

1. COUNCIL OWNED PROFESSIONAL SERVICES CONSULTANCY

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The purpose of this report is to follow up and report on the resolution adopted by Council as part of the 2000, Change Proposal Review “that further consideration be given to establishing a small Council owned professional services consultancy.”

BACKGROUND

Councillors will recall that during the discussion on the change proposal in August 2000 there was some debate on whether the professional services provided by the City Design Unit should be put into a LATE. The final outcome adopted was that Professional Services were seen as an integral part of the Council organisation and that the professional services provided were a key to ensuring consistent achievement of Council objectives. The group was subsequently expanded by transferring other professional and delivery service functions from the EPP, Waste, Water and City Streets Units to enable consolidation of key professional and delivery functions in one area. This process has resulted in upskilling and better co-ordination/information flows within the professional advice, design and delivery areas. At the same time we have looked at the process for engaging external consultants, where needed, to supplement resources or provide skills and knowledge not available within the team. The intention is to manage the engagement process effectively to ensure the skills and knowledge are shared and retained by the Council professional team. It also provides one mechanism to measure ourselves in terms of performance and cost with outside consultancy services.

The discussion at the time centred around the idea that the team needed an ability to attract a portion of outside work to retain key skills and provide the opportunity to bring new ideas to Christchurch projects. The feeling of some elected members was that we needed a separate legal entity to achieve these aims and it was suggested a small marketing team be set up to secure opportunities for the whole group.

DISCUSSION

Following the implementation of the change proposal the professional services team has been reorganised under the name City Solutions. Corporately, and within the team, there is a desire to progressively grow the percentage of outside work to 10-15% of turnover over the next few years for the above reasons and to test the skills and cost of the team against the market. To facilitate this course of action one senior team member has the responsibility for co-ordinating marketing and business development for the group as required, working in association with the Director of Business Projects. Targets are also being introduced for appropriate teams to manage the achievement of 10-15% outside work over time. In reality team members also work through their own networks to identify opportunities to access outside work whether on our own teams account or in partnership with other teams, both internal and external to the CCC.

We have actively looked at options and opportunities for external work and taken the opportunity to enter into partnerships with other consultants when mutually advantageous.

Over the last 12 months we have successfully tendered in the following areas.

Through CCFL for Transfund subsidised work.

- Cycleways Training Course Development
- Curletts/Lunns/Parkhouse Road Intersection Scheme Development

In partnership with Common Ground design work for

- English Park
- Hornby Housing
- Beckenham Housing

In negotiation with CIAL

- Roading subdivision design work for CIAL
- Site Development Work

We also successfully tendered for the Opawa/Garlands Road intersection improvement work with Meritec. As well, we jointly tendered with other national consultancy firms for the Dyers/Linwood improvements and although unsuccessful were rated very highly on attributes. It should be noted that the partner firms managed the fee proposal and methodology process in the unsuccessful tenders. On reviewing the results the team has resolved to ensure a more pro-active position in future proposals.

Some of the team are also involved in finishing the work in Invercargill and were recently invited to be part of a team set up to look at the redevelopment of the Bluff CBD.

The Environment/Waterways enhancement design team expertise is also being recognised nationally with recent engagements in Rotorua and Dunedin.

The Group Management Team strongly feels we have ongoing access to external work opportunities through a variety of means and that there is no need to put another legal structure in place between the team members and potential customers at this time. It is helpful if the people involved in the work deal directly with the customer rather than through a separate marketing team. Key members of the City Solutions Team are already recognised as desirable members of any team delivering creative and sound solutions to urban and rural issues.

- Recommendation:**
1. That the Council resolve not to establish a Council-owned professional services consultancy at this time.
 2. That City Solutions continue to tender for Transfund and other outside work.