

## **FMWP News August 2007**

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The Financial Management Working Party (FMWP) met on 24 August. Some of the items of interest.

### **New Chair**

The Working Party welcomed its new chair, Phillippa Wilson.

### **Price Change Indicators – Update Commissioned**

The Working Party has commissioned an update of the BERL price change indicators. These will be available on the Good Practice Toolkits on or before 1 October. These will become an 'annual event' in future years, we will try to have them out in September in the future.

### **Rates Inquiry**

The Working Party had a lengthy conversation sharing intelligence as to the likely direction of the Shand report on local government funding. Subsequent to the meeting and the release of the Shand report, SOLGM and LGNZ has prepared a document *Did the Inquiry 'Get Real'?* SOLGM and LGNZ have also held the Rates Inquiry Forum on 3 September.

It appears that there will be another central government policy process to consider the recommendations the inquiry has made. We will let everyone know what the process will be when the Government has firmed up its thinking on how it intends to deal with the report.

### **Local Government Act Review**

We heard from Gavin Beattie and Nasi Jenkin, two Local Government Commission officials working on the Commission's section 32 review of the Local Government Act and the Local Electoral Act. The Commission is progressing the review in three strands – democracy (Electoral Act issues), responsiveness (participation, decision-making, consultation, and Maori capacity), and effectiveness.

The Commission has written to all local authorities seeking views on the legislation, especially where those views are different from Strengthening Local Democracy and the LGNZ submission.

The Commission intends to produce an initial report around Christmas dealing with issues that require urgent amendment. Our understanding is that these will most probably be electoral issues particularly around representation reviews and technical

issues (many of which may have been discussed in the Commission's 2005 report). A second report will be produced in June dealing with the remainder of the review.

### **Government Moves on Securities Act**

The Securities (Local Government) Amendment Bill will be introduced into Parliament in the near future. This is the Bill that will alter the requirements on those local authorities wishing to issue debt to the retail market by:

- requiring only an investment statement; and
- requiring that the documentation be signed by two elected members (rather than everyone as at present).

SOLGM and LGNZ are scoping a piece of work that will provide good practice advice on accessing the retail loan market.

### **2009 and Beyond Update**

The Working Party and the Strategic Planning Group met jointly to provide feedback on a working draft of Piecing it Together (the updated and revised Jigsaw). This has gone to the Steering Group for approval and will be released in October. Work is also well advanced on *Performance Management Frameworks: Your Side of the Deal* and this should also be released in October.

### **Watch Out For ...**

The programme for the 2009 and Beyond Seminars which will be released at some point in the week beginning 10 September.