

Municipal Association of Victoria

Strategic Work Plan 2013/14

May 2013

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### Introduction

The Municipal Association of Victoria (MAV) is the peak body for local government in Victoria. A team of specialist staff (including externally funded positions) focus on achieving gains for Victoria’s councils through advocacy, collaboration, policy development and effective governance.

This strategic plan sets out the state of play for Victorian local government in the short, medium and long term. The broad work plan addresses core issues impacting councils in Victoria. Actions are based on their capacity to assist members to effectively and efficiently carry out their operations in the context of persistent economic uncertainty, fiscal constraint and regulatory change.

A smaller number of issues are identified as high priority. These are based on issues consistently identified by members through consultation sessions and assessed as rating highly against the following criteria:

* magnitude of impact the issue is likely to have on councils and their communities
* number of councils affected by the issue
* political ramifications of the issue for effective intergovernmental cooperation
* immediacy of the issue
* likelihood of influencing an outcome in local government’s favour.

Focusing this way will enhance the capacity of the MAV to direct its limited resources towards achieving the best outcomes for Victoria’s councils and their communities.

A critical characteristic of the MAV is its ability to remain flexible and adaptable enough to achieve its set priorities and respond in a timely manner to issues affecting the sector as they arise. Accordingly, the MAV may adjust the allocation of resources throughout the year to incorporate emerging issues.

Emerging issues may be identified either in the context of State Council resolutions or by the MAV as priority issues arise. State Council is our members’ opportunity to raise motions of business for incorporation into the MAV’s work plan. It is the MAV Board’s role, using the same criteria described above, to prioritise emerging matters in the context of the agreed work program with input from members.

From time to time the MAV will form working groups and committees to help guide our actions and provide advice. The MAV calls for nominations, and establishes appropriate governance structures and terms of reference to guide the role of these groups. Responsibility for delivering all strategic plan activities rests with the MAV.

Eight consultation sessions were conducted in seven locations across Victoria to inform the development of this plan. A draft was circulated to members for their feedback ahead of the plan being put to the State Council meeting for endorsement on Thursday 16 May 2013.

The MAV will report its achievements against this plan in its Annual Report 2013/14.

### The state of play

With uncertainty pervading the political and economic landscape locally, nationally and globally it is important for local government to plan ahead and prioritise actions that solidify the current positives of the sector. It is unclear whether the Victorian Government will embark on many significant new initiatives before the 2014/15 Budget in May 2014 ahead of the next state election. This year, it is likely that some initiatives may be delayed or abandoned as the government looks to rein in spending to maintain its commitment to a budget surplus.

In the face of this economic uncertainty, the Australian Government’s focus is on implementing major reforms such as the National Disability Insurance Scheme and the Gonski reforms before the 2013 election, while targeting a significant improvement in its fiscal position. This will make it harder for Victorian councils to secure funding as the expectation of all levels of government is under the slogan ‘doing more with less’. The federal election does, however, provide some opportunity to further some stalled local government initiatives.

Australia’s tumultuous weather events have strained already tight government and household budgets. Floods and bushfires have forced a need for action to minimise risk and, together with the effects of climate change, requires significant adaptation both within councils and at the broader community level. Definition of roles and responsibilities of local government and different agents in climate change mitigation and emergency management are critical to effective care and resilience of Victorian communities.

The effects of an ageing population are starting to appear as the baby boomer generation begins to retire. This will significantly impact on HACC and other public services aimed at the aged. It also has a severe impact on councils’ workforce. About 30 per cent of local government employees are expected to retire over the next decade. With fewer contributors, the defined benefit plan will face significant risks of shortfalls arising over the next decade. The Defined Benefit Superannuation taskforce will continue to implement its recommendations to minimise the negative impact for local government.

Productivity is still high on the agenda for all levels of government. Local government has begun to realise large cost savings through collaborative procurement, which should provide councils with some benefits in these tight times. However, with the state and federal governments introducing a wide range of reforms, local government will be under increased pressure to deliver productivity gains.

### Priority issues

Focusing on a small number of high priority issues will enhance the capacity of the MAV to apply its limited resources to achieve the best outcomes for Victoria’s councils and communities.

The following issues were consistently identified by members as priority areas for action and assessed as rating highly against the predetermined criteria.

The actions proposed have the dual purpose of seeking change or support from other levels of government and building the capacity of the local government to seek improvement from within the sector.

**FINANCIAL SUSTAINABILITY**

The majority of priority issues identified below include actions aimed at focussing our advocacy efforts to address cost pressures that can ease the financial stresses on councils. This strong focus on financial sustainability is the major underlying theme for our priority issues in 2013/14.

**Victorian State-Local Government Agreement**

*Objective: To strengthen state-local government relations through a signed joint agreement to guide communication, consultation and financial negotiations prior to any new, revised or expanded roles and responsibilities being shifted to local government.*

* Negotiate for the inclusion of identified sector priorities into a revised Victorian-State Local Government Agreement (VSLGA) to eradicate cost shifting and ensure adequate consultation on State initiatives that impact on local government.
* Ongoing advocacy to ensure a whole-of-government commitment to the principles of the renewed VSLGA, and a review mechanism to address instances where the VSLGA is contravened.
* Ensure the VSLGA requires the inclusion of a ‘local government impact statement’ in all cabinet submissions.
* Continue advocacy to address ongoing and emerging cost shifting challenges and their impact on the local government sector in areas such as roadside weeds, school crossing supervisors, libraries, and wind farms and their regulation.

*For further finance related actions see page 9.*

**Defined benefit superannuation scheme**

*Objective: Reduce the financial exposure of councils to future defined benefit plan shortfalls.*

Actions:

* Continue to convene the Defined Benefit Taskforce to implement its recommendations.
* Advocate in support of exemptions from contributions tax and WorkCover premiums for shortfall funds.
* Seek the agreement of the Victorian and Australian governments to provide an exemption from the requirement to fully fund the scheme.
* Investigate the potential to collaboratively procure debt finance for councils at a reduced rate.
* Obtain the agreement of Vision Super to improve the information flows on the fund’s performance to councils so they better understand the future risk and review the distribution methodology used to apportion the fund shortfall between employers.
* Provide continued information to councils about the influence of wage negotiations on the risk of a future call.

*For further finance related actions see page 9.*

**Constitutional recognition of local government**

*Objective: To support the advocacy in favour of financial recognition of local government in the Australian Constitution.*

Actions:

* Continued advocacy to secure support from the Australian Government, Victorian Government and state/federal opposition parties to support Constitutional recognition of local government.

In the event that the Australian Government agrees to proceed with a referendum in 2013, the following priority actions will be necessary:

* Implement the ALGA ‘Yes’ campaign activity in Victoria and obtain participation from member councils in the event a referendum is held.
* Seek financial contributions from Victorian councils when the Australian Government confirms that a referendum will be held.
* Convene a working group of local government communicators to provide input to the Victorian rollout of the national ‘Yes’ campaign.
* Seek the agreement of Victorian councils on governance arrangements for overseeing the expenditure of funds.

*For further finance related actions see page 9.*

**Fire services property levy implementation**

*Objective: Reduce the net costs borne by councils in collecting the levy and promote community understanding that the levy is passed on in full to the Victorian Government.*

Actions:

* Ensure full, ongoing cost recovery for councils from the requirement to collect the Fire Services Property Levy (FSPL).
* Circulate a template for councils to collect data on the cost of council implementation during 2012/13 and 2013/14 to inform future negotiations for ongoing funding.
* Participate in State implementation working groups and support councils’ involvement in the state-wide information campaign to improve property owners’ understanding of the FSPL.
* Develop a coordinated communications program for the sector.

*For further finance related actions see page 9.*

**HACC sustainability**

*Objective: Improve the sustainability of Home and Community Care (HACC) services.*

Actions:

* Advocate for measures towards the sustainability of HACC services in local government, particularly through additional Commonwealth-State funding of the program.
* Work with councils and Victorian Government on the HACC services price review to take pressure off councils’ level of contribution.
* Participate in the Commonwealth review of HACC and related aged care services to ensure Victoria’s community care system strengths are not lost in national changes.
* Advocate for the optimal allocation of the federal Workforce Compact Wages Supplement to local government HACC services.

*For further human services and public health related actions see page 13.*

**Libraries**

*Objective: achieve an increase in State funding contributions for Victorian libraries and agree on State and local government responsibilities through a partnership agreement.*

Actions:

* Strengthen liaison with key State departments to ensure the MAV is engaged in discussions about the directions from the MAC public library review process.
* Progress the development of a partnership agreement between the MAV and DPCD to formalise agreed roles and responsibilities of state and local government in relation to public libraries.
* Advocate for appropriate funding for agreed directions in the partnership agreement, and ensure recognition of local government’s input and decision-making role as the service provider and major funder.

*For further human services and public health related actions see page 13.*

**Planning reform and implementation**

*Objective: To influence the Government’s policy and reform agenda for planning in Victoria for improved implementation and a simpler and more certain operating environment for councils and their communities.*

Actions:

* Influence the regional growth planning and metropolitan planning processes as a strong platform for State infrastructure investment.
* Seek support for the local government vision and priorities for planning reform.
* Campaign for cost recovery through planning fees.

*For further planning related actions see page 16.*

**Productivity**

*Objective: To pursue reforms that achieve whole of sector productivity gains.*

Actions:

* Conduct tenders for services to drive savings through aggregated procurement and continue to work with the sector to identify opportunities for regional collaboration.
* Improve regional collaboration through shared services opportunities identified, and support councils to develop their implementation plans.
* Influence the State Government project to establish a performance reporting framework; seek a regulatory impact statement (RIS) process for any new roles or responsibilities proposed for local government; and advocate for an overall net reduction in performance reporting requirements for the sector.
* Implement the Championing change program and other related self-reform projects for local government to help councils respond to the changing needs of the sector and their communities.
* Increase council participation in the STEP planning program to 50 per cent to deliver cost savings, cut permit timelines and reinforce a culture of breakthrough and continuous improvement.
* Compile and distribute best practice efficiency and productivity initiatives to the sector.
* Identify common issues impacting on the productivity of local government.

*For further productivity and performance related actions see page 11.*

**Transport and infrastructure**

*Objective: To demonstrate the importance of planning the transport and infrastructure requirements of communities for maximising economic opportunities and managing growth.*

Actions:

* Advocate for a state-wide adequately resourced, transport infrastructure plan including projects identified in the State Government’s Infrastructure Australia submission.
* Continue to define the Victorian local government sector’s vision for transport policy and investment in Victoria through the MAV Transport Position Paper – Living Document.
* Support councils’ development of sustainable transport options through the MAV Sustainable Transport Plan.
* Advocate for improved access to and connectivity of public transport services across Victoria.
* Work with councils, the national heavy vehicle regulator and VicRoads to identify, prioritise and fund the maintenance of designated road freight routes.

*For further transport and infrastructure related actions see page 18.*

**Waste management**

*Objective: To increase investment and support for innovation in waste management that reduces emissions and increases resource recovery.*

Actions:

* Advocate for the transparent accounting of landfill levies and their reinvestment into innovative resource recovery and landfill rehabilitation.
* Work with councils to find the most appropriate governance and delivery models of regional-scale waste management and resource recovery, taking into account waste generation and community needs.
* Continue to work with councils and EPA Victoria to find sustainable solutions to manage and rehabilitate landfills under higher environmental management and reporting requirements.
* Continue to develop an improved relationship between the Environment Protection Authority, Sustainability Victoria and local government.

*For further environment related actions see page 20.*

**Kindergarten funding**

*Objective: To secure adequate support for councils in the planning and implementation of kindergarten services to meet population growth, and national reforms to the universal provision of 15 hours per week and the National Quality Framework.*

Actions:

* Detail the capital investment needed to support and inform the MAV kindergarten infrastructure advocacy campaign.
* Advocate for continued funding to support councils’ planning for the new early years policy environment.
* Consult with councils and advocate to ensure the role of local government in kindergarten and early years provision is appropriately reflected in the Victorian Government’s Early Childhood Strategic Plan, and the MAV - DEECD Partnership Agreement.
* Work with DEECD and councils to articulate agreed roles and responsibilities for kindergarten governance, infrastructure provision, central enrolment and planning.

*For further human services related actions see page 13.*

### Finance

A difficult fiscal environment faces all levels of government in Australia. This will continue to undermine attempts to improve the financial footing of local government by limiting the capacity to attract new grant funding to the sector. With both the Victorian and Australian governments committed to cutting costs, our advocacy efforts will need to focus on protecting current programs and achieving adequate indexation for services delivered on behalf of other levels of government.

The previous year saw the most significant financial challenge facing the sector since amalgamations and rate capping in the 1990s — the defined benefit shortfall. In response, the MAV established a Defined Benefit Superannuation Taskforce, which identified options to reduce the effect of the current shortfall and limit the likelihood of future shortfalls arising. With the Taskforce’s report now delivered, the MAV will focus on implementing its comprehensive recommendations throughout 2013 and beyond.

The Australian Government will shortly announce its formal position on holding a referendum on the financial recognition of local government in the Constitution. With the Williams decision of the High Court confirming the doubts about the Commonwealth’s ability to fund Roads to Recovery, financial recognition has become more urgent. The MAV needs to position itself and its members to run a campaign in Victoria and with the national campaign in the event the Australian Government agrees to conduct the referendum in September 2013 as recently recommended by a joint parliamentary committee.

The Victorian Government has legislated to require councils to collect its new fire services property levy from 1 July 2013. The MAV will undertake a coordinated data collection process to ensure that costs incurred during the implementation of the levy, collection, and responding to community concerns are fully reimbursed. While imposing this responsibility, the Victorian Government is simultaneously reviewing differential rates with the apparent intent of limiting the options available to councils. We will continue to argue against any movement to constrain councils’ use of differentials and instead argue for greater guidance in the development of rating strategies.

Major projects continue to be implemented by the Victorian Government, with the performance monitoring project becoming well advanced. The MAV has argued that any move towards performance measurement of the sector needs to be accompanied by a reduction in the data collection and regulation requirements already on the sector by the State. We will be working to ensure any increase in the reporting burden placed on councils is offset by a reduction in existing reporting requirements.

Priorities 2013/14

Fire services levy

* Monitor the costs of implementation and administration of the Fire Services Property Levy (FSPL) and seek a first year review of the State’s funding package for councils.
* Circulate a template for councils to collect data on the cost of council implementation during 2012/13 and 2013/14 to inform future negotiations for ongoing funding.
* Participate in State implementation working groups and support councils’ involvement in the state-wide information campaign to improve property owners’ understanding of the FSPL.

Financial sustainability

* Advocate for a whole-of-government commitment by the State (via a renewed Victorian State-Local Government Agreement) to strengthen engagement, consultation, communication and negotiation with local government on any proposed new roles and responsibilities; and for regulatory impact statements (RIS) for any proposed new local government roles to ensure the associated costs are covered.
* Conduct a feasibility study of centralised borrowing across councils to reduce the costs of debt for the sector. Run a competitive tendering process in the event that the feasibility study identifies tangible benefits to the sector.
* Implement the recommendations of the Defined Benefit Superannuation Taskforce.
* Advocate in favour of continued flexibility in councils’ use of differential rates, and seek State guidance materials and resources to assist councils develop best practice rating strategies.
* Support ALGA advocacy to maintain current Roads to Recovery (R2R) commitments in the federal election campaign and advocate for bipartisan support of R2R becoming a permanent program with an increased funding pool.
* Argue the case for an increase in Financial Assistance Grants through the current Grants Commission review process and the 2013 Federal Election.
* Review and implement a revised Local Government Cost Index in line with the Auditor General recommendations.

Constitutional recognition

* Support the ALGA national campaign to achieve constitutional recognition of local government.
* Establish a group of communications experts from councils to guide MAV campaign efforts on constitutional recognition.
* Continue to make representations to the Victorian Government to obtain their support for a referendum for financial recognition of local government.
* In the event that a campaign for recognition is run in 2013/14, seek a voluntary levy from councils to help fund a national campaign.

Cost pressures

* Advocate for the State to commit to resolve planning and subdivision fees to ensure they keep pace with inflation and adequately recover council costs.
* Advocate for appropriate funding for implementation of agreed directions from the Tomorrow’s Library report and partnership agreement on the roles and responsibilities of State and local government.
* Work with councils and the Victorian Government on the HACC services price review to take pressure off councils’ level of contribution and encourage local government’s continued involvement in the program.
* Advocate for the optimal allocation of the federal Workforce Compact Wages Supplement to local government HACC services
* Advocate for continued funding to support councils’ planning for the new early years policy reforms through partnership funds and the national partnerships agreement.
* Advocate for the transparent accounting of landfill levies and their reinvestment into innovative resource recovery and landfill rehabilitation.

### Productivity and performance

Australia’s workforce and industrial relations landscape under the federal system, which includes local government in Victoria, has witnessed significant change over the past five years.

In 2013/14 the pace of change shows no abating. The Fair Work Act, all modern awards and many key employment platforms are being reviewed; the current award in Victoria is being replaced; the National Workforce Strategy for Local Government is being launched; and further changes will be introduced by the federal government.

The challenges facing local government mean that ‘business as usual’ will fall way short of what is required. Council sustainability and rising community expectations are of increasing importance to the sector. There is a significant opportunity for local government to carry out its own effective self-reform, before other government powers force our hand.

Increasing the number of Aboriginal and Torres Strait Islander people employed in local government will also be an important activity in 2013/14. This will increase diversity in the local government workforce and set the groundwork for councils to tap into a previously under-utilised community segment to ensure they are well-placed to meet their long-term job requirements.

An MAV Aboriginal Employment Project Officer will assist in linking up potential Indigenous candidates with available jobs in councils, and develop resources that will help councils to increase their employment of Aboriginal and Torres Strait Islander people.

With increased financial pressure on councils, MAV Procurement will continue its work with members to increase council efficiency and financial accountability, and improve governance through collaborative procurement opportunities. This is further enhanced through the facilitation of professional development initiatives, such as training, events and forums.

Priorities 2013/14

Improving workforce capability

* Collaborate with the Australian Centre of Excellence for Local Government (ACELG) to develop appropriate strategies and programs to assist councils in delivering on the key strategies in the National Workforce Strategy plan.
* Assist councils to maximise opportunities to develop appropriate and relevant workforce plans to meet their current and future workforce requirements.
* Develop and gain member support for a sector-wide employment branding campaign.
* Develop and gain member support for a sector-wide cloud computing strategy.

Building the future workforce

* Assist councils to increase their employment of Aboriginal and Torres Strait Islander people through a state-wide Local Government Aboriginal Employment Framework and linking councils with potential Indigenous job candidates.
* Negotiate with the relevant unions for a new Kindergarten Employees’ Agreement covering eligible employees in participating councils who deliver funded kindergarten programs to the community.
* Develop strategies to measure awareness of factors in the sector, such as wage growth, to ensure enterprise bargaining decisions are made with the full knowledge of their financial impact.

Increase council efficiency and drive savings

* Conduct tenders for services to drive savings through aggregated procurement.
* Continue to work with the sector to identify opportunities for regional collaboration.
* Improve the sector’s procurement capabilities through procurement and contract management training, and facilitation of events and workshops on relevant sector topics.
* Develop procurement guidelines and documentation for councils.
* Assist councils in the street lighting bulk changeover process.
* Increase council participation in the STEP planning program to 50 per cent to deliver cost savings, cut permit timelines and reinforce a culture of breakthrough and continuous improvement.
* Promote council collaboration and build the sector’s capacity through continued work on the Step asset management program.

Reforming local government (the future of local government)

* Help councils respond to the changing needs of the sector and their communities through the Championing Change program and self-reform of local government (including Top Teams and Future of Local Government program).
* Improve regional collaboration through shared services opportunities identified, and support councils develop their implementation plans.
* Increase local government’s capacity through realising the benefits of using common data standards for records, content and GIS/spatial management across the sector.
* Support councils to improve integration between their council plan, asset management plans, service plans, strategic resource plans, and community plans.
* Facilitate and support councils to improve community involvement and participation in council decision-making and planning.
* Participate in the State Government project to establish a performance reporting framework, and advocate for an overall net reduction in performance reporting requirements for local government.

### Human services and public health

Significant changes arising from federal and state reform agendas have impacted in areas such as health, preventive health, primary care, youth services, aged care, disability and early years. This continues to require the active development of negotiated agreements given councils’ roles in planning, coordination and service delivery.

Local government is increasingly recognised for its critical leadership role in population health, promoting positive ageing, supporting family friendly environments, cultural development and access and inclusion for all.

With the ageing of local communities, Home and Community Care (HACC) services remain a high priority and are an important part of supporting older people, people with disabilities and their carers to live well in their communities. Commonwealth health, disability and aged care reforms will impact HACC services, and have created change and uncertainty about future business models, and some responsibilities and roles. There are pressures of managing wage and other cost increases against subsidy increases that haven’t matched costs growth.

The reform agenda in the Early Years space encompasses a depth and breadth not previously seen in the sector. All areas of early years services including the two universal platforms of maternal and child health (MCH) and kindergartens are undergoing a reformation focusing on access and quality.

Newer agendas that are emerging include supporting gender equity in the sector and the impact of alcohol consumption and problem gaming, under the broad banner of community safety. The social and economic harms arising from alcohol misuse and problem gambling continue to challenge councils, with local government caught in the unenviable position of being burdened with significant cost from both issues but having limited ability to affect meaningful change. We will also continue to progress local government leadership and engagement in the preventing violence against women program.

The MAV continues to work closely with the Department of Health to influence the Victorian Government’s proposed new laws to ban smoking in some public outdoor places and implementation issues associated with their introduction.

Councils are also developing their four-year council plans and municipal public health and wellbeing plans, which the MAV continues to support and advocate for sufficient resources to enable roles to be adequately fulfilled.

Priorities 2013/14

Library funding

* Sector engagement to inform our advocacy for fairer funding on libraries.
* Pursue a partnership agreement between the State and local government to consolidate agreed directions from the Tomorrow’s Library report outlining the responsibilities and funding commitment of State and local government.
* Strengthen liaison with key State departments to ensure the MAV is engaged in discussions about the directions from the Ministerial Advisory Committee review process.
* Advocate for appropriate funding for agreed directions in the partnership agreement, and ensure recognition of local government’s input and decision-making role as the service provider and major funder.

Maternal and child health

* Participate in working groups with DEECD to develop strategies for MCH Reform and lead the consultation process with local government.
* Improve service delivery through innovative platforms and report on outcomes.
* Inform the sector on key issues and information through the biannual maternal and child health nurses conference.

Early years

* Support and inform the MAV kindergarten infrastructure advocacy campaign, detailing the capital investment needed to meet 15 hours reforms, and the National Quality Framework and population growth.
* Consult with councils and advocate to ensure the role of local government in kindergarten and early years provision is appropriately reflected in the Victorian Government’s Early Childhood Strategic Plan, and the MAV - DEECD Partnership Agreement.
* Work with DEECD and councils to articulate agreed roles and responsibilities for kindergarten governance, infrastructure provision, central enrolment and planning.
* Advocate for continued funding to support councils’ planning for the new early years policy environment and implementation of the relevant key actions from the report, Victoria’s Vulnerable Children – Our Shared Responsibility
* Provide strong and continued engagement of local government in early years reform priorities, with particular attention to the National Quality Framework and Vulnerable Children.

Positive ageing

* Provide leadership to councils on strategic age-friendly community initiatives, linked to the World Health Organisation’s Global Network of Age-friendly Cities and Communities, encouraging the development of age-friendly communities in Victoria.
* Seek support from the State Government for further age-friendly directions that impact on local communities, particularly in rural areas.
* Advocate for measures towards the sustainability of HACC services.
* Work with councils and Victorian Government on the HACC services price review to take pressure off councils’ level of contribution and encourage local government’s continued involvement in the program.
* Participate in the Commonwealth review of HACC and related aged care services to ensure Victoria’s community care system strengths are not lost in national changes.
* Advocate for the optimal allocation of the federal Workforce Compact Wages Supplement to local government HACC services.

Public health and primary care

* Advocate appropriate support for councils to reduce regulatory red-tape for food businesses.
* Seek funding and support for councils to implement the new legislative proposals on smoking bans for outdoor areas.
* Continue advocacy for state-wide smoking bans for alfresco dining areas.
* Work with the Victorian Department of Health and Vichealth in developing resources supporting the development and implementation of Municipal Health and Wellbeing Plans and the emerging preventive health agenda, and advocate for federal and state resources to support councils in this role.
* Actively participate in primary care reforms including opportunities for local government to engage with new organisations such as Medicare Locals and in having a voice with the future of primary care partnerships.

Community safety

* Strengthen local government engagement in work on prevention of violence against women.
* Embed preventing violence against women and gender equity principles in MAV organisational approaches and culture.
* Progress primary prevention work across a range of functions in local government in preventing violence against women, in conjunction with the community sector.
* Broker access for councils to State Government data on alcohol and gambling to enable the development of evidence-based local policy.
* Advocate for legislative change, particularly in relation to applications for new/additional electronic gaming machines, to assist councils protect the most disadvantaged in their communities.
* Advocate for the State to adopt a public health approach to problem gambling, with greater emphasis on harm minimization measures.
* Convene a local government alcohol and other drugs network to share information and ideas, analyse key issues affecting local government and strengthen partnerships with government, non-government organisations and key service providers.

Arts and culture

* Advocate for increased recognition and resourcing for local government’s role in cultural development through MAV representation on the National Local Government Cultural Forum.
* Progress the alliance with the Cultural Development Network to increase the arts and cultural development capacity of councils.
* Develop a plan to promote arts associated activities and infrastructure in local government.

Cultural diversity

* Support diversity planning by councils through regular professional development sessions and act as a cultural diversity resource clearing-house for councils.
* Represent local government to other sectors and lead engagement at all levels of government in relation to settlement planning and multicultural policy.

Vulnerable people

* Contribute to the State Government review of programs for vulnerable children and young people, and advocate for program funding for local government to provide a systematic state-wide early intervention and school interface.
* Champion and pilot Patchwork as a practical tool for joining up services for vulnerable families and young people.
* Keep a watching brief on the implications of DisabilityCare Australia (previously the National Disability Insurance Scheme) for local government’s role as a service provider in an expanded disability sector.
* Support the Local Government Disability Planners Network in convening forums for the sector on key initiatives such as the State Disability Implementation Plan and DisabilityCare Australia

### Planning and building

The planning and building systems are in the throes of significant change and it is expected that 2013/14 will be a tumultuous year.

In planning, the strategic landscape will see a new Metropolitan Planning Strategy and, together with the eight Regional Growth Plans, a mosaic of strategic plans across Victoria. As with all good plans, the most critical component will be the implementation and particularly the commitment, timing and funding of infrastructure to support the strategic actions. This work is coupled with the reform of zones and developer contributions. Legislative amendments abound and the new VicSmart process will be introduced, along with Planning Application Committees and new processes for referral authorities.

In building, the response to the Auditor General’s report on the Building System is likely to continue to dominate and see legislative, procedural and cultural change. There will also be a period of transition from the Building Commission to the new Victorian Building Authority.

The call for flexibility in the planning system is in response to economic uncertainty. The planning reform initiatives underway must ensure strategic work developed by councils, with their communities, is valued and not undermined. In the absence of such an approach, policy gaps will be exacerbated, purpose compromised and resource implications high. Significant opportunity exists to address long standing concerns for councils and communities, most notably with planning fees and development contributions.

In a challenging climate, councils must deliver an increasing quality, range and level of planning and building services with scarce resources, increased scrutiny, and raised community and government expectations. Sector-initiated reform to drive improvement and align process with complexity is critical.

Priorities 2013/14

Regional and metropolitan planning

* Advocate and support the effective engagement of councils in the development and implementation of the metropolitan strategy and regional growth planning process.
* Call for the State Government to assume an active leadership role in whole-of-government implementation of the metropolitan strategy and regional growth plans, and delivery of an aligned investment program.
* Encourage consideration and greater exploration to be given to regional groups of councils to prioritise regional infrastructure outlined in the metropolitan strategy and regional growth plans. Such a model would need to preserve local autonomy and identity of individual councils.

Planning reform

* Work with councils and the State Government to develop a tailored approach to implementation of new zones that recognises the value of strategic planning work.
* Advocate for reforms to address councils’ long standing concerns about planning fees, development contributions, environmental sustainable design, and due consideration of local policy in VCAT decisions.
* Work with affected councils and relevant authorities to identify and work towards resolving ongoing challenges relating to wind farms, bushfire management overlays, changes of use and disposal of crown land, and other land use planning challenges identified by members.
* Work with councils and the State Government on the implementation of the VicSmart planning permit process to ensure process aligns with scale and complexity.

Local government performance

* Increase sector participation in the STEP Planning program to 50 per cent, to deliver cost savings, cut permit timelines and reinforce a culture of breakthrough and continuous improvement.
* Introduce a planning scheme amendment stream to STEP Planning to drive efficiency improvements through the planning scheme amendment process.
* Work with State Government, particularly the Office for Planning Performance Unit, to develop a framework for monitoring, reporting and benchmarking planning system performance that rewards good practice.
* Work with councils and the State Government to improve the operation of the building system and provide clarity on roles and responsibilities of councils.

### Transport and infrastructure

Councils play a critical role in the State’s transport system – building and maintaining infrastructure, providing community transport services and performing land use planning. Significant transport challenges include population growth, increasing freight, climate change, congestion, peak oil, ageing and transport disadvantage. These challenges demand strategic long-term investment in transport infrastructure, combined with effective use of our existing resources.

It is critical that the Victorian Government meaningfully engages and works with local government to ensure that both new communities and existing metropolitan, regional and rural communities are sustainable. Long-term planning strategies must recognise the benefits of increased walking, cycling and reduced car dependency.

Only the State and Federal Governments can fund and deliver major transport infrastructure projects, and council transport initiatives must be encompassed within supportive Federal and State Government frameworks. Therefore major infrastructure projects must be forecast within a long-term planning strategy to allow councils to identify and deliver complementary projects and achieve the most efficient use of their resources. The MAV is advocating on behalf of members for a long-term planning strategy that identifies the State’s transport requirements and establishes a pathway to their fulfilment.

Operating in a policy environment which is largely determined by state and federal legislation, overly prescriptive government legislation on planning, speed limits and community transport can scuttle councils’ innovation and proactivity.

Councils continue to make long-term provision for renewing and rebuilding their ageing infrastructure. This ongoing financial challenge will be further impacted as climate change is likely to reduce the lifespan of infrastructure and drive up maintenance and repair costs, speeding up the backlog of works.

There is a growing importance of local roads as many rural and regional councils face increasing freight volume alongside a declining rate base. This is undermining councils’ infrastructure maintenance budgets; and in these instances, external funding is essential. The Australian Government has committed to an extension of the Roads to Recovery program to 2019 however further advocacy is needed to ensure it is a permanent program with bipartisan support and for an increased funding pool to effectively protect local road infrastructure.

Priorities 2013/14

Advocacy and planning

* Update the MAV Transport Position Paper – Living Document, to continue to define Victorian local government’s vision for transport policy and investment in Victoria.
* Advocate for a state-wide, adequately resourced transport infrastructure plan including projects identified in the State Government’s Infrastructure Australia submission.
* Support councils’ development of sustainable transport options through the MAV Sustainable Transport Plan.
* Advocate for improved public transport services across Victoria.
* Participate in national sector advocacy efforts to secure a permanent Roads to Recovery program and additional funding for local roads of 1.2 billion per annum.

Road safety

* Negotiate a greater local government role in determining speed limits on local roads.
* Represent the sector on funding committees for road safety infrastructure.
* Work with the Transport Accident Commission (TAC) to develop a new active transport infrastructure program.

Freight

* Work with councils, the national heavy vehicle regulator and VicRoads to identify, prioritise and fund the maintenance of designated road freight routes.
* Continue roll out of the MAV’s performance based standards (PBS) Route Assessment Tool nationally.
* Advocate for further State and Federal funding for road upgrades identified through successful regional freight plans.

Infrastructure

* Advocate for the continuation of the Local Government Infrastructure Program.
* Work with councils to improve the management of council-owned dams.
* Advocate for the completion of the national broadband network (NBN).
* Promote council collaboration and build the sector’s capacity through continued work on the Step asset management program.
* Continue negotiations with the State Government regarding the need for a risk-based approach to vegetation clearance around powerlines.

### Environment

Waste management and resource recovery remains a high priority for the sector, and an area facing significant change. The Victorian Government has undertaken a wholesale review of the State’s Victorian Waste and Resource Recovery Policy and governance. The outcomes are likely to have far-reaching implications on councils’ planning and management of waste and resource recovery in their municipalities and across regions.

Local government faces difficult challenges in managing and funding landfills under current environmental requirements, particularly in rural and regional areas. At a national level, waste and resource recovery also continues to have a high priority with the national waste policy and associated activities, such as container deposits and other measures to reduce litter and increase recycling.

Victorian councils remain leaders in pursuing ways of saving money and reducing carbon emissions, like energy efficient street lighting and cogeneration, and will continue to pursue funding and partnership opportunities.

The Victorian Government has formalised its approach, at a high level, to understand and manage the risks posed by a changing climate through their Victorian Climate Change Adaptation Plan. Notably for local government, a $6 million Victorian Adaptation and Sustainability Partnership (formerly the Victorian Local Sustainability Accord) will progress adaptation planning and implementation, building on an MAV report that identified support needed by councils to manage climate risks and plan for change.

The difficult roadside weeds and pests issue will come to a head with legislative changes to be made in line with the Minister for Agriculture’s Working Party on Roadside Weeds and pests. The MAV will continue to strongly advocate for Victorian Government funding to be tied to local government responsibilities.

The MAV and councils will also continue to work with the Department of Sustainability and Environment on the implementation of current and changed strategies and legislation in relation to native vegetation management.

Integrated water cycle management, another area where councils have been leaders, will be an important area, with the Office of Living Victoria having funded its first round of projects and changes to the Water Act. The management of septic tanks and other domestic wastewater remains a major challenge for local government and state agencies. The pilot projects and closer collaborative relationships will assist to make headway on this issue.

Priorities 2013/14

Waste management

* Advocate for the transparent accounting of landfill levies and their reinvestment into innovative resource recovery and landfill rehabilitation.
* Work with councils to find the most appropriate governance and delivery models for delivery of regional-scale waste management and resource recovery, taking into account waste generation and community needs.
* Continue to work with councils and EPA Victoria to find sustainable solutions to manage and rehabilitate landfills under higher environmental management and reporting requirements.
* Continue to develop an improved relationship between the Environment Protection Authority, Sustainability Victoria and local government; in particular through the local government-EPA Victoria-Sustainability Victoria CEO Group.

Climate change

* Support local government to better measure, manage and reduce their carbon footprint, through improved systems, networks and knowledge-building.
* Support councils to upgrade to energy efficient street lighting by running a collaborative tender for energy efficient street lighting installation and other services.
* Work with the Victorian Government on local government-focused support to undertake and implement climate change adaptation planning.
* Foster cross-government collaboration in mitigation and adaptation strategies through advancing recommendations from the Port Phillip Bay coastal adaptation pathways project.
* Work with State and local government, under the State Climate Change Adaptation Plan to clarify roles and responsibilities between the two levels of government.

Water

* Advocate for the recognition of local government’s investment and opportunity in integrated water cycle management.
* Collaborate with State Government agencies and local government to find more sustainable ways of managing domestic wastewater.

Vegetation and biosecurity

* Work with councils to increase the accessibility of native vegetation offsets for councils and their residents.
* Continue to advocate for a fair deal for local government that supports efforts for improved weed and pest management.
* Support councils in the implementation of changes to permitted clearing regulations (formerly the Native Vegetation Framework.)

### Emergency management

In December 2012, the State Government released its Victorian Emergency Management Reform White Paper outlining the future direction, priorities and roles and responsibilities in emergency management. Importantly, the paper includes many of the positions advocated by the MAV, developed in consultation with local government. The majority of the paper’s recommendations are high level, have no timelines and are not prioritised. Therefore they will require significant work to be developed into workable and practical actions.

Legislative change to facilitate reform outlined in the White Paper is expected to be introduced in a number of tranches over the next few years. Over the coming 12 months it is expected the focus of reform will be on developing new governance arrangements at the State level. The MAV will be included as members of peak bodies and sub groups. The MAV will have a key role in advocating for the development of legislation and actions that practically recognise the role, strengths and capability of local government.

At the same time, our improvement program will continue to focus on completion of projects related to improving capability and introducing shared operational models for local government.

Funding for a range of positions (both within councils and the MAV) that support emergency management comes to an end during 2014. The MAV will continue to advocate for this funding to be continued and realigned to support the broader reform agenda, and implementation of related emergency management projects.

Priorities 2013/14

State Government reform program – Emergency Management White Paper

* Facilitate MAV and sector involvement in the first stage of reforms relating to the establishment of the State Crisis and Resilience Council and other entities.
* Advocate for the development of legislation and actions that practically recognise the role, strengths and capability of local government.
* Develop and implement the MAV White Paper Work Plan in line with the priorities of the State Government.

Improving emergency management in local government program

* Continue the implementation of improvement projects, including the financial management of emergencies project, and regional and state support models.
* Continue engagement with the Office of the Emergency Services Commissioner (OESC) regarding the development and trial of the self-assessment and quality assurance tool which builds on the MAV’s performance measurement project.
* Conduct legislative workshops with councils to develop positions on the proposed and potential legislative reform related to the White Paper process.

Sector improvement programs

* Progress the Cluster Pilot Project to develop a shared services emergency management model with a selected cluster of municipalities.
* Develop and implement a gender in emergency management strategy to ensure that councils understand how gender can influence behaviours during an emergency and incorporate gender considerations into their emergency management responsibilities.
* Improve the functionality of MECC Central Incident Management Software used in managing requests during and following an emergency. This will include the implementation of the new Vulnerable Persons Register to be held by councils for use by Victoria Police to plan for and manage vulnerable persons at risk of bushfire and broader hazards.

### Governance and councillor development

Numerous issues have been identified during the October 2012 local government elections that warrant investigation and review. The MAV will assess the issues, provide options to address them, and seek further member input through a variety of forums before advocating local government’s desired outcomes to the Minister.

Council, councillors and council officers have provided input into the review of the Councillor Conduct Panel mechanism which will be completed in 2013/14. Information received to date suggests the need for a guide to the various mechanisms that relate to councillor behaviour and compliance. It would include occupational health and safety issues, breaches of the Local Government Act and those matters that are the subject of the Independent Broad-based Anti-corruption Commission (IBAC).

Close attention, and agreement among councils is required to ensure mechanisms are effective from a local government perspective; and to also inform what education and guidance is needed for the sector.

Conflict of interest provisions continue to be a source of frustration for councillors. Providing advice to councillors and council governance personnel on legislative and regulatory requirements continues to be an important value proposition for the MAV.

Professional development for councillors is important in this first year after elections. There are a considerable number of new and relatively new councillors in the sector in 2013, with a wide range of experience, expectations and understanding.

The formal accreditation of the Diploma of Local Government (Elected members) provides a platform for further councillor development opportunities.

Priorities 2013/14

Governance support for councils

* Finalise the review on the operation and costs of councillor conduct panels, and identify associated issues relevant to councillor conduct.
* Advocate for changes to address costs and gaps in the legislative framework for councillor conduct panels and/or guidance for councils.
* Provide timely and responsive advice about changes to legislation and/or regulations which may impact on council governance, and guidance for councillors or council staff seeking advice on governance issues.
* Hold forums to discuss topical issues and issues of specific concern for governance officers.
* Prepare a discussion paper outlining concerns identified by councils regarding current election processes and seek a review of the Local Government Act to address these.
* Build a case for State Government funding for expert advice for councillors, to improve councillors’ understanding of the practical application of conflicts of interest provisions.
* Assess proposed changes to the Local Government Inspectorate, and advocate a sector position.
* Promote an understanding of the role and impact of the Independent Broad-based Anti-corruption Commission on local government.
* Undertake a council elections review.

Professional development

* Undertake the third MAV councillor census.
* Build knowledge, understanding and participation of the Diploma of Local Government (Elected Members) program and its value.
* Increase the professionalisation of training options through development of a model for training partner involvement in provision of advice and commentary to MAV.
* Develop and implement an annual training calendar to inform the sector of upcoming training and professional development opportunities.
* Increase opportunities for councillors to share their experiences and actions.
* Provide training opportunities outside the Melbourne metropolitan region.

### Insurance

This September marks 20 years since the formation of MAV’s Liability Mutual Insurance, a mutual run entirely for the benefit of local government and established at a time when the private market refused to provide liability insurance to councils. The scheme operates entirely for the benefit of its members and pays no taxes or dividends.

Current worldwide disasters, along with increasing claims trends, have seen upward pressure on reinsurance and claim costs for the scheme. Increases in claims have been related to climate events and has exposed the absence of legal protections for property damage claims faced by scheme members.

At the same time, the strength of the Australian economy has caused a reduction in bond rates, which increases liabilities for the scheme. With bond rates forecast to remain at relatively low levels, the scheme will face increased claim and reinsurance costs.

We are working to limit the effect of these pricing pressures by ensuring our risk management products are effective and implementing a new contribution setting model so all members pay a fair contribution.

Priorities 2013/14

Contributions

* Commence implementation of the new deductible and contribution models.

Risk management

* Review risk management activities and strategies to ensure the effectiveness of the current product offering.
* Tailor risk management products for all client groups.
* Monitor claim lodgement trends and ensure risk management focus aligns with key drivers.

Cover

* Review coverage to ensure MAV Insurance members are receiving the optimum level of insurance coverage.

Advocacy

* Seek amendments to the Water Act to reduce liability exposures of MAV Insurance members.
* Commence discussions with the Victorian Government about potential protections for property damage claims.

Communication

* Make better use of existing communication forums to share information on the benefits and performance of the scheme at member CEO, councillor and risk manager levels.

### Corporate

Aligning the strategic planning process and resolutions of State Council is an evolving necessity and a difficult task given the spectrum of matters raised at State Council and the available resources of the Association. Progressing State Council resolutions can have significant resource implications for the MAV. It is important to consider the workload required for progressing resolutions in the context of the strategic plan set in consultation with members on an annual basis.

Effective communication remains integral to the success of the MAV’s advocacy, policy and member engagement roles. Strategies to strengthen the targeting and delivery of communication will continue to be implemented to ensure that impacts of changes in government policy are understood, minimised and managed, and councils are supported to optimise any opportunities presented by change.

Seminars, forums and conferences provide important opportunities for councils to collaborate on topics of shared importance and learn from each other’s experiences. With an influx of new councillors in October 2012 it will be important for the MAV to review its marketing strategies and renew its efforts to avail new councillors of the opportunity to network with and learn from their peers. It is also critical for the MAV to remain engaged with returning councillors by ensuring opportunities are topical and progressive.

The MAV remains committed to council officer engagement and involvement, particularly in the corporate management area, to ensure Victorian councils are demonstrating best practice.

Priorities 2013/14

Improving communications

* To continue profiling the good work and important roles of local government in a positive way through our magazine CiVic, public campaign opportunities and proactive media relations work.
* Continued integration of social media platforms into our broader communication work to expand and enhance engagement with members and other key audiences.
* Deliver more integrated communication to build the profile of MAV Procurement and MAV insurance among our member audiences.
* Boost the functionality and readership of MAV Bulletins and policy e-bulletins by establishing baseline readership statistics to inform publication improvements.
* Redevelop the intranet to improve usability for staff and Board members.
* Continue to improve the mobile website for members.
* Provide efficient support to members by continuing upgrades to our IT hardware and software.
* Monitor website statistics to use as an evaluation tool to monitor ongoing content improvement and management.
* Take a more collaborative approach with event key messages and themes with the MAV media and communications staff to ensure stronger brand consistency and alignment with the MAV strategic objectives.

Events

* Seek more collaboration with industry bodies to broaden event awareness and involvement (such as FinPro and IPWEA).
* Look at new marketing and communication ways to improve our reach in the sector.
* Seek more female speaker involvement to represent the gender balance that is increasingly visible in the sector.
* Reduce costs through direct contact with prospective speakers and/or greater negotiation with agencies to achieve the best prices.
* Strengthen communication with sponsors to ensure the MAV’s role as a conduit between vendors and delegates is clear.
* Ensure that seminars, forums and conferences are tailored to the needs of members.
* Enhance opportunities for connecting and sharing ideas provoked by events using social media.
* Build on sustainability practices for event resources and communications, such as communicating to prospective delegates through email rather than mail.
* Provide more awareness and understanding of council areas, such as planning, human services and environment, as well as professional development opportunities.