

URBAN DESIGN

Partners in construction

Central government politics has got in the way of private investment profiting from public necessity but Auckland's local bodies are starting to show some leadership,

ANTHONY FLANNERY and GORDON HASSETT say

Rodney District Council on the northern fringe of Auckland is investigating how to manage urban growth in Huapai and revitalise its town centre.

Strategies are being developed through workshops with the local body, the community and developers to establish a shared vision.

However, the delivery of the project is going to depend on a process that's still relatively new to New Zealand, based on combining public and private effort and investment.

Chow: Hill Architects and strategic business planning firm Klu'dUp have been engaged to explore a number of strategic partnering initiatives like this, that combine public and private interests.

In the UK, such public private partnerships or privately funded initiatives lie behind almost all public sector capital projects.

In Australia, they are used for many roading and civil infrastructure developments, and for significant projects such as the building of Stadium Australia.

In New Zealand, the concept of bringing public and private funding together has been widely discussed, but the model has been slow to catch on.

This is partly because, until recently, there have been political objections to private investment profiting from public necessity.

However, it is slowly being recognised that large public projects demand capital input that often lies beyond the capacity of government resources alone and that this is a viable method of delivering projects that could not be achieved any other way.

Evidence that the idea is taking hold include Auckland's North Shore policing hub, the Auckland Hospital parking garage and the Waikato Hospital parking garage. In each case, public-private partnership has been the only means of providing these public assets with non-core facilities that the Treasury wouldn't generally consider.

However, the issue of partnering goes

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beyond joint capital ventures. Partnering is simply smart thinking, and the benefits of such arrangements are becoming apparent throughout the development industries in the UK and the US.

The issue is how to make it work. It requires a change in thinking, demanding a flat relationship structure rather than the hierarchy upon which the traditional contractual model depends.

It also needs to be understood that

such partnering arrangements must take place within a framework that can support them. At the moment, those that succeed here do so despite the framework or without any framework at all.

As there are often public dollars at risk, that structure should probably be a work of government – accounting and governance should be a function of a core agency such as the Treasury.

In Australia, the role is filled by a state government, premier department or works department. In the UK, government departments provide a framework beneath a Treasury overlay.

Partnering makes sense. When done well, it offers a win/win solution with measurable and considerable benefits to all parties.

It is a far more dynamic, effective and enjoyable process than traditional litigious and conflict-based planning and procurement methods.

However, it does require the involvement of parties capable of embracing a comprehensive partnering culture, much to the chagrin of those who seek to remain in their ivory towers, protected by mountains of procedural documentation or positioned behind massed rows of legal representation.

■ Anthony Flannery is an architect at Chow:Hill Architects and Gordon Hasset is director of Klu'Dup