Invitation to Tender: External Audit Services

Dear

Your organisation is invited to submit a tender for the supply of External Audit Services.

If you wish, please submit a service proposal in response to the specification enclosed.

- Part 1 Instructions to Tenderers
- Part 2 Background: about Malvern Hills Trust
- Part 3 Terms of Reference: ITT selection criteria
- Part 4: Form of Offer

It is the responsibility of the tenderer to ensure that offers are received by 12 noon on ddmmyyyy. Tenders received after this time will not be considered.

Could you please acknowledge receipt of this Invitation to Tender and confirm by ddmmyyyy whether you will be submitting a proposal.

Valid only if signed by a representative of Malvern Hills Trust

Valid only if issued by Malvern Hills Trust

Part 1 - Instructions for responding to the Invitation to Tender

Please read and understand these instructions before responding, to ensure that your tender meets our requirements. Malvern Hills Trust (MHT) reserves the right to refuse non-compliant tenders.

Only information provided as a direct response to the specification will be evaluated. Potential suppliers should respond on the basis that MHT has no prior knowledge of their organisation. Information and detail which forms part of general company literature or promotional brochures etc. will not form part of the evaluation process.

1. Key dates

Activity	Date
Issue ITT	
Closing date for completed tenders	
Shortlisting	
Select supplier, finalise & agree contract	
Period of agreement	Audit of 2022/23 Accounts and two further years subject to annual review by the Board

2. Communications

i) Please return completed tenders to Cheryl Gentry by post or email cheryl@malvernhills.org.uk

ii) Clarification questions regarding the tender documents or process must be made in writing by email to Cheryl Gentry cheryl@malvernhills.org.uk

3. Format for responding

Please provide a written proposal in response to the Terms of Reference: ITT selection criteria (part 3 of this document) and complete the Form of Offer (part 4 of this document). Key contact details and company information should be easily identifiable.

The Charity's objective for this tender process is to secure a high-quality provider of external audit services that can demonstrate a clear understanding of MHT, whilst achieving excellent value for money.

Your proposal should cover all aspects of the external audit scope and communicate how your organisation will add value to MHT, such as in relation to charities accounting and specific advisory services.

Evaluation process

Compliant bids will be evaluated by a panel made up of members of the Finance, Administration and Resources Committee, the CEO and the Finance and Administration Manager to form a shortlist. The shortlist will be reviewed at a Trustees' workshop to which levy payers will also be invited.

4. Selection

MHT intends to select a single provider for the services.

The selected provider will be contacted during week commencing ddmmyyyy at which time the parties will begin finalising the contract and agree an implementation plan.

Unsuccessful bidders will also be notified during week commencing ddmmyyyy. Feedback will be provided on request.

MHT reserves the right to change any aspect of, or cease, the tender process at any time. While MHT has taken all reasonable steps to ensure that the facts contained in this ITT are true and accurate in all material respects, MHT does not make any representation or warranty as to the accuracy or completeness or otherwise of this ITT, or the reasonableness of any assumptions on which this document may be based.

All information supplied by MHT to the tenderers, including that contained in this ITT, is subject to the supplier's own due diligence. MHT accepts no liability to tenderers whatsoever and however arising and whether resulting from the use of this ITT, or any omissions from or deficiencies in this document.

It is the responsibility of potential suppliers to obtain for themselves at their own expense all additional information necessary for the preparation of their response to this ITT. No claims of insufficient knowledge will be entertained.

Part 2 - About Malvern Hills Trust

About MHT

Malvern Hills Trust (MHT) is a statutory body established by Act of Parliament in 1884 and is also a registered charity. MHT owns or manages 1,200 ha (3,000 acres) of the Malvern Hills and Commons. The duties and responsibilities of the Trustees are set out under the 1884 Act and four subsequent Acts and include:

- Preserving the natural aspect of the hills
- Protecting and managing trees, shrubs, turf and other vegetation
- Preventing unlawful digging and quarrying
- Keeping the hills open, unenclosed and unbuilt on as open spaces for the recreation and enjoyment of the public

MHT is also responsible for conserving and enhancing biodiversity, Sites of Special Scientific Interest and Scheduled Monuments on its land.

MHT's two main sources of income are a levy charged to Council Tax payers in the Malvern Hills District Council wards of Chase, Dyson Perrins, Malvern Link, Pickersleigh, Priory, Wells and West Malvern and the parishes of Guarlford, Colwall and Mathon and takings from car parks on its land. Copies of the annual accounts are available on the website https://www.malvernhills.org.uk/looking-after/annual-review-and-accounts/

Governance

The Malvern Hills Trust is a body corporate set up under the Malvern Hills Act 1884, subsequently modified by the Acts of 1909, 1924, 1930 and 1995. It is a registered charity.
The Board of Trustees is the decision-making body. The governing legislation currently provides for 29 trustees who are appointed for a four-year term. Eleven trustees are directly elected under the Local Elections (Principal Areas) Rules by the residents of the following wards/parishes who contribute to Malvern Hills Trust through a levy paid with their Council Tax. The Chief Executive Officer is the Electoral Returning Officer.

Electoral area	Seats
Priory Ward	1
Chase Ward	1
Wells Ward	1
West Ward	1
Dyson Perrins Ward	1
Malvern Link Ward	1
Pickersleigh Ward	1
Guarlford Parish	1
Colwall Parish	2
Mathon Parish	1

The remaining 18 trustees are nominated by the following bodies:

Herefordshire Council	2
Worcestershire County Council	2
Worcestershire County Council to represent the parishes of Castlemorton, Newland and Powick	3
Malvern Hills District Council	8
Colwall Parish Council	1
Mathon Parish Council	1
The Church Commissioners	1

The current trustees took up their seats on 1st November 2019 (except those filling vacancies which have arisen since then) and will remain in place until 31 October 2023.

There are four standing committees of the Board:

- Land Management Committee
- Finance, Administration and Resources Committee
- Governance Committee
- Staffing Committee

These committees are made up of members of the Board with relevant experience under specific terms of reference from the Board.

Board and Committee meetings are open to the public and dates are published on the website. The Board resolved to revise the meeting schedule which had been in place prior to March 2020. Under those current temporary arrangements, six scheduled Board meetings will be held in January, March, May, July, September and November to make decisions and to receive reports from officers, committees and from representatives serving on outside bodies. There is also an opportunity for members of the public to make a statement (with prior notice).

The annual meeting of levy payers (at which the financial statements are adopted and Auditor appointed) is held in public immediately before the Board meeting in September each year. The Chair and Vice Chair are elected at the Board's annual meeting in November, at which committee members and representatives to serve on outside bodies are also appointed.

Accounting arrangements

The accounts are maintained on Sage 50 software. There are two part time accounts staff, the Finance and Administration Manager (a Chartered Accountant) and Finance Assistant (AAT).

Draft statutory accounts and supporting schedules are prepared in advance of the audit. MHT has received unqualified audit reports each year.

Information provided

Copies of the Trustees' annual report and accounts are available on the website https://www.malvernhills.org.uk/looking-after/annual-review-and-accounts

Part 3 - Terms of Reference: invitation to tender selection criteria

1. Scope of Audit

Commencing with the fiscal year ending 31st March 2023, the auditor shall perform an examination of the financial statements of the Charity in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and all other relevant regulations.

They will work closely with staff to review the system of internal financial controls, accounting procedures and processes to ensure these are adequate to meet audit standards. The Auditor will have electronic access to the relevant documents.

A full report on the audit will be made to the Trustees at the July Board meeting.

2. Cultural fit

MHT is seeking an auditor that understands and sympathises with its purpose, values and vision.

3. Technical competency & experience in the charity sector

We are seeking an auditor that specialises in the charity sector and has a strong portfolio of charity clients. We expect our auditor to be aware of and actively leading developments in the sector and advising on best practice.

We would wish to receive technical updates on charity accounting matters.

MHT welcomes working in partnership with professional advisers and we would expect occasionally to benefit from advice in specialist areas including trustee training.

4. Value for money

We expect our professional advisers to be proactive in the relationship, sharing experience, knowledge and ideas so that the audit adds value in addition to meeting statutory requirements.

5. Team competency

The auditor is expected to appoint a suitably skilled and experienced team to carry out the audit programme. Please provide an overview of the audit team structure and levels of qualification and experience.

We expect the Auditor to ensure a level of stability and consistency within the team throughout the term of the working relationship.

6. Audit Strategy

Your response to this invitation to tender should include an outline of your audit strategy, including how you approach auditing against key risks and where you would focus your substantive testing.

7. Audit timetable:

Activity	Dates for 2022/23
Financial Year End	31st March
On-site audit visit	w/c 5th June 2023
Audit Closure meeting	w/c 26th June 2022
Auditor attendance at Board meeting to present audit findings report	13th July 2023 (provisional)
Auditor attendance at Annual Meeting of Levy Payers	7th September 2023 (provisional)
Board Approval of Trustees Annual Report and Accounts	7th September 2023 (provisional)

Bidders should confirm availability of staff against the above timetable.

Part 4 - Form of Offer

External Audit Services

I **[insert individual name]** as the Authorised Representative of **[insert name of Bidder]** ('the Bidder') of **[insert address of Bidder]**

Confirm:
I have examined the information provided:

- Part 1 Instructions to Tenderers
- Part 2 Background: about MHT
- Part 3 Terms of Reference: ITT selection criteria
- Part 4: Form of Offer

Agrees

1. That this offer and any contracts arising from it shall be subject to the Terms and Conditions of Contract and all other terms (if any) issued with the Invitation to Offer; and
2. To supply the services in respect of which its offer is accepted in such quantities, to such extent and at such times as ordered; and
3. That this offer is made in good faith and that the Bidder has not fixed or adjusted the amount of the offer by or in accordance with any agreement or arrangement with any other person.

   The Bidder certifies that it has not and undertakes that it will not:

   a. communicate to any person other than the person inviting these offers the amount or approximate amount of the offer, except where the disclosure, in confidence, of the approximate amount of the offer was necessary to obtain quotations required for the preparation of the offer, for insurance purposes or for a contract guarantee bond;
   b. enter into any arrangement or agreement with any other person that he or the other person(s) shall refrain from making an offer or as to the amount of any offer to be submitted.
4. That to the best of Bidder's knowledge there are not any conflicts of interest or any circumstances that could give rise to a conflict of interest in the performance of the proposed Contract. MHT requires that all actual or potential conflicts of interest are resolved to the satisfaction of MHT prior to the submission of Bids. In the event that any actual or potential conflict of interest comes to a Bidder's attention, that Bidder should immediately notify MHT.

Name: (print) ____

Signature: ____

Title: ____

Date: ____

The Form of Offer must be signed by an authorised signatory: in the case of a partnership, by a partner for and on behalf of the firm; in the case of a limited company, by an officer duly authorised, the designation of the officer being state.