



Australian Government

Indigenous Land and Sea Corporation



The ILSC GROUP

PEOPLE. COUNTRY. OPPORTUNITY.

19/01/2026

Submission Close 16, February 2026

Re: Request for Proposal

About Us

The Indigenous Land and Sea Corporation (ILSC) is a corporate Commonwealth entity established in 1995 under the *Aboriginal and Torres Strait Islander Act 2005 (ATSI Act)*. The ILSC's purpose is to assist Indigenous people to acquire and manage land and water(s) to achieve economic, environmental, social, and cultural benefits.

The ILSC's long-term vision for meeting its *ATSI Act* mandate is for Aboriginal and Torres Strait Islander people to enjoy the rightful entitlements, opportunities and benefits that the return of country and its management brings.

The ILSC's primary strategic approach and priorities for how it meets its legislative mandate through to 2028 are included in the ILSC's National Indigenous Land and Sea Strategy (NILSS). More information about the ILSC is available from www.ilsc.gov.au.

Overview

The ILSC is seeking a suitably qualified and experienced provider for the provision of internal audit services in a manner that generally conforms to the Global Internal Audit Standards. The period of services is for an initial three-year engagement, commencing 1 July 2026 with an option to extend up to two-years. The internal audit service provider is expected to be capable of delivering high quality, independent and objective assurance to enhance ILSC's governance, risk management, and internal control frameworks in alignment with public sector standards and legislative obligations.

If your organisation is successful, then you will be required to complete supplier onboarding via a third-party on-line portal called EFTSure. Key supplier information is collected, and relevant documents attached e.g. insurance certificates. EFTSure staff will contact you via telephone to verify details.

Please refer to the attached Terms of Reference when responding to this request.

www.ilsc.gov.au

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Disclaimer

This document is not a contractual offer by the ILSC but merely an invitation to receive proposals and no contractual obligations will arise from this process unless and until a formal contract is duly executed by both parties.

The ILSC reserves the right to:

1. Vary the process and timetable relating to this process in its absolute discretion;
2. Vary the terms of the request for proposal;
3. Cease the procurement process and reject all proposals at any time prior to the award of a contract;
4. Accept or reject any proposals, whether they are compliant or not;
5. Not accept the lowest quote or any proposals] at all;
6. Seek additional information or clarification from respondents and to request an interview with one or more respondents;
7. Select and negotiate with more than one respondent; or
8. Cancel, add to or amend the information, requirement, terms, procedures or processes set out in this request for proposal.

The ILSC reserves the right to consider any information as part of the procurement process including information received by the ILSC outside of the process, this could include, but not limited to, information received past any deadline and information directly requested by the ILSC.

Privacy

ILSC may collect personal information as part of your submission. Personal information will be contained in your proposal, curriculum vitae (CVs)/ resumes and any customer references you provide. This information will be used to assess your proposal. The ILSC will not disclose your personal information unless it is for the purpose that it was obtained or required by law.

More information about your rights to access your personal information and how to complain about a privacy breach is included in the ILSC's Privacy Policy. The ILSC's Privacy Policy can be found by following the privacy policy link on the ILSC's website at <http://www.ilsc.gov.au>.

Closing Date

Please forward your proposal to Elma Lozada by **COB Monday 16 February 2026**. Should you have any questions or require additional information, please do not hesitate to contact myself.

Yours sincerely

Elma Lozada
Manager, Risk and Assurance
P: 08 8100 7131 | M: 0422 623 964 | E: elma.lozada@ilsc.gov.au

TERMS OF REFERENCE

Scope of Services

As part of our commitment to maintaining a strong governance and assurance framework, ILSC is seeking proposals for Internal Audit services. To support our assessment of the most suitable delivery model, respondents are requested to submit two proposals:

Option 1: A full outsourcing model in which the service provider delivers the Internal Audit function end-to-end.

The respondent will assume full responsibility for the delivery of the Internal Audit function. This includes the development of the annual Internal Audit Plan, execution of all audit engagements, reporting of findings, and provision of periodic updates to management and the Audit & Risk Committee. The service provider will operate as the organisation's Internal Audit function, supplying all required resources, subject-matter expertise, methodologies, and tools.

Key Expectations

- Prepare a comprehensive, risk-based Internal Audit Plan aligned with organisational priorities for the consideration of the ILSC Executive and Audit & Risk Committee.
- Provide qualified audit professionals with appropriate technical and industry expertise.
- Conduct all internal audit activities in accordance with the Global Internal Audit Standards.
- Maintain independence and objectivity in all audit work.
- Provide clear, timely reporting and insights to support continuous improvement.
- Offer access to specialist skills (e.g., IT audit, cybersecurity, data analytics) as required.

Service Delivery Model

The respondent will be expected to manage the Internal Audit function end-to-end, including planning, fieldwork and reporting. The ILSC will retain oversight through the Audit & Risk Committee and management liaison but will not maintain an in-house internal audit team. Internal audit action tracking and follow up will be undertaken by the ILSC's internal Risk & Assurance Team.

Option 2: A co-sourcing or hybrid model designed to supplement and enhance our internal capability.

The respondent will work collaboratively with the organisation's internal resources to deliver the Internal Audit Plan. This hybrid model is intended to supplement existing capability, provide specialist expertise, and enhance the flexibility and scalability of the Internal Audit function.

Key Expectations

- Partner with internal staff to jointly develop and deliver the annual Internal Audit Plan.
- Provide specialist skills and additional capacity to support specific audit engagements.
- Share methodologies, tools, and leading practices to uplift internal capability.
- Maintain independence and objectivity in all work performed.
- Support knowledge transfer to strengthen the organisation's internal audit maturity.

Service Delivery Model

Under this arrangement, the ILSC will retain an internal audit presence (within the Risk & Assurance Team), while the service provider contributes resources on an as-needed basis. The model should allow for seamless integration between internal and external resources, with clear delineation of roles, responsibilities, and reporting lines.

These proposals will assist us in determining the optimal structure for achieving audit quality, independence, and operational flexibility.

The successful provider may be required to deliver services including, but not limited to:

- Risk-based internal audits across operational and compliance areas
- Evaluation of internal controls and assurance processes
- Review of procurement, contract management and grant administration
- Advisory services on governance and performance reporting
- Preparation of audit plans, audit reports and recommendation for the executive team and Audit and Risk Committee

- Support for compliance with relevant legislation, including the Public Governance, Performance and Accountability Act (PGPA Act) and Aboriginal and Torres Strait Islander Act (ATSI Act).

Capability and Experience

Your response should include, but not limited to:

- Capability and experience of your organisation in undertaking required services, particularly in relation to Commonwealth Corporate Entities and the industries and sectors in which the ILSC operates. The proposal should include details of how you will address coverage across corporate functions, the diversity of operations, range of activities and locations.
- Detail of your recommended personnel to undertake the work, evidence of relevant expertise and references, and the role of those personnel across the services being offered to the ILSC. It is essential that recommended personnel understand the full range of activities and operations of the ILSC and the various locations across Australia in which the ILSC operates.
- Provide an example schedule of internal audit activities covering the full engagement lifecycle of an internal audit project - from commencement through to submission of the final report to the Audit & Risk Committee. This example schedule must demonstrate your capability to structure and sequence internal audit work in a way that aligns with the ILSC's reporting timeframes and requirements. The purpose of this example is to demonstrate your capability to align internal audit activities to operational reporting requirements.
- Details of how you would address any conflict-of-interest issues that may arise.

Fees

Provide a detailed schedule of fees for the delivery of internal audit services. The schedule must include:

- The basis of charging, including whether fees are calculated on an hourly rate, day rate, blended rate, fixed-fee model, or another structure.
- Fee rates by internal audit type, including (but not limited to) process audits, compliance audits, strategic or thematic audits, advisory reviews, and any specialist audits.
- A description of what is included in each fee category, such as planning, fieldwork, reporting, travel, administration, and quality assurance.
- Any proposed annual fee escalations or indexation, including the basis for yearly increments for the 3-year period and optional additional 2 years (e.g., CPI, fixed percentage, award changes).
- Additional or optional service charges, if applicable (e.g., data analytics, specialist expertise, technology tools).

For purposes of providing recommended personnel, costing and relevant experience in your proposal:

- Assume the ILSC undertakes 4 Internal Audit projects annually, and
- Virtual attendance at ILSC Audit and Risk Committee meetings 4 times per year.

Methodology and Approach

Respondents must provide a detailed description of their proposed methodology and approach for delivering internal audit services. The response should demonstrate a clear understanding of internal audit principles, risk-based auditing, organisational context, and contemporary assurance practices.

A. Audit Methodology

Respondents must describe their audit methodology, including:

- The frameworks or standards used (e.g., Global Internal Audit Standards).
- The process for scoping, designing audit procedures, and identifying key controls.
- Techniques used for testing controls, gathering evidence, and validating findings.
- Use of data analytics, technology, or automation to enhance audit quality.
- How materiality, sampling, and risk ratings are determined.

B. Engagement Delivery

Respondents must explain how they will deliver each audit engagement, including:

- Proposed project management approach.
- Expected timelines and milestones for typical audits.
- Communication protocols with management throughout the audit lifecycle.

- Quality assurance processes, including internal review and sign-off procedures.
- How conflicts of interest will be managed.

C. Reporting Approach

Respondents must outline their approach to reporting, including:

- Structure and format of draft and final audit reports.
- How findings, root causes, and recommendations will be presented.
- How risk ratings and priority levels are determined.
- How management responses and action plans will be incorporated.
- Approach to reporting to the Audit & Risk Committee.

D. Resourcing Availability and Responsiveness to Emerging Risks

Respondents must provide:

- How specialist expertise (e.g., Cyber, WHS, procurement, Finance) will be accessed.
- Approach to continuity of personnel and knowledge retention.
- Ability to rapidly mobilise resources and capacity to conduct short-notice reviews.
- Flexibility to adjust the audit plan.

E. Value-Add and Innovation

Respondents should outline:

- Opportunities to improve audit efficiency or insight.
- Use of benchmarking, industry insights, or thematic analysis.
- Training or capability-building support for internal staff (for Option 2)
- Any tools, dashboards, or analytics that enhance reporting.

F. Understanding of the ILSC

Respondents must demonstrate:

- Their understanding of the ILSC's operating environment, risks, and challenges.
- How their methodology will be tailored to ILSC's size, complexity, and maturity.
- Any assumptions made in developing the approach.

First Nations Procurement

The ILSC has a legislative requirement to give priority to:

- Maximising the use of goods and services provided by businesses owned or controlled by Aboriginal persons or Torres Strait Islanders; and
- Maximising the employment of Aboriginal persons and Torres Strait Islanders.

In providing your proposal can you address the following questions:

- Is your organisation 50% or more Aboriginal and/or Torres Strait Islander owned?
- How many Aboriginal persons or Torres Strait Islanders does your organisation employ? And how many employees do you have in total?
- Will you engage subcontractors for the purpose of delivery of the proposed services?
- Are the subcontractor organisations 50% or more Aboriginal and/or Torres Strait Islander owned? How many Aboriginal persons or Torres Strait Islanders do the subcontractors employ? And how many employees do they have in total?
- For this engagement/procurement, what per cent of the total services provided are sourced from First Nations enterprises (50% or more Aboriginal and/or Torres Strait Islander owned)?

ILSC Values

- Does your organisation have a First Nations mentoring/training program?
- Will Aboriginal and/or Torres Strait Islander staff be allocated to the internal audit team?

- Does your organisation have a Reconciliation Action Plan?
- Does your organisation have environmentally sustainable practices? E.g. initiatives such as target emission reduction, diversion of waste from landfill, and use of recycled materials.
- Please declare if your business has any conflict of interest in performing the services.
- Please declare if your business has employees/directors/owners who were previously/are currently employed by the ILSC.

Conflicts of interest are subject to ILSC review. The ILSC reserves the right to reject the proposal if inadequately addressed.

Compliance

- Declare if you/your business has a judicial or tribunal decision against it (not including decisions under appeal) relating to employee entitlements and have not satisfied any resulting order.
- Provide your modern slavery statement if applicable. (Required for organisations with greater than \$100m consolidated revenue)
- Disclose any use of artificial intelligence (AI) tools or technologies in the development, delivery, or support of the proposed internal audit services. This includes a description of how AI will be used, the controls in place to ensure accuracy and confidentiality, and any associated risks or limitations.
- Please provide relevant insurance/licences/certifications. You will also be requested to supply insurance documents during ILSC supplier onboarding if your proposal is successful. Please provide certificates of currency of the following:
 - Professional Indemnity Insurance
 - Public Liability Insurance
 - Workers' Compensation Insurance
 - Cyber Liability Insurance

Please confirm your organisation complies with relevant work, health and safety legislation and agrees to provide evidence of compliance and give access to relevant information to the ILSC if your proposal is accepted.

The criteria used to evaluate your proposal are:

Criteria	Weighting
Fees	30%
Capability and experience	25%
Methodology and approach	25%
First Nations procurement	10%
ILSC Values	10%
Compliance Supplier engagement is subject to compliance review	n/a