



KATHERINE
TOWN COUNCIL

SHARED SERVICES POLICY

Type:	Council Policy		
Owner:	Council		
Responsible Officer:	Chief Executive Officer		
Approval Date:	28/07/2023	Next Review:	01/02/2026
Records Number:	180074	Council/CEO Decision:	Council
Legislation Reference:	<i>Section 216 Local Government Act 2019</i>		

1 PURPOSE

Katherine Town Council affirms its commitment to the development and sustainability of its residents and communities. Council aims to provide efficient, timely, and high-standard services to achieve this goal. Council recognises that under certain circumstances it may be practical to enter into a shared-services arrangement with another council and/or procuring from a third party the delivery of a services with another council for mutual benefit of improved service delivery and outcome.

2 SCOPE

This policy applies to elected members, council committees, Council employees, contractors, volunteers and all other persons that perform work on behalf of Council.

3 DEFINITIONS

Collective procurement is an agreement between two or more councils to enter into a procurement agreement where a lead council is nominated, as prescribed under the *Local Government (General) Regulations 2021*. The relevant legislative provisions are to be considered and a formal agreement entered into prior to this type of arrangement commencing.

4 DETAILS

The Council is committed to act in an economically efficient manner, to be socially and environmentally responsible and to provide innovative, high-standard services.

Council services are open to being delivered under a shared service model or collective procurement agreement, subject to the individual business and practical requirements of each participating council.

4.1 Application of policy

4.1.1 Considering shared services and joint procurement agreements

The feasibility of potential shared services arrangements with external bodies shall be assessed by the Council Executive Team. Requests for such arrangements may arise from internal business units, as well as from external parties.

The Council may consider entering into a shared services agreement when:

- (a) a role in Council is capable of being undertaken by a person employed by another council (under a shared resourcing agreement);
- (b) a council service that cannot be supplied from within Council is able to be delivered by another council;
- (c) a council service can be supplied or delivered in another council's area, by agreement with that council; or
- (d) undertaking procurement of an asset, which can be collectively procured under a single procurement tender process; or
- (e) the use of an asset can be shared between councils; or
- (f) it is efficient for Council to enter into an agreement with other councils to undertake a project, in accordance with legislative requirements, where one council is approved by every other participating council to take the lead on the project and make decisions on behalf of all the participating councils.

4.1.2 Assessing a shared services or collective procurement opportunity

Proposals for shared services arrangements shall be assessed against various requirements and considerations including but not limited to:

- (a) Applicable law;
- (b) Current and potential contractual and agreement obligations;
- (c) The public interest;
- (d) Cost analysis, current and potential operational requirements;
- (e) Risk and Safety; and
- (f) Current and potential capacity of all parties to deliver stated and desirable outcomes.

Should the Executive Team determine that a shared services arrangement is desirable, the responsible Director shall develop a proposed agreement as directed by the Chief Executive Officer (CEO).

The Shared Services Agreement will be provided to Council for adoption. Council will consider the following when a shared services or collective procurement agreement is being contemplated:

- (g) opportunities that would result from such a decision (e.g. shared risk; economies of scale; demonstration of leadership and collaboration; long-term sustainability; potential invigoration of council staff; strengthening relationships with a like-minded or neighbouring council);
- (h) associated risks and how those risks can be best managed;
- (i) challenges likely to arise (e.g. the challenge of maintaining consistent service delivery across the council area and any other areas);
- (j) future needs of council and its constituency; and
- (k) capacity, both current and future, of the council, or councils which are parties to the agreement, to deliver the expected outcomes of a shared services or collective procurement agreement.

4.2 Council requirements

4.2.1 Annual reporting

A list of all shared services and collective procurement agreements that operated during the financial year, are to be listed in Council's annual report.

From time-to-time the Council may set one or more performance indicator measurements and expectations for shared services in Council's annual plan and actual performance comparatives must be reported in the subsequent annual report for the same financial year(s).

4.2 Agreements to be in writing

Shared services and collective procurement agreements must be in writing and clearly set out all relevant details.

Note: Collective procurement agreements must be in writing and contain certain details pursuant to regulation 46 of the Local Government (General) Regulations 2021.

4.3 Matters for consideration

Before entering into a formal agreement for shared services or collective procurement activity, the following considerations will be taken into account:

- (a) cost benefit analysis of entering into the agreement;
- (b) service level standards to be met;
- (c) period of time of agreement and whether it is one-off or ongoing for a period of time;
- (d) establishment and agreement of KPIs;
- (e) risk assessment and mitigation strategies;
- (f) if access to council information is required under the agreement, the control and protection of council information (ensuring access to sensitive council information is protected);
- (g) any change management process that may be necessary;
- (h) employment opportunities that may arise or be reduced as a result of entering into an agreement; and
- (i) any other economic, social and cultural considerations.

5 ASSOCIATED POLICIES/DOCUMENTS

Procurement Policy

6 REFERENCES AND RELATED LEGISLATION

Local Government Act 2019

Local Government (General) Regulations 2021

Revision History

Version	Approval date	Details of change	Responsible officer
1	24/02/2021	Created	Director Corporate Services
2	14/07/2023	Revision – transferred to new template and aligned to department sample policy resource	CEO
3			