

# *Queensland Local Government Act Reform*

*Financial Sustainability and Accountability  
for Remote Councils*

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## *Introduction*

- ❖ The following slides set out Morrison Low's approach to assist remote rural councils meet statutory obligations for financial sustainability and accountability
- ❖ Our approach is structured to
  - Enable councils to pick and choose where assistance may be required based on available budget and internal resources
  - Provide legislatively compliant responses to the financial sustainability and accountability requirements
  - Minimise costs to Council
  - Transfer skills and knowledge to councils for subsequent revisions of these plans



# *Long Term Community Plan*

## *Long Term Community Plan – what is it?*

- ❖ A over arching vision and goals for the community and guides council tactics
- ❖ Can address areas outside of councils area of direct control or influence
- ❖ Is developed in conjunction with the community through a community engagement process(s)
- ❖ Council acts as 'steward' of this direction
- ❖ Councils sets out its own contribution to the LTCP direction in the Corporate Plan
- ❖ Identifies partner organisations to achieve this vision
- ❖ Sets out success measures

## *Our Solution*

- ❖ Morrison Low can provide you with a Long Term Community Plan template and will work with you to populate the key elements of a draft LTCP
- ❖ Outputs:
  - A simple easy to use template
  - A draft LTCP that with focused council input to provide a starting point for future community planning
- ❖ Benefits to you:
  - The LTCP is based on the work you already have undertaken such as your existing agreed and tested vision
  - Incorporates existing strategic direction
  - Workshops the key issues with council and the community
  - Enables input from council staff to reduce cost and develop capacity in staff
  - Provides a foundation for community engagement and input into other statutory plans e.g. Asset Management Plans

## *Process*

- ❖ We confirm your priorities for the community plan
- ❖ We ask for a range of existing information to help draft the plan – you only need to provide what you have readily available
- ❖ We visit and hold workshop sessions with Council and a selection of community representatives nominated by you to identify future issues and aspirations
- ❖ We populate the base template
- ❖ We identify any information gaps
- ❖ You add the local content – forward, statistical data, and graphics
- ❖ We review final content
- ❖ Draft completed

# *Asset Management Planning*

## *Asset Management Plans*

- ❖ Asset management plans are not only a legislative requirement but play a central role in being able to provide core service delivery
- ❖ Councils have a significant level of investment in infrastructure assets – it forms the majority of the balance sheet of a council
- ❖ Correspondingly, councils spend the majority of their annual budget on the operation, maintenance and renewal of the infrastructure assets
- ❖ Yet there are limited resources – both in budget dollars and staff – to look after the assets. Hence Council must provide best value solutions for the community.
- ❖ An asset management plan provides this by underpinning the risk management of the assets, promoting timely intervention and focusing the effort of council on the delivery of sustainable services

# *Asset Management Plan*

- ❖ Morrison Low can help you develop your asset management strategies and provide you with a first cut Asset Management Plan template and an initial Asset Management Improvement Plan
- ❖ Alternatively we can assist provide structure, process and mentoring for councils with sufficient in-house resource
- ❖ The benefit of our approach to you is that:
  - Plans are developed to meet your resource capabilities
  - The focus is on building your capacity and developing the capacity of staff
  - Standard templates are developed that you can use for all infrastructure asset groups

## *Asset Management Plan*

- ❖ Uses the IIMM format / or NAMS format if you are members of NAMS Plus (Morrison Low is accredited to support councils in the Delivery of NAMS Plus)
- ❖ Can build on existing LG Assets format if in current use by Council
- ❖ Documents your existing service levels
- ❖ Uses only existing information available within your council
- ❖ Provides you with a basic long term financial projection for your assets
- ❖ Sets a forward plan that will ensure improved asset management techniques within an organisation

## *Process*

- ❖ You provide us with your asset information – you only need to provide what you have readily available
- ❖ We meet with staff and consider long term growth and service level requirements for the Council
- ❖ We develop a asset management draft plan for one asset category based on the above
- ❖ Asset management plan and improvement plan passed to you for with guidance for developing the remaining asset categories

# *Long Term Financial Forecast*

## *Long Term Financial Forecast*

Financial Strategy is more than a ten year budget it provides Council with:

- ❖ An understanding of the Council's existing financial position and direction
- ❖ An understanding of the consequences of continuing with the existing direction into the future
- ❖ Calculates the consequences of pursuing different directions including the impact of different rating strategies and the real cost of acquiring new assets and maintaining existing assets
- ❖ Ongoing focus on measuring progress of the chosen financial direction

## *Long Term Financial Model*

- ❖ Morrison Low can help you develop a starting point for a long term financial forecast – a long term financial model.
- ❖ This model can be used to establish the base benchmark and provide the capacity to model the implications of the financial strategies that Council may develop in the future.
- ❖ There are two outputs:
  - A dynamic financial modeling tool
  - A standard template document to be used as the base strategy document

## *The Benefits*

Benefits of this approach are:

- ❖ The model is tailored for your council – it allows you to align it to your budgeting process and structure
- ❖ Council owns the model and document
- ❖ It builds the capacity of your staff
- ❖ Helps with understanding that this is a financial strategy is process rather than an end point

## *Our Solution*

- ❖ Built in excel using simple functionality
- ❖ Based on your organisational structure and key activity area
- ❖ Allows for changes in assumptions at detailed expenditure and revenue lines
- ❖ Uses current budget as the base benchmark
- ❖ Permits a number of “what if” scenarios/worksheets
- ❖ Includes full financial statements – Statement of Financial Position, Statement of Financial Performance and Cash Flow
- ❖ Provides a output report in the QTC model format so you can enter the data into the QTC model

## *Process*

- ❖ We ask you for a range of information – you only need to provide what you have readily available
- ❖ You provide us with your detailed budgets and QTC model
- ❖ We develop the draft model based on your information
- ❖ We develop the draft document based on above and other corporate information you provide
- ❖ We convene a workshop session with you to review the model and document
- ❖ We incorporate any changes required as a result
- ❖ The model and document are passed to you to use as an ongoing financial tool to develop the Long Term Financial Strategy



# *Community Engagement Plan*

## *What is a Community Engagement Plan?*

- ❖ Sets out Councils objectives and intentions for community engagement
- ❖ Analyses and incorporates any recent community engagement
- ❖ Identifies the range of engagement tools that will be used
- ❖ Details a timeline and process for community engagement

## *Why is a Community Engagement Plan Important?*

- ❖ So that the engagement process delivers the desired engagement outcome
- ❖ To ensure input from a wide variety of community stakeholders
- ❖ To avoid less productive and less successful forms of community engagement
- ❖ So engagement can be planned, cost effective, efficient and avoid consultation overload
- ❖ To ensure that community engagement captures input from both the 'silent majority' and the 'vocal minority'

## *Our Solution*

- ❖ We will review all recent community engagement to minimise duplication and avoid 'over' consultation
- ❖ Work with you to identify planned engagement opportunities and events to 'piggy back' community engagement
- ❖ Prepare a concise user friendly community engagement plan (aligned to IAP2)
- ❖ Ensure the plan is relevant, cost effective, and uses appropriate targeted forms of engagement to deliver your objectives
- ❖ Benefits to you:
  - Provides a roadmap for your community engagement
  - Has facilitated input from key internal stakeholders
  - Enables input from council staff to reduce cost and develop capacity in staff

## *Process*

- ❖ We confirm your priorities for community engagement plan
- ❖ We ask for a range of information including recent community engagement – you only need to provide what you have readily available
- ❖ We conduct a workshop session with you and your council to identify engagement aspirations, roles and community opportunities
- ❖ We populate the community engagement plan
- ❖ We identify any information gaps or resource requirements
- ❖ You review content
- ❖ Draft completed

# *Integrated Planning Framework*

## *Integrated Planning Framework – what is it*

- ❖ A framework that enables integration of:-
  - Long Term Community Plan
  - Corporate Plan
  - Operational Plan
  - Budget
  - Asset management information
  - Long term financial forecast
  
- ❖ The key is the linkage of the components of the plan to provide a consistent, coordinated and interrelated short and medium term plan of council activities.

## *Integration – why is it necessary?*

The integration framework provides Council with:

- ❖ An overview of community aspirations, that is integrated with council strategy and operational actions
- ❖ A connection between these aspirations and the roles of council and other community agencies
- ❖ An understanding of the issues and consequences of continuing with existing direction
- ❖ The implications of future choices and options
- ❖ An activity based business planning tool for Council and business managers
- ❖ The ability to measure progress and performance

## *Our Solution*

- ❖ Morrison Low can provide you with a activity template that can be used for each activity/service delivery function to provide the basis for integration
- ❖ Outputs:
  - A simple relevant Activity Template
  - Two completed individual activity templates based on current information
- ❖ Benefits to you:
  - Horses for Courses approach - framework can be adjusted to each Council needs
  - Its based on the work you already have undertaken such as your existing agreed and tested vision
  - Incorporates existing strategic direction
  - Builds on your capacity and develops capacity of staff
  - Provides a foundation for informed community engagement

## *Our Solution*

- ❖ Builds on your existing vision, corporate plan and operational plans
  - Where do we want to be? (Vision or Community Plan)
  - How are we going to get there? (Corporate Plan, Asset and Financial Plans)
  - Where are we? (Operational Plan, Asset Plan and Budget)
  - What will we do immediately? (Operational Plan)
  - How will we know when we are there? (Annual Report and performance monitoring)
- ❖ Focuses at high level data initially but can be adjusted to suit the information available
- ❖ Includes standard information in appendices to avoid repetition
- ❖ Activity based plans enable integration throughout activities and across statutory accountability planning requirements

## Process

- ❖ We confirm your priorities for integrated plans
- ❖ We ask for a range of information – you only need to provide what you have readily available
- ❖ We populate two activity base templates for you based on the above
- ❖ We identify any information gaps
- ❖ We come and have a workshop session with you to review the templates and train your staff in the Integrated Plan framework
- ❖ Changes incorporated
- ❖ Improvement plan produced
- ❖ Framework and templates are passed to you

# *Why Morrison Low?*

## *Morrison Low*

- ❖ Is a consultancy company focused entirely on providing services to local government
- ❖ Consultants have considerable experience in almost all activities of local government
- ❖ Has offices in Brisbane, Sydney, Perth, Auckland and Hamilton
- ❖ Has delivered a range of like projects to councils in Queensland, New South Wales, Victoria and South Australia
- ❖ Adds value through
  - Considerable hands on experience across a range of council activities and different sized local governments
  - Providing flexible council specific solutions
  - Offering a choice of options depending on council resources and budget
  - Supporting and mentoring council staff

# List of Client Councils

Australian Councils		New Zealand Councils	
Auburn City Council	Mackay Regional Council	Auckland City Council	Waikato Regional Council
Beautesert Shire Council	Manly City Council	Buller District Council	Waimakariri District Council
Bega Valley Shire Council	Mareeba Shire Council	Christchurch City Council	Waipa District Council
Blacktown City Council	Maribyrnong City Council	Dunedin City Council	Waitakere City Council
Blue Mountains City Council	Marion City Council	Far North District Council	Waitaki District Council
Boonah Shire Council	Maroochy Shire Council	Franklin District Council	Waitomo District Council
Broken Hill City Council	Maryborough City Council	Gisborne District Council	Wanganui District Council
Bundaberg Regional Council	Mitcham City Council	Gore District Council	Watercare Services Ltd
Burnside City Council	Mount Morgan Shire Council	Greater Wellington Regional Council	Westland District Council
Burwood Council	North Sydney City Council	Hamilton City Council	Whakatane District Council
Caloundra City Council	Onkaparinga, City of	Hastings District Council	Whangarei District Council
Campbelltown City Council, SA	Parkes Shire Council	Hauraki District Council	
Canada Bay City Council	Parramatta City Council	Horizons Regional Council	
Canterbury City Council	Penrith City Council	Horowhenua District Council	
City of Melbourne	Pine Rivers Shire Council	Hutt City Council	
Cooloolah Shire Council	Pittwater City Council	Kaipara District Council	
District Council of Peterborough	Port Stephens Council	Kawerau District Council	
District Council of Robe	Prospect, City of	Mackenzie District Council	
Dungog Shire Council	Randwick City Council	Manawatu District Council	
Eurobodalla Shire Council	Redland City Council	Manukau City Council	
Fairfield City Council	Rockdale City Council	Marlborough District Council	
Flinders Shire Council	Rockhampton Regional Council	Napier City Council	
Fraser Coast Regional Council	Roma Regional Council	New Plymouth District Council	
Gawler, Town of	Ryde, City of	North Shore City Council	
Gladstone Regional Council	Salisbury, City of	Northland Regional Council	
Goondiwindi Regional Council	Sarina Shire Council	Palmerston North City Council	
Gosford City Council	Scenic Rim Regional Council	Papakura District Council	
Great Lakes Council	Shire of Kalamunda	Porirua City Council	
Greater Taree City Council	Singleton Council	Queenstown Lakes District Council	
Hawkesbury City Council	South Burnett Regional Council	Rangitikei District Council	
Hervey Bay City Council	South Sydney City Council	Rodney District Council	
Holdfast Bay, City of	Strathfield Municipal Council	Ruapehu District Council	
Holroyd City Council	Sutherland Shire Council	Selwyn District Council	
Hornsby Shire Council	Tara Shire Council	South Taranaki District Council	
Hunters Hill Municipal Council	Thuringowa City Council	South Waikato District Council	
Hurstville City Council	Toowoomba Regional Council	South Wairarapa District Council	
Ipswich City Council	Tumut Shire Council	Southland District Council	
Kingston District Council	Warringah Council	Tararua District Council	
Ku-ring-gai Council	Wattle Range Council	Tasman District Council	
Kwinana Town Council	Waverley Council	Taupo District Council	
Leichhardt Municipal Council	Wingecarribee Shire Council	Thames Coromandel District Council	
Livingstone Shire Council	Woollahra Municipal Council	Timaru District Council	
Longreach Regional Council	Wyong Shire Council		
Logan City Council			

## Pricing and Timing

Requirement	Indicative timeframe	Price
Long Term Community Plan	3 months	\$11,000
First Cut Asset Management Plan	1 month	\$8,000
Asset Management improvement Plan	1 month	\$3,000
Long Term Financial Forecast (model and document)	1 month	\$10,000
Community Engagement Strategy	Two weeks	\$4,800
Integrated Planning Framework	2 months	\$8,000
(prices exclude GST and disbursements)		

## *Afterwards – we won't leave you out in the cold*

- ❖ We can provide ongoing support or just be a sounding board – we are only a phone call or email away
- ❖ If you get a group of neighboring councils together we can help you support you
  - Develop combined Plans with neighbouring councils
  - Run combined workshops to share good things others are doing and help overcome common problems, and providing a “question and answer” network for you
- ❖ We can provide additional advice or services as required including
  - Strategic planning workshops with Council and senior management
  - Community engagement and communication
  - Maximising partnerships with external stakeholders
  - Results measurement

local government  
procurement  
alliance partnering  
long term financial plan  
asset management  
waste management  
governance  
financial/feasibility modeling  
economic development  
sustainability

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