



**KEMPSEY**  
Shire Council

## **GENERAL MANAGER'S REPORT**

3<sup>rd</sup> February 2009

**GM5**

**RESOURCE SHARING**

**FILE: 264**

**AVB (NRN)**

**{ Folio No. \* }**

### **SUMMARY:**

To provide Council with information on resource sharing initiatives undertaken during 2008.

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### **DESCRIPTION:**

Council resource shares with other Councils in many ways with the major initiatives being through

- The MIDGOC Alliance
- Midwaste
- Mid North Coast Library Service
- Risk management and Governance Group
- Using Hunter Training and Local Government Procurement

MIDGOC comprises the eight Mid North Coast Councils – Coffs Harbour, Bellingen, Nambucca, Kempsey, Port Macquarie Hastings, Greater Taree, Great Lakes and Gloucester. Prior to the establishment of MDIGOC there was very little co-operation between the eight Councils, each was very parochial and unwilling to share. MIDGOC has made major advances by getting the Councils of the region to work together for the collective good. Through MIDGOC the following strategic alliance groups have been established.

- Procurement/Purchasing
- Human Resources
- Works
- Development Contributions
- Information Technology
- Planning
- Occupational Health and Safety
- Asset Management

These groups meet on a quarterly basis and are supported by senior staff. The major benefit derived from these groups is the sharing of information, the joint development of policies and procedures providing backup when

required, sharing legal advice and networking opportunities. It is very hard to place a dollar value on many of these activities.

Some of the more specific opportunities shared by Kempsey Shire in 2008 include:

- Joint Tendering
  - Domestic water metres
  - Tyres
  - Outstanding fleet services
  - Mobile phones
  - Ready mixed concrete
- Joint Consultancies
  - Standard conditions project (consultant fee of \$8,125 shared by each Council)
- Joint Training providing a combined saving of \$50,000 per annum.
- Joint Employment of Section 94 Officer with Nambucca and Bellingen providing a \$45,000 saving per annum for each Council.
- Sharing of Heritage Officer with Port Macquarie Hastings, saving Kempsey Shire \$25,000 per annum.
- Providing payroll services for Bellingen Shire saving Kempsey Shire \$20,000 per annum.
- Benchmarking of Worker's Compensation data resulting in significant premium reductions.
- Joint submission to the Section 94 enquiry.

Kempsey Shire has approached Nambucca Shire to undertake their payroll, approached Nambucca and Bellingen Shires to share a Contracts Administrator and Port Macquarie Hastings to share an internal auditor. The first two initiatives have been unsuccessful, while agreement regarding the employment of an internal auditor has been reached. Council has also negotiated the sharing of their Property Officer for two days a week to assist Shire Services with road closure applications.

The following initiatives have been undertaken in the waste area.

- 1 X Scrap Metal and Steel Collection. MidWaste joint tender, Company Smorgons/Onesteel. Estimated income of \$170,000.
- 1 X Hazardous Waste and E-waste Collection, MidWaste joint tender, Company Transpacific. Estimated saving of \$3,700 on landfill tonnages.
- 1 X Waste Collection and Transfer. Armidale Dumaresq Council and Kempsey Shire Council. Re collection and run west of Kempsey Shire Council boundary, material delivered to Bellbrook transfer station. Fee income of \$3,200 per annum.

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- 1 X Recycling Processing of Cairncross MRF. Shared facility between Port Macquarie Hastings Council and Kempsey Shire Council. Income recovery of efficiency of \$40,000.
- 1 X Strategic Operational Plan for the region. Midwaste joint venture.
- 1 X Styrene Collection Contract. Shared contract between Midwaste Group and Kempsey Shire Council. This saves approximately 300 cu/ms per annum of landfill space. Nil cost to Council for this service.
- 1 X Domestic Battery Collection and Disposal. Greater Tree City Council and Kempsey Shire Council. Material collected by Transpacific.
- 1 X Green Waste Treatment and Processing at Cairncross ORF. Implementation in conjunction with Port Macquarie Hastings Council. Estimated savings of \$114,000 on our landfill costs.

The Mid North Coast Governance Network Group has met regularly (2-3 times per year) over the last 3 years. The Group covers Councils from Great Lakes to Clarence Valley and have been meeting at Coffs Harbour. The Group has shared ideas and information on the Governance areas listed below. While not saving dollars directly the sharing of information among this group has assisted in putting correct policies and procedures in place in the areas. Sharing has certainly saved much time in these matters.

- donations policy and procedures
- councillor expenses policy and procedures
- tendering
- legislative compliance policy
- privacy and freedom of information

The Risk Management Group covers Councils from Great Lakes to Coffs Harbour and meets four times a year at Port Macquarie. The Risk Management Group is also an information sharing group but also adopts specific projects that assist each Council in the group and the risk/insurance area generally. Jardine Lloyd Thompson always has a representative sit in on the meetings, but they are run by the Council offices. The groups benefit is sharing of information with advice from Jardines on ways to reduce the number of significant liability claims. The compliance with risk management procedures and attendance at these meetings contributes to the formula used by Statewide to calculate our public liability rebate each year (\$29,000 received in November 2008).

The areas dealt with include:

- 355 committee manual project
- Signage
- Risk Management Plans
- Public Liability Claims

The benefits of the Mid North Coast Library Service to Kempsey Shire Council and the community are:

- Grants shared between the two Councils have averaged around \$40,000 per annum, which is over one million dollars over the life of the co-operative. As the two libraries also receive individual grants most years, none of this amount would have been received without the existence of the shared service.
- Kempsey Shire Library's book stock is approximately 60,000, that of the Port Macquarie Hastings libraries is three times that number. The Kempsey community therefore has access to a quarter of a million resource items, through a daily courier service between Port Macquarie and Kempsey, which would not have been available to them without this service.
- Through the sharing of resources and the computer system, the libraries have been able to make savings through greater purchasing power and less duplication. Most book selection and purchasing is done jointly, attracting greater discounts from suppliers than either library would be able to achieve individually.
- There is some exchange of expertise among staff, and occasional visits by new staff members, as well as senior staff are always found to be useful and stimulating.
- Visiting authors/speakers and some exhibitions can be more readily enticed to the area if they can visit two libraries in the same trip thus enhancing the programmes that Kempsey Shire Library can present to the community.

**RECOMMENDATION IMPLICATIONS:**

***Environmental***

***Nil***

***Social***

***Nil***

***Economic (Financial)***

***Nil***

***Policy or Statutory***

***Nil***

**RECOMMENDATION:**

**That the information be noted.**

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**A V Burgess**  
**GENERAL MANAGER**