

1. SPECIFICATION FOR THE PROVISION OF AN INTERNAL AUDIT SERVICE

Statutory Basis

The Peak District National Park Authority (the “Authority”), alongside its partner English Park Authorities, is funded by the Department of Environment, Food & Rural Affairs (Defra), whilst its governance regime is based upon that of a Local Authority.

The Accounts & Audit Regulations 2015 require an Authority: -

To undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

Proper practices in relation to internal control are regarded as those contained within the Public Sector Internal Audit Standards (PSIAS).

The Authority is seeking a suitably qualified, capable and experienced provider to supply internal audit services.

The start date of the appointment will be 1st April 2025 and will be for a term of 3 years with the option, at the Authority’s discretion, to extend the term for a further 2 years.

Requirements of an Internal Audit service

The Authority requires: -

- (1) an initial risk assessment and agreement of a rolling audit programme which will cover a minimum of three years from April 2025 and will be reviewed annually.
- (2) an annual audit opinion that risk management processes, control systems, accounting records and governance processes are in place and operating properly, and an opinion on the control environment.
- (3) Sufficient evidenced work to support audit conclusions, with presentation of appropriate reports
- (4) working in partnership with management, to improve the control environment and add value by assisting the organisation in achieving its objectives.
- (5) Compliance with the PSIAS.
- (6) Coverage of ICT provisions, security and controls
- (7) Investigation and reporting of fraud allegations
- (8) Additional ad-hoc requirements (if agreed mutually) delivered in-year through an agreed day rate.
- (9) Managers and principal staff to be allocated to the Authority’s work have appropriate technical and professional qualifications and experience, especially with organisations similar in size and character to the Authority.
- (10) Innovative approach - Commercial, innovative approach to the internal audit function.

Reporting

The following reports are required for submission to National Park Authority Committee and/or the Audit, Budget & Project Risk Group, after consultation with the Finance Manager. Reports must be finalised and submitted to the Finance Manager a minimum of 3 weeks in advance of Authority Meetings/Audit, Budget & Project Risk Group, whichever falls first. The internal auditor Manager/Head of Internal Audit is required to attend Authority meetings to present and discuss the reports (usually in Jan, May and July). Actual dates will be provided on an annual basis

Document required	When?
Annual internal audit plan – setting out the agreed audit programme for the year, the number of days and the cost.	July ABPRG, usually the first Friday July Authority meeting, usually the last Friday
Update on the internal audit plan – setting out the findings against block one of the annual plan. Details of any agreed changes and any impact on number of days/cost. A full report for every assignment including grading of each recommendation to management and making recommendations where appropriate.	January ABPRG, usually the last Friday February Authority, usually the first Friday
Update on the internal audit plan – setting out findings against block two of the annual plan. Details of any agreed changes and any impact on number of days/cost. A full report for every assignment including grading of each recommendation to management and making recommendations where appropriate.	May ABPRG, usually the first Friday July Authority, usually the last Friday
Annual internal audit report providing an overall opinion on internal control including a direction of travel as well as a report of previous audit recommendations yet to be implemented.	May ABPRG, usually the first Friday July Authority, usually the last Friday

SUBMISSION REQUIREMENTS

Technical, professional, capability and quality requirements

Tenderers must demonstrate evidence as to how the Requirements in headings 1 – 10 (requirements of an Internal Audit Service) are to be provided and are collectively known as the “Quality Criteria”.

Please also provide details of how you would approach the audits. Please explain particularly how you would carry out the service in such a way that it produces the least possible burden on the Peak District National Park staff. We are a small organisation, and the internal audit activity should be proportional to the size of the organisation. As a guide, in recent years, audits have been carried out in two blocks and total activity has been around 35 days.

Price Proposal Requirements

Tenderers must state the proposed total annual cost of the service, with the cost broken down into an assessment of the number and seniority mix of auditor days and corresponding rates which are considered necessary, as a minimum, to meet the requirement above.

Tender Response

The Authority is not prescribing the format of tender response, however respondents should ensure that their proposal is sufficient for a decision to be made, which will use the criteria above, with items 1 – 10 comprising 75% of the total score value (the 'Quality Criteria') and the proposed cost of the service comprising 25% (see Evaluation of Tenders below)

References

Tenderers must supply the names and addresses and customer contact details of at least 2 references who are able to give evidence as to the Tenderer's experience, professional and technical ability and past performance. Referees may be from either the public or private sector but must be relevant to the Requirement. Contracts services should have been performed during the past three years.

Please ensure that the named customer contact is prepared to provide written evidence to confirm the accuracy of the information provided. Customer references should be factual.

Please refer to '2. Tender Submission Requirements'.

THE TENDER RETURN DATE IS 5PM 20 DECEMBER 2024

EVALUATION OF TENDERS

Scoring will be carried out on the following basis:

Criteria	Weighting	Evaluation
Quality Criteria 1-10	75% (7.5% for each Quality Criteria)	1.5 (for each Quality Criteria) x total mark (see table below)
Price	25%	25 x (lowest tender price) ÷ (tender X's price)

Quality Criteria responses will each be marked against the following scoring methodology:

0	The tenderer has given no response which is capable of meaningful assessment
1	There are major weaknesses or gaps in the information provided
2	The response is sketchy with little or no detail given of how the tenderer will meet the criteria
3	The proposal has addressed the majority of our requirements but lacks some clarity or detail in how the requirements will be achieved
4	The proposal has addressed, in some detail, all or the majority of our requirements
5	The tenderer demonstrates an exceptional understanding of the requirements

Tenderers' scores for Quality Criteria and Price will be added together to produce an overall score.

Abnormally low tenders, incomplete tenders and tenders which do not include required references will be rejected.

The highest initial scoring tender will be notified, by email, by the end of January 2025, with a contract start date of 01st April 2025.

BACKGROUND INFORMATION

We believe that the Authority's website (www.peakdistrict.gov.uk) contains sufficient background information on our organisation. In particular, we would recommend brief overview of

In the meetings section of our Authority reports

- Corporate Risk Register (May 2024)
- The Outturn report (July 2024)

- Annual Governance Statement (July meeting)

Under publications section, Key Policy documents: -

- Authority Plan 2023-2028

Under publications section, Operational policies: -

- The Code of Corporate Governance
- The Anti-Fraud & Corruption Policy
- The Statement of Accounts

In the committee meetings section, the Authority Meeting: -

- Internal Audit plan
- Internal Audit block 1 report
- Internal Audit block 2 report
- Internal Audit Annual Report

Also available on the Authority's website is the transparency information as to contracts and annual spend.

In addition, contained within the Audit, Budget and Project risk minutes and reports, are all the other matters appropriate to the Audit, Budget and Project risk including where publicly available previous internal and external audit reports.

Physical Make-up of Authority assets and operations

Although the Authority is relatively small, it does have a diverse asset base and operations which may not be evident from the above information. The following is an attempt to highlight the principal elements: -

- There are approximately 193.7 Full Time Equivalent staff working for the Authority; with a headcount of approximately 124 full time & 103 part time staff, 61 fixed term staff, with a casual staff pool of about 222 (these used seasonally / infrequently).
- The majority are based at the Headquarters building, Aldern House, in Bakewell.
- There are approximately 25 small field buildings within the National Park some with field staff / workshops / storage areas.
- There are 44 small car parks within the National Park area, of which 31 have pay and display machines, and 18 toilet blocks
- There are three sites which operate an in-house cycle hire operation (turnover in total c £250,000 p.a.)
- There are 5 visitor centres – Bakewell, Castleton, Edale, Derwent, Parsley Hay – offering information services and selling products through an EPOS system linked to the accounting system at Aldern House (turnover c. £460,000 p.a. including 3 refreshment concessions) Stock levels are in the region of £220,000.
- The Authority owns and maintains 32 miles of old railway lines (High Peak & Tissington Trail; Monsal Trail) including the structures along route (viaducts / bridges / embankments) which now operate as recreation footpaths / cycleways.
- We manage approximately 70 owned and leased small woodland areas within the park.
- The Authority owns extensive landholdings, with the largest being four estates – North Lees (522 ha), the Roaches (395ha), Eastern Moors (2,549 ha) and the Warslow Moors Estate (1,922 ha). The Warslow Moors Estate comprises 13 tenanted farms and 15 houses with most of the land subject to agricultural tenancies and is managed in-house. The North Lees Estate has an agricultural tenancy, a holiday rental cottage and a 16th century hall, together with a campsite run by the Authority, and is also managed in-house. In 2010 the Eastern Moors estate was leased to

the RSPB/National Trust and is not directly managed by the Authority; similarly, the Roaches estate is leased to the Staffordshire Wildlife Trust and is not directly managed by the Authority.

- The Authority operates an infrastructure as a service delivery model delivering the core ICT infrastructure (servers and storage). Networking is also generally managed through service contracts. A mixed economy model exists for management of the remaining components (applications and end user equipment) with some management through a small in-house team and some management through product vendors.
- The vehicle fleet comprises approximately 31 vehicles, all of which are owned.
- There are at any one time a number of grant aided projects where the Authority acts as the accountable body for the grant aid. In 2023-24 this grant income totalled £8.9m (detailed in Note 26 of the Authority's accounts page 46/47). The largest group of projects are managed by a "Moors for the Future Team" as a programme, working together with a number of project partners, including the Environment Agency, Natural England, and the Water Authorities. There is also a material Grant from DEFRA for our FIPL (Farming in protected Landscapes) Contracts are a mix of grant aid and contractor relationships. The partnership does not have a separate legal status, and the Authority acts as the accountable body.
- The accounting system is Ipllicit, which was implemented in October 2023, and is operated in-house. The Finance team process approximately 1,800 debtor invoices and 10,000 creditor invoices p.a. There are about 1,200 payroll transactions monthly.
- Retail sites operate on the Tillpoint system, which was implemented in June 2024. This system does not currently integrate automatically with Ipllicit. The planned Integration should happen in the next financial year.

