

Item: Strategic Alliances Local Government Conference - Armidale

File: File No

REPORT SUMMARY

A summary and perspective is provided of a local government "Strategic Alliance" Conference attended by the Mayor at Armidale on 21st and 22nd of August 2006.

RECOMMENDATION

That the report be received and noted.

BACKGROUND

I became aware of the "Shared Resources and Services versus Amalgamations Conference" at Armidale and took the opportunity to attend for the purpose of networking with near neighbouring councils and several conference speakers and also to learn more about how some councils are engaging in working alliances as an alternative to forced amalgamations.

ISSUES

The conference, attended by over 100 local government representatives, examined the progress of the New England Strategic Alliance of Councils (NESAC) which comprises the Councils of Armidale-Dumaresq, Walcha, Uralla and Guyra Shires and a Weeds County Council. The Armidale –Dumaresq website contains the conference presentations.

The member councils openly state that the alliance was primarily designed to ward off the 2003 threat of amalgamations and suited their purposes at the time. The Charter that binds the alliance has no legal status and could only be described as a moral commitment.

The central component of the alliance is what they term a Shared Services Model, whereby services are bought and sold between the members. It is apparent however that most expertise and resources reside with Armidale-Dumaresq council and that in some ways the three smaller rural councils do not have the same degree of skill sets to 'trade'. The councils talk of tangible and intangible benefits of the alliance but had some difficulty demonstrating those benefits. The 'jury' is out in terms of tangible cost savings and of community acceptance given there has not been council elections since the alliance formation. The solidarity of the alliance relies largely on the good will of the present elected representatives and senior staff.

The alliance retains the individual governance of each of the member councils and each council still employs their General Manager and governance team. The alliance has not resulted in job losses, but rather has seen new positions created, which highlights the difficulties in demonstrating real savings from the alliance model.

It is evident that there exists a determination to succeed and some councils are achieving statutory obligations that previously presented resource difficulties. Actions such as for example reducing grader numbers from 14 to 11 will have the effect of making it impossible in a practical sense for a council to withdraw from the alliance.

In my view the alliance model ultimately can be viewed as a ready made template or precursor to future formal council amalgamations.

FINANCIAL IMPLICATIONS

Costs were limited to \$185 conference registration, accommodation, sustenance and vehicle travel.

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Clr Ian Tiley

MAYOR

28th August 2006