

**Submission  
No 24**

**EXAMINATION OF THE AUDITOR GENERAL'S PERFORMANCE AUDIT  
REPORTS JUNE - DECEMBER 2020**

**Organisation:** Cumberland City Council

**Date Received:** 11 February 2022



CUMBERLAND  
CITY COUNCIL

11 February 2022

Our Reference 9262983  
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Mr Greg Piper MP  
Chair  
Public Accounts Committee  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000

By Email: [pac@parliament.nsw.gov.au](mailto:pac@parliament.nsw.gov.au)

Dear Mr Piper

**RESPONSE TO FOLLOW-UP LETTER – AUDITOR-GENERALS PERFORMANCE AUDIT  
REPORT – PROCUREMENT IN LOCAL GOVERNMENT**

Thank you for your correspondence dated 17 December 2021, in relation to the NSW Audit Office Performance Audit Report – Procurement in Local Government.

Council has provided its response to the recommendations listed for Cumberland City Council in the suggested template attached to your previous correspondence. A copy of this completed response template is attached to this email.

Council found the performance audit engagement and overall process to be a highly efficient and effective review of its Procurement operations. One area of feedback identified with the audit process for your office to consider was the overall timing between fieldwork commencing and the final report being issued, which took well over 12 months. During this time, Council's Procurement framework, processes and approach had substantially matured. Regardless, Council found the process to be extremely beneficial. I would like to commend the auditors involved on behalf of the NSW Audit Office, as they conducted themselves very professionally and were very supportive of Council staff.

I thank you once again for selecting Council as a participant of this performance audit, and I look forward to our continued relationship with the NSW Audit Office.

Yours faithfully

[REDACTED]

Melissa Attia  
ACTING GENERAL MANAGER

Encl

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**Welcome *Belong* Succeed**



## IMPLEMENTATION OF RECOMMENDATIONS

### Cumberland City Council

### Procurement Management in Local Government

RECOMMENDATION		ACCEPTED OR REJECTED	ACTIONS TO BE TAKEN	DUE DATE	STATUS (completed, on track, delayed) and COMMENT	RESPONSIBILITY (Section of agency responsible for implementation)
1	<p>Cumberland City Council should immediately:</p> <p>a) ensure contract values are consistent between the contract register and the annual report</p>	Accepted	A regular audit is to be undertaken of the GIPA contracts register, ensuring completeness of information as well as cross checking the information placed in the annual report.	1 March 2022 (Ongoing)	Council undertakes a regular audit of this information to ensure there is direct correlation between the GIPA Contracts Register and the Annual report. In this instance, due to the anomaly identified in the report, one contract was omitted. Given this error was clarified and updated, Council will continue to follow its established cross-checking process between the two documents.	Procurement
	<p>b) Introduce procedures to ensure supplier performance reviews are conducted as per the Council's policy</p>	Accepted	The Executive Management Team is to adopt the Draft Contract Operational Procedure, which will give effect to supplier performance reviews to inform cessation of contracts, contract renewals, and request for quotation processes to establish contracts following the cessation of a contract period.	30 July 2022	On track – The Contract Operational Procedure is in an early draft, as well as the relevant management dashboards and digital forms in the sharepoint platform to enable these supplier performance reviews to be undertaken digitally. The next steps will be to finalise the Procedure and present it to the Executive team for adoption.	Procurement