

# CONFERENCE HANDBOOK



**shared  
services**

**across local  
government**

**CONFERENCE** 16/17th April 2007 Duxton Hotel Wellington

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## WELCOME

Welcome to the Shared Services across Local Government Conference presented to you by the Society of Local Government Managers and INGENIUM. We are very pleased to host this Conference in collaboration with ALGIM and LGNZ.

Local authorities are subject to increasing demand to improve services and overall performance. The Local Government Act 2002 requires local authorities to carry out their activities as effectively and efficiently as possible. Working together can be a practical and cost effective way for local authorities to gain significant benefits that may not always be in the form of cost savings.

We felt the environment was right to convene this Conference, the overarching objective of which is to promote the sharing of knowledge and learning across the local government sector about the design and implementation of shared services arrangements.

Over the next two days you will hear from a selection of speakers who are leaders in their field. They will share their knowledge and experience on what is happening in the shared services arena both locally and overseas. Whether you are looking at achieving improvements in economy of scale and/or service delivery, the information you gain will assist in identifying opportunities for implementing shared services, or improving methods of operation.

A series of workshops will highlight twenty local case studies on shared services initiatives including staff sharing, joint procurement, combined planning, and co-operative delivery of services. We urge you to take advantage of the opportunity to discuss with your peers "what works and what doesn't" when operating shared services initiatives across local government.

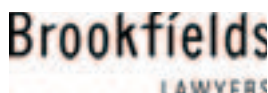
Thank you for attending the Conference. We know you will enjoy the experience.



**Phillippa Wilson**  
*President SOLGM*



**Richard Kirby**  
*President INGENIUM*



## PROGRAMME

*Monday 16 April 2007*

**8.15-9.00**

### **Registration and coffee**

Location Ballroom pre function lobby level 6 Duxton Hotel

**9.00-9.30**

### **Welcome and Introduction**

Official Opening

*Hon Mark Burton, Minister of Local Government*

Greetings and welcome from co-hosts

SOLGM

*Phillippa Wilson, President*

INGENIUM

*Richard Kirby, President*

LGNZ

*Kerry Prendergast, Vice President*

ALGIM

*Mike Manson, Past President*

Outline of the day

*Bob Parker Conference Facilitator*

**9.30-10.15**

### **'Shared Services' the New Zealand Scene**

The need for more 'Shared Services' between Local authorities in New Zealand has been increasingly advocated and thought about over the last decade. To set the scene for the Conference the following important questions will be addressed:

- What is 'Shared Services' in the New Zealand context?
- Why should we embrace it?
- What does 'Shared Services' mean for our local communities?
- Governance structures and organisations?

*Michael Ross, Chief Executive Waitaki District Council*

**10.15-10.45**

## **MORNING TEA**

**10.45-11.45**

### **Alternative Models of Local Government and Shared Services**

Local government policy makers across the developed world have begun to recognize that structural reform through council amalgamations is not the panacea that they had hoped. As a consequence, alternative models of local government reform based on shared service models have awakened renewed interest. These models seek to reap any economic advantages attendant upon greater size in service provision while at the same time preserving the political and social benefits offered by small local councils. In this presentation, Professor Brian Dollery will consider the various types of alternative models available and assess their merits.

*Professor Brian Dollery, Professor School of Economics,  
University of New England, NSW, Australia*

**11.45-12.15**

### **'Shared Services' – Legal Implications**

There are legal requirements and obligations on the parties entering into a shared services agreement. What are they generally? What are the specific requirements for local authorities to consider? The major legal pitfalls lie in the paths of those entering into this environment and how to avoid them.

*Jonathan Salter, Simpson Grierson*

**12.15-1.15**




## **LUNCH**

The logo for 'shared services' is located at the bottom of the page. It features the words 'shared' and 'services' stacked vertically in a white, sans-serif font. The text is centered within a dark circular shape, which is itself surrounded by several overlapping, semi-transparent circles in shades of green and light blue, creating a modern, layered effect.

**shared  
services**

## 1.15-2.00

### First round of concurrent case study workshop sessions

<b>STREAM A REGULATORY</b>	<b>STREAM B INFRASTRUCTURE</b>	<b>STREAM C CORPORATE</b>	<b>STREAM D IT</b>	<b>STREAM E SERVICES</b>
<b>MANAGING FLOOD RISKS ON THE THAMES COAST</b>  Sponsor 	<b>CAPACITY – WELLINGTON WATER MANAGEMENT LTD</b>  Sponsor 	<b>SHARED VALUATION DATABASE SERVICE (SVDS)</b>	<b>LOCAL GOVERNMENT AFTER HOURS SHARED SERVICE</b>	<b>ELGAR'S SMARTER SYSTEMS PROJECT</b>  Sponsor 

#### **STREAM A REGULATORY**

Immediately following the 2002 Weather Bomb on the Coromandel Peninsula, Environment Waikato and Thames Coromandel District Council started working together to develop a comprehensive flood mitigation package for the Thames Coast. As a result of this collaborative approach, a successful business case was made to central government and a detailed work programme developed as part of the "Peninsula Project". The project is based on a whole of catchment approach and includes initiatives such as soil conservation works, pest management, flood protection, river management and (more recently) development of planning controls.

*Scott Fowlds, Group Manager, River & Catchment Services, Environment Waikato*

#### **STREAM B INFRASTRUCTURE**

Capacity manages water, stormwater and wastewater services on behalf of Wellington City Council and Hutt City Council and has operated as a stand alone business since April 2004. It was established to provide high quality, safe and environmentally sustainable services to shareholding councils and other customers. Capacity does not own the water, stormwater and wastewater assets, set policies or control rates or user charges. These roles remain with the reholding/ customer councils.

*David Hill, Chief Executive, Capacity*

#### **STREAM C CORPORATE**

In 2001 the 13 Waikato Councils and the Regional Council, Environment Waikato, decided to encourage competition in the valuation service provider (VSP) market. The market was threatened by the need for VSPs to have a valuation database, which are expensive to build and maintain. At the same time Environment Waikato identified a critical business need for timely access to accurate ratepayer names and addresses and accurate valuation data which was not available via the existing system. Ten Councils decided that the solution was a Shared Valuation Database Service (SVDS) and proceeded to establish it.

*Dr Jim McLeod, IS Manager, Environment Waikato*

#### **STREAM D IT**

On 26 April 2005 New Zealand's first shared service Local Government after Hours Contact Centre was launched. The Centre is run by Local Government staff using Local Government expertise supported by Local Government software and state of the art Call Centre technology and operates 365 days of the year. Nine Councils are currently using the service and include Regional, City and District Councils.

This case study will show you how we created a Local Government shared service that increases the hours of availability of your key business activities, improves your after hours customer focus, provides an after hours service that continues to meet customer expectations and standardises the level of Local Government after hours service.




*Mike Manson, Business Development Executive, Palmerston North City Council*

## STREAM E SERVICES

In 2002 five Auckland Libraries, Auckland City, Manukau, North Shore, Rodney District and Waitakere, decided to implement a shared automated library management system by forming a regional library consortium. This paper looks at the decision making and planning stages of the project, and the implementation process. Two years after go-live the paper reviews what went well and what would be done differently next time, and the consequences of the original initiative. The final part of the case study will attempt to explain what lessons can be learnt from our experience and how that can be applied in other areas of local government.

*Beverly Fletcher, Manager Rodney Libraries, Allison Dobbie, Auckland City Libraries Manager*

## 2.00-2.45 Second round of concurrent case study workshop sessions

STREAM A REGULATORY	STREAM B INFRASTRUCTURE	STREAM C CORPORATE	STREAM D IT	STREAM E SERVICES
<b>WAIRARAPA COMBINED DISTRICT PLAN</b>  Sponsor 	<b>THE CANTERBURY REGIONAL LANDFILL - KATE VALLEY</b>  Sponsor 	<b>NORTHLAND RATING FORUM</b>	<b>TARANAKI REGIONAL XPLORER</b>	<b>SOCIAL HOUSING PARTNERSHIP - HOUSING NEW ZEALAND CORPORATION CHRISTCHURCH CITY COUNCIL</b>  Sponsor 

## STREAM A REGULATORY

The three Wairarapa District councils, Masterton, Carterton and South Wairarapa, while being part of the Greater Wellington region, made a decision that it would greatly benefit their communities to work together under a Combined District Plan. This ambitious project is now under way. Hearings on submissions are due to commence in February 2007 with the aim of having the processing complete by end of October 2007. The challenges and lessons are emerging constantly and will make for an interesting and valuable presentation.

*Wes Ten Hove, Chief Executive, Masterton District Council*

## STREAM B INFRASTRUCTURE

In the 1990's Canterbury's councils discovered that the cost of developing new local landfills was too high to go it alone. All Canterbury councils formed a joint committee to work together on managing the region's waste. The councils chose two private sector waste companies to work with to develop a single landfill for Canterbury. A commercial joint venture partnership known as Transwaste Canterbury Ltd was formed.

This public/private partnership is one of the first in New Zealand and involves five councils, Christchurch City, Hurunui, Waimakariri, Selwyn and Ashburton Districts, and two private companies.

*Denis O'Rourke, Former Chairman, Transwaste Canterbury Ltd*

## STREAM C CORPORATE

The Northland Regional Rates Collection Agreement has come about as a result of the significant changes for Regional Councils introduced through The Local Government (Rating) Act 2002. The parties to the Northland Region Rating Service Agreement(s) are the Northland Regional Council and the Far North District Council, Whangarei District Council and Kaipara District Council.

This case study will look at the background, implementation, agreement and operation of this shared rating service.

*Gay McCullough, Finance & Information Services Manager, Northland Regional Council*

*Chris Ellington, Revenue & Policy Manager, Far North District Council*

### STREAM D IT

Taranaki Regional Xplorer is a collaborative GIS solution from the Taranaki Regional Council, the Stratford District Council and the South Taranaki District Council. It provides a one-stop shop for easy free public access to a broad range of spatially based information about the Taranaki region.

Xplorer is a national, if not international, first for the collaboration of local authorities in the provision of public information. Many local authorities have GIS websites but the collaborative nature of Xplorer means the quantity and quality of the information presented is a leap forward in the provision of free and useful information.

*Mike Nield, Director Corporate Services, Taranaki Regional Council*

### STREAM E SERVICES

In response to an identified need the Christchurch City Council decided in 2004 to construct a social housing development on Council owned land in the suburb of Richmond, Christchurch. The site adjoins an existing Christchurch City Council housing complex and will add a further 20 units to the Christchurch social housing stock.

Housing New Zealand Corporation and Christchurch City Council have entered into a partnership for the construction of this development utilising the Local Government Housing Fund which is administered by the Corporation. This partnership is consistent with the ideals of the two organisations working closely together in the interests of providing appropriate and affordable rental housing for people on low incomes with a housing need.

*David Griffiths, Regional Manager, Christchurch Nelson/Marlborough Region, Housing New Zealand Corporation*  
*Kevin Bennett, Manager, City Housing, Christchurch City Council*




### 2.45-3.15 The Queensland Experience

“Greg Hallam will provide advice and insight into the Local Government Association of Queensland’s research and business initiatives in the area of shared service provision for Queensland Councils. Specifically, he will comment on joint ventures with the Queensland Treasury Corporation (Local Government Infrastructure Services) and United Customer Management Services Pty Ltd (LG Shared Services) and additionally IT, purchasing, insurance and workers compensation services.”

*Greg Hallam, Executive Director, Local Government Assn Queensland.*

### 3.15-3.30 AFTERNOON TEA

### 3.30-4.15 Third round of concurrent case study workshop sessions

STREAM A REGULATORY	STREAM B INFRASTRUCTURE	STREAM C CORPORATE	STREAM D IT	STREAM E SERVICES
<p>THE DEVELOPMENT OF COMMON DOG CONTROL POLICIES AND BYLAWS ACROSS THE AUCKLAND REGION</p> <p>Sponsor</p> 	<p>NELSON REGIONAL SEWERAGE BUSINESS UNIT</p> <p>Sponsor</p> 	<p>FUTURE TARANAKI</p>	<p>SYNDICATED PURCHASING OF NETWORK PRINTERS, MULTI FUNCTION MACHINES AND COPIERS</p>	<p>WORLD HEALTH ORGANISATION SAFE COMMUNITY</p> <p>Sponsor</p> 

### **STREAM A REGULATORY**

The Auckland region CEO's forum established a regional bylaws group to oversee the production of various bylaws in the Auckland region. A common set of dog bylaws was seen as less confusing for public and easier to administer.

The exercise involved the following agencies Auckland Regional Council, Rodney District Council, North Shore City Council, Waitakere City Council, Auckland City Council, Manukau City Council, Papakura District Council and the Franklin District Council. There were significant efficiencies in working together where expertise, experience and costs could be shared. The regional bylaw review group continues to oversee other bylaw reviews in the Auckland region.

*Neil Olsen, Senior Recreation Advisor, Auckland Regional Council*

### **STREAM B INFRASTRUCTURE**

The Nelson Regional Sewerage Scheme is a joint venture between Nelson City Council and the Tasman District Council. The scheme was proposed in the 1970's to resolve environmental issues arising from a number of point source discharges of partially treated trade waste and effluent into the Waimea Estuary and eventually commissioned in 1983.

The success of the business unit can be attributed to a combination of clear guidelines via a memorandum of understanding, good governance and innovative user contracts, specifically developed for the NRSBU and its five customers.

*Michael Schruer, General Manager, Nelson Regional Sewerage Business Unit*

### **STREAM C CORPORATE**

All four local authorities in Taranaki – New Plymouth, Stratford and South Taranaki District Councils and the Taranaki Regional Council – agreed in 2003 that there should be one process for developing community outcomes for all local authorities in the region. In 2003-04, Taranaki undertook a robust and thorough collaborative process to identify the community outcomes.

Having identified the community outcomes the local authorities convened meetings of all major service delivery organisations and established "Future Taranaki". Future Taranaki is a strategic partnership which works together specifically for the achievement of the community outcomes. This case study will review how this strategic partnership is working after three years of operation, and background new collaborative ventures."

*Rory Palmer, Manager Corporate Strategy & Policy, New Plymouth District Council*

### **STREAM D IT**

Christchurch City Council's IT and Procurement units worked together to negotiate significantly reduced prices for the purchase and lease of printers, multi-function machines and copiers from Ricoh NZ. To increase their negotiating power, they invited a number of other local authorities and council owned organisations, mainly in the South Island, to be part of this project. Twenty-six organisations are now participating in this agreement, which has been named the Regional Purchasing Group (RPG). This has enabled the Christchurch City Council and other participants to achieve significant cost saving from Ricoh due to economies of scale. This process has been so successful that the RPG is undertaking further negotiations for the purchase of personal computer hardware and software licensing.

*Mohammed Sayeed, Support and Customer Service Manager, Christchurch City Council*

## STREAM E SERVICES




Recently the Waimakariri District was the first community in New Zealand to be re-accredited as a World Health Organisation Safe Community.

The World Health Organisation Safe Community model encourages communities to work collaboratively and to take an active role in identifying, planning and delivering community initiatives; the result has been the development of a safety culture and the Waimakariri District recording the lowest fatality rate per Territorial Authority in New Zealand.

ACC is involved not only with the Waimakariri District Council but also with many Councils across New Zealand. The vision of the ACC and local government strategy is to engage in the planning and integration of initiatives which contribute to "a safe New Zealand becoming injury free"

*Sandra James, Community Team Leader, Waimakariri District Council  
Kirsty Dudley, Account Manager, Local Government Engagements, ACC*

### 4.15-5.00 Fourth round of concurrent case study workshop sessions

STREAM A REGULATORY	STREAM B INFRASTRUCTURE	STREAM C CORPORATE	STREAM D IT	STREAM E SERVICES
<p>HAMILTON CITY DEVELOPMENT MANUAL</p> <p>Sponsor </p>	<p>COMBINED TENDERING FOR ROADING CONTRACTS - HAURAKI, THAMES COROMANDEL DISTRICT COUNCIL</p> <p>Sponsor </p>	<p>SMARTGROWTH – BUILDING BLOCKS TO A BETTER FUTURE IN THE WESTERN BAY OF PLENTY</p>	<p>ANYQUESTIONS.CO.NZ</p>	<p>SOLID WASTE MANAGEMENT - TARANAKI</p> <p>Sponsor </p>

## STREAM A REGULATORY

The 6 councils surrounding Hamilton City have recently adopted the city's Development Manual. The manual is a means of compliance with district plans, and so developments can be approved very quickly. The manual also has a technical specification, which can be used in contracts. The use of these common documents makes it easier for surveyors and contractors to work in the city and the various districts. This has a cost benefit through lower contracting costs, reduced document costs, and easier contract management for council staff. The manual is accessible on the internet and each council is able to have their own special requirements if needed.

*Richard Bax, Community Assets Group Manager, Waikato District Council  
Joan Whittaker, OA & Systems Coordinator Roading Group, Waikato District Council*

## STREAM B INFRASTRUCTURE

Hauraki District Council and Thames-Coromandel District Council utilized a co-ordinated procurement procedure for putting in place contracts for Roading Professional Services and Roading Physical Works. This enabled a larger and hence more attractive package of work to be offered to the market and was seen to provide potential for suppliers to offer economies of scale and rationalization of operations. The procedure made provision for each local authority to have its own contract and for the successful tenderers to be different for each contract if this resulted in the most favourable tender outcome for each local authority.

*Gene Thomsen, Roading Manager, Hauraki District Council  
Steve Bremner, Roading Manager, Thames Coromandel District Council*

### **STREAM C CORPORATE**

SmartGrowth is about developing a strategy for managing growth in the Western Bay of Plenty sub-region over the next 20 to 50 years. The initiative came about in 2001 as a result of mounting concern in the community about the impact of rapid population growth in the Western Bay of Plenty sub-region and the inability of the myriad of agencies involved to separately manage that growth. This case study will look at how SmartGrowth was established to provide an integrated framework for managing growth, based on sound research and effective community relationships.

*Christine Jones, Group Manager City Directions, Tauranga City Council*

### **STREAM D IT**

AnyQuestions.co.nz and UiaNgaPatai.co.nz is a collaborative project that is one of the most ambitious and exciting digital reference projects the country has seen. The service provides an online reference service for all New Zealand school students where they communicate with a librarian to help them find the information they need from relevant, quality sources. The service is provided by libraries in collaboration with the government and those in the information and education sectors: The National Library of New Zealand, Auckland, Christchurch, Dunedin, Manukau, North Shore and Waitakere City Libraries, Rodney District Libraries and the Ministry of Education. Other participants include: the School Library Association of New Zealand Aotearoa (SLANZA) and Horowhenua Library Trust.

*Anthea Hamlet, Any Questions Service Manager, National Library of New Zealand*

### **STREAM E SERVICES**

The three territorial authorities in Taranaki are committed to investigating possible economies of scale. Solid waste collection including recycling and the operation of transfer stations were identified as such an opportunity.

This case study will show how the significance of the solution selected is that it has allowed each of the three territorial authorities to consult with their communities as part of the community plan process and to select a different level of service (significantly so in some cases) whilst still achieving significant economies of scale through a single service delivery mechanism.

*Anthony Wilson, General Manager – Community Assets, New Plymouth District Council  
John Sutton, Group Manager Engineering Services, South Taranaki District Council*

**5.00-5.10**

#### **Wrap Up**

Bob Parker Conference Facilitator

**5.15-6.15**

#### **Reception**

An opportunity to network with your fellow delegates and enjoy convivial hospitality courtesy of SOLGM and INGENIUM

**Dinner arrangements are to be made to suit yourself**

## PROGRAMME

*Tuesday 17 April 2007*

**9.00-9.10**

### **Welcome back and overview of the day**

Location Ballroom 6th floor Duxton Hotel

*Bob Parker Conference Facilitator*

**9.10-10.00**

### **Local Government Shared Service Model - a success story from the Hunter, NSW, Australia**

In NSW, all regional organisations of councils have no specified role and membership is completely voluntary. The Hunter Region Organisation of Councils has as its major strength, the long term strong support from its core members. The members have cooperated and communicated for over 50 years. However, the last five years have seen it change dramatically as an opportunity provided the impetus to initiate and grow a separate entity to drive economies and efficiencies on behalf of its members and other councils across State, the country and now into the Pacific region.

The CEO, Dr Barbara Penson will share with the conference the challenges and achievements of this local government success story.

*Dr Barbara Penson, CEO Hunter Councils Inc*

**10.00-10.45**

### **Reflections About Shared Service Delivery Arrangements in the Transport Sector from a Land Transport Funding Partner's Perspective**

Ten c's – consistency, cost, capability, capacity, coordination, cooperation, collaboration, clustering, constraints, contracts; and Six s's: suitability, sustainability, structure, savings, scale, strategies

*Richard Braae, General Manager,  
Partnerships and Programmes, Land Transport New Zealand*

**10.45-11.15**

### **MORNING TEA**

**11.15-11.30**

### **Presentation Principal Sponsor – Civic Assurance**



"Sharing risk" to allow diversity and economies of scale is the prime purpose of working in a shared services environment. Civic Assurance, an insurance company owned by local government, is absolutely built on the risk-sharing principle. As Fund Manager for Riskpool and Administration Manager for LAPP, Civic Assurance is also helping councils to share not just the risk, but also claims management skills, reinsurance costs, and risk management training and knowledge. It also through SuperEasy allows for the cost of developing complex superannuation administration and investment systems to be shared.

Tim is CEO of Civic Assurance. As an ex-CEO of State Insurance, Public Trust and Royal & SunAlliance Life, Tim will provide conference attendees with a whistle-stop tour of how they through insurance and family trusts can best share their personal risks and what KiwiSaver will mean to them and their employers."

*Tim Sole, Chief Executive, Civic Assurance*

**11.30-12 noon Finding the Right Governance Model**

When considering a shared service environment there will always be governance issues to be considered. This session examines those issues and looks at some of the ways of working through the challenges faced in achieving good governance outcomes.

*Mike Reid, Manager Governance, Local Government New Zealand*

**12.00-12.30**      **"Local Authorities Working Together"**

A follow-up to the 2004 "Local Authorities Working Together" Report produced by the Office of the Auditor-General plus an overview of how a new shared service agreement might impact LTCCP's in terms of significance, amendments and other considerations.

*Hayden Everett, Sector Manager  
Local Government, Office of the Auditor-General*

**12.30-1.30**      **LUNCH**

**1.30-2.15**      **Conference Learning Outcomes**

This session will summarise and analyse the key outcomes of the conference. Murray will put these learnings into a practical context for delegates

*Murray Douglas, Conference Commentator*

**2.15-3.00**      **Panel Discussion and Q&A from delegates**

A chance to ensure you don't leave with unanswered questions

*Brian Dollery, Prof School of Economics, UNE  
Michael Ross, CE Waitaki District Council  
Eugene Bowen, Chief Executive, LGNZ  
Richard Kirby, President, INGENIUM*

**AFTERNOON TEA**

**3.00-3.05**      **Close of conference / Departure**

*Bob Parker, Conference Facilitator*



**Bob Parker**



**Professor Brian Dollery**  
*Professor School of Economics,  
University of New England,  
NSW, Australia*



**Greg Hallam**  
*Executive Director,  
Local Government  
Assn Queensland*



**Dr Barbara Penson**  
*CEO Hunter Councils Inc.*



**Murray Douglas**  
*Consultant*



**Michael Ross**  
*Chief Executive Waitaki  
District Council*



Proud to be the Principal Sponsor of the 2007  
Shared Services Conference