



**KEMPSEY**  
Shire Council

## **MAYORAL REPORT**

11<sup>th</sup> September 2007

**MM2**

**STRATEGIC ALLIANCE CONFERENCE**

**FILE: 165**

**EAG**

**{Folio No. \*}**

### **SUMMARY:**

To provide Council with the latest trends in Resource Sharing and Strategic Alliances

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### **DESCRIPTION:**

The Strategic Alliance Conference was held in Sydney on Monday, 27<sup>th</sup> August and was attended by the General Manager and myself.

The Minister for Local Government, The Hon. Paul Lynch, MP launched the guidance paper, "Collaboration and Partnerships Between Councils" which was outlined in detail by the Deputy Director of the Department, Ross Woodward. The guidelines outline what is strategic collaboration, why should Councils enter into strategic collaboration, and a practical guide to developing strategic partnerships. A copy will be tabled at the Council meeting.

Various models of strategic alliances were outlined including the Central Tableland Alliance, which has a similar operation to the MIDGOC Alliance, Hunter Councils which has a company structure and as well as sharing resources has profit making business units for regional procurement, records repository, and training unit. Member Councils are heavily involved in environmental projects to take advantage of grants. Hunter Council is aiming to be cost neutral with profits from the business units reducing member fees by 10% each year. The other model demonstrated was the New England model of shared service provision where each of member Councils provide an all of service provision for all member Councils.

No one size fits all. Difference solutions for different areas.

The United Services Union outlined their support for alliances so long as employment is protected. Under amalgamation employment is protected by legislation and the Unions expect alliances to at least provide the same protections. The Union is against establishing corporations designed to be sold at some future time.

There were a number of examples of alliances of Councils for specific functions such as to develop single invitation maintenance contracts with the RTA in the Gilgandra Narromine and Warren Council areas. The shared joint tender for waste services between Rockdale, Hurstville and Kogarah Councils that has resulted in savings of \$46 million over 10 years and the development of a Regional State of the Environment Report by North Shore Councils in Sydney.

Examples of state wide schemes were outlined including the LGMA Good Practice Toolkit which has developed good management practices in procurement, asset management, development assessment, workforce planning and information management. The Local Government Procurement Unit established by the Associations was outlined. The unit has not only arranged competitive contracts but assists Councils with contract management, tender evaluation, tender regulations and contract terms. The red tape blueprints project was outlined which has 41 participating Councils in a commonwealth and self funded project to cut red tape by reducing the need for forms and providing on-line enquiry access.

Maurice Daly "Hasten slowly will clear objectives to ensure outcomes".

The need to evaluate projects was stressed. KPI's should be used to measure performance. These KPI's should be linked to objectives and should be benchmarked. In the Riverina the Alliance engaged the University of New England Centre for Local Government to evaluate their progress and ensure the results that they thought were achieved were actually achieved. The Cabonne, Blayney Wellington Alliance had the Department of Local Government undertake a Better Practice Review individually and as an alliance.

Local Government in NSW is committed to Resource Sharing and good results and either dollar savings and / or increased service provision is being achieved. All models have the same structure with a board with Mayor, and General Manager representation while the working groups undertaking the implementation are driven by staff.

There was some duplication with last year's conference agenda. Next year they will need to ensure that the program reflects new initiatives, problem solving, progress in evaluation success or failure and new programs that Councils can participate in.

#### **REPORT IMPLICATIONS:**

- ***Environmental***

***Nil***

- ***Social***

***Nil***

- ***Economic (Financial)***

***Council's participation in the MIDGOC Strategic Alliance is producing savings and increased service levels.***

- *Policy or Statutory*

*Nil*

**RECOMMENDATION:**

**That the information be noted.**

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**E A GREEN  
MAYOR**