

**MakeItYork | VisitYork**

**Invitation to Tender for Audit Services**

# Make It York; Invitation to Tender for Audit Services

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## Introduction and Overview

1. Make It York ('MIY') is a 'Teckal Company', wholly owned by City of York Council ('CYC'). We have a commissioning agreement with CYC to deliver tourism, city centre and cultural activities for the city.
2. We are looking to secure a 2-year contract with the possibility to extend for a further 3 years, with a firm of accountants who carry out statutory audit work and act as MIY's external auditors and its agent for Corporation Tax.
3. Background information regarding MIY can be found at:
  - (a) <https://www.makeityork.com/>
  - (b) <https://www.york.gov.uk/MakeltYork>
  - (c) [https://find-and-update-company-information.service.gov.uk/company/09308493](https://find-and-update.company-information.service.gov.uk/company/09308493)
4. Tenderers should note that MIY is partially exempt for VAT.
5. The procurement process will require bidders to show how they can meet a set of required outcomes and a clear scoring system will be outlined with a 50% Quality to 50% Price weighting.
6. Please note; Make It York aims to help local businesses to prosper including by attracting and retaining investment and talent. CYC also declared a climate emergency in March 2019, aims for York to be carbon neutral by 2030 and is taking steps to produce less waste and recycle more. MIY is committed to supporting CYC achieve its aims and help local businesses to prosper and your tender should outline how you also can help to do this. All tenders will be assessed in the context of these overarching priorities and the contract will be awarded on the criteria detailed below.

## Dates and Term of Proposed Contract

7. MIY's statutory accounts are made up to 31st March and the first accounting period to be audited subsequent to this Invitation to Tender ('ITT') will be for the year ending 31<sup>st</sup> March 2023.
8. The initial term of our agreement with CYC ends in 2024, however the agreement provides for an extension for a further three years. On confirmation of the extension, it is our intention to continue to engage the auditors appointed as a result of this tender process for a further three years before conducting another re-tendering process.
9. Please note that the above will remain subject to our duties under the Companies Act 2006, in particular Sections 485 to 488, and our ongoing monitoring and review of the auditor's performance; annual re-appointment cannot therefore be guaranteed.
10. MIY typically prepares management accounts, including a company-wide P&L and balance sheet, within four weeks of the financial year end and is normally in a position for audit field work to commence by the end of May.
11. MIY expects the draft statutory accounts to be presented to the board for approval within four months of its financial year end.

## Invitations to Tender

12. MIY will publish this ITT on its website for download by interested parties.
13. MIY will also endeavour to directly invite all firms listed on the ACCA and ICAEW public register of members that provide audit services and are located within the boundaries of the City of York and North Yorkshire County Councils.
14. MIY will also invite its existing auditor to tender.
15. MIY may invite other firms to tender that, in its sole opinion, it believes may be a suitable supplier of services in accordance with this tender.

## Key Dates<sup>1</sup>

Stage	Date
Publication of Invitation to Tender	6 <sup>th</sup> September 2022
Deadline for receipt of tender proposals (Any submission received after this date/time will not be considered)	10 <sup>th</sup> October 2022 - 5pm
Tenderers shortlisted for interview	18 <sup>th</sup> October 2022
Interviews with shortlisted tenderers	24-25 <sup>th</sup> October 2022
In-principle contract award and issue of award decision notices to successful and unsuccessful bidders	3 <sup>rd</sup> November 2022 <sup>2</sup>
Confirmation of appointment	14 <sup>st</sup> November 2022 <sup>3</sup>
Signature of Engagement Letter	November 2022

## How Tenders Will Be Assessed

16. We will first assess whether Tenders have addressed our overarching priorities, in particular limiting the adverse environmental impact of our activity, including the activity of suppliers of services we engage.
17. We will also assess whether the tenderer will have any potential conflicts of interest, including any arising from its work with other actual or prospective clients, and tenderers should provide reassurance that any such potential conflicts do not exist or will be effectively managed.
18. Any tenders that fail to address our overarching priorities and potential conflicts of interest will be eliminated at this stage.
19. Tenders are then scored against a number of Quality Questions, each with a % weighting totalling 50%. A further 50% is awarded for the financial quote supplied.
20. The Quality Questions are:

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<sup>1</sup> Please note; the key dates are indicative. MIY will endeavour to inform all tenderers of any significant changes to these dates.

<sup>2</sup> It is intended that the appointment of the Auditors will be formally discussed by MIY's board and the in-principle decision communicated shortly thereafter.

<sup>3</sup> It is intended that MIY's Auditors will be appointed by ordinary resolution of its shareholder, CYC, within 28 days of the receipt by CYC of MIY's accounts for the 21/22 financial year.

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% Weight	Quality Questions
5	Does the firm understand MIY's operating environment?
5	Does the firm understand MIY and its stakeholders?
10	Has the firm got a good track record of providing services to organisations similar in size and nature to MIY?
15	Does the firm employ staff with the range of experience and skills required to meet MIY's needs
10	Does the firm have the capacity to accommodate work for MIY
5	Is the firm able to act effectively as MIY's agent for Corporation Tax and provide specialist advice on tax compliance including with VAT and PAYE/NI if and when required?

21. The Scoring Criteria are:

Score	Criteria
0	No evidence
1	Complete failure to grasp/reflect the core issue or does not provide a response/proposal.
2	Response/proposal falls short of achieving the minimum required standard or appears to reflect a limited understanding of MIY's needs or is materially deficient in some aspect.
3	Response/proposal meets the minimum required standard.
4	Good response/proposal that appears based on a good understanding and interpretation of MIY's requirements.
5	A very good response/proposal that appears based on an excellent understanding and interpretation of MIY's requirements.

22. Please note, a failure to achieve a minimum score of 3 on any of the quality questions may result in the entire tender being rejected

### Pricing

23. Please include full details of how you will charge for
- (a) The main audit service,
  - (b) Your services as our agent for Corporation Tax
  - (c) Any other non-recurring advice in respect of other taxes
24. Please ensure it is clearly stated which elements are fixed or variable.

### Additional Non-Audit/Compliance Services

25. Please note that this invitation to tender relates only to the services outlined in 23 (a) to (c) above.
26. MIY may need to procure additional accounting or other services of a type that may be provided by tenderers.

27. Any such additional services will be subject to a separate procurement procedure in accordance with MIY's policies and procedures; tenderers should not assume that they will be asked to provide any additional services.
28. Whilst the successful tenderer may be asked to provide additional accounting or other services, any such services will only be purchased from the successful tenderer if the management and board of MIY are satisfied that the independence and objectivity of their work as MIY's auditor is not compromised.

### Final Review

29. The final stage of our assessment will be to review each tender in the context of our overarching priorities and assess whether a tender that failed to record the highest combination of scores should, nevertheless, be preferred because its proposals represented an exceptionally better prospect of, e.g., helping local businesses to prosper and/or limiting environmental impact whilst still meeting MIY's requirements in respect of quality and value for money.

### Tenderer Details

30. Tenderer's should include with their tenders a covering letter detailing:
  - (a) Trading name of Tenderer
  - (b) Main address for correspondence
  - (c) Registered Office (if different from the above) and date established or registered
  - (d) Name of authorised representative of the Tenderer
  - (e) Position in firm
  - (f) Telephone number
  - (g) E-mail address
  - (h) Website
  - (i) The legal status of the Tenderer e.g. partnership or limited company
  - (j) The date of registration, incorporation or establishment of the Tenderer.
  - (k) For UK registered entities, the Companies House registration number
  - (l) Where the Tenderer is a member of a group of companies or a member of a partnership with other offices, the names and addresses of the ultimate holding company or managing partner.
31. Where relevant, please enclose a group structure illustrating the relationship between the parent holding company and any subsidiary companies.
32. Please also provide details of any relevant current or recent associations of the Tenderer with the City of York Council or Make it York, including whether any director, partner, associate or staff member, or any of their close relatives<sup>4</sup>, is or has been an employee or officer of CYC or MIY. If there are no such associations this should be clearly stated.
33. Please provide your proposed form of engagement letter, which can be your standard 'template' agreement.

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<sup>4</sup> As defined in the Financial Conduct Authority handbook (see; <https://www.handbook.fca.org.uk/>)

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34. Please also summarise your professional indemnity insurance policies and insurers, including the limit for claims.
35. Please outline the arrangements you expect to adopt for field staff working at MIY's offices, including the estimated number and time staff will be in attendance.
36. Tenderers should provide whatever further information they believe will help MIY evaluate their tender, however references from relevant York-based organisations would be particularly welcome.

### Additional Notes

37. Make it York may, at its absolute discretion, amend the terms of this invitation to tender in which case such amended terms shall be communicated to all parties invited to tender and any party that has already submitted a tender may re-submit a tender in order to address such amended terms.
38. The Tenderer should not be a consortium or intend to sub-contract the requirements in whole or in part.
39. All queries should be addressed to [Manju.Ghimire@makeityork.com](mailto:Manju.Ghimire@makeityork.com) with a copy to [sarah.loftus@makeityork.com](mailto:sarah.loftus@makeityork.com) clearly including the Reference: 'ITT; MIY Audit'. Make it York will respond to clarification questions as soon as practicable. If the response is deemed to be relevant to other Tenderers, it will be made available to them. If a Tenderer wishes MIY to treat a clarification as confidential then this must be stated when submitting the clarification. In respect of any confidential clarification, if MIY does not wish to respond confidentiality then it will notify the Tenderer and give it the opportunity to withdraw such request for clarification.
40. Please submit completed tenders by e-mail to [Tenders@makeityork.com](mailto:Tenders@makeityork.com) on or before the deadline above. **PLEASE NOTE**; This address is used to receive tenders on a 'sealed bid' basis, is therefore not monitored daily and, other than automatic confirmation of receipt, will not generate a response. Please do not use this e-mail address for any other purpose, instead use the e-mail addresses provided above for any questions regarding the tender process itself.

Thank you for your interest in providing services to Make It York