



Recommendation	Agree/ Disagree	Additional Comments
We recommend councils improve the quality of their long-term forecasts and financial planning by:		
1. Maintaining complete and accurate asset condition data and asset management plans (Chapters 2, 3 & 4)	Agree	<p>The importance of capturing accurate condition data must be included in the Council's project management framework and asset management plans.</p> <p>One of the challenges about having appropriate useable asset management plans is a skills capability gap. – GRC would welcome training on financial as well as the physical asset aspects.</p>
2. Implementing a scalable project decision making framework for all infrastructure asset investments (Chapter 2)	Agree	<p>GRC is developing project assessment criteria as part of its project management framework.</p> <p>It is recommended that Councillors and Managers across all Councils should receive training on asset management including capital and operational costs, at induction and regular intervals.</p>
3. Engaging directly with their communities on future service levels (Chapters 2 & 4)	Agree	Utilise engagement frameworks to better inform and involve the community in council investment decisions.
4. Developing financial plans to explain their financial forecasts and how it intends to financially manage the council and its long-life asset (Chapter 2).	Agree	GRC supports long term financial planning and forecasting to deliver optimal community outcomes.



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We recommend the Department of Infrastructure, Local Government and Planning:		
5. Allow councils to set their own financial sustainability targets where they can justify that a different target is more appropriate for their long-term sustainability. (Chapter 2).	Agree	In addition to the three legislated measures, GRC supports the use of a range of ratios to track council performance including the ability to set targets which take into account the nuances of individual councils.
6. Strengthen their governance role, including analysing long-term planning documents, to allow the Minister to identify councils, in or becoming financially stressed (Chapter 3)	Agree	
7. Support councils to strengthen their strategic planning by building their capability and capacity to produce 10 year financial forecasts and asset management plans that can be relied on, and are integrated with their annual budgetary processes. They should be renewed and updated at least every four years (Chapter 2 & 3)	Agree	GRC requests the department establishes and provides ongoing coordination of the local government segments as network groups with a view to performing a gap analysis to understand the capability and capacity needs of participating councils.



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8. Require councils to include in their annual budget or annual report statements: <ul style="list-style-type: none">• The long-term financial forecasts for at least the subsequent three years after the budget year.• Reporting analysis of actual to budget figures (chapter 2)	Agree	
9. Broaden the number of ratios required to be calculated over 10 years to include the asset renewal funding ratio, once councils have improved their asset condition data (Chapter 4)	Agree	As per comment in 5.