Shared Services Forum

Delaware Valley Regional Planning Commission
June 7, 2013
Consolidation vs. Shared Services
Do you think shared services are important in reducing the cost of municipal government?
(more) Survey Sez …

- 75% are doing 2 or more shared services
- 60% think they are not doing enough
- 70% supply, 72% receive shared services
- Willing partner is a critical factor (90%, 55% as an obstacle)
- Other obstacles - 45% loss of identity, 35% negative public reaction
- Less than 50% can quantify the cost savings from shared services
- 73% - performance data would help evaluate or sell shared services

http://www.revelstonelabs.com/?p=archived-events for the webinar
“Shared” is a Misnomer!
Asking the Important Questions about Services
Who’s Responsible for This?

<table>
<thead>
<tr>
<th>Provision</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>Direct Delivery</td>
<td>Contracted</td>
</tr>
<tr>
<td>NO</td>
<td>Local Unit Production</td>
<td>Transferred/Abandoned</td>
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</tbody>
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Service Characteristics

- **Source of Cost:**
  Labor, Infrastructure, Equipment

- **Supplier Characteristics:**
  Public Interaction, Specialized Expertise

- **Time of Demand:**
  On-demand, Infrequent, Concurrent

- **Service Scope:**
  Local, Regional
### Alternate Service Delivery Mechanisms

**Common**
- Shared services (competitive contracting)
- Joint services
- Local unit production
- Privatization
- Franchising
- Vouchering
- Co-production

**Other Levels Needed**
- Centralization
- Special district
- Regional district
- Joint meeting
- Joint board
- Regional policy group (Council of Governments)
- Two-tier governments
- Agency model

**Exotic**
- Virtual government
- Service center
- Hybrid forms
Take Aways

- Consolidation is not popular, shared services are.
- To encourage collaboration, try to routinely meet and communicate with your neighbors using data and precipitating events as a focus.
- Generally think about what are the appropriate responsibilities of your municipality for a service, including evaluating what you do well.
- Think about how to deliver based on activities, not entire departments.
- If you provide a service, you have a responsibility to monitor it, even if you are not the producer.
- Evaluate your initiative – before, during, and after.
- Any initiative requires political will.
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