

Appointment of Internal Auditors

Report to: Board

Date: 18 December 2015

Report by: Mike Cairns, Audit Committee Convener

Report No: B-30-2015

Agenda Item: 14

PURPOSE OF REPORT

To advise the Board on the outcome of the internal audit service procurement evaluation and to recommend the appointment of the internal auditors from 1 April 2016.

RECOMMENDATIONS

That the Board:

1. agrees to appoint Moore Stephens, operating as Scott Moncrieff in Scotland, to provide internal audit services to the Care Inspectorate. The appointment is to be for a three year period commencing 1 April 2016 until 31 March 2019. There is also an option to extend for a further one year period to 31 March 2020.

Version Control and Consultation Recording Form

Version	Consultation	Manager	Brief Description of Changes	Date
	Senior Management			
	Legal Services			
	Resources Directorate			
	Committee Consultation (where appropriate)			
	Partnership Forum Consultation (where appropriate)			
Equality Impact Assessment				
To be completed when submitting a new or updated policy (guidance, practice or procedure) for approval.				
Policy Title:				
Date of Initial Assessment:				
EIA Carried Out		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	
If yes, please attach the accompanying EIA and briefly outline the equality and diversity implications of this policy.				
If no, you are confirming that this policy will have no negative impact on people with a protected characteristic and a full Equality Impact Assessment is not required.		Name: Kenny Dick Position: Finance and Procurement Manager		
Authorised by Director	Name: K Reid	Date: 17 November 2015		

Version: 1.0	Status: <i>Final</i>	Date: 11/12/2015
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1.0 INTRODUCTION

- 1.1** The current contract for internal audit services expires on 31 March 2016. Therefore a procurement process to let a new contract was undertaken using the Crown Commercial Services Collaborative Framework.

2.0 PROCUREMENT PROCESS

The Audit Committee considered a Contract Award Recommendation Report (CARR) at the Committee meeting on 27 November 2015. This CARR is attached as Appendix 1. The Audit Committee recommends that the contract be awarded to Moore Stephens, trading as Scott Moncrieff in Scotland.

3.0 CONTRACT IMPLEMENTATION

The evaluation panels identified a number of areas of development to be addressed during contract implementation and award.

3.1 Delivery of Internal Audit Plan

The panels noted that the agreed internal audit plan needs to be delivered within the agreed timescales. The service delivery will be monitored through regular contract management meetings and measurement of the agreed key performance indicators. Contract management meetings will be scheduled in advance, following contract award, if approved.

3.2 Remedies for Inadequate Performance

Remedies and escalation in the event of inadequate performance of the service will be addressed in the letter of appointment.

4.0 RESOURCE IMPLICATIONS

The fees for the contract are fixed for the 3 years duration and are similar to the current fee levels.

5.0 BENEFITS FOR PEOPLE WHO USE SERVICES AND THEIR CARERS

The internal audit service plays a key part in assessing the Care Inspectorate's risk management, control and governance arrangements, ensuring these are adequate and effective. This in turn means that the Care Inspectorate optimises the use of its resources to maximise the benefits of the work of the Care Inspectorate to people who use care services and their carers.

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6.0 CONCLUSION

The procurement timetable allows for the appointment of internal auditors with the contract to be effective from 1 April 2016. This ensures the Board continue to have in place a process to ensure Audit Committee and management are provided with an independent, objective assessment as to whether systems and controls are working effectively.

LIST OF APPENDICES

Appendix 1 – Contract Award Recommendation Report