

INTERNAL AUDIT



Invitation to Tender – Suppliers' clarification queries:

Updated 27 August 2019 14:30

1. We are interested in submitting a bid for the provision of internal audit services (assuming you are open to bids from SMEs). We should be grateful please if you would provide further instructions.

Response: We welcome bids from SMEs. All relevant information for suppliers to submit a tender is included within the Invitation to Tender published on the on www.MyTenders.co.uk or the www.contractsfinder.service.gov.uk

2. Would it be possible to have a copy of your risk register and the annual internal audit report and plan?

Response: We will not be releasing risk registers at this stage as we would wish to understand what risks you identify as facing the service museums. The annual internal audit report and plan will not be released for the same reason. The ITT provides all information required to draw up a tender. No additional detail will be provided.

3. The ITT is in PDF format. Would you be happy for us to respond in our own format whilst still adhering to the question numbering and placing?

Response: Yes. A MSWord copy of the ITT is also attached to this document for ease of reference.

4. We would be grateful if you could provide us with the following information:
 - detailed specifications of the contract
 - particulars of the Scope of Work
 - and terms and conditions of the contractIt would be helpful if you would indicate any other information pertinent to the contract.

Response: All relevant information for suppliers to submit a tender is included within the Invitation to Tender published on the on www.MyTenders.co.uk or the www.contractsfinder.service.gov.uk

5. Annex 3 of the ITT provides 'Example terms and conditions of contract', but for only one of the three National Museums. Are you content that we negotiate the specific terms and conditions upon appointment?

Response: the terms and conditions of contract are expected to be materially the same for each of the three National Museums as the example contract provided.

6. Para 21.1 of the ITT requests that the price submitted should be a "fixed sum for each year of the Contract". Is that to be split on a 'per Museum' basis, or one lump sum for the contract as a whole?

Response: This will be based on a 'per museum' basis.

7. We note you have provided an indication of the number of reviews expected per annum at each Museum. However, under Public Sector Internal Audit Standards we have to take a risk based approach to annual internal audit plans and hence the exact resources required each year for each Museum will be subject to agreement of what areas are to be reviewed, and the scopes for each of those reviews. This resource will also vary naturally from year to year. Whilst we can provide a fixed composite daily rate, and an indicative number of days required each year for each Museum, do you accept that the overall price cannot be fixed until such time as the individual plans have been agreed by each Museum's own Audit Committee?

Response: Yes.

8. For each of the National Museums, where would the majority of the internal audit work take place?

Response: We would expect the fieldwork to take place at each of the National Museums. Other work, including report writing, review, etc. could be undertaken offsite.

9. In light of annual leave and Monday 26 August being a Bank Holiday, would an extension be possible so that we can have adequate resources working on the tender so we can submit as best a response as is possible?

Response: An extension is not available. Tenders should be returned no later than 12 noon on Friday 30 August 2019 in order to be considered.

10. What are the "expected benefits" you are looking for please? We take this as meaning providing an internal audit service that delivers against the requirements set out in section 8.1. Is that correct?

Response: Yes.

11. Is there any information, other than what is available of the websites of the respective museums, which provides more information on the changes and growth plans (e.g. Strategic Plans)?

Response: You may wish to consult each Museums' Trustees' Report and Annual Statement of Accounts which are publicly available.

12. "Supplier fit" – is there a specific attribute(s) you are looking for here? E.g. would you expect the preferred supplier to necessarily have an existing portfolio of museum clients?

Response: It is not expected that the supplier will have an existing portfolio of museum clients. "Supplier fit" is about how the supplier will work with the National Museums to add value and deliver improvements to the control environment.

13. Is there an up to date group structure chart for the National Museum of the Royal Navy that you can share please? Or does the version in the 2016/17 accounts still represent the current set-up?

Response: A structure chart is available in the national museum of the Royal Navy's published Trustees' Report and Annual Statement of Accounts for 2017/18 which are publicly available.

14. Is there currently a common internal control environment for the National museum of the Royal Navy within which all group entities currently operate? i.e. shared financial systems, common governance framework, group-wide policies and procedures, including financial processes.

Response: Yes

15. At which location is the finance team for the RAF Museum based please?

Response: Colindale, London

16. Does the RAF Museum trading subsidiary have its own financial systems and arrangements; and do you envisage the internal audit remit to cover this subsidiary?

Response: The RAF Museum trading subsidiary does not have its own financial arrangements. It is expected that the internal audit remit will cover this subsidiary.

17. What aspects of internal audit work will the NAO be looking to place reliance on please (in light of ISA that defines the relationship between external and internal audit work)?

Response: that would be subject to agreement between the NAO and the internal auditor, but would typically include any work on key financial system.

18. What do you contemplate in terms of how internal audit work can help to “reduce governance costs”?

Response: through helping to streamline processes.

19. Do you require bidders to provide details of how they will generate strategic internal programmes and an annual plan only? Or, do you require bidders to also propose an annual plan of reviews (9.2ii).

Response: for the tender response, bidders are expected to describe how they will develop rolling three year risk-based internal audit strategies and plans which outline the programme of work for each National Museum. They are not expected to propose an annual plan of reviews at this stage.

20. How have you arrived at the number of reviews please?

Response: this is an indicative number of reviews for each National Museum based upon current internal audit provision.

21. What is the maximum number of internal audit days do you envisage should be needed to complete the number of reviews at each museum?

Response: the number of days would be based on the nature, scope and complexity of each review and would be determined through the internal audit planning process.

22. Annex 2, section 4 is asking suppliers to confirm that they “meet the mandatory requirements / constraints, if any, as set out in the National Museums’ specification forming part of this ITT”. Please clarify what exactly these mandatory requirements / constraints are please to which we need to confirm adherence.

Response: There are no “mandatory requirements / constraints” specified within the ITT. Annex 1 Supplier Response Checklist, however, provides the required content of the tender response to this ITT.

23. We would expect information provided in the tender response around fees and pricing to be treated as commercially sensitive and confidential. Please clarify if the intention of this clause is that this is not the case.

Response: The National Museums reserve the right to disclose all documents relating to this Procurement Process, including without limitation your tender response, to any employee, third party agent, adviser or other third party involved in the procurement in support of, and/or in collaboration with, the National Museums. The National Museums further reserve the right to publish the Contract once awarded and/or disclose information in connection with Supplier performance under the Contract in accordance with any public sector transparency policies. By participating in this Procurement Process, you agree to such disclosure and/or publication by the National Museums in accordance with such rights reserved by it under this paragraph.

24. What is the current status of your internal audit provision across the three museums please – i.e. in house provision, outsourced, co-sourced etc (we note from review of the 2017/18 NAM accounts that the internal audit service was outsourced)?

Response: The current internal audit provision for each of the National Museums is outsourced.

25. The tender notice indicates a 5 year total fee expectation of £200000 across all three museums. Is that correct please?

Response: Yes.

END