



Business Performance Working Party Newsletter

September 2016

SOLGM's Business Performance Working Party (BPP) had its inaugural meeting on 8 September. In this edition:

- BPP – who we are and what we do
- Better Local Services delayed
- The Road to 2018 – LTP Guidance and Support
- Risk Management Forum – A Work in Progress
- Strategic Finance Forum – Also a Work in Progress
- Final Call: SOLGM Funding Forum.

BPP – Who We Are and What We Do

BPP is a new working party created by the SOLGM Executive to promote high standards of financial management, performance measurement and management, risk management and asset management, and encouragement of the use of these disciplines as drivers of business transformation. The full terms of reference can be found at

https://www.solgm.org.nz/Attachment?Action=Download&Attachment_id=913

Our Members are:

- Jim Palmer, Chief Executive, Waimakariri District Council (Chair)
- Kevin Ramsey, General Manager Corporate Finance and Property (Deputy Chair)
- Diane Brandish, Head of Financial Management, Christchurch City Council
- Martin Fletcher, Chief Financial Officer, Marlborough District Council
- Christine Jones, General Manager, Growth and Infrastructure, Tauranga City Council
- Mike Nield, Director Corporate Services, Taranaki Regional Council
- Bronda Smith, Chief Financial Officer, Central Hawkes Bay District Council
- Ruth Stokes, Group Manager Infrastructure and Services, Dunedin City Council
- Hamish Waugh, General Manager – Infrastructure, Manawatu District Council
- Sarah Lineham, Sector Manager – Local Government, Office of the Auditor-General (observer).

At our first meeting we agreed to confirm the membership and terms of reference of the former Accounting Subcommittee as existed at 1 April 2016.

Better Local Services Delayed

We received an update on the progress of the Better Local Services Legislation. The due date for the Select Committee has been deferred by a month, to 28 October, with some suggestion that a further deferral is likely. LGNZ and SOLGM staff continue to meet with the Department of Internal Affairs on:

- technical issues
- the implications of changes for the accountability arrangements of local authorities
- tax matters.

It appears unlikely that the Bill will be enacted in its current form – significant changes are being contemplated. We deferred a discussion on the sector's implementation needs until our December meeting – we would welcome suggestions.

The Road to 2018 – LTP Guidance and Support

One of the major initiatives that the Planning Working Party and ourselves have inherited from the outgoing Working Parties has been the review of SOLGM's suite of LTP guidance in advance of 2018. Both working party meetings were dominated by discussion of two of the guidance products.

The full suite of guidance for 2018 will be:

- a) *Performance Management: Your Side of the Deal* – a guide to performance management in local government within the context of a long-term plan. This guide is divided into three sections, firstly, direction setting, secondly, levels of service, performance measures and targets, and thirdly, communicating performance and supporting culture. The Guide will be released at the upcoming SOLGM Annual Summit on 23 September
- b) *Jigsaw 2018: Piecing it Together* – is a quick reference to the entire range of processes and content requirements that make up a successful LTP. We approved this guide for publication, and we expect that the guide will be available on or before 21 October
- c) *Dollars and Sense 2018* – this guidance covers financial and infrastructure strategies, financial prudence and the financial information that goes into the long-term plan. We have also approved this guide for publication, which will occur on or before 28 October

- d) *Telling Our Stories 2018*- this guidance provides tips and tricks for writing an effective LTP consultation document. This is accompanied by useful examples, particularly the eight finalists in the SOLGM 2015 LTP Consultation Documents.

The key learning from this guidance will be showcased at SOLGM's four *Road to 2018 Seminars* which will be held in the following venues:

- Millenium Hotel, Queenstown, 1 November
- Sudima Hotel, Christchurch, 2 November
- Palmerston North Convention Centre, Palmerston North, 16 November
- Waipuna Hotel, Auckland, 17 November.

You can find more programme details at

https://www.solgm.org.nz/Attachment?Action=Download&Attachment_id=1064

The charge to get on the *Road to 2018* is:

- \$480 + GST per person (SOLGM member)
- \$560 + GST per person (non – SOLGM member).

For those who are doing their first LTP, or who need a refresher, we'll be holding a pair of LTP 101 webinars. These provide an introduction to the LTP, if you are new and planning to go to the *Road to 2018* we strongly recommend you attend the webinars first. **The LTP 101 webinars are not designed for experienced LTP practitioners.** More details on these later. As a webinar *LTP 101* will be charged on a per council basis.

Risk Management Forum 'A Work in Progress'

SOLGM's 2017 Risk Management Forum will be held on 16 and 17 February in Wellington. This is the annual practice and networking opportunity for those who are responsible for the risk management frameworks in local authorities.

We've just kicked off developing the programme – if you would like to be involved in developing the programme, or have a topic suggestion contact Raymond Horan at raymond.horan@solgm.org.nz or 04-978-1283.

Strategic Finance Forum Also a Work in Progress

We've also kicked off programme development for the 2017 SOLGM Strategic Finance Forum (27 and 28 March, Auckland). If you would like to be involved in



developing the programme, or have a topic suggestion contact Raymond Horan at raymond.horan@solgm.org.nz or 04-978-1283.

Final Call: Funding and Rating Forum

SOLGM's annual funding and rating forum will be held on 3/4 October at the Amora Hotel in Wellington.

This forum is for those who work in, or need to know about the arcane, yet mission critical, field of funding and rating.

As always the Forum is an exciting blend of theoretical and practical presentations that mix the policy and practice of funding and rating. With 2018 financial strategies looming on the horizon we take a look at where the bar will be set in 2018, and we also take a look at what fiscal prudence means in practice.

There's an opportunity to contribute to the upcoming SOLGM guidance on preparing rating reviews. As always SOLGM's been busy looking at rating policies and practice and has some thoughts to share on where waiver policies and rates resolutions needs to get to. This year we're going to traverse the field of efficient pricing principles for infrastructure – with a focus on charging for water.

And as always there's the usual updates on legal issues, valuation issues and SOLGM matters.

For more details can be found at https://www.solgm.org.nz/Event?Action=View&Event_id=381

Jim Palmer

Chairman

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