

### 3.2 THE 2009 – 2013 (2012 UPDATE) COUNCIL PLAN - INCORPORATING THE STRATEGIC RESOURCE PLAN

(CORP16 MK:DW)

Responsible Director: Marilyn Kearney

#### **RECOMMENDATION**

*That Council, having prepared and given public notice of the Draft Council Plan 2009-2013 (2012 Update) in accordance with Section 125 of the Local Government Act 1989 (the Act) and having conducted a consultative process, received and considered submissions, as required under S223 of the Act, resolves:*

- 1. That the Council Plan 2009-2013 (2012 Update) incorporating the Strategic Resource Plan be adopted in accordance with Section 125 and 126 of the Act.*

#### **INTRODUCTION**

The Local Government Act 1989 (*the Act*) requires that a Council must prepare, approve and submit to the Minister for Local Government a Council Plan within the period of 6 months after each general election year or by the next 30th June, whichever is the later. On 30 June 2009 Council adopted the 'Council Plan 2009 – 2013' to fulfill the requirements of the Act and to continue the commitment of Council to pursue excellence, good governance and responsible management of resources for the community in the City of Monash.

The Act also requires that at least once in each financial year, a Council consider the current Council Plan and make adjustments necessary in respect of the remaining period of the Council Plan.

A review of the strategies of the Council Plan 2009 – 2013 has been undertaken and our progress and achievements over the life of the plan have been recorded. A section on future directions has been added to include activities and initiatives as contained in the 2012/13 budget to enhance service delivery and assist in meeting the broader strategic objectives of the plan. This report is provided for Council's endorsement of the 'Council Plan 2009 – 2013 (2012 Update)'. A copy of the document is an attachment to this report.

Under the Act, Council is also required to prepare a 4 Year Strategic Resource Plan (SRP) as part of the Council Plan. The SRP identifies the financial and other resources required to achieve the objectives set out in the Council Plan for the next four years. The achievement of the Council Plan strategic objectives and the sustainability of service delivery are highly dependent on the Council's effective management of its resources as outlined in the SRP.

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**BACKGROUND****The Council Plan**

Section 125 of the Local Government Act 1989 prescribes that a Council Plan must include:

- a) The strategic objectives of the Council,
- b) Strategies for achieving the objectives for at least the next four years,
- c) Strategic indicators for monitoring the achievement of these objectives,
- d) A Strategic Resource Plan, and
- e) Any other matter prescribed by the regulations.

In 2009, Council formed a Steering Committee of Councillors and officers to develop the Council Plan. Significant consultation with the community was undertaken to inform the development of the plan. Subsequent updates of the plan have used this information and also additional input received through consultation in the development of Council's longer term planning document, "*Monash 2021 – a thriving community*". The Council Plan builds on the priorities set down in "*Monash 2021*". In 2012 the strategies contained in the Council Plan were confirmed as relevant and Council's progress and achievements over the life of the plan as well as future directions for the financial year 2012/13 were identified and recorded in the 2012 update of the Council Plan.

**The Strategic Resource Plan**

Section 126 of the Local Government Act prescribes that a Strategic Resource Plan (SRP) be developed and be contained within the Council Plan including:

- (1) *The Strategic Resource Plan documenting the resources required to achieve the strategic objectives.*
- (2) *The Strategic Resource Plan must include in respect of at least the next 4 financial years-*
  - a) *The Standard Statements describing the required financial resources containing the required information in the form required by the regulations;*
  - b) *Statements describing the required non-financial resources, including human resources.*
- (3) *A Council must -*
  - a) *Review the Strategic Resource Plan during the preparation of the Council Plan; and*
  - b) *Adopt the Strategic Resource Plan not later than 30 June each year.*
- (4) *A copy of the current Strategic Resource Plan must be available for inspection at -*
  - a) *The Council office and any district offices; and*
  - b) *Any other place required by the regulations.*

Council's SRP is required to include the following sections:

**Four Year Financial Plan.**

The Financial Plan provides an overview of Council's 4-year operating and capital works program and the associated rating and revenue strategies.

**Standard Financial Statements:**

A standardised set of Financial Statements must be included in both the SRP and the Annual Budget and prepared according to Approved Australian Accounting Standards. The SRP covers the period 2012/13 – 2015/16 with the 2012/13 Annual Budget representing the first year of the SRP. This ensures consistency and comparability of the key planning and reporting documents. Changes to the SRP are reflected in the 2012/2013 budget. The statements include:

- Standard Income Statement;
- Standard Statement of Cash Flows;
- Standard Balance Sheet; and
- Standard Statement of Capital Works.

**Human Resource Statement**

The Human Resource Statement reflects the identified staffing levels and mix funded in the first year of the SRP and allows for marginal growth in future years.

***DISCUSSION***

A significant community consultation process was undertaken to develop the 'Council Plan, incorporating the Strategic Resource Plan 2009 – 2013' in 2009, which included the facilitation of a Councillor workshop, Interactive displays at community festivals (900 community participants), Council Advisory Committees Workshops, workshops with other stakeholders.

The results of this Community Consultation process along with additional information gathered through Consultation to inform "*Monash 2021*" have provided valuable input into the development of the Council Plan.

Since the adoption by Council in 2009 of the Council Plan 2009 – 13 a number of the strategies have been achieved as identified in the attached document. Council is proud of its achievements in meeting its objectives during the current Council term and continues to address the competing demands for services, infrastructure maintenance and renewal as well as increasing external pressures imposed by other levels of government.

This SRP is included as part of the 'Council Plan 2009 – 2013 (2012 Update)'. The SRP provides a high-level, medium-term view of how Council intends to utilise its resources to achieve best value for the Monash community. The SRP is soundly based and built around the need for Council to be fiscally prudent in managing the competing pressures of community demand and ensuring the long-term financial sustainability of the City.

The Strategic Resource Plan has accommodated significant changes to funding of services and the impost of additional levies and taxes from other levels of Government, particularly increasing costs of the Metropolitan Fire Brigade Services and Environmental Protection Authority (EPA) levies and the introduction of the Carbon Tax. This has been achieved by maintaining Council's commitments to rate increases of 6% throughout the 4 year plan set in 2009 through effective financial management and efficiencies in service delivery outcomes.

### ***COUNCIL PLAN STRATEGIC RESOURCE PLAN SUBMISSIONS***

At its meeting on 24 April 2012, Council adopted a Draft 2009 – 2013 (2012 Update) Council Plan for consultation with the community.

Council appointed a Committee of Council, comprising all Councillors to consider submissions under Section 223 of the Act, received on the proposed Council Plan 2009 – 13 (2012 Update)

Council received (1) written submission from Ratepayers Victoria Inc. The submission was in the form of a number of questions addressing the SRP and other parts of the Council Plan. The questions sought further detail on how the SRP figures and some of the statements in the SRP and Council Plan were derived. A submission hearing was held on Tuesday 12th June Representatives from Ratepayers Victoria, Mr Jack Davis, President, Ratepayers Victoria, Mr Des Olin and Ms Chan Cheah made verbal presentations to Council in support of their written submission. The key points raised by Ratepayers Victoria related to their submission and included these concerns regarding the Budget and Council Plan:

- Ongoing excessive rates,
- Lack of Transparency of rate increases and cost drivers,
- Clarity of decision criteria used for rate increases and budget forecasts,
- Lacking social responsibility considerations regarding impacts on pensioners and ratepayers in difficult economic times, and
- Concerns over current debt levels

The Committee heard and gave consideration to the comprehensive questions raised by Ratepayers Victoria as part of their deliberations.

Following consideration of a report on the submissions and the hearings the Committee of Council has recommended that Council not make any changes to the Draft Council Plan and Strategic Resource Plan 2009 – 2013 (2012 Update) related to the submissions.

### ***STRATEGIC RESOURCE PLAN (SRP)***

Changes made to the 2012/13 Budget regarding funding, insurance premiums contract costs and an increase to infringement penalty unit rates have been reflected in the SRP,

however the changes are not of a material nature resulting in only minor changes to the projected result over the term of the plan.

### ***CONCLUSION***

Following consideration of the written and verbal submissions received regarding the Draft Council Plan 2009-2013 (2012 Update) the Section 223 Committee of Council resolved to recommend no changes as they related to the submissions received by Council.

It is therefore recommended that the Council Plan 2009 – 2013 (2012 Update) be adopted. Once adopted it will be made available to all staff, key businesses, service groups and interested parties and will also be available on Council's web site, [www.monash.vic.gov.au](http://www.monash.vic.gov.au). This document reflects the Council's commitment to pursue excellence, good governance and responsible management of resources for the community in the City of Monash.