

1. Resource Sharing – Background and Update

Resource sharing between the Latrobe and Kentish Councils commenced following a meeting between the two Councils in July 2008. The Council's appointed a Kentish and Latrobe Municipal Alliances Committee later that year. Resource sharing began with an agreement to assess the road maintenance requirement of the two councils and recommend a road maintenance program for the future including appropriate plant and equipment required to meet customer service levels.

In February 2010, the Latrobe Council considered a request from the Kentish Council to resource share the General Manager. At its meeting in March 2010, the Council agreed to enter into an agreement to resource share the position of General Manager for a trial period of 8 weeks concluding in May 2010.

The two Councils signed an agreement in mid-2010 to employ the shared General Manager, which allowed resource sharing to gain momentum. The Councils agreed to employ the General Manager for a period of three years and to share other resources for the purposes of carrying out duties and performing functions required under the Local Government Act 1993. The 2010 agreement signed by the two Councils states "the consideration of a resource sharing arrangement is driven by the belief that it would strengthen the future economic and social viability of each municipality. Given that the Latrobe municipality and the Kentish municipality are direct neighbours, each council considers it is sensible and practical to explore a strategic alliance."

The Latrobe and Kentish Councils acknowledge the benefits of resource sharing including:

- Allows councils to maintain their independence at the local level
- Allows councils to provide services to a larger population
- Spreads costs and risks
- Encourages greater use of all available resources
- Allows financial savings in service delivery
- Releases savings for other service areas
- Provides for both broader and more specialised services
- Permits more equitable distribution of services for residents and rate payers
- Attracts a financial contribution from non-resident users
- Generates additional capital from the sale of excess equipment or land.

The resource sharing has also been instrumental in retaining and recruiting quality staff and using these skills at the appropriate level.

The resource sharing agreement was formally extended for a three year period commencing 1st January 2013 and then again from the 1st January 2016.

The two councils also have an integrated telephone service and are currently working towards having the same information technology software (Technology One).

The strategic plans of the two councils have been aligned and work is progressing on having similar cost centres and general ledger structures.

In 2017, Kentish and Latrobe Councils engaged the Australian Centre of Excellence for Local Government (ACELG) at the University of Technology Sydney (UTS) to review the resource sharing arrangements between the two councils.

The aim of the project was to:

- Determine the success factors of the current resource sharing arrangements

- Review the current governance arrangements
- Identify whether the current arrangements have led to increased strategic capacity
- Develop a set of commonly agreed objectives to assess the outcomes of resource sharing
- Undertake a financial analysis of the savings.

The report was positive however it made over twenty recommendations on how the current arrangements could be improved. The report also highlighted that in the 2015/16 financial year the Latrobe and Kentish Councils saved approximately \$768,000 through their shared services initiative.

The Council subsequently appointed LKS Quaero Pty Ltd to implement the recommendations contained within the Centre of Excellence report, which has become known as the Embedding Shared Services Program between the two Councils. The areas of reform have included organisational change, ICT systems, workforce development and succession plans, communications, engineering, customer front end and a business support hub.

The changes have been far reaching and will conclude with the Council's operations being totally integrated with the Council elected members, budget and rating systems retained for each Council.

The changes to Council's operations are very significant and are currently involving all parts of the business operations and significant staff resources to implement the new ways of operating.

During 2017, significant changes were made to the structure of the outdoor staff. It followed from an initial review of the work practices of the staff at both Latrobe and Kentish Councils looking at:

- Standardising the way work was done at both Councils
- Integrating the work to better use the facilities and equipment that we had at both Councils
- Moving to a more planned way of working rather than responding to ad hoc requests.

Those objectives were carried through into our review of the indoor staff leading to the two Councils having a single organisation structure which was implemented from July 2018.

What will change for residents when contacting Council?

The way you contact and interact with Council will remain the same.

You will be able to speak to staff by phone or in person and they'll have the necessary local knowledge, technical expertise and integrated systems to assist with your enquiry. Internal communication systems allow enquiries to be transferred seamlessly so that you can talk to staff members regardless of which Council is their home base. Council is progressing plans for customers to be able to report problems and customer requests on-line, which is more in keeping with modern practices in Government and private business.

When visiting a park or reserve in Kentish you may see Latrobe Council staff, equipment or vehicles assisting with maintenance. Similarly, when you are travelling throughout Latrobe you may see Kentish Council vehicles or staff assisting with road maintenance. Staff across the two Councils will be working more closely to pool their expertise and resources and deliver your local services even more efficiently.

The current 2019 *Review of Tasmania's Local Government Legislation Framework* addresses the issue of collaboration across Councils by creating mechanisms that foster collaboration. The *Reform Directions* seeks to provide the power for two or more Councils to be serviced by one administrative organisation, noting that such flexibility is likely to be necessary for the sustainability of small Councils. Latrobe and Kentish Councils have been highlighted as Councils that have in practice adopted this model.

The two Councils now operate as one organisation serving two municipalities. It is believed this is the only example of this integration of two separate councils in Australia.

Kentish and Latrobe Structure – as at August 2019

