WAIKATO LASS COLLABORATION IN ACTION

May 2018











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BACKGROUND

Local Authority Shared Services Limited was incorporated in December 2005, the first shared services CCO to be established in New Zealand. Since then, a number of other shared services companies have been established. To distinguish us from them, the registered name was changed to Waikato Local Authority Shared Services Ltd (WLASS) on 4 April 2016.

WLASS is jointly owned by the following shareholding councils:

- Hamilton City
- Hauraki District
- Matamata-Piako District
- Otorohanga District
- Rotorua District
- South Waikato District
- Taupō District
- Thames-Coromandel District
- Waikato District
- Waikato Regional
- Waipa District
- Waitomo District

WLASS was initially established to provide the local authorities in the Waikato Region with a vehicle to procure shared services. The key purpose of WLASS has evolved and it now drives collaboration between councils, and aims to improve customer service and performance, and to reduce costs. Its objectives

- To enable the Waikato councils to collectively be more effective as a region on the national stage
- To contribute to building central government's confidence in the Waikato region, and to encourage central government investment
- · To achieve effectiveness and efficiency gains
- To reduce duplication of effort and eliminate waste through repetition
- To make it easier for customers to engage with councils in the Waikato region
- To promote and contribute to the development of best practice
- To promote business transformation to improve customers' experiences.

Much of the work of WLASS is undertaken by Working Parties or Advisory Groups made up of staff representatives from the shareholding councils, with expertise and interest in particular services.

Member councils pay a small annual levy, depending on their size. Services provided by WLASS are funded on a user pays basis - each council pays for and receives the financial benefit of its share of any particular service.

The WLASS Board has 12 Directors representing each of the shareholding Councils. The Directors do not receive any fees or expenses for work undertaken on behalf of WLASS.

The Board publishes an annual Statement of Intent in June, an Annual Report in September, and holds an Annual General Meeting, usually in November.

The WLASS website can be found at www.waikatolass.co.nz



ACHIEVEMENTS















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Shared Valuation Data Service (SVDS)

Participating Councils: Hamilton City, Matamata Piako District, South Waikato District, Taupo District, Thames Coromandel District, Waikato District, Waikato Regional, Waipa District and NZTA

The Project: SVDS is a real-time, on-line, property database containing the District Valuation Rolls and associated registers of the participating councils. SVDS was the first WLASS shared service and went live in 2005. A review of the options for future provision of the service is in progress and is expected to be implemented by 2019.

The Benefits: SVDS enables greater competition in the delivery of property valuation services and provides accurate and timely valuation data. In the last five years, member charges have reduced by 62% (430K p.a.), while external revenue from data sales has increased by 90%. External revenue currently exceeds \$390,000 p.a. and is fully funding the investigation and analysis of future options, as well as continuing to offset the cost of operating SVDS.



Local Government Health & Safety Pre-qualification Scheme

Participating Councils: Bay of Plenty Regional Council, Buller District, Gisborne District, Hamilton City, Hauraki District, Kawerau District, Matamata- Piako District, Opotoki District, Otorohanga District, Rotorua Lakes, South Waikato District, Tauranga City, Thames-Coromandel District, Waikato District, Waikato Regional Council, Waipa District, Waitomo District, Western Bay of Plenty District

The Project: This scheme ensures that consistent health and safety management systems are in place for all contractors pre-qualified to work for or on Council assets.

Enrolling in this scheme makes contractors compliant to work for any/all of the participating councils, and removes the need for them to supply separate details to each council.

The scheme offers an online application form and guidance notes, on-line and phone support for applicants, a live register of pre-qualified contractors, automated notification of pending renewals, management of insurance expirations, and an on-line payment facility.

The Benefits: The project has transformed pre-qualification practices in the participating councils, and is making a positive contribution to WorkSafe New Zealand's goal of reducing workplace accidents by 25% by 2020.

The scheme has:

- improved safety performance from local authority contractors
- eliminated the duplication of local authority resources
- provided cost savings for local authorities, contractors and ratepayers.

As at 30 March 2018, over 1,600 contractors had been prequalified since the scheme began operating in late 2016, with more in the pipeline. The scheme is readily transferable to all local authorities in New Zealand.

In 2017, WLASS was a finalist in the ACC best leadership of an industry sector or region category for this innovative project.

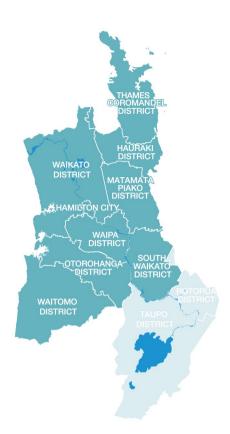




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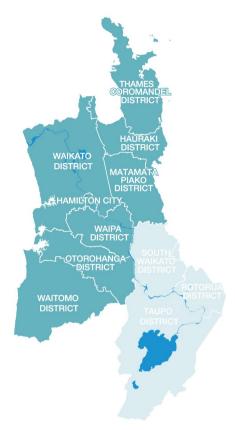
Insurance

Participating Councils: Hamilton City, Hauraki District, Matamata-Piako District, Otorohanga District, South Waikato District, Thames-Coromandel District, Waikato District, Waikato Regional Council, Waipa District, Waitomo District

The Project: The WLASS Insurance Advisory Group procures insurance on a collective basis to achieve best value for money, and also manages the insurance broker's contract performance. By leveraging the region's collective insurance requirements, economies of scale have been achieved through reduced brokerage costs and reduced exposure to market increases in premium costs. The insurances procured on a collective basis are for Material Damage and Infrastructure assets, but other policies (such as motor vehicles, employers and statutory liability, cyber liability etc.) are taken to the market as part of the collective package, but are individual Council policies.

The Benefits: Using a collective procurement approach has mitigated the impact of a hardening insurance market. In 2016, WLASS entered into a Long Term Agreement with the London Markets, who provide cover under the Infrastructure programme. Whilst a number of local insurers withdrew from the Long Term Agreement during 2017 (mainly as a result of the Kaikoura Earthquake), the London markets did not. The underlying rate for the infrastructure programme remained the same as for 2016. Any premium increases were only due to the overall Total Declared Values increasing by \$245M. Using the London Markets is only viable when a collective procurement approach is adopted.

Material Damage and Business Interruption cover is placed through local markets. Again, by adopting a collective approach, the post-Kaikoura Earthquake premium increases were mitigated. Market increases for Natural Disaster cover were anywhere between 40 -100%, depending on geographic location. For WLASS there was only an increase of approximately 19% over the 2016 rate, due to the collective approach.









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Waikato Building Consent Group

Participating Councils: Hamilton City, Hauraki District, Matamata-Piako District, Otorohanga District, Thames-Coromandel District, Waikato District, Waipa District, Waitomo District

The Project: The Waikato Building Consent Group was set up in 2004 to establish a consistent, best practice approach to building control functions in the Waikato Region. The Group shares quality assurance systems, documentation and legislative interpretation, and provides a national voice on building control issues for the Waikato region.

The Group's Quality Assurance system and documentation cover not only Building Consent Authority functions from end to end, but also Territorial Authority building control functions, such as Earthquake Prone Buildings, Pools, Compliance schedules and Building Warrants of Fitness.

The Benefits: The members of the Group foster co-operation and consistency in building control functions, processes, and documentation, with the aim of providing excellent and consistent customer service across the Waikato region. Standardised application forms and checklists are used by the eight participating councils. The ability to submit electronic online applications is currently being rolled out across the Group.











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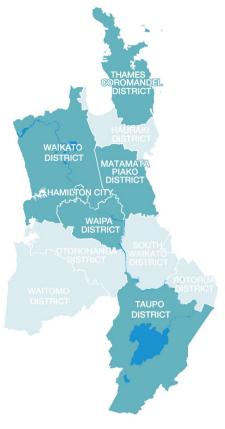
Participating Councils: Hamilton City, Hauraki District, Matamata Piako District, Otorohanga District, South Waikato District, Thames Coromandel District, Waikato District, Waipa District, Waitomo District, with Taupo District planning to join from 1 July 2018

The Project: RATA was established in 2015 by the Waikato Mayoral Forum as the Centre of Excellence for road asset management in the Waikato region. It transferred into Waikato LASS on 1 July 2016.

RATA provides roading asset management services to enable and facilitate effective, strategic roading investment decision-making. The four RATA staff manage the Waikato Regional Data Collection Strategy for the participating councils (including pavement deterioration modelling - dTIMS), undertake benchmarking, prepare good practice documentation, and administer two bridge (and other structures) contracts for six councils.

The NZ Transport Agency fully supports the work of RATA and considers the RATA model to be the national benchmark for best practice.

The Benefits: In the period July 2015 to February 2018, savings of over \$1.5M have been achieved across the participating councils through RATA's initiatives. Savings have been achieved through joint procurement, training support, the deferral of physical works due to better data analysis and decision making processes, and more appropriate asset lives being used in depreciation calculations.









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Waikato Regional Transport Model (WRTM)

Participating Councils: Hamilton City, Matamata-Piako District, Taupo District, Thames-Coromandel District, Waikato District, Waikato Regional Council, Waipa District (with participation by the NZ Transport Agency)

The Project: The Waikato Regional Transport Model (WRTM) is a strategic multi-modal transportation model for forecasting future travel patterns. WRTM became fully operational in February 2010. Since 1 July 2016, the model has been managed by RATA. The WRTM provides transport modelling information to Councils and to external users (for a charge). The WRTM is the single strategic transport modelling resource available in the Waikato Region.

Since 2017, the focus for WRTM has shifted towards network optimisation and corridor improvements, alongside its traditional role of testing the traffic effects of future capital improvements and strategic planning processes.

The Benefits: The WRTM has improved strategic planning for over \$3 billion of new land transport investment in the Waikato (e.g. Waikato Expressway Network Plan; Southern Links) by:

- enabling interactive decision making, balancing regional growth (land use) and transport planning
- assessing the traffic impacts of plan changes, structure plans and major resource consents
- assessing various transport projects, including tolling, benefit assessments, and evaluating alternative options.

It has also been used for a range of strategic and statutory planning processes (such as Future Proof, the Waikato Regional Policy Statement, the Regional Land Transport Programme, and the Ruakura Inland Port Board of Enquiry process), as well as for updating District Plans and Plan Changes













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Future Proof

Participating Councils: Hamilton City, Waikato District, Waikato Regional Council, Waipa District, plus tāngata whenua and the NZ Transport Agency

The Project: The Future Proof Strategy is a 30-year growth management and implementation plan specific to the Hamilton, Waipa and Waikato sub-region. The Strategy provides a framework to manage growth in a collaborative way.

Collaborative planning and action between government, residents and businesses to determine how the demand for housing and industrial land is managed, and how planning for the supporting infrastructure (such as roads and water treatment plants) occurs, is vital to the future sustainability of the area.

The Benefits: The value of Future Proof lies in its partnership approach. Future Proof has provided a vehicle to: respond to government initiatives collectively with one voice; implement the National Policy Statement on Urban Development Capacity; manage cross-boundary issues; maintain a common evidence base; collaborate on growth management issues; provide certainty about future growth and development in the sub-region; achieve an integrated settlement pattern; and advocate collectively on agreed matters.

Aligned Resource Consent Planning

Participating Councils: Hamilton City, Hauraki District, Matamata-Piako District, Rotorua Lakes, South Waikato District, Thames-Coromandel District, Waikato District, Waipa District, Waitomo District (Waikato Regional Council supports the project, but their resource consents differ from those of the territorial local authorities)

The Project: The purpose of this project is to make the processing of resource consents more efficient, effective and user friendly, and to make business in the Waikato easier by:

- · delivering better services to customers
- creating more efficient and effective 'best practice' processes for the administration of resource consenting
- ensuring regional consistency in the administration of resource consenting.

A toolkit of standardised application forms, checklists, guidance notes and correspondence letters has been developed and is scheduled to be rolled out across the Waikato region from June 2018.

The Benefits: Sharing resources and using standard processes saves time and cost in processing resource consents. Customers who apply for consents throughout the region will use the same application forms, making it easier for them to do business. The Waikato Resource Consent Forum will continue to update the forms to ensure that they are consistent with any legislative changes and reflect best practice.







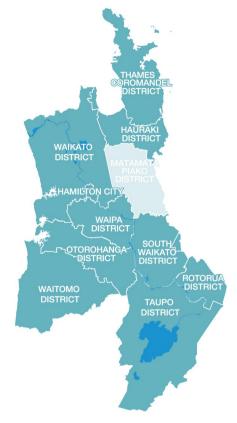


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Regional Infrastructure Technical Specifications (RITS)

Participating Councils: Hamilton City, Hauraki District, Matamata-Piako District, Otorohanga District, South Waikato District, Waikato District, Waipa District, Waitomo District

The Project: The specifications in this document set out how to design and construct transportation, water supply, wastewater, storm water and landscaping infrastructure in the participating councils' areas.

Developers are required to provide infrastructure in subdivisions and can use the RITS as a means of complying with the conditions set by councils as part of the resource consenting process. If contractors, and their consultants and contractors, use the RITS, the process to meet resource consent conditions will usually be quicker and therefore less costly.

The Benefits: Prior to developing the RITS, each council had its own Infrastructure Technical Specifications, which resulted in different standards having to be met across the Waikato region. The purpose of RITS is to provide a single regional guide and specifications for building public infrastructure.

When councils set up contracts for building roads, pipes and landscaping, they refer to specifications and standards that contractors are required to meet. These specifications are found in the RITS and so contractors have certainty about what materials (e.g. types of pipe) they can use, and the standards that must be met.

Collaboration Agreement with Energy Efficiency Conservation Authority (EECA)

Participating Councils: Hamilton City, Hauraki District, Otorohanga District, Rotorua Lakes, South Waikato District, Taupo District, Thames-Coromandel District, Waikato District, Waikato Regional Council, Waipa District, Waitomo District

The Project: In February 2016, WLASS entered into a 3-year Collaboration Agreement with the Energy Efficiency Conservation Authority (EECA). The purpose of the Agreement is to promote the development, implementation and communication of energy efficiency and renewable opportunities across the Waikato councils, and for each of the councils to implement energy management best practice. An Energy Management Policy was adopted by the WLASS Board in August 2016, with the intent that it be adopted by each of the participating councils.

The Benefits: If all of the energy-savings targets are achieved, this arrangement will bring up to \$210,000 in revenue to WLASS from EECA over three years. In addition, the participating councils will achieve savings in both cost and energy by implementing the projects identified through the programme.

PROCUREMENT CONTRACTS









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Professional Services Panel (PSP)

Participating Councils: Hamilton City, Waikato District, Waikato Regional Council, Waipa District

The Project: A panel of 35 consultants provides discounted services to the participating councils for a range of professional services, including planning, urban design, 3-waters, flood hazard management and building services.

The Benefits: The discount ranges between 5% and 39% off standard hourly rates, with most of the discounts between 10% and 20%. In 2014, the annual spend on consultancy services across the four participating councils was approximately \$13 million. Therefore, the overall annual saving is between \$650,000 and \$5,070,000. If a saving of only 10% off market rates is used then, over the 5 years of the contract, savings will equate to \$6,500,000.

The PSP provides more efficient engagement of consultants, and standardised contracts and processes.

IT Professional Services Panel

Participating Councils: Open to all

The Project: A panel of 21 Information Technology consultants provides discounted services in the following range of disciplines: system architecture, network engineering, system engineering, database administration, business analysis, software and IT development.

The Benefits: The IT Panel enables the participating councils to more efficiently engage consultants to bridge gaps in the skill levels available internally, and to meet surges in demand for new services or projects.











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Internal Audit Services (KPMG)

Participating Councils: Otorohanga District, Waikato District, Waikato Regional Council, Waipa District, Waitomo District

The Project: The provision of strategic internal audit services, complementary to the work of Audit New Zealand.

The Benefits: The contract has achieved discounted hourly rates of between 25 – 30% off market rates (fixed for the 3-year term of the contract), plus a number of additional value added services, provided at no cost. These include:

- Assistance with developing and validating the annual internal audit plans
- Hosting an annual risk event, and a fraud awareness training session
- Consolidating audits of similar areas to allow sharing of good practice across the participating councils
- Hosting an annual "Insights" workshop to share industry updates and learnings from the audits performed.

Energy Supply

Participating Councils:

Syndicate 1 = Hamilton City, Otorohanga District, Waikato District, Waipa District, Waikato Regional Council

Syndicate 2 = Hauraki District, Matamata-Piako District, South Waikato District, Thames-Coromandel District

The Project: Two syndicates have been formed amongst the 12 LASS councils to procure electricity and gas supplies:

- Syndicate 1 tendered for electricity supply through All of Government (AoG) in 2016 for a period of three years. In addition, Hamilton City, Waikato and Waipa Districts and Waikato Regional extended their AoG gas contract by one year to 30 September 2018.
- Syndicate 2 tendered for electricity supply in 2015 and this contract expires in June 2018. These Councils are currently seeking a new 12-month contract and may align themselves with the Syndicate 1 participants when that contract expires in June 2019.

The Benefits: The Syndicate 1 participants are on track to achieve cost savings of \$1.25M for the first two years of the 3-year electricity contract. This is worthy of note, as they had already achieved around \$3M in savings from the previous procurement round. The AoG procurement fee for Syndicate 1 is in the order of \$24K per year across the five Councils.

The extension of the AoG gas contract by 12 months delivered a 24% saving on the gas rate to Hamilton City and Waikato District. The recent addition of Waipa District and Waikato Regional councils to the final year of this contract will save those organisations \$45K and \$4K respectively.

Data measuring cost savings is not readily available for Syndicate 2.





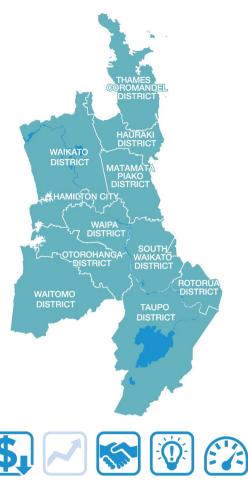
Participating Councils: All

The Project: The purpose of WRAPS is to capture 100 percent cloud-free, rural aerial photos for the entire Waikato Region, including offshore islands and a two kilometre sea buffer along every coastline (approximately 26,000 km²). The project also includes the delivery of urban imagery for some of the participating councils.

WRAPS has been undertaken every five years since 2002. The Land Information New Zealand (LINZ) Data Service has the latest rural aerial imagery for the whole of New Zealand available for download.

The Benefits: The availability of up-to-date aerial photographs across the Waikato region provides benefits to the councils, the general public and commercial businesses by:

- providing images that can be used for map backdrops (these images are a fundamental layer used for mapping)
- being able to use the five-yearly images to compare changes, such as coastal erosion or accretion, river paths, vegetation, city and town extents, and infrastructure such as roading
- being part of the national view of aerial images (aerial photos are available nationwide)
- delivering efficiencies in time and cost, by having WLASS manage the tender and contract process collectively for the rural imagery, and providing an opportunity to negotiate a reduced, collective rate for urban photography.













Waikato Historic Aerial Photos Archive

Participating Councils: All

The Project: The Land Information New Zealand (LINZ) Crown archive contains over 500,000 historic aerial photo negatives captured by surveys flown over New Zealand between 1936 and 2005. In 2015, WLASS entered into a Memorandum of Understanding with LINZ to scan the archive over a period of four years. The project will be completed by the end of 2018.

The Benefits: The scanned photos are uploaded onto the Retrolens website as they become available (www.retrolens. nz). Retrolens is a public website that allows the public and all councils to easily search and use the images. Councils use the images for a variety of purposes, including detecting vegetation and land use changes, hazardous and contaminated land identification, and to locate changes to coastal accretion and erosion. Members of the public have said how valuable it is to be able to freely access these photos, which were previously costly and difficult to find. Being able to access the images 24×7 means an increase in effectiveness and eliminating the need for council staff to retrieve and provide the images.













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Health and Safety Training (Vertical Horizonz)

Participating Councils: All

The Project: Vertical Horizonz is a specialist health and safety training provider, offering a wide range of workplace health & safety training programmes, based on their knowledge of industry best practice. Services are provided to individual councils as required, on a non-exclusive basis. Courses offered include accident/incident investigation, risk management, personal safety, workplace assessor and H&S Representative training, fire safety and fire warden training, as well as first aid.

The contract has also been made available to all of the BOPLASS councils.

The Benefits: In the period 1 April 2017 – 30 March 2018, five Waikato councils actively used the contract to run 25 training courses for 276 staff. They collectively saved \$14,700 (15%) compared with the company's standard charge-out rates.

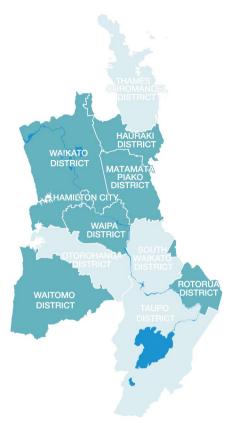
Occupational Health Services (Waikato Occupational Health Consultancy)

Participating Councils: Hamilton City, Hauraki District, Matamata Piako District, Otorohanga District, South Waikato District, Taupo District, Thames Coromandel District, Waikato District, Waikato Regional, Waipa District

The Project: Waikato Occupational Health provide a range of work-related health monitoring services, including drug and alcohol testing, as well as Wellness programmes (e.g. flu vaccinations; immunisation; asbestos monitoring; ergonomic assessments), delivered on-site by a team of registered nurses with relevant qualifications and experience.. They also provide "Return to Work Sign-Off/Medical Clearance" by a General Practitioner. Services are provided as required, on a non-exclusive basis.

The WLASS contract has also been made available to all of the BOPLASS councils.

The Benefits: In the period 1 April 2017 – 30 March 2018, six Waikato councils were actively using the contract and collectively saved \$12,000 compared with the company's standard charge-out rates for nursing services and flu vaccinations. The company's senior consultant has also provided consultancy services to various council's business units and has not charged anything for that service.









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Computer-generated Print, Mail house and E-Services (Dataprint)

Participating Councils: Hamilton City, Hauraki District, Waikato District, Waikato Regional Council, Waipa District, Waitomo District (Note: Matamata-Piako and Rotorua Districts also use Dataprint, but their contract is currently out sourced via a broker.)

The Project: Dataprint is a centralised one-stop-shop providing computer-generated print, mail house and e-service solutions. Their services are tailored to meet the needs of the individual councils, and currently include the redesign, printing and distribution of rates notices and penalty reminders, water rates notices, flyers and dog registrations.

The Benefits: In the first year of the contract, Waikato District estimated \$10,000 in direct savings as well as business process efficiencies. Other participating councils have not calculated their savings.

The contract provides the participating councils with other opportunities, such as on-line payment of rates, on-line distribution of invoices, distributing information to customers via email, and enveloping facilities (including clear plastic enveloping) for brochures/advertising material etc.

Postal and Courier Services (NZ Post)

Participating Councils: All

The Project: The WLASS contract with NZ Post has been in place since 2003 and covers all mail services – postal and courier.

The Benefits: Estimated savings range between \$8,000 and \$13,000 per annum for each participating council. Process and contract negotiation savings have also been achieved as a result of the collaboration.













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Infometrics - Online

Participating Councils: Hauraki District, Matamata-Piako District, South Waikato District, Thames-Coromandel District, Waikato District and Waikato Regional Council

The Project: Infometrics provides on line economic profiles and data for understanding local economic performance in the areas of economy, employment, productivity, population, businesses, skills, exports and regional comparisons. An optional toolkit enables a more in-depth analysis of a district's regional economic indicators.

The Benefits: The savings gained from the WLASS contract vary from year-to-year, depending on the number of councils participating. In 2018, the discount was 26%. The more councils that participate, the higher the discount, up to 34% for 11 councils.

Accommodation Providers

Participating Councils: Hamilton City, Waipa District, Waikato Regional Council

The Project: This arrangement accesses accommodation for business travel using Orbit Corporate Travel's management and booking processes.

The Benefits:

- · Savings of between 10-40% per night.
- Additional staff time savings using Orbit's online booking and reporting application.













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Chemicals

Participating Councils: Hamilton City, South Waikato District, Waikato District, Waipa District

The Project: Water and wastewater treatment plants use bulk treatment chemicals to ensure regulatory compliance with the NZ Drinking Water Standards and resource consent conditions. The four participating councils undertook a competitive tender process to ensure security of supply and preferential customer status. Contracts have been entered into with four suppliers (Orica Chemnet, Holcim NZ, Redox and Chemiplas Australia Ltd) for a three year term, with two three-year rights of renewal. Councils use suppliers depending on the products they require.

The Benefits:

- Treatment operations during and following emergency events will be maintained.
- Cost savings of \$107,650 (4.7%) per year just under \$1 million for the duration of the contract.

Financial Reporting - Value Financials

Participating Councils: Taupo District, Waikato Regional, Waitomo District and WLASS

The Project: Value Financials is a financial tool supplied by PricewaterhouseCoopers (PwC), which is used for completing end-of-year financial statements to meet statutory requirements. There is an annual licence fee, which includes 50 hours of support per annum to the participating councils and WLASS.

The Benefits: Increased efficiency and ease of completing year-end financial reports.













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GPS and Emergency Devices (Smartrak)

Participating Councils: Hamilton City, Waikato District and Waikato Regional Council

The Project: Smartrak is a comprehensive fleet management, GPS-tracking system, using advanced tracking devices, web-based mapping and visualisation, reporting tools, and pool car booking. It provides a system that locates, tracks and records real time information 24/7, and provides reports and recommendations on vehicle use.

The Benefits: Councils can effectively manage their fleets, including:

- monitoring and identifying potential health and safety risks of driver behaviour
- · optimising fleet utilisation
- · reducing fuel consumption
- · improving labour efficiencies
- · reducing operational costs.

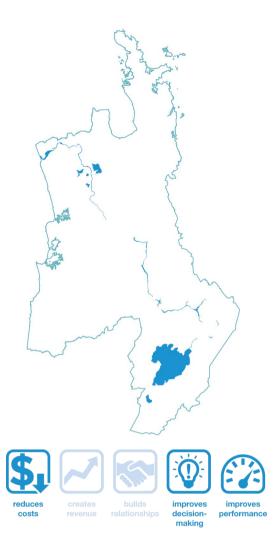
The savings achieved depend on the number of units installed, and range from \$36,000-\$60,000 per council over the five-year term of the contract.

Fleet Management (FleetSmart)

Participating Councils: Hamilton City, Waikato District and Waikato Regional Council

The Project: This contract provides total fleet management services, such as obtaining quotations for the purchase and sale of vehicles; issuing reminders for WOF, vehicle registration and servicing; managing tyre replacement; purchasing RUCs; fuel card management; managing accident repairs and roadside assistance; and liaising with insurers to process claims.

The Benefits: Councils can manage their fleets more effectively. The contractor provides monthly reports including spend data, maintenance histories, accident and infringement reporting, as well as reviewing and approving all monthly supplier invoices. FleetSmart and the participating councils split any volume incentives paid out for tyres and windscreens, 50/50.





Participating Councils: Available to All

The Project: This contract provides an on-line driver assessment and training tool. The on-line assessment identifies how skilled a driver is at assessing risks and scanning for hazards and identifies any training needs. The training focuses on the risks assessed using a suite of targeted modules. Annual refresher training is also provided. Reports are provided through an administrator portal, with individual reports and organisational dashboards.

The Benefits: Staff can undertake their driver assessments and training at their own pace and in their own time, as the tool is on-line. Staff who have been assessed can undertake the training modules identified, resulting in safer drivers. The cost per council for 50 driver assessments and training is \$1400.











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Laboratory Services (Hill Laboratories)

Participating Councils: Hamilton City, South Waikato District, Waikato District, Waikato Regional Council, Waipa District

The Project: This 5-year contract provides laboratory testing services for water, trade waste and wastewater.

The Benefits: The participating councils can access an accredited laboratory to carry out testing of water samples at a discounted rate. No data is available on the savings that have been achieved since the contract was implemented in June 2016.











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In 2016/17, the total spend on AoG contracts was \$18.4M, with net savings of \$1.6M (8.9%). However, the number of contracts being used varied widely between the shareholders, ranging from 4 to 18.

In 2016/17, eight shareholding councils spent \$1.4M on fuel through the BP syndicated contract, and achieved a 26% saving (an average of 26 cents per litre).

N3 and All of Government (AoG)

Participating Councils: All

The Project: N3 is a buying network with over 100 suppliers. Each council contributes to the annual WLASS fee and chooses which companies it wishes to purchase from, and to what extent.

All of Government (AoG) contracts are managed by the Ministry of Business, Innovation and Employment, and are available to central and local government. Each council decides which contracts it wishes to participate in, and pays an annual fee for participation.

Syndicated government contracts are also available to local government. The most commonly used contract is the NZ Defence Force contract with BP, but others are available, including a NZ Police contract for office furniture.

The Benefits: The savings reported from N3 over the past five years are shown in the table below. Note that the savings appear high, as they are compared with the full recommended retail price (rarely charged, in practice).

YEAR	TOTAL SPEND	TOTAL SAVINGS	% SAVINGS
2013	1,770,129	432,498	20
2014	2,157,837	823,227	28
2015	1,847,093	593,183	24
2016	2,054,157	679,647	25
2017	2,215,667	631,531	22

Syndicated Local Authority Contracts

Participating Councils: Available to All

The Project: Two councils have put in place procurement contracts that include syndicated clauses to enable any of the shareholding councils to join.

Hamilton City has contracts in place with Wheelers for buying library books and with Hynds Pipes for purchasing water, wastewater and stormwater pipes and fittings. Both contracts provide significant discounts over market rates. It is not known which councils have joined these contracts. Contact procurement@hcc.govt.nz for more information about how to access these contracts.

Waikato Regional Council has a Panel in place with Earthworks Contractors for the hire of plant for earthworks construction. Contact the Procurement Manager at WRC for more information.

WHERE TO FROM HERE?

A number of new initiatives are currently being investigated under the WLASS collaboration model.

Activity	What	
Asset Valuation Template for 3-waters	A standard regional asset valuation report template has been developed for 3-waters assets, supported by tables of asset lives and rates. The template and tables are currently being finalised through regional workshops, and will then be submitted to Audit New Zealand for review. The intent is to obtain Audit NZ approval to use the template regionally.	
Waikato Data Portal	The viability of providing a single location for customers to access spatial and non-spatial data held by councils in the Waikato is currently being investigated. If the business case stacks up and is approved by the Board later this year, a web browser platform will be established, with free public access to the data available 24/7.	
Licensing and Data Collection for Waste Operators	A scoping study is currently underway, jointly with BOPLASS, to determine if licensing of waste operators is viable. The scoping study will determine whether or not to proceed with developing and implementing a system, which would provide much improved data for waste planning.	
Regional Health & Safety Management Framework	The Health & Safety Working Party are well advanced in developing a regional H&S Framework, which consists of an overarching document, and 12 Best Practice guides. Together, the documents provide an overview of the standards required to manage health and safety effectively. If approved by the Board in July 2018, the Framework is proposed to be implemented by each participating Council, to provide a consistent standard across the region.	
Procurement	 A procurement specialist has been engaged on a 12-month contract to: Identify and implement WLASS, All of Government (AoG) and syndicated contracts in councils where they are not currently being used and where they will be of benefit Identify new opportunities for joint regional procurement contracts Develop and implement a standardised procurement framework and policies, with a standard suite of operational templates for the region Provide an appropriate training programme for council staff 	
Digital Strategy	A WLASS Digital Strategy Working Group has been established to identify opportunities for regional collaboration on digital initiatives. The focus is on transforming service delivery through collaboration on tactical projects, which will be used as the "proof of concept" for driving more aspirational step changes. The purpose of the strategy is not to mandate solutions. Rather it will outline how to work together effectively to improve the experience for customers, improve transactional processes and provide value for money.	



HOW ELSE DO WE COLLABORATE?

Collaboration with Bay of Plenty LASS (BOPLASS), Manawatu Wanganui LASS (MWLASS) and Hawkes Bay LASS (HBLASS)

The WLASS CEO liaises with three other shared services companies operating in the North Island – BOPLASS, MWLASS and HBLASS. The Chief Executives generally meet three times per year, to share information and ideas and to update each other on current projects. Most of our interaction is with BOPLASS, as we have two shareholders in common (Rotorua Lakes and Taupo District).

Collaboration Portal (Mahi Tahi) (www.collaborate.org.nz)

The Local Government Collaboration Portal was developed by BOPLASS to help accelerate the growth of shared service strategies and projects throughout local government in New Zealand.

The Portal has three distinct parts:

- A public site where councils can highlight their shared services success stories
- An activity area, where council staff share information and documents
- A projects area, where councils list their active projects and run projects collaboratively.

WLASS subscribes to the Portal annually and each shareholding council has been issued with licenses for allocation to relevant staff.

Waikato Mayoral Forum

The Waikato Mayoral Forum was established in 2012 and provides a venue for the Waikato Mayors to collectively discuss how to maximise the wellbeing of the regional community. The purpose of the forum is to:

- develop a vision for the Waikato
- · act as a collective voice where appropriate
- engage with central Government, iwi and key stakeholders
- seek efficiencies in the provision of local government services.

WLASS provides financial management services for the Mayoral Forum's projects, such as the Waikato Plan.

Economic Development

The business-led strategy, "Waikato Means Business", was published in February 2014. It is helping to boost economic growth by building on areas of regional advantage and assisting the Waikato region to identify and take opportunities, and to more effectively manage risks.

However, since 2017, a new regional entity, the Waikato Regional Economic Development Agency, is in the process of being established. Its purpose will be to:

- · lift economic development across the Waikato region
- attract, retain and grow investment, talent and business across the region
- champion and provide 'one voice' for economic and business needs and opportunities across the region.

The Waikato Plan

Local authorities in the Waikato hold combined assets of \$11 billion and have combined annual operating revenues of over \$800 million, mostly funded by ratepayers. Collaborative planning and governance is one way that local authorities can reduce costs to ratepayers and improve service delivery.

To build a collective voice, the Waikato Mayoral Forum has developed the Waikato Plan, which:

- sets a strategic direction for the Waikato and its communities
- outlines a high level development strategy the identifies settlement, infrastructure and service needs
- provides an evidential basis to support policy and investment decision making within the Waikato
- enables coherent and co-ordinated decision making by the local authorities, central Government and other parties to determine the future location and timing of critical infrastructure, services, and investment within the Waikato
- provides a basis for aligning the implementation plans, regulatory plans and funding programmes of local government and strategic partner agencies.

Implementation of the plan provides a simpler regulatory framework and helps our community, iwi and key stakeholders engage in business with confidence, reduce regulatory compliance hurdles and achieve positive environmental outcomes.



























