

# **Learning from Smart Services and Infrastructure Projects in Rural BC: Executive Summary**



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**Prepared for the Rural Policy Learning Commons**

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## Availability

Copies of the report may also be accessed through the website of the Canada Research Chair in Rural and Small Town Studies at: <http://www.unbc.ca/greg-halseth/canada-research-chair-in-rural-and-small-town-studies>.

## Project Reports

- Learning from Smart Services & Infrastructure Projects in Rural BC: Executive Summary
- Learning from Smart Services & Infrastructure Projects in Rural BC: Final Report
- Learning from Smart Services and Infrastructure Projects: Case Studies in Rural BC

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# Learning from Smart Services and Infrastructure Projects in Rural BC: Executive Summary

PREPARED FOR THE RURAL POLICY LEARNING COMMONS

## EXECUTIVE SUMMARY

Rural BC has been experiencing an ongoing transformation of infrastructure investment and services. Since the 1980s, the transformation has been from a Keynesian public policy framework of government participation and investment towards a neoliberal public policy framework defined by government withdrawal of direct participation in favour of allowing market-based providers and reduced government expenditures in many areas. Public policies and grants have increasingly called for smart services and shared infrastructure as a part of “bottom up” community development. Policies that are driving new expectations for organizations to adopt integrated or shared service arrangements, however, are challenging the transformative capacity of rural organizations. While such challenges are not unique to rural organizations, they can exacerbate pressures and undermine the effectiveness of an already limited capacity in underserved small communities. With limited human, financial, infrastructure, and political capital, rural stakeholders must ensure that these limited capacities are not wasted, but are purposefully deployed in the most relevant and effective way. This means that rural and small town places must pay increasing attention to their place-based assets and how possibilities for developing those assets can create local benefits that fit with local aspirations. There is an urgent need to understand how infrastructure and services pressures, and new arrangements to cope with these pressures, are shaping the capacity in rural and northern places since they are particularly vulnerable to the long distances and low population densities involved.

Our research team conducted 51 interviews in 35 communities to examine the best practices and key issues that must be considered by rural stakeholders and senior governments who wish to strengthen smart service and infrastructure projects in British Columbia. The research explored multi-purpose or co-location initiatives, service co-operatives, and multi-service or one-stop shop organizations. There were a series of best practices and key messages that emerged from this research that can be used to inform supportive policies and investments to support the renewal of small communities in order to better position them to respond to the challenges and opportunities associated with the new rural economy.

## Best Practices

### Governance

- ❖ Identify partners that provide complimentary supports for co-operatives or co-located facilities.
- ❖ Identify and understand the capacity (assets, skills, strengths, networks, potential synergies, threats, liabilities, and weaknesses) of potential partners.
- ❖ Reconcile different interests, values, and strategic directions of potential partners.
- ❖ Use ownership and user agreements as a strategic tool to foster dialogue about strategic planning and long-term expectations.
- ❖ Develop guiding principles to provide clarity about the goals, roles, and responsibilities of partners.
- ❖ Ensure there is clarity about who is paying liability / insurance, including the type of coverage that is provided to address concerns with indoor and outdoor activities of multi-purpose facilities.
- ❖ Streamline access for frequent user groups by drafting agreements for frequent users of multi-purpose rooms.
- ❖ Ensure all appropriate protocols have been put in place (i.e. escape / termination clauses, conflict resolution protocols, reciprocity protocols, access to space, access to shared equipment, sign-in protocols, health and safety plans, emergency / security protocols, whistle blower protocols, confidentiality agreements, data sharing agreements, conflict of interest agreements, non-compete protocols, maintenance agreements, etc.).
- ❖ Use sub-committees to test co-operative working relationships and build trust before pursuing larger joint or shared initiatives.
- ❖ Integrated service teams have been formed to manage contracts for specific service areas.
- ❖ Use scaled-up collectives, such as service co-operatives or co-location networks, to negotiate language and service deliverables with contract models mobilized by senior levels of government.
- ❖ Develop information management systems for sharing information about programs and activities, job descriptions, human resource strategies, protocols, policies, constitutions and bylaws, social media strategies, etc. that can enhance operations and make wiser use of limited resources.
- ❖ Carefully manage the scale and scope of operations for multi-service agencies and co-operatives by assessing personnel capacity and the economic viability of new pursuits.
- ❖ Slowly nurture the development of multi-service agencies and service co-operatives by starting with small contracts in order to enable the strategic development of infrastructure and organizational capacity to deliver more supports.

- ❖ If multiple co-op members or partners are involved in an initiative to deliver supports, obtain clarity and consistent interpretation of contract details with various ministries.
- ❖ Regionally-based co-operatives should rotate meetings across various communities.

### **Human Resources**

- ❖ Develop a human resource strategy to examine wage parity issues and appropriate opportunities for sharing staff resources.
- ❖ Hire local management and staff in satellite offices of multi-service agencies.
- ❖ Ensure adequate human resources are in place to support different service models (i.e. co-operatives).
- ❖ Explore appropriate opportunities for cross-training, mentoring, and succession planning in order to provide coverage for delivering programs and strengthen risk management plans.
- ❖ Pursue opportunities for joint training on topics such as finance and administration, first-aid, core training, etc.
- ❖ Provincial agencies have been delivering workshops to provide training and advice to multi-service agencies delivering services and management housing assets.
- ❖ Ensure adequate resources are allocated to deliver cultural sensitivity training and awareness of First Nations protocols to staff in order to broaden working relationships and operations.
- ❖ Nurture skills of staff and board members to function in a culture of change.
- ❖ Pursue opportunities for sharing administrative or financial staff resources to provide greater stability and coverage for daily operations and enable staff to focus more time on delivering services with appropriate workloads.
- ❖ Share staff to support fundraising events.
- ❖ Provincial ministries are more flexible with blended positions from multiple contracts.
- ❖ Reduce administrative tasks by replacing monthly passes for certain parts of the facility with seasonal passes / arrangements.

### **Infrastructure**

- ❖ Understand the history of land ownership for potential sites.
- ❖ Invest adequate time and resources to design functional multi-purpose or shared spaces (i.e. storage, meeting areas, whiteboard walls, reception areas, resource rooms, multi-purpose rooms, etc.).



- ❖ Local stakeholders can work collectively to provide housing for out-of-town contractors / professionals in order to reduce costs of constructing multi-purpose or shared facilities.
- ❖ Organize routine meetings to address maintenance and infrastructure issues.

## **Funding**

- ❖ Local and regional governments can provide in-kind assistance by sponsoring and managing grants.
- ❖ Local governments can support smart / shared service and infrastructure initiatives through amenity fees / affordable housing funds, grant-in-aids, permissive tax relief / tax exemptions, special lease arrangements to support investments in social infrastructure.
- ❖ Provincial capital grants have allowed service organizations to replace lease arrangements with mortgages and strengthen social infrastructure in small communities.
- ❖ Negotiate to allocate savings from contracts to support administrative resources for multi-service or shared service arrangements.
- ❖ Flexibility built into provincial / federal contracts to enable non-profits to shift resources across various programs within specific ministries / departments.
- ❖ Flexibility to negotiate changes in expenses due to significant events that can increase demand for supports (i.e. industry closure, rapid growth, traumatic event, etc.).
- ❖ Senior levels of government have transferred properties at nominal costs for support multi-purpose and social infrastructure initiatives.
- ❖ In addition to broader financial support, Industry can provide in-kind assistance through donated / low-cost materials, access to equipment, and expertise.
- ❖ Leverage in-kind support provided by non-profits for community events and training in order to secure more financial support.
- ❖ Non-profits have diversified their financial resources through social enterprises, investments in GICs, investments in property management, and alternative sources of financing.

## **Building Capacity**

- ❖ Deliver webinars, web-based meetings, or teleconferences to foster early discussions about smart / shared service and infrastructure initiatives.
- ❖ Use workshops and meetings to share best practices.
- ❖ Local and regional governments, and school districts, can provide in-kind assistance by installing equipment, brokering relationships, and providing advice and expertise about construction and renovations of shared facilities.

- ❖ Share resources in order to strengthen partnerships and foster a sense of belonging within co-located facilities.
- ❖ Pursue synergies and savings through shared advertising, joint brochures and promotional materials, shared cell phone / telephone plans, joint upgraded server capacity, shared websites, and shared software programs.
- ❖ Scale-up to purchase insurance, software programs, equipment, supplies, etc.

### **Policies**

- ❖ Local and regional governments can provide assistance with zoning variances guiding the development of shared facilities.
- ❖ Local and regional governments, and school districts, can provide in-kind assistance to draft ownership and user agreements guiding the development and operations of shared facilities.

## Key Messages

### Governance

- ❖ Shared service and infrastructure arrangements require patience and careful attention to nurture relationships and the capacity of rural stakeholders. With significant resources invested in these arrangements, adequate time and resources should be invested in building relationships, trust, and strategic planning processes in order to make appropriate decisions to support multiple uses and synergies within these facilities.
- ❖ Local and senior levels of government should continue to strengthen their roles to support relationship building and strategic planning for these complex shared infrastructure initiatives that will play an important role in the social and economic renewal of these small communities.
- ❖ Relationships were stronger where stakeholders had repeated opportunities to work together. Stakeholders, however, should start with smaller investments in co-operation through joint workshops and projects, shared staffing, and shared equipment before embarking on larger shared service or infrastructure arrangements.
- ❖ Clear, viable expectations are needed to guide stakeholders throughout these collaborative endeavors.
- ❖ Clear statements are needed concerning the financial contributions of co-located partners and tenants for shared infrastructure, related assets, and staff. Shared contribution agreements for developing and operating shared facilities should be worked out early during the development phase.
- ❖ Collaboration must be purposefully and continually nurtured given the turnover amongst staff and distance between some member agencies in rural regions.
- ❖ Management / tenant committees should be put in place to guide the operations and resolve any disputes.

### Human Resources

- ❖ At the local government level, a reinvestment in social planners would help to strengthen the support needed to guide these endeavors.
- ❖ Provincial and federal levels of government need to develop a better orientation of new service delivery and infrastructure models in order to strengthen the capacity of senior government staff to develop appropriate advice, funding programs, and reporting processes for these initiatives.
- ❖ Partnerships between the Province and post-secondary institutions need to be strengthened in order to provide training opportunities that can equip leaders and staff with the skills needed to manage such diverse and complex organizational structures.

- ❖ Stakeholders need to develop stronger orientation programs for new staff and board members who are engaged in these new service arrangements.
- ❖ Train staff to use shared facilities (i.e. understanding protocols, access to space / equipment, etc.).
- ❖ To support growth and expansion of multi-service agencies and co-operatives, there is a need to develop protocols around leadership training, succession planning, and defining clear roles and responsibilities.

### **Infrastructure**

- ❖ More time is needed to generate a list of design features needed to support the functionality of multi-use spaces in shared / co-location facilities.
- ❖ Infrastructure programs are specifically needed to support investments in stronger social infrastructure initiatives.

### **Funding**

- ❖ A significant portion of annual operating budgets are consumed by travel costs—costs either to deliver services in a low-density wide-reaching geographic area, or costs associated with connecting with policy and program offices. Contract flexibility is needed to address mileage costs for multi-service agencies and service co-operatives that are serving rural regions.
- ❖ Given the limited tax base of many small communities, greater flexibility is needed to support financing arrangements.
- ❖ A central hub for smart or shared services and infrastructure arrangements should also promote alternative sources of financing to support investments in infrastructure and ownership.
- ❖ Short RFP processes and short-term funding has been insufficient to support the early stages of time consuming and complex service and infrastructure initiatives. Such short-term pursuits can also interrupt the momentum for building relationships, planning, and mobilizing other contributing assets for these initiatives. Senior levels of government need to ensure that program policies requiring partnerships are accompanied with appropriate timelines and commensurate resources to effectively build those relationships in rural regions.
- ❖ Longer contracts are needed to provide greater stability for effective collaborative relationships.
- ❖ There is a need to standardize senior government reporting processes as different reporting procedures and databases are used by each ministry. Efforts are also needed to streamline reporting criteria and procedures with coordinated timelines and information management systems across various ministries.

### **Building Capacity**

- ❖ Distance exacerbates the possibility that policy-makers may not understand rural and small places. Distance also impacts exposure and access to information and different forms and types of innovations, ideas, options, and solutions.

- ❖ The provincial and federal governments should partner to develop a central hub for rural stakeholders to learn about different models and processes that have been used to develop and operate smart services and infrastructure arrangements.
- ❖ Senior levels of government, local governments, and regional trusts can deliver workshops that address important topics, such as ownership and user agreements, cost-sharing negotiations, design and functionality of multi-purpose facilities, risks and liabilities, and protocols to guide the development and operations in order to strengthen the capacity of rural stakeholders to pursue smart service and infrastructure arrangements.
- ❖ Senior levels of government should create shared services assessment teams or managers to provide advice and guide the development of these new infrastructure and service arrangements.
- ❖ Municipal government associations should work to develop appropriate information management systems to track the benefits associated with multi-purpose or co-located projects.
- ❖ Strengthen provincial and federal organizational networks that are better positioned to provide support and advice to non-profit / service agencies about important topics such as finance, administration, and human resource management.

## **Policies**

- ❖ Local governments need to ensure that social policy frameworks are in place to support alternative service and infrastructure arrangements.
- ❖ Local governments can play a greater role to support multi-service agencies by donating or leasing space to non-profits below the market rate, encouraging new major commercial developments to allocate space for non-profits, as well as by engaging non-profits in multi-purpose facility projects.
- ❖ Policies and regulations need to be revised to better communicate and reflect the unique needs and differences of new service delivery models such as multi-service agencies and social service co-operative structures.
- ❖ Policies and contracts need to be revised to provide more flexibility to enable stakeholders to respond to rapid social and economic changes that can take place in small communities. Rural regions have multiple resource sectors that may not experience boom and bust cycles, but rather waves as different sectors boom and bust at different times. Communities may be responding simultaneously to the impacts of a boom and bust cycle across various sectors.
- ❖ Greater political leadership is needed by designating ministries to lead supportive policies that can shape the implementation of new shared infrastructure and service arrangements.
- ❖ There is a need to strengthen rural structures within provincial and federal levels of government in order to strengthen the voice, visibility, and responsibility for rural issues.

## Final Word

New service and infrastructure arrangements are key tools for renewing our small communities, but we are lacking appropriate governance, infrastructure, human resource, funding, and policy tools to support their full development and potential. The CRC team, in partnership with the Rural Policy Learning Commons, hopes that the report will stimulate debates at the community, regional, provincial, and national level about the challenges and opportunities for alternative service and infrastructure arrangements to support rural renewal. There is no single model or approach to renewing our service and infrastructure assets. With such a diverse array of infrastructure costs and availability; distances between communities; breadth of potential industry, business, non-profit, or government partners; housing pressures; and human resource issues, the context of the community / region will shape the potential design and capacity of new arrangements. Stronger investments in governance, infrastructure, human resources, funding, and policy tools, however, can go a long way to strengthening the capacity and assets to support rural renewal.

