

8.4 SERVICE PLANNING POLICY

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Attachments: 1. Draft Mitchell Shire Council Service Planning Policy

SUMMARY

The Draft Service Planning Policy will provide objectives and guidelines around Service Planning at Mitchell Shire Council.

RECOMMENDATION

THAT Council consider the attached Service Planning Policy for endorsement.

BACKGROUND

“Delivering cost-efficient services requires councils to plan effectively. Councils need to understand the current and future needs of their communities; identify the resources needed to achieve desired levels and quality of service; compare these to the resources available; and make informed, rational decisions about how to best allocate their scarce resources.

It also requires that councils design and operate their services to be as economic and efficient as possible by minimising input costs—such as labour and materials—while maximising service outputs.”

Victorian Auditor General's Office Report - Delivering Local Government Services, September 2018

ISSUES AND DISCUSSION

In September 2018, the Victorian Auditor General's Office (VAGO) presented the report “Delivering Local Government Services – an Independent assurance report to Parliament”.

During the Audit, they assessed whether selected councils effectively plan for and deliver cost-efficient services that meet community needs. They also benchmarked councils' expenditure on corporate services (specifically) and examined how councils look for and achieve efficiencies. They audited Bayside City Council, City of Wodonga, Indigo Shire Council, Moira Shire Council, and Wyndham City Council.

The report provided the following conclusion:

“We recommend that each Victorian council:

1. Implement an integrated service planning and review framework that:
 - includes a clear relationship between the services the council delivers, and the objectives outlined in its council plan
 - links service objectives to identified community needs
 - describes how services will be supported with appropriate assets and infrastructure
 - identifies service standards and performance measures

SERVICE PLANNING POLICY (CONT.)

- includes benchmarking to enable comparison with other councils' performance
 - investigates ways to achieve cost efficiencies through alternative service delivery models, such as shared service arrangements or outsourcing
 - includes mechanisms to ensure that the level of service and mode of service delivery are regularly reviewed
2. Achieve a better understanding of service costs to inform service planning and budgets using activity-based costing or, where impractical, elements of this
 3. Ensure that data it reports to the Victoria Grants Commission is accurate and categorised according to its guidance
 4. Systematically identify and implement opportunities to improve the cost efficiency of corporate(/all) services functions

CONSULTATION

Members of the Executive Leadership Team and relevant Managers have been consulted in preparing this report.

FINANCIAL, RESOURCE AND ASSET MANAGEMENT IMPLICATIONS

While there are no implications associated with the preparation of this Policy, there are a range of outcomes and implications that may be generated as a result of the implementation of this Policy.

POLICY AND LEGISLATIVE IMPLICATIONS

There are no legislative requirements to produce a Service Planning Policy, however, it is reflective of industry best practice and serves to provide Council and staff with a framework to administer and manage the service analysis and planning process to ensure responsible and sustainable decisions are made.

SUSTAINABILITY IMPLICATIONS (SOCIAL AND ENVIRONMENTAL)

There are no sustainability implications associated with the preparation of this draft Policy, however there are a range of outcomes and implications that may be considered as a result of the implementation of this Policy.

CHARTER OF HUMAN RIGHTS IMPLICATIONS

The rights protected in the *Charter of Human Rights and Responsibilities Act 2006* were considered in preparing this report and it's determined that the subject matter does not raise any human rights issues.

SERVICE PLANNING POLICY (CONT.)

CHILDREN AND YOUNG PEOPLE IMPLICATIONS

There are no Children and Young People implications.

OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any direct or indirect interest in this matter.

CONCLUSION

The Service Planning Policy lays a firm foundation from which Council can ensure that all Services now and into the future are:

- Effective – deliver targeted services of high-quality
- Efficient – in the use of resources (people, materials, equipment, infrastructure), to realise savings
- Appropriate – aligned to strategic direction, and meet current and future community needs

MITCHELL SHIRE COUNCIL

Council Meeting Attachment

GOVERNANCE AND CORPORATE PERFORMANCE

15 APRIL 2019

8.4

SERVICE PLANNING POLICY

Attachment No: 1

Mitchell Shire Council Service Planning Policy

Service Planning Policy

Policy Owner	Corporate Planning and Reporting Officer Governance and Corporate Accountability
Creation Date	{DD/MM/YYYY}
Revision Date	{DD/MM/YYYY}

PURPOSE

This Policy sets out the Council's commitment to ongoing service planning and strategic review to ensure that each service is aligned to council's vision for the community, council plan and relevant strategic documents.

CONTEXT

Service delivery planning and review are vital processes to ensure local government services are:

appropriate – that is, services meet current community needs and wants, and can be adapted to meet future needs and wants

effective – that is, councils deliver targeted, better quality services in new ways

efficient – that is, councils improve resource use (people, materials, plant and equipment, infrastructure, buildings) and redirect savings to finance new or improved services.

Mitchell Shire Council need to demonstrate that we are providing value for money for services that our community consider important. Financial performance and sustainability of councils is reported in both our Annual Report and on www.knowyourcouncil.vic.org.au and it is important within this context that service best practice and value for money can be demonstrated.

Environmental sustainability in a global climate change context also sees the need to reduce the footprint that service delivery leaves behind. This will also be a focus of any strategic review.

The most appropriate way to address the above outcomes is through policy development and a consistent framework.

SCOPE

This policy will apply to Council and Council staff.

POLICY

When making a service delivery related decision, Council and its officers will have regard to the principles documented in this policy.

Objectives of Service Planning

- To ensure services are planned and determined in accordance with defined and validated community need.
- To develop a clear understanding and agreement on the purpose, standard and desired outcomes of the service.
- To clearly articulate whether services are provided as a statutory requirement or at the discretion of Council, and therefore could potentially be withdrawn from.
- To develop an accurate forecast of the likely future costs associated with the delivery of individual services, to support long-term financial planning, including:
 - > new and upgrade capital works planning
 - > renewal demand
 - > assets and the resources required to support Council's service provision.
- To support Council decision making regarding:
 - > The range of services Council will provide
 - > The link between these services and Mitchell's Vision and Council Plan, including the Long-Term Financial Plan, the funding approach and implications
 - > The strategic intent of the service, service model and level of service
- To explore a range of funding options to support service delivery.
- To confirm the true cost and benefits of delivering services.
- To identify service provision demand trends, and changes and the implications these may have for the service now and into the future.
- To establish a process for the regular review of the service delivery approach.
- To inform asset management plans.
- To foster a culture of continuous improvement.

Service Planning Principles

- Services will reflect the Council's Community Vision and Council Plan.
- Services will be planned using evidence of community need and what works.
- Council will regularly review the service model and levels of service to ensure that they are effective, efficient, and are appropriately resourced. Council shall commit to providing appropriate resourcing for the adopted levels of service.
- Emphasis will be placed on providing effective services, and in order to use Council's resources for the largest benefit possible for the community, services will also be delivered in an efficient manner, be socially equitable and both financially and environmentally sustainable.
- Council will plan to be sustainable in the short and long term. Where possible, Council will consider long term implications of any service change, or lack of change, such as negative social, environmental or financial sustainability impacts on Council or the community.
- Service planning will drive responsible decisions regarding the renewal, upgrade or the construction of new assets. Decisions about assets are first driven by service delivery.
- Services must use resources efficiently and effectively and care must be taken to not duplicate services already provided for by others. Council must focus on services that create the best outcomes for the community within resources available.
- Service Planning is undertaken through the lens of continuous improvement.
- Services will be delivered in accordance with relevant legislation and regulations, and in accordance funding agency requirements.
- Council will consider all of the above principles when considering introducing new services.

Outcomes of Service Reviews and Planning

The key outcomes are expected to be:

- a more engaged and empowered community,
- increased levels of community satisfaction,
- defined and documented service levels,
- alignment of service levels, community need, and financial capacity,

- more engaged and empowered Council staff,
- partnerships and networks with other local governments and service providers,
- a more systematic, whole of Council approach to service delivery,
- a set of measures to monitor Service performance.

Internal stakeholder management

The impacts on staff will be closely monitored via appropriate organisational and Human Resources policy and practices.

Strategic Service Review Prioritisation

The council will undertake strategic reviews on a rolling program basis. The priority of the reviews will be recommended to Council in a report that has regard to:

- any withdrawal of government grants or funding for the service
- customer / community feedback
- easily achievable opportunities
- legislative changes
- innovative opportunities
- changes in the Council Plan

Definitions

Asset: A physical item that is owned or controlled by Council and supports the provision of services to the community.

Service: A group of programs and projects primarily focused on external recipients, which collectively provide support or guidance to the community in order to achieve the objectives of Mitchell's Vision and the Council Plan. A combination of tangible and intangible benefits that can be produced and consumed.

Service Plan: A process by which you can assess, review and set the strategic direction for a service. It takes the longer-term strategic direction and converts it into a plan for the short to medium-term.

Strategic Review: A formal process that considers the cost, quality and efficiency of a council service, and assesses whether the current mode of delivery is appropriate. A Strategic Review may be necessary if:

- The service is under financial pressure
- There is evidence of changing community needs

- The service needs to be re-aligned with Council's direction
- There are major legislative changes anticipated
- The Service is due for a major contract renewal.

Continuous Improvement: The ongoing improvement of products, services or processes through incremental and breakthrough improvements. These efforts can seek "incremental" improvement over time or "breakthrough" improvement all at once. Among the most widely used tools for the continuous improvement model is a four-step quality assurance method – the PDCA cycle:

- Plan: Identify an opportunity and plan for change
- Do: Implement the change on a small scale
- Check: Use data to analyse the results of the change and determine whether it made a difference
- Act: If the change was successful, implement it on a wider scale and continuously assess your results. If the change did not work, begin the cycle again

Related Documents

- *Local Government Act 1989*
- Mitchell Shire Council Plan 2017 - 2021
- Essential Services guidelines and publications
- Mitchell Shire Council Values
- Victorian Auditor General's Office independent assurance report to Parliament 2018-19: Delivering Local Government Services, September 2018
- Australian Centre for Excellence in Local Government, Service Delivery Review Manual, Second Edition 2015