Resource Sharing – Searching for Balance, Sharing the Gain

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Waratah-Wynyard Council

In her keynote address to the 2008 IPAA National Conference in Sydney, NSW, The Hon Jocelyne Bourgon, PC, OC focuses on the metaphor ‘a new balance’ in public administration, particularly in the context of change and reform. She states that ‘It challenges you to experiment and innovate further. Your peers around you are watching with great expectations. We are eager to continue learning from your experience.’

I would suggest that change and reform has caught up with most local governments in Tasmania, forcing adaptability to changing circumstances and emerging issues. In 2008, Waratah-Wynyard Council appointed a new General Manager whose departure from Circular Head Council left a vacancy which was difficult to fill in the current employment climate of Tasmania. As a consequence, the idea for sharing the General Manager was mooted as a possible solution for both councils and was identified as an opportunity for expanded resource-sharing between the neighbouring councils.

Across Australia in the Local Government sector, there has been increased pressure to either amalgamate or find innovative ways to allocate limited resources across a range of competing activities to meet the needs of current and future generations. In essence, the pressure has been for reform, to meet the evolving values and preferences as expressed by ratepayers, and to bring down the cost-base through innovations such as resource-sharing.

PricewaterhouseCoopers (2009) discuss resource-sharing as a concept that embraces collaborative benefits that could be achieved when a more joined up approach to shared services is adopted, and public sector performance levels are brought into line with those in the commercial sector.

Making resource-sharing work demands collaborative leadership and drive from council senior executives and elected members. The key drivers for this collaborative partnership between Waratah-Wynyard and Circular Head Councils are rate-payer expectations, improving service quality, efficiency and effectiveness, attracting skilled staff, accessing best practice techniques and technologies, and improving investment and innovation opportunities.

A more recent driver for both councils is the take-over of water and sewerage services by the State Government, which has heightened the need to reduce budgets and do more with much less.

Sir Peter Gershon CBE (2004) (UK) in his paper, Releasing resources to the front line: Independent Review of Public Sector Efficiency, considers sustainable efficiencies as a priority, but that public agencies must exploit opportunities for efficiency savings. He goes on to define efficiency as “making the best use of the resources available for the provision of public services”. To this end, the RSA Sharing Agreement (RSA) was drafted and adopted by both councils in November 2008, and comprises terms of reference and the establishment of a Resource Sharing Committee. The RSA provides the mechanisms for effective collaboration, accountability, and reflects the scope of resources to be shared and operations overseen. This RSA is a dip into somewhat uncharted waters for both councils, where expectations have not yet been fully realised and, in this initial set-up period, the focus is on the journey rather than the destination.

Mr Greg Winton, the shared General Manager for both Waratah-Wynyard and Circular Head Councils, believes that resource-sharing should be about pursuing collaborative efforts where it makes sense and where it is of long-term benefit to ratepayers; and the initial strategic focus should embrace a cultural change that will generate long-term social capital and financial gains.

“You need to accept that the romance of resource-sharing isn’t shared by everyone – just like any council amalgamation debate, it can elicit polarised views,” Mr Winton said. “From my experience, the pace of implementation depends upon whether the preferred approach is revolutionary or evolutionary; bearing in mind that the initiative will enable each council to consolidate its position as a responsible and competent local authority,” he said. “Perhaps the strategic question needs to be what are the ‘dis-benefits’ of resource-sharing? The true measure of success lies in challenging the status quo – so that the first question becomes whether a service or activity is best delivered locally, jointly, regionally, or on a state-wide basis” he added.

Shared Executive Manager Engineering Services, Matthew Greskie, believes not only has resource-sharing provided personal challenge and opportunity, but it is also more efficient by reducing duplication of effort. Mr Greskie said in the few months that this arrangement has been in place, we’ve been able to implement a number of initiatives across both councils. “These initiatives have been implemented with less resource than would be required if the two councils did it separately,” he said.
Based on an account balance of $50,000. Differences in both investment performance and fees can have a substantial impact on your long-term returns.

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<td><strong>Admin Fee</strong></td>
<td>$94.12</td>
<td>$325 (0.65% of your balance)</td>
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<td><strong>Investment Fee</strong></td>
<td>$305 (0.61%)</td>
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By having uniform systems across both councils, staff can readily assist across border during vacancies and customers, including developers and contractors, have increased certainty. From a staff development perspective, specialist staff are now able to focus on their area of expertise and the strengths of both organisations will be built upon. “Personally, in this competitive environment of engineering shortage, the opportunity to manage across two council’s has provided me with a great career opportunity and a good reason to stay in Local Government,” Mr Greskie said.

Waratah-Wynyard Clr Colleen Dibley said she is particularly interested in resource-sharing of staff in discreet areas of service such as animal control and weed management where shared staff members mean an educative approach to service delivery and an effective full-time delivery of control measures over the two municipalities. “Personally, in this competitive environment of engineering shortage, the opportunity to manage across two council’s has provided me with a greater career opportunity and a good reason to stay in Local Government,” Mr Greskie said.

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The Chartered Institute of Public Finance and Accountancy (UK) in their report, Sharing the Gain / Collaborating for Cost-effectiveness, (2010) discuss several key concepts including building the business case for change and identify the need for developing a business case that will evolve over time, allowing exploration, evaluation and implementation of different options. As identified by this paper and in the context of consolidating the councils’ resource-sharing framework, it is important to develop a business case that includes:

- Provision of background and context to the shared arrangement;
- Articulation of the reason for change, to help ensure the support and approval of key decision-makers;
- Communication of business needs and options for meeting those needs;
- Provision of estimates costs, benefits and related financial metrics of the proposed model;
- Setting out of a baseline for managing the model and future benefits tracking; and
- Identifying what success will look like and criteria by which it should be measured.

The vision of the Waratah-Wynyard / Circular Head RSA is “Reflecting the needs and identities of both communities and securing collaborative community and environmental wellbeing”. The mission statement is “To maximise potential and sustainability of both Circular Head and Waratah-Wynyard Municipalities through Resource Sharing”. This resource sharing model will achieve efficiency through standardising the way things are done, and economies of scale through consolidating activities and sharing resources. One of the key issues in assessing readiness and/or willingness for change was for both councils to identify ‘where they are now’ against ‘where they could be’ and, depending upon ‘where the council is now’ concept, compelling reasons for change that supported corporate goals had to be presented and considerable effort invested in changing individual council cultures and individual mindsets to embrace the vision of the RSA and take the initiative forward. Examining existing individual strategic plans was also necessary to clarify shared potential and change options. While considerable progress has been made with the Waratah-Wynyard and Circular Head Council RSA, it really is just the beginning of the journey towards ‘sharing the gain’.
Shared Services Grants Program

Council collaboration on optic-fibre communications, information technology, emergency management and centralised administration received a boost through the Premier’s Local Government Council’s Shared Services Grants Program, which aims to support council-led initiatives that improved local government efficiency and services.

Four projects were funded by the State Government under the program, with three now finalised. General Manager of the Northern Midlands Council, Adam Wilson, said joint studies with the Launceston City and Meander Valley Councils on optic-fibre communication and IT infrastructure, showed that greater integration of systems provided real opportunities. “We found that opportunities exist to install and connect high-speed optic-fibre cable to strengthen communication and gain efficiencies through sharing of business systems,” Mr Wilson said. “There are also opportunities to do better with technologies already in use. We now have a framework to promote sharing in future procurement and operation of technology,” he said. “What we learned from the project has been valuable for all northern councils and now, with help from Northern Tasmania Development, we are exploring more collaboration in the areas of communication and IT.”

In a third project, the Brighton and Tasman Councils established a service agreement in which the Brighton Council provided a range of services to the Tasman Council on an as-required basis. For Tasman, this meant budget savings. The councils found that other small to medium councils could benefit from similar arrangements with larger or better-resourced councils, reducing costs and improving services.

The Chair of the Shared Services Committee, Ms Jessie Byrne, said the projects provided some answers to the skills shortages and efficiency challenges facing Local Government. The fourth project, a combined municipal emergency management plan for the Mersey region, aims to increase regional capacity and reduce duplication. If successful, it could be applied to other regions.

For more information see the Local Government Division’s website at www.dpac.tas.gov.au/divisions/lgd.

New Chair of Tasmanian Spatial Information Council

Mr Gary Nairn has been appointed as the new Chair of the Tasmanian Spatial Information Council (TASSIC). After a 25-year career as a surveyor in Australia, the UK and Europe, including 13 years running his own surveying and mapping business, Mr Nairn served as the Member for Eden-Monaro in the Australian Parliament from 1996 until 2007. He now operates his own consultancy business specialising in business development, spatial information and property matters.

TASSIC’s main function is to provide whole-of-industry advice to the Tasmanian Government on the future development, management and use of location-based information. This information supports vital areas such as emergency services, community safety, infrastructure planning, climate change, biosecurity, water and environmental management.

Employee Assistance Programme State-Wide

Choose Life Services (CLS) offers effective, confidential and early intervention counselling in workplaces. Off-site counselling facilities are available. CLS is made available by the employer to all employees and their immediate families and offers support through organisational change, personal and workplace issues and interpersonal conflict.

Services are tailored to suit organisational needs. CLS is based on a concern for the high cost to industry and the wider community, in both human and financial terms, when personal challenges impact on work practices.

Services include training, mediation, critical incident management and counselling.

Training includes Anti-discrimination (Bullying and Harassment), Communication and Drug & Alcohol. Applied Suicide Intervention Skills Training (ASIST) is also recommended for Managers and Supervisors.

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