



CAMBRIDGESHIRE
& PETERBOROUGH
COMBINED AUTHORITY

Officer Decision No.:	ODN212 - 2020
DECISION TITLE: Decision to award contract for Internal Audit Services	
NAME OF OFFICER/MAYOR EXERCISING DELEGATED POWERS: Jon Alsop	
DATE OF OFFICER DECISION: 21 August 2020	

Responsible Director/Mayor:	<i>Jon Alsop, Chief Finance Officer</i>
Report Author and contact details:	<i>Jon Alsop, Chief Finance Officer</i>
Is it a key decision?	No
All reports will be published on the CA website. Does your report include exempt or confidential information?	No

Decision taken	<p><i>Please provide the exact details of the decision taken.</i></p> <p>The Chief Finance Officer agreed to: (a) Award the Internal Audit Services contract to RSM Assurance Services Ltd</p>
Authorisation (<i>delete as appropriate</i>)	<p>This decision has been taken under: General authorisation (<i>those decisions delegated to officers as per the Constitution</i>):</p> <p>Chapter 17: Delegations to the CFO</p> <p>To effect the proper administration of the Authority's financial affairs, particularly in relation to financial advice, procedures, records and accounting systems, internal audit and financial control.</p> <p>Chapter 16: Contract Procedure rules Contract Award notice to be signed by Chief Exec, relevant Director or their delegate</p>
Background Information	<p>Peterborough City Council (PCC) has provided the Combined Authority with an internal audit service since the Combined Authority was established in March 2017. This has been conducted through an overarching 'Finance Support Services' Service Level Agreement</p>



	<p>between the two organisations.</p> <p>In November 2019, PCC confirmed that they would no longer be able to provide Treasury and Technical Accountancy Services beyond 31 March 2020.</p> <p>All of the services provided under the SLA have been under review and it was considered an appropriate time to conduct a tendering exercise for the future internal audit service.</p> <p>Following advice from the Procurement Manager, expressions of interest were requested from potential internal audit suppliers through the Crown Commercial Service Management Consultancy Framework (MCF RM3745 lot 3 – Audit) to provide a future service.</p> <p>Six organisations expressed an interest, and these were ‘invited to tender’ through the framework “to provide internal audit services to Cambridgeshire and Peterborough Combined Authority (CPCA) and to act as the authority’s Chief Internal Auditor”</p> <p>Three organisations provided compliant bids. Each was scored independently by a panel of three, then moderated following presentations by the three bidders. The Chair and the Vice Chair of the Audit and Governance Committee participated in the presentations.</p> <p>Of the three bidders, RSM Risk Assurance Services obtained the best quality score and were the most competitive on price.</p>
Alternative options considered.	<p><i>List alternative options considered and rejected and the reasons for rejection. Do not leave this section blank or put ‘None’. There is always an alternative even if it is to do nothing.</i></p> <ol style="list-style-type: none">1. Do nothing. <p>The internal audit function is a critical function to the Combined Authority, that tests the effectiveness of the Authority’s systems of governance, risk management and internal control.</p> <ol style="list-style-type: none">2. Continue with current arrangements. <p>The Combined Authority was keen to test the market in the first instance for an independent internal auditor that was not part of the Constituent Council ‘family’.</p>
Financial Implications	<p>The cost of the service will be dependent on the level of activity required and to the seniority of the audit staff required on assignments.</p>



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	<p>The cost is anticipated to be up to £72k per annum for 4 years. There is provision to then extend the contract for a further two years.</p> <p>Costs will be covered from the internal audit budget provision.</p>	
Consultation	<i>List any relevant consultation undertaken in relation to the decision. For example portfolio holders, other Chief Officers.</i>	<i>Name and Date approved (or indicate if not applicable) –</i>
	<i>Chief Executive</i>	<i>Kim Sawyer 24 August 2020</i>
	<i>Responsible Director/Chief Officer</i>	<i>Jon Alsop 21 August 2020</i>
	<i>Monitoring Officer</i>	<i>Robert Parkin 25 August 2020</i>
	<i>S73</i>	<i>Jon Alsop 21 August 2020</i>
	<i>Deputy S73</i>	<i>Rob Emery 24 August 2020</i>
	<i>Portfolio Holder</i>	<i>N/A</i>
	<i>Other</i>	<i>John Pye (Chair of A&G Cttee) Cllr David Brown (Vice Chair of A&G Cttee)</i>
Declarations / Conflicts of Interests (only if the decision falls under the 'Express Authorisation' category)	<i>List the names of any member who has been consulted on and declared an interest in relation to the decision.</i>	
Supporting documentation		

Officer signature	<i>Jon Alsop</i>	Date 1st Sept 2020