**Southend-on-Sea Borough Council - Reporting Accountant**

**Introduction**

Every year the Local Authority (LA) is required to undertake an audit of the Subsidy claim they have made to the Department for Work and Pensions (DWP) for Housing Benefit granted.

This contract is for an accountant to perform the audit in compliance with the Housing Benefit (Subsidy) Assurance Process (HBAP) Modules and in connection with the LA’s claim for subsidy on form MPF720A for 2020-2021 financial year.

The audit will be performed as a tri-partite engagement as outlined in the HBAP reporting framework instruction, between the DWP, the LA and the contracted accountant.

**The LA’s Responsibilities under the Audit will be:**

* Completion of the MPF72A form, maintenance of proper records and compliance with any legislation and regulatory requirements – providing relevant information to the DWP and reporting accountant in accordance with the requirements of the DWP
* Submission of the completed MPF720A to the DWP by the relevant deadline of 30th April each year
* To make available to the reporting accountant all records, correspondence, information and explanations (including for partnerships or outsourcing of services exist for the administration, delivery and payment of Housing Benefit) that the reporting accountant considers necessary to enable the reporting accountant to perform the specific test requirements of HBAP and to provide a factual findings report to the LA and DWP.

**The Scope of the Reporting Accountants work is**

* To carry out the work based on the DWP’s HBAP reporting framework instruction and in accordance with the International Standard on Related Services (ISRS) 4400 Engagements to perform agreed-upon-procedures regarding financial information and will produce a report in the form set out in Appendix 1 (Appendix 1 can be found on page 22 on the following link <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/694877/hbap-module-6.pdf> ) of HBAP Module 6 no later than the 30th November 2021
* To perform the HBAP engagement with reasonable skill and care in compliance with the specific test requirements, completing all relevant tables and checklists in the Modules of the HBAP framework. These are:
* confirmation that Authority Certificate bears the original signature of the Section 151 Officer
* confirmation that the form MPF720A includes an entry in every cell
* confirmation that all arithmetic on the claim is correct
* confirmation that the entry in the 'in-year reconciliation' cell on form MPF720A for each benefit type (non-HRA rent rebates, rent rebates, rent allowances) agrees with the corresponding total expenditure cell
* confirmation that all the benefit parameters and allowances in the HB system correctly update to reflect the annual uprating – completed on Module 2 Appendix A
* confirmation that the entries in each section of the form MPF720A (non-HRA rent rebates, rent rebates, rent allowances) agree to the final subsidy reports in accordance with HB COUNT Module 5
* complete the relevant Appendix to Module 5, software diagnostic tool, depending on the HB System supplier
* use workbooks provided in Module 3 to carry out case testing to confirm the expenditure has been included at the correct value and in the correct cells in the MPF720A form
* use Module 6, approach and testing strategy, to agree any necessary amendments to the form MPF720A

**Glossary of terms:**

* ‘**Reporting accountant’** is an independent reporting accountancy firm appointed by the LA who can carry out the audit of local government and health bodies under the Local Audit and Accountability Act 2014. The register of licensed local auditors is maintained by the Institute of Chartered Accountants in England & Wales (ICAEW).
* ‘**Local authority’** refers to Southend on Sea Borough Council; that is required to complete the Housing Benefit (Subsidy) claim form MPF720A and is the body to which the DWP pays Housing Benefit subsidy;
* ‘**DWP**’ refers to the grant paying body providing the housing benefit subsidy and specifying the reporting framework.
* ‘**The report’** is the format in which the reporting accountants will provide their factual findings to both DWP and the LA. HBAP Module 6 explains how the results of the specific test requirements should be stated. Example reports are contained within module 6. HBAP Module 6 can be found here <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/694877/hbap-module-6.pdf>
* ‘**Form MPF720A’** is the subsidy claim form annually completed by English LA to settle its final subsidy claim for the year ended 31 March;
* ‘**HBAP**’ Housing Benefit (Subsidy) Assurance Process: This is a DWP reporting framework instruction designed by the DWP that is sufficient to meet its purposes.
* ‘**Specific test requirements’** are the tests within HBAP modules that the reporting accountant is required to conduct under this engagement.

Contract Term

The Contract term will run for 10 months from 1st March 2021 to 30th November 2021.

## Contract Relationship & Management

The Provider will designate a senior manager as the Contract Manager to oversee the running of this Contract.

Responsibilities of the Providers Contract Manager will include but will not be limited to:

* Ensuring that all work is carried out in accordance with the Contract
* Working closely with the LA’s Contract Manager to ensure that the Works are delivered in to the highest service levels throughout the duration of contract.
* The LA reserves the right to change its own Contract Manager without notice to the Reporting Accountant.

The LA’s Contract Manager reserves the right to convene a meeting with the Reporting Accountant’s designated Contract Manager at any time.

The Reporting Accountant will ensure that it resolves all queries raised by the LA’s Contract Manager within 48 hours.

The relationship between the Reporting Accountant and the LA must be established as a working partnership with close liaison and discussion being a regular feature of the Contract.

Meetings at which performance of the contract will be reviewed and discussed must be scheduled by the Reporting Accountant no less than every two (calendar) months. These meetings must be attended by the Contract Managers of the LA and Contract Manager of the Reporting Accountant. The relationship between the LA and the Reporting Accountant must in all ways be professional. In order that there are no conflicts of interest or impropriety when the contract is awarded, all major communication affecting the operation of the contract will be in writing and directed through the Nominated Contract Managers of the LA and Reporting Accountant.

The Point of Contact for the LA is as follows,

* For the LA: To be confirmed upon award

The Reporting Accountant must ensure that all communications to the LA are forwarded to email address of the named Contract Manager, or any specific team email address; provided by the relevant Contract Manager.

**Quotation Submission**

Southend-on-Sea Borough Council invites you to quote for the provision of a Reporting Accountant. If you are interested in bidding for this work, please provide a quote for the work and a proposal based upon our requirements.

Providers should note that all clarification questions must be made in email. The Council at their discretion reserves the right to circulate any response to all providers. All clarification questions must be clearly marked **CLARIFICATION** with the question and Provider details clearly set out. Any clarification questions from the Provider to the Council should be sent to [kaseyburke@southend.gov.uk](mailto:kaseyburke@southend.gov.uk)

It is recommended that Providers click ‘**Watch this notice’** on Contracts Finder to be notified of any clarifications or updates to the documents.

The quotation return date is **12:00hrs on 3rd February 2020.** Quotations should besubmitted by email to [kaseyburke@southend.gov.uk](mailto:kaseyburke@southend.gov.uk) (you are recommended to request confirmation of receipt). Please use the title **‘Reporting Accountant’** when submitting your response.

Suppliers are requested to provide a response to the Technical Questionnaire and Commercial Questionnaire in support of their application.

**Evaluation Criteria**

All quotations will be subjected to thorough evaluations.

A quotation determined to be incomplete or not substantially fulfilling the conditions in this document will be rejected.

* Technical (Quality) evaluations will be conducted, based on the information submitted in writing, as part of this quotation submission.
* Commercial (Price) evaluations will be conducted, based on the information submitted in writing, as part of this quotation submission.

The LA does not bind itself to accept the lowest priced quotation, or any quotation for this service. The LA will have no obligation to Bidders arising from this quotation unless and until it enters into a formal contract with the successful Bidder for the provision of the goods and/or services that are subject to this Quotation document. Any contract awarded will be to the Bidder whose proposal is determined to be the most economically advantageous.

Technical evaluation (50%) – Bidders are advised that 50% of the allocation for this quote will relate directly to the response a Bidder provides in relation to the technical questions.

Commercial Evaluation (50%) – Bidders are advised that 50% of the allocation for this quote will relate directly to the response a Bidder provides in relation to the commercial questions.

Using the Prices submitted by Bidders a percentage will be allocated to the total cost as follows:

* CQ1 (Lowest Price Quotation / Your Price) \* 25%
* CQ2 (Lowest Price Quotation / Your Price) \* 25%
* Score = CQ1 total + CQ2 total

The overall evaluation of the Technical and Commercial Questionnaires, as well as the importance of their combined scores and how they will be combined is set out in the following Evaluation Matrix:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Criteria | Unacceptable / not answered | | Poor | Acceptable | Good | Very Good | Excellent | Score |
| Weighting to be applied | 0 | | 1 | 2 | 3 | 4 | 5 |  |
| Technical Questionnaire | | | | | | |  |  |
| 1) |  |  | |  |  |  |  | 40% weighted |
| 2) |  |  | |  |  |  |  | 10% weighted |
| Score for the Technical Questionnaire |  | | | | | | | 50% Weighted |
| Score for the Commercial Questionnaire |  | | | | | | | 50% Weighted |
| 1) |  | | | | | | | 25% weighted |
| 2) |  | | | | | | | 25% weighted |
| TOTAL |  | | | | | | | 100% Weighted |

|  |  |  |
| --- | --- | --- |
| **SCORING MATRIX** | | **SCORE** |
| **Unacceptable / not answered** | Question not answered – and / or – Response to the question significantly deficient – and / or - raises fundamental concerns regarding the organisation’s ability to successfully deliver the Contract. Answer does not provide satisfactory evidence as to the organisation’s capability to deliver the contract successfully. | 0 |
| **Poor** | A response that is inadequate or only partially addresses the question. Response provides only limited evidence as to the organisation’s capabilities to deliver the contract successfully. Raises a large number of concerns and/or includes a large number of informational deficiencies. Does not raise any fundamental concerns regarding the organisation’s ability. | 1 |
| **Acceptable** | An acceptable response submitted in terms of the level of detail, accuracy and relevance. Answer provides an average level of evidence as to the organisation’s capability. The response raises some concerns and/or includes a significant number of informational deficiencies. Does not raise any fundamental concerns regarding the organisation’s ability. | 2 |
| **Good** | A good response in terms of the level of detail, accuracy and relevance. The information provides good evidence of the ability of the organisation to deliver the Contract successfully; but does raise minor concerns and/or includes deficiencies around some of the information provided in the response. Does not raise any fundamental concerns regarding the organisation’s ability. | 3 |
| **Very Good** | A very good response in terms of the level of detail, accuracy and relevance. The information submitted provides significant evidence of the ability of the organisation to deliver the Contract successfully. However, the response lacks a level of detail needed for full marks. The response raises no fundamental concerns regarding the organisation’s ability. | 4 |
| **Excellent** | An excellent response in terms of the level of detail, accuracy and relevance. The level of information provided is comprehensive and evidences strongly an assurance as to the organisation’s capability to deliver the contract successfully. The response raises no concerns and has no information deficiencies. | 5 |

**Technical Questionnaire**

1. Please explain how your organisation will deliver the contract as outlined within the specification. Your response must include but not be limited to:

* an overview of the individual(s) that your organisation proposes to complete this work and how their skills and knowledge will help deliver the contract
* indicative timescales

(Your response must be limited to 4 pages. Any further information submitted over the respective limit will not be evaluated. Please note that attachments to the technical questions will not be evaluated and neither will embedded links to other websites and therefore the responses need to remain within the word/page limits and can be a combination of text, diagrams and charts etc) (Weighting 40%)

1. Please provide details on how you will safeguard the Council's data whilst ensuring compliance with Data Protection Regulations, and Information Governance processes and procedures.

Your answer must include but not be limited to:

* Your understanding of GDPR,
* Procedures and processes for dealing with data protection breaches and data,
* Document retention/disposal schedules

(Your response must be limited to 1 page. Any further information submitted over the respective limit will not be evaluated. Please note that attachments to the technical questions will not be evaluated and neither will embedded links to other websites and therefore the responses need to remain within the word/page limits and can be a combination of text, diagrams and charts etc) (Weighting 10%)

**Commercial Questionnaire**

1. Please provide a total cost to deliver the contract assuming that there are no errors. (Weighting 25%)
2. Please provide an indicative cost for workbook errors, assuming that the LA has 8 workbooks with an approximate error rate of 13% from the last subsidy year. (Weighting 25%)