



Shire of **Ngaanyatjaraku**  
ON A JOURNEY

**Minutes of Special Council Meeting  
Held at Warburton  
21<sup>st</sup> April 2017 at 11:30am**

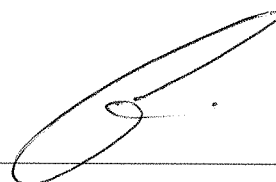
*signed*

**SHIRE OF NGAANYATJARRAKU**  
**SPECIAL COUNCIL MEETING**  
**21 April 2017**

**A G E N D A**

1. **OPENING OF MEETING BY SHIRE PRESIDENT**
2. **RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**
3. **DECLARATION OF MEMBERS' AND OFFICERS' INTERESTS**
4. **QUESTION TIME**
5. **REPORT BY THE CHIEF EXECUTIVE OFFICER**  
Report No. SM003-17      Award of Contract – RFQ VP71687 Audit Services
6. **MATTERS FOR THE INFORMATION OF MEMBERS**
7. **CLOSURE OF MEETING BY SHIRE PRESIDENT**

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**MINUTES OF SPECIAL COUNCIL MEETING  
HELD ON 21<sup>st</sup> APRIL 2017 AT 11:30AM (WST)  
IN THE SHIRE OF NGAANYATJARRAKU MEETING ROOM**

The Shire President Cr McLean welcomed everyone to today's Special Meeting and declared it open at 11:32am.

**PRESENT** Cr. J.D. McLean (President)  
Cr. A. Bates  
Cr. J. Frazer  
Cr. A. Jones  
Cr. L. West

Mr. Chris Paget - Chief Executive Officer

**APOLOGIES**

Councillor B. Thomas  
Councillor P. Thomas  
Councillor C.F. Twine

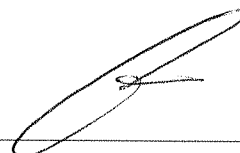
**QUESTION TIME**

No questions

**DECLARATION OF MEMBERS' AND OFFICERS' INTERESTS**

Nil

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**REPORTS BY THE CHIEF EXECUTIVE OFFICER**

**REPORT NO: SM003-17 TO: SPECIAL COUNCIL MEETING 21<sup>st</sup> APRIL 2017**  
**SUBJECT: AWARD OF CONTRACT – RFQ VP71687 AUDIT SERVICES**

<b>DATE:</b>	8 April 2017
<b>PROPONENT:</b>	Shire of Ngaanyatjarraku
<b>LOCATION:</b>	Shire of Ngaanyatjarraku
<b>AUTHOR:</b>	Kevin Hannagan, Actg. Deputy Chief Executive Officer
<b>REPORTING OFFICER:</b>	Chris Paget, Chief Executive Officer
<b>FILE NO:</b>	FM.02
<b>DECLARATION OF INTERESTS:</b>	Nil – Officers involved in the Evaluation have completed Conflict of Interest Declarations

**PURPOSE**

To provide the Council with the details of the quotation assessment for WALGA, Vendor Panel RFQ VP71687 – Audit Services, (AS) and to make a resolution in accordance with the Audit Committee recommendation for the awarding of a contract.

**BACKGROUND**

The objective of the Annual Audit is to provide an independent audit opinion of the accounts and annual financial reports of the Shire of Ngaanyatjarraku for each financial year covered by the term of the audit appointment.

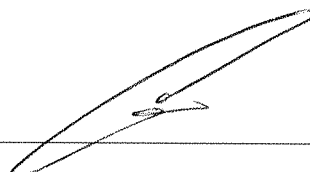
Macri Partners have been the Shire's Auditors for the last five years and their contract will expire with completion of the 2014/15 financial year Audit.

WALGA's eQuotes system was used to seek quotations for Audit Services as it ensures Local Government compliance requirements are met. Compliance is achieved by accessing Preferred Suppliers, being able to capture all decisions and the ability to provide detailed reports about vendors, buyers and goods or services categories.

Quotation

A Requested for Quotation (RFQ) was posted on 17 March 2017 using WALGA's Vendor Panel Service and closed at 2pm on Friday 7 April 2017. RFQ's were sent to:

- 1: AMD Chartered Accountants via WALGA, Vendor Panel
- 2: Butler Settineri (Audit) Pty Ltd via WALGA, Vendor Panel
- 3: Macri Partners via WALGA, Vendor Panel
- 4: Moore Stephens via WALGA, Vendor Panel.



The services sought were for the provision of External Audit Services for a period of five years commencing with the FYE 2015/16 Financial Accounts as a priority.

During the advertising period, there were no Addendums issued.

Two (2) submissions were received by the Closing Date:

- Moore Stephens Perth Chartered Accountants,
- Butler Settineri (Audit) Pty Ltd

### Evaluation

An evaluation panel was formed at the direction of the Chief Executive Officer. The following evaluation criteria were used as part of the tender evaluation process:

<b>Evaluation Criteria</b>		
<b>Qualitative / Price Criteria</b>		<b>Weighting</b>
1	LG Rural Audit experience	25%
2	Start Audit shortly after engagement	10%
3	Resources / Independence of Auditor	10%
4	Methodology / Approach	5%
5	Price – Audit Warburton or Perth, Meet Council Warburton or Phone	50%
		<b>Total 100 %</b>

This Quotation was for a 'Lump Sum' only. Following consideration of the submissions in accordance with the evaluation criteria, both (2) companies demonstrated the capability, resources and personnel to complete the service.

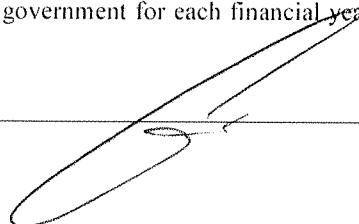
The submission received from Moore Stephens demonstrated a higher score in the Qualitative Criteria which best satisfied the specification requirements. The submission from Butler Settineri had the lowest Lump Sum Price. However the overall evaluation identified Moore Stephens Perth Chartered Accountants as the best value for the Shire and is recommended as the Preferred Supplier.

### **STATUTORY IMPLICATIONS**

Local Government Act 1995

#### 7.2. Audit

The accounts and annual financial report of a local government for each financial year are required to be audited by an auditor appointed by the local government.



7.3. Appointment of auditors

(1) A local government is to, from time to time whenever such an appointment is necessary or expedient, appoint\* a person, on the recommendation of the audit committee, to be its auditor.

\* *Absolute majority required.*

(2) The local government may appoint one or more persons as its auditor.

(3) The local government's auditor is to be a person who is —

(a) a registered company auditor; or

(b) an approved auditor.

7.6. Term of office of auditor

(1) The appointment of a local government's auditor is to have effect in respect of the audit of the accounts and annual financial report of the local government for a term of not more than 5 financial years, but an auditor is eligible for re-appointment.

7.8. Terms of appointment of auditors

(1) Subject to this Part and to any regulations, the appointment of a person as auditor of a local government is to be made by agreement in writing on such terms and conditions, including the remuneration and expenses of the person to be appointed, as are agreed between that person and the local government.

### Local Government (Audit) Regulations 1996

7. Agreements with auditors, contents of

An agreement between a local government and an auditor is to include —

(a) the objectives of the audit; and

(b) the scope of the audit; and

(c) a plan for the audit; and

(d) details of the remuneration and expenses to be paid to the auditor; and

(e) the method to be used by the local government to communicate with, and supply information to, the auditor.

### POLICY IMPLICATIONS

The process has been conducted in accordance with Council Policy CS 2.6 Purchasing.

### FINANCIAL IMPLICATIONS

The Shire has made a 2016/17 Budget allocation for Audit Services for the 2015/16 FYE and the tendered price for that year is within that allocation.

### STRATEGIC IMPLICATIONS

*Strategic Community Plan 2015 - 2025*

Outcome: 4.2 A capable and compliant local government.

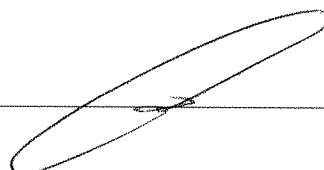
### COMMUNITY CONSULTATION

No community engagement is required.

### COMMENT

The quotation pricing criteria sought options for conducting elements of the Audit 'on' and 'off' site. As such it is proposed that the 'Interim' Audit will be undertaken in Perth and the 'Final' Audit will be undertaken in Warburton. This will allow the Auditor to meet with the Audit Committee whilst undertaking the final audit. Additional costs will be incurred for travel, accommodation and associated expenses to and from Warburton.

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## ATTACHMENTS

Attachment 1 – Confidential Evaluation Report (provided under separate cover).

## OFFICER'S RECOMMENDATION

That Council:

- 1) Awards RFQ VP71687, Audit Services to Moore Stephens Perth Chartered Accountants, Level 15, Exchange Tower, The Esplanade, Perth WA, 6000 in accordance with that tendered for a Lump Sum of \$107,000 (plus GST);
- 2) Appoints Mr. David Tomasi of Moore Stephens Perth Chartered Accountants as the Council Auditor for a period of five years for the 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20 Financial Years;
- 3) Authorises the Chief Executive Officer to enter into a Contract for RFQ VP71687, Audit Services with Moore Stephens Perth Chartered Accountants, Level 15, Exchange Tower, The Esplanade, Perth WA, 6000 in accordance with Regulation 7, Local Government Audit Regulations 1996; and
- 4) Advises unsuccessful tenderers the award of a contract to Moore Stephens Perth Chartered Accountants, Level 15, Exchange Tower, The Esplanade, Perth WA, 6000 in accordance with that tendered for a Lump Sum of \$107,000 (plus GST) in accordance with the amount tendered.

## VOTING REQUIREMENT

Absolute Majority required

**MOVED Cr. Bates, seconded Cr. West, that the recommendation contained within report SM003-17 be adopted.**

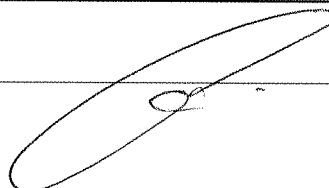
#SM003-17

## RESOLUTION:

*That Council:*

- 1) *Awards RFQ VP71687, Audit Services to Moore Stephens Perth Chartered Accountants, Level 15, Exchange Tower, The Esplanade, Perth WA, 6000 in accordance with that tendered for a Lump Sum of \$107,000 (plus GST);*
- 2) *Appoints Mr. David Tomasi of Moore Stephens Perth Chartered Accountants as the Council Auditor for a period of five years for the 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20 Financial Years;*
- 3) *Authorises the Chief Executive Officer to enter into a Contract for RFQ VP71687, Audit Services with Moore Stephens Perth Chartered Accountants, Level 15, Exchange Tower, The Esplanade, Perth WA, 6000 in accordance with Regulation 7, Local Government Audit Regulations 1996; and*
- 4) *Advises unsuccessful tenderers the award of a contract to Moore Stephens Perth Chartered Accountants, Level 15, Exchange Tower, The Esplanade, Perth WA, 6000 in accordance with that tendered for a Lump Sum of \$107,000 (plus GST) in accordance with the amount tendered.*

CARRIED BY AN ABSOLUTE MAJORITY 5/0



**MATTERS FOR THE INFORMATION OF MEMBERS**

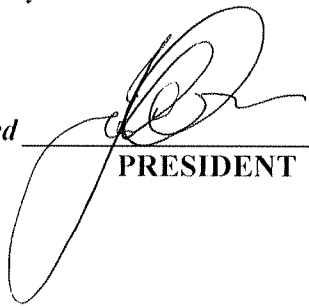
Nil

**CLOSURE**

There being no further business, the Shire President thanked everyone for their attendance and declared the meeting closed at 11.48am (WST).

These minutes of the special meeting held 21<sup>st</sup> April 2017 were confirmed at the meeting held on 31<sup>st</sup> May 2017.

*Signed* \_\_\_\_\_



**PRESIDENT**

*Date* \_\_\_\_\_

*31/5/17*

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