

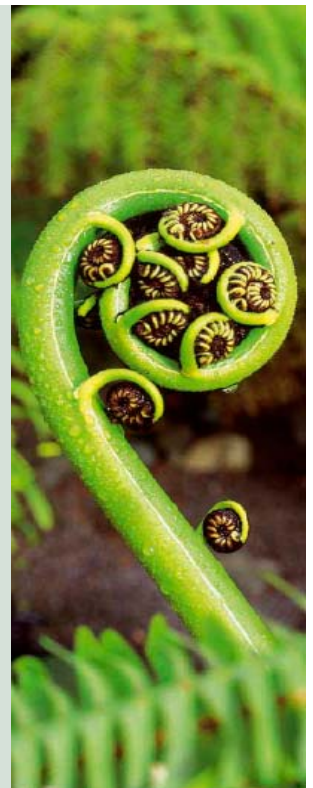


11/12 August 2008

Christchurch

SOLGM Community Planners Conference 11/12 August 2008

Bruce Robertson, Assistant Auditor-
General, Local Government





■ Outline

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The “well of optimism”

A quick health check and the councillors

Approach to the audit of the 2009-19 LTCCP

Reporting our findings



■ Key messages

3

We want to “focus on our knitting” – getting the basics done

The sector needs to show it can competently deal with its core accountability requirements

Most of the sector appears to be much better placed in its preparation for the 2009-19 LTCCP

The scope of the audit has not increased although a more effective response (from us) is expected

We want more qualitative reporting – the rise of explanatory paragraphs



■ “Focus on our knitting”

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The sector has done good work – the SOLGM LTCCP good practice guidance

We have overhauled our approach and completed training

Our respective focus needs to be getting on with our respective work

Auditors’ immediate focus – completing planning and agreement of work expectations; including dealing with inevitable timetabling clashes



■ The “well of optimism”

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Councillors “get it”

SOLGM, on behalf of managers, has developed useful guidance

Councils are planning earlier – they are planning to plan



■ A maturing perspective

6

Councils better understand the long term nature of their game and recognise the balance they must bring across all aspects of well-being

LTCCPs are important to stakeholders (and something of a *litmus test*) – credit ratings, demonstration of competence and important in enabling the sector going to the “stakeholders table”



■ Are you ready – a quick health check

7

Does our Council have a project plan and team in place now?

Has the team engaged with the auditors (in part to lock in their performance)?

Have we, along with the chief executive, engaged the elected members in setting the parameters for the preparation of the draft LTCCP?



■ The councillors' prerogative

8

In what direction is the district wanting to go?

Is it consistent with the existing strategy of Council and the state of the district?

What are the implications of change/staying the same?



■ The councillors' prerogative (cont'd)

9

Have the councillors discussed/decided:

Who pays what, when and why?

What constitutes affordability?

Has council confirmed demand for services and the levels it will provide?

Has council received assurance on the quality of the underlying data and assumptions?



■ Approach to the 2009-19 LTCCP

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The importance of planning and risk assessment

The 10 audit objectives – the “modules”

The modules represent the 10 objectives the auditors will focus on and what will constitute the basis of all *hot reviews*

SOLGM and NAMS guidance has set a new benchmark for the quality of information and transparency



■ Audit implications

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The cornerstones:

Underlying information – asset information

Performance information – levels of service

Financial strategy and prudence

The right debate

And do not forget the summary



■ The right debate

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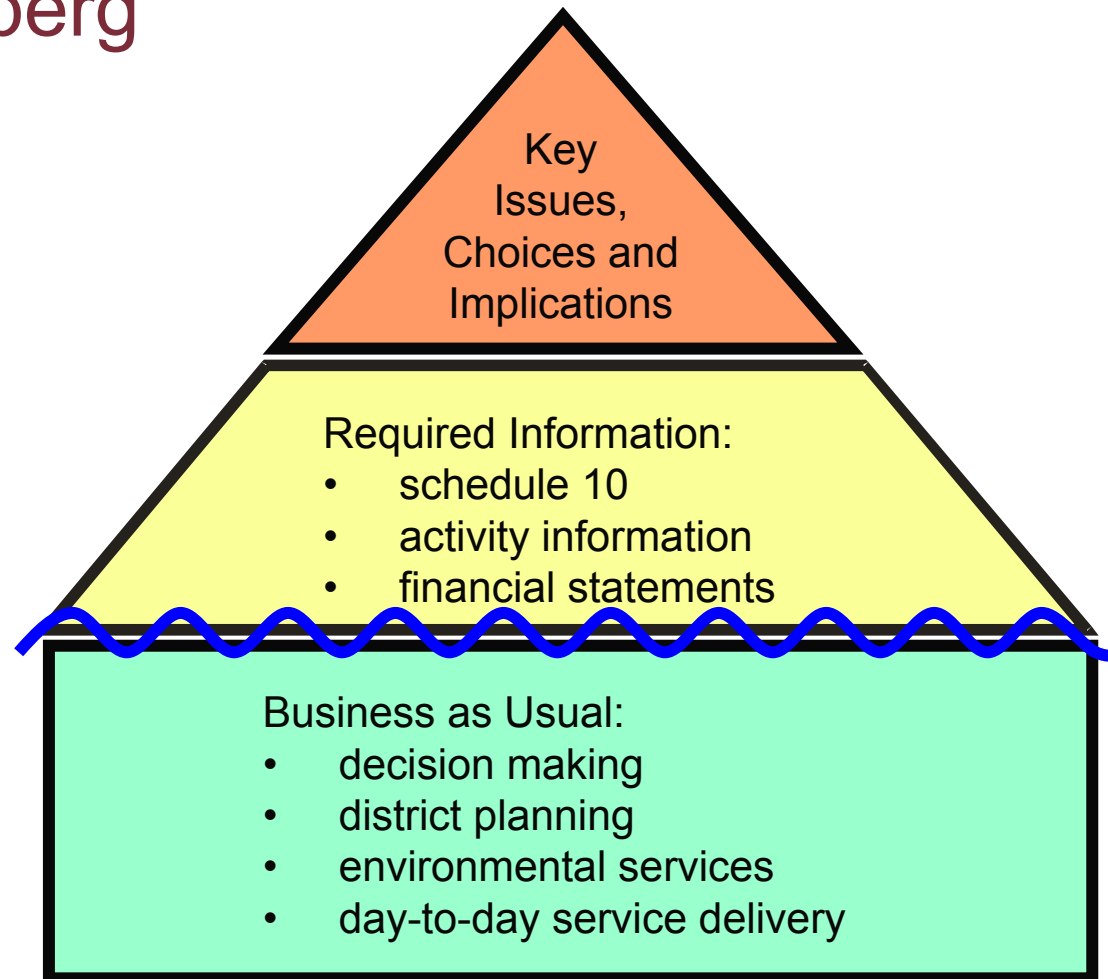
Being transparent to the ratepayer about what the important issues are, what options – including the one adopted in the consultation document – are open to the community and what all the implications associated with the issues are

(Also – what is the decision to be made and how the ratepayer can influence it)



■ The Iceberg

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Meaningful assessment of performance

Wellbeing – vires test

Community outcomes – strategic choices and trade-offs

Rationale for activities – how the activity contributes to wellbeing/outcomes

Service levels – attributes the service influences/provides

Measures – how the impact on attributes will be assessed

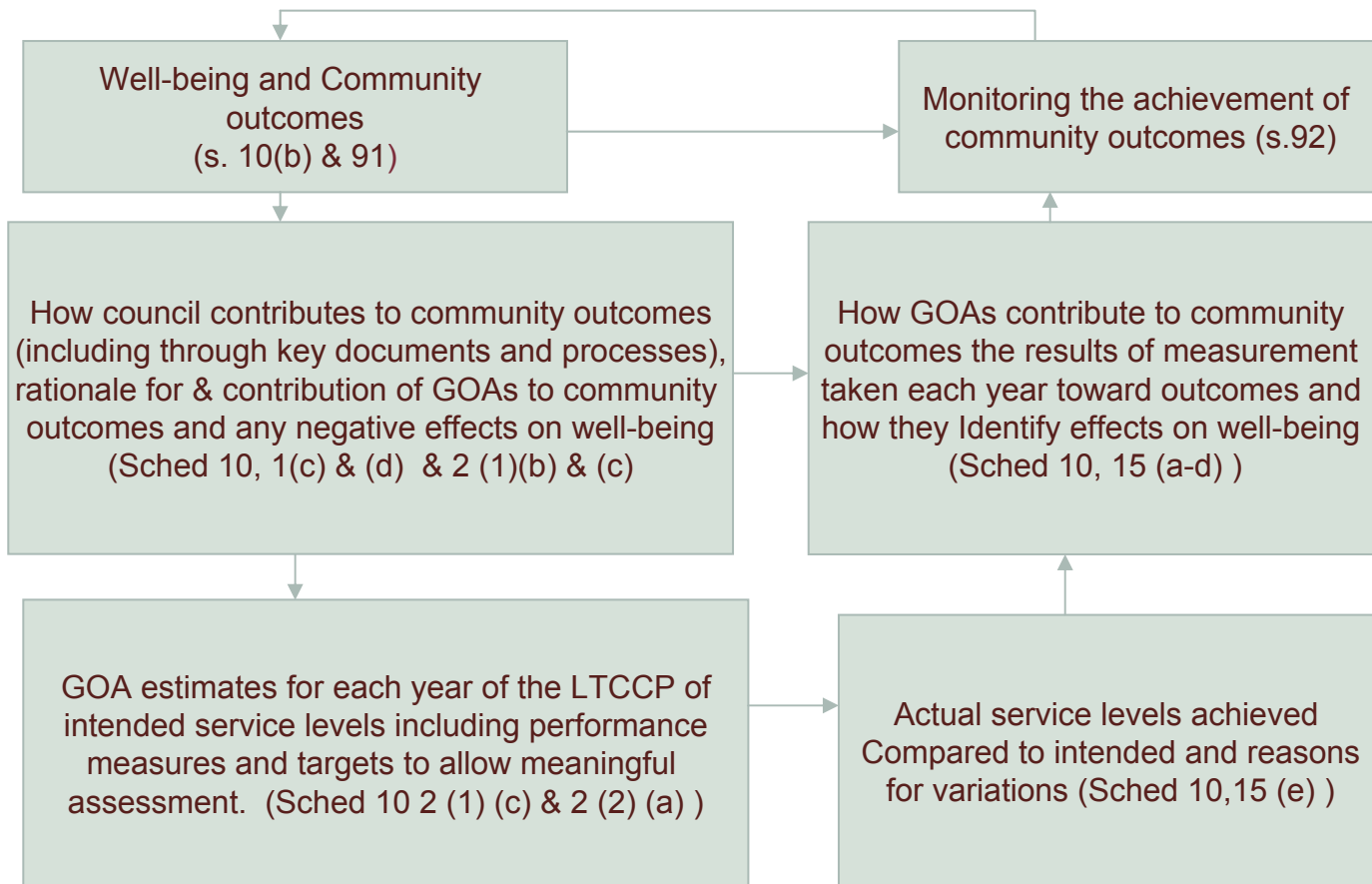
Targets – the level of performance sought



Meaningful assessment of performance

The planned effect

The reporting 'Mirror'





■ Reporting our findings

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The 3 statutory legs plus the overall opinion:

Useful for decision-making

Effective for public participation; and

Future accountability

Possible greater user of “explanatory paragraphs” (refer Porirua City Council)



■ Key messages

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