

# Accountability and Decision-making

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# Did Inquiry Understand LGA Accountability Framework?

- LGA accountability framework for representative democracy
- Acknowledges
  - Differing views and interests / Decisions with winners and losers / Realities of politics and political behaviour
- Electoral Accountability the bottom line
- All missing from the Report

# Did Inquiry Understand LGA Planning Framework?

- LGA framework for “integrated planning”
  - a stated level of service for a stated price
- Report about “financial” decisions
  - Where have service levels gone??
- The mindset of the Report a throw back to an earlier age
  - LGA 1974 Amendment No.3 1996 and the LTFS rather than
  - LGA 2002 and the LTCCP

# Another LGA review ?

- Another review (after LGC review) to streamline the consultation and accountability provisions of the LGA
  - Seems to believe consultation should abolish differences of opinion, conflicting interests and politics – lack of a consensus means failure
  - Do they means consultation or negotiation?

# Consultation

- DIA and OAG to monitor/review the way consultation is working ( 3<sup>rd</sup> and a 4<sup>th</sup> review)
- Discretion to apply consultation principles to be removed
  - Presumably refers to s. 82(4)
- ‘Mass undifferentiated consultation’ to be replaced by ‘targeted focused consultation’
- More emphasis on engaging with Maori in decision-making

# LTCCPs

- LTCCP process to be 'aligned to the electoral cycle' i.e. first year of the triennium
- Quality of LTCCP summaries must improve
- Audit of LTCCPs to continue

# LTCCPs

- LTCCP to develop three year indicative budgets and financial targets (with stakeholders)
- Achievement of targets to be audited each year
- Targets to be based on a template
- More explanation of revenue and financing policies
- Template for Rate Increases
- Benchmarking

# Funding Policy

- Explicit consideration of affordability
- No full funding of depreciation i.e. use of the section 100(2) provisions

# Independent Review Agency

- New agency
- Powers to hear complaints about expenditure and revenue decisions
- Powers to make recommendations

# CCOs

- CCOs financials to be disclosed as part of the LTCCP financials
- CCOs to operate as a business (cf SOEs)
- CCOs must be set a rate or return and report on achievement of this
- LAs to disclose objectives for holding CCOs
- No 'cross-subsidisation'

# ‘DIA’

- DIA to be resourced to ‘monitor’
- DIA to be resourced to get input from all stakeholders