



KEMPSEY
Shire Council

DIRECTOR CORPORATE AND COMMUNITY SERVICES REPORT

12th June 2007

DCCS15	TENDER – AUDIT SERVICES
FILE: TENDER 1018	APC {Folio No. *}

SUMMARY:

Reporting on Tenders received for Audit Services for the period 1st July 2007 to 30th June 2013.

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DESCRIPTION:

A council must appoint an auditor who may be:-

- (a) an individual who is a registered company auditor, or
- (b) a partnership whose members or employees include a registered company auditor, or
- (c) a corporation whose employees include a registered company auditor.

A council's auditor holds office for 6 years and, if otherwise qualified, is eligible for re-appointment.

Tenders for audit services for the six year period from 1st July 2007 to 30 June 2013 closed on 29th May 2007.

In accordance with the tender specifications, tenderers were required to include the following information in their tenders:

- Qualifications
- Experience in providing audit services, particularly NSW Local Government experience.
- Details of principals and staff, their qualifications, role and experience.
- Details of visits proposed.
- Referees
- Insurances held.
- Other supporting information at the tenderers discretion.

Six tenders were received as follows:

- Forsyths
- Pitcher Partners
- PricewaterhouseCoopers
- Thomas Noble and Russell
- UHY Haines Norton
- Wrights

A separate report is included in the Confidential Section of this Business Paper. This report provides the details of tenders received, price, Local Government clients and estimate of audit times.

Tenders were evaluated having regard to the following criteria:

- Demonstrated capacity of the tenderer to provide Council with auditing services.
- Council's opinion of the expected quality and depth of audit performance and experience.
- Proposed audit plan.
- Price.
- Technical expertise.

The tender from Thomas Noble and Russell has been assessed as the most favourable in terms of Council's evaluation criteria.

The principal office of Thomas Noble and Russell is located at Lismore and they currently audit nine NSW councils generally located in the Northern Rivers area. They have recently been appointed as the Coffs Harbour City Council auditor.

Thomas Noble & Russell are actively involved in the local government industry and the engagement partner for Kempsey Shire Council is Mr Kevin Franey who is the current president of the NSW Local Government Auditors Association.

REPORT IMPLICATIONS:

- *Environmental*

Nil

- *Social*

Nil

- *Economic (Financial)*

The fee for the 2007 / 08 year is \$37,500 (GST inclusive) and is within Council's budgetary provision.

- *Policy or Statutory*

Nil

- *Director's Review*

The recommendation is supported.

RECOMMENDED:

That Council accepts the tender of Thomas Noble & Russell for the provision of Audit Services for the period 1st July 2007 to 30th June 2013 at an initial fee of \$37,500 including GST.

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**G B Snape
DIRECTOR CORPORATE & COMMUNITY SERVICES**