

## **REQUEST FOR PROPOSALS (RFP) FOR EXTERNAL AUDIT SERVICES TO IMPERIAL COLLEGE HEALTH PARTNERS**

### **1. Purpose of the Report**

- 1.1. Imperial College Health Partners (“ICHP” or the “Company”) seeks proposals from firms wishing to be considered for appointment as external auditors (the “External Audit”).

### **2. Background**

- 2.1. ICHP was incorporated as a company limited by guarantee in 2012.
- 2.2. The Company’s purpose is defined in its Articles of Association, supported by a Members’ Agreement. The Company’s objective is to bridge the gap between what we know (best practice) and what we do, in healthcare. ICHP is governed by the ICHP Board, which is independently chaired by Sir Mark Walport.
- 2.3. ICHP rents an office at 30 Euston Square, London, NW1 2FB, and has a combination of directly employed staff and NHS employed staff who are hosted by Chelsea and Westminster NHS Foundation Trust.
- 2.4. ICHP receives income from NHS England and Improvement and the Office of Life Sciences and other grant giving bodies, as well as generating income from other commercial partnerships.
- 2.5. ICHP is one of 15 Academic Health Science Networks (AHSNs) across England licensed by NHS England and Improvement, and the Office for Life Sciences.

### **3. Scope of Work**

- 3.1. The objective of the audit is to express an opinion as to whether the financial statements of ICHP present fairly, in all material respects, the financial position, results of operations and changes in cash flow, in accordance with generally accepted accounting principles. This will be for the financial year ending 31 March 2022, and it is expected that the successful organisation will be retained for a further two years.

Management will prepare the financial statements that will be subject to the audit and make available to the Auditor(s).

- 3.2. During the engagement, the Auditor(s) should report:

- Any significant or unusual transactions entered into by ICHP that Management and/or the Board of Directors should be made aware of
- Any deficiencies in internal controls that are of sufficient importance to merit the attention of Management and/or the Board of Directors
- Any disagreements with Management about matters which are significant to the organisation’s financial statements

- Any lack of compliance with the Financial Management and Controls Policy
- Any lack of compliance with financial or other relevant legislation; and/or
- Any lack of accountability in the use and management of ICHP's assets.

Any such instances should be reported in an audit management letter.

#### 4. Expected deliverables

The Auditor will:

- Prepare an auditor's report and in a format consistent with generally accepted auditing standards
- Provide a management letter that identifies areas of concern or weaknesses found, recommendations for improvement, management's response on any concerns identified
- Discuss the auditor's report and management letters with Management and the Audit Committee prior to their distribution
- Meet audit or reporting requirement dates as set out below
- Complete the scope of work
- Schedule in-person clarification and catch-up meetings with ICHP; and
- Provide reporting to ICHP, as directed (weekly updates, project milestone reports).

The preferred key dates and timing relating to the audit are as follows:

Event	Key Dates/Timing
ICHP Financial Year end	31 March 2022
External Auditors appointed	Week commencing 25 July 2022
Audit Plan presentation to Finance, Audit and Risk Committee	Week commencing 15 August 2022
Completion of audit	Week commencing 12 September 2022
Board meeting to review and approve External Audit Report	October 2022
Audited accounts to be submitted to Companies House	31 December 2022

#### 5. Invitation to submit proposals

5.1. Proposals are invited from firms of registered auditors to be appointed as auditors of ICHP.

5.2. Proposals should be submitted by email with the subject "TENDER – External Audit", to [tenders@imperialcollegehealthpartners.com](mailto:tenders@imperialcollegehealthpartners.com) by 1800 on 6 July 2022.

5.3. Proposals should include the following:

- i) Details and general background information about your firm
- ii) Details of your office locations
- iii) Details of your firm's experience of working with not-for-profit or organisations in receipt of grant funding, and of existing clients, indicating the size of those clients
- iv) Details of the team assigned to similar audits, and of those staff who would be assigned to the audit, together with their experience
- v) Details of your approach to auditing similar organisations including grant receiving organisations
- vi) A draft letter of engagement defining the scope of the audit and the extent of your responsibilities as external auditor

Details of your proposed fees for the work specified in point 3 above, on both an hourly and fixed fee basis, including separate costs for the audit and tax work including:

- Hourly rates of staff involved
  - Your firm's policy of charging travelling time and/or other expenses
  - Anticipated time input of different staff/grades of staff
  - Total number of days to be allocated to the audit
  - Provision of a management letter
- vii) A copy of your proposed terms and conditions
  - viii) Details of other advice offered by the firm
  - ix) Details of your firm's professional indemnity insurance
  - x) Details of your firm's equal opportunities policy
  - xi) Details of other organisations who could be contacted for references.

## 6. The RFP Process

### 6.1. No Conflict of Interest

The successful supplier(s) must not have a real or apparent conflict of interest regarding its ability to provide its service to ICHP. To avoid a conflict of

interest, ICHP may engage multiple suppliers to complete its audit service requirements. The supplier must disclose to ICHP the names of any parties which it believes are, or may be, a real or apparent conflict.

## 6.2. RFP Submissions

The RFP submissions should:

- Introduce the Audit firm and audit team, including the capability of the firm and team
- Provide a description of the Auditor's/ audit firm's history and experience, especially as it relates to not-for-profit organisations and recent relevant audits.
- Demonstrate understanding of the scope and complexity of the work required.
- Description of the Auditor's/audit firm's abilities related to audit services. Clearly outlining if any services will be outsourced.
- Identify the person(s) who would be involved in the project, their proposed role on the project, and their experience and qualifications to fulfill that role. Clearly outline if any services will be outsourced.
- Describe any internal or external professional and technical services that will be called upon to assist in the audit.
- Provide a detailed description of the Audit firm's proposed audit strategy, its processes and deliverables, and outline the methodology and approaches that would be used in carrying out the audit.
- Provide a proposed timeline for each component of the audit services to be provided and indicate the bidder's ability to meet the timelines as set out therein.
- Include a minimum of two client references (including their names, phone numbers and email addresses) who may be contacted to confirm the satisfactory delivery of service by key team member(s) on previous assignments.

Submissions must include the following:

## 6.3. Mandatory Requirements Check

Submissions that do not include the mandatory information below may not be scored and can be rejected:

<b>Mandatory Requirements</b>	<b>Requirement Met</b>
<b>Deadline</b>	

Proposals due – 1800 (EST) on 6 July 2022.	
<b>Mandatory Project specific content includes:</b>	
1. Audit proposed workplan and timeline	
2. Audit methodology proposed to complete the audit	
3. A cost quotation that has all-inclusive costs for the proposed audit work which will be performed for the first fiscal year and for each of the subsequent three years	
4. Costs identified in the proposal that clearly establish the basis of remuneration, identifying both the hours of work and hourly rates for appropriate categories of audit staff and appropriate out-of-pocket expenses	

#### 6.4. Proposed Schedule & Submission of Information

<b>Milestone</b>	<b>Scheduled Date</b>
<b>Release of Request For Proposal (RFP)</b>	
Deadline for submitting questions	27 June 2022
Proposals due	6 July 2022
Selection of firm	28 July 2022

#### 6.5. Confidentiality of Information

ICHP will require the successful supplier to enter into a confidentiality agreement with ICHP that protects all information provided to the supplier(s) by ICHP or any party contacted by the supplier(s) in order to complete this project.

#### 6.6. General Information

The submission of a proposal does not constitute a legally binding agreement between ICHP and any supplier. It is part of an overall selection process intended to enable ICHP to identify a potential successful supplier for the provision of services described herein. The goal of this RFP process is to identify those suppliers who offer the best delivery of service and value and demonstrate the highest degree of capability for providing and implementing the functions and objectives of the project.

A contract will be entered into between the successful supplier and ICHP. ICHP is not bound to negotiate with the lowest cost or any supplier and may, in its sole discretion, discontinue the RFP process and/or cancel the initiatives as outlined prior to the execution of the contract.

#### 7. Evaluation criteria

### 7.1. Submission Evaluation

The evaluation process to determine the successful supplier(s) will involve both qualitative and quantitative elements. As a general framework, all proposals presented by suppliers will be evaluated in the context of the overall value that it brings to the initiative. While cost is a significant part of the evaluation criteria, it will not be the sole determinant.

Each criterion below may be considered for each requirement listed in section 6.2. Suppliers must ensure they review the criteria when they develop each aspect of their proposal.

Proposals will be reviewed and ranked on the following criteria and scored out of a 100-point total as follows:

### 7.2. Technical Criteria

The Technical criteria will be evaluated first (excludes the 'Financial' criteria, bringing the maximum score to 75). Vendors must achieve a rating of 75% or over (a score of 56 out of 75) before ICHP will consider their financial criteria.

<b>Technical criteria</b>	<b>ranking</b>	<b>Percentage</b>	
Demonstrated understanding of project goals		15%	
Approach and methodology		20%	
Qualifications of audit team and firm's relevant experience		25%	
Project timelines		15%	
<b>Total Technical</b>		<b>75%</b>	

### 7.3. Financial Criteria

Only those proposals that have achieved a rating of 75% or over (a score of 56 out of 75) on their technical criteria will have their financial criteria evaluated.

<b>Financial Ranking Criteria</b>	<b>Percentage</b>
Total cost for audit services for financial year 2021/22	10%
Total cost for audit services for financial years 2022/23; 2023/24; 2024/25	10%
Extent of value in relation to proposed cost	5%
<b>Total Financial</b>	<b>25%</b>

#### 7.4. Calculating the Total Cost Score

The points score for total cost will be awarded based on the difference between the vendor's financial offer and the lowest responsive financial offer. The lowest responsive financial offer will receive the full awarded points and other financial offers will be allocated points pro-rata to the extent they exceed the lowest responsive financial offer.

#### 7.5. Selection Rights

ICHP reaffirms its right to make any selection it deems prudent and responding firms or individual participants acknowledge through their participation that such selection is not subject to protest or contest. ICHP reserves the right to:

- not award a contract as a result of this RFP
- modify the tasks based on negotiation with respondents
- award a contract to the same supplier(s) for subsequent years.

#### 8. Clarification/Interpretation

Each prospective supplier shall be responsible for conducting its own due diligence on the data and information upon which their proposal is based. Prospective suppliers shall be deemed to have gathered all information necessary to perform their obligations under the RFP.

Information referenced in this RFP, or otherwise made available by ICHP as part of this RFP, is provided for the convenience of the prospective supplier only, and ICHP does not warrant the accuracy or completeness of this information.

Prospective suppliers that find discrepancies or omissions in the information provided, or that have questions as to the meaning or intent of various aspects of the project, can notify Natalie Angus on [natalie.angus@imperialcollegehealthpartners.com](mailto:natalie.angus@imperialcollegehealthpartners.com) who will, if necessary, send written instructions, clarifications, or explanations to all prospective suppliers who have submitted an expression of interest to this RFP.

## **9. Break clause and payment**

- 9.1. Based on the scope of work contained within the submitted proposal, the successful supplier will be expected to submit a detailed breakdown of all fees relative to the specific project components as well as related expenses for the 2021/22 financial year end, and subsequent years.
- 9.2. Respondents may propose to invoice on an interim or final cost basis. Regardless of the method used, invoices must clearly identify the costs associated.
- 9.3. Payment for any additional work will be upon satisfactory completion of the assignment.
- 9.4. If ICHP wishes to terminate the process at any stage a minimum of one month's notice will be given.

## **10. Supervision of the Contract**

- 10.1. The successful firm will be required to enter into a formal contract of engagement for the supply of services.
- 10.2. Supervision of the contract will be the responsibility of the Associate Director of Corporate Services for ICHP, and/or other employees of ICHP as may be determined.
- 10.3. Written reports will be submitted to the Management of ICHP in the first instance.