

# LGFA draft Statement of Intent

**Meeting:** Audit, Risk and Finance Committee  
**Date of meeting:** 12 March 2020  
**Reporting officer:** Sue Davidson, GM Sustainable Growth and Investment

## Purpose/Ngā whāinga

To give feedback on LGFA's (Local Government Funding Agency's) draft Statement of Intent for the 2020/2021 year, if any.

## Executive summary/Whakarāpopototanga

This Statement of Intent is prepared as the intentions of LGFA for the coming year. Kaipara District Council uses LGFA for its borrowings. LGFA, as a Council controlled organisation, annually sends out a Statement of Intent as to its future expectations. Shareholders and local authorities with an interest have the opportunity to comment.

## Recommendation/Ngā tūtohunga

That the Audit, Risk and Finance Committee:

- a) Notes Local Government Funding Agency's draft Statement of Intent for 2020/2021.

## Context/Horopaki

Council has been a member of LGFA since 2016. LGFA have sent our Council their draft Statement of Intent for any comment.

The board of LGFA must consider any comments on the draft Statement of Intent that are made by the shareholders, and by local authorities with indirect control, or by any of them, on or before **01 May** in the year preceding the year to which the draft statement relates.

We have an interest, being a guaranteeing Council.

## Discussion/Ngā kōrerorero

The draft Statement of Intent It does say that their aim is to provide interest cost savings relative to alternative sources of financing. This is the key reason this Council borrowed through LGFA.

### Policy and planning implications

The information provided does not impact Council's policy or planning.

### Financial implications

There are no financial implications apart from we can be assured of getting competitive and cheaper rates of interest on any amounts borrowed.

### Risks and mitigations

Utilising LGFA means we are reducing our interest costs as opposed to that charged by other lenders.

## Significance and engagement/Hirahira me ngā whakapāpā

The decisions or matters of this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda on the website.

**Next steps/E whaiake nei**

Any comments agreed will be sent to LGFA.

**Attachments/Ngā tapiritanga**

	Title
A	LGFA draft Statement of Intent 2020/2021
B	LGFA half-year report to 31 December 2019