

## ITEM 8 T1000097 - INTERNAL AUDIT SERVICES TO COUNCIL

This report recommends acceptance of a tender for Internal Audit Services to Council in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2021.

Wollongong City Council wishes to engage a contractor to enter a contract for high quality internal audit services to Council.

The term of the contract being tendered for is four years commencing on 1 July 2023

### RECOMMEDATION

- 1 In accordance with Section 178(1)(a) of the Local Government (General) Regulation 2021, Council accepts the tender of Centium Pty Ltd for provision of Internal Audit Services to Council for 2023 - 2027, in the sum of \$565,000 including GST.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

### REPORT AUTHORISATIONS

Report of: Todd Hopwood, Manager Governance and Customer Service  
Authorised by: Greg Doyle, General Manager

### ATTACHMENTS

There are no attachments for this report.

### BACKGROUND

Tenders were invited for the provision of this service were invited by the open tender method with a close of tenders of 10.00 am on 4 May 2023.

Six (6) tenders were received by the close of tenders. All tenders have been scrutinised and evaluated by a Tender Evaluation Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Regulation and Enforcement and Governance and Customer Service Divisions.

The Tender Evaluation Panel evaluated all tenders in accordance with the following Evaluation criteria and weightings as set out in the formal tender documents:

#### **Mandatory Criteria**

- 1 Satisfactory references from referees for previous projects of similar size and scope

#### **Evaluation Criteria**

- 1 Cost to Council – 25%
- 2 Demonstrated extensive prior experience in provision of internal audit services to local government – 40%
- 3 Staff Qualifications and Experience – 10%
- 4 Proposed Service Delivery Plan – 15%
- 5 Demonstrated strengthening of local economic capacity – 10%

The mandatory evaluation criteria have been met by the recommended tenderer.

The Tender Evaluation Panel utilised a weighted scoring method for the evaluation of tenders which allocates a numerical score out of 5 in relation to the level of compliance offered by the tenders to each of the evaluation criteria as specified in the tender documentation. The method then considers pre-determined weightings for each of the evaluation criteria which provides for a total score out of 5 to be

calculated for each tender. The tender with the highest total score is considered to be the tender that best meets the requirements of the tender documentation in providing best value to Council. Table 1 below summarises the results of the tender evaluation and the ranking of tenders.

TABLE 1 – SUMMARY OF TENDER ASSESSMENT

Name of Tenderer	Ranking
Centium Pty Ltd	1
O'Connor Marsden and Associates Pty Ltd	2
RSM Australia Pty Ltd	3
Grant Thornton Australia Limited	4
KPMG Australia	5
Inconsult Pty Ltd	6

## PROPOSAL

It is recommended that Council authorise the engagement of Centium Pty Ltd to carry out the provision of internal audit services to Council in accordance with the scope and specifications developed for the engagement.

The recommended tenderer has satisfied the Tender Evaluation Panel that it is capable of providing services to Council's standards and in accordance with the technical specification.

Referees nominated by the recommended tenderer have been contacted by the Tender Evaluation Panel and expressed satisfaction with the standard of work and methods of service provision undertaken on their behalf.

## CONSULTATION AND COMMUNICATION

- 1 Members of the Tender Evaluation Panel
- 2 Nominated Referees

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2032 Goal 4. It specifically delivers on the following:

Community Strategic Plan 2032	Delivery Program 2022-2026
Strategy	Service
4.7 Demonstrate responsible decision-making based on our values, collaboration, and transparent and accountable leadership	Governance and Administration

## RISK ASSESSMENT

The risk in accepting the recommendation of this report is considered low on the basis that the tender process has fully complied with Council's Procurement Policies and Procedures and the Local Government Act 1993.

The risk of the project works, or services is considered low based upon Council's risk assessment matrix and appropriate risk management strategies will be implemented.

## FINANCIAL IMPLICATIONS

It is proposed that the total project be funded from the following source/s as identified in the Operational Plan.

## CONCLUSION

Council should endorse the recommendations of this report.