

## Audit Committee Meeting

Date of Meeting	Friday 7 October 2016
Paper Title	Procurement of Internal Audit
Agenda Item	13
Paper Number	AC1-I
Responsible Officer	Robin Ashton, GCRB Executive Director
Status	Non-Disclosable
Action	For noting

### 1. Report Purpose

**1.1** The purpose of this report is to note the process undertaken to procure an internal audit service for the Glasgow Colleges' Regional Board for the period, 2016/17 to 2020/21 and the appointment of a successful tenderer.

### 2. Recommendations

**2.1** The Board is requested to **note** the internal audit procurement process and the appointment of Henderson Loggie as GCRB's internal auditor for the period, 2016-17 to 2020/21.

### 3. Background

**3.1** An internal audit service is required for Glasgow Colleges' Regional Board. The Executive Director contacted each of the three Glasgow Colleges to ascertain whether there was any internal audit appointment being progressed at this time within the region which the GCRB could join and City of Glasgow College are in the process of issuing a tender for 4 years (2016-17 to 2020/21). Hence it was agreed that a joint tender process be undertaken with City of Glasgow College.

**3.2** The internal audit tender process for City of Glasgow College and GCRB was facilitated by the regional procurement team's officers who are employees of the sector's procurement centre of expertise Advanced Procurement in Universities and Colleges (APUC).

**3.3** The tender process involved publication of tender through the Public Contracts Scotland Tender Portal. Eight tenders were invited and three tenders received (BDO, Henderson Loggie and TIAA).

**3.4** A rigorous tender evaluation process was undertaken, including weighted scoring of tender documentation, face to face presentations and cost estimates.

**3.5** In the tender review process, Henderson Loggie scored highest overall, and both in terms of the quality of their combined tender application and presentation, and in terms of value for money.

**3.6** It was therefore recommended to the GCRB Board at their meeting of 29<sup>th</sup> August that they agree to the appointment of Henderson Loggie as the GCRB internal auditor for the period, 2016/17 to 2020/21.

**3.7** Following GCRB Board approval of the decision to appoint Henderson Loggie, the contract attached as Annex 1 was agreed.

#### **4. Risk Analysis**

**4.1** The audit needs assessment exercise for GCRB will consider which internal audits should be completed during 2016/17 based on an assessment of the relative risks of each area.

#### **5. Legal Implications**

**5.1** A legally binding contract has been agreed between GCRB and Henderson Loggie as outlined in Annex 1.

#### **6. Financial Implications**

**6.1** The contract value for GCRB over the 4 year period is in line with current GCRB budget planning.

#### **7. Regional Outcome Agreement Implications**

**7.1** There are no specific regional outcome agreement implications although the appointed auditor may undertake some audit reports in respect of the Regional Outcome Agreement.



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RA/SH/1617009

1 September 2016

Cathie Wyllie  
Henderson Loggie  
The Union Building  
20 Greenmarket  
Dundee  
DD1 4QB

Dear Cathie

**Tender Ref: CS/CoGC/GCRB 035**

**The Provision of Internal Audit Services for Glasgow Colleges' Regional Board under APUC Framework PFB1005AP – Lot 1**

On behalf of Glasgow Colleges' Regional Board, I am pleased to inform you that a decision has been taken that your tender dated 4 July 2016 for the above requirement has been successful.

- 1 On behalf of Glasgow Colleges' Regional Board I accept your tender dated 4 July 2016.
- 2 The following documents shall be deemed to form and to be construed as part of the Contract:
  - 2.1 Glasgow Colleges' Regional Board Invitation to Tender dated 20<sup>th</sup> June 2016.
  - 2.2 Your tender dated 4 July 2016 and subsequent communication through PCS-T.
  - 2.3 Your commercial submission for the rates outlined within Appendix D Pricing Schedule.
3. The Contract will commence 5 September 2016 for a period of 4 years with an option to extend for 12 months. The Glasgow Colleges' Regional Board shall make contact with you to arrange an implementation meeting.
4. The nominated representative for this Contract is Robin Ashton, Executive Director of Glasgow Colleges' Regional Board.

5. Please sign the enclosed copy of this letter as soon as possible. Signature by you will act as an acknowledgment of receipt of this Contract award letter and acknowledgement that the Contract has been entered into as set out in this letter.
6. Please email the signed copy to [ydalgarno@apuc-scot.ac.uk](mailto:ydalgarno@apuc-scot.ac.uk) in order that Glasgow Colleges' Regional Board has the contract on file for their reference.

Yours sincerely,



Robin Ashton  
Executive Director  
Glasgow Colleges' Regional Board

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I acknowledge receipt of the Award Letter for the Provision of Internal Audit Services for Glasgow Colleges' Regional Board dated 1 September 2016 and acknowledge that the Contract has been entered into as set out in this letter:

Signed for on behalf of Henderson Loggie

Signature: <i>Cathie Loggie</i>	Position: <i>Partner</i>
Name: <i>CATHIE LOGGIE</i>	Date: <i>2 September 2016.</i>