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Tender

## **External audit of public bodies in Scotland**

Audit Scotland

F02: Contract notice

Notice identifier: 2021/S 000-022067

Procurement identifier (OCID): ocds-h6vhtk-02dda2

Published 6 September 2021, 3:35pm

### **Section I: Contracting authority**

#### **I.1) Name and addresses**

Audit Scotland

102 West Port

Edinburgh

EH3 9DN

#### **Contact**

John Gilchrist

#### **Email**

[jgilchrist@audit-scotland.gov.uk](mailto:jgilchrist@audit-scotland.gov.uk)

#### **Telephone**

+44 1316251659

#### **Country**

United Kingdom

**NUTS code**

UKM - Scotland

**Internet address(es)**

Main address

<http://www.audit-scotland.gov.uk>

Buyer's address

[https://www.publiccontractsscotland.gov.uk/search/Search\\_AuthProfile.aspx?ID=AA00428](https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00428)

**I.2) Information about joint procurement**

The contract is awarded by a central purchasing body

**I.3) Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at

<http://www.publiccontractsscotland.gov.uk>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<http://www.publiccontractsscotland.gov.uk>

Electronic communication requires the use of tools and devices that are not generally available. Unrestricted and full direct access to these tools and devices is possible, free of charge, at

<http://www.publiccontractsscotland.gov.uk>

**I.4) Type of the contracting authority**

Body governed by public law

## **I.5) Main activity**

General public services

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

External audit of public bodies in Scotland

Reference number

NAA-2021

#### **II.1.2) Main CPV code**

- 79212000 - Auditing services

#### **II.1.3) Type of contract**

Services

#### **II.1.4) Short description**

This tender exercise is designed to allow the Auditor General and the Accounts Commission to make appointments to firms for approximately 36 per cent by value of the overall annual audit work of the bodies within their remits.

#### **II.1.5) Estimated total value**

Value excluding VAT: £5,000,000

#### **II.1.6) Information about lots**

This contract is divided into lots: Yes

Tenders may be submitted for all lots

The contracting authority reserves the right to award contracts combining the following lots or groups of lots:

Only bidders that are successful in Lot 1 will be eligible for Lots 2 to 5.

Lots 2 to 5 will result in up to three successful firms being eligible for, but not guaranteed, appointment to audits in those Lots.

## **II.2) Description**

### **II.2.1) Title**

Core audits

Lot No

1

### **II.2.2) Additional CPV code(s)**

- 79212100 - Financial auditing services
- 79212300 - Statutory audit services

### **II.2.3) Place of performance**

NUTS codes

- UKM - Scotland

### **II.2.4) Description of the procurement**

The Auditor General and the Accounts Commission require to appoint external auditors for the audit of several public sector bodies within their remits. This work is expected to comprise 30-36% by value of their overall annual audit work. These appointments are for the audit years 2022/23 to 2026/27.

Applicants must satisfy statutory qualification requirements. The conduct of the audits is also governed by Audit Scotland's Code of Audit Practice, which is wider in scope than for the audit of private sector organisations, and International Standards on Auditing (UK).

### **II.2.5) Award criteria**

Quality criterion - Name: Audit tools, support, and access to appropriate expertise / Weighting: 8%

Quality criterion - Name: Training and developing the audit profession / Weighting: 8%

Quality criterion - Name: Skills of key staff / Weighting: 16%

Quality criterion - Name: Quality of written material / Weighting: 16%

Quality criterion - Name: Adding value to audited bodies / Weighting: 6%

Quality criterion - Name: Contribution to the public sector audit regime in Scotland / Weighting: 6%

Quality criterion - Name: Ability to present to audit committees / Weighting: 8%

Quality criterion - Name: Climate change / Weighting: 4%

Quality criterion - Name: Fair work practices / Weighting: 4%

Quality criterion - Name: Community benefit / Weighting: 4%

Price - Weighting: 20%

#### **II.2.6) Estimated value**

Value excluding VAT: £5,000,000

#### **II.2.7) Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months

60

This contract is subject to renewal

Yes

Description of renewals

The Auditor General and the Accounts Commission may decide, at their sole discretion, to extend any audit appointments made under the contract for up to two further years.

#### **II.2.10) Information about variants**

Variants will be accepted: No

#### **II.2.11) Information about options**

Options: No

#### **II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union

funds: No

## **II.2) Description**

### **II.2.1) Title**

Public Interest Entities

Lot No

2

### **II.2.2) Additional CPV code(s)**

- 79212100 - Financial auditing services
- 79212300 - Statutory audit services

### **II.2.3) Place of performance**

NUTS codes

- UKM - Scotland

### **II.2.4) Description of the procurement**

The Auditor General and the Accounts Commission require to appoint external auditors for the audit of public sector bodies within their remits that are Public Interest Entities. This work is expected to comprise the audit of one or two councils. These appointments are for the audit years 2022/23 to 2026/27.

Applicants must satisfy statutory qualification requirements. The conduct of the audits is also governed by Audit Scotland's Code of Audit Practice, which is wider in scope than for the audit of private sector organisations, and International Standards on Auditing (UK).

### **II.2.5) Award criteria**

Quality criterion - Name: Audit tools, support, and access to appropriate expertise /  
Weighting: 8%

Quality criterion - Name: Training and developing the audit profession / Weighting: 8%

Quality criterion - Name: Skills of key staff / Weighting: 16%

Quality criterion - Name: Quality of written material / Weighting: 16%

Quality criterion - Name: Adding value to audited bodies / Weighting: 6%

Quality criterion - Name: Contribution to the public sector audit regime in Scotland / Weighting: 6%

Quality criterion - Name: Ability to present to audit committees / Weighting: 8%

Quality criterion - Name: Climate change / Weighting: 4%

Quality criterion - Name: Fair work practices / Weighting: 4%

Quality criterion - Name: Community benefit / Weighting: 4%

Price - Weighting: 20%

#### **II.2.7) Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months

60

This contract is subject to renewal

Yes

Description of renewals

The Auditor General and the Accounts Commission may decide, at their sole discretion, to extend any audit appointments made under the contract for up to two further years.

#### **II.2.10) Information about variants**

Variants will be accepted: No

#### **II.2.11) Information about options**

Options: No

#### **II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

### **II.2) Description**

### **II.2.1) Title**

Regulated water industry

Lot No

3

### **II.2.2) Additional CPV code(s)**

- 79212100 - Financial auditing services
- 79212300 - Statutory audit services

### **II.2.3) Place of performance**

NUTS codes

- UKM - Scotland

### **II.2.4) Description of the procurement**

The Auditor General and the Accounts Commission for Scotland require to appoint external auditors for the audit of regulated water industry entities within their remits. This work is expected to comprise of the audit of Scottish Water. These appointments are for the audit years 2022/23 to 2026/27.

Applicants must satisfy statutory qualification requirements. The conduct of the audits is also governed by Audit Scotland's Code of Audit Practice, which is wider in scope than for the audit of private sector organisations, and International Standards on Auditing (UK).

### **II.2.5) Award criteria**

Quality criterion - Name: Audit tools, support, and access to appropriate expertise /  
Weighting: 8%

Quality criterion - Name: Training and developing the audit profession / Weighting: 8%

Quality criterion - Name: Skills of key staff / Weighting: 16%

Quality criterion - Name: Quality of written material / Weighting: 16%

Quality criterion - Name: Adding value to audited bodies / Weighting: 6%

Quality criterion - Name: Contribution to the public sector audit regime in Scotland /  
Weighting: 6%



Quality criterion - Name: Ability to present to audit committees / Weighting: 8%

Quality criterion - Name: Climate change / Weighting: 4%

Quality criterion - Name: Fair work practices / Weighting: 4%

Quality criterion - Name: Community benefit / Weighting: 4%

Price - Weighting: 20%

### **II.2.7) Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months

60

This contract is subject to renewal

Yes

Description of renewals

The Auditor General and the Accounts Commission may decide, at their sole discretion, to extend any audit appointments made under the contract for up to two further years.

### **II.2.10) Information about variants**

Variants will be accepted: No

### **II.2.11) Information about options**

Options: No

### **II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

## **II.2) Description**

### **II.2.1) Title**

Regulated financial industry

Lot No

4

**II.2.2) Additional CPV code(s)**

- 79212100 - Financial auditing services
- 79212300 - Statutory audit services

**II.2.3) Place of performance**

NUTS codes

- UKM - Scotland

**II.2.4) Description of the procurement**

The Auditor General and the Accounts Commission require to appoint external auditors for the audit of regulated financial industry entities within their remits. This work is expected to comprise the audit of the Scottish National Investment Bank. These appointments are for the audit years 2022/23 to 2026/27.

Applicants must satisfy statutory qualification requirements. The conduct of the audits is also governed by Audit Scotland's Code of Audit Practice, which is wider in scope than for the audit of private sector organisations, and International Standards on Auditing (UK).

**II.2.5) Award criteria**

Quality criterion - Name: Audit tools, support, and access to appropriate expertise /  
Weighting: 8%

Quality criterion - Name: Training and developing the audit profession / Weighting: 8%

Quality criterion - Name: Skills of key staff / Weighting: 16%

Quality criterion - Name: Quality of written material / Weighting: 16%

Quality criterion - Name: Adding value to audited bodies / Weighting: 6%

Quality criterion - Name: Contribution to the public sector audit regime in Scotland /  
Weighting: 6%

Quality criterion - Name: Ability to present to audit committees / Weighting: 8%

Quality criterion - Name: Climate change / Weighting: 4%

Quality criterion - Name: Fair work practices / Weighting: 4%

Quality criterion - Name: Community benefit / Weighting: 4%

Price - Weighting: 20%

### **II.2.7) Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months

60

This contract is subject to renewal

Yes

Description of renewals

The Auditor General and the Accounts Commission may decide, at their sole discretion, to extend any audit appointments made under the contract for up to two further years.

### **II.2.10) Information about variants**

Variants will be accepted: No

### **II.2.11) Information about options**

Options: No

### **II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

## **II.2) Description**

### **II.2.1) Title**

Commercial shipping construction

Lot No

5

### **II.2.2) Additional CPV code(s)**

- 79212100 - Financial auditing services
- 79212300 - Statutory audit services

### **II.2.3) Place of performance**

NUTS codes

- UKM - Scotland

### **II.2.4) Description of the procurement**

The Auditor General and the Accounts Commission require to appoint external auditors for the audit of commercial shipping construction entities within their remits. This work is expected to comprise the audit of Ferguson Marine Port Glasgow. These appointments are for the audit years 2022/23 to 2026/27.

Applicants must satisfy statutory qualification requirements. The conduct of the audits is also governed by Audit Scotland's Code of Audit Practice, which is wider in scope than for the audit of private sector organisations, and International Standards on Auditing (UK).

### **II.2.5) Award criteria**

Quality criterion - Name: Audit tools, support, and access to appropriate expertise / Weighting: 8%

Quality criterion - Name: Training and developing the audit profession / Weighting: 8%

Quality criterion - Name: Skills of key staff / Weighting: 16%

Quality criterion - Name: Quality of written material / Weighting: 16%

Quality criterion - Name: Adding value to audited bodies / Weighting: 6%

Quality criterion - Name: Contribution to the public sector audit regime in Scotland / Weighting: 6%

Quality criterion - Name: Ability to present to audit committees / Weighting: 8%

Quality criterion - Name: Climate change / Weighting: 4%

Quality criterion - Name: Fair work practices / Weighting: 4%

Quality criterion - Name: Community benefit / Weighting: 4%

Price - Weighting: 20%

**II.2.7) Duration of the contract, framework agreement or dynamic purchasing system**

Duration in months

60

This contract is subject to renewal

Yes

Description of renewals

The Auditor General and the Accounts Commission may decide, at their sole discretion, to extend any audit appointments made under the contract for up to two further years.

**II.2.10) Information about variants**

Variants will be accepted: No

**II.2.11) Information about options**

Options: No

**II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

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## **Section III. Legal, economic, financial and technical information**

### **III.1) Conditions for participation**

#### **III.1.1) Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers**

List and brief description of conditions

Eligibility for appointment as auditor under the Local Government (Scotland) Act 1973 & Public Finance and Accountability Act 2000.

#### **III.1.2) Economic and financial standing**

Selection criteria as stated in the procurement documents

#### **III.1.3) Technical and professional ability**

Selection criteria as stated in the procurement documents

### **III.2) Conditions related to the contract**

#### **III.2.1) Information about a particular profession**

Execution of the service is reserved to a particular profession

Reference to the relevant law, regulation or administrative provision

Eligibility for appointment as auditor under the Local Government (Scotland) Act 1973 s97 (7) and the Public Finance and Accountability Act 2000 s21 (5) require auditors to be eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006 or a member of a body of accountants established in the United Kingdom or another EEA State.

#### **III.2.3) Information about staff responsible for the performance of the contract**

Obligation to indicate the names and professional qualifications of the staff assigned to performing the contract

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## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.1) Type of procedure**

Open procedure

#### **IV.1.3) Information about a framework agreement or a dynamic purchasing system**

The procurement involves the establishment of a framework agreement

Framework agreement with several operators

Envisaged maximum number of participants to the framework agreement: 6

In the case of framework agreements, provide justification for any duration exceeding 4 years:

11. The Framework Agreement duration is set to five years with an option to extend up to two further years so that appointment periods are in line with the rotation requirements of the Ethical Standard, minimise disruption caused by rotation and therefore maximise value for money.

#### **IV.1.8) Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: Yes

### **IV.2) Administrative information**

#### **IV.2.1) Previous publication concerning this procedure**

Notice number: [2019/S 182-443288](#)

#### **IV.2.2) Time limit for receipt of tenders or requests to participate**

Date

29 November 2021

Local time

12:00pm

#### **IV.2.4) Languages in which tenders or requests to participate may be submitted**

English

#### **IV.2.6) Minimum time frame during which the tenderer must maintain the tender**

Duration in months: 7 (from the date stated for receipt of tender)

#### **IV.2.7) Conditions for opening of tenders**

Date

29 November 2021

Local time

12:00pm

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## **Section VI. Complementary information**

### **VI.1) Information about recurrence**

This is a recurrent procurement: No

### **VI.2) Information about electronic workflows**

Electronic payment will be used

### **VI.3) Additional information**

NOTE: To register your interest in this notice and obtain any additional information please visit the Public Contracts Scotland Web Site at

[https://www.publiccontractsscotland.gov.uk/Search/Search\\_Switch.aspx?ID=658582](https://www.publiccontractsscotland.gov.uk/Search/Search_Switch.aspx?ID=658582).

The buyer has indicated that it will accept electronic responses to this notice via the Postbox facility. A user guide is available at

[https://www.publiccontractsscotland.gov.uk/sitehelp/help\\_guides.aspx](https://www.publiccontractsscotland.gov.uk/sitehelp/help_guides.aspx).

Suppliers are advised to allow adequate time for uploading documents and to dispatch the electronic response well in advance of the closing time to avoid any last minute problems.

A sub-contract clause has been included in this contract. For more information see:

<http://www.publiccontractsscotland.gov.uk/info/InfoCentre.aspx?ID=2363>

Community benefits are included in this requirement. For more information see:



<http://www.publiccontractsscotland.gov.uk/info/InfoCentre.aspx?ID=2361>

A summary of the expected community benefits has been provided as follows:

Tenderers are asked to set out a Community Benefits proposal that is relevant to the subject matter of this contract and supports the Authority's commitment to contributing to the social, economic & environmental well-being of the people of Scotland.

This might include for example initiatives that contribute to:

- up-skilling the existing workforce
- equality and diversity
- educational support
- tackling climate change

(SC Ref:658582)

## **VI.4) Procedures for review**

### **VI.4.1) Review body**

Edinburgh Sheriff Court and Justice of the Peace Court

Sheriff Court House, 27 Chambers Street

Edinburgh

EH1 1LB

Country

United Kingdom