

MEMORANDUM OF UNDERSTANDING

Nelson, Marlborough and Tasman District Councils' Shared Services

1) Background

The Councils are the neighbouring unitary councils of Te Tau Ihu (Top of the South) and have aligned statutory powers, communities of interest, and challenges. The Councils have a history of working together, have explored shared services opportunities in the past and have a number of successful collaborative arrangements. Each now recognises the need for a greater commitment to collaborate in procuring goods and in sharing services. The Councils recognise that they need to make substantial budget savings in the years ahead and are mindful of the intentions of the Government as expressed in the LGA Amendment Bill 2012. They also have a common interest in improving and focussing services on the needs of residents and businesses. The Councils agree that shared services are one of the practical means to achieve those outcomes.

2) Status

This Memorandum of Understanding sets out the –

- shared commitment to be each other's preferred partner for shared services and procurement
- objectives and principles in sharing services
- process for establishing the governance and operational arrangements for developing proposals; and
- initial agreement on the first service areas to be considered for joint provision.

3) Objectives

The Councils' aim is to use shared services to deliver, in each Council area –

- improved and more resilient services, or
- value for money and savings, or
- good quality local infrastructure, local public services and performance of regulatory functions

4) Principles for Joint Working

The Councils' approach will be pragmatic and flexible with no single delivery vehicle preferred. The Councils will –

- seek agreement with each other when a service or function is assessed as a candidate for sharing or other form of collaboration
- be able to seek other partners, including when the other Councils are not ready or able to share or contribute
- ensure that one or more of the Councils can join shared arrangements at later dates
- work proactively and in good faith towards aligning business systems and processes to make future shared services opportunities possible
- share 'soft' services such as skills, knowledge and resources as well as, regulatory and planning approaches
- provide appropriate budgets to deliver any agreed work programme
- inform each other about public statements on shared services before the statement is made.

5) Values

The commitment to good quality services for residents and businesses and to delivering value for money means that the Councils will –

- **Innovate** - seek imaginative solutions to improve services and resilience
- **Challenge** - be open to input from each other as well as internal and external stakeholders
- **Use Best Practice** – use current best approaches and be early adopters of future best practice
- **Use Best Fit** – use a best fit approach to finding solutions
- **Partner** – develop positive and effective working relationships across the Councils – governance, executive and staff
- **Be Accountable** – achieve by delivering agreed outcomes through a sound approach to governance, executive oversight and operational delivery
- **Be Transparent** – make open and clear decisions and show, by what is reported, the savings made and benefits gained from shared services
- **Share Information** – keep each other informed about proposals for shared services as well as about strategic, political and operational matters that may affect the commitments set out in this Memorandum of Understanding while respecting the legal obligations for confidentiality that may arise.

6) Arrangements for Joint Working

The Councils jointly agree to request their executives to develop a framework within which each shared services opportunity can be progressed. The aim is to allow the considered yet timely assessment of opportunities. The initial candidates for assessment are set out in Attachment 1. In addition to the matters covered in this Memorandum of Understanding the future arrangements for evaluating and sharing services shall –

- briefly describe the matters of regional strategic importance that the Council's will be addressing in the next 10 years
- briefly 'profile' the Councils' area of interest – demography, environment, economy
- identify the enablers of and constraints on meeting the objectives of this Memorandum of Understanding
- propose a corporate governance model for a shared services programme i.e. councillors' oversight through to project delivery

and provide advice on -

- any legal or statutory compliance issues
- changes to staff delegations and executive key result areas that are needed to ensure success
- performance management and reporting needs
- funding, risks and liabilities
- communication and dispute resolution

7) Signatories and Variation

This Memorandum of Understanding is entered into by the Mayors of the Councils - each Council having resolved to approve its terms and is subject to by 31 August each year

Mayor

Mayor

Mayor

Date

Date

Date