



University of the
Highlands and Islands
Argyll College

Oilthigh na Gàidhealtachd
agus nan Eilean
Colaiste Earra-Ghàidheil

A meeting of
Argyll College Audit Committee
to be held at 12.30 pm on Friday, 24th May 2019
at Lorne Street Centre, Lochgilphead PA31 8LU
Tel 01631 559560

A G E N D A

Item no		Status For:	Papers
19.2.1	Welcome		
19.2.2	Apologies and declarations of interest		
19.2.3	Minutes of meeting held on 1 March 2019	To approve & sign	Attached
19.2.4	Matters arising (a) Update on funding for Helensburgh	To note	Oral
19.2.5	Risk Register	To consider	Attached
19.2.6	Review of Code of Good Governance	To consider	Attached
19.2.7	AOCB (a) Evaluation of tender for Internal Audit services Aug 2018 to Jul 2021	To consider	Attached
19.2.8	Date of next meeting: Friday, 30 th August 2019 at Lorne St Centre, Lochgilphead.	To note	

Please send any apologies or questions to Vicky (Secretary to Board): victoria.daveney@uhi.ac.uk/
mobile: 07384 246325

**Minutes of the Audit committee
held at 12.30pm on Friday, 1st March 2019
at the Lorne Street, Lochgilphead campus**

Present: Lesley McInnes (LI) Chair, by VC, Ken Jones (KJ), Amber Crowley (AC), Tony Dalgaty (TD)
Apologies: Gillian McCready (GMcC)
In Attendance: Roger Sendall for item 19.1.4, Ailsa Close (AEC), Elaine Munro (EM), Martin Jones (MJ)

No	Item	Action
19.1.1	<p>Welcome The chair welcomed members to the committee meeting</p>	
19.1.2	<p>Apologies & declarations of interest. Apologies were received from Gillian McCready</p>	
19.1.3	<p>Minutes of joint Audit and F&GP meeting held on 30th November 2018 were approved. The minutes to be signed by the respective chairs as an accurate record of the meeting.</p>	LMcI
19.1.4	<p>Presentation on Risk Register by Roger Sendall, UHI Head of Governance and Records Management Roger outlined the common and consistent approach that is being developed across the UHI partnership in relation to risk management, with all risk registers now stored in Sharepoint. A risk register group reviews all academic partner risk registers. Roger gave a presentation on risk management, which was followed by a question and answer session. The Committee felt that the move from a spreadsheet format for the recording of risk was a very positive improvement.</p>	
19.1.5	<p>Matters Arising</p> <p>a) Update on Health & safety issues at CERC – Following the H&S Consultant visit to CERC in December there were a number of areas that the college needed to address. This was followed by a visit to CERC by MJ and TG. Improvements were noted, but agreed there was a need to continue to discuss broad cultural issues, with TG suggesting a number of initiatives the college could implement.</p> <p>b) Update on funding for Helensburgh – no funding has yet been received from UHI for the centre in Helensburgh following the successful bid for strategic funds in 2018. UHI concern centres on the lack of a 5 year lease with A&BC for the Kirkmichael Centre. MJ meeting Clive Mulholland to further discuss the engagement with the Royal Navy at Faslane and in</p>	MJ

	particular the issues surrounding the mode of delivery and standard of learning and teaching materials provided by UHI.	MJ
19.1.6	<p>AOCB</p> <p>(a) Draft tender for Internal Audit services Aug 2018 to Jul 2021 Agreed committee members would submit suggestions for areas to be covered within internal audit to AEC by 22nd March 2019.</p> <p>(b) Support for Audit Committee LMCI had asked what support other partner organisations provided to Audit Committee. MJ outlined support was available via UHI internal auditor, regional committee of audit chairs, and also through Board Secretary. The recruitment process for a Board Secretary for Argyll College is currently underway.</p> <p>(c) Membership of Audit Committee External auditor had indicated that the Audit Committee membership should include the Student rep to allow breadth of scrutiny. It was agreed that the student rep (Laura Hogg) would be invited to join the Audit Committee.</p>	<p>All</p> <p>AEC</p>
19.1.7	Date of next meeting – Friday 24 th May 2019 at Lorne Street Centre, Lochgilphead	
	<p>Signed by</p> <p>..... Date</p> <p>Chair of Finance & General Purpose Committee</p>	



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To: Audit Committee Meeting

Date: 24 May 2019

Status: To consider

Subject: Code of Good Governance for Scotland's Colleges

In the context that the overall purpose of the Audit Committee stated in its terms of reference is “to assure the Board of Governors that Argyll College has in place a system of governance, internal control and risk management which is being maintained and developed to meet legislation and regulations applying to the sector”

the committee has a key role in maintaining the highest standards articulated in the Code:

<https://www.cdn.ac.uk/wp-content/uploads/2016/10/Code-of-Good-Governance-for-Scotlands-Colleges-August-2016.pdf>

Indeed, compliance with the Code is a condition of the funding that the college receives.

The committee therefore has the opportunity in this moment to review the position of the college in order to inform its ongoing and future work.



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To: Audit Committee Meeting

Date: 24 May 2019

Status: To note

Subject: Invitation to tender for Internal Audit Services for period from 01/08/2019 to 31/07/2022

The attached has now been put out to tender by APUC. We have indicated that the expected budget is around £10k per annum. It is intended that the evaluation of the tenders submitted will take place in the period 3-7 June, and the Audit Committee is asked to consider who would be involved in that process, with a view to awarding the tender by 7th June 2019.

Mini Competition for

**Provision of Internal Audit Services
For Argyll College**

REF: CS-AC-12914

Project	Provision of Internal Audit Services
Publication of Mini Competition	5 th May 2019
Issuer	Charyleen Emslie, Supply Chain Manager
Ref	CS-AC-12914
Bid return date	By 5pm 31st May 2019

The following words and expressions used within this Mini Competition shall have the following meanings (to be interpreted in the singular or plural as context requires):

Term	Meaning
"Institution"	means Argyll College UHI Ltd
"online portal"	Means the Public Contracts Scotland (PCS) Portal
"Conditions of Tender"	means the Terms and Conditions set out in the Framework Agreement document relating to the submission of the Tender.
"Contract"	means the Contract to be entered into by the Institution (s) and the Contractor following any award under the procurement exercise.
"Contractor"	means the successful Tenderer who will be party to the Contract responsible for supplying the services
"Mini Competition"	means this Mini Competition document and all related documents published by the Institution and made available to Tenderers
"Regulations"	means The Public Contracts (Scotland) Regulations 2015
"Tender Response(s), or Mini Competition Response"	means a Tenderer's formal response to this Mini Competition
"Tenderers"	means the organisations responding to this Mini Competition

Dear Supplier,

**MINI COMPETITION FOR PROVISION OF INTERNAL AUDIT SERVICES
FRAMEWORK: PFB1028 LOT 2
REF: CS-AC-12914**

As a supplier under Framework PFB1028 AP Lot 2 for the Provision of Internal Audit Services you are invited by Argyll College to tender for the above all in terms of, and in accordance with, the Mini Competition of which this Letter forms part.

Your bid must be submitted in accordance with this Mini-Competition Letter attached Schedules and Annexes, all of which shall be deemed to form and to be read and to be construed as part of this Mini-Competition.

Bids must be submitted via The Public Contracts Scotland Quick Quote facility www.publiccontractsscotland.gov.uk by **5pm on 31st May 2019**. Correspondence connected with the bid that requires attention before the deadline should be submitted online via the Quick Quote facility.

It is the responsibility of all tenderers to ensure that their bid is submitted no later than the appointed time. Bids received after that time may not be considered.

Argyll College UHI is not bound to accept the lowest or any bid. Argyll College UHI reserves the right to cancel or suspend this procurement procedure at any time. Argyll College UHI may award this contract in part if deemed appropriate.

APUC Ltd is administering the process on behalf of Argyll College UHI. Contact details are as follows: Charyleen Emslie, APUC Ltd, Tel 07920889210, cemslie@apuc-scot.ac.uk.

Yours sincerely,

Charyleen Emslie
Supply Chain Manager
APUC Ltd

SCHEDULE 2

OVERVIEW OF REQUIREMENTS

1. General Overview

Argyll College UHI are looking to award a contract to a single supplier for the provision of Internal Audit Services.

2. General Scope of Goods & Associated Services:

The appointed Contractor shall:

- Provide the Services as described in Schedule 3 – Specification.

3. Period of Contract

This contract is for an initial period of 3 years with the option to extend for two further 12 month periods, subject to ongoing requirement, budget and contractor performance.

4. Procurement Timetable

Tender Issued	6 th May 2019
Deadline for Supplier Questions	12:30pm 10 th May 2019
Deadline for Publication of Question Responses	12:30pm 15 th May 2019
Tender Return	5pm 31 st May 2019
Evaluations	3-7 th June 2019
Contract Award Date	7 th June 2019

SCHEDULE 3

STATEMENT OF REQUIREMENTS

1. Background

Argyll College UHI Ltd is a non-incorporated College which operates through the medium of a Company Limited by Guarantee holding Charitable Status.

The Board of Governors is aware of the need for effective internal financial control and acknowledges its responsibility for the systems operated by the College as an element of its duty to manage and conduct the College.

To this end, the College utilises an internal audit service contracted to external firms, the work of which concentrates on areas of key activities determined by an analysis of the areas of greatest risk. Internal audit work is delivered in accordance with the annual internal audit plan approved by the Audit Committee. The internal auditors report to the Principal and to the Audit Committee and have direct access to the Chair of the Board of Governors and to the Audit Committee.

2. Control

The College has developed a committee structure which enables the Board of Governors to exercise its function at a strategic level whilst maintaining proper oversight of operational matters through monitoring and control systems.

3. Funding

The College's largest source of income comes from the Scottish Funding Council (SFC) currently through UHI (EO). In 2019-20 grants from the SFC through UHI will make up 82% of projected income. In addition, tuition fees are received from the Scottish Awards Agency for Scotland (SAAS) and there are commercial fees received from a number of sources. The College also has responsibility for administering student support funding received from the SFC, SAAS and the Educational Maintenance Allowance programme.

4. Budget Financial Year 2019-20

The budget for the financial year ending 31 July 2019 will be in the region of £6 million gross. Payroll costs accounts for approximately 70% of budgeted expenditure. The College will deliver approximately 6700 credits in 2019-20, and places for 220 HE students.

5. ONS Reclassification

Argyll College UHI Ltd has not been reclassified and does not therefore need to transfer any surpluses to an Arms-Length Charitable Foundation.

6. Terms of Reference

The Internal Audit Service is responsible for conducting an independent appraisal of all the College's activities, financial and otherwise, with the exception of the academic process. It should provide a service to the whole organisation, including the Board of Governors and all levels of management. It is not an extension of, nor a substitute for, good management. The Internal Audit Service is responsible for giving assurance to the College's Board of Governors and to the College Principal on the control arrangements as defined in the approved audit needs assessment. It also assists management by evaluating and reporting to them on the effectiveness of the controls for which they are responsible. It remains the duty of management, not the internal auditor, to operate an adequate system of internal control. It is for management to determine whether or not to accept audit recommendations and to recognise and accept the risks of not taking action.

7. Scope

- (i) All the College's activities, funded from whatever source, fall within the scope of the Internal Audit Service. The Internal Audit Service will consider the adequacy of

arrangements for risk management, control and governance and for economy, efficiency and effectiveness. This will include all operations, resources, staff and services. It will assess whether management has taken the necessary steps to achieve these objectives. The scope of internal audit work should cover all operational and management controls, including those at centre level, and should not be restricted to the audit of those systems and controls necessary to form an opinion on the financial statements. This does not imply that all systems will be subject to review, but that all will be included in the audit needs assessment and hence considered for review in the context of assessed risk. The audit needs assessment will therefore be prepared initially without regard to constraints such as the time and resources which may be available.

- (ii) The scope and detail of the terms of reference must be such that they enable the Head of the Internal Audit Service to provide the Board of Governors with the appropriate quality of assurance on the adequacy, reliability and effectiveness of the College's internal control system.
- (iii) The Head of Internal Audit Service must advise the Board of Governors of the risks to which it, and the College, may be exposed if the scope of the audit coverage is limited in any way. Where the Head of Internal Audit Service believes that any limitations are unacceptable, his or her views and opinion on the associated risks must be formally reported to the Chair of the Board of Governors, the Chair of the Audit Committee and the College Principal.
- (iv) It is not within the scope of the Internal Audit Service to question the appropriateness of policy decisions. However, the Internal Audit Service is required to examine the arrangements by which such decisions are made, monitored and reviewed and report on their impact if felt necessary.
- (v) The Internal Audit Service may also conduct any special reviews requested by the Board of Governors, Audit Committee or College Principal, provided such reviews do not compromise its objectivity, independence or achievement of the approved audit plan.

8. Responsibilities

- (i) The Head of the Internal Audit Service should give an annual opinion to the Audit Committee, on the adequacy and effectiveness of the College's arrangements for risk management, control and governance and economy, efficiency and effectiveness. This opinion will be based on the agreed audit strategy and on the areas reviewed in the year. He or she should also comment on other activities for which the Board of Governors is responsible, and to which the Internal Audit Service has access.
- (ii) To provide the required assurance the Internal Audit Service will undertake a programme of work over a cycle authorised by the Board of Governors on the advice of the Audit Committee, or directly by the Audit Committee under delegated authority. The work to be carried out by the internal auditor will be determined by an analysis of the areas of greatest risk and be defined within an internal audit plan. The programme will have the following objectives:-
 - a. To appraise the soundness, adequacy and application of the whole internal control system.

- b. Evaluate those systems, identify inappropriate or inadequate controls, and recommend improvements in procedures or practices.
- c. Ascertain that those systems of control are laid down and operate to promote the most economic, efficient and effective use of resources.
- d. Draw attention to any apparent uneconomical or otherwise unsatisfactory result flowing from decisions, practices or policies.
- e. Liaise with external auditors.

9. Approach

- (i) The Internal Audit Service's work will be performed with due professional care, in accordance with appropriate professional auditing practice.
- (ii) In achieving its objectives, the Internal Audit Service should:
 - a. Identify all elements of control systems on which it is proposed to rely, and establish a review cycle.
 - b. Evaluate those systems, identify inappropriate or inadequate controls, and recommend improvements in procedures or practices.
 - c. Ascertain that those systems of control are laid down and operate to promote the most economic, efficient and effective use of resources.
 - d. Draw attention to any apparently uneconomical or otherwise unsatisfactory result flowing from decisions, practices or policies.
 - e. Liaise with external auditors.

10. Reporting

The internal auditors formally report to the Audit Committee and have direct access to the Chair of the Board of Governors and to the Audit Committee.

The Audit Committee is currently scheduled to meet four times during each financial year.

The Audit Committee will receive and approve the following reports from the internal auditors:

- an annual internal audit plan, setting out the intended scope of works for the year;
- reports on specific studies finalised since the last meeting;
- an annual internal audit report at the end of each year, reviewing the work over the period, recommendations made, progress in implementation of recommendations, and implications for future years' internal audit work;
- any other reports which the internal auditors, together with the Secretary to the Board of Governors and Chair of the Audit Committee, believe to be cognisant to the work of the Committee.

In carrying out strategic and operational audit planning, the internal auditors will liaise in the first instance with the Finance Director who has operational responsibility for the work of the internal auditors and for implementing their recommendations, agreed through the Audit Committee. Internal Auditors will also be required to undertake regular liaison with the Finance Director to review the progress of specific studies and performance against the approved audit plan.

The Head of the Internal Audit Service should report to the Audit Committee any serious weaknesses in internal control systems, significant fraud, or major accounting or other control breakdown discovered during the normal course of audit work.

Internal audit should produce a draft report to the Finance Director of areas under audit normally within 20 days of the conclusion of each audit assignment. The draft report should set out the findings and recommendations arising and also an opinion on the adequacy and effectiveness of that part of the system of internal control reviewed.

All recommendations made in internal audit reports should be appropriately graded. The Finance Director should formulate, with the approval of the Audit Committee, criteria for grading recommendations.

The draft report should normally be discussed with College representatives and the factual accuracy and balance agreed with them prior to issue of the final report. College representatives should be required to respond to audit reports, normally within 30 days stating their proposed action with a time plan for implementing agreed recommendations and the person responsible for each action point. The Finance Director should assist in the timely completion of reports and appropriateness of responses in the context of overall planning and resource allocation.

The information must be incorporated in the final version of the report. Internal audit must follow up recommendations to ensure that appropriate remedial action has been or will be taken within an acceptable timeframe. The outcome of this follow up should be reported to the Audit Committee.

The Head of Internal Audit Service must produce an annual report on their activities. The report should be addressed to the Chair of the Audit Committee as part of the full Annual Audit Report for The Board of Governors and should be considered by the Audit Committee. The report should be for the College's accounting period and be submitted to the audit Committee when it is available, It is important that the Audit committee receives the IAS's report in time to give it due consideration before producing its annual report to the Board of Governors.

As a minimum, the report produced by the Head of Internal Audit Service should include:

- The Head of Internal Audit Service's opinion on the adequacy and effectiveness of the College's arrangements for risk management, control and governance and economy, efficiency and effectiveness. This opinion needs to be considered in a context in which audit coverage should be based which is the work undertaken as agreed in the Audit Needs Assessment. In arriving at an opinion, the Head of IAS should take into account findings and conclusions from the systems that have been audited during the year, as well as in previous years (including, as appropriate, opinions from previous auditors) and any known significant changes to the College's risk profile that are likely to impact on future audit coverage.
- The Head of Internal Audit Service's opinion on whether proper arrangements are in place to promote and secure value for money;

- An analysis of common or significant weaknesses arising;
- An executive summary of each Internal Audit Service report;
- A comparison of the Internal Audit Service's achieved performance during the year with that planned, placed in the context of the internal audit needs assessment and incorporating information regarding slippage/ reprioritisation of work during the year;
- Details of any major audit findings where management action appears to be desirable, but has not been taken, including that identified in previous years' Internal Audit Service reports, and which, therefore, needs to be brought to the Board of Governors attention;
- The extent of achievement of any objectives which may have been agreed for the internal audit service; and
- The operational plan for the year following the year in which the report is written, including narrative explanation of variances from strategic plan.

The Head of Internal Audit Service or agreed appropriate representative will be required to attend each Audit Committee meeting unless requested not to do so by the Chair of the Audit Committee.

11. Independence

Independence enables internal auditors to appraise the internal control system in the impartial and unbiased manner essential to the proper conduct of audits. Recognition of the independence of internal audit is fundamental to its effectiveness. For the individual auditor, independence is essentially an attitude of mind characterised by integrity and an objective approach to work.

The Head of Internal Audit Service should determine the Service's own priorities within a plan prepared after consultation with senior management and approved by the Board of Governors, on the recommendation of the Audit Committee.

In considering the work to be undertaken by the Internal Audit Service, the following key points must be considered:

- Internal auditors must avoid any official, professional and personal relationships or interests which might cause them to limit the extent, approach or nature of their audit.
- If the Internal Audit Service is called upon to carry out specific investigations, such reviews must not compromise its objectivity or independence and should not, if avoidable, compromise significantly the achievement of its audit plan.
- The Internal Audit Service, therefore, must be a separate function from the management of the College and should not have any management responsibilities other than for internal audit.
- To be effective, the Head of Internal Audit Service must have sufficient status and be seen to have the respect and support of the College's senior management as well as that of The Board of Governors.

12. Right of Access

The Internal Audit Service has rights of access to all of the college's records, information and assets which it considers necessary to fulfil its responsibilities. Rights of access to other bodies funded by the college should be set out in the conditions of funding. The Head of the Internal Audit Service has a right of direct access to the Chair of the Board of Governors, the Chair of the Audit Committee and the College. The Internal Audit Service will agree to comply with any requests from the external auditors for access to any information, files or working papers obtained or prepared during our audit work that they need to discharge their responsibilities.

13. Confidentiality

All information obtained during the course of any audit and all reports prepared shall be treated as confidential and remain the property of the college. Any such information or report shall not be divulged to any other party whatsoever without the express approval in writing of either the Principal or Board of Governors.

14. Internal Audit Standards

The internal audit service's work will be performed with due professional care, in accordance with appropriate professional auditing practice. It will have regard to Treasury and IIA standards. Internal auditors must also have regard to relevant advice provided by professional auditing and accountancy bodies, and any guidance produced by SFC. Reference should also be made to the relevant sections of the Government Internal Audit Manual, issued by HM Treasury for Guidance.

In achieving its objectives the internal audit service will develop and implement an audit strategy that assesses the institution's arrangements for risk management, control and governance and for achieving value for money

The Head of Internal Audit Service should implement measures to monitor the effectiveness of the service and compliance with standards. In addition, the Audit Committee will consider and approve the performance measures used by internal audit, and will also consider asking the external auditor to provide an independent assessment of internal audit's effectiveness.

15. Performance Audit

The Audit Committee will undertake an annual review of performance against objectives and plans and will undertake an objective review of the overall performance of internal audit and its compliance with relevant policies and standards.

Internal audit, as an integral part of the systems based approach, should evaluate the control arrangements established and operated by management to achieve the economic, efficient and effective use of resources.

Over the complete audit cycle, Internal Audit Service must provide a comprehensive appraisal of management's arrangements for achieving value for money.

16. Relationship with External Auditors

The internal auditor is required to liaise with the college's external auditors to enhance the level of service provided and avoid duplication of effort. The external auditors shall have access to the internal audit files.

17. Quality Standards

The successful tenderer is required to produce a high quality service to meet the requirements for Internal Audit Services of the College.

18. Contract Management

The successful tenderer shall have in place a team of professionally trained, adequately experienced staff under Senior Management Control.

There shall be a proper management structure in place as well as control methods with adequate staffing to ensure service requirements are met at all times.

The successful tenderer shall have in place appropriate performance and service delivery controls.

Management information shall be provided to the College on an annual basis providing level of staff, number of hours and cost.

The Internal Audit Services shall be carried out between the hours of 9am and 4.30pm. An out of hours service may be required from time to time.

19. Continuous Improvement

The successful tenderer shall ensure that continuous improvement measures are incorporated into the contract and that quality of the service is reviewed on an ongoing basis.

The College strives to ensure that it is getting value for money at all times. The successful tenderer shall ensure that procedures are in place to carry this out throughout the contract term.

20. Change of Internal Auditors

In the event of a change to the contractor providing the service or the arrangements for the provision of an internal audit service, relevant information will be passed to the head of the new audit service provider.

21. Variation in Fees

The fees applied to this agreement will be fixed for the duration of the contract. Following this initial 3 year period, the fees may vary up or down in accordance with the % increase/decrease

in RPI/CPI during the preceding twelve month period as shown in latest published indices at the time of the request. Variations must be agreed by the college.

22. Freedom of Information Act

Argyll College UHI Ltd undertakes to use reasonable endeavours to hold confidential any information provided in the proposal submitted, subject to the College's obligations under law, including the Freedom of Information Act 2000 and the Public Contracts Regulations 2006 as amended by the Public Contracts (Amendment) Regulations 2009.

If the tenderer considers that any of the information submitted in the proposal should not be disclosed because of its sensitivity, then this should be clearly stated in your response with your reason for considering it sensitive. The College will then consider the sensitivity statement before replying to any request received under the Freedom of Information Act 2000.

23. Equal Opportunities

The college is committed to equal opportunities and diversity and the successful applicant must comply with the college's aspirations.

SCHEDULE 4

TERMS AND CONDITIONS

The prevailing terms and conditions of Framework Agreement Reference **PFB1028 AP**.

SCHEDULE 5

TENDER EVALUATION

Award Criteria	Weighting
Technical	40%
Service Delivery Management	10%
Staff	10%
Value Added Services	3%
Quality Assurance & Continuous Improvement	10%
Agreement Management	7%
Commercial	60%
	100%

Technical Evaluation – 40%

Sub-Criteria division:

Responses will be assessed and scored (0-3) in line with the following scoring methodology:

Good	3	The response fully meets the requirement and demonstrates Tenderer's relevant ability, understanding, experience, skills, resource & quality measures required to supply the goods /
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		services. The response identifies factors that will offer potential added value, with evidence to support the response.
Acceptable	2	The response addresses most of the key points in detail OR the Tenderer has provided all the key points but lacks detail in answering the question fully. The response provides confidence that the supplier can supply the required equipment/service to the satisfactory level.
Minor Concerns	1	Satisfies the requirement with minor reservations. Considerable reservations of the Tenderer's relevant ability, understanding, experience, skills, resource & quality measures required to supply the goods / services, with little or no evidence to support the response.
Major Concerns	0	The Tenderer has failed to address the question, submitted a nil response or any element of the response gives cause for major concern.

Commercial Evaluation – 60%

Total Cost for the Provision of Internal Audit Services. (LOWEST bid received/YOUR bid) x 60 (Total maximum potential score of 60)

Example provided for:

Bid A $(£10,000/£10,000) \times 60 = 60\%$

Bid B $(£10,000/£14,500) \times 60 = 42\%$

Bid C $(£10,000/£16,000) \times 60 = 38\%$

SCHEDULE 6

PRICING SCHEDULE

Please complete and return Appendix I – Pricing Schedule and upload to PCS as an excel document. Please do not upload any documents as a PDF and do not amend the format of the sheet.

Variation in the Charges

Charges and discounts will remain fixed for the first 3 years of the Contract.

Invoicing & Payment

The Contractor will be required to submit invoices monthly in arrears for work completed to the satisfaction of Argyll College in accordance with the Terms & Conditions. Value Added Tax, where applicable, shall be shown separately on all invoices as a strictly net extra charge. Each invoice shall be uniquely identified and shall specify the following minimum information:

Order number (where relevant)

Contract title & reference number

Deliverable details

Charges and total due including a deduction for any applicable discounts

Any travel and subsistence expenses claimed (where pre-agreed)
Total value excluding VAT

Payment will be made to the Contractor within 30 days of receipt of a valid invoice

Tenderers must note that:

- The day rates/hourly rates/discounts/total cost is fixed for 36 months from the Commencement Date
- All Charges must be shown exclusive of VAT but be inclusive of materials, overheads and profit
- All day rates will be based on 7 hours and 30-minute working days, exclusive of lunch breaks.

SCHEDULE 7

TECHNICAL QUESTIONS

<p>Q1. Service Delivery Management</p> <ul style="list-style-type: none">• Please describe the methodology and management approach that the Tenderer to meet the statement of requirements as stated above. <p>Answers to include:</p> <ul style="list-style-type: none">• Confirmation that that requirements detailed with in the Statement of Requirements will be met in full; detailing how deadlines will be met• Details of how the transition will be managed to taking over the service provision from the incumbent Contractor.• Please outline a detailed implementation plan which would ensure delivery of a high standard service from the commencement of the contract.• The overall methodology to enable delivery of this services to each Institution• Details how work will be managed, appropriately allocated, appropriately supervised and quality assured;	10%
A.	

<p>Q2. Staff</p> <p>a) Detail the members of the Service Delivery Team that will manage and be involved in the service provision to each institution detailing how they will meet the areas within the Statement of Requirements</p> <p>b) Details on any area of the requirement that will be sub-contracted out and the controls that are in place to monitor and manage any sub-Contractor (details should also be provided on the process and checks carried out when appointing any sub-Contractor).</p> <p>c) The Methodology detailing how the Service Delivery Team will ensure high quality technical service delivery to each institution, highlighting relevant areas of expertise with in the delivery team</p>	<p>10%</p>
<p>A.</p>	
<p>Q3. Value Added Services</p> <p>Please outline any added value services that your organisation would provide to the Institution as part of this Contract, which should be at no extra cost to the Institution.</p> <p>Answers should include as a minimum:</p> <ul style="list-style-type: none"> • The added value service(s) being offered • An overview of the benefits of the proposed added value services to the Institution, including how this can be quantified (e.g. costs savings, quality/other benefit) • How long any added value services offered would open for acceptance for by the Institutions <p>Any conditions/exclusions attached to any of the added value services proposed</p>	<p>3%</p>
<p>A.</p>	
<p>Q4. Agreement Management</p> <p>a) Please provide details of the individual proposed to manage the Institutions contract and any Account Manager(s),</p> <p>b) Name and contact details (telephone, email, physical location address) of the proposed Manager and Account Manager(s).</p>	<p>10%</p>

<p>c) Clear confirmation that the individual(s) can fully meet the service delivery requirements as stated in the Statement of Requirements.</p> <p>d) How the individual(s) will ensure success of the contact</p> <p>e) How business continuity will be dealt with if the individual(s) is not available.</p> <p>f) A two page CV demonstrating their understanding and technical ability to effectively project manage contract and meet the requirements under the Statement of Requirements.</p> <p>Please outline how you could support the Institution with the monitoring of this contract</p>	
<p>A.</p>	
<p>Q5. Quality Assurance & Continuous Improvement</p> <p>Please detail how your organisation would ensure expected quality standards are maintained throughout the duration of this Contract, and how your organisation will seek to continually improve the services delivered under this Contract.</p> <p>Answers should include:</p> <ul style="list-style-type: none"> • Any quality control measures, systems or processes that you would implement to ensure services are continually delivered to expected standards • Any review or continuous improvement measures that you would implement to ensure continuing quality and value for money throughout the contract <p>Where a sub-contractor (s) is used, you must demonstrate your answer in line with use of sub-contractor (s)</p>	<p style="text-align: center;">7%</p>
<p>A.</p>	

REF: CS-AC-12914

Pursuant to the Mini Competition document issued by the Contracting Authority to the Tenderer, we the undersigned undertake that we have read the terms of the Mini Competition and agree to be bound by such terms and have submitted a Tender Response in accordance with the terms of the Mini Competition.

We *the* undersigned undertake as follows; to execute and deliver the specification of requirements, in accordance with the terms of the Contract and the Pricing Schedule submitted to the Contracting Authority as part of our Tender Response; and

1. confirm that we have not included any condition qualifying our Tender in any unauthorised manner or altered any aspect of the Mini Competition in any way; and
2. to confirm that our Tender Response shall remain open for acceptance by the Contracting Authority for a period of 90 Working Days from the date of this undertaking and we shall not withdraw this Tender during this period; and
3. to execute the Contract in the form contained within this tender and under these Terms and Conditions; and
4. understand that appointment to the Contract shall be valid upon acceptance and signature by both parties of the Contract. We confirm that our Tender Response together with your acceptance thereof in writing shall constitute a binding Contract between us; and
5. understand that the award of the Contract will be based on establishing the Most Economically Advantageous Tender (MEAT) and the Contracting Authority is not bound to accept the lowest Tender Response or any Tender Response that fails to meet the stated mandatory requirements; and
6. we have submitted a bona fide Tender, intended to be competitive and we have not fixed or adjusted our price by or under or in accordance with any agreement or arrangement with any other Tenderer.
7. we have not and we undertake that we will not do at any time before the hour and date specified for the return of the Tender in the Mini Competition any of the following acts:
 - communicate to a person other than an appropriate member of the Contracting Authority our Price to be included in our Tender, except where the disclosure, in confidence, of such Price (or any component thereof) is necessary to obtain information/advice required for the preparation of the Tender; or
 - enter into any agreement or arrangement with (i) any other person resulting (whether directly or indirectly) in that person refraining from submitting a Tender or (ii) another Tenderer concerning any rates/fees submitted or to be submitted by that Tenderer in any Tender; or
 - offer to pay or give or agree to pay or give any sum of money or valuable consideration directly or indirectly to any person for doing or having done or causing or having caused to be done in relation to any other Tender or proposed Tender for the Works any act or thing of the sort described above.

8. to confirm that we have not colluded, and will not collude, with any other potential or actual Tenderer in relation to the Contract, the Pricing Document and/or the Mini Competition in any way; and
9. having made relevant and comprehensive enquiries of our organisation and all the organisations referred to in our Tender and our professional advisers, at the date of this undertaking we are aware of no Conflicts of Interest (whether professional or commercial) nor, to the best of our knowledge, is there likely to be any Conflict of Interest, should the Tenderer and the organisations referred to in our Tender be appointed to perform the Contract; and
10. as soon as we become aware or ought to have become aware of any actual or potential Conflict of Interest which may impact on the Tenderer's performance of the Framework Agreement, we shall notify the Contracting Authority in writing.
11. we agree to bear all cost incurred by about the preparation and submission of this Tender and to bear any further costs incurred prior to the award of this Contract.
12. we confirm that all the information provided in this Tender Response is complete, true & accurate and I am authorised by relevant persons within this organisation to provide this information. We understand that failure to disclose information, or providing information which later proves to be false may result in our exclusion from this procurement process.

Signature:	
Name:	
Job Title:	

Duly authorised to sign Tenders for and on behalf of:

Name of Tenderer	
Telephone No	
E-mail	
Date	

SCHEDULE

We would ask that Argyll College UHI withhold the following information from release under the Freedom of Information (Scotland) Act 2002/Environmental Information (Scotland) Regulations 2004 as appropriate:

Tender for: The Provision of Internal Audit Services
Reference: CS-AC-12914

Information <u>Not</u> to be Disclosed	Reason it should <u>not</u> be disclosed	Proposed Time the Restriction Should Apply For

Signature:	
Name:	
Designation:	

Duly authorised to sign Tenders for and on behalf of:

Name of Tenderer	
Date	

Appendixes

- Appendix I – Pricing Schedule
- Appendix II – Annual Internal Audit Plan
- Appendix III – Strategic Planning Draft
- Appendix IV – Risk Register
- Appendix V – Statutory Accounts

CHECKLIST

Your completed tender should be uploaded to the PCS Quick Quote facility prior to the closing date detailed in the Procurement Timetable.

Please allow sufficient time to upload and submit your tender response.

All documents should be titled:

Company Name – Document Name

All documents should be uploaded as separate individual documents in the relevant format as detailed below and throughout this Mini Competition document.

The documents you are required to return are as follows;

Appendix I – Pricing Schedule – In Microsoft Excel format

Schedule 7 – Technical Questions – In Microsoft Word

Schedule 8 – Form of Tender – In Microsoft Word or PDF format

Schedule 9- Freedom of Information- In Microsoft Word or PDF format

Pricing Schedule

Appendix I

Annual Internal Audit Plan

Appendix II

2019-2022 Internal Audit Plan (note this may change depending on assessed priorities by Audit Committee and the successful candidate)

Area for review	Type	2019-20	2020-21	2021-22
Governance				
Risk Management Framework	Assurance		✓	
Performance Management	Assurance			✓
EU GDPR Compliance	Compliance		✓	
Finance				
Payroll	Assurance	✓		
Human Resources				
Staff Development		✓		
Performance Review			✓	
Recruitment and Succession Planning				✓
Operational				
Student Admissions and Registry Process	Assurance			✓
Estate Management	Assurance		✓	
ICT				
Business Continuity Planning including IT Disaster Recovery	Assurance	✓		
Cybercrime	Assurance			✓

Area for review	Type	2019-20	2020-21	2021-22
Regulatory				
Health & safety curriculum risk assessment processes	Compliance	✓		
Follow Up				
Follow Up of outstanding internal audit recommendations	Follow Up	✓	✓	✓

Risk Register

Appendix IV

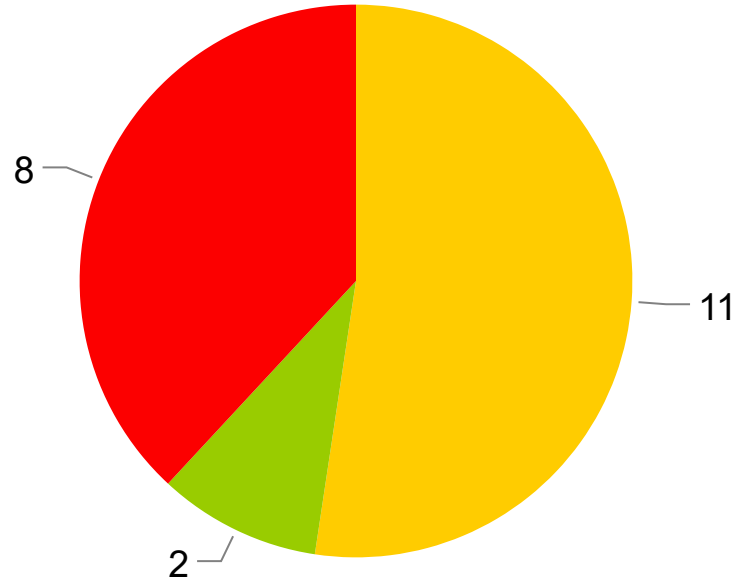
Statutory Accounts

Appendix V

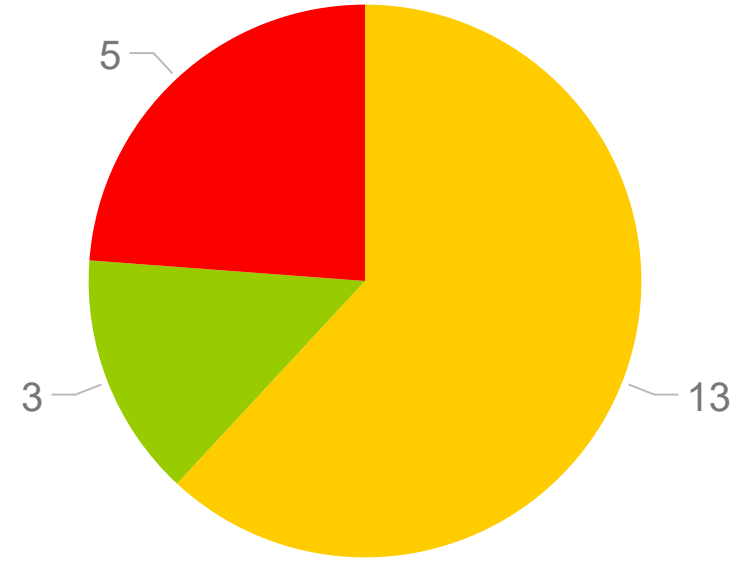
Overall Active UHI Risks:Impact

Academic Partner: All | Department/Project: All

Count of Gross Colour by Gross Colour



Count of Res Colour by Res Colour

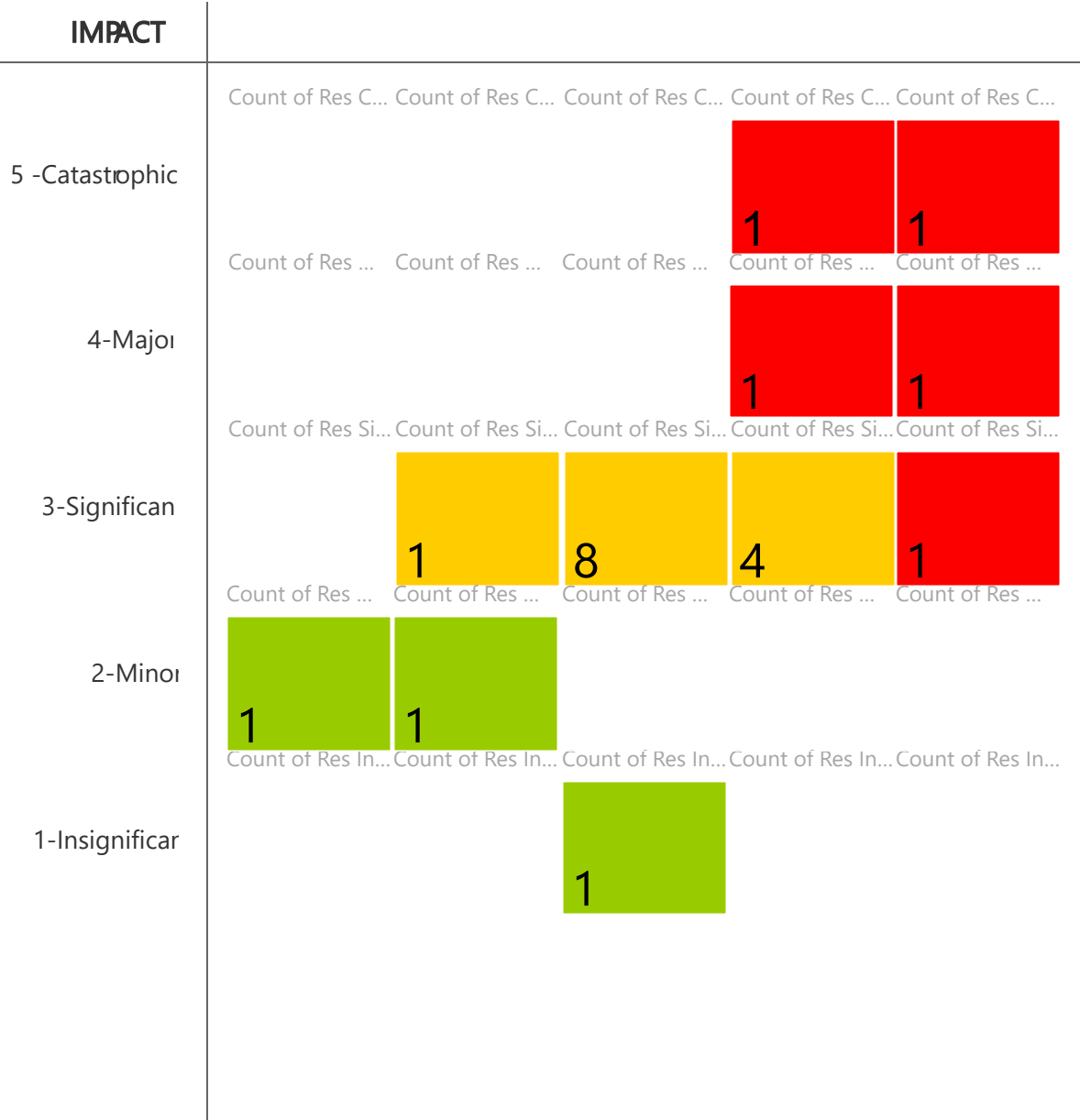


- Risk Register
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 - Nursing
 - Orkney College UHI
 - Perth College UHI
 - Principal & Secretary's Office
 - Research
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 - Residences Project
 - Sabhal Mor Ostaig
 - SAMS
 - Shetland College UHI
 - Student Services

Risk Status

Active

RISK MAP (for Residual risk)



Risk Register

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- Sabhal Mor Ostaig
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Risk Status

Active ▼

Summary of the actual register entries for all the active risks where the residual impact score is >=12

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Risk Status

Active ▼

Ref ID	Risk Description	Causes	Impacts Evidence	Modified	Owner
Argyll_05	NRPA	Implementation of national pay bargaining and a national pay scale for all staff	Potential unsustainable increase in college staffing costs due to agreed national pay bargaining increases. Funding only agreed to end of 2019/20	24/04/2019 12:54:21	Principal
Argyll_15	Non-compliance with relevant statutory regulations.	Lack of awareness of relevant laws and penalties. Management failures. E.g General Data Protection Regulation, Bribery Act, Health and Safety Regulations, Freedom of Info Act, etc.	Loss, injury, financial and reputational damage.	11/12/2018 13:26:18	Board & SMT
Argyll_24	Implication of outcome of EU Referendum leading to loss of EU Funding.	Political uncertainty over continuation or replacement of previous EU funding	Uncertainty over funding arrangements particularly in relation to capital projects	11/12/2018 13:43:19	Board & SMT
Argyll_02	KPIs below national average	Limitations of estates and resource, need for staff development, pressure to recruit to meet targets, lack of quality learning experience?	KPIs	11/12/2018 12:58:29	SMT
Argyll/03	Viability of delivery across the college region..	Continued reduction in unit of resource making small class sizes even more marginal, low recruitment, increases in costs particularly salaries	Difficulty in balancing budgets	10/12/2018 10:49:25	Board
Argyll/14	Disruption to services/projects and/or partnership working resulting from loss of a key staff member.	Retirement, resignation or death in service of key staff member(s). Inadequate succession planning. Over reliance on individuals. Associated knock on impacts resulting from transition arrangements with staff acting up and possible failure of backfill solutions. Sparse staffing, key functions residing with one person with no alternatives.	Functioning of key parts of the college at risk. Projects delayed due to loss of continuity, corporate knowledge gaps and disruption/loss of established relationships and contacts.	10/12/2018 11:10:40	Principal
Argyll/18	College estate not fit for purpose. (Support staff)	Lack of investment in capital maintenance/new capital project expenditure.	Having to rent additional space for support staff in Oban, no spare capacity in either Oban or Dunoon centres, poor working conditions for staff	10/12/2018 11:16:34	Board & SMT
Argyll/22	College nursery received poor HMI report, numbers utilising nursery for paid 3-5 care falling and sustainability now in doubt, staffing issues.	Need for improved processes and policies and more integration with College systems and management. Parents apparently less inclined to pay for 3-5 childcare hours, may be to do with older siblings now being at school, may be a cyclical issue. Poor HMI report may further impact on numbers.	Falling level of fees from previous years. HMI report may lead to reduction in reputation and further reduction in fees/viability.	10/12/2018 11:40:48	Principal
Argyll_01	College estates not fit for purpose (students)	Ageing buildings based on much lower numbers of students from earlier times in the college	Increase in full-time and HE students numbers recorded, and learning expectations of students	11/12/2018 12:45:50	Executive Team

Summary of the actual register entries for all the active risks where the residual impact score is >=12

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Risk Status

Active ▼

Residual Likelihood	Residual Impact	Residual Risk	Actions To Minimize	Future Mitigating Actions	Action Owner	Completion Date	Future Mitigating Actions 2
4	5	20	Staff training, use of expert consultants to keep the college informed & sharing good practice and learning with partner organisations.	Ensure that good practice is embedded at all levels in the college			Executive Team
5	4	20	Continue to investigate wide/alternative sources of funding				
4	4	16	Quality Assurance Committee, review of recruitment procedures and offering, restructured management, role of Curriculum leads	Review of course delivery as part of planning process	31/12/2020 00:00:00	SMT	
5	3	15	Dialogue with SFC, H&I FERB, EO and Scottish Govt.	Continue meeting with relevant stakeholders	30/07/2020 23:00:00	Principal	Explore more partnership/networking
4	3	12	Senior Board and Management have met re estates priorities for the short and medium term. Develop estates strategy as part of 5 year plan for the orgn.	Develop Estates Strategy	30/07/2019 23:00:00	Executive Team	Continuing discussions with local aut
4	3	12	Additional capital/backlog maintenance funding recently approved for 2018/19. Develop strategy and funding opportunities for all premises.	Work with HIE and other partners to identify potential new premises.	30/07/2019 23:00:00	Executive Team	
4	3	12	Discussions starting to take place at Board level re succession planning for ET.	Continue discussions at Board level re continuity/succession planning		Principal	
4	3	12	Review of nursery asked for by Board of Directors, investigation of costs and income will be carried out.	Improve management information system	30/07/2019 23:00:00	Finance Director	Review nursery operations and mana

Summary of the actual register entries for all the active risks where the residual impact score is >=4

Ref ID	Risk Description	Causes	Impacts Evidence	Modified	Owner
Argyll_05	NRPA	Implementation of national pay bargaining and a national pay scale for all staff	Potential unsustainable increase in college staffing costs due to agreed national pay bargaining increases. Funding only agreed to end of 2019/20	24/04/2019 12:54:21	Princip
Argyll_15	Non-compliance with relevant statutory regulations.	Lack of awareness of relevant laws and penalties. Management failures. E.g General Data Protection Regulation, Bribery Act, Health and Safety Regulations, Freedom of Info Act, etc.	Loss, injury, financial and reputational damage.	11/12/2018 13:26:18	Board
Argyll_24	Implication of outcome of EU Referendum leading to loss of EU Funding.	Political uncertainty over continuation or replacement of previous EU funding	Uncertainty over funding arrangements particularly in relation to capital projects	11/12/2018 13:43:19	Board
Argyll_02	KPIs below national average	Limitations of estates and resource, need for staff development, pressure to recruit to meet targets, lack of quality learning experience?	KPIs	11/12/2018 12:58:29	SMT

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 - Student Services
 - West Highland College UHI

Risk Status

Active ▼

Summary of the actual register entries for all the active risks where the residual impact score is >=4

Residual Likelihood	Residual Impact	Residual Risk	Actions To Minimize	Future Mitigating Actions	Action Owner	Completion Date	Fu
5	5	25	Dialogue with SFC, H&I FERB, EO, Scottish Govt, Colleges Scotland, other relevant stakeholders. Attempt to increase income from other sources.	Continue dialogue with SFC on shadowing of NRPA	30/07/2020 23:00:00	Principal	
4	5	20	Staff training, use of expert consultants to keep the college informed & sharing good practice and learning with partner organisations.	Ensure that good practice is embedded at all levels in the college		Executive Team	
5	4	20	Continue to investigate wide/alternative sources of funding				
4	4	16	Quality Assurance Committee, review of recruitment procedures and offering, restructured management, role of Curriculum leads	Review of course delivery as part of planning process	31/12/2020 00:00:00	SMT	

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Risk Status

Active ▼