

PROPERTY STRATEGY

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1 INTRODUCTION

With few exceptions, all that Council does and the services it provides is done either in, on or under council property. Therefore property has a major role to play in achieving Council’s vision, community outcomes and strategic goals.

In the context of this strategy, Property includes any parcel of Council owned land, interest in land, dwelling, building or structure on any land.

Most of the land that Council owns is service property – property assets which are used to deliver council services. Council also holds non-service property, which is property owned by Council that is not used to deliver Council services e.g. a café or is leased to other parties.

Over time Council has acquired a portfolio of over 297 parcels of land (excluding road reserves) that are crucial to the delivery of services to the community. They include, but are not limited to parks, reserves, public toilets, paper roads, social housing, community halls, corporate offices, landfill, water and waste water plants and cemeteries. Council also owns forestry land as a commercial investment providing a financial return to Council.

In addition to land council owns and uses to provide council services, council also leases approximately 76 parcels of council land and/or building to third parties, and also leases land such as the dog pound to provide council services.

The driver behind this strategy is for Council to undertake a strategic review of the property portfolio using a service network approach to assess how council owned property is performing. This strategic approach will ensure that the property portfolio is regularly reviewed against the Council’s vision and to reflect the changing nature of community outcomes and activity specific objectives, with data being regularly gathered and analysed to enable informed decision making.

The role and purpose of the Property Strategy is to:

- guide council in ensuring they have the right property in the right place at the right time
- articulate the guiding philosophy in considering decisions about the acquisition, management and disposal of property assets; and to
- identify specific property-related objectives for Councils seven Activity Groups where no over-arching strategy is in place.

The Property Strategy is an enabling mechanism for Council to deliver on its 30 year infrastructure strategy which in turn informs the Long Term Plan and Asset Management Plans. As such, the Property Strategy is a key tool to enable the delivery of council services.

2 COUNCIL'S VISION AND STRATEGIC GOALS

Council's vision is:

“Connected Communities, Desirable Lifestyles, Treasured environments. Creating the ultimate living environment. To be a vibrant attractive and thriving district, by developing sustainable lifestyle based around our unique environment; the envy of New Zealand and recognised worldwide.”¹

Council's Strategic goals are:

Community Development and Participation

Council's aim is to provide services and facilities to encourage community focus, ensuring access to information and leisure opportunities and to promote the expansion of the economy by encouraging tourism options and business development.

Safe Living Environment

Council's aim is to provide services and facilities which contribute to community health and safety and ensure that the natural and physical resources of the district are preserved for future generations.

3 THE CURRENT ENVIRONMENT

Property is an enabler to the delivery of Council's vision and strategic goals. As such, the driver for this strategy is for Council to undertake a strategic review of the property portfolio using a service network approach to assess how council owned property is performing in the context of a declining population and in some cases, aging assets. This

¹ Long Term Plan 2015-2025

will then inform strategic decisions on future acquisition, disposal and management of property. In undertaking the assessment Council faces many challenges in managing the delivery of its services through its property portfolio. Current challenges include:

- revising leases and rents while balancing community vs commercial needs
- optimising the current property portfolio
- using land, buildings and council ownership of land as an enabler for economic development
- declining population forecasts and the impact on utilisation, renewals and the future acquisition and disposal of land
- developing appropriate delegations to enable efficient decision-making
- disposing of land that is no longer required for the purpose for which it was acquired or is no longer required for
- property encroachments between private and public land
- acquisition conditions and circumstances that impact on the ability to use or dispose of property
- development and maintenance of a database of council owned land and buildings that enables efficient reporting and management
- measuring the performance of the portfolio
- having a comprehensive understanding of the land that council holds and why

4 PRINCIPLES AND OUTCOME AREAS

In addressing the challenges and resulting opportunities arising from a review of the property portfolio, Council will work to eight key principles to achieve a high performing property portfolio. They are:

- To plan and provide for future requirements
- Property meets the service delivery needs of the district
- To hold and manage property strategically
- To use the property resource sustainably
- To be financially astute in our property dealings
- To be transparent in our decision making
- Property assets are managed and maintained appropriately
- Property is fit for purpose

Applying these eight principles will best deliver the right property in the right place at the right time with the following outcomes:

Planning	Property is used to deliver Council and community outcomes
Service delivery	Property efficiently delivers council services
Management	Property assets and data are well managed

Adaptable and flexible portfolio

Property is fit for purpose and can easily adapt to the changing needs and demands of the community

Optimisation

The property portfolio is optimised through co-location, redevelopment, acquisition and disposal that delivers value for money for the Council and the community

4.1 WHY COUNCIL OWNS AND MANAGES PROPERTY

Most of what council does is either on, in or under council property. Council owns property to support the delivery of services in alignment with Council's vision, strategic goals and community outcomes.

Council owns and manages property:

- to provide land to deliver council's current and future services
- to enable the use of council land by the community and /or community groups at an affordable cost
- to support economic development goals
- as part of councils investment portfolio

4.1.1 PROPERTY HELD FOR FUTURE USE

Property that is being held for future development should only continue to be held when the intended purpose is likely to be realised within a defined time period that should have been assessed and stated at the time of purchase. Where a property fails this threshold, consideration should be given to disposing of the property with buy-back covenants in place if necessary.

Where a property is larger than required for the service for which it was acquired, opportunities should be sought to obtain a financial return from the balance of the property, either through disposal, lease or other means where it does not compromise the purpose for which the property was acquired.

4.1.2 PROPERTY DEVELOPMENT

Council will consider becoming involved in property development where appropriate to act as a catalyst for private sector development and investment where it is considered that the level of perceived risk would otherwise deter private sector development, or to control the form, scale and timing of development.

Council will not compete with private developers, however Council will look to implement opportunities to capture value from the development of its land, including entering into joint ventures, ground leases.

5 HOW COUNCIL HOLDS PROPERTY

There are a variety of ways that council holds property to meet strategic outcomes.

5.1 OWNERSHIP

In most cases there are more financial benefits for council to own property than to lease it, particularly as it relates to its strategic assets (e.g. parks and services, water treatment plans, waste management facilities, cemeteries). This benefit is determined through financial modelling and whole of life costings during due diligence, acquisition and management processes.

Ownership can also be more desirable as it gives Council full control of the land and decisions over it. However it also places responsibility on Council to manage those land and buildings in a safe way in compliance with legislative requirements.

Council also chooses to lease land it owns to third parties and has developed a standardised approach to the calculations of leases that are based on reasonable rent and fair returns to Council.

5.2 ALTERNATIVES TO OWNERSHIP

Where it has been established that property is required for a service it will be assessed against all options including approaches that do not involve property ownership. This includes:

- leasing the land or securing the required outcome via easements etc.
- redesigning the service to reduce the use of assets
- reducing demand for the service
- increasing the utilisation of existing assets
- contracting the service to a provider that supplies the assets

5.2.1 LEASING

Some services can be provided on any land or within any building, and ownership is not critical to secure or enable service delivery. In these circumstances, council may choose to lease property rather than own property. Leasing may also be an option where non-ownership solutions have been found to offer superior outcomes and offer flexibility to Council if the service is considered as a short term solution.

6 PROPERTY ACQUISITION

The acquisition of property is an important part of the property function that enables the delivery of council services. In making a decision to purchase land and/or property, Council is making a decision to use public money to provide a service or investment now or in the future. Council will assess property acquisitions by identifying future property requirements to meet service and investment needs through a strategic property assessment. As the property market changes the timing of the acquisition of property needs to be right to ensure the right level of investment is made at the right time for the purpose for which the land is required.

In determining when council buys property we will consider the following:

- assessing service needs now and into the future
- current market conditions
- forecasting future changes in land use
- land conditions (e.g. contaminated/unstable land, or land susceptible to flooding/natural hazards)
- what the property will be used for, is it fit for purpose?
- when the property will be needed
- is it part of a rolling programme of prioritised infrastructure projects
- does it align with Council's vision and community outcomes
- alternative ownership options
- whole of life costing, how the purchase will be funded and any impacts on rates

Council will make a decision to purchase property if it will achieve the best outcome for the council and community in a financially prudent manner and will consult with the community where required under the Significance and Engagement Policy.

7 DEVELOPMENT OF PROPERTY

There are instances that Council will hold or acquire land for the delivery of service and may need to develop the land or buildings to make it fit for purpose for the service e.g. the construction /replacement of a library. Similarly, in optimising the property portfolio, Council may decide to co-locate services on one site which may require redevelopment or reconfiguration of land and/or buildings to make it fit for purpose. In these instances, Council will 'develop' the property so it is fit for purpose. Expenditure for this development will be identified in the Long Term Plan.

8 DISPOSAL OF PROPERTY

In order to have an efficient property portfolio, Council will identify property that is no longer required for the purpose for which it was acquired. A strategic assessment will be undertaken for land and/or buildings identified that should potentially be sold. In determining when council disposes of property we will consider the following:

- whether the property supports service delivery or achieves strategic objectives (including investment and economic development objectives)
- in the case of non-service properties, are they necessary for the future delivery of services
- how the land was originally acquired and any obligations, constraints and limitations associated with that e.g. land that was gifted, covenants etc.
- the costs/benefits of selling the property
- impacts on levels of service
- the level of risk
- strategic alignment
- Councils financial position and where the proceeds of the sale will go

If this assessment results in a decision to proceed with the sale of the property, consultation on the sale of property would occur in accordance with Council's Significance and Engagement policy.

A review of market conditions will be undertaken where practicable to ensure that land is sold at the optimum time to most benefit Council and the community, subject to relevant legal requirements.

In the case of minor or hard to sell properties, the cost of disposal relative to the ongoing cost of ownership might be a factor.

9 PROPERTY MANAGEMENT

All properties should be managed and maintained to be fit for purpose and deliver affordable levels of service. As a land owner, the management of property is critical to maintaining the value of the asset and optimising its life. Council has responsibilities under legislation, including that buildings and structures meet health and safety requirements and are compliant with the Building Code. This requires robust record keeping, to be able to quickly assess the status of each building.

Data capture and management is critical to enable the ongoing assessment of council's property portfolio. Council will use a data management system for the creation, management and review of leases, land and buildings and, as an evidence base to support Council's decision-making processes. Council will also need to develop delegations that support the efficient management of the portfolio.

The ongoing management of Council's property portfolio is essential to ensure that all Council properties are fit for purpose, whether in the delivery of Council activities to agreed service levels, or in order to maximise returns when leasing Council property to third parties. Council should as a minimum realise rentals on leased property to cover costs, but this will necessitate that the property is fit for its intended use. To enable that the property portfolio be managed to an appropriate standard, a Property Reserves fund is proposed. The purpose of this fund would be to undertake any capital works that has been identified through the property asset management plan to maintain the asset, as approved by Council every third year through the Long Term Plan process. It is considered appropriate that those capital projects below \$100k (a value to be agreed) be undertaken under delegation and all project work above this amount would require Council approval in the first instance.

10 RISK MANAGEMENT

Risk comes in many forms, whether it is financial, through redevelopment, entering into partnerships or in holding property that may be earthquake prone or subject to other hazards. There can be significant reputational, health and safety and financial risk to Council in property dealings.

Council will seek to minimise risk through the decisions it makes on the acquisition, disposal, leasing and management of property and the costs and benefits associated with each property. The benefits and risks of owning existing properties will be assessed on a similar bases to those outlined in 6.2 above, and will also consider the cost and benefits of delivering services from building assets other than those owned by Council. Ultimately, decisions will be made in accordance with Council’s risk policy.

11 SPECIFIC PROPERTY OBJECTIVES FOR ACTIVITIES

Council has seven activity groups which cover the services it delivers. They are:

1. Water
2. Waste
3. Transport
4. Community Facilities
5. Planning and Regulatory
6. Leadership and Governance
7. Corporate Functions

Property is an integral part in delivering each of these activity groups. As this strategy is to ensure Council has the right property for the right purpose in the right place at the right time, consideration should be given to the Property Strategy when delivering on each activity group. Objectives to address each activity group in the absence of an overarching strategy are included in Appendix A.

12 GLOSSARY

Asset	A physical component of a facility, or a collective or network of physical assets, which has value, enables services to be provided and has an economic life of greater than 12 months.
Asset management plan (AMP)	A plan developed for the management of one or more infrastructure assets that combines multi-disciplinary management techniques (including technical and financial) over the life cycle of the asset in the most cost-effective manner to provide a specified level of service. A significant component of the plan is a long term cash flow projection for the activities.
Fit for purpose	A suitable quality, standard or type to meet he required (and stated) purpose.
Levels of Service (LoS)	The defined service quality for a particular activity (e.g. parks and reserves) or service area (e.g. playgrounds) against which service performance may be measures. LoS usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.
Non-service property	Property that is not used to deliver council services.

Optimisation	To have a service or facility operate at the highest standard and greatest efficiency possible.
Property	Includes any parcel of Council owned land, interest in land, dwelling, building or structure on any land
Renewal	Works to upgrade, refurbish, rehabilitate or replace existing facilities with facilities of equivalent capacity or performance capability.
Service property	Property that is used to deliver a council service.
Whole of life costs	The total cost of an asset though its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.

APPENDIX A – SPECIFIC OBJECTIVES

WATER SERVICES (WATER SUPPLY, STORMWATER, AND WASTEWATER)

Council continues to run and operate water supply, stormwater and wastewater systems and networks in the district that meet legislative and statutory requirements.

The location and maintenance of water, stormwater and wastewater networks and treatment plants will protect public health and safety.

To undertake strategic planning for the management of our aging stormwater and wastewater infrastructure.

WATER

To have a functional water reticulation network that provides the required water quality and quantity at all times.

Future water storage demand is planned for to meet the needs of the district.

STORMWATER

To assess public safety of the open stormwater network in association with planned connections, walkways and cycleways, and take action where safety improvements are required.

WASTEWATER

To identify additional potential property requirements resulting from the expiry of the Wairoa treatment plan discharge consent.

WASTE

Waste services such as landfills and recycling centres provided are accessible to encourages positive waste minimisation behaviour from Council and the community.

To provide waste services that are sustainable that meet current and future needs of the community.

TRANSPORT

LAND TRANSPORT

The Council will optimise current land holdings and acquire additional land where required to facilitate desired outcomes on identified projects.

To maximise the use and opportunity of the road corridor in providing walking and cycleway connections in alignment with economic development objectives and opportunities.

Council will proactively seek to deliver safe cycle and walkway connections to deliver economic and community outcomes through working with Adventure Wairoa Inc. Council will maintain the ability to have connectivity between the airport and rail-line to provide opportunities for connections with district cycle trails.

Provide a safe and affordable land transport network that contributes to the outcomes of the Land Transport Management Act and the objectives of the Regional Land Transport Strategy.

Council will proactively engage with the tourism sector in the delivery of cycle and walkway links across the district.

AIRPORT

Council will strengthen the transport network to ensure that the airport and its supporting facilities are able to service the medical, tourism and disaster response needs of the district.

COMMUNITY FACILITIES

To identify opportunities for the acquisition and disposal of land that will best meet future needs of the district.

To provide additional support services and facilities (e.g. public toilets, litter bins) to support economic development initiatives.

CEMETERIES

Council will periodically review the portfolio to ensure that it has sufficient capacity to meet demand for cemeteries in the district.

To provide adequate and appropriate facilities for the delivery of community services that will meet the needs of its citizens now and in the future.

PARKS AND RESERVES

Council will ensure that it has sufficient land to be able to provide parks and reserves to support better health and recreation outcomes for the community.

Council will ensure that all reserves have reserve management plans as required under the Reserves Act 1977.

LIBRARIES

To continue to provide a library within the Wairoa town centre to enhance the social and cultural wellbeing of the Community.

PLANNING AND REGULATORY

Council will continue to lease land for a dog pound at the Quality Roading and Services depot.

LEADERSHIP AND GOVERNANCE

Council will acquire property in strategic locations and in alignment with Councils investment policy to facilitate economic development.

ECONOMIC DEVELOPMENT

Council will identify the necessary and appropriate steps in can take to achieve the objectives of the Hawkes Bay Regional Economic Development Strategy

Council will maximise the opportunity that Rocket Lab provides in tourism and employment opportunities.

Council will use its property as a catalyst for increased business, employment and tourism development and investment opportunities to support a diverse local economy.

Council will consider lease and lease-to-buy opportunities of Council owned land for the community or private sector to support economic development initiatives that might otherwise be perceived as having a higher level of risk.

CORPORATE FUNCTIONS

PROPERTY

To undertake a strategic review of the property portfolio using a service network approach to assess how council owned property is performing to inform strategic decisions on future acquisition and disposal of property.

Council will acquire, dispose and manage property in a financially astute manner in all its property dealings.

Council will continue to provide affordable social and staff housing at the current level.

To assess the options and feasibility of appropriate Council land to be used as a campground, if the Mahia campground is closed.

Council owned property is optimised through the co-location of services, redevelopment, leasing arrangements and acquisition and disposal.

Council will ensure that Property is used in the most efficient way to deliver services to the community.

All Council owned property is fit for purpose.

Council will dispose of land that has been assessed as no longer being required for the provision of a service now or in the future in alignment with current council strategies (e.g. infrastructure strategy).

CORPORATE FUNDS AND MANAGEMENT

Council will invest in property as part of our broader investment policy with the aim of maximising returns.



Property Decision-Making Framework

Wairoa District Council

January 2018

Document status

Ref	Approving director	Date
2280	Dan Bonifant	09 January 2018

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Introduction

The Wairoa District Council (Council) needs to ensure that the acquiring and disposing of property assets is undertaken in a transparent and accountable manner. The process and decision-making for property acquisition and disposals should be well considered and conducted so that value (financial and/or non-financial) is maximised for the Council, the potential risks to Council in acquiring and disposing of property assets are considered and opportunities for exploitation by elected members, employees, private persons or organisations is minimised.

Purpose

The purpose of this property decision making framework is to set out the principles and processes for the acquisition and disposal of Council property. This is to:

- ensure a consistent approach when considering the acquisition or disposal of Council property
- provide a robust process to identify property that could be considered for acquisition or disposal
- manage Council's risk in determining whether to hold or dispose of a property
- ensure compliance with any legal requirements in acquiring or disposing of property
- ensure that property acquisitions and disposals are through an open, fair and transparent process.

The framework shall apply to the acquisition of property for Council and disposal of surplus property owned by Council.

Definitions

Acquisition – includes Council acquiring title to property by purchase, gifting or any other method

Property – includes any parcel of Council owned land, interest in land, dwelling, building, or structure on any land

Property assets – includes all that property owned by Council

Disposal – includes the sale of any Council property assets

Surplus property – includes property that has been determined surplus to Council's requirements

Decision Making Process

The acquisition and disposal of Council property can be subjective and controversial so it is important that Council is able to make informed and objective decisions. A formal decision-making process ensures that a robust methodology is followed in relation to the acquisition and disposal of property and provides a means of tracking and recording the steps leading up to a Council decision. It facilitates the dissemination of information supporting (or negating) the proposed outcome and assists understanding of the decision by others not directly involved in the process.

Making decisions within a formal framework provides some balance to potential competing views and assists to explore what is best and reasonable for Council and the community of Wairoa. It also ensures that decisions are made in accordance with existing Council strategy, policy and delegations.

Decision Making Framework

The purpose of this property decision-making framework is to provide Council with a process that evaluates the decision to acquire, retain or sell property assets in the context of Council's purpose and vision.

Does the current property portfolio of assets meet the purpose and strategic objectives of Council? If the property was not currently held by Council, would it acquire that property today if it was given the opportunity to do so?

The Council shall use the following principles when considering any property acquisitions or disposals:

1. Council will own property where it is directly related, or necessarily incidental, to its core purpose or functions, or for other strategic reasons as identified in Council strategy, policy or the Long Term Plan.
2. The acquiring of property by Council should be considered against other potential options such as leasing, easements etc. to ensure the most efficient and effective use of the property.
3. Property acquisitions and disposal transactions are to be conducted in an open and transparent manner to retain public confidence in respect to process and funding, unless there are grounds to keep it confidential for commercial reasons.
4. All Council property is to be listed on Council's property register with sufficient information (relevant and up-to-date) that would enable Council to make informed decisions regarding the disposal of a property.
5. Regular reviews of Council's property portfolio, at least every three years leading up to the Long Term Plan, to ensure that Council property is required and is fit for purpose.
6. In disposing of property Council will seek to maximise the net value for the financial benefit of Wairoa's ratepayers.

Essentially the decision-making framework should lead to Council not owning property where ownership is not essential for core activities, service delivery or strategically significant - that is property held for either investment, cultural, historical or reasons. Investment property is considered to be for investment purposes where its current and future financial return is objectively demonstrated to exceed alternate available investments. Cultural and historical property could be that property held by Council that has significance to the district and its community.

The decision-making framework as outlined below should be applied in considering the acquisition of further property or in identifying the possible disposal of surplus property.

Property Assessment Framework

In respect of property acquisition or disposal it will be important to undertake an assessment of the property in the first instance to enable an informed decision by Council. It is imperative that the property assessment addresses all the relevant facts relating to the identified property and are properly documented and made available to decision makers.

The proposed property assessment framework would operate as follows:

1. All Council property assets should be subject to the property assessment as outlined in the next section that includes Step A – Property Utilisation (refer Appendix 1), Step B – Property Divestment (refer Appendix 2) and Step C – SOLGM’s Property Sales, Acquisitions and Leases module.
2. Pursuant to this assessment, the default position for property assets that are deemed suitable for acquisition or disposal is that they should be reported to Council for consideration and resolution.
3. The acquisition and sale of any Council property would need to be subject to any legal requirements relating to the said property, Council resolution and delegation.
4. The property should be acquired or sold at fair market value (independent valuation) unless resolved otherwise.

Property Information and Criteria

A property assessment will include the following:

- A review of the property title and any restrictions or encumbrances on the title.
- The size and location of the property, including a site and location plan.
- The purpose for which the property is to be/was acquired.
- For the disposal of property, an understanding of how the property was acquired and any restrictions or requirements on the use or sale of the property as a result of the way the property was acquired.
- The zoning of the property and any designations or constraints indicated in the District Plan or GIS.
- Any lease information.
- Any other restrictions/information relevant to the property such as ground conditions, earthquake prone buildings etc.
- Assessment against relevant strategy and policy

This should be a standardised document that is applicable for the assessment of all Council property assets. The document would also form the basis on which an independent valuer would determine the property value for either acquisition or disposal. The content of such a document would be utilised in the assessment of the property as to whether it should be acquired or whether it is surplus to requirement.

As it relates to this property assessment, SOLGM provides a clear process and guidelines on the acquisition and disposal of Council property depending on the purpose for which it is/was acquired. The intent is not to replicate SOLGM’s Property Sales, Acquisitions and Leases document but rather to work alongside it to provide clear guidance on the acquisition and disposal of Council property for Wairoa.

The property assessment will be undertaken internally by the Property Manager and will be subject to feedback from all other departments of Council confirming that the property is not required for Council’s purposes.

Assessment for the acquisition of property

For the acquisition of property a property assessment will be made against Principles 1-3 of the decision making framework.

Assessment for the disposal of property

For the disposal of property, a property assessment will incorporate:

1. Step A – Property Utilisation (Appendix 1)
2. Step B – Property Divestment (Appendix 2)

After assessing the disposal of property against Steps A and B above, a property will be considered necessary or surplus following a property assessment that meets the following criteria:

1. It is/is not required to deliver on Council's vision, strategic goals and/or community outcomes
2. It is/is not held for a strategic Council purpose and has no potential for future strategic purposes
3. If acquired/held for investment purposes, the net income generated from the property is above/below that which could be achieved through investing the capital value
4. It makes/makes no contribution to the delivery of Council's core activities and services, and is likely/unlikely to be required for service delivery in the future
5. It is appropriate/no longer appropriate for core activity and service provision.

Determination for Acquiring/Disposing Property

On completion of the property assessment, a report that incorporates the completed property assessment, officer recommendations, and an independent appraisal of the property value (no older than three months) is to be submitted to full Council for consideration.

In accordance with Schedule 7 of the Local Government Act 2002, Council has the ultimate and only authority to approve/make a resolution for the acquisition and disposal of Council property. Council's final decision for the acquisition or disposal of property will be based on the property assessment and report as provided. Council may also resolve to pass particular directions to the Chief Executive regarding the acquisition or disposal of the property in accordance with Council delegations.

Property Acquisition/Disposal Process

The Council should plan to acquire or dispose of all surplus property subject to the following criteria:

1. A resolution from Council to acquire/dispose of a property that is premised on a full property assessment
2. The acquisition and disposal of property will be established through the Long Term Plan activity planning process and in accordance with Council's strategy and policy. In the event that an opportunity to acquire or dispose of a property arises outside this process, such acquisitions/disposals will be considered subject to Council approval and any legal requirements
3. Property acquisitions/disposals are to be undertaken in accordance with legislative requirements and in terms of Council's agreed processes and delegations
4. The disposal of property shall be on a "highest value and best use" basis unless otherwise resolved by full Council to provide for social, environmental, cultural or economic benefits

5. Property acquisitions/disposals will be conducted in an efficient, effective, and transparent manner
6. All property acquisitions/disposals will be appropriately authorised and adequately documented in accordance with Council's delegations
7. The acquisition/disposal processes will ensure that property assets that are acquired/sold are included/removed from the property asset register and financial records
8. All disposals of property assets will be through an open, fair and transparent process. Wherever possible this will be achieved by open tender
9. Every property asset acquisition/disposal will be fully documented, clearly identifying the asset, who authorised its acquisition/disposal, whom it was acquired from/disposed to and recorded in a timely and accurate manner in the fixed asset records
10. Proceeds from the sale of property assets is to be recorded as appropriate.

Once Council has made a decision to sell a property, go to Step C and the Relevant SOLGM Property Sale module.

Method of Disposal

Property shall be disposed of by either public auction, public tender, or private treaty unless otherwise resolved by full Council, or provided for by any statute, regulation, or Order in Council. An up to date market valuation should be obtained for the property prior to the sale date (no older than three months) and this should be utilised as a guideline for the reserve or sale price. The disposal of property shall be on a 'highest value and best use' basis unless otherwise resolved by full Council.

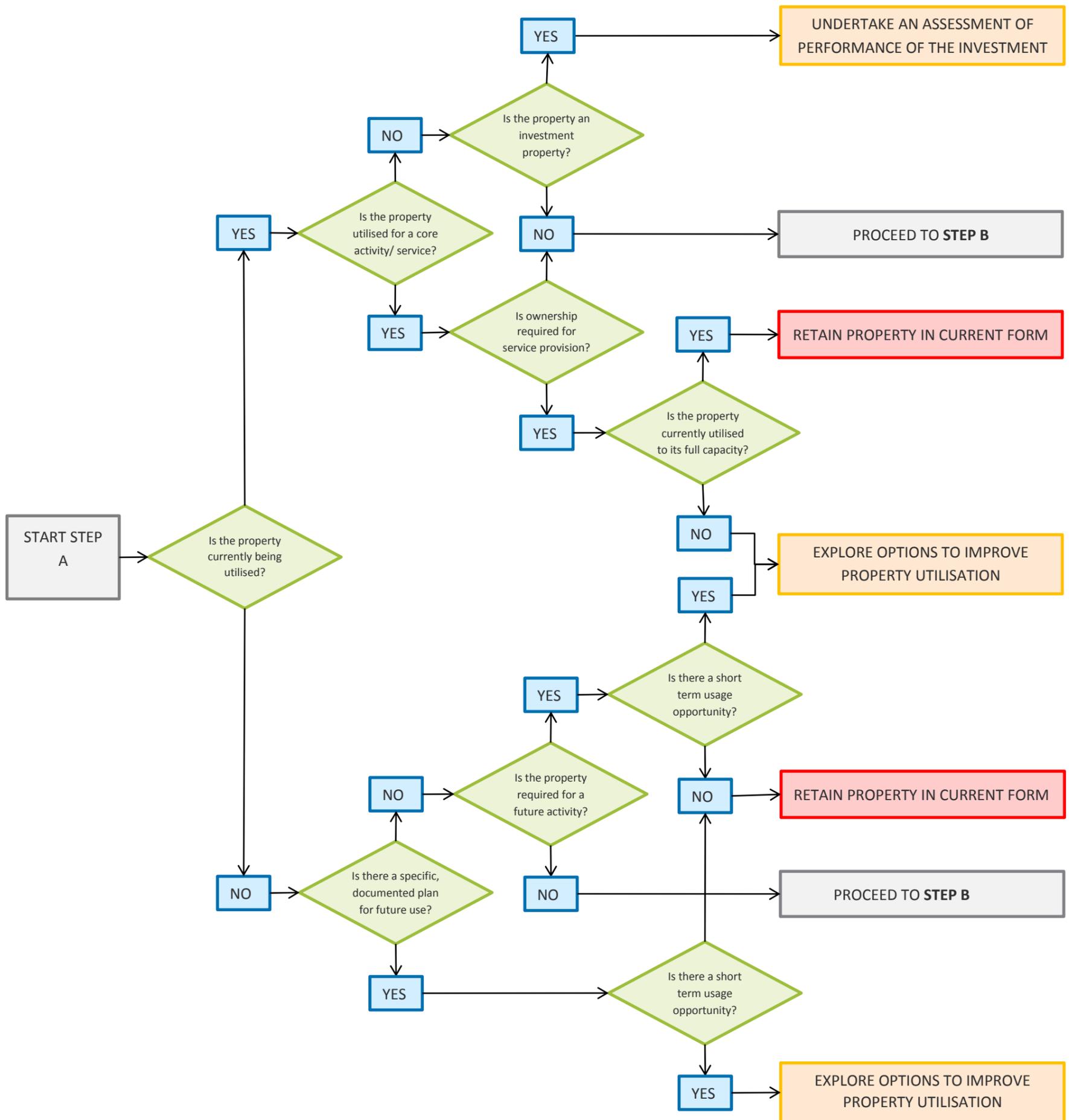
Importance of transparency

Tight controls should be in place to ensure that Council staff and elected members are not advantaged over members of the public. Staff and/or elected members may purchase an asset in an open tender process provided they have no decision-making involvement in the disposal process.

Appendix 1 - Step A – Property Utilisation – Disposal

DECISION-MAKING FRAMEWORK

Step A - Property Utilisation



Appendix 2 - Step B – Property Divestment – Disposal

DECISION-MAKING FRAMEWORK

Step B - Property Divestment

