

# Appendix one – Responses from councils and the Department of Planning, Industry and Environment

## Response from the Department of Planning, Industry and Environment



Office of  
Local Government

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Our Reference: A752284  
Your Reference: D2027726/PA6645  
Contact: Council Governance  
Phone: 02 4428 4100

Ms Margaret Crawford  
Auditor-General for New South Wales  
GPO Box 12  
SYDNEY NSW 2001

By email: [mail@audit.nsw.gov.au](mailto:mail@audit.nsw.gov.au)

9 December 2020

Dear Ms Crawford

Thank you for your letter of 30 November 2020 to the Secretary, Department of Planning, Industry and Environment (DPIE), Mr Jim Betts, providing a copy of the performance audit report on procurement management in local government. Mr Betts has asked me to respond on his behalf.

DPIE appreciates the opportunity to respond and notes the findings and recommendations that have been made. DPIE has particularly noted the recommendations that it review and update the *Local Government (General) Regulation 2005* (the Regulation) to reflect the increasing use of electronic tender submissions and to publish comprehensive and updated guidance for councils on effective procurement practices.

DPIE agrees that the tendering provisions of the Regulation need to be updated to make them more technology neutral and that councils would benefit from updated and more comprehensive guidance on procurement practices.

I am pleased to advise that a review of the tendering provisions of the Regulation has been programmed in the Office of Local Government's (OLG) 2020/21 operational plan. The review will be undertaken in consultation with the local government sector. As previously foreshadowed, it will be a matter for the Minister for Local Government whether to approve any amendments to the Regulation arising from OLG's review.

As part of that project, OLG also intends to withdraw the existing *Tendering Guidelines for NSW Local Government* and to replace them with a more comprehensive document that covers tendering and procurement below the tendering threshold and all steps in the procurement process, including contract management and evaluation. The guidelines will also cover the use of different technologies in tendering including electronic tender submissions. I would note that much of this guidance does not currently exist and will need to be developed in consultation with the local government sector and expert procurement practitioners.

While the review of the tendering provisions of the Regulation and the development of new guidelines is a significant project, DPIE anticipates that it will be able to deliver the project by June 2022 as recommended by the Audit Office.

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I would like to acknowledge the Audit Office's work in undertaking this review and DPIE looks forward to supporting councils in their procurement practices through the implementation of the recommendations.

Yours sincerely



**Tim Hurst**  
**Deputy Secretary**  
**Local Government, Planning and Policy**

## Response from Cumberland City Council



11 December 2020

Our Reference 8562612  
Contact Charlie Ayoub  
Telephone 8757 9150

Margaret Crawford  
Auditor-General for New South Wales  
Audit Office of New South Wales  
GPO Box 12  
SYDNEY NSW 2001

Dear Ms Crawford

### **CUMBERLAND CITY COUNCIL RESPONSE TO AUDIT OFFICE OF NSW PERFORMANCE AUDIT INTO PROCUREMENT – FINAL REPORT – (REF: D2027727 / PA6645)**

I thank you for providing the final report for the Audit Office of NSW – Performance Audit into Procurement, of which Cumberland City Council was included. Council agrees with the findings of the report, and I was pleased to have read in the report a number of key areas where Cumberland City Council is performing strongly.

Cumberland City Council has strived, since the Council amalgamation process in 2016, to provide an effective and valued procurement service to the organisation. The amalgamation period brought with it significant challenges across all elements of Council, particularly with regard to Council having to deliver the harmonisation of corporate systems, staff culture, practices and policies. As part of that process, Council was required to standardise and make consistent the overall procurement approaches of the former Councils, which were significantly smaller in size than the newly formed Council.

December 2020 has marked Council's first full year with one consolidated corporate system and confirmed that Council is at a level of organisational maturity where it can now further drive strategic outcomes and continuous improvement across the organisation. Whilst Council is already delivering significant positive initiatives and outcomes for the Cumberland City community, having one corporate system embedded throughout the organisation now affirms that Council has a strong platform to progress and succeed well into the future.

The Performance Audit fieldwork and report findings by the Audit Office of NSW has been an invaluable process which has been welcomed by Council. The Performance Audit has helped ensure that Council's Procurement Framework and initiatives are appropriate, accountable, and seek value for money outcomes, whilst also effectively managing risk and demonstrating good probity and governance. The Performance Audit has also provided Council with a strong level of confidence that Council's Procurement and Contract Management Frameworks are designed effectively, and that Council's efforts with respect to Procurement are well considered and are heading in the right strategic direction.

Through high standards of service, Council's continuous improvement procurement approach continues to deliver positive outcomes through best practice principles that are fair,

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honest, equitable, transparent and demonstrate the highest level of integrity consistent with the public interest. Given fieldwork for the Performance Audit was completed in late 2019, Council's Procurement framework, systems and approach have continued to improve markedly since this fieldwork was completed, with a large number of projects within the procurement framework having been delivered and implemented since the Performance Audit was undertaken. Council has digitised the majority of its procurement framework to date, including all forms, its contracts register, purchasing and quotation process, and new custom reporting dashboards have been delivered for greater oversight.

This has provided stronger governance and accountability outcomes, as all procurement activity including approval points are now digitised and are completely auditable. This exercise has provided greater transparency and visibility to Management and Council's Audit, Risk and Improvement Committee with respect to the management of contracts and suppliers, tendering process, purchasing compliance, category spend, local supplier spend, and much more.

In response to receiving the final audit report, Council has also immediately proceeded to incorporate the findings and recommendations into our procurement procedures, systems and practices. The refinement and enhancements of Council's procurement framework will continue to progress until all the recommendations and insights provided as part of this audit are met.

Further, Council's Audit, Risk and Improvement Committee Chairperson has been provided a copy of the final report, and the report will be tabled at Council's next Committee meeting with a detailed response and action plan to be reported by Management. Building upon findings already documented in the report, Council's Project Management Framework is Council's consistent corporate mechanism to identify and link the organisational and community needs of Council with respect to procurement. Greater guidance will be provided within the framework for all activities, and a higher level of project detail, including risk analysis and project deliverables will be required for all high value, or, complex procurement.

Further, these requirements will require clear and defined project justification which identifies the purpose, risks, deliverables, benefits sought of the procurement being undertaken, whilst ensuring alignment is made Council's strategic, corporate and community objectives. All projects will be required to demonstrate a clear link to Council's community strategic plan and identify budget and project outcomes sought prior to procurement commencing. This will ensure that Council is able to undertake a benefits realisation assessment of the project and procurement being undertaken, and ensure that Council can project and forward plan all procurement activities. Council's Procurement and Contract Operational Procedures will likewise be updated to clearly align with this more robust framework. Procurement strategies and management business plans will be directed by defined intent and be measured to assess how value for money outcomes are being received.

With respect to the recommendations regarding the more robust management of supplier performance, Council Management this year reported to its Audit, Risk and Improvement Committee a robust Contract Management Framework including a new *Contract Operational Procedure*, detailing a new process around the management of supplier performance, and digitised supplier assessments required to be undertaken for all contracts, a copy of which will go to the supplier to inform a supplier performance assessment meeting. A copy of this

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document was provided to the NSW Audit Office Auditors upon receipt of the Draft Final Performance Audit Report.

Following endorsement of this framework by the Executive Team and Audit, Risk and Improvement Committee, Council's Management team were presented the Framework and explained their responsibilities with respect to Supplier Performance and Contract Management in November 2020. Commencing in early 2021, Council's *Contract Operational Procedure* will be implemented to all levels of Management and contract management officers throughout Council, with its requirements being effective from that point. This will be implemented throughout the organisation to monitor, support and manage performance of Council's contracts.

Part of the *Contract Operational Procedure* is the requirement for contract managers to complete a final supplier performance assessment. Compliance of this final performance assessment will be monitored by a dedicated procurement officer and will also be automated via a contract management system.

In accordance with the contract management plans, supplier performance will be formally measured against contract key performance indicators and communicated between all parties. The corresponding amendment to Council's Project Management Framework will ensure that project outcomes are delivered against predefined strategic and community outcomes.

These changes are expected to progress further and embed into Council's processes and staff culture throughout next year. As the revised frameworks mature, our aim is to advance the operational efficiencies of Council through the planned, measured and transparent project and procurement functions. Council's Procurement and Contract Management Frameworks have the universal endorsement of Council's Executive team, who are highly invested in its oversight and success.

I am confident that the actions outlined in this letter will adequately respond to the recommendations of the Performance Audit undertaken.

A copy of the final Performance Audit Report has also been circulated to the Mayor and elected Councillors for their information.

Once again, I would like to thank the Audit Office of NSW for undertaking this performance Audit at Cumberland City Council, and I look forward to any future performance audits to which Cumberland City Council is requested to participate.

Should you have any further queries with respect to Council's response, please feel free to contact Council's Executive Manager Corporate Services, Charlie Ayoub on (02) 8757 9150.

Yours faithfully

Hamish McNulty  
GENERAL MANAGER

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## Response from Georges River Council



[www.georgesriver.nsw.gov.au](http://www.georgesriver.nsw.gov.au)



GeorgesRiverCouncil



@Georges\_River

### OFFICE OF THE GENERAL MANAGER

Executive Assistant: Sue Matthew

Direct Telephone: (02) 9330 6256

File Reference: D20/292826, D20/300898

10 December 2020

Ms Margaret Crawford  
Auditor-General for New South Wales  
Email: [mail@audit.nsw.gov.au](mailto:mail@audit.nsw.gov.au)  
cc: Ms Sherman Chan, Performance Audit Leader - Performance Audit  
Email: [sherman.chan@audit.nsw.gov.au](mailto:sherman.chan@audit.nsw.gov.au)

Dear Ms Crawford,

**Re: NSW Audit Office Performance Audit – Procurement Management in Local Government – Final Report 30 November 2020**

I acknowledge the NSW Audit Office final report dated 30 November 2020 and as requested in your letter accompanying the final report provide the following response from Georges River Council that is specific to each of the identified items of recommendation to Council to be incorporated in the published report.

Council has taken a proactive approach to procurement and contract management since amalgamation. In 2018 Council identified these functions as requiring review as part of the risk-based Audit Program. A triage of self-initiated internal audits was scheduled over a three (3) year Audit Program. The audits and their status include:

- Procurement: completed in April 2019. Implementation of recommendations completed in June 2020.
- Contract Management: completed in June 2020. Implementation of recommendations has commenced.
- Project Management Governance: scheduled for March 2021.

Items identified in the final report; are also identified in Council's self-initiated internal audits with implementation either completed or in progress - refer to Council's response in Table 1 below.

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**Table 1: NSW Audit Office final report - Recommendations**

Item	NSW Audit Office - Description	Georges River Council Response
General Recommendations to be considered by all councils – NSW Audit Office <b>Recommendation 1</b>		
1	Department of Planning Industry and Environment Sector wide guidance on effective procurement practices from the Department of Planning Industry and Environment (DPIE) by June 2022.	<b>AGREED:</b> Council would support and welcomes consultation by the DPIE in the development of sector wide resources to improve procurement practices as recommended by the NSW Audit Office, including guidance in the areas specifically identified in Chapter 3
General Recommendations to be considered by all councils – NSW Audit Office <b>Recommendation 2</b>		
2	Good Procurement Practices - six (6) items recommended to be considered by all councils By December 2021, the six (6) audited councils should consider opportunities to improve procurement management as recommended in <b>Chapter 3 of the NSW Audit Office final report.</b>	<b>AGREED:</b> Three (3) of the six (6) items are currently in place and recognised by the NSW Audit Office in the report with no additional action required.  The remaining three (3) items will be considered and actioned accordingly as outlined in <b>Table 2 below.</b>
Georges River Council - NSW Audit Office <b>Recommendation 4</b>		
3	Contract Values Ensure contract values are consistent between the contract register and the annual report	<b>AGREED</b> – an assessment to be done and then, as necessary, a plan developed
4	Contract Process Steps Introduce procedures to ensure all the steps up to the awarding of a contract are documented as per the council's policy	<b>AGREED</b> – this item was identified by Council's Internal Audit on Contract Management in June 2020 with implementation of recommendations underway
5	Outcome Evaluations Introduce procedures to ensure outcome evaluations are conducted as per the council's policy	<b>AGREED</b> – plan to be developed

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**Table 2: NSW Audit Office final report (Recommendation 2) – General Recommendations to be considered by all councils outlined in Chapter 3**

<b>General Recommendations</b> – addressing common risks: opportunities to improve procurement management, the following six (6) items identified in the NSW Audit Office final report to be considered by all councils			
<b>Improvement Area</b>		<b>NSW Audit Office - Description</b>	<b>Georges River Council Response</b>
1	Procurement Plan	Documented justification of procurement needs	<b>AGREED</b> – to be considered
2	Segregation	Segregation of duties	<b>In place already.</b> Recognised by NSW Audit Office in the final report - page 17. <b>No additional action required</b>
3	Supplier Performance	Assessment of supplier performance	<b>AGREED</b> – to be considered
4	Contract Register	Centralised contract register	<b>In place already.</b> Recognised by NSW Audit Office in the final report - page 18. <b>No additional action required</b>
5	Outcome Evaluations	Evaluation of community outcomes and value for money	<b>AGREED</b> – plan to be developed
6	Training	Procurement training	<b>In place already.</b> Recognised by NSW Audit Office in the final report - pages 13 and 19. <b>No additional action required</b>

Should you have any further questions please contact Popy Mourgelas Manager Governance and Risk Management on 02 9330 6177.

Yours sincerely



Gail Connolly  
**General Manager**

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## Response from Lockhart Shire Council



File Ref: PV: SJ: 20/4615

## Lockhart Shire Council

3 December 2020

Margaret Crawford  
Auditor-General for NSW  
GPO Box 12  
SYDNEY NSW 2001

Dear Ms Crawford

### Performance Audit – Procurement Management in Local Government

Thank you for the opportunity to comment on the Report of the Performance Audit on Procurement Management in Local Government.

Council acknowledges that audit activities, including performance audits, contribute to a process of continuous improvement. Accordingly, Council accepts the recommendations contained in the Report relating specifically to Lockhart Shire Council and undertakes to implement the necessary changes.

In this regard, Council is taking steps to include additional information not currently provided in its Contracts Register but otherwise required by section 29 of the Government Information (Public Access) Act 2009. Inconsistencies in reporting identified between the Contracts Register and Council's Annual Report have been addressed in Council's 2019-20 Annual Report recently published on Council's website.

Council also acknowledges the Report's findings and broader commentary relevant to Lockhart Shire Council. With respect to the importance of procurement training for staff, Council is reviewing its 2020-21 training plan and will also review other aspects of its procurement practices and procedures.

The work undertaken by the Audit Office of NSW in undertaking the Performance Audit and identifying opportunities for Council to improve its procurement practices is appreciated.

Yours sincerely

Peter Veneris  
GENERAL MANAGER

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All communications to be addressed to: THE GENERAL MANAGER  
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## Response from Tweed Shire Council



8 December 2020

Customer Service | 1300 292 872 | (02) 6670 2400

Ms Margaret Crawford  
Auditor-General for New South Wales  
Audit Office of New South Wales  
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PO Box 816  
Murwillumbah NSW 2484

Please address all communications  
to the General Manager

ABN 90 178 732 496

Dear Auditor-General

### **Performance Audit – Procurement management in Local Government**

We refer to your letter dated 30 November inviting Tweed Shire Council (TSC) to provide a formal response to the final report on Performance Audit – Procurement management in Local Government. I understand the formal response will be incorporated into the report to be tabled in Parliament on 17 December 2020.

TSC thanks you for an opportunity to provide a formal response.

TSC has reviewed the report and accepts the recommendations.

In relation to the following findings specific to TSC, we make the following comments:

- Segregation of duties – system rectification has occurred since the audit, as acknowledged in the report; and
- Training – mandatory training with a test requiring 80% pass rate has been rolled out to all staff since the audit, as acknowledged in the report.

In relation to the following findings specific to TSC, we recognise the suggestions made to approve procurement practices for the organisation. In particular we note:

- Documented justification of procurement needs – TSC will take a risk based approach to introducing additional measures to document justification of procurement needs to make the most cost effective and appropriate allocation of resources available. In this regard, Council looks forward to implementation of Recommendation 1 - sector-wide guidance on effective procurement practices.
- Evaluation of community outcomes and value for money - TSC will take a risk based approach to introducing additional measures for evaluating community outcomes to make the most cost effective and appropriate allocation of resources available.

In regard to the above points, TSC welcomes and looks forward to implementation of Recommendation 1 (page 2) - sector-wide guidance on effective procurement



practices and reform of the Local Government (General) Regulation 2005 to reflect the increasing use of electronic tender submissions.

TSC acknowledges the suggestions concerning the management of supplier performance. Historically, TSC has found that the rating of suppliers in isolation by individual Councils, while useful to ensure poor performers are not re-engaged by Council itself, provide little incentive for suppliers to improve their practices due the small market share in the region. There is no sector-wide mechanism to prohibit poor performing contractors moving between Councils.

A sector-wide approach should be considered to centrally register contractor performance assessments by councils. This could for example, be similar to the contractor and supplier performance register previously managed by Procurement NSW and prior to that by NSW PWA.

TSC acknowledges and thanks the Audit Office and its representatives for working collaboratively during the audit process.

Yours faithfully



Troy Green  
Dec 8 2020 4:43 PM

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**Troy Green PSM**  
**GENERAL MANAGER**

cc: Sherman Chan  
Performance Audit Leader - Performance Audit  
[Sherman.chan@audit.nsw.gov.au](mailto:Sherman.chan@audit.nsw.gov.au)

## Response from Waverley Council



**Waverley Council**  
PO Box 9, Bondi Junction NSW 1355  
DX 12006, Bondi Junction  
**Customer Service Centre**  
55 Spring Street, Bondi Junction NSW 2022  
ABN: 12 502 583 608

Ms. Margaret Crawford  
Auditor-General for New South Wales  
Level 19, Darling Park Tower 2  
201 Sussex Street, Sydney NSW 2000

Our ref: D2020/116420

10 December 2020

### **Re: Performance Audit – Procurement Management in Local Government**

Dear Ms. Crawford,

Thank you for providing Waverley Council with the final report in relation to the above audit.

I would like to take this opportunity to thank you and the Audit Office of NSW team for conducting such an extensive analysis of certain aspects of our Procurement operations for the period between 1/7/2016 and 30/6/2019.

Whilst there is an acknowledgement from the Audit Office that all six of the Councils audited (including Waverley) were mostly compliant with legislative requirements and their own policies and procedures, we agree that there is always room for improvement. We appreciate the detailed specific recommendations that the Audit Office has provided in order to help Councils address the performance gaps that have been identified.

Since the completion of the audit, Waverley Council has undertaken the following steps to improve the effectiveness of the Procurement function;

1. Established the new role of Executive Manager – Procurement (from January 2020), to lead the procurement function and work closely with key stakeholders across Waverley Council that are involved in procurement activities.
2. In conjunction with item 1, facilitated a movement away from a 'decentralised' procurement model to a 'centre-lead' procurement model. This has provided a pathway for key stakeholders to seek procurement advice to ensure that procurement activities are conducted in accordance with legislation, policies and spend thresholds.

### **Addressing Common Risks: Opportunities to Improve Procurement Management**

The Audit Office has provided a comprehensive list of areas which provide opportunities for improvement in procurement management, which Waverley Council has addressed / will address over the course of 2021. A table summarising our comments and actions is attached for your reference as Appendix A.

Should you wish to discuss any of the items referred to in this letter, please contact me directly on (02) 9083 8036, or Vince Tari, Executive Manager - Procurement on (02) 9083 8506.

Again, I would like to thank you and your team for completing this audit and for highlighting the specific areas which represent opportunities for improvement.

Best regards,

A handwritten signature in black ink, appearing to read "R. McLeod", written over a light blue horizontal line.

Ross McLeod  
General Manager, Waverley Council

cc. Ms. Claudia Migotto, Assistant Auditor-General, Performance Audit, Audit Office of NSW  
cc. Ms. Sherman Chan, Performance Audit Leader, Performance Audit, Audit Office of NSW

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## Appendix A

Audit Office Recommendation	Waverley Council – Comments
Provide a documented justification of procurement needs	Procurement requirements are driven by Council's Operational Plan and divisional forward procurement plans, which outline projects that are to be completed in line with Council approved budgeted funds.
Ensure segregation of duties is in place when approving documents	<ul style="list-style-type: none"> <li>Waverley Council's Purchase Order (PO) system within TechOne requires the purchase requester to workflow the PO for approval by the relevant Manager with sufficient financial delegation authority to approve.</li> <li>The originator of the PO is unable to approve their own PO.</li> <li>For RFTs / RFQs / EOLs, an approval document is signed by the respective Manager separate to from the Project Manager, prior to commencing the approach to market process.</li> </ul>
Improve the assessment of supplier performance	<ul style="list-style-type: none"> <li>Once the procurement process has been finalised and a Contract has been signed by both parties, suppliers work closely with Council's Project Managers to ensure that their contractual obligations are carried out in accordance with the terms and conditions of the contract.</li> <li>Any performance issues that arise during the contractual period are discussed between Council's Project Managers and the supplier.</li> <li>Procurement is called upon if / when – <ul style="list-style-type: none"> <li>a contract variation is required eg. due change in scope or unexpected circumstances such as COVID</li> <li>a contract extension is required, where the contract end date needs to be amended eg. construction delays caused by adverse weather conditions</li> </ul> </li> </ul>
Ensure that a Centralised Contract Register is maintained	<ul style="list-style-type: none"> <li>All contracts are now uploaded into Contracts Monitor.</li> <li>Having a centralised Contract Register enables; <ul style="list-style-type: none"> <li>Contract management processes such as variations and extensions to be carried out accurately and efficiently.</li> <li>Disclosure of contract details where value exceeds \$150k to comply with GIPA legislation.</li> </ul> </li> </ul>
Undertake an Evaluation of Contract Outcomes and Value for Money	<ul style="list-style-type: none"> <li>Procurement is currently not involved in evaluating contract outcomes.</li> <li>The potential for engaging a dedicated Contract Management resource (including assessing Benefits Realisation on a project by project basis) has been discussed as a component of Council's Procurement Strategy.</li> <li>Additionally, the implementation of Contract Management software is being considered to enhance the reporting and transparency of supplier performance</li> </ul>

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## Appendix A

Audit Office Recommendation	Waverley Council – Comments
Procurement Training	<ul style="list-style-type: none"> <li>There will be a roll out of targeted procurement training in 2021. This will be delivered in both face to face and online formats.</li> <li>Council's Procurement team now provides support for all RFQs/RFTs/EOLs.</li> <li>Procurement enquiries are currently received via a dedicated Procurement email address, from which a Procurement team member responds with the necessary assistance / guidance.</li> <li>Support may be limited to advice only for low risk / low value procurement, through to end-to-end management / facilitation of the Tender process for high value procurement.</li> </ul>
Selected procurement findings	Waverley Council – Comments
Business relationship and arrangements with Hays Specialist Recruitment (Australia)	<ul style="list-style-type: none"> <li>Noted – Individual contracts with Hays with a combined value of over \$5m were not disclosed in the Annual Report as required under Section 217(1)(a2) of the Local Government (General) Regulation 2005.</li> </ul>
Business relationship and arrangements with Stateline Asphalt Pty Ltd	<ul style="list-style-type: none"> <li>Noted – Individual contracts with Stateline Asphalt Pty Ltd with a combined value of \$174,895 were not disclosed in the 2018-19 Annual Report as required under Section 217(1)(a2) of the Local Government (General) Regulation 2005.</li> <li>Procurement will work closely with Finance to ensure that all contracts in excess of \$150k are identified and disclosed in the Annual Report. This will include reports from the Contract Register and TechOne Financial System.</li> </ul>

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## Response from Wollongong City Council



## WOLLONGONG CITY COUNCIL

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Ms Margaret Crawford  
Auditor-General for NSW  
GPO Box 12  
SYDNEY NSW 2001

Your Ref: D2027733/PA6645  
Our Ref: Z20/270901  
File: GCS-50.04.245  
Date: 10 December 2020

Dear Ms Crawford

### PERFORMANCE AUDIT – PROCUREMENT MANAGEMENT IN LOCAL GOVERNMENT

Thank you for your letter dated 30 November 2020 providing a copy of the Performance Audit Report on Procurement Management in Local Government.

Wollongong City Council appreciates the opportunity to respond to the final report. Council notes the findings and recommendations of the report and acknowledges the valuable contribution that the work of your agency provides to the local government sector in the conduct of such performance audits. Council sees continuous improvement as a key factor in our ability to meet the ever-changing needs of our community, noting that this must be accompanied by stringent standards of corporate governance in the business processes we implement to meet those community needs.

As such, Council is very pleased the report has noted that Council's Procurement Framework, and the individually reviewed procurements, were all compliant with relevant Legislation. Council was also pleased to note that our approach to procurement training was highlighted as an area of good practice, noting that effective procurement management relies on the capability of staff involved in the process.

The audit identified some opportunities for improvement to our documented procurement policy and procedures in relation to documented justification of procurement needs, assessment of supplier performance and value for money. We note through our conversations with the Audit team that Council has some processes in place, but a documented approach would further improve our focus in these areas. Council notes these findings and will consider ways to document our approach for these items.

Thank you again for undertaking the performance audit and for providing an opportunity to comment on the findings. Should you have any further enquiries regarding this matter please contact Council's Manager Governance and Customer Service, Todd Hopwood on (02) 4227-7684.

Yours faithfully

A handwritten signature in black ink, appearing to read "Greg Doyle", written over a horizontal line.

Greg Doyle  
General Manager  
Wollongong City Council  
Telephone: (02) 4227 711