

**SPECIAL COUNCIL**  
**7 JUNE 2004**

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**DRAFT 2004/2008 COUNCIL PLAN AND  
DRAFT STRATEGIC RESOURCE PLAN**

**LOCATION/ADDRESS:**

**RESPONSIBLE EXECUTIVE DIRECTOR:**

**GEOFF OULTON, EXECUTIVE DIRECTOR  
CITY DEVELOPMENT &**

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CORPORATE MANAGEMENT**

**AUTHOR:**

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ACCOUNTANT**

**FILE NO.:**

**ATTACHMENTS:**

**1 – DRAFT COUNCIL PLAN**

**2 – DRAFT STRATEGIC RESOURCE  
PLAN**

**3 - COMPARISON BETWEEN CURRENT  
CORPORATE PLAN AND DRAFT  
2004/2008 COUNCIL PLAN**

**4 - 2004/2008 COUNCIL PLAN  
TIMETABLE**

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**1. EXECUTIVE SUMMARY**

- 1.1. Report asks council to adopt the 2004/2008 draft Council Plan and draft Strategic Resource Plan and authorise the public notice to advertise the draft plans and call for submissions from the public.

**2. KEY ISSUES**

- 2.1. Council to:
- 2.1.1. Receive and review the 2004/2008 draft Council Plan and draft Strategic Resource Plan (Attachments 1 and 2)
  - 2.1.2. Note that the Council Plan includes a draft Strategic Resource Plan, a summary of which is included in the document titled Council Plan.
  - 2.1.3. Authorise the public notice to advertise the draft Council Plan and draft Strategic Resource Plan and call for submissions from the general public under section 223 of the Local Government Act 1989.
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3. CONTEXT

**Background and changes to the Local Government Act 1989**

- 3.1. Council must prepare and approve a 4-year Council Plan, which includes a Strategic Resource Plan by June 30<sup>th</sup> each year. Pursuant to the Act (sec 125 (2)) the Council Plan must include:
- 3.1.1. The strategic objectives of the council,
  - 3.1.2. Strategies for achieving the objectives for at least the next 4 years,
  - 3.1.3. Strategic indicators for monitoring the objectives, and
  - 3.1.4. A Strategic Resource Plan
- 3.2. The Council Plan is about sustainability and service. Sustainability is about 4 pillars to support efforts to make the Port Phillip community more sustainable. Sustainability is about establishing processes to support economic viability, environmental responsibility, cultural vitality, and social equity to ensure we provide for future generations to the best of our current ability. Service is about entrenching an approach to service that responds to queries or requests in a quick, friendly and efficient manner. By quick we mean Same Day Service where all staff are encouraged to exercise personal judgment within agreed standards to respond on the day they receive a request.
- 3.3. There have been some changes to the Local Government Act, which have been factored into the preparation of the Council Plan. Specific changes include:
- 3.3.1. The Corporate Plan is now called the Council Plan
  - 3.3.2. The Council Plan will comprise what we formerly called the Corporate Plan Framework, ie. Four pillars of sustainability (economic viability, environmental responsibility, cultural vitality and social equity), objectives, strategies and indicators, as well as the strategic resource plan
  - 3.3.3. The previous corporate plan highlights will be the “initiatives” and included as part of the budget but repeated in the Council Plan document
  - 3.3.4. The previous Business Plan (which comprised key highlights with measures and performance targets which are externally audited) will now be the “Key Strategic Activities” and included as part of the budget but repeated in the Council Plan document as council’s ‘top ten’, ie. The issues that council wants to most put its effort into with measures and performance targets, which define achievement.
- Attachment 3 lists the requirements under the Local Government Act 1989 and shows the comparison between the current corporate plan and the proposed Council Plan.

### **Strategic Resource Plan**

- 3.4. The Council Plan must include a Strategic Resource Plan, which is an expanded version of the previous resource allocation plan. The SRP has impacted on the way the Council Plan is developed and clearly explains how council will allocate its financial and non-financial resources to achieve our Council Plan objectives.
- 3.5. The Surf Coast Shire developed a 'best practice' model of what a Strategic Resource Plan could include. Council's Finance department have used this model as a basis and expanded the Port Phillip Strategic Resource Plan into a document, which defines its goal as achieving financial sustainability by ensuring continued operating viability, a positive cash flow and a growing asset base.
- 3.6. The Strategic Resource Plan has 5 financial and non- financial objectives and strategies. These are:
- (i) CoPP will have an ongoing balanced budget and ideally a small surplus.
  - (ii) The CoPP asset base will be maintained, enhanced and expanded.
  - (iii) Liquidity will be maintained at levels that assure adequate working capital without the need to resort to borrowings or a bank overdraft.
  - (iv) Capital works will address community needs without ignoring long term financial impacts.
  - (v) CoPP will proactively lead, develop and build organisational culture based on the provision of same day service and a work life balance.

### **Public Submission process**

- 3.7. A new requirement of the recent legislative changes is the requirement to have a section 223 public submission process as part of preparing the Council Plan. This is the first time that this has been a requirement of the Council Plan process. It is proposed to advertise for submissions with a view to hearing submissions at a special council meeting on the 5<sup>th</sup> July and then approving the final council plan on the 12<sup>th</sup> July. A request for a 2-week extension has been made with the Minister due to the transitional timing issues associated with the first year of the new legislation and council's desire to combine the sec 223 processes on both the Council Plan and the budget, as they are co-dependant.

### **Consultation on preparing the Council Plan**

- 3.8. There has been extensive internal consultation on preparing the new 4 year Council Plan and Strategic Resource Plan

#### *Council Plan and top ten*

- 3.8.1. The Council plan has been driven by the Councillors with a series of discussions on the previous corporate plan framework with a view to updating it for the next 4 years. Keeping in mind throughout that the framework would only exist for one year being the last year of the current Council. As a result of this process the objectives and outcomes have been refined along with some changes to the strategies as well. A number of changes have been made to assist readability, to follow current organisational focus and to address Councillor comments.

*Initiatives*

- 3.8.2. Pursuant to the changes made to the Local Government Act 1989, the budget must now include “activities and initiatives”. The “activities” are considered to be the activities covered by the service plans and the “initiatives” are considered to be the matters that were previously termed corporate plan highlights. Whilst the budget includes the initiatives it is preferable to repeat these initiatives in the body of the Council Plan as the specific initiatives that the council is focusing on in the forthcoming year.
- 3.8.3. The initiatives have been developed in a similar manner to last year’s corporate plan highlights, by:
- Considering the issues that the council wants to focus on in 2004/2005
  - Thinking of the next logical steps in achieving the objectives and strategies set out in the Council Plan
  - Seeking feedback from various service units that arise out of preparing next year’s service plans and budget and out of a 4 pillar workshop held in early April
- 3.8.4. Altogether there are 90 initiatives – 30 initiatives in economic pillar, 16 initiatives under environmental pillar, 22 initiatives in cultural pillar, 21 initiatives under social pillar. Last year there were 118 highlights in the corporate plan.

*Top ten or Key Strategic Activities*

- 3.8.5. Pursuant to the changes made to the Local Government Act 1989, the budget must also include the Key Strategic Activities with auditable measures and performance targets. Previously this was termed the Business Plan and included with the Corporate Plan. Whilst the budget includes the Key Strategic Activities it is preferable to repeat these in the body of the Council Plan as the specific activities that the council is focusing on in the forthcoming year. The list has been derived from Councillors as their top ten issues that they would like addressed over the forthcoming year. The measures and targets are what would be used to determine successful progress on these top ten issues.
- 3.8.6. These top ten issues are: Same Day Service; Accommodation strategy; St Kilda’s Edge; Greening Port Phillip; Transport advocacy; Melbourne 2030 – South Melbourne structure plan; Strong local service systems – community hubs in Port Melbourne, Elwood and Middle Park; Memorandum Of Understanding with Parks Vic /Grand Prix; Port Melbourne waterfront/ Princes Pier precinct and South Melbourne market

*Strategic Resource Plan*

3.8.7. The Strategic Resource Plan (SRP) was developed by Finance in conjunction with other CoPP departments, including Asset Planning, Social Planning & Policy; Organisation Development and the Information Management Group. Benchmarking data has been used throughout the SRP that has been produced by an external agency, Strategy Plus 2004. Discussion has also been held with the Councillors to ensure that the messages in the SRP express Council's desired direction over the next 4 years. It is envisaged that next year the SRP will be open to community consultation as part of the Council Planning process.

**Reporting of various indicators/ initiatives, measures, and performance targets**

3.9. The reporting on the various aspects of the Council Plan will be as follows:

Component of the Council Plan	2004/2008 strategic objectives 14 objectives	90 initiatives	Key Strategic Activities (top ten) with measures and performance targets
How measure	Strategic indicators	Report progress in CEO quarterly management report	External auditor audits what is achieved for each of the measures and signs off on the accuracy of the Performance Statement
Where it is reported	Annual Report Port Phillip web site	In CEO quarterly management report and an annual summary included in Annual Report	Performance Statement included in Annual Report

4. PROPOSAL

4.1. Table 1 – Sustainability assessment

Proposal	Economic pillar	Enviro. Pillar	Cultural pillar	Social pillar
Adopt draft Council Plan and Strategic Resource Plan	<ul style="list-style-type: none"> <li>• Consistent with legislative requirements and provides clear direction for 2004/2008.</li> <li>• Changes to objectives and new initiatives and top ten will assist achievement of economic goals</li> <li>• Strategic Resource Plan adds significantly to understanding of how the Council Plan is resourced</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with proposed environmental direction for 2004/2008.</li> <li>• Changes to objectives and new initiatives and top ten will assist achievement of environmental goals</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with proposed cultural direction for 2004/2008</li> <li>• Changes to objectives and new initiatives and top ten will assist achievement of cultural goals.</li> </ul>	<ul style="list-style-type: none"> <li>• Consistent with proposed social direction for 2004/2008</li> <li>• Changes to objectives and new initiatives and top ten will assist achievement of social goals</li> </ul>

4.2. Table 2 – Other implications

Proposal	Policy implications	Resource implications	Risk implications
Adopt draft Council Plan and Strategic Resource Plan	<ul style="list-style-type: none"> <li>• Council is required to produce a 4 year plan under the Local Government Act 1989</li> <li>• Council Plan is within the context of the Community Plan update. The recent 'check-in' with the community found that the vision and key priority areas were still current and there was strong community support of council's sustainability and service approach</li> <li>• Therefore the Community Plan and Council Plan are aligned and the Council Plan is working towards achieving the community's vision for the municipality</li> <li>• The Strategic Resource Plan provides the opportunity to better articulate council's resource allocation policies and integrate both the financial and non-financial – one of the initiatives in 2004/2005 will be to better improve organisation understanding and commitment to the Strategic Resource Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Council Plan and Strategic Resource Plan are already budgeted for as part of the annual Council Plan and budget preparation – no additional resource implications</li> </ul>	<ul style="list-style-type: none"> <li>• Developing the Council Plan and Strategic Resource Plan should reduce the risks to council because the plans clearly articulates the future framework, initiatives, top ten issues and how council activities will be resourced both financially and non-financially</li> </ul>

4.3. Recommendation

Adopt draft Council Plan and draft Strategic Resource Plan

**5. ENGAGEMENT**

5.1. Internal

5.1.1. Engagement has been extensive and covered the Mayor and Councillors, GMT, Senior Leadership Group, team leaders & coordinators and other officers.

5.2. External

5.2.1. To date discussion has taken place with officers of the Local Government department regarding the request for an extension and industry peer groups as to the content of the new Council Plan and Strategic Resource Plan.

5.2.2. It is proposed in this report to advertise the draft Council Plan and draft Strategic Resource Plan for public submissions.

5.2.3. It should be noted that after the next council election, a new 4-year plan would need to be developed by the 30<sup>th</sup> June 2005. It is anticipated that a more extensive public consultation exercise will be carried out with the new councillors to seek public input into the preparation of this document.

5.2.4. It is felt that the extensive community consultation that was undertaken last year during the Community Plan review is indicative of the strong community support for the current council plan framework.

**6. CONCLUSION**

6.1. An extensive internal development process has taken place in the preparation of the draft Council Plan and draft Strategic Resource Plan.

6.2. It is considered that the draft 2004/2008 Council Plan and draft Strategic Resource Plan express council's desired direction over the next 4 years.

6.3. It is considered that the draft Strategic Resource Plan provides the opportunity to fully understand how the Council Plan is resourced in terms of financial and non-financial resource allocation.

6.4. It is considered that the extensive community consultation that took place early last financial year with the review of the 1997 Community Plan revealed strong support for the 4-pillar framework of the Council Plan

6.5. It is now timely for council to adopt the draft Council Plan including the Strategic Resource Plan and publicly advertise for public submissions under section 223 of the Local Government Act 1989.

**7. IMPLEMENTATION**

- 7.1. The implementation process has the following steps:
- 7.1.1. Once council approves the draft 2004/2008 Council Plan and draft Strategic Resource Plan, there will be a public notice in the 2 local newspapers advertising the draft plans and draft budget and inviting public submissions with the closing date for submissions of the 29<sup>th</sup> June.
  - 7.1.2. The documents, along with the budget, will be made available at the municipal offices at South Melbourne Town Hall, St Kilda Town Hall and Port Melbourne Town Hall and libraries and on council's web site.
  - 7.1.3. There will be a special council meeting to hear public submissions and review the draft Council Plan, Strategic Resource Plan and budget on the 5<sup>th</sup> July.
  - 7.1.4. There will be a special council meeting to adopt the Council Plan, Strategic Resource Plan and budget on the 12<sup>th</sup> July.
  - 7.1.5. The Council Plan and Strategic Resource Plan will then be forwarded to the Minister on the 14<sup>th</sup> July and a printed version will be developed soon afterwards.
- 7.2. The 2004/2008 Council Plan including the Strategic Resource Plan will be communicated widely across the organisation and the Port Phillip community.

**8. COMMUNICATION**

- 8.1. The key messages are:
- 8.1.1. Council has completed its draft four year Council Plan and Strategic Resource Plan.
  - 8.1.2. This is the first year that council has prepared these 2 plans under the recent legislative changes and is inviting public submissions.
  - 8.1.3. This is the first year that council has prepared a Strategic Resource Plan. In the past council prepared a financial planning framework.
  - 8.1.4. That even though the plan is for 4 years, the next council who will be elected in November 2004 will need to prepare a new 4 year plan prior to the 30<sup>th</sup> June 2005 so the 2004/2008 Council Plan will only exist for one year.
  - 8.1.5. The 2004/2008 Council Plan is an update of the current 2002-2006 corporate plan.
  - 8.1.6. It is important that the Council Plan continues to influence the delivery of council services and be used for assessment purposes.

**9. RECOMMENDATION**

9.1. That Council:

9.1.1. Receive and review the 2004/2008 draft Council Plan and draft Strategic Resource Plan and endorse the plans.

9.1.2. Note that the public notice to advertise the draft Council Plan, draft Strategic Resource Plan and draft budget and call for submissions from the public under section 223 of the Local Government Act 1989 is in the council report on the budget.

9.1.3. Endorse the Council Plan timetable.

**Attachment 3 – Comparison between current Corporate Plan and draft 2004/2008 Council Plan**

Current 2002/2006 corporate plan	Proposed 2004/2008 Council Plan document	Comparison	Act compliance
Introduction	Introduction	As current but updated	Not specified
Councillors	Councillors	As current but updated photos	Not specified
Foreword – mayor and CEO	Foreword – mayor and CEO	Will be updated	Not specified
Guidelines	Guidelines	As current but updated	Not specified
Economic viability	Economic vitality	This will include activities and initiatives from the budget document (former highlights)	Sec 125(2)(a) + (b) Plus includes budget excerpts Sec 127 (b) – description of initiatives
Environment responsibility	Environment responsibility	As above	As above
Cultural vitality	Cultural vitality	As above	As above
Social equity	Social equity	As above	As above
2002-2006 strategic indicators	2004-2008 strategic indicators	This will be similar to current indicators plus some updates	Sec 125(2)(c)
Resource allocation plan	Strategic Resource Plan	This will be based on a summary of the Strategic Resource Plan	Sec 125 (d) and Sec 126
Business Plan	Key strategic activities	Top 10 issues for council with measures and performance targets	Key strategic activities from the budget – Sec 127 (d)
Bibliography		Not included	
Glossary	Glossary	As current but updated	Not specified

**Attachment 4 - 2004/2008 Council Plan timetable**

No	Task	Date
1	Special council meeting to adopt the draft Council Plan and authorize the advertising of the draft Council Plan including the Strategic Resource Plan	Monday 7 <sup>th</sup> June 2004
2	Advertise the draft Council Plan and invite public submissions: <ul style="list-style-type: none"><li>• Port Phillip Leader (Monday)</li><li>• Emerald Hill Times (Wednesday)</li></ul>	Monday 14 <sup>th</sup> June Wednesday 16 <sup>th</sup> June
3	Closing date for public submissions	Monday 28 <sup>th</sup> June
4	Notify every person who has made a submission of the day, time and place of the meeting at which council will consider submissions	Wednesday 30 <sup>th</sup> June
5	Special council meeting to consider public submissions and review the draft Council Plan and draft Strategic Resource Plan	Monday 5 <sup>th</sup> July
6	Special council meeting to adopt the Council Plan and Strategic Resource Plan	Monday 12 <sup>th</sup> July
7	Forward Council Plan to Minister	Wednesday 14 <sup>th</sup> July