

N14 Ongoing

Ideal Standard

To be assessed in the final assessment year unless Council has provided evidence of implementing an externally accredited compliance process, including KPI performance monitoring and reporting.

Outline/Summary

To obtain the greatest benefit from the business management practices, Councils need to ensure that the reforms are embedded into their ongoing processes. For this reason, the above suggested practices are based on automated integration of FCD into the accounting and budgeting processes and integration between the asset management, accounting, and management practices.

Councils should adopt, contingent on operating size, a management system that ensures the elements of full cost pricing and the associated changes to management information systems are able to be sustained beyond the LGFIPS. The management system should be broadly compliant with AS3806, which provides the following broad guide to implementation:

- policy pronouncement expressing ongoing commitment;
- management responsibility and accountability for compliance and performance;
- adequate resourcing of the management systems;
- integrated systems that support continuous improvement;
- integrated systems that handle complaints;
- ongoing education of the organisation and stakeholders, including ratepayers; and
- a systematic approach to monitoring and assessing performance over time.

Linking TMP's and asset management plans to the budget and accounting systems not only assists FCD but also improves the management of assets under Council control. Similarly, ensuring clear management responsibility, authority and performance monitoring improves management performance.

Key Steps

1. Ensure that the Corporate planning is linked to all of council's operations;
2. Ensure that Operational and business activity planning is congruent;
3. Ensure management information systems include critical full cost pricing elements;
4. Develop financial and non-financial performance standards and KPI's for business activities
5. Establish ongoing monitoring and adjustments of the process based on transparent KPI's and benchmarking;
6. Link the TMP/Asset Management Plans to the budget and accounting procedures;
7. Incorporate KPI's on the Operational Plans, and monitor and report to Council.

QCA Documentation Standard

Budget, Chart of accounts or use of Full Cost Pricing software, TMP/SAMFs, Operational Plans, Reports to Council.