy will ensure such decision-making is strategically aligned.
Property Previously Acquired or used for a Public Work	If Property has been acquired for, or used for, a Public Work and all or part of it is no longer required for that Public Work, any other Public Work, or an exchange, the Council can dispose of the Property. However, subject to the existence of a suitable and justifiable exemption in section 40(2) of the Public Works Act 1981 or a recommendation under section 40(4), it has a legal obligation to first offer the Property back to the former owner or their successor.
Reserve Land	If the Council wishes to dispose of a Property classified as a Reserve, subject to any other obligation it may have, it will first need to revoke its classification as a reserve and cancel any vesting of the reserve in the Council (if it is a Crown-derived reserve). This process is detailed in the Reserves Act 1977 and includes consultation with the Department of Conservation and public consultation. If a reserve is Crown-derived, disposal will be facilitated by the Department of Conservation under the Land Act 1948 once the reserve status has been revoked. The Crown has a policy on the sharing of proceeds of such land.
Endowment or Trust held property (gifted or bequeathed)	Before disposing of endowed or Trust vested property, the Council must obtain advice/consider the conditions that were imposed on the provision of the endowment or Trust and, if required, seek the views of the original owners or their successors. Disposal may also depend on the terms of the Trust Deed, or other document creating such Trust, as well as statutory requirements. Legislative or Ministerial approval may also be required. Sections 140 and 141 of the Local Government Act 2002 provide for restrictions on the disposal of endowment property and conditions applying to the sale or exchange of such property.

Crown-derived property	The Council formally and informally manages and administers Crown-owned and Crown-derived property. Crown-derived property's holding, or disposal, will likely be subject to specific legal requirements or conditions. Consideration of such requirements is essential in evaluating the appropriateness of disposal of such property.
Other Property interests	Council has a variety of tangible property interests, including ownership of buildings, infrastructure and improvements. The Council also has a variety of non-tangible interests, including the benefit of leases or licences to occupy, easements, land covenants and other interests in property. There is sometimes also an opportunity for the Council to dispose of Property while retaining a non-tangible interest in property that aligns with the Annual Plan, Long Term Plan and other strategic documentation.

The Council's preference is that when Disposing of a Property a fully transparent, publicly competitive, open market sale process is followed where possible and appropriate; however, there may be cases where this is not feasible, i.e. the sale of stopped road where there is only one feasible purchaser.

3. Property Disposal Criteria

The criteria guide the Council's decisions on the Disposal of a Property. Each Property should be assessed and evaluated against the criteria individually. Not all criteria apply to all Property and not all criteria must be met. If a criterion is not met, it will be analysed and considered in the Council's decision-making process.

Property Considered Suitable for Disposal

A Property may be considered suitable for Disposal if:

- it no longer supports growth strategies or asset management plans;
- it is no longer needed for its original purpose;
- it isn't suitable for any other Council use;
- its ongoing costs are unsustainable;
- disposing of it offers financial benefits to the Council.

Market and fiscal considerations

For Disposal of a Property *not* acquired or used for a Public Work:

- the property market isn't significantly depressed;
- there are interested buyers;
- part disposal is not feasible;
- the financial benefits of disposal outweigh the costs, considering disposal costs, alternative uses (e.g., leasing), income, and maintenance costs;
- the market value of the Property has been determined by obtaining a registered valuation carried out by a registered valuer;

- “best value” may include non-financial factors, not just the highest price; and
- consideration of community benefits (there may be instances where a Property is best sold or divested to community groups or other similar entities, below market rates).

Legal, Tenure and Plan Alignment

- the Council can legally Dispose of the Property, meeting all statutory and compliance requirements;
- disposal aligns with the Long-Term Plan and Annual Plan.

Community views

- community views should be considered, as required by the Council's Significance and Engagement Policy.
- consider any known community interest or preferences, including:
 - current tenants or users;
 - availability of other assets to provide the same service;
 - frequency of use; and
 - community support for disposal.
- under section 128 of the Local Government Act 2002, a Local Authority must consult on the proposal to sell or otherwise dispose of a park or part of a park.

Cultural heritage

- how/if the Property contributes to ecological, historic, cultural, geological, or landscape values
- how/if the Property holds cultural significance to hapū and iwi, as identified by the Council's iwi partners.

4. Ad hoc disposal

The Council may from time to time receive an ad hoc request or wish to take advantage of an opportunity to Dispose of a Property outside of a planned disposal in the Long-Term Plan or Annual Plan. The request could come from a member of the public, an elected member, or from an internal Council planning exercise.

If this occurs, the request must be presented to the Council for a disposal resolution which assesses the disposal opportunity using the Property Disposal Criteria outlined above in section 3. Any decisions responding to ad hoc requests to Dispose of a Council-owned or administered Property must be made by Council resolution based on this assessment, as required by the Local Government Act.

Where a member of the public applies to the Council to purchase a Council-owned or administered Property, all costs associated with that property purchase shall be paid for by the applicant (unless otherwise agreed prior to the process commencing).

PART D – RELATED POLICY, LEGISLATION AND DEFINITIONS

1. Policy

Introduction

The following policies, plans and strategies have been considered when formulating this Policy:

- 1) Wairarapa Combined District Plan
- 2) Council Strategies and Plans
- 3) Annual Plan
- 4) Long-Term Plan
- 5) Wairarapa Consolidated Bylaws
- 6) Relevant Council Policies

Wairarapa Combined District Plan

The Wairarapa Combined District Plan identifies and manages growth areas and uses designations to set aside land and signal its use for a particular purpose and informs structure plans. It must also give effect to higher-order statutory direction from National and Regional Policy Statements.

Ongoing monitoring of changes to the Wairarapa Combined District Plan and other related planning documents is required to inform property-related decisions.

Council Strategies and Plans

The Council has adopted several strategies and plans which set out the vision, goals, objectives, projects and plans to achieve outcomes relating to specific issues.

Annual Plan

The Annual Plan outlines the Council's work programme and key projects for the following year.

Long-Term Plan

The Long-Term Plan sets the timing and funding of infrastructure works and other capital investments, including planned land purchases on a ten-year planning horizon. It explains how the Council will respond to today's challenges while planning for the future. The Long-Term Plan is developed every three years with an Annual Plan produced in the two intervening years.

Wairarapa Consolidated Bylaws

The Wairarapa Consolidated Bylaws control things like:

- licensing activities such as serving food, tattooing, and hairdressing that need to be done in a safe and responsible way;
- making sure everyone knows the acceptable standard of behaviour in public places;
- promotion of a nuisance free environment, i.e. through rules on keeping animals; and

- making sure that the public can safely use public land.

2. Legislation

The table below sets out some of the key legislation relevant to this Policy.

The legislation provides the Council with broad powers as a Local Authority and sets limits on the exercise of these powers. This legislation must be contemplated and adhered to (as and when applicable depending on the Property in question) when Council considers the Acquisition or Disposal of any Property.

This table of legislation is just a starting point for reference and should not be taken as providing an exhaustive list or definitive explanation of how that legislation should be interpreted or applied. It is provided as a guide only and should trigger the need to seek professional advice.

It is essential to seek legal advice on a Property (which should provide at the very least, a history of that Property and what specific requirements apply to the Acquisition or Disposal of it as a result of the relevant Legislation), as a first step in the Acquisition or Disposal process.

Ongoing monitoring of legislative and regulatory change is required, and accordingly, this section is subject to more regular review and revision (annually).

Type	Description
Airport Authorities Act 1966	Under the Airport Authorities Act, local authorities work with airport authorities, which can also be local authorities. For instance, a local authority can form an airport company and invest in its equity or debt securities. They can also provide grants, loans, or leases to an airport authority, subject to certain conditions.
Forestry Rights Registration Act 1983	The Forestry Rights Registration Act provides for the creation and registration of forestry rights against records of title under the Land Transfer Act 2017.
Heritage New Zealand Pohere Taonga Act 2014	Heritage New Zealand has statutory and regulatory obligations to protect and preserve heritage, with varying levels of protection based on the heritage status. Their goals generally align with the Council's heritage objectives. However, at the property level, this can lead to restrictions on how a property can be used or altered and may increase maintenance and compliance costs.
Land Transfer Act 2017	<p>The Land Transfer Act regulates land ownership registration in New Zealand and governs the registration and meaning of various instruments and interests in the land transfer system. It's crucial for any property transactions.</p> <p>The Land Transfer Regulations 2018, created under the Land Transfer Act, outline the requirements for instruments like caveats, land covenants, and easements. They specify the necessary information and documents for registration and automatically imply certain terms into specific instruments.</p>

Local Government Act 2002

The Local Government Act requires the Council to consult on significant proposals or when the Council proposes to dispose of parks not held under the Reserves Act 1977. The Act also allows the Council to collect development contributions to recover growth-related costs associated with any Council-owned or administered land and allows the Council to charge a targeted rate to fund activities.

The Local Government Act sets out that the purpose of local authorities is:

- to enable democratic local decision-making and action by, and on behalf of, communities; and
- to promote the social, economic, environmental and cultural wellbeing of communities in the present and future (otherwise known as the sustainable development mandate).

It is important to be aware that there are a number of stipulations in the Local Government Act that apply to all Local Authority property activities, which must be adhered to in the decision-making and the development of specific property policies.

Section 12 of the Local Government Act contains what is known as the power of general competence of a Local Authority. It provides Local Authorities with broad general powers to undertake any activity or enter into any transaction for the purposes of performing its role as a Local Authority. This power includes the power to Acquire and Dispose of Property.

Section 14 of the Act places obligations on Local Authorities to act in accordance with several principles when performing its role. Many of these have relevance to the Acquisition and Disposal of Property, for example, the obligation for the Council:

- to conduct its business in an open, transparent, and democratically accountable manner;
- to make itself aware of, and have regard to, community views;
- to undertake commercial transactions in accordance with sound business practices;
- to ensure prudent stewardship and the efficient and effective use of resources.

Since 2000, the general legislative direction has changed in that decision-making in relation to property management by the Council (and in particular Acquisition and Disposal) has increased in significance.

Section 76AA of the Local Government Act requires Local Authorities to adopt a significance and engagement policy

	<p>that determines which assets are considered to be Strategic Assets.</p> <p>Sections 138 – 141 of the Local Government Act contain several restrictions and conditions that apply to Disposal by a Local Authority of any parks, reserves (other than those held under the Reserves Act 1977), and endowment lands.</p> <p>In relation to Property management by Council, under section 97 of the Local Government Act, before:</p> <ul style="list-style-type: none"> • a decision to significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Local Authority is made, including a decision to commence or cease such activity (section 97(1)(a)); • a decision to transfer the ownership or control of a Strategic Asset to or from the Local Authority (section 97(1)(b)) is made; <p>a Local Authority must first consult on it in accordance with Section 93E of the Act and explicitly include it in its Long-Term Plan.</p> <p>The requirements for a Local Authority to manage its finances prudently are set out in section 101 of the Local Government Act. In particular:</p> <ol style="list-style-type: none"> 1. A local authority must manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. 2. A local authority must make adequate and effective provision in its Long-Term Plan and its Annual Plan (where applicable) to meet the expenditure needs of the local authority identified in the Long-Term Plan and Annual Plan. 3. The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of: <ol style="list-style-type: none"> a. In relation to each activity funded: <ol style="list-style-type: none"> i. the community outcomes to which the activity primarily contributes; ii. the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; iii. the period in or over which those benefits are expected to occur; iv. the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and v. the costs and benefits of funding the activity distinct from other activities, including consequences for transparency and accountability.
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	<p>b. the overall impact of any allocation of liability for revenue needs on the community.</p>
<p>Local Government Act 1974</p>	<p>The Local Government Act sets out requirements for stopping and closing of roads and disposal of land no longer required for road.</p> <p>Section 316 vests all roads (including the soil/materials they are made of, or materials placed or laid on any road) in fee simple in the Council of the district in which they are situated.</p> <p>Section 319 provides local authorities with broad powers to construct, upgrade, repair, lay, increase the width or alter the level of roads within their district (with the exception of state highways).</p> <p>Under section 319, a Local Authority can also make and use a temporary road while an existing road is being repaired, name or alter the name of a road and sell surplus spoil of roads or stop or close any road or part of a road, in the manner and upon the conditions set out in section 342 and Schedule 10 of the Act.</p> <p>Section 342 gives a Local Authority the power to stop a road or close any road on a temporary basis in the manner and in accordance with the conditions provided in Schedule 10.</p> <p>Section 349 provides a Local Authority with the power to turn a private road or private right of way into a public road. However, this power would need to be considered carefully given such a declaration may place a significant maintenance burden on the Council in future.</p>
<p>Local Government Official Information and Meetings Act 1987</p>	<p>The Local Government Official Information and Meetings Act controls the public release of information in commercially sensitive situations, such as negotiations to Acquire or Dispose of Property.</p>
<p>Overseas Investment Act 2005</p>	<p>The Overseas Investment Act limits the ability of overseas persons to own or control sensitive New Zealand assets (being land or otherwise) and more recently also limits the ability of overseas persons to purchase residential or lifestyle land. From a Local Authority perspective, the Overseas Investment Act limits the number of parties to whom a Property can be sold.</p>
<p>Public Bodies Leases Act 1969</p>	<p>Section 303(1) of the Local Government Act 2002 provides that territorial authorities cease to be leasing authorities for the purposes of the Public Bodies Leases Act. However, the Public Bodies Leases Act may apply to leases where the lease was granted under that Act before the enactment of the Local Government Act 2002 or for the renewal of a lease already granted under the Act.</p>

Public Works Act 1981

The Public Works Act 1981 is the primary mechanism available to the Council for:

- Acquisition of Property for a Public Work; and
- Disposal of Property that was originally acquired for a Public Work, that has been declared Surplus.

The Public Works Act outlines procedures for the Acquisition and Disposal of land held under the Act or in any other manner for any Public Work, as well as providing for compensation and compulsory acquisition.

Section 2 of the Act provides a definition of a Public Work, Work and Essential Work. These are imperative in using the Act to Acquire or Dispose of Property as a Local Authority.

Section 16 of the Act provides the Council in its capacity as a Local Authority with the general power of Acquisition of Property required for a local work for which it has financial responsibility.

Section 17 provides a mechanism for a local authority to acquire property by way of agreement with a landowner (i.e. not under compulsion).

Compulsory acquisition of land by the Council involves several statutory provisions under the Public Works Act. This process usually includes the preparation and issuing of a Notice of Desire to acquire land under Section 18, a land survey followed by the issuing, publication and registration on the record of title for the land of a Notice of Intention under Section 23, followed by a request for a proclamation under Section 26 of the Act and registration of that proclamation pursuant to Section 57.

Section 40 is the "offer back" provision under the Act. This may require a Local Authority to offer a piece of land that has been declared Surplus, back to the landowner (or the landowner's successors) if a piece of land is no longer required for a Public Work and was taken for a Public Work. This explanation is a simplified explanation, and the consequences of Section 40 require careful consideration with the risk of significant extra costs and litigation if the process is not managed by the Council appropriately.

Section 103 provides a mechanism for the Council as a Local Authority or the Minister to provide other property interests in lieu of compensation if certain requirements are met.

Sections 114 and 116 of the Act provide the Minister with the power to declare land as road or stop road in certain circumstances. The latter is the companion provision to the

	<p>power provided to local authorities to stop roads under the Local Government Act 1974 (discussed above).</p> <p>Section 116 is predicated on a road being stopped in circumstances where the community and surrounding residents overwhelmingly support a proposed road stopping with no objections from the community or residents. This contrasts with the Local Government Act 1974 process predicated on public consultation and community involvement where a proposed road stopping might be contentious or subject to objections.</p>
Property Law Act 2007	<p>The Property Law Act 2007 is a piece of legislation that is not specific to Local Authorities. However, the Act impacts upon the Council in its role as a landowner stipulating the rights and powers that apply to landlords and tenants in commercial leases, powers and obligations that apply in respect of land covenants, easements, and other types of encumbrances and the powers and responsibilities of mortgagees which may apply if the Council is granted a mortgage over a landowner's property.</p> <p>The Act also sets out specific rules and requirements regarding property transactions more generally. These transactional requirements directly impact the Council's ability to Acquire and Dispose of Property.</p>
Resource Management Act 1991	<p>The Resource Management Act allows the Council to designate land for certain purposes through the district plan, such as parks and open spaces, and signal its intention to purchase property for public works. It also allows the Council to take esplanade reserves and strips along the coast and waterways upon subdivision and permits the Council to collect financial contributions or receive vested land upon subdivision.</p> <p>In addition:</p> <ul style="list-style-type: none"> • Section 11 of the Act sets out a prohibition on the subdivision of land except in certain limited cases. An example of such an exemption is in respect of a subdivision effected by the acquisition, taking, transfer, or disposal of part of an allotment under the Public Works Act 1981 (except that, in the case of the disposition of land under the Public Works Act 1981, each existing separate parcel of land shall, unless otherwise provided by that Act, be disposed of without further division of that parcel of land). • Section 86 of the Act provides the Council as a Local Authority with the ability to acquire land by agreement under the Public Works Act 1981 for the purpose of terminating or preventing any non-complying or prohibited activity in relation to that land or facilitating an activity in relation to that land that is in accordance with the objectives and policies of the plan.

<p>Reserves Act 1977</p>	<p>The Reserves Act provides for parks and open spaces held by the Council to be declared reserves and classified for a particular purpose (for example, recreation, local, scenic, scientific or historical) and sets out consultation and approval processes when land declared as a Reserve is proposed to be Disposed of or exchanged.</p> <p>Section 2 of the Act provides a broad definition of what constitutes a Reserve. It also provides a definition of a Local Authority for the purposes of the Reserves Act.</p> <p>Section 15 of the Reserves Act provides a mechanism for local authorities to exchange the land comprised in any Reserve, or part or any parts of it, for other land in certain circumstances.</p> <p>The use of Reserves by local authorities is restricted by the classification or purpose for which such Reserves are held. Sections 24 and 24A of the Act provide that the Minister or a territorial authority can change the classification or purpose of a Reserve in certain limited circumstances. This usually requires consultation and compliance with other legislative requirements.</p> <p>Sections 54, 56, 58A, 61, 61A, 67 and 73 of the Reserves Act provide powers regarding certain types of Reserves to grant leases or licences (as the case may be). These sections primarily relate to recreation reserves (including recreation reserves set apart for racecourse purposes), local purpose reserves, scenic reserves, historic reserves and reserves for aerodromes.</p> <p>Section 48 of the Reserves Act provides for granting rights of way or other easements over any part of the Reserve by administering bodies in certain circumstances and subject to various legislative requirements. Section 111 provides a useful power that enables the Council to dedicate road reserve as legal road.</p>
<p>Te Ture Whenua Māori Act 1993/Māori Land Act 1993</p>	<p>The principles set out in the Te Ture Whenua Māori Act seek to reaffirm the Treaty of Waitangi in recognising the importance of land to Māori and that the land is Taonga. The Te Ture Whenua Māori Act seeks to promote the retention of Māori land and promote its occupation, development and use by its owner, their whanau and hapu.</p>
<p>Local Government Act 2002</p>	<p>The Local Government Act recognises and respects the Crown's obligations under the Treaty of Waitangi by placing some specific obligations on Councils.</p> <p>The Local Government Act includes requirements for Councils to:</p> <ol style="list-style-type: none"> 1. ensure they provide opportunities for Māori to contribute to decision-making processes;

	<ol style="list-style-type: none"> 2. establish and maintain processes for Māori to contribute to decision-making; 3. consider ways in which they can foster the development of Māori capacity to contribute to decision-making processes; 4. provide relevant information to Māori; and 5. take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, wāhi tapu, valued flora and fauna, and other Taonga.
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3. Definitions

In this Policy the following words have the following meanings:

Type	Description
Acquiring Authority/Agency	means a Crown Agency asking the Minister or Land Information to acquire or take land under the Public Works Act 1981 and includes a Crown property accredited supplier contracted by an Acquiring Authority/Agency.
Acquisition	means to obtain or receive legal ownership of a right, title or other interest through methods of acquisition such as purchase, vesting on deposit, offsetting, legal proceedings, and gifting and “ Acquire ” and “ Acquisitions ” has a corresponding meaning.
Annual Plan	means the annual plan made by Masterton District Council.
Asset Management Plan	means a tactical plan for managing Masterton District Council's infrastructure and their assets to deliver an agreed level of service.
Council Property Portfolio	means a portfolio of all Property owned by Masterton District Council.
Delegated Officer	means a person identified in the Council's Delegations Register as having the authority or responsibility to carry out a function as authorised by the Council.
Disposal	means to sell or otherwise relinquish legal ownership of a right, title or other interest through methods of disposal such as sale, transfer or disposal, or otherwise and “ Dispose ” and “ Disposals ” has a corresponding meaning.
FOSAL (Future of Severely Affected Land)	is a system of land categorisations to deal with the risks from future severe weather events on affected properties.
Local Authority	has the meaning given to that term in section 5 of the Local Government Act 2002.
Long-Term Plan	means the Masterton District Council Long-Term Plan (being the 2024-2034 plan current as at the commencement date of this Policy).
Operationally Redundant	refers to a decision to determine that specific property is no longer required for its original purpose or any new purpose within the same department or team within the Council.
Policy	means the Masterton District Council Acquisition, Retention, and Disposal of Property Policy and associated Schedules.

Property	<p>means any estate or interest in land (or any part of it) and includes but is not limited to the following:</p> <ul style="list-style-type: none"> • rights associated with air, riparian and subterranean property interests; and • agreements, contracts, or other legal instruments that commit the Council to any of the above types of property transactions.
Park/s	has the meaning given to that term in section 138(1) of the Local Government Act 2002.
Public Work	has the meaning given to that term in section 2 of the Public Works Act 1981.
Reserve or Public Reserve	has the meaning given to that term in section 2 of the Reserves Act 1977.
Retention	means continued ownership and " Retain " has a corresponding meaning.
Return on Investment	<p>in the context of this policy refers to a series of performance measures used to evaluate the efficiency and effectiveness of a property purchase and compares this to the efficiency and effectiveness of similar properties that have a similar use or function.</p> <p>These performance measures would differ depending on the use and nature of the particular property and would also consider the opportunity cost associated with such property and the amount of return on a particular investment, which would be both financial and non-financial, e.g. community outcomes, relative to the investment's cost.</p>
Significance and Engagement Policy	means a significance and engagement policy adopted by the Council under section 76AA of the Local Government Act 2002 that determines which assets are considered to be Strategic Assets.
Strategic Asset	has the meaning given to it in section 5 of the Local Government Act 2002.
Surplus	Surplus in the context of Disposal, means that a property (or part of it) is no longer required by the Council for that Public Work, or any other Public Work, or for any exchange under section 105 of the Public Works Act 1981.