



**Hal Qormi Local Council**  
(Citta' Pinto)

**Business Plan**

**2014 - 2016**

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**1.0 Introduction and Situation Analysis**

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This Business Plan is a continuation of the business plan set last year, whereby it set out the foundations to make the Council as efficient as possible and well equipped for the future.

Once again, we can notice that the changes in legislation and regulations which came into force in 2011 with respect to income from the Local Enforcement System are still leaving an impact on the financial strength of the Council. This is because all income from traffic fines are now being received and administered by the Regional Committee. This matter forced the Council to enter into various austerity measures to control its expenditure in the light of restrained revenue streams.

The Council has looked to the future and produced a business plan that sets out how we intend to meet these challenges over the next three years.

My ambition for Hal Qormi is to become a modern global city through the revival of its traditions and cultural values.

Our commitment is to ensure our residents can take advantage of the new opportunities. As a Council we intend to focus on particular areas in greatest need, creating a fairer more prosperous future for all Qormi residents.

Most and foremost, we will support our most vulnerable residents. They must be our top priority. Changing the way we provide public services in the future is the best way to achieve this. We will work with our stakeholders across the locality, namely the local NGOs, to encourage innovation and deliver those services which the most vulnerable rely upon.

This calls for a more co-operative, collaborative approach. We must work together to help each other. Everyone can play an active part in our communities.

This Business Plan sets out the residents of Qormi's strong values and clear priorities which will inform budget and business planning decisions over the next three years. It builds on the ideas and suggestions of local residents present to the local council. The plan is in line with the objectives set in our previous business plan which are:-

To provide high quality, low cost, customer focused services

To ensure local, open and honest decision-making

To work with Local NGOs to support Hal Qormi's community

I want everyone to help develop this vision for the future of Hal Qormi. The Local Council carried out financial cost audit exercise in order to plan ahead and have stability over the medium term, rather than taking a short term approach to our finances.

We are on track to deliver the planned savings and manage the emerging pressures on our revenue budget. Simply, this Business Plan is aimed at delivering good things in times when local councils, such as ours, passed from difficult financial problems due to the transfer of income from the local enforcement system which now are not going anymore to the Local Council coffers.

Rosianne Cutajar  
Mayor

**2.0 Mission statement and values**

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**2.1 Mission Statement**

To consolidate its authority on the local level so as to enhance more the trust which the residents have in the Local Council

**2.2 Values**

The Values of the Qormi Local Council are:

- a.** The attainment of the highest benefits by the whole community and in particular by all the less fortunate residents;
- b.** The care of the environment which is a collective responsibility and which has always been highlighted to the attention of the community in the past years;
- c.** The revival of the interest and care for the cultural heritage of the community, and
- d.** A more efficient and effective administration, as always, open to all checks and scrutiny by the community.

**3.0 Objectives, Expected Results and Strategies**

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**3.1 Short-term objectives and expected results (2014 – 2016)**

<b>Objectives</b>	<b>Expected Results</b>
✓ The best value for money for services contracted. All expenditure to be maintained within the budget.	Decrease in the unit cost for the Council's functions.
✓ Tighter controls on the cash flow management system of the Council by maximising credit terms with its suppliers and contractors and decrease collection periods from its debtors.	Reduction and complete elimination of the Council's liquidity adverse position and restore a positive Financial Situation Indicator.
✓ Identify income sources by preparing the necessary project plans and apply for the various funding schemes and funds at both local and EU level made available to the Council from time to time	Maximisation of infrastructural, cultural and social projects within the local community.
✓ The improvement in the quality of works and services provided by the contractors.	Reduction of maintenance costs and less related complaints.

**3.2 Short-term objectives and expected results (2014 – 2016)**

<b>Objectives</b>	<b>Expected Results</b>
✓ Further training to Council staff in the use of information technology	Improvement in all the customer services

**4.0 Operations Analysis**

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**3.3 Strategies**

This is the beginning of the third year of the sixth legislature and after taking stock of the situation inherited from previous legislatures, it is the intention to consolidate on what have been done for the locality in previous years. At the same time, it will seek to primarily address the financial situation to reposition it back to an acceptable statutory level.

The Council is therefore adopting the following strategies in order to achieve its objectives:

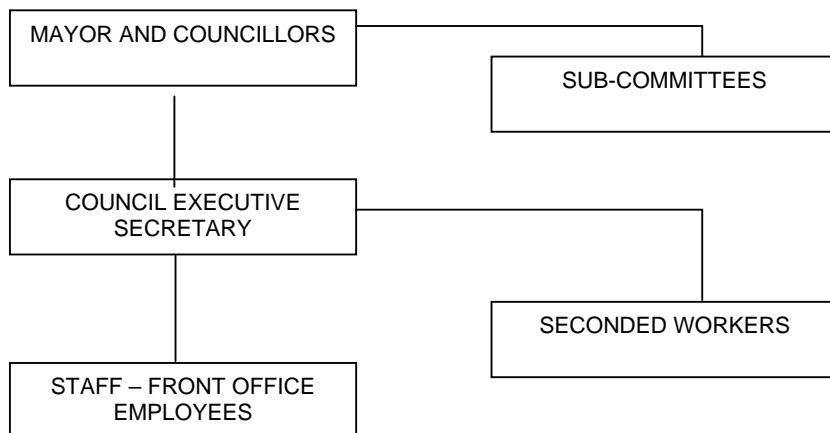
- a.** The consolidation of the services provided by the contractors in order to achieve the planned objectives.
- b.** Alert oneself on available funding schemes launched by Central Government from time to time.
- c.** Increase effectiveness on tapping of EU funding by making ready the available projects on plan by the Council so that it may identify the appropriate funding as necessary.
- d.** Improvement in the management of the Council's administration
- e.** Greater efforts to encourage the residents and business community to involve themselves in the enhancement of the environment and to strengthen the participation of all local clubs and associations in the activities of the Council through the agreements.

4.0 Operations Analysis

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4.1 Organisation

The organisation structure shown below proved to meet effectively the demands arising out of the day to day business of the Council:



- 1 Proposals by sub-committees are submitted to the Council where decisions are taken.
- 2 The Front Office Clerks provide the customer care service.
- 3 These clerks serve also as the Council's first contact with the residents of the locality. Today all the residents expect immediate action and solutions to their daily problems, even for those which do not fall under the Council's jurisdiction.
- 4 The Council may elect to make changes in the formation of Sub-Committees. Past experience has shown and proved that Sub-committees need not be so numerous to function.
- 5 Sub-Committees:
  - a. Finance & Projects
  - b. Contracts
  - c. Residents, vallies and areas
  - d. Residents' Housing Estates
  - e. Central Joint Committee
  - f. Youths

**4.0 Operations Analysis**

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**4.2 General Activities**

The Council has today succeeded in establishing its Authority and respect on the Local level, and further efforts will again be made to enhance this achieved progress.

These overall improvements attained in the past years will be totally sustained to the satisfaction of the Community. This improvement goes also to the credit of the residents through their cooperation and understanding.

Local Council staff has by this date gained great experience to meet the needs arising out of the additional responsibilities delegated to the Local Councils. But it is of utmost importance that refresher courses be organised to improve the daily management of the Council through the services which are offered to the community.

The programme for road resurfacing and embellishment of parks and gardens is again being strongly supported by the Council following the past results achieved. Moreover the programme for the maintenance of footpaths, pavements and extended patching, is also being given due attention.

The sub-committees, through the three-year action plan, have helped creating a guideline for the general activities of the Local Council. All this work provided the ground for the success of the Council.

**5.0 Financial and Performance Forecasts****5.1 Three Year Financial Forecast**

ACCT NO.	DESCRIPTION	FORECAST 2014 EUR	FORECAST 2015 EUR	FORECAST 2016 EUR	FORECAST 2014 - 2016 EUR
<b>2</b>	<b>Income</b>				
0001	Government	1,004,772	1,000,000	1,000,000	3,004,772
0020	Bye-Laws	35,400	35,400	35,400	106,200
0090	Investment	300	300	300	900
0100	General	-	-	-	-
	<b>TOTAL</b>	<b>1,040,472</b>	<b>1,035,700</b>	<b>1,035,700</b>	<b>3,111,872</b>
<b>1</b>	<b>Expenditure</b>				
1000	Personal Emoluments	173,362	172,947	179,572	525,881
2000	Operations and maintenance	731,065	737,083	743,783	2,211,931
7000	Capital Expenditure	111,212	104,212	104,212	319,636
	<b>TOTAL</b>	<b>1,015,639</b>	<b>1,014,242</b>	<b>1,027,567</b>	<b>3,057,448</b>
	<b>SURPLUS/DEFICIT</b>	<b>24,833</b>	<b>21,458</b>	<b>8,133</b>	<b>54,424</b>
	<b>BROUGHT FORWARD</b>	-	24,833	46,291	-
	<b>CARRY FORWARD</b>	24,833	46,291	54,424	54,424

**5.2 Notes and assumptions**

The starting base of the Business Plan is the Budget for 2014. A prudent approach is being taken by projecting income at a stable level based on trends over the past three years.

Where possible, expenditure was calculated on the basis of factual contractual commitments. In the absence thereof, an annual growth rate of 1% in expenditure was assumed. This growth rate was based on the fact that as part of its short to medium-term objectives, the Council will be adopting a stringent cost control approach. If this objective is not met, as a contingency plan the Council would then have to postpone some of its capital commitments.



## 5.0 Financial and Performance Forecasts

## 5.3 Three Year Income Forecast

ACCT NO.	DESCRIPTION	FORECAST	FORECAST	FORECAST	FORECAST
		2014 EUR	2015 EUR	2016 EUR	2014 - 2016 EUR
<b>2</b>	<b>Income</b>				
0000	Government				
0001	Annual	1,000,772	1,000,000	1,000,000	3,000,772
0002	Supplementary	4,000	-	-	4,000
0003	Special needs	-	-	-	-
0004	Public/government delegations	-	-	-	-
0015	Other	-	-	-	-
		<b>1,004,772</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>3,004,772</b>
0020	Bye-Laws				
0021	Community services	14,400	14,400	14,400	43,200
0036	Contravention of bye-laws	17,000	17,000	17,000	51,000
0056	Sponsorships	-	-	-	-
0066	General services	4,000	4,000	4,000	12,000
		<b>35,400</b>	<b>35,400</b>	<b>35,400</b>	<b>106,200</b>
0090	Investment				
0091	Bank interest	300	300	300	900
0096	Government securities	-	-	-	-
		<b>300</b>	<b>300</b>	<b>300</b>	<b>900</b>
0100	General				
0110	Donations	-	-	-	-
0120	Contributions	-	-	-	-
		-	-	-	-
<b>TOTAL</b>		<b>1,040,472</b>	<b>1,035,700</b>	<b>1,035,700</b>	<b>3,111,872</b>

## 5.0 Financial and Performance Forecasts

5.4 Three Year Expenditure  
Forecast

ACCT NO.	DESCRIPTION	FORECAST	FORECAST	FORECAST	FORECAST
		2014 EUR	2015 EUR	2016 EUR	2014 - 2016 EUR
<b>1</b>	<b>Expenditure</b>				
1000	Personal Emoluments				
1100	Mayor's & Councillors' allowance	27,336	27,697	28,057	83,090
1200	Employee salaries and wages	119,116	118,529	123,853	361,498
1300	Bonuses	9,766	9,742	10,082	29,590
1400	Income supplements	1,575	1,575	1,575	4,724
1500	Social Security contributions	11,239	11,108	11,569	33,916
1600	Allowances	466	466	466	1,398
1700	Overtime	3,865	3,831	3,970	11,665
		<b>173,362</b>	<b>172,947</b>	<b>179,572</b>	<b>525,881</b>
2000	Operations and maintenance				
2100	Utilities	28,000	26,900	25,850	80,750
2200	Materials and supplies	-	-	-	-
2300	Repair and upkeep	59,600	60,250	60,900	180,750
2400	Rent	233	233	233	699
2500	National / International memberships	800	800	800	2,400
2600	Office services	11,000	11,200	11,400	33,600
2700	Transport	2,000	2,200	2,400	6,600
2800	Travel	-	-	-	-
2900	Information services	6,000	6,200	6,400	18,600
3000	Contractual services	532,392	537,200	542,200	1,611,792
3100	Professional services	31,040	32,100	33,600	96,740
3200	Training	-	-	-	-
3300	Community and hospitality	60,000	60,000	60,000	180,000
3400	Incidental expenses	-	-	-	-
		<b>731,065</b>	<b>737,083</b>	<b>743,783</b>	<b>2,211,931</b>
7000	Capital expenditure				
7001	Acquisition of property	34,212	34,212	34,212	102,636
7100	Construction	-	-	-	-
7200	Improvements	15,000	8,000	8,000	31,000
7300	Equipment	2,000	2,000	2,000	6,000
7500	Special programmes	60,000	60,000	60,000	180,000
		<b>111,212</b>	<b>104,212</b>	<b>104,212</b>	<b>319,636</b>
<b>TOTAL</b>		<b>1,015,639</b>	<b>1,014,242</b>	<b>1,027,567</b>	<b>3,057,448</b>

**6.0 Capital Development****6.1 Three Year Capital Development Forecasts**

Account No. Project No.	Capital Expenditure Project Description	2014		2015		2016		2014 to 2016
		Account	Project	Account	Project	Account	Project	Account Total
		EUR	EUR	EUR	EUR	EUR	EUR	EUR
7001	Acquisition of property Loan Repayment - Administrative Bldg	34,212	34,212	34,212	34,212	34,212	34,212	102,636
7100	Construction	-	-	-	-	-	-	-
7200	Improvements Office Furniture Street Furniture CCTV system - F. Maempel Gardens	15,000	2,000 3,000 10,000	8,000	2,000 6,000 -	8,000	2,000 6,000 -	31,000
7300	Equipment Office Equipment Computer Equipment	2,000	1,000 1,000	2,000	1,000 1,000	2,000	1,000 1,000	6,000
7500	Special programmes Road Resurfacing	60,000	60,000	60,000	60,000	60,000	60,000	180,000
<b>TOTAL New Projects:</b>		<b>111,212</b>		<b>104,212</b>		<b>104,212</b>		<b>319,636</b>

***6.0 Capital Development***

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**6.1 Notes and assumptions**

The capital projects described above are based on surplus funds resulting from the excess of income over expenditure. Any defeat in this assumption would see a reduction in the capital expenditure being projected.