



Civic Centre, 10 Watson Terrace
Mount Gambier SA 5290

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I hereby give notice that an Audit Committee Meeting will be held on:

Date: Monday, 12 April 2021
Time: 5.30 p.m.
Location: Council Chamber
Civic Centre
10 Watson Terrace
Mount Gambier

CONFIDENTIAL AGENDA

Audit Committee Meeting **12 April 2021**

A handwritten signature in black ink, appearing to read 'Barbara Cernovskis', is positioned above the printed name and title.

Barbara Cernovskis
Acting Chief Executive Officer
8 April 2021

6 CONFIDENTIAL ITEMS

6.1 TENDER FOR EXTERNAL AUDIT SERVICES FOR FY2022 TO FY2025 – REPORT NO. AR21/20765

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Audit Committee orders that all members of the public, except Councillor S Meziniec, Independent Members P Duka, A Kain and Council Officer D Barber and C McGregor be excluded from attendance at the meeting for the receipt, discussion and consideration in confidence of Agenda Item 6.1 AR21/20765 Tender for External Audit Services for FY2022 to FY2025.

The Audit Committee is satisfied that, pursuant to section 90(3) (k) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- tenders for the:
 - supply of goods, or
 - the provision of services, or
 - the carrying out of works

The Audit Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because this item relates to the discussion and recommendation of tenders for external audit services.



6.1 TENDER FOR EXTERNAL AUDIT SERVICES FOR FY2022 TO FY2025 – REPORT NO. AR21/20765

Committee:	Audit Committee
Meeting Date:	12 April 2021
Report No.:	AR21/20765
CM9 Reference:	AF11/863
Author:	Colin McGregor, Management Accountant
Authoriser:	Darren Barber, General Manager Shared Services
Summary:	Council must have an auditor and the current contract with Council’s external audit provider expires at the end of the financial year. This report summarises the tender process allowing the Audit Committee to recommend an external auditor to Council.
Strategic Plan Reference:	Goal 5: Our Commitment

The Committee is satisfied that, pursuant to Section 90(2) & (3) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this agenda item is:

- (k) tenders for the: supply of goods, or the provision of services, or the carrying out of works.

REPORT RECOMMENDATION

1. That Audit Committee Report No. AR21/20765 titled ‘Tender for External Audit Services for FY2022 to FY2025’ as presented on 12 April 2021 be noted.
2. Council accept the tender proposal from Dean Newbery & Partners for appointment as External Auditor to the City of Mount Gambier for a four year term for the 2021/2022, up to and including the 2024/2025 financial years.



TYPE OF REPORT

Other

BACKGROUND

Currently, the City of Mount Gambier has a Professional Services Agreement for the provision of external audit services (AF16/207) with Galpins Accountants, Auditors and Business Consultants (Galpins). The period of the contract runs from 1 July 2016 to 30 June 2021.

This means that the end of financial year audit for FY2021 will be performed by Galpins, recognising that some of the end of year substantive work on the financial statements will occur after 30 June 2021.

Council will need to engage an external auditor at or before 30 June 2020 in order for this service provider being able to perform its role from 1 July 2021. For an auditor to provide an opinion on the internal controls, which are to be in place and operating for the full year, an engagement for audit services for FY2022 will have to start at or before the commencement of that financial year.

Council has released to the open market tender documentation on 12 February 2021 and closed on 12 March 2021. There were six conforming submissions that were received and have been evaluated by Council staff.

PROPOSAL

At the close of tenders on 12 March 2021, the following tenders were received:

- Anderson, Munro & Wyllie
- Bentleys
- Dean Newbery & Partners
- Logicca Assurance Pty Ltd
- Stannards Accountants & Advisors
- UHY Haines Norton

ASSESSMENT OF TENDERS

In accordance with Council's Procurement Policy a Tender Panel, consisting of 3 Council Officers was established to assess each of the tenders against the Assessment Criteria developed for the tender process.

Each of the tenders have been assessed individually by each of the Panel Members and a score assigned to each of the criteria which was weighted based on the following table:

Assessment Criteria	% applied weighting
Organisation Structure, Facilities and Resources	30
Experience	30
Implementation Schedule and Transition Plan	20
Value Added Services, Improvements & Innovations	10
Local Content *refer definition below for scoring	10

The sum of the scores for the three Panel Members were averaged resulting in the following final scores being recorded:

Tender	Average	Rank
Anderson, Munro & Wyllie	69.33	4
Bentleys	77.33	2
Dean Newbery & Partners	79.67	1
Logicca Assurance Pty Ltd	52.67	6
Stannards Accountants & Advisors	61.00	5
UHY Haines Norton	71.33	3



The Panel therefore was unanimous in making the following recommendation.

LEGAL IMPLICATIONS

The Local Government Act 1999 – Division 4 – Audit - requires the Council to have an auditor.

Paragraph 128 (2) indicates that the auditor will be appointed by the council on the recommendation of the council's audit committee.

STRATEGIC PLAN

Nil

COUNCIL POLICY

Nil

ECONOMIC IMPLICATIONS

Nil

ENVIRONMENTAL IMPLICATIONS

Nil

SOCIAL IMPLICATIONS

Nil

CULTURAL IMPLICATIONS

Nil

RESOURCE IMPLICATIONS

Nil

VALUE FOR MONEY

Nil

RISK IMPLICATIONS

Nil

EQUALITIES AND DIVERSITY IMPLICATIONS

Nil

ENGAGEMENT AND COMMUNICATION STRATEGY

Nil

IMPLEMENTATION STRATEGY

Once the successful tender is selected the selected auditor will need to engage Council before the commencement of the new financial year.

CONCLUSION AND RECOMMENDATION

The audit committee is advised of the outcome of the tender evaluation process in relation to the provision of external audit services to Council for the next four years.

It is recommended that the Audit Committee Dean Newbery & Partners to Council for appointment as External Auditor for a four year term.

ATTACHMENTS

Nil



CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 6.1 AR21/20765 Tender for External Audit Services for FY2022 to FY2025 and its attachments, the discussion and the resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (k) be kept confidential and not available for public inspection until two years after the recommendation of external audit services.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

CONFIDENTIAL



**MINUTES OF AUDIT COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, CIVIC CENTRE, 10 WATSON TERRACE, MOUNT
GAMBIER
ON MONDAY, 12 APRIL 2021 AT 5.30 P.M.**

PRESENT: Mayor Lynette Martin (OAM), Cr Sonya Mezinec, Mr Paul Duka, Ms Angela Kain

OFFICERS IN ATTENDANCE: General Manager Shared Services - Mr D Barber
Acting Manager Finance - Mr C McGregor

6 CONFIDENTIAL ITEMS

6.1 TENDER FOR EXTERNAL AUDIT SERVICES FOR FY2022 TO FY2025 – REPORT NO. AR21/20765

COMMITTEE RESOLUTION

Moved: Mayor Lynette Martin
Seconded: Paul Duka

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Audit Committee orders that all members of the public, except Mayor L Martin, Councillor S Mezinec, Independent Members P Duka and A Kain and Council Officers D Barber and C McGregor be excluded from attendance at the meeting for the receipt, discussion and consideration in confidence of Agenda Item 6.1 AR21/20765 Tender for External Audit Services for FY2022 to FY2025.

The Audit Committee is satisfied that, pursuant to section 90(3) (k) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- tenders for the:
 - supply of goods, or
 - the provision of services, or
 - the carrying out of works

The Audit Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because this item relates to the discussion and recommendation of tenders for external audit services.

CARRIED



COMMITTEE RESOLUTION

Moved: Paul Duka
Seconded: Angela Kain

1. That Audit Committee Report No. AR21/20765 titled 'Tender for External Audit Services for FY2022 to FY2025' as presented on 12 April 2021 be noted.
2. Council accept the tender proposal from Dean Newbery & Partners for appointment as External Auditor to the City of Mount Gambier for a four year term for the 2021/2022, up to and including the 2024/2025 financial years.

CARRIED

COMMITTEE RESOLUTION

Moved: Mayor Lynette Martin
Seconded: Angela Kain

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 6.1 AR21/20765 Tender for External Audit Services for FY2022 to FY2025 and its attachments, the discussion and the resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (k) be kept confidential and not available for public inspection until two years after the recommendation of external audit services.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

CARRIED





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I hereby give notice that a Council Meeting will be held on:

Date: Tuesday, 20 April 2021
Time: 6.00 p.m.
Location: Council Chamber
Civic Centre
10 Watson Terrace
Mount Gambier

CONFIDENTIAL AGENDA

Council Meeting
20 April 2021

A handwritten signature in black ink, appearing to read "Barbara Cernovskis", is placed over a light grey rectangular background.

Barbara Cernovskis
Acting Chief Executive Officer

16 April 2021

27.3 CONFIDENTIAL ITEMS OF THE AUDIT COMMITTEE HELD ON 12 APRIL 2021 - [Go to Attachment](#)

27.4 Tender for External Audit Services for FY2022 to FY2025

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except Mayor Martin, Councillors S Mezinac, K Amoroso, M Bruins, C Greco, B Hood, P Jenner and S Perryman and Council Officers B Cernovskis, D Barber, T Coote, M McDonald, M McCarthy, S McLean and M Telford be excluded from attendance at the meeting for the receipt, discussion and consideration in confidence of Agenda Item 27.4 AR21/20765 Tender for External Audit Services for FY2022 to FY2025.

The Council is satisfied that, pursuant to section 90(3) (k) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- tenders for the:
 - supply of goods, or
 - the provision of services, or
 - the carrying out of works

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because this item relates to the discussion and recommendation of tenders for external audit services.

RECOMMENDATION

1. That Audit Committee Report No. AR21/20765 titled 'Tender for External Audit Services for FY2022 to FY2025' as presented on 12 April 2021 be noted.
2. Council accept the tender proposal from Dean Newbery & Partners for appointment as External Auditor to the City of Mount Gambier for a four year term for the 2021/2022, up to and including the 2024/2025 financial years.

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 6.1 AR21/20765 Tender for External Audit Services for FY2022 to FY2025 and its attachments, the discussion and the resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (k) be kept confidential and not available for public inspection until two years after the recommendation of external audit services.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.



**MINUTES OF COUNCIL MEETING HELD AT THE COUNCIL CHAMBER,
CIVIC CENTRE, 10 WATSON TERRACE, MOUNT GAMBIER
ON TUESDAY, 20 APRIL 2021 AT 6.00 P.M.**

PRESENT: Mayor Lynette Martin (OAM), Cr Sonya Mezinec, Cr Kate Amoroso, Cr Max Bruins, Cr Christian Greco, Cr Ben Hood and Cr Paul Jenner

OFFICERS IN ATTENDANCE:

Acting Chief Executive Officer	- Ms B Cernovskis
Acting General Manager City Infrastructure	- Mr M McDonald
General Manager Share Services	- Mr D Barber
General Manager City Growth	- Mr T Coote
Manager Governance and Property	- Mr M McCarthy
Media and Communications Coordinator	- Ms S McLean
Executive Administration Officer	- Mrs M Telford

27.3 CONFIDENTIAL ITEMS OF THE AUDIT COMMITTEE HELD ON 12 APRIL 2021

27.4 TENDER FOR EXTERNAL AUDIT SERVICES FOR FY2022 TO FY2025 – REPORT NO. AR21/20765

RESOLUTION 2021/94

Moved: Cr Sonya Meziniec

Seconded: Cr Ben Hood

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except OAM L Martin, Councillors S Meziniec, K Amoroso, M Bruins, C Greco, B Hood and P Jenner and Council Officers B Cernovskis, M McDonald, D Barber, T Coote, M McCarthy, S McLean and M Telford be excluded from attendance at the meeting for the receipt, discussion and consideration in confidence of Agenda Item 27.4 AR21/20765 Tender for External Audit Services for FY2022 to FY2025.

The Council is satisfied that, pursuant to section 90(3) (k) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- tenders for the:
 - supply of goods, or
 - the provision of services, or
 - the carrying out of works

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because this item relates to the discussion and recommendation of tenders for external audit services.

CARRIED

RESOLUTION 2021/95

Moved: Cr Sonya Meziniec

Seconded: Cr Paul Jenner

1. That Audit Committee Report No. AR21/20765 titled 'Tender for External Audit Services for FY2022 to FY2025' as presented on 12 April 2021 be noted.
2. Council accept the tender proposal from Dean Newbery & Partners for appointment as External Auditor to the City of Mount Gambier for a four year term for the 2021/2022, up to and including the 2024/2025 financial years.

CARRIED



RESOLUTION 2021/96

Moved: Cr Max Bruins

Seconded: Cr Ben Hood

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 6.1 AR21/20765 Tender for External Audit Services for FY2022 to FY2025 and its attachments, the discussion and the resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (k) be kept confidential and not available for public inspection until two years after the recommendation of external audit services.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

CARRIED