

1 PURPOSE

The purpose of this policy is to describe the framework for City of Darwin entering into an agreement with one or more local governments or local government subsidiaries for the delivery of shared services or collective procurement.

2 SCOPE

All local government 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 entity.

This policy applies to contracts or agreements entered into with one or more local governments/subsidiaries for the delivery of shared services or collective procurement.

3 POLICY STATEMENT

3.1 Considering shared services and joint procurement agreements

City of Darwin may consider entering into a shared services or collective procurement opportunity when:

- a role in City of Darwin is capable of being undertaken by a person employed by another local government/subsidiary or vice versa
- a local government service that cannot be supplied from within City of Darwin is able to be delivered by another local government/subsidiary or vice versa
- a local government service can be supplied or delivered in another local government area, by agreement with that local government or vice versa
- undertaking procurement of an asset (such as motor vehicles), which can be collectively procured under a single procurement process
- the use of an asset can be shared between local governments/subsidiaries, or
- it is efficient for City of Darwin to enter into an agreement with other local governments/subsidiaries to undertake a project, in accordance with legislative requirements, where one local government/subsidiary takes the lead on the project and make decisions on behalf of the all the participating entities.

3.2 Assessing a shared services or collective procurement opportunity

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

- opportunities that would result from such a decision (eg. shared risk, economies of scale; demonstration of leadership and collaboration; long term sustainability, potential invigoration of City of Darwin staff; strengthening relationship with a like minded or neighbouring local government/subsidiary)



- associated risks and how these risks can be managed
- challenges likely to arise (e.g. the challenge of maintaining consistent service delivery across the City of Darwin area and any other areas)
- future needs of City of Darwin and the Darwin community
- capacity both current and future, of City of Darwin, or other local governments/subsidiaries which are parties to the agreement, to deliver the expected outcomes if a shared services or collective procurement agreement is entered into
- period of time of agreement and whether it is one-off or for a period of time
- establishment and agreement of key performance indicators and service level standard
- if access to City of Darwin information is required under the agreement, the control and protection of City of Darwin information whilst ensuring that City of Darwin meets disclosure requirements under the *Information Act 2002* (NT)
- any change management process that may be necessary
- employment opportunities that may arise or be reduced as a result of entering into an agreement, or
- any other economic, social, environmental and cultural considerations.

3.3 Annual Reporting

A list of all shared services and collective procurement agreements that operated during the financial year are to be listed in City of Darwin's Annual Report.

3.4 Agreements to be in writing

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

4 DEFINITIONS

Local Government Subsidiary is an entity formed by a council or two or more councils (constituent councils) acting together to create a body corporate to carry out functions related to local government on behalf of the constituent council or councils.

5 LEGISLATIVE REFERENCES

Information Act 2002 (NT)

Local Government Act 2019 (NT)

6 PROCEDURES / RELATED DOCUMENTS

Nil

7 RESPONSIBILITY / APPLICATION

The General Manager Corporate is accountable for the overall establishment and periodic review of this policy and General Managers are responsible for the implementation and management of the functions contained within this policy.

8 EVALUATION AND REVIEW

This Policy is subject to review every two (2) years, or as deemed appropriate, thereafter.

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9 DOCUMENT CONTROL

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