



# **Kaipara District Council**

## **Property Disposals and Acquisitions Policy**

<b>Property Disposals and Acquisitions Policy*</b>			
<b>Primary Audience</b>	external	<b>Business owner</b>	Property, Procurement and Commercial Department
<b>Policy type</b>	non-statutory	<b>Act</b>	various
<b>Author</b>	Property, Procurement and Commercial Manager	<b>Date last reviewed</b>	29 September 2021
<b>Authorised/adopted by</b>	Kaipara District Council	<b>Next review date</b>	September 2024

*\*Previously Property Sales and Acquisitions Policy*

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## 1. Purpose

- 1.1 To provide clear guidance on the processes and principles to be applied to the acquisition or disposal of Kaipara District Council (the Council) owned or controlled property.

## 2. Scope

- 2.1 This policy applies to all property owned or controlled, or to be owned or controlled by the Council, excluding roads, reserves and parks.

*Explanatory note: Detailed guidance on acquisition or disposal for reserves and parks is provided through the Council's Long Term Plan, Infrastructure Strategy, and the associated Strategic Activity Management Plan. The acquisition and disposal of land for the purposes of reserves and parks is further prescribed through the Reserves Act 1977 and the Local Government Act 2002. Roading related acquisition and disposal processes are also subject to specific legislative processes, primarily the Local Government Act 1974 and the Public Works Act 1981.*

## 3. Principles

- 3.1 The Property Disposal and Acquisitions Policy (the Policy) is subject to all statutory obligations of the Kaipara District Council (the Council) and the Council's Significance and Engagement Policy.
- 3.2 The Policy will be applied to support the Council's strategic objectives, including as identified in the adopted Long Term Plan and Infrastructure Strategy and other relevant strategies and policies of the Council. This will also include giving effect to any adopted Climate Action Plan and Climate Change Policy.
- 3.3 All property disposals and acquisitions will be assessed against the Council's Significance and Engagement Policy to determine what level of community engagement, if any, should be undertaken prior to a final decision of the Council.
- 3.4 Where possible, any community engagement on property acquisitions and disposals will be incorporated into the Council's Long Term and Annual Plan processes.
- 3.5 Any consideration of the disposal of property will be undertaken consistent with any relevant Treaty settlement legislation as applicable, as well as in accordance with the Council's Memorandum of Understanding with Te Uri o Hau, and Mana Enhancing Agreement with Te Roroa.
- 3.6 Council will own or control property where it is directly related, or necessarily incidental, to its core purpose or functions.
- 3.7 Acquisition of property should be the most efficient and effective use of the Council's resources, having regard to existing and anticipated future circumstances.
- 3.8 The Council will conduct property acquisition or disposal transactions in an open and transparent manner, within reasonable commercial confidentiality constraints.
- 3.9 The Council will not acquire property for the purposes of competing with private commercial interests.
- 3.10 The Council will maintain complete and up-to-date information on its properties and associated assets, to support informed decision-making on property acquisitions and disposals.

- 3.11 The Council property portfolio will be regularly reviewed to ensure that:
- a. The purpose for which the property is held remains valid and the property continues to be fit for purpose.
  - b. Where property is no longer being used for its intended purpose, or cannot meet that purpose, it will be re-assessed for either disposal or used for another valid purpose.
- 3.12 The Council will seek to maximise the net value of any disposal of property for the financial benefit of its ratepayers.

#### **4. Policy**

- 4.1 The Council will consider the disposal of property in the following circumstances and subject to the Principles of this Policy:
- a. in circumstances where the maintenance costs are of a magnitude that they outweigh the benefits of retaining the property
  - b. where the Council has been approached by an interest party regarding a part of a property and the part concerned is not deemed necessary to meet the Council's strategic goals and objectives or other principles as provided in this Policy.
- 4.2 The Council will consider the acquisition of property in the following circumstances and subject to the Principles of this Policy:
- a. the acquisition is required to meet identified infrastructure or community needs
  - b. the likely commercial return is greater than the current cost of borrowing, while considering the risk of ownership
  - c. the purchase is strategically important to Council and/or the community.

#### **5. Procedures and Processes**

- 5.1 A decision of the Council is required to dispose of or acquire property.
- 5.2 Clause 5.1 does not apply for matters where a specific delegation is provided for in the Council's Delegations Register.
- 5.3 The Council may, by resolution, delegate certain matters to the Chief Executive regarding a specific disposal or acquisition process, including, but not limited to:
- a. the power to negotiate a purchase or sale price
  - b. the power to set the terms and conditions of a sale or purchase agreement.
- 5.4 Staff will report at least annually on all property transactions to the Council.

## 6. Relevant Legislation

- 6.1 Various statutes apply to the disposal and acquisition of land by the Council. This includes, but is not limited to:
- Local Government Act 2002
  - Local Government Act 1974
  - Public Works Act 1981
  - Reserves Act 1977
  - Te Roroa Claims Settlement Act 2008
  - Te Uri o Hau Claims Settlement Act 2002.

*Explanatory note: For the avoidance of doubt, the above list includes any Treaty Settlement and/or Kaipara Moana Remediation legislation that comes into force after the review date of this Policy, as applicable.*