

FRAMEWORK SCHEDULE 2: SERVICES AND KEY PERFORMANCE INDICATORS

PART A: SERVICES

1 INTRODUCTION

- 1.1 Government Internal Audit Agency (GIAA) (Authority) on behalf of HM Treasury (HMT) is seeking to establish a Framework Agreement for the provision of Internal Audit Services for GIAA and other UK Central Government Departments and their Arms Length Bodies (ALB's), for an initial period of three (3) years with the option to extend for a further one (1) year period.
- 1.2 The Framework Agreement shall comprise of 3 Lots as detailed in paragraph 2 – Description of Lots. A Framework Agreement for each Lot will be awarded to the number of suppliers as indicated in the OJEU Contract Notice.
- 1.3 The purpose of Framework Schedule 2 is to provide a description of the Services that the Supplier shall be required to deliver to the Contracting Authority(s) under the Lot structure of this Framework Agreement.
- 1.4 The primary objective of the procurement is to combine the knowledge and expertise of GIAA with that of the successful third party providers in an effective, efficient and economic way. In addition, Suppliers shall provide advice to GIAA on best practice and up to date technology and techniques and the further enhancement of GIAA and of its audit methodology. HMT aims to deliver the best possible Internal Audit Service to its Central Government clients. There are four key (but not exclusive) scenarios for calling off work:
 - 1.4.1 Full annual internal audit;
 - 1.4.2 Specialist work;
 - 1.4.3 Individual time-limited work;
 - 1.4.4 Thematic work, for example across the UK or across client entities. Work may be called off in the form of single pieces of work or multiple orders.
- 1.5 The Services required under the Lotting structure of this Framework Agreement and all Standards set out in this Specification may be refined (to the extent permitted and set out in Framework Schedule 5 (Call Off Procedure) by the Contracting Authority(s) during a Further Competition Procedure to reflect its Service Requirements for entering a particular Call Off Agreement.
- 1.6 This Framework Agreement shall be managed centrally by the Authority and the Call Off Agreements will be managed by the Contracting Authority(s).
- 1.7 The Authority placed a Prior Information Notice RM4167 Internal Audit Services for the Government Internal Audit Agency on 22/11/2014 (the PIN notice) in the Official Journal of the European Union (OJEU).
- 1.8 This procurement has been advertised by publishing a contract notice in the OJEU advertising the Open Procedure of Schedule 2 under the Public Contracts Regulations 2015.

2 DESCRIPTION OF LOTS

- 2.1 It is important to note that the Services under a Lotting structure of this Framework Agreement are the types of requirements typically arising under each Lot; this list is not exhaustive and additional Audit Services shall be added if required. Contracting Authority(s) shall not be restricted to seeking advice on the specific Services listed under

each sub-category (providing their requirements are relevant to the broad heading of the Lot).

This Framework Agreement consists of the following 3 Lots:

Description of the Lots

Lot 1 - Core Internal Audit Services, including Advisory Services (UK and Overseas):

The provision of internal audit and advisory services for GIAA and other UK Central Government Departments, including the delivery of a complete annual programme of work and opinion, in the following areas:

- IT assurance (other than 'IT deep specialisms' listed below);
- Financial Modelling;
- Other Modelling;
- Human Resources;
- Facilities Management;
- Finance, Accounting, Shared Services:
 - Finance
 - Payroll shared services
 - Including shared services assurance reporting
 - Corporate social responsibility and sustainability
- Specific statutory audits of local government, on behalf of central government (not external audit), including under the Secretary of State's powers related to section 10 of the Local Government Act 1999 (as amended);
- Advisory work linked to and usually contributing to the annual internal audit opinion;
- Other internal audit services;
- Other assurance and similar risk advisory services;
- IT Deep specialisms (including advisory work):
 - Cyber security
 - Digital
 - Agile Development - Other specialist IT
- Commercial:
 - Contracting and procurement
 - Supply chain management
 - Complex operating systems
 - Spread sheet and modelling audits work, including data modelling and analysis

- Programme Management:
 - Project and Programme management
 - Change management
- Development of GIAA:
 - Setting direction of GIAA
 - Development of GIAA staff
 - Best practice approaches to the delivery of services

Work will include: providing advice on an ad hoc basis to GIAA and Arms Length Authorities of each Department on quality assurance, audit tools and techniques, technical updates, change management in an audit context and audit management. Work may be allocated to different suppliers on the basis of themes.

- Client specific development, within framework of GIAA strategy.
 - Each supplier contracted to provide lot 1 services may also be asked to provide client specific skills transfer, such as for a departmental group or similar clients, such as regulators.
- Client development for internal audit services outside GIAA.
- Specialism development:
 - Each supplier contracted to provide services under this lot will also be required to provide knowledge and skills transfer to develop GIAA specialisms, in particular on Programme Management and Commercial work.
- Secondments:
 - In addition, suppliers may be asked to provide secondees to GIAA and other central government authorities, at rates not more than the established rate cards for the Lot and accept secondees from the Contracting Authorities.

All work undertaken shall be in accordance with GIAA standards Public Sector Internal Audit Standards <http://www.cipfa.org/policy-and-guidance/standards/public-sectorinternal-audit-standards> and GIAA methodology or the methodology of the relevant commissioner.

Lot 2 – Forensic Work (UK and Overseas)

The provision of internal audit and advisory services for GIAA and other UK central government internal audit and related services, including the delivery of a complete annual programme of work and opinion, in the following areas:

- Fraud audits
- Advice and investigations
- Specialism development:
 - Each supplier contracted to provide services under this lot will also be required to provide knowledge and skills transfer to develop GIAA specialisms.
- Secondments:
 - In addition, suppliers may be asked to provide secondees to GIAA and other central government authorities, at rates not more than the established rate cards for the Lot and accept secondees from the Contracting Authorities.

All work undertaken shall be in accordance with Public Sector Internal Audit Standards <http://www.cipfa.org/policy-and-guidance/standards/public-sector-internal-auditstandards> and GIAA methodology or the methodology of the relevant commissioner

Lot 3 – Regulatory Services including Advisory Work (UK and Overseas):

The provision of internal audit and advisory services for GIAA and other UK central government internal audit and related services in the following areas:

- EU Regulations and their audit
- Banking and financial services
- Banking and financial services Regulations
- Specialism development:
 - Each supplier contracted to provide services under this lot will also be required to provide knowledge and skills transfer to develop GIAA specialisms.
- Secondments:
 - In addition, suppliers may be asked to provide secondees to GIAA and other central government authorities, at rates not more than the established rate cards for the Lot and accept secondees from the Contracting Authorities.

All work undertaken shall be in accordance with GIAA standards Public Sector Internal Audit Standards <http://www.cipfa.org/policy-and-guidance/standards/public-sectorinternal-audit-standards> and GIAA methodology or the methodology of the relevant commissioner

2 SCOPE OF THE REQUIREMENT

The Authority and other Central Government Departments require external expertise and flexible resource to assist in the delivery of internal audit and related assurance and advisory services. Resource will be required to fill gaps in existing GIAA expertise at short notice, a flexible responsive approach is therefore essential.

Internal Audit provides the following services on an on-going basis:

- independent assurance and advice (internal audit services) to accounting officers (and other senior management) on the adequacy and effectiveness of the framework of governance, risk management and control;
- help in the prevention, deterrence and detection of staff and contract fraud and abuse and other irregularities, and the professional investigation of suspected cases;
- support and advice to continuously improve the organisation's framework of governance, risk management, and control; and
- liaison with the National Audit Office (NAO).

Services required will include the provision of effective skills transfer, advice and services; including industry leading skills and expertise to supplement the capabilities of the in-house teams in the following primary areas:

- Specialist skills and wider best practice knowledge in areas such as information technology, security, supply-chain management, project and programme management, strategic and operational risk management.
- Assistance with delivery of independent assurance (internal audit services) to accounting officers and Boards on the adequacy and effectiveness of the framework of governance, risk management and control.
- The strategic development of GIAA.

In addition to working on these specific areas, suppliers shall be required to provide advice on an ad hoc basis on quality assurance, audit tools and techniques, and audit management and similar related matters.

The services required within this Framework Agreement may also involve the review of private sector contractors providing services to the public sector, for example a shared payroll service and other transactional shared services. The Services may also involve the statutory investigations of local government on behalf of central government (but not the external audit of annual financial statements).

Suppliers shall be contractually required to transfer knowledge and skills to GIAA and this should cover all potential geographical locations, including the UK and Overseas (if applicable) as specified by the Authority in the Lotting structures. Staff assigned to complete audit services will require the appropriate levels of security vetting.

A significant element of the work will be to support the requirement to deliver an annual Internal Audit Opinion on the adequacy and effectiveness of the client organisation's framework of governance, risk management and control.

3 MANDATORY SERVICE REQUIREMENTS - FOR ALL CONTRACTING AUTHORITY(S)

This paragraph provides details of the mandatory requirements that ALL Suppliers shall be expected to fulfil in their entirety in order to meet the service delivery requirements of this Framework Agreement. It is important that Suppliers take time to fully understand this important part of the Service Delivery requirement. All mandatory requirements (a-k) shall be required before commencement date of the Call Off Agreement with the Contracting Authority(s).

- a) **Codes of Conduct Mandatory Requirements** - The Supplier shall comply with all aspects of the Civil Service Codes of Conduct. Please refer to paragraph 3.1
- b) **Service Requirements** – The Supplier shall fulfil all aspects of the Service Requirements for Contracting Authority(s). Please refer to paragraph 3.2
- c) **Professional Requirements for Contracting Authority(s)** - The Supplier shall provide the professional requirements described in paragraph 3.3
- d) **Training and Continuous Professional Development Mandatory Requirements** – The Supplier shall have in place robust processes to provide monitor and record training and continuous professional development of as detailed in paragraph 3.4
- e) **Security Vetting / Clearance Mandatory Requirements** – The Supplier shall comply with all aspects of the security vetting / clearance mandatory requirements as detailed in paragraph 3.5
- f) **Data Security Mandatory Requirements** – The Supplier shall fully comply with all aspects of Data Security as detailed in paragraph 3.6
- g) **Travel and Related Costs Mandatory Requirements** – The Supplier shall comply with the Contracting Authority(s) travel and related costs requirements as described in paragraph 3.7
- h) **Specific Standards Mandatory Requirements** – The Supplier shall comply with the required procurement specific standards as described in paragraph 3.8
- i) **Management Information and Data Reporting Mandatory Requirements** – The Supplier shall provide all of the Management Information requirements as described in Framework Agreement Schedule 9, and also as detailed in paragraph 3.9
- j) **Framework Management and Account Management Mandatory Requirements** – The Supplier shall provide framework contract management services and account management services which fully supports all of the

requirements of the Framework Agreement and the requirements of the Contracting Authority(s) as detailed in paragraph 3.10

- k) Complaint Procedure Mandatory Requirements** - The Supplier shall have in place a complaints procedure which fully satisfies the requirements as described in paragraph 3.11

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3.1 CODES OF CONDUCT - MANDATORY REQUIREMENTS

This paragraph describes the mandatory Codes of Conduct requirements that Suppliers shall comply with:

- 3.1.1** The Supplier shall ensure that all Audit work shall be conducted in accordance with the standards set out in the Public Sector Internal Audit Standards (PSIAS) – <http://www.cipfa.org/policy-and-guidance/standards/public-sector-internal-audit-standards>
- 3.1.2** The Supplier shall not add nor take anything from the intended meaning and shall keep to the spirit of what is said or signed as stated in the Civil Service Code of Conduct - <https://www.gov.uk/government/collections/civil-service-conduct-and-guidance>

3.2 SERVICES REQUIREMENTS - MANDATORY

This paragraph describes the mandatory service requirements that the Supplier is obligated to fulfil as part of the delivery under the Lotting structure of this Internal Audit Services Framework.

- 3.2.1** The Supplier's staff shall possess the qualifications, experience and competence appropriate to the tasks for which they are employed. The Supplier shall ensure that all staff supplying the Services of this Framework Agreement and any subsequent Call Off Agreements shall act in a responsible and professional manner, and shall provide the Services with all due skill, care and diligence as is to be expected of a skilled professional engaged in the supply of services of this type.
- 3.2.2** The level of qualifications, skills, competence, experience, registration (where appropriate) and security vetting/ clearance (as per 3.6) required shall vary from assignment to assignment. The Contracting Authority(s) shall specify the minimum standards required at the Call Off Agreement stage and subsequent time of booking.
- 3.2.3** If requested by the Authority and/ or Contracting Authority(s) the Supplier shall within five (5) working days provide details of the qualifications and competence of any person employed or proposed to be employed by the Supplier under the Lotting structure of the Framework Agreement and shall provide a copy of any certificate or qualification or competence that has been issued in respect of any such person employed or proposed to be employed.
- 3.2.4** If requested by the Contracting Authority(s) the Suppliers staff shall be required to sign the Official Secrets Act.1911 -1989 and the Contracting Authority(s) confidentiality agreement which shall be provided at Call Off Agreement stage before commencing work.

3.2.5 The standard working day shall be agreed between the Supplier and the Authority and/ or Contracting Authority(s) within the Call-off Contract. In any event, the minimum number of hours within a standard working day shall be 8 hours (exclusive of breaks). Suppliers shall note that no overtime or other enhancement to the Day Rate stated within the Call-Off Contract, irrespective of how many hours are worked during the day shall be made payable to the Supplier, unless otherwise agreed in advance of work being undertaken and approved in writing by the Authority and/ or Contracting Authority(s).

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3.2.6 The Supplier shall provide as a minimum the following Audit Operative Staff Grades:

Audit Operatives Staff Grade	Description
Partner	Qualified internal auditor or accountant (CMIIA, CCAB or equivalent) with relevant significant, proven, industry recognised post-qualification internal audit experience, sound knowledge of public sector environment and management practice. Regarded as an expert nationally or internationally.
Director	Extensive experience in their specialist field (10 years plus), in which they are nationally or internationally renowned as an expert. Extensive experience of leading or directing major, complex and business-critical projects, bringing genuine strategic insight. In depth knowledge of the public sector and of current policy and political issues affecting it.
Senior Audit Manager (or equivalent)	Qualified internal auditor or accountant (CMIIA, CCAB or equivalent) with proven post qualification experience, proven relevant financial experience (7-10 years' experience). Sound knowledge of public sector accounting and management practices. Substantial experience in their specialised field. Previous experience in project management with track record in the public sector (or equivalent private sector) and using PRINCE 2 or equivalent method.
Audit Manager (or equivalent)	A qualified internal auditor or accountant (CMIIA, CCAB or equivalent) with relevant internal audit experience (5 years plus). Sound knowledge of public sector (or equivalent private sector) accounting and management practices.
SEO (or equivalent)	A qualified internal auditor or accountant (CMIIA, CCAB or equivalent) with relevant internal audit experience (2 years plus). Some knowledge of public sector accounting and management practices.
HEO (or equivalent)	A qualified internal auditor or accountant (CMIIA, CCAB or equivalent) with some internal audit experience.
Trainee (or equivalent)	An auditor undergoing professional training for an internal audit or accountancy qualification, with relevant exposure to internal audit.

3.2.7 All Supplier personnel shall have a valid Company Photo ID badge. The ID badge shall include as a minimum

3.2.7.1 full name

3.2.7.2 clear recent picture, which is of passport quality,

3.2.7.3 expiry date (all ID badges shall be valid for at least one year)

3.2.8 In the event of a Authority(s) and/or Contracting Authority(s) quality, ability, integrity or any other valid reason being compromised in any way, the Authority and/or Contracting Authority(s) shall reserve the right to require the Supplier to cease to deploy that person.

3.2.9 The Supplier will be required to have the skills and capacity to understand and where appropriate comply with UK and other EU Legislation including but not limited to:

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3.2.9.1 Distance Marketing Directive Instrument 2004

3.2.9.2 EU Savings Tax Directive (2003/48/EC)

3.2.9.3 Data Protection Act 1998

3.2.9.4 Privacy and Electronic Communications Regulations 2003

3.2.9.5 Freedom of Information Act 2000

3.2.9.6 Public Regulations Act 1967

3.2.10 Suppliers shall be required to respond flexibly and within agreed timescales set by GIAA in response to requests, including changes to planned work.

3.2.11 The Supplier shall be required to provide advice to GIAA in relation to best practice and up to date technologies, techniques and further enhancement of GIAA audit methodology.

3.2.12 Suppliers shall ensure they have the appropriate resources to audit across all geographical locations in and outside the UK.

3.2.13 The Supplier shall have the required knowledge and experience to offer specialist skills and wider best practice knowledge for all service requirements.

3.2.14 Quality & Governance

3.2.14.1 The Supplier shall be required to put in place robust quality assurance and governance system/ processes, which will ensure all assignments awarded under the Contract, will be delivered to the highest possible standard ensuring professionalism throughout.

3.2.15 Ethical and Professional Behaviour

All Suppliers and staff employed or involved in the delivery of Services in relation to the lotting structure of this Framework Agreement shall:

3.2.15.1 Maintain confidentiality at all times and not seek to make personal gain through information disclosed during their work.

3.2.15.2 Act impartially and professionally in all actions related to the provision of services under this Framework Agreement.

3.2.15.3 Not discriminate for or against parties, either directly or indirectly, on any grounds including, but not limited to race, colour, ethnic origin,

age, nationality, religion, gender, sexuality, disability, or political allegiance.

- 3.2.15.4** Disclose to the Contracting Authority(s) any information, including criminal record, which may make them unsuitable in any particular case.
- 3.2.15.5** Disclose immediately if the subject or immediate family or other conflict of interest is known or related to them.
- 3.2.15.6** Disclose any business, financial, family, or other interest, whether personal or otherwise, which they might have in relation to the matter being held.
- 3.2.15.7** Not accept payment for information about the Authority or details of the Contracting Authority(s) assignments or information contained within.

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- 3.2.15.8** Not engage in any behaviour likely to discredit the Authority and/ or the Contracting Authority(s) including, but not limited to, impairment through drugs or alcohol, sexual misconduct, violence, intimidation or abusive behaviour.
- 3.2.15.9** Highlight any areas of concern, poor practice or potential risk they identify in the course of their duties to the Supplier who shall bring them to the attention of the Authority and/ or Contracting Authority(s) as appropriate.

3.2.16 Policy

- 3.2.16.1** The Supplier shall ensure a robust Health and Safety policy is in place within their organisation.
- 3.2.16.2** The Supplier shall ensure that a robust Security Incident/Breach procedure is in place and the Contracting Authority(s) immediately informed of any compromise to the Supplier and or Contracting Authority(s) assets.
- 3.2.16.3** The Supplier shall ensure a robust Equality and Diversity policy is in place within their organisation.

3.2.17 Duty of Care

- 3.2.17.1** The Supplier shall ensure that its Health and Safety policy and procedures applies to both the physical and psychological health of employees, Suppliers shall have a 'duty of care' to protect psychological as well as physical health and to act in a reasonable manner in the light of what is known about psychological reactions to traumatic events.

3.2.18 Diversity and Equality

- 3.2.18.1** The Authority is committed to providing Services which embrace diversity and which promote equality of opportunity. Given the diverse range of Contracting Authority(s) who will access this Internal

Audit Service, Suppliers shall give appropriate consideration to any potential diversity and equality impacts and risks and demonstrate how they will address these in delivery of the services.

3.3 PROFESSIONAL REQUIREMENTS FOR AUTHORITY(S) IN CENTRAL GOVERNMENT – MANDATORY REQUIREMENTS

This paragraph describes the mandatory Professional Requirements for Authority(s) within Central Government:

- 3.3.1** The Supplier shall ensure they have access to a sufficient number of appropriately qualified and experienced staff, all of whom must satisfy the professional qualifications criteria – ie that all staff employed on work under the contract are full members of the Chartered Institute of Internal Auditors (CMIIA), a Consultative Committee of Accountancy Bodies (CCAB) Body, the Chartered Institute of Management Accountants (CIMA) or equivalent and specialist qualifications where relevant to specialist services, or as otherwise specified by the Contracting Authority.

3.4 TRAINING AND CONTINUOUS PROFESSIONAL DEVELOPMENT -MANDATORY REQUIREMENTS

- 3.4.1** The Supplier will be expected to improve continually the way in which the required Services are to be delivered by providing appropriate training and skills enhancement through ensuring continuous professional development throughout the Internal Audit Services Framework Agreement duration.

3.5 SECURITY VETTING / CLEARANCE - MANDATORY REQUIREMENTS

This paragraph describes the Security Vetting/Clearance mandatory requirements that the Supplier shall be obligated to fulfil as part of the delivery of Internal Audit Services including appropriate pre-vetting:

- 3.5.1** The Supplier shall ensure that all staff operating under the lotting structure of this Framework Agreement shall comply with the Authority's staff vetting procedures as specified at the Call of Stage.

3.5.2 The Authority requires any Supplier to comply with security requirements specified at call off. This will include respecting the data marking in line with the 2014 Government Security Classification:

<https://www.gov.uk/government/publications/government-security-classifications>

- (a) As a minimum, the Framework Agreement requires Suppliers to undertake mandatory pre-engagement checks of all staff, in accordance with Her Majesty's Government's recognised standard for preemployment screening (which is the Baseline Personnel Security Standard (BPSS)).
- (b) Suppliers shall note that some Contracting Authority(s) may specify additional levels of security clearance before a Auditor shall be permitted to undertake delivery of Services i.e. Counter Terrorism Clearance (CTC) or higher.
- (c) Costs for the above shall be borne by the Supplier. The Authority accepts no liability for costs incurred in the process of obtaining such disclosure certification.

3.5.3 Contracting Authority(s) may perform audits which may include checking compliance with the security requirements above and or the additional requirements specified by the Contracting Authority(s) and as mandated by HM Government. Guidance on how to obtain appropriate Security Clearance can be found at <https://www.gov.uk/securityvetting-and-clearance>.

3.6 DATA SECURITY – MANDATORY REQUIREMENTS

This paragraph describes the Data Security requirements that the Supplier shall be obligated to fulfil as part of the delivery of Internal Audit Services.

- 3.6.1** Due to the sensitive nature of some of the information encountered at both the Framework Agreement and Contracting Authority(s) statement of requirements level, as defined in the Call Off Agreement. The Supplier shall remain compliant with HMG Security Policy Framework (SPF) and its mandatory minimum requirements mentioned therein:

<https://www.gov.uk/government/publications/security-policy-framework/hmg-securitypolicy-framework>

A copy of which can be found on the Cabinet Office website:

<http://www.cabinetoffice.gov.uk/content/government-security>.

- 3.6.2** The Supplier shall at all times ensure that the level of data security employed in the provision of the Services is appropriate to maintain acceptable risk levels for the handling of data securely to be defined by the Contracting Authority(s) at Call Off Agreement stage

3.6.3 CYBER ESSENTIALS SCHEME

- 3.6.3.1** It is mandatory for Suppliers by the date of the Framework Agreement or at a later date when Cyber Essentials Data are received by the Supplier to demonstrate that they meet the technical requirements prescribed by Cyber Essentials. This is in order to further reduce the levels of cyber security risks in their supply chains.

The Cyber Essentials Scheme and the related Assurance Framework both indicate that there are two levels of protection in dealing with cyber security risks. These include a more basic level of assurance which is known as Cyber Essentials and a more advanced level of assurance known as "Cyber Essentials Plus". With regard to the Services, Suppliers must demonstrate that they have achieved the level of assurance known as Cyber Essentials. Suppliers shall demonstrate this in one of the ways listed below:

- 3.6.3.2** A Supplier has a current and valid Cyber Essentials certificate which has been awarded by one of the government approved Cyber Essentials accreditation Authority(s) within the most recent 12 months; or

- 3.6.3.3** A Supplier has not got a current and valid Cyber Essentials certificate which has been awarded by one of the government approved Cyber Essentials accreditation Authority(s) but is working towards gaining it, and will confirm that it has been awarded a current and valid Cyber Essentials certificate by one of the government approved accreditation Authority(s) by the date of the Framework Agreement or a later date when Cyber Essentials Data are received by the Supplier; or

- 3.6.3.4** A Supplier has not got a current and valid Cyber Essentials certificate which has been awarded by one of the government approved Cyber Essentials accreditation Authority(s), but can demonstrate (or, will be

able to demonstrate by the date of the Framework Agreement or a later date when Cyber Essentials Data are received by the Supplier)

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that its organisation meets the technical requirements prescribed by the Cyber Essentials Scheme as detailed in the following link: <https://www.cyberstreetwise.com/cyberessentials/files/requirements.pdf> and that the Supplier can provide evidence of verification by a

technically competent and independent third party (which has taken place within the most recent 12 months) that its organisation demonstrates compliance with Cyber Essentials technical requirements.

- 3.6.3.5** It is a mandatory requirement for Suppliers to demonstrate the advanced level of assurance known as "Cyber Essentials Plus" at Call of Stage of the Framework Agreement, as applicable and as referred to in paragraphs 3.6.3.2, 3.6.3.3 or 3.6.3.4.
- 3.6.3.6** A Supplier will be exempt from complying with the requirements at paragraphs 3.6.3.1 where a Supplier conforms to the ISO27001 standard and the Cyber Essentials requirements have been included in the scope of that standard, and verified as such and the certification Authority carrying out this verification is approved to issue a Cyber Essentials certificate by one of the government approved Cyber Essentials accreditation Authority(s) referred to in paragraph 3.6.3.2 above.
- 3.6.3.7** The Supplier shall throughout the Framework Period and any Call Off Contract Period renew its Cyber Essentials certificate immediately after the expiration of a period of 12 consecutive months from the date that the same was first issued or last renewed; or where the Supplier does not have a Cyber Essentials certificate but has provided evidence from a technically competent and independent third party that its organisation demonstrates compliance with Cyber Essentials requirements, it shall immediately after the expiration of a period of 12 months from any date that such evidence was provided, provide the Authority or a Customer, as the case may be, with evidence of the same kind by way of a renewal of the demonstration that it is able to comply with Cyber Essentials requirements.
- 3.6.3.8** The Supplier shall ensure that its Sub-Contractors comply with the provisions of paragraphs 3.6.3.1 to 3.6.3.8 (inclusive) where such Sub-Contractors are responsible for receiving Cyber Essentials Data.
- 3.6.3.9** Details about the Cyber Essentials Scheme and the Assurance Framework can be accessed via the following link:
<https://www.gov.uk/government/publications/cyber-essentialsscheme-overview>

3.7 TRAVEL AND RELATED COSTS - MANDATORY REQUIREMENTS

This paragraph describes the mandatory travel and related costs requirements that the Supplier shall be obligated to fulfil as part of the delivery of the Internal Audit Services Framework Agreement.

3.7.1 There shall be no automatic entitlement to payment and / or reimbursement of travel costs, travel-related costs, travel time or subsistence under the Lotting structure of

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this Framework Agreement. Policies for travel and travel-related expenses will vary between Contracting Authority(s).

3.7.2 At the Call-off stage the Contracting Authority(s) shall specify requirements, policies and arrangements for travel costs, travel-related costs, travel time and subsistence at the Call Off Agreement stage, including whether travel and travel-related expenses will be payable or not, to Authorities who are attending assignments and whether travel costs can be reclaimed in relation to pre-booked tickets, following cancellation of an assignment. Contracting Authority(s) shall specify the notice period required for cancellation and the percentage of expenses payable to the Auditor depending upon the notice period.

3.7.3 Where Contracting Authority(s) specify at the Call Off Agreement stage, that travel and travel-related costs can be paid to the Auditor(s) attending assignments, and where specified by the Contracting Authority(s), the Supplier shall administer, manage and control payment of travel and travel-related costs for Supplier staff attending assignments. The Supplier shall ensure that this is undertaken in line within the Contracting Authority(s) requirements and within the rules specified by the Contracting Authority(s), including advanced booked tickets for economic purposes. Travel will be undertaken in accordance with the agreed Travel Policy of the Contracting Authority(s).

3.7.4 Suppliers shall support the Government's Agenda for Sustainability, for example including, but not limited to, minimising travel and encouraging travel by public transport.

3.7.5 It is the Suppliers responsibility to make themselves aware of the individual customer organisation's travel and subsistence policy prior to incurring travel and subsistence cost.

3.7.6 The Maximum Day Rates tendered shall include all associated costs in the provision of Staff and the Services in general, including, but not limited to account management, internal processes and provision of management information.

3.8 SPECIFIC STANDARDS - MANDATORY REQUIREMENTS

This paragraph describes the mandatory specific standards that the Supplier shall be obligated to fulfil as part of the delivery of the Internal Audit Services Framework Agreement.

3.8.1 The Supplier shall at all times during the Framework Period and the term of any Call Off Agreement(s), comply with the Standards including, but not limited to, the following standards or the successors of these standards:

(a) Service Management Standards

- (i) BS EN ISO 9001 “Quality Management System” standard or equivalent.
- (ii) ISO 10007 “Quality management systems – Guidelines for configuration management”. Or equivalent
- (iii) BS25999-1:2006 “Code of Practice for Business Continuity Management” and, ISO/IEC 27031:2011, ISO 22301 and ISO/IEC 24762:2008 in the provision ITSC/DR plans or equivalent

(b) Information Security Management Standards

- (i) ISO 27001 Information Security Management standard or equivalent.

3.9 MANAGEMENT INFORMATION AND DATA REPORTING – MANDATORY REQUIREMENTS

This paragraph, describes the mandatory Management Information and data reporting requirements that the Supplier is obligated to fulfil as part of the delivery of Internal Audit Services. Suppliers should read this information in conjunction with Framework Agreement Schedule 9.

- 3.9.1** Timely and accurate Management Information and data reporting shall be provided to the Authority and to Contracting Authority(s) free of charge in accordance with Framework Agreement Schedule 9 (Management Information).
- 3.9.2** The Supplier shall have the flexibility to produce and provide to the Authority and Contracting Authority(s) any requested tailored / non-standard Management Information reports as may be reasonably requested by the Authority or Contracting Authority(s) from time to time and shall be provided free of charge.
- 3.9.3** The content of statistical information provided by the Supplier must include:
 - 3.9.3.1** department (or ALB) for which the work was undertaken
 - 3.9.3.2** details of the work including project reference
 - 3.9.3.3** dates of the assignment
 - 3.9.3.4** value of the work
 - 3.9.3.5** the number of 'man days' resource employed
 - 3.9.3.6** the main contact (i.e. name, contact number, email address as a minimum).

3.10 FRAMEWORK MANAGEMENT AND ACCOUNT MANAGEMENT – MANDATORY REQUIREMENTS

This paragraph describes the mandatory Framework Contract Management and account management requirements that the Supplier shall be obligated to fulfil as part of the delivery of Internal Audit Services.

- 3.10.1** Whilst the Authority recognises and accepts that the use of approved Subcontractors may be involved in the delivery of the Contracting Authority(s) requirement, it is expected that the Supplier shall manage, control and maintain all customer facing activity.
- 3.10.2** The Supplier shall provide effective resource in order to deliver all of the Services detailed within Lots 1, 2 and 3 as applicable and in line with the Mandatory Service Requirements.
- 3.10.3** The Supplier shall provide the Authority with a named Framework Contract Manager, by email within 5 working days of signing the Framework Agreement. The nominated Framework Contract Manager shall have relevant industry experience. To ensure continuity of service the Authority shall require a Deputy Framework Contract Manager to cover periods of unavailability and absence. This employee shall be familiar with all aspects of the Framework Agreement and suitably experienced in the role. The Supplier shall have a fall back position as a result of annual leave or any other (un)planned absence by both the above Framework Contract Manager and their Deputy Framework Contract Manager

- 3.10.4** Where service or performance by the Supplier falls below the required level then the Framework Contract Manager shall ensure appropriate extra resources are committed promptly at no extra cost to the Contracting Authority(s).
- 3.10.5** The Supplier shall immediately provide the Authority and/ or the Contracting Authority(s) with a written report whenever the service or performance falls below the required level and the remediation measures that have been put in place to prevent a re-occurrence.
- 3.10.6** The Framework Contract Manager shall attend periodic review meetings which shall be determined by the Authority. The content of these review meetings will be to report on and check the monitoring standards and performance of the Supplier, resolve any issues which have not been dealt with on a day to day basis, business opportunities, potential innovative solutions and any complaints.
- 3.10.7** The Suppliers Framework Contract Manager shall promote, deliver and communicate transparency of pricing and savings to the Authority and provide to the Authority where requested by the Authority;
- a) a written performance report as defined within the Framework Agreement Schedule 2 Part B Key Performance Indicators and the Call Off Agreement Service Levels.
 - b) an agreed Continuous Improvement Plan, within the first 3 months of Framework Award, with quarterly communication of progress on actions and the entire Continuous Improvement Plan updated annually.
 - c) a proactive and quarterly written communication, which includes details of changes, improvements, risks, issues, complaints, concerns and future plans.
- 3.10.8** The Supplier shall provide the Contracting Authority(s) with a named Account Manager with relevant industry experience, for each Contracting Authority(s), as appropriate, to ensure that all the requirements of the Call Off Agreement are met. The Supplier shall have a fall-back position as a result of annual leave or any other (un)planned absence.
- 3.10.9** As part of the Supplier's continuous monitoring of all requirements of the Call-Off Agreement, the Account Manager shall present to the Contracting Authority(s) relationship manager, a full analysis for each customer of its performance, sales, issues and proposed plans every month, calendar quarter or as otherwise required by the Contracting Authority(s).

3.11 COMPLAINTS PROCEDURE – MANDATORY REQUIREMENTS

This paragraph describes the mandatory complaints procedure that the Supplier is obligated to fulfil as part of the delivery of Internal Audit Services. Suppliers should read this information in conjunction with Framework Agreement Clause 46.

- 3.11.1** The Supplier shall have in place robust and auditable procedures for logging, investigating, managing, escalating and resolving complaints initiated by the Authority and/or Contracting Authority(s), its representatives and/or its customers, employees and subcontractors. The procedure should allow for the identification and tracking of individual complaints from initiation to resolution.

3.11.2 A clearly defined complaints procedure is required which sets out timescales of the action that shall be taken and includes timescales of when matters shall be escalated.

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- 3.11.3** The Supplier shall ensure that any complaints received directly from a Contracting Authority(s) who are encountering problems whilst an assignment is being undertaken are dealt with as a matter of priority and the Supplier shall seek to minimise the disruption caused. Types of complaints that shall be supported in this way include Supplier Staff not arriving at venue, not contactable by telephone and failure to provide a Auditor that meets the specified requirements.
- 3.11.4** Complaints made by Contracting Authority(s) and/or the Authority should be acknowledged by the Supplier within 4 working hours of the details of the complaint being received by the Supplier. Thereafter updates on how the Supplier is proactively working to seek a resolution of the complaint should be made by the Supplier to the Contracting Authority(s) and/or the Authority at intervals of 2 working days, until a satisfactory resolution has been agreed which is mutually acceptable to both parties.
- 3.11.5** The Supplier shall provide comprehensive reports on all complaints to the Authority and to the relevant Contracting Authority(s) on a monthly basis or as requested by each of the Contracting Authority(s). These reports shall include the date of the complaint was received and resolved, complainant contact details, the nature of the complaint and actions agreed and taken to resolve the complaint. The Contracting Authority(s) shall define any additional requirement with the Supplier during the Call Off Agreement stage.
- 3.11.6** The level and nature of complaints arising and proposed corrective action or completed actions shall be reviewed by the parties periodically, as appropriate according to the numbers of complaints arising, and in any event at intervals of not less than 3 months.
- 3.11.7** The Supplier shall operate a service complaints procedure to deliver as stated in paragraph 3.11.1 and shall provide the relevant parties with details of how it works and shall provide details of complaints received and the corrective action taken in its routine reports to the Authority / Contracting Authority(s).

