

Call-Off Schedule 20 (Call-Off Specification)

This Schedule sets out the characteristics of the Deliverables that the Supplier will be required to make to the Buyers under this Call-Off Contract

THE DEPARTMENT'S REQUIREMENT

The Master Servicer Agreements for Sale 1 and Sale 2 require HMG, as seller of the ICR Loans, to procure, on an annual basis, the commission of a ISAE 3402 Type 2 Controls Audit in respect of the processes undertaken by HMRC and SLC ("the Service Organisations") in servicing the ICR Loans. The report is provided to the issuers, also known as Special Purpose Vehicles (SPVs), or the external auditors of the issuers, acting on its behalf, on a reliance basis.

The report is also shared with Welsh Government, Scottish Government and the Northern Ireland Executive to provide further assurances about processes related to student loans that SLC and HMRC service on their behalf.

An ISAE 3402 Type 2 Controls Audit is required each year to be delivered by mid July each year.

The supplier should note the additional document related to the service scope in Annex A - ISAE 3402 SLC and HMRC control objectives. The objectives are subject to change, depending on processes and systems but will broadly stay the same each year.

BASE LOCATION

It is expected that all aspects of the ISAE-3402 control audit report will be carried out remotely, but visits may be required for new suppliers in the first year to Student Loans Company, Glasgow.

PAYMENT

The Department will operate a policy of milestone payments for this procurement to ensure value for money. Milestone completion will be dependent on the Department acceptance of milestones completed, based on the discretion of the Department's Contract Manager.

Per-audit base fee: Your per-audit base fee should be quoted as a capped fee exclusive of VAT and based on full delivery of work on a per audit basis (assuming one audit process per annum). Please state any assumptions you have made in preparing your fixed cap fee.

Additional ad hoc advice: The authority may require additional ad-hoc advice from you from time to time related to controls, as well as the SPV auditor engagement work mentioned under "additional service" above. This work will be charged on a time-and-materials basis in accordance with your rate card provided in the pricing schedule. Quoted rates must be no higher than the maximum rate under the Crown Commercial Services Framework RM6188 lot 4 Audit and Assurance Services.

Expenses: both your per-audit base fee and your ad-hoc rates must be inclusive of travel (if required) and related expenses to the base location as required by the framework terms. Reasonable travel and related expenses incurred when attending additional locations will be payable.

KEY MILESTONES

The potential provider should note the following project milestones that the Authority will measure the quality of delivery against:

Milestone Phase	Dates	Deliverables
1. Planning	Jan- Feb/March	<ul style="list-style-type: none"> • Meet with SPV Auditor • Review previous control objectives • Agree timeline plan with all parties
2. Test of Design and Commence Fieldwork	March to April	<ul style="list-style-type: none"> • Control Audit Test of Design Walkthrough at SLC and at HMRC. • “Point in time” testing • Population requests • Commence fieldwork testing
3. Complete fieldwork and exceptions	May - June	<ul style="list-style-type: none"> • Complete field work and demonstrate progress against completed controls. • Work through exceptions
4. Report drafting	June-July	<ul style="list-style-type: none"> • Submit draft report and Letters of Management Representation • Finalise report • Agree release of report to Devolved Administrations
5. SPV Audit Fieldwork	Aug	<ul style="list-style-type: none"> • Prepare for a complete fieldwork as request by SPV auditor and agreed with DfE
6. Post Audit Lessons Learned	Oct	<ul style="list-style-type: none"> • Contribute to lessons learned sessions and identify areas of improvement for following year.

REPORTING

A detailed audit reporting cycle timeline for SLC and HMRC is provided in Annex B. All timings are estimates and may be subject to change. Exact timings will be agreed as part of the planning stage with the supplier.

Annex A – [REDACTED]

The image shows a document that has been almost entirely redacted. On the left side, there is a vertical column of text that has been completely obscured by black bars. The main body of the document consists of several horizontal lines of text, each of which has been replaced by a solid black bar. The redaction is consistent throughout the visible portion of the page, leaving no legible content.

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Annex B – [REDACTED]

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