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Support for Better Financial Management in Local Government

The Australian Centre of Excellence for Local Government (ACELG) today released a new Practice Note on Long Term Financial Planning. The Practice Note was prepared by the Institute for Public Works Engineering Australia (IPWEA), with funding from the Commonwealth Government's Local Government Reform Fund. It is designed to improve the financial performance of local government by assisting local councils to prepare better long-term plans.

IPWEA President Paul Di Iulio explains: "Most infrastructure assets are long lived. They require increasing maintenance as they age and eventually need renewal. It is essential that we plan for this investment with effective long-term financial planning."

Local Government Minister Simon Crean welcomed the release of the Practice Note.

"Local government plays a vital role in the life of our nation, not only in the delivery of local services, but in building communities, planning for future challenges and strengthening local economies," Mr Crean said.

"The Australian Government is committed to reform and have provided over \$30 million to create the Local Government Reform Fund and establish the Australian Centre of Excellence for Local Government. A wide range of reform projects, including the development of the new Practice Note, have been undertaken across the states and territories to enhance local government performance."

Speaking at the Local Government Finance Professionals conference in Perth, ACELG Assistant Director Melissa Gibbs said that the Centre and IPWEA strongly endorsed the Minister's comments.

"Like all governments, local councils face the challenge of making better use of limited funds. Several studies over recent years have highlighted the need for improved financial management in local government, and this is a priority area for further work."

The Practice Note has been compiled with the input of local government practitioners, local government associations and representatives of state and federal government. It is freely available to all councils across Australia, and can be downloaded from ACELG's website at www.acelg.org.au or at www.ipwea.org.au/LTFP.

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