

Name:	Shared Services		
Type:	Council Policy		
Owner:	Position Title		
Responsible Officer:	Position Title		
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Legislation Reference:	Section 216 Local Government Act 2019		

## 1 PURPOSE

This policy describes the framework for Council entering into an agreement with one or more councils for the delivery of shared services.

## 2 PRINCIPLES

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

## 3 DEFINITIONS

*For the purposes of this Policy, the following definitions apply:*

Term	Definition
Shared Services	means entering an arrangement with one or more councils for mutual benefit of improved service delivery and outcome at a reduced overall risk and cost.
Collective Procurement	means an agreement between two or more councils to enter into a procurement agreement where a lead council is nominated.

## 4 POLICY STATEMENT

### 4.1. Application of Policy

#### 4.1.1. Shared service and joint procurement agreements

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;
- (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, where one council is approved by every participating council to take the lead on the project and make decisions on behalf of all participating councils.

#### 4.1.2. Assessing a shared services or collective procurement opportunity

Council will consider the following when a shared services or collective procurement agreement is being contemplated:

- (a) 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 like-minded or neighbouring councils);
- (b) Associated risks and how those risks can be best managed;
- (c) Challenges likely to arise (e.g. the challenge of maintaining consistent service delivery across the Council area and any other areas);
- (d) Future needs of Council and its constituency;
- (e) 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; and
- (f) Ensuring the practices are compliant and are underpinned by Council's procurement principles.

#### 4.2. Council Requirements

##### 4.2.1. Annual reporting

- (a) 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.
- (b) Performance comparatives must be reported in the subsequent Annual Report for the same financial year.

##### 4.2.2. Agreements to be in writing

- (a) Shared services and collective procurement agreements must be in writing and clearly set out all relevant details.
- (b) There should be systematic and efficient management from the execution until closure of this agreement, including a review of performance and recording the progress.

##### 4.2.3. Matters for consideration

Council will consider whether a shared-services approach is desirable on a case by case basis. Before entering into a formal agreement for shared services or collective procurement activity, the follow 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;
- (d) Establishment and agreement of KPI's;
- (e) Risk assessment and mitigation strategies;
- (f) Employment opportunities that may arise; and
- (g) Any other economic, social and cultural considerations.

## 5 ASSOCIATED DOCUMENTS

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- 5.1 *Community Plan*
- 5.2 *Council Policy Procurement*
- 5.3 *Council Policy Privacy*

## 6 REFERENCES AND RELATED LEGISLATION

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- 6.1 *Local Government Act*
- 6.2 *Local Government Regulations*