

## Internal Audit Contract

<b>Originating Officer</b>	Manager Corporate Governance - Kate McKenzie
<b>Corporate Manager</b>	Manager Corporate Governance - Kate McKenzie
<b>General Manager</b>	General Manager City Services - Tony Lines
<b>Report Reference</b>	FAC210223F02

### Confidential



### Confidential Motion

That pursuant to Section 90(2) and (3)(d) of the Local Government Act 1999, the Finance and Audit Committee orders that all persons present, with the exception of the following persons: Adrian Skull - Chief Executive Officer, Ilia Houridis - General Manager City Development, Sorana Dinmore - General Manager Corporate Services, Tony Lines - General Manager City Services, Kate McKenzie - Manager Corporate Governance, Victoria Moritz - Acting Unit Manager Governance and Council Support, be excluded from the meeting as the Committee receives and considers information relating to the Internal Audit Contract, upon the basis that the Committee is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to the management of the contract.

## REPORT OBJECTIVE

To recommend to the Finance and Audit Committee that the KPMG contract be extended for two years.

## EXECUTIVE SUMMARY

In 2019, the Cities of Marion and Charles Sturt undertook a joint tender for their Internal Audit Services. KPMG was appointed for two (2) years with an option for a two (2) year extension. The current contract expires in June 2021.

Feedback has been sought from the City of Marion's Executive Leadership Team and the City of Charles Sturt. The feedback received includes:

- The tender was completed in early 2019. There were 6 submissions received and KPMG was evaluated as the top submission.
- KPMG have fulfilled the requirements of the contract and completed the internal audit plan 2019/20 and is well progressed with the 2020/21 plan.
- The audit work completed has been of a good standard.
- Improvement is required on some of the advisory work from KPMG, however they have received timely feedback on these reviews.
- The collaborative audits are providing benefit to both Councils, however do take longer due to logistics and closing out the audits with two councils
- The City of Charles Sturt has indicated that they will be recommending to their Audit Committee to extend the contract.

## RECOMMENDATION

**That the Finance and Audit Committee:**

- 1. Recommends to Council that the KPMG Internal Audit contract be extended until June 2023.**
- 2. In accordance with Section 91(7) and (9) of the Local Government Act 1999, the Finance and Audit Committee orders that this report, and any minutes arising from this report, having been considered in confidence under Section 90 (2) and (3)(b)(i)(ii) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting or until the new contract has been executed. This confidentiality order will be reviewed at the General Council Meeting in December 2021.**