

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

**Business Plan**

**2015 - 2017**

Table of Contents

Introduction and Situation Analysis	1
Mission Statement and Values	2
Objectives, Expected Results and Strategies	3
Operations Analysis	5
Financial and Performance Forecasts	7
Capital Development	10

## 1.0 Introduction and Situation Analysis

---

This Business Plan sets out what we aim to achieve between now and 2017. It will set out the foundations to make the Council as efficient as possible and well equipped for the future.

Our commitment is to ensure our residents can take advantage of the new opportunities in our locality. We will support our most vulnerable residents. They are our top priority.

The Local Council will continue to work with all local social stakeholders 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 and neighbourhoods.

This Business Plan sets out the 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 it also takes full account of the suggestions and complaints presented by the public and registered at our offices.

The Local Council want everyone to help develop this vision for the future of Qormi. Simply, this Business Plan is aimed at delivering good things in challenging times for the local government sector.

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. The starting base of the Business Plan is the Budget for 2015, which in itself is zero-based. These last three years, the annual financial allocation as received by the Council from Central Government, has been stable but in 2015 we saw an increase of Eur33,000, and therefore the Council felt it would only be prudent to project the annual financial allocation receivable, based on these trends. As with other income, the Council has adopted the same prudence approach and did not project any increases in income over the coming three years.

Where possible, expenditure was calculated on the basis of factual contractual commitments. In the absence thereof, an annual average growth rate of 1% is being 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. Yet, the Council is operating in a normal business environment where resident's demands are on the increase and the supplies to the Council are becoming expensive by the day. If the Council does not meet the objective of controlling recurrent expenditure, it would have to postpone expenditure on capital projects. As a matter of fact, the capital projects described in this Business Plan are based on surplus funds resulting from the excess of income over expenditure. The Council is hopeful on additional funds receivable from the Regional Committee to support its campaign of expenditure on capital projects. The Council is also on the look out to tap from the new wave of EU Funding which were made available to the Maltese Islands.

In this Business Plan 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 consolidate the statutory level acquired in 2014. This document is therefore outlining three overarching objectives which are:

- Customer Service Excellence
- Financial Stability
- To work with Local NGOs to support Hal Qormi's community

This outline document is not a political promotional tool but it's a tool which catalyzes local council's resources – human, physical and financial – towards a desired outcome. Williams (1994) offers some compelling words that underscore the notions that the benefits of strategic planning are not about just printed words, but about the action that an effective plan inspires and initiates:

*“Strategic planning is not about writing an ideal document called a strategic plan. It is about shaping and crafting strategies that achieve intended results... strategy, like innovation, is not about what you say or believe. It is about what you do.”*

Rosianne Cutajar  
Mayor

**2.0 Mission statement and values**

---

**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**

---

**3.1 Short-term objectives and expected results (2015 – 2017)**

<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 (2015 – 2017)**

<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**

---

**3.3 Strategies**

This is the beginning of the third and final 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.

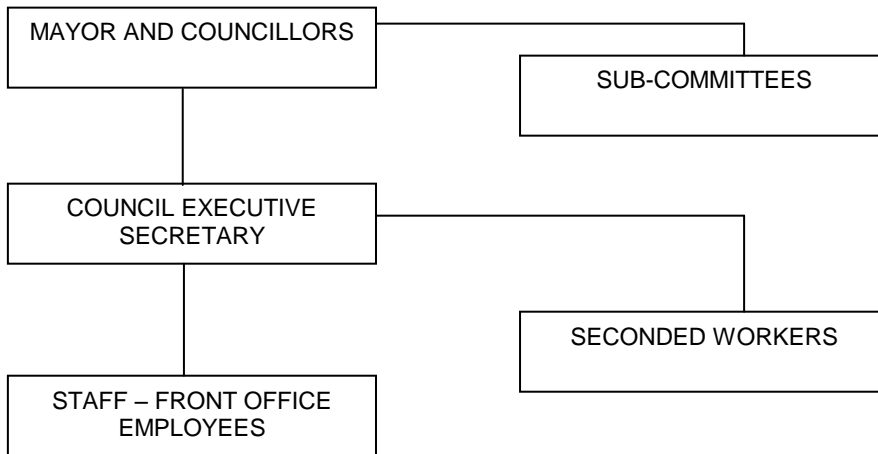
The Council is therefore adopting the following strategies in order to achieve its objectives:

- 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

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

---

#### 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 2015 €	FORECAST 2016 €	FORECAST 2017 €	FORECAST 2015 - 2017 €
<b>2</b>	<b>Income</b>				
0001	Government	1,037,652	1,039,000	1,041,000	3,117,652
0020	Bye-Laws	39,000	46,000	53,000	138,000
0090	Investment	100	100	100	300
0100	General	-	-	-	-
	<b>TOTAL</b>	<b>1,076,752</b>	<b>1,085,100</b>	<b>1,094,100</b>	<b>3,255,952</b>
<b>1</b>	<b>Expenditure</b>				
1000	Personal Emoluments	187,242	194,631	198,651	580,524
2000	Operations and maintenance	741,765	740,718	750,966	2,233,449
7000	Capital Expenditure	138,212	145,212	155,212	438,636
	<b>TOTAL</b>	<b>1,067,219</b>	<b>1,080,561</b>	<b>1,104,829</b>	<b>3,252,609</b>
	<b>SURPLUS/DEFICIT</b>	<b>9,533</b>	<b>4,539</b>	<b>- 10,729</b>	<b>3,343</b>
	<b>BROUGHT FORWARD</b>	<b>-</b>	<b>9,533</b>	<b>14,072</b>	<b>-</b>
	<b>CARRY FORWARD</b>	<b>9,533</b>	<b>14,072</b>	<b>3,343</b>	<b>3,343</b>

**5.2 Notes and assumptions**

The starting base of the Business Plan is the Budget for 2015. 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% or 2% 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
		2015 €	2016 €	2017 €	2015 - 2017 €
<b>2</b>	<b>Income</b>				
0000	Government				
0001	Annual	1,033,652	1,035,000	1,037,000	3,105,652
0002	Supplementary	4,000	4,000	4,000	12,000
0003	Special needs	-	-	-	-
0004	Public/government delegations	-	-	-	-
0015	Other	-	-	-	-
		<b>1,037,652</b>	<b>1,039,000</b>	<b>1,041,000</b>	<b>3,117,652</b>
0020	Bye-Laws				
0021	Community services	15,000	19,000	23,000	57,000
0036	Contravention of bye-laws	20,000	22,000	24,000	66,000
0056	Sponsorships	-	-	-	-
0066	General services	4,000	5,000	6,000	15,000
		<b>39,000</b>	<b>46,000</b>	<b>53,000</b>	<b>138,000</b>
0090	Investment				
0091	Bank interest	100	100	100	300
0096	Government securities	-	-	-	-
		<b>100</b>	<b>100</b>	<b>100</b>	<b>300</b>
0100	General				
0110	Donations	-	-	-	-
0120	Contributions	-	-	-	-
		-	-	-	-
	<b>TOTAL</b>	<b>1,076,752</b>	<b>1,085,100</b>	<b>1,094,100</b>	<b>3,255,952</b>

## 5.0 Financial and Performance Forecasts

5.4 Three Year Expenditure  
Forecast

ACCT NO.	DESCRIPTION	FORECAST	FORECAST	FORECAST	FORECAST
		2015 €	2016 €	2017 €	2015 - 2017 €
<b>1</b>	<b>Expenditure</b>				
1000	Personal Emoluments				
1100	Mayor's & Councillors' allowance	27,696	28,057	28,417	84,170
1200	Employee salaries and wages	129,669	135,554	138,611	403,834
1300	Bonuses	10,638	11,015	11,228	32,881
1400	Income supplements	1,756	1,756	1,756	5,268
1500	Social Security contributions	12,697	13,195	13,405	39,297
1600	Allowances	466	466	466	1,398
1700	Overtime	4,320	4,588	4,768	13,676
		<b>187,242</b>	<b>194,631</b>	<b>198,651</b>	<b>580,524</b>
2000	Operations and maintenance				
2100	Utilities	28,000	26,900	25,851	80,751
2200	Materials and supplies	2,000	2,220	2,340	6,560
2300	Repair and upkeep	75,600	77,112	78,000	230,712
2400	Rent	233	233	233	699
2500	National / International memberships	11,800	800	800	13,400
2600	Office services	14,000	14,280	14,566	42,846
2700	Transport	3,000	3,060	3,121	9,181
2800	Travel	-	-	-	-
2900	Information services	6,000	6,120	6,242	18,362
3000	Contractual services	516,392	524,908	534,081	1,575,381
3100	Professional services	28,040	28,320	28,887	85,247
3200	Training	1,500	1,515	1,545	4,560
3300	Community and hospitality	55,000	55,000	55,000	165,000
3400	Incidental expenses	200	250	300	750
		<b>741,765</b>	<b>740,718</b>	<b>750,966</b>	<b>2,233,449</b>
7000	Capital expenditure				
7001	Acquisition of property	34,212	34,212	34,212	102,636
7100	Construction	50,000	50,000	50,000	150,000
7200	Improvements	11,000	9,000	9,000	29,000
7300	Equipment	3,000	2,000	2,000	7,000
7500	Special programmes	40,000	50,000	60,000	150,000
		<b>138,212</b>	<b>145,212</b>	<b>155,212</b>	<b>438,636</b>
<b>TOTAL</b>		<b>1,067,219</b>	<b>1,080,561</b>	<b>1,104,829</b>	<b>3,252,609</b>

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

Account No. Project No.	Capital Expenditure Project Description	2015		2016		2017		2015 to 2017
		Account €	Project €	Account €	Project €	Account €	Project €	Account Total €
7001	Acquisition of property Property Loan Repayment	34,212	34,212	34,212	34,212	34,212	34,212	102,636
7100	Construction New Paving	50,000	50,000	50,000	50,000	50,000	50,000	150,000
7200	Improvements Office Furniture Restoration of Monuments	11,000	1,000 10,000	9,000	1,000 8,000 -	9,000	1,000 8,000 -	29,000
7300	Equipment Office Equipment	3,000	3,000	2,000	2,000	2,000	2,000	7,000
7500	Special programmes Road Resurfacing	40,000	40,000	50,000	50,000	60,000	60,000	150,000
<b>TOTAL New Projects:</b>		<b>138,212</b>		<b>145,212</b>		<b>155,212</b>		<b>438,636</b>

***6.0 Capital Development***

---

**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.