



# Summary

## *Our 2018 work about local government*

This report presents the main findings from our audits of councils and other work about local government in 2018.

Every three years, we are required to audit councils' long-term plans (LTPs). The 2018-28 LTPs show that councils are facing many significant and often conflicting challenges that they need to plan for.

All councils are responding to the need to increase their spending on renewing infrastructure. The expenditure required is often higher than in previous years because of historical underinvestment and the need to improve services to meet increased standards and community expectations. Some councils are also responding to high levels of population growth.

Communities need to be well informed and, when appropriate, involved in the processes to address the challenges that they are facing. Communities want to be part of the conversation about responding to the range of challenges that could arise.

Our audits indicate councils have more work to do to collect information on the condition and

performance of their critical assets, the likelihood of natural hazard events occurring, and the effects of climate change on their infrastructure and communities.

Councils' 2017/18 financial information shows positive trends in investment in infrastructure. However, councils will need to maintain momentum in delivering significant capital projects to meet the levels of service they have committed to in their 2018-28 LTPs. This will require appropriate information, and careful planning and management over an extended period of time.

In 2017/18, seven councils failed to meet their statutory deadline for adopting their annual report. We know that some councils missed their statutory deadline because they had to resolve challenging technical matters. In a few instances, our auditors contributed to the delays as they worked through some complex matters. To resolve these matters effectively and in a timely way, councils need to identify and consider complex issues early and obtain appropriate accounting advice. This will also require early involvement of their auditor.

