

## MEDIA RELEASE

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## **Auditor-General's report to Parliament on Procurement in Local Government**

The Auditor-General, Mr Rod Whitehead, has submitted his report to Parliament on procurement at Break O'Day Council, Derwent Valley Council and Glamorgan Spring Bay Council.

The audit assessed each Council's compliance with their procurement and reporting obligations under their respective Code for Tenders and Contracts, the *Local Government Act 1993* and *Local Government (General) Regulations 2015*. Mr Whitehead said, "Compliance with requirements ensures purchasing is conducted in accordance with the key principles of: open and effective communication; value for money; enhancing the capabilities of the local business industry; and ethical behaviour and fair dealing".

The audit found Break O'Day Council and Derwent Valley Council generally complied with the requirements. However, they were unable to provide documentary evidence that quotations had been obtained for procurements that required quotations, and they did not identify and address staff procurement skills gaps through formal training. In addition, Derwent Valley Council, did not provide or adequately document the justification for its decision not to follow the recommendation of the tender evaluation panel on two occasions. Mr Whitehead made six and eight recommendations for Break O'Day Council and Derwent Valley Council, respectively, to assist them in improving their compliance with procurement requirements.

Mr Whitehead said "I was unable to conclude on Glamorgan Spring Bay Council's compliance with the requirements as the Council could not provide the majority of the records of procurement and training activity requested, which was a significant failing." The audit also found Glamorgan Spring Bay Council did not comply with its annual reporting requirements for procurements exceeding public tendering thresholds. Mr Whitehead made two recommendations to assist Glamorgan Spring Bay Council strengthen its procurement practices to support compliance.

The complete Report can be downloaded from [www.audit.tas.gov.au](http://www.audit.tas.gov.au).

## **ENDS**

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