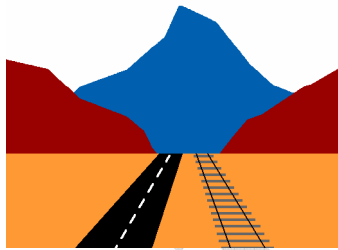


THE FLINDERS RANGES COUNCIL



BUSINESS PLAN

2007 - 2008

Adopted by Council

14 August 2007

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Introduction

This Annual Business Plan sets out Council's program for the 2007 – 2008 financial year to achieve the goals and objectives of the Strategic Plan, and the targets adopted by Council in the associated Financial Plan.

The Business Plan is based on the annual operating budget for service delivery and asset maintenance, and a capital works budget for the acquisition or enhancement of assets.

The Business Plan and budget are aimed at satisfying current service requirements, expanding service delivery where possible and affordable, whilst recognizing the need to put Council in the best financial position to provide services for today's and future members of our community.

The Business Plan focuses on ensuring the long – term financial sustainability of the organisation to continue Council's ability to provide services for current and future generations, and balance the targets set in the longer term financial plan within acceptable rating and charging policies.

Council is responsible for a wide range of services such as management of the extensive road network, reserves and cemeteries, development control and public health regulation, street cleaning and waste management, street lighting, and numerous others. The Annual Business Plan is focused on the efficient and effective delivery of these services which can be prescribed by legislation, or provided in response to expressed community needs. The cost of providing the services identified in the Plan is produced on a Full Cost Attribution basis (FCA) which allocates overhead and other indirect costs to the services or activities that consume these costs.

In response to community needs expressed through the Strategic Plan Council provides or partners for the provision of:

- Libraries at Hawker and Quorn
- Supporting the Northern Regional Development Board in delivering services to promote economic development and assistance to the business sector
- Funding the ongoing operation of the accredited Visitors Information Centre, and assisting the Flinders Ranges Tourism Association in its activities
- Membership of the Central Local Government Regional Local Government Association to ensure the voice of 'local' Local Government is heard at State and National level as needed
- Environmental protection measures such as DrumMuster, oil recycling facilities and collecting the levy for the Northern and Yorke Natural Resources Management Board
- Community Passenger Transport service for qualified persons.

Facilities or services provided by Council on a fee – for – service basis include:

- Cemeteries
- Meeting and recreation venues
- Permits and leases
- Dog registration and animal control
- Property searches
- Community buses for community organisations or groups.

The Annual Business Plan should be read in conjunction with Council's Strategic Plan. The 2007 – 2008 Business Plan includes the goals and objectives for the year set out in the Strategic Plan together with the asset replacements / enhancements identified in the long term financial plan.

The Annual Business Plan includes Council's rating policy and rates structure for the 2007 – 2008 financial year. Council has used rate capping to minimise the impact of an unchanged rate in the dollar against the continued rapid changes in valuation across the

land use categories used for rating purposes. Service charges are established to recover the cost of service delivery and escalating levies, and to amortise the cost of the infrastructure provided. Services or facilities on a fee for service basis are set out in the accompanying declaration of rates, charges and fees.

The Annual Business Plan continues Council's objectives to provide cost effective services, maintain and improve infrastructure and assets and provide the financial basis for a viable and sustainable organisation.

The Annual Business Plan is prepared in accordance with the requirements of the Local Government Act, 199. Part of the business Plan is to provide the community with an opportunity to comment on the content of the Business Plan prior to adoption by Council. Response to the Business Plan is invited in writing and will be received until 2 August 2007. A public forum may be conducted on 14 August to hear representations received. Following adoption by Council the Annual Business Plan will be reconsidered during the year and amended as necessary according to circumstances.

Roads Management

Overall Objective

To provide a safe road network which meets current road engineering standards and the needs and expectations of the community.

Scope and Resources Employed

- The Council currently has 1 268 kilometres of road network comprising 17 kilometres of sealed surface and 1 251 kilometres of gravel surface.
- This activity employs 10 permanent staff utilising Council - owned plant. Casual staff is used on a needs basis.

- Some work is also undertaken by contractual services and engineering expertise is provided by consultants.

Statement of Current Issues

- Recognise that Council's responsibility is to all road users, not just residents.
- Recognise that the extent of the road works undertaken is constrained by available funds derived from rate revenue, Grants Commission funding, allocations obtained from Commonwealth taxation, and the resultant application of plant, material and human resources according to funding availability.
- The availability of funds needed to ensure the viability of the sealed roads system is being examined against the demands of the established road hierarchy.
- Funds from the *Roads to Recovery Program* enable Council to expand road improvement activities.
- Restoration of roads damage in the January 2007 floods.

Targets

- The general maintenance of all sealed and unsealed roads.
- Continue to improve footpath standards and pedestrian amenity in Quorn and Hawker.
- Continued improvement of the Council's sealed road network.

Action Plans

1. Transport, grade and compact gravel for road construction and maintenance.

2. Maintenance of sealed roads by patching, edging and shoulder maintenance, and reconstruction where necessary.
3. Where necessary place and maintain appropriate road signs to alert drivers to road works and other hazards.
4. Continue footpath construction / maintenance program.

Key Performance Indicators

To complete, subject to limitations or constraints resulting from weather and resource availability, the following road projects in accordance with the calendar provided –

Specific Road Projects 2007– 2008

Location	Length	Cost	Period of Work
<i>Road to Recovery</i>	Second Street Reconstruction (East Terrace to Sixth Street)	\$ 243 000	August – December 2007
Flood Repair Work		\$1 503 082	July 2007 – June 2008
Unsealed Urban			
Durban Street (eastern end)	96m x 6m	\$ 4 335	January 2008
Water Street	244m x 7m	\$ 6 420	January 2008
Lytton Street	182m x 10m	\$ 5 350	January 2008
Foster Street (from CWMS pump + drainage Shepstone Street)	208m x 8m	\$ 16 305	January 2008
Ainsley Street	262m x 8m	\$ 6 390	January 2008
Richmond Street (north of Saint Barbe Street)	76m x 6m	\$ 2 645	January 2008
Total Unsealed Urban		\$ 41 465	
Rural Roads			
A3-42 Schmidt (0.0 to 1.2)	1.2km	\$ 28 250	February 2008
A2-1 Gunyah (0.0 to 1.1)	1.1km	\$ 25 900	February 2008
Schmidt Road (SA Water access)	0.5km	\$ 11 655	February 2008
A2-2 Carrieton (1.8 to 2.8) airport hill	1.0km	\$ 23 120	March 2008
A3-1 Devils Peak (4.6 to 5.0) inside gate	0.4km	\$ 10 525	March 2008
Noll from McConville Road to new house	0.35km	\$ 8 525	March 2008
A3-8 Boolcunda (9.1 to 10.0)	0.9km	\$ 21 930	April 2008
A1-5 Probys Grave (2.7 to 4.2)	1.5km	\$ 33 325	May 2006
Total Rural		\$ 162 330	
Bitumen Reseals			
Rawnsley Street	220m x 12.2m	\$ 20 150	November - December 2007
Wirreanda Terrace	300m x 6.2m	\$ 14 340	November - December 2007
Elder Terrace	300m x 11.2m / 400m x 6.3m	\$ 42 700	November - December 2007
Total Reseals		\$ 77 190	

Footpaths

Francis Street

Westside 400m x 2m

\$ 9 000

August 2007

Oval Road

Park Terrace to

\$ 4 900

June 2008

North Terrace East
side 200m**Total Footpath****\$ 14 700****Total Specific Roadworks****\$ 295 685**Operational Budget

	2006-2007 Budget \$	2006-2007 Forecast to 30 June \$	2007-2008 Budget \$
Operating Costs	835 711	804 038	2 284 051
Depreciation	94 384	94 384	94 384
Capital Costs	192 880	-	331 190

Sources of Funding

Rates, grants.

Prepared : June 2007

Revised : July 2007

Adopted :

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Waste Management

Overall Objective

To adequately maintain waste disposal areas to meet Environmental and Public Health legislation, and safety standards.

Scope and Resources Employed

- Maintain two (2) refuse disposal areas within the Council area.
- Operate an appropriate street bin collection service in Quorn and Hawker, and other areas as required.
- Contract labour is used to collect street and domestic rubbish within Quorn and Hawker.
- Council employees are utilised to collect rubbish from recreational areas outside of towns.
- Contractors are used to dig and cover refuse disposal facilities.

Statement of Current Issues

- Planning the implementation changed environmental legislation and the impact of the prescribed standards on Council's responsibilities and activities.
- An on – site disposal system for the disposal of waste oil is under threat due to the imposition of a Federal Government levy.
- Recycling is curtailed due to transport costs and low prices received for recyclables.

- To investigate alternative waste disposal and recycling opportunities at a regional level.

Targets

- To meet Environmental, and Occupational Health and Safety Standards.
- To keep town streets and public spaces clean of rubbish.

Action Plans

1. To clear street bins a minimum of once per week.
2. Cover refuse disposal areas as per operating standards and licence conditions or more frequently if required.
3. To empty rubbish bins in other areas on a regular basis.
4. Maintain fire breaks and catch fences, and remove wind blown material around refuse disposal areas on a regular basis.
5. Develop alternative waste management strategies to meet new legislative requirements.
6. Implement the environmental monitoring program as directed by the Environment Protection Authority.

Key Performance Indicators

- 1.0 Complete within budget to relevant standards.
- 1.1 No street bin to remain full longer than twenty – four (24) hours.
- 2.2 Cover rubbish at Quorn and Hawker refuse disposal areas in accordance with EPA licence conditions.
- 3.1 Full rubbish bins in other areas to be emptied within twenty – four (24) hours of notification.
- 5.1 Alternative waste management strategies developed.

Operational Budget

	2006-2007 Budget \$	2006-2007 Estimated Actual to 30 June \$	2007-2008 Budget \$
Operating Costs	190 266	196 266	218 149
Depreciation	3 266	3 266	3 266
Capital Costs	-	-	-

Sources of Funding

Service charges, rates 100 percent.

Community Services

Overall Objective

To ensure public health and safety are achieved in respect to building and development work in accordance with the relevant Acts, Regulations, By-laws and Standards; and maintain and enhance the District's natural and physical resources to enable present and future generations to meet their social, economic and cultural needs.

Scope and Resources Employed

- Development of policy and plans for managing and planning the use, development and protection of the physical and natural resources of the Council area.
- Monitoring of policies, plans and legislation relating to social and environmental issues.
- Development of policy and advice on environmental health and pollution matters, including animal control and general by-laws.

- Undertake assessment for land divisions, development and building activity.
- Ensuring that buildings are safe and sanitary, thereby meeting the provisions of the Building Code of Australia, Development Act, 1993 and Development Act Regulations, 1993.
- Ensuring public health and safety is protected by compliance with statutory provisions regarding food handling and food premises, licensed public premises, dangerous goods storage and notifiable infectious diseases.
- Compliance with the Dog and Cat Management Act, 1995 and providing an effective dog control service and licensing regime.
- Ensuring public safety is protected by providing as necessary resources to fight and contain wild fires, and assist emergency services.
- Monitor the operation of the Community Wastewater Management Scheme and take action as required.
- Collect levies imposed by the government under natural resource management legislation. The levy to be collected in 2007/2008 for the Northern and Yorke Natural Resource Management Board totals \$23 269.

Appropriate human resources are engaged in general planning, environmental health and building inspections. Consultants are engaged to assist in the assessment of proposals, preparing development approvals and advice.

The services provided under this activity utilise internal and external resources.

The Council's Strategic Objectives to which this activity contributes are –

- Complying with the appropriate legislation, the Development Plan and State Government directives.

Statement of Current Issues

- Changes in planning, building, health and environmental management legislation are imposing greater responsibilities and costs on Council for protecting our environment.
- Council is required to regulate its activities subject to the Environment Protection Act, 1993, Environment Protection (Burning Policy), 1994 and Environment Protection (Waste Management) Policy, 1994.
- Establish a Development Assessment Panel in accordance with the Development Act, 1993.

Targets

- Implement new planning, building, health and environmental legislation and standards.
- Provide regulatory functions required to be administered by Council.
- Ongoing lobbying of the current fee structure to enable recovery of service costs intended to be funded from user charges.

Action Plans

1. Assess and report the impact on Council operations resulting from the introduction of new legislation.
2. Monitor, inspect and report on Council's quarrying, waste management, waste water and other environmental activities.
3. Process all development applications within prescribed time frames, or better.
4. Continue to keep the public informed with regular information on legislative, policy and procedural matters.

5. Continue to review Council By-laws to ensure relevance to current circumstances and legislation.
6. Continue to identify user charges as a proportion of gross cost of service.
7. Participation in immunisation programs as directed by Commonwealth and / or State legislation.
8. Participate in the development of the regional disaster mitigation plan.
9. Compliance with the Development Act, 1993 for the formation of a Development Assessment Panel.

Key Performance Indicators

- 1.1 New areas of responsibility identified and appropriate response initiated.
- 2.1 No non – compliance action against Council.
- 3.1 Irregularities reported and action taken.
- 3.2 Applications processed within legal time frames.
- 3.3 No unnecessary delays in the approval system.
- 9.1 Continued participation in the development of a regional disaster mitigation plan.

Operational Budget

	2006-2007 Budget \$	2006-2007 Estimated Actual to 30 June \$	2007-2008 Budget \$
Operating Costs	115 580	122 080	156 717
Depreciation	11 935	11 935	11 935
Capital Costs	-	-	-

Sources of Funding

Rates, user charges, internal recoveries.

Depot and Plant

Overall Objective

To provide effective and efficient support for Council's works and services activities by housing all Council personnel, plant and equipment and other appropriate resources at the Quorn and Hawker Works Depots.

Scope and Resources Employed

- To undertake minor maintenance to plant and equipment.
- Employment of mechanical service to service and / or maintain plant and equipment.

Statement of Current Issues

- A ten (10) year plan for the rolling replacement of plant and machinery has been developed as part of the long term financial plan.
- Replacement of Bobcat loader has been considered for this financial year.
- Replace a utility, retaining the vehicle to be replaced as a transport vehicle for grading operations.

Targets

- To have an effective maintenance program to ensure minimum breakdowns and equipment downtime.
- To review plant hire rates to effect total operating cost recovery and depreciation.

Action Plans

1. Formulate maintenance program for all machinery.
2. Set hire rates at appropriate levels to recover operating costs.
3. Evaluate current stock levels and maintain as necessary for functionality.
4. Maintain full plant inventory.
5. Call tenders for the replacement of loader Bobcat and supply of a new utility.

Key Performance Indicators

- 1.1 Machinery status reports to be provided bi – annually.
- 2.1 Hire rates reviewed each September and March and adjusted as necessary.
- 4.1 Asset Register current and updated at each purchase.

Operational Budget

	2006-2007 Budget \$	2006-2007 Estimated Actual to 30 June \$	2007-2008 Budget \$
Operating Costs	729 451	729 451	807 897
Depreciation	158 375	158 375	147 631
Capital Costs	237 500	-	129 000

Sources of Funding

Rates, user charges, capital – depreciation funding.

Corporate Services

Overall Objective

To manage effectively the physical, intellectual and information technology resources of the Council in a responsible and accountable manner for the improvement of the community in accordance with the intent of the Local Government Act, 1999 and associated Regulations and Accounting Standards.

To deliver good governance to the community through the elected Council.

This activity covers the areas of financial services, administrative services, property management and risk management.

General Management Objectives

- Maintain the Council's accounts and accounting records to ensure provision of timely and accurate information.
- Refine as required monthly financial reporting and detailed quarterly financial reporting systems.
- Ensure that Council's information systems and equipment are appropriate for its needs, and that the systems are regularly serviced and upgraded.
- Monitor organisational performance and effectiveness.
- Ensure good public relations are maintained and improved.
- Disseminate quality information to government agencies, other organisations and individuals both over the counter and by e-mail / facsimile / mail.
- Develop and implement sound OHS&W workplace practices in accordance with established guidelines.

- Implement and monitor risk management programs according to the Local Government Association Mutual Liability Scheme and applicable Australian Standards to ensure that hazards and incidents are reported and dealt with, and that Council's employees, contractors and the public benefit from the resulting reduction in risk.
- Records management in conformity with State Government directives.
- Support the elected Council to provide good governance of the organisation and monitoring legislative compliance and reporting.

Scope and Resources Employed

- The full utilisation of the computer based administration system continues to rely heavily on the use of all current staff to their maximum availability.
- Council employs four full time administrative staff including the Chief Executive Officer.
- Council also makes use of contract or shared services for the provision of engineering advice, health and environmental functions, planning and building control activities as well as insurance and risk management.
- The corporate entity which is comprised of the corporate management team is responsible for implementing Council policies and ensuring that Council decisions are implemented in an efficient and timely manner.
- The corporate services area supports all other Council activities through the provision of accounting, administration and management services by appropriately trained personnel.
- The Council consists of a Principal Member and eight (8) elected area wide members.

Statement of Current Issues

- Council staff will continue to use existing computer – based accounting and administrative systems to provide timely and accurate financial and other data to Councillors, management and external stakeholders.
- The availability and suitability of cost effective alternative accounting and administration systems will be actively investigated.
- The integrity and security of these systems will be better safeguarded through the installation of a file server to the network, together with formalised back – up procedures.
- Valuation of fixed assets will continue to be updated, with particular attention to land and buildings and the road network as changes occur.
- The inventory of operating assets will be analysed to highlight those assets reaching the end of their economic lives. A rolling life cycle maintenance schedule will indicate the cost of maintenance of these assets, and a similar life cycle capital expenditure program will enable the cost of replacement of those assets to be identified, prioritised and financed.
- Procedures for risk identification and minimisation will continue to be refined and regular scheduled risk management inspections will be carried out, with outcomes reviewed by Council and Senior Management Group.
- The ongoing training of Elected Members in the roles they performed for legislative compliance.

Targets

- To implement alternative accounting and administrative systems compliant with State Government directives.
- To use available staff and resources to provide a high level of information and service to all stakeholders.

- To maintain and refine efficiency and effectiveness performance indicators.
- To maintain a detailed asset register and develop a long term financial management plan to identify assets due for replacement and indicate availability of funding.
- To continue to hold quarterly meetings of the Risk Management Group in order to monitor and refine risk management reporting systems and to oversee the program of risk management inspections.
- Elected Members participation in training opportunities provided by the Local Government Association of South Australia and other training providers.

Action Plans

1. To implement new accounting and financial administration systems.
2. To monitor and assess the efficient and effective performance of Council administrative staff.
3. To maintain the Occupational Health, Safety and Welfare Manual.
4. To maintain and update the Risk Management policy and the Risk Management Reporting System.
5. To implement steps aimed at achieving an improved liability assessment score at the next liability assessment review.
6. To update the rolling ten (10) year maintenance and capital expenditure plans and review the financing arrangements for assets due for replacement.
7. Recognise training opportunities for Elected Members and support participation in training/educational forums.

Operational Budget

	2006-2007 Budget \$	2006-2007 Estimated Actual to 30 June \$	2007-2008 Budget \$
Operating Costs	381 612	381 612	579 522
Depreciation	32 167	32 167	32 167
Capital Costs	-	-	6 000

Sources of Funding

Rates, Government grants.

MILESTONES FOR 2007 / 2008

Governance	September 2007	Financial Statement available for audit
	30 November 2007	Annual Report completed
	October 2007	Audit completed
Roads Management	30 June 2008	Completion of roadworks as programmed
Public Health, Safety and Environmental Services	30 June 2008	All premises inspected and re-licensed as required
Depot and Plant	September 2007 and March 2008	Hire rates reviewed
	30 June 2008	Plant replacement / purchase complete
Corporate Services	March 2008	Financial Plan review