

FRAMEWORK SCHEDULE 1 (SPECIFICATION)

AUDIT & ASSURANCE SERVICES (A&AS)

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AUDIT & ASSURANCE SERVICES FRAMEWORK SCHEDULE 1 (SPECIFICATION)

1. INTRODUCTION

- 1.1. The purpose of this document is to provide a description of the Services that the Supplier shall be required to deliver to the Buyer under the Call-Off Contract.

2. THE LOTS

- 2.1. The Services are divided into four Lots:
 - 2.1.1. Internal Audit and Assurance
 - 2.1.2. External Audit
 - 2.1.3. Counter-Fraud and Investigation
 - 2.1.4. Other Independent Assurance
- 2.2. The Services within each Lot are contained in paragraphs 4 to 7 of this Specification and are not an exhaustive list. Buyers may require other similar Services, which will be detailed in the Call-Off Procedure.
- 2.3. Any Service standards and Key Performance Indicators (KPIs) that apply to the Services for each Lot are not set out in this Specification as it is the Buyer's responsibility to set these as appropriate in the Call-Off Procedure.

3. MANDATORY SERVICE REQUIREMENTS: ALL LOTS

- 3.1. The Supplier shall meet the mandatory requirements listed below in paragraphs 3.2 to 3.26, under this Framework Schedule 1 (Specification).
- 3.2. The Buyer will confirm their required Services during the Call-Off Procedure.
- 3.3. The Supplier shall create a relevant generic email address which shall be used for all Buyers' queries.
- 3.4. For each Call-Off Contract, the Supplier shall be expected to provide advice and assurance on different delivery options, if applicable, to the Buyer with a clear assessment of each option including, but not limited to, the practicality, timescales, cost, comparative value for money and risk. This advice and assurance may involve producing reports, outlining strategies, identifying programs of work and associated project plans.
- 3.5. The Supplier shall ensure that knowledge acquired during the Call-Off Contract Period is transferred to the Buyer, which allows for the Buyer to improve awareness of strategic approaches and market intelligence and to share the learnings to internal and external stakeholders in the future.
- 3.6. The Supplier shall provide to the Buyer a full project plan which includes outputs and milestones. The Supplier shall agree with the Buyer the frequency of updates on milestone delivery, risks, issues and any other metrics required.
- 3.7. The Supplier shall have processes and systems in place for ensuring costs and pricing are managed appropriately. This shall include ensuring the grade mix of the team assigned will be adapted to provide the right balance in terms of quality and cost effectiveness.

- 3.8. The Supplier shall adopt a policy of continuous improvement in relation to the Services.
- 3.9. The Supplier shall consult the Buyer as to how they will manage and communicate with stakeholders.
- 3.10. If applicable the Supplier will identify and map the stakeholders relevant to the Call-Off Contract, including their interest and level of impact.
- 3.11. The Supplier shall ensure that all Services meet all of the policies and procedures detailed by the Buyer.
- 3.12. The Buyer may require Supplier Staff to have Baseline Personnel Security Standard (BPSS), Security Clearance (SC) and/or Developed Vetting (DV) for some Call-Off Contracts. If this is required the Buyer will detail their requirements in the Call-Off Procedure.
- 3.13. All Suppliers will need to have Cyber Essentials. If a Buyer requires Cyber Essentials Plus this will be confirmed by the Buyer in the Call-Off Procedure.
- 3.14. The Supplier shall work with Buyers and their stakeholders (if applicable) to identify and rank the risks identified and agree a risk management strategy. The Supplier shall proactively manage project risks and value management, to deliver mutual benefits and the most successful outcome for the Buyer.
- 3.15. The Supplier shall cooperate with all appropriate parties at all times in accordance with the spirit and terms of the Framework Contract and Call-Off Contract.
- 3.16. The Supplier may wish to consider the use of robotic process automation or artificial intelligence for elements of the delivery of Services on a case by case basis to the Buyer, where it is proven to bring additional benefits including but not limited to efficiencies.
- 3.17. The Supplier shall deliver the Services in accordance with Good Industry Practice and where applicable Supplier Staff shall have professional qualifications with a member body of the Consultative Committee of Accountancy Bodies or equivalent. The obligations set out in this Specification are in addition, and without prejudice, to what is set out in the Call-Off Contract.

Complaints procedure

- 3.18. The Supplier shall have a robust and auditable complaints procedure for logging, investigating, managing, escalating and resolving complaints initiated by the Buyer.
- 3.19. The complaints procedure shall comply with the following:
 - 3.19.1. All complaints shall be logged and acknowledged within twenty-four (24) hours of receipt by the Supplier;
 - 3.19.2. All complaints shall be resolved within ten (10) Working Days of the original complaint being made, unless otherwise agreed with the Buyer; and
 - 3.19.3. All complaints shall be recorded including; the date the complaint was received, complainant contact details, nature of the complaint and the actions and timescales taken to resolve the complaint.

- 3.20. The Authority may request a consolidated complaints report as and when from the Supplier relating to all Buyer complaints. The report shall be provided to the Authority by the Supplier within ten (10) Working Days from the request.

Social Value

- 3.21. This Framework Contract provides Buyers a means to embed the Social Value Act 2012 which must be considered in all Call-Off Contracts through reviewing policy themes such as:
- 3.21.1. COVID-19 recovery;
 - 3.21.2. Tackling economic inequality;
 - 3.21.3. Fighting climate change;
 - 3.21.4. Equal opportunity; and
 - 3.21.5. Wellbeing.
- 3.22. Suppliers are expected to act with these priorities in mind, and the Authority may discuss these priorities as part of framework management meetings.
- 3.23. The Buyer's requirements will be set out in the Call-Off Procedure. The Supplier shall comply with and/or identify proposed social value initiatives, proportionate and relevant to each Call-Off Contract.
- 3.24. The Supplier shall deliver measurable benefits and impacts in respect of the social value priorities when identified in the Call-Off Contract.
- 3.25. The Supplier shall record and report performance against the social value requirements when detailed in the Call-Off Contract.
- 3.26. The Supplier shall report on social value issues to the Buyer and/or CCS as agreed.

4. LOT 1: INTERNAL AUDIT AND ASSURANCE

- 4.1. Provision of services relating to all aspects of internal audit to provide independent and objective assurance and consulting activity on the effectiveness of governance, risk management and controls in line with public sector internal audit standards and other Standards.

Core internal audit services

- 4.2. The Supplier shall be able to offer **all** of the core internal audit services, in paragraphs 4.2.1 - 4.2.5 to the required Standards.
- 4.2.1. Assurance on governance, risk management and controls including but not limited to IT, finance, commercial, human resources, facilities management, policy development and operations
 - 4.2.2. Advice and guidance on internal audit

- 4.2.3. Benchmarking and quality assurance review of internal audit performance including external quality assessment
- 4.2.4. Development of internal audit strategy and methodologies
- 4.2.5. Outsourced, co-sourced or one-off internal audit services
- 4.3. The service lines listed in paragraphs 4.2.1 - 4.2.5 are covered by the core internal audit services rate card. If and where elements of the Services listed in paragraphs 4.2.1 - 4.2.5 require specialist internal audit services listed in paragraphs 4.4.1 - 4.4.7, these are covered by the specialist internal audit rate card.

Specialist internal audit services

- 4.4. The Supplier shall additionally offer a **minimum of one** specialist internal audit services listed in paragraphs 4.4.1 - 4.4.7 to the required Standards. The services listed in paragraphs 4.4.1 - 4.4.7 require specialist knowledge and/or qualifications not held by a generalist auditor and are not covered by the core internal audit service lines listed in paragraphs 4.2.1 - 4.2.5. The Supplier and the Buyer will agree and set out in the Call-Off Contract which Services fall under core internal audit services versus these specialist internal audit services.
 - 4.4.1. Specialist - Commercial
 - 4.4.2. Specialist - Programme and project management
 - 4.4.3. Specialist - Finance including treasury management
 - 4.4.4. Specialist - Human resources
 - 4.4.5. Specialist - Counter-fraud and investigation
 - 4.4.6. Specialist - Digital data and technology including but not limited to blockchain, cyber security, artificial intelligence and machine learning
 - 4.4.7. Specialist - Grants
- 4.5. The service lines listed in paragraphs 4.4.1 - 4.4.7 are covered by the specialist internal audit services rate card.

5. LOT 2: EXTERNAL AUDIT

- 5.1. Provision of services relating to all aspects of external audits including inspecting documents, re-performing calculations and reviewing and reporting on controls and systems. Statutory audits requested by grant providers are included.
- 5.2. The Supplier shall be able to offer a **minimum of two** of the service lines in paragraphs 5.2.1 - 5.2.4 to the required Standards:
 - 5.2.1. External statutory audit
 - 5.2.2. External audit including but not limited to financial statements
 - 5.2.3. Grant audits and certification
 - 5.2.4. NHS audits including but not limited to external assurance on quality reports

6. LOT 3: COUNTER-FRAUD AND INVESTIGATION

6.1. Provision of services relating to proactive counter-fraud work and reactive investigations including forensics.

6.2. The Supplier shall be able to offer **all** of the service lines in paragraphs 6.2.1 - 6.2.7 to the required Standards:

Proactive counter-fraud services

6.2.1. Advice on and/or assessment of fraud, bribery and corruption awareness training and changes to legislation, policies and regulations

6.2.2. Advice on and/or assessment of fraud risk plan and support in improving fraud, bribery and corruption risk management and fraud risk identification

6.2.3. Advice on and/or assessment of fraud, bribery and corruption prevention and detection strategy including fraud response plan

6.2.4. Advice on and/or assessment of whistleblowing, gifts and hospitality and conflicts of interest policies and procedures, and other routes for reporting suspected fraud

6.2.5. Advice/assessment and/or delivery of proactive testing and compliance activity in key risk areas

6.2.6. Advice on fraud loss including prevention estimation methodologies

6.2.7. Use of technology including but not limited to data analytics to support the delivery of proactive counter-fraud services including fraud prevention and detection

6.3. The service lines listed in paragraphs 6.2.1 - 6.2.7 are covered by the proactive counter-fraud services rate card.

Reactive investigation services

6.4. The Supplier shall additionally offer a **minimum of three** reactive investigation services in paragraphs 6.4.1 - 6.4.10 to the required Standards.

6.4.1. Corporate intelligence techniques

6.4.2. Financial irregularity investigations

6.4.3. Investigation of non-financial irregularities, including but not limited to, regulatory breaches and misconduct

6.4.4. Investigation of suspected fraud, bribery or corruption allegations made through all established reporting routes, including whistleblowers and digital analytics

6.4.5. Forensic extraction and review of structured digital evidence including but not limited to email data

6.4.6. Forensic extraction and review of unstructured digital evidence including but not limited to social media postings and data held in audio and video formats

6.4.7. Support with the delivery of criminal investigations in line with investigatory legal powers, including the Criminal Procedures and Investigations Act and the Police and Criminal Evidence Act

- 6.4.8. Expert witness services including but not limited to offering the services of individuals who have previously acted as an expert witness
- 6.4.9. Use of data analytical technology tools and techniques to investigate fraud
- 6.4.10. Upskilling of new technology and techniques of fraud detection and prevention
- 6.5. The services lines listed in paragraphs 6.4.1 - 6.4.10 are covered by the reactive investigation services rate card.

7. LOT 4: OTHER INDEPENDENT ASSURANCE

- 7.1. Provision of services relating to assurance over aspects of organisational, operational and programme performance, benefitting from objective examination and assessment.
- 7.2. The Supplier shall offer a **minimum of three** service lines in paragraphs 7.2.1 - 7.2.11 to the required Standards:
 - 7.2.1. Advice on and assurance over non-financial information including but not limited to strategy, risk and corporate governance
 - 7.2.2. Advice on and assurance over KPIs including but not limited to environmental, sustainability and workforce reporting
 - 7.2.3. Compliance monitoring and risk management
 - 7.2.4. Grant funding assurance including but not limited to programme reviews and impact assessments
 - 7.2.5. Independent assurance reviews including special purpose reviews and investigations
 - 7.2.6. Regulatory reporting
 - 7.2.7. Service auditor reports including but not limited to international standard on assurance engagements (ISAE) 3402 standards
 - 7.2.8. Social responsibility including but not limited to modern slavery
 - 7.2.9. Third party risk management including but not limited to supply chain and contract assurance
 - 7.2.10. Well led governance reviews
 - 7.2.11. Workforce audit services including but not limited to temporary, fixed term or permanent staffing (clinical and non-clinical)