

Council Policy

Financial Sustainability Policy

Objective

To strengthen the Town's financial sustainability by continuously improving the Town's financial performance and position both in the short term and long term.

Strategy

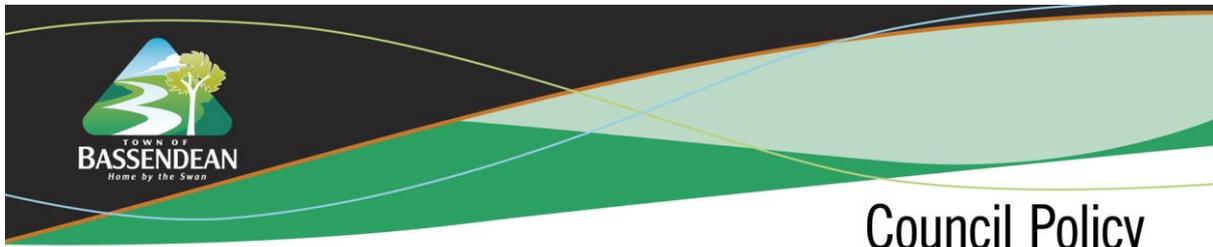
In carrying out its functions, the Town of Bassendean is to use its best endeavours to meet the needs of current and future generations through an integration of environmental protection, social advancement and economic prosperity. (Section 1.3 of the Local Government Act). This requires prudent financial management to achieve sustainable outcomes for the community.

The Town of Bassendean's long term financial performance and position will be sustainable where:

1. continuation of the Council's present spending and funding policies;
2. likely developments in the Council's revenue raising capacity and in the demand for and costs of its services and infrastructure; and
3. normal financial risks and financial shocks;

The Town of Bassendean commits to sound public governance through:

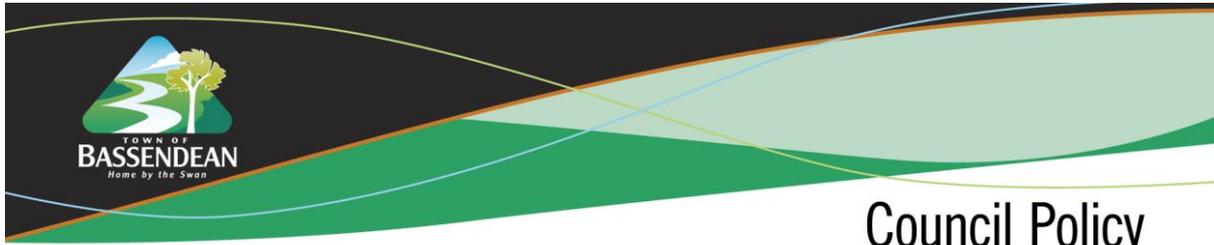
1. Good fiscal management by working towards:
 - a. prudent management of assets and liabilities;
 - b. ensuring that revenue and spending decisions have regard to their effect on future generations and ongoing financial sustainability;
2. Ensuring that its decisions on service delivery and the provision and maintenance of infrastructure are made with due regard to available, existing and anticipated future financial resources and competing priorities;
3. Improving its practices including strategic planning at local and regional levels, prudent borrowing and appropriate pricing regimes;
4. Being responsible for funding functions it chooses to undertake in an area of responsibility of other spheres of government, in addition to funding its existing core functions.



Council Policy

To achieve improved financial sustainability the following principles guiding financial management are to be followed:

1. Undertake long term planning and funding of infrastructure, services and land use in close in accordance with the adopted Strategic Community Plan and Corporate Business Plan. Implement and maintain asset management systems to achieve “whole of life” planning for asset and infrastructure maintenance and renewal.
2. Avoid taking on additional responsibilities for asset maintenance and infrastructure renewal and expansion from the State Governments without a commensurate allocation of capital and recurrent funding, eg, Swan River foreshore and wetlands;
5. Seek to provide fewer and better quality facilities by rationalising its assets and infrastructure through the sale of surplus land .
6. Maximise external funding opportunities for capital projects and where possible services provided to the residents of the Town of Bassendean.
7. Not undertake new services or functions, which duplicate those provided by other tiers of government, the private or non-profit sector.
8. Conduct rolling reviews of services based on a sustainable best value analysis to ensure that services continue to meet community needs as strategic priorities for the Town, are run effectively and efficiently and do not duplicate services provided by other providers.
9. Adopt appropriate industry standards for all services and functions undertaken, benchmark services to the community against other local governments and the private sector to ensure that they are competitive and use resource sharing where efficiencies and/or service delivery improvements can be made.
10. Ensure that any functions undertaken by local government on behalf of other tiers of government are appropriately funded to meet increasing compliance costs such as industry accreditation. Additionally where the nature of the Function precludes the Local Government from recouping the cost, the Town will make every effort to identify it as cost shifting or an unfunded mandate.
11. Improve its collection of data on Key Performance Indicators and report on the achievement of financial performance targets through the quarterly reports and Annual Report.
12. Develop an acceptable and sustainable borrowing and debt management program to fund infrastructure needs on an intergenerational basis.
13. Support WALGA efforts to obtain developer contributions for new development infrastructure in a similar fashion as in NSW and Victoria.
14. Support WALGA efforts to claw back rate exemptions to charitable and non-profit organizations and resist any moves to expand the scope of exemptions.
15. Work with the Western Australian Local Government Association and other Local Governments to levy income from Commercial Government Enterprises infrastructure on Local Government land.
16. Ensure the comprehensive induction and ongoing training for Councillors and staff to increase the understanding of sustainability principles and increase financial and asset management skills.



Application

Responsibility for the implementation of this policy rests with the Mayor, Councillors and Chief Executive Officer. The Policy is to be reviewed every three years.

Policy Type: Strategic Policy	Responsible Officer: Chief Executive Officer
Link to Strategic Community Plan: Leadership and Governance	Last Review Date: September 2017 Version 2
	Next Review due by: May 2020