



Hal Qormi Local Council
(Citta' Pinto)

Business Plan

2016 - 2018

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1.0 Introduction and Situation Analysis

The purpose of the business planning process is to manage and support the development of an integrated corporate business plan to guide the medium-term course of the Local Council. This involves the development, communication and facilitation of a process that engages council, the leadership team, management and staff in establishing operational priorities that are:

- driven by the objectives of the strategic plan,
- responsive to the expectations of the community,
- achievable and
- financially sustainable into the future.

With this, the Local Council as a whole will be able to make progress on its strategic objectives as well as maintain and continuously improve the locality's core services. This business plan focuses on the quality of services and infrastructure to continue to be improved.

The 2016-2018 business plan is a "journey" which sets out Hal Qormi's integrated blueprint for the work that will be done within the locality in this period. This plan outlines a clear path for the coming years, one that strikes an effective balance between the need for consistent delivery of quality services on a day-to-day basis, and the focus on emerging issues and opportunities that will help to position the locality well for the future.

With a newly elected council in April 2015, this business plan is setting the community priorities but adding other initiatives in the process of setting goals and creating strategies to achieve those goals over the next three years. Our aim is to create a sustainable, future-proof model of local public services – focused on supporting the needs of people, partnership working, empowered staff, and community engagement. This can be attained through the following values:

- Putting residents first
- Acting courageously
- Being true to our word
- Achieving excellence

When it comes to the accounting exercise of the business plan, the 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 Urban Improvement Fund 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.

The Council is committed to providing the leadership necessary to complete this business plan which I described earlier as a "journey". With the community's help, we will continue to provide a locality Hal Qormi deserves. By working together in partnership we know that the city of Hal Qormi will face all the challenges in great shape in order to secure a great future for all its residents.



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 (2016 – 2018)

Objectives	Expected Results
✓ 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 (2016 – 2018)

Objectives	Expected Results
✓ 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 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.

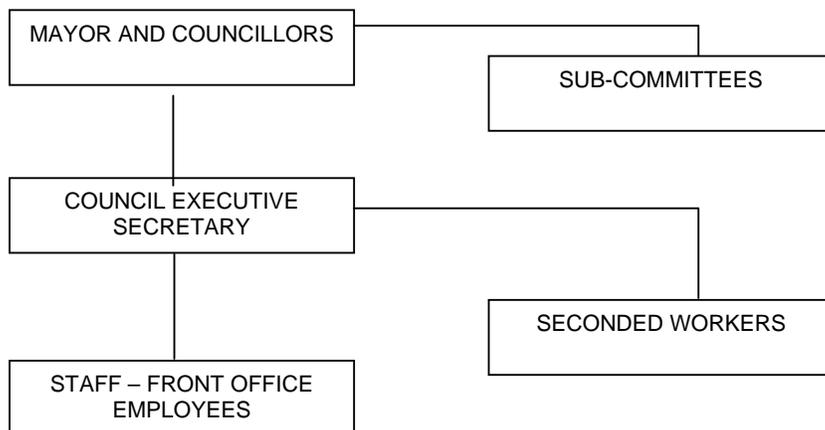
The Council is therefore adopting the following strategies in order to achieve its objectives:

- 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 2016 €	FORECAST 2017 €	FORECAST 2018 €	FORECAST 2016 - 2018 €
2	Income				
0001	Government	1,071,853.00	1,073,400.00	1,075,400.00	3,220,653.00
0020	Bye-Laws	319,542.00	325,000.00	332,000.00	976,542.00
0090	Investment	100.00	100.00	100.00	300.00
0100	General				
	TOTAL	1,391,495.00	1,398,500.00	1,407,500.00	4,197,495.00
1	Expenditure				
1000	Personal Emoluments	198,239.99	201,885.21	205,314.44	605,439.65
2000	Operations and maintenance	772,020.00	781,734.00	786,470.00	2,340,224.00
7000	Capital Expenditure	301,212.00	295,212.00	300,212.00	896,636.00
	TOTAL	1,271,471.99	1,278,831.21	1,291,996.44	3,842,299.65
	SURPLUS/DEFICIT	120,023.01	119,668.79	115,503.56	355,195.35
	BROUGHT FORWARD		120,023.01	239,691.80	
	CARRY FORWARD	120,023.01	239,691.80	355,195.35	355,195.35

5.2 Notes and assumptions

The starting base of the Business Plan is the Budget for 2016. 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
		2016 €	2017 €	2018 €	2016 - 2018 €
2	Income				
0000	Government				
0001	Annual	1,065,453.00	1,067,000.00	1,069,000.00	3,201,453.00
0002	Supplementary				
0003	Special needs				
0004	Public/government delegations				
0015	Other	6,400.00	6,400.00	6,400.00	19,200.00
		1,071,853.00	1,073,400.00	1,075,400.00	3,220,653.00
0020	Bye-Laws				
0021	Community services				
0036	Contravention of bye-laws	66,577.00	72,000.00	77,000.00	215,577.00
0056	Sponsorships				
0066	General services	252,965.00	253,000.00	255,000.00	760,965.00
		319,542.00	325,000.00	332,000.00	976,542.00
0090	Investment				
0091	Bank interest	100.00	100.00	100.00	300.00
0096	Government securities				
		100.00	100.00	100.00	300.00
0100	General				
0110	Donations				
0120	Contributions				
	TOTAL	1,391,495.00	1,398,500.00	1,407,500.00	4,197,495.00

5.0 Financial and Performance Forecasts

5.4 Three Year Expenditure
Forecast

ACCT NO.	DESCRIPTION	FORECAST	FORECAST	FORECAST	FORECAST
		2016 €	2017 €	2018 €	2016 - 2018 €
1	Expenditure				
1000	Personal Emoluments				
1100	Mayor's & Councillors' allowance	27,756.67	28,039.80	28,039.80	83,836.27
1200	Employee salaries and wages	138,948.94	141,727.92	144,562.48	425,239.34
1300	Bonuses	11,334.22	11,560.90	11,792.12	34,687.23
1400	Income supplements	1,917.90	1,918.00	1,918.00	5,753.90
1500	Social Security contributions	13,578.57	13,850.14	14,127.14	41,555.85
1600	Allowances	466.00	466.00	466.00	1,398.00
1700	Overtime	4,237.70	4,322.46	4,408.91	12,969.06
		198,239.99	201,885.21	205,314.44	605,439.65
2000	Operations and maintenance				
2100	Utilities	22,200.00	22,574.00	22,649.00	67,423.00
2200	Materials and supplies	15,400.00	15,900.00	16,206.00	47,506.00
2300	Repair and upkeep	70,400.00	71,808.00	73,244.00	215,452.00
2400	Rent	233.00	233.00	233.00	699.00
2500	National / International memberships	6,300.00	6,300.00	6,300.00	18,900.00
2600	Office services	12,400.00	12,648.00	12,901.00	37,949.00
2700	Transport	3,000.00	3,060.00	3,121.00	9,181.00
2800	Travel				
2900	Information services	6,800.00	6,936.00	7,075.00	20,811.00
3000	Contractual services	525,496.00	531,986.00	533,446.00	1,590,928.00
3100	Professional services	30,194.00	30,496.00	31,106.00	91,796.00
3200	Training	17,798.00	17,976.00	18,336.00	54,110.00
3300	Community and hospitality	61,299.00	61,312.00	61,338.00	183,949.00
3400	Incidental expenses	500.00	505.00	515.00	1,520.00
		772,020.00	781,734.00	786,470.00	2,340,224.00
7000	Capital expenditure				
7001	Acquisition of property	34,212.00	34,212.00	34,212.00	102,636.00
7100	Construction	90,000.00	90,000.00	90,000.00	270,000.00
7200	Improvements	9,000.00	9,000.00	9,000.00	27,000.00
7300	Equipment	2,000.00	2,000.00	2,000.00	6,000.00
7500	Special programmes	166,000.00	160,000.00	165,000.00	491,000.00
		301,212.00	295,212.00	300,212.00	896,636.00
TOTAL		1,271,471.99	1,278,831.21	1,291,996.44	3,842,299.65

6.0 Capital Development

6.1 Three Year Capital Development Forecasts

Account No. Project No.	Capital Expenditure Project Description	2016		2017		2018		2016 to 2018
		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	90,000	90,000	90,000	90,000	90,000	90,000	270,000
7200	Improvements Office Furniture Restoration of Monuments	9,000	1,000 8,000	9,000	1,000 8,000 -	9,000	1,000 8,000 -	27,000
7300	Equipment Office Equipment	2,000	2,000	2,000	2,000	2,000	2,000	6,000
7500	Special programmes Road Resurfacing Motor Vehicle	166,000	156,000 10,000	160,000	160,000	165,000	165,000	491,000
TOTAL New Projects:		301,212		295,212		300,212		896,636

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.