

Request for Quotation - Coast to Capital Accountable Body Service

Coast to Capital Local Enterprise Partnership (LEP) wishes to invite quotations from Local Authorities from within the Coast to Capital area to deliver our Accountable Body Service.

Coast to Capital Contact	Hazel Nicholmann - hazel.nicholmann@coast2capital.org.uk
Response Deadline	Friday 9 October

Section 1: Company Information

Company	Coast to Capital
RFQ Title	Coast to Capital Accountable Body Service
Response Date	Friday 9 October
Company Description	<p>Coast to Capital LEP is one of 38 LEPs across England. LEPs are partnerships between local authorities and businesses and play a central role in determining local economic priorities and undertaking activities to drive economic growth and the creation of local jobs.</p> <p>In the six years since Coast to Capital was formed, we have successfully invested more than £300 million of public money in local infrastructure and generated a significant return in the growth of the local economy. Now, our focus is to identify further, major investments that can address the economic challenges we face and lay the foundations for future prosperity.</p>
Contact Details	Hazel Nicholmann - hazel.nicholmann@coast2capital.org.uk

Section 2: Overview of Project & Submission Instructions

Overview of Project

Coast to Capital currently has a single Accountable Body, Croydon Council, which is responsible for overseeing the system of proper governance and financial control of its affairs. Government requirements specify that the Accountable Body service is delivered by a Local Authority within the LEP geography. Croydon Council commenced the role of Accountable Body on 1 October 2018 but as a result of the Government LEP Review, Croydon is no longer in the Coast to Capital area and is not eligible to continue provision of this service after 31 March 2021 (currently having an exemption to continue to deliver the service up to that date). Therefore, Coast to Capital wishes to appoint a new single Accountable Body.

The [Service Level Agreement](#) with Croydon Council can be found on our website which defines the current remit of the Accountable Body up to 31 March 2021.

Description of Services

The Accountable Body ensures that the usual Local Authority checks and balances apply to the awards of funding directed by the LEP Board. The Accountable Body, through its appointed representatives, is actively involved in all key Coast to Capital Committees including the Board, Investment Committee and Audit Committee. The Accountable Body also attends the Annual Review with Government. The Section 151 Officer is fully engaged with the work of Coast to Capital and the current service includes an embedded Head of Finance who is part of the Coast to Capital senior team.

The **Accountable Body** is responsible for:

- Providing a **finance function** which involves holding funds under managed investment paid by Government on behalf of the LEP, administrating and processing Government funds and delivering our operational finance requirements;
- An **oversight function** ensuring funds are handled with the relevant procedures and grant conditions and that funds are used with propriety, regularity and deliver value for money including:
 - Ensuring decisions and activities conform with all relevant law including state aid and public procurement and ensuring that adequate records are maintained so this can be clearly evidenced.
 - Ensuring that the funds are used in accordance with the conditions placed on each grant.
 - Oversight of LEP governance and transparency arrangements and ensuring that our assurance framework is adhered to.
 - Ensuring compliance with the National Assurance Framework and agreement on scrutiny arrangements.
 - Ensuring that there are arrangements for local audit of funding allocated by the LEP equivalent to those of local authorities.

- Monitoring and audit arrangements.
- A **support function** providing technical advice on the relevant law and accounting guidance, discussing risks, in particular:
 - The issue of funding agreements and terms and conditions precedent to those as detailed within the Coast to Capital model funding agreement.

With regards to the expenditure of public funds, the ultimate deployment of funds reside with the Section 151 Officer of the Accountable Body, and only takes place with their approval, following decisions made by the relevant Coast to Capital Board or Committee.

The Accountable Body will be expected to have a robust Treasury Policy and as part of its response should set out how they will generate income on the money held on account for Coast to Capital.

The role of our **Section 151 Officer** in our Accountable Body is to oversee the system of proper governance and financial control of affairs within Coast to Capital. In addition to this over-riding responsibility the particular responsibilities of the Section 151 Officer are as follows:

- Attend Board meetings (5 a year);
- Attend Investment Committee meetings (6-8 a year subject to funding awards);
- Attend Audit Committee meetings (2 a year);
- Provide an Assurance Statement as part of the Annual Performance Review;
- Submit a letter to the Ministry of Housing, Communities and Local Government's Accounting Officer by 28 February each year which:
 - Details the checks that the Section 151 officer has taken to assure themselves that the LEP has in place the processes that ensure proper administration of financial affairs in the LEP
 - A statement whether, having considered all the relevant information, the Section 151 Officer is of the opinion that the affairs of the LEP are being properly administered in line with the National Assurance Framework and our local Assurance Framework
 - If not, information about the main concerns and recommendations about the arrangements which need to be implemented in order to get the LEP to be properly administered

Coast to Capital will ensure that the Section 151 Officer is given sufficient access to information in order to carry out their role. All relevant documentation is provided to the Section 151 Officer, including agenda and papers of Board, Committee and Panel meetings where decisions are being made. The Section 151 Officer has the opportunity to comment on all such relevant documentation.

The Section 151 Officer should exercise their duties in line with CIPFA guidance and the National Assurance Framework.

The **Head of Finance** at Coast to Capital is accountable to the Accountable Body (appointed jointly by the Accountable Body and Coast to Capital) and delivers the finance function in accordance with recognised accounting standards and LEP requirements in partnership with the Section 151 Officer including:

- Strategic financial planning across the organisation, including annual budget planning, investment planning and pensions scheme oversight.
- Acting on behalf of the S151 Officer.
- Providing advice to the Board and its Committees.
- Developing, implementing and operating financial management and control systems and processes and managing financial risks, in particular ensuring value for money and the correct implementation of our Procurement Policy.
- Ensuring that accounting standards and internal control procedures are compliant for both internal and external auditor requirements, working closely with external auditors.
- Ensuring accurate and timely preparation and reporting of monthly management, annual statutory accounts, income and expenditure and cash forecasts, budgets and projections for the executive and the Board.
- Managing cash flow and treasury management policies.
- Reviewing applications and claims from a range of programmes, ensuring payments are made in accordance with grant terms.
- Deliver company payroll and managing external bookkeeper support.

The Head of Finance role is currently delivered through an arrangement agreed by Croydon Council. Continuity in this role is important and should be a fundamental part of how the service is delivered and will be a key area for discussion.

As part of the support function **legal services** shall be provided by the Accountable Body and shall include but not be limited to the following:

- Provision of legal advice on all company matters.
- Specific governance advice and compliance advice in relation to the LEP assurance framework and public accountability, transparency and probity.
- Complaint handling advice.
- Assurance framework interpretation advice.
- Legal drafting of funding agreements and loan agreements.
- Compliance advice – statutory, employment law, company law, public law, scrutiny.

Requirements

The Accountable Body must be a Local Authority operating within the Coast to Capital area.

The Accountable Body must meet the requirements set out in the Government's [National Assurance Framework](#) and our [local Assurance Framework](#).

Coast to Capital will agree a service level agreement with the new Accountable Body to confirm the levels of service that the Accountable Body will operate to.

The length of the contract is three years commencing on 1 April 2021 and it is expected that there will be a handover period at the start to be agreed with the incoming and current Accountable Body.

In responding to this, Coast to Capital may exercise the option to extend the terms of the contract up to 12 months by mutual agreement. This is not a commitment by Coast to Capital.

Criteria

Proposals will be assessed on the following criteria:

Criteria	Description	Weighting
Capability	This relates to the applicant's prior experience in working with LEPs to deliver a similar service and its capability to deliver the service specified in this invitation. Also its understanding of the National Assurance Framework and our local Assurance Framework.	25%
Resources	This relates to the quality of resources that the applicant will be able to put in place, in particular the skills and experience of Section 151 Officer, and the overall quality of the team they are proposing. In addition, the ability to build a strong, working relationship and partnership.	25%
Capacity	This relates to the applicant's enthusiasm, commitment, availability and willingness to provide the service specified.	20%
Value for money	This relates to the cost of service against the quality of service (assessed by an amalgamation of all the criteria). In particular, the ability to deliver a holistic range of services for the LEP and the opportunity to generate funds from interest.	20%

Diversity	This relates to how the applicant demonstrates how they will represent, champion and build on our approach and commitment to diversity.	10%
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Submission Instructions

Proposals should be submitted in writing via email to Hazel.Nicholmann@coast2capital.org.uk no later than **Friday 9 October 2020**.

Clarification questions should be sent to Hazel.Nicholmann@coast2capital.org.uk.

The quotation response should not exceed 8 pages (excluding annexes) and submissions should clearly demonstrate how the applicant authority will address each of the evaluation criteria:

- Capability
- Resources
- Capacity
- Value for money
- Diversity

The **scoring methodology** will be on a 1 to 5 basis on the extent to which the applicant has demonstrated they will be able to deliver under each area.

1 = completely dissatisfied – do not believe they will deliver

5 = completely satisfied – fully confident they will deliver

The timeline for decision making is as follows:

Activity	Date
Launch Tender	Wednesday 16 September 2020
Deadline for submissions	Friday 9 October 2020
Working Group review and score submissions	Monday 19 October 2020
Successful bidders invited to present to Working Group	Thursday 29 October 2020 (2:00pm – 4:00pm)
Working Group make recommendation to Audit Committee	Thursday 12 November 2020

Audit Committee make recommendation to Board	January 2021
New Accountable Body commences service	1 April 2021

Section 3: Proposal & Pricing

Coast to Capital expects to pay the market value for the Accountable Body service and wishes to receive quarterly statements on the fees and interest receive on the LEP funds held on account by the Accountable Body. This may be expressed as a fixed fee or an hourly rate as appropriate.

To note

Although Coast to Capital has invited you to submit a quote, Coast to Capital makes no commitment.

By providing a quote you accept that no guarantee of volume or value of business will be given by Coast to Capital at any point. The provision of a quotation is made only to compile a list of suitable providers who can offer an Accountable Body service.

Acceptance of your quotation and confirmation, or otherwise, of your place on the approved supplier list will be given following a review of the quotes in line with the Coast to Capital procurement policy as contained within the Coast to Capital local [Assurance Framework](#).

Prices quoted shall be all-inclusive and represent completion of all elements of the due diligence report. This will include time, materials and disbursements. Prices quoted shall be inclusive of VAT.

You should also provide details of your standard payment terms.

Costs Associated with Preparation of the Vendor's Response

Coast to Capital will not be liable for any costs incurred by the respondents in preparing responses to this RFQ.

Price Stability

The fixed price and cap will be fixed for the period of the initial term of the contract from the date of confirmation of acceptance of your proposal. In no case shall the price exceed the Approved Supplier price cap unless agreed in writing between both parties. This will be reviewed six months prior to the term end.

Compliance with Laws and Regulations

The Approved Suppliers performance of the work shall comply with all applicable English laws, rules, and regulations.

Liability and Insurance

The Supplier shall assume the full duty, obligation, and expense of obtaining and maintaining necessary insurance relevant to the provision of the service and / or required by law.

Cancellation

In the event provisions of this RFQ are violated by the appointed supplier, Coast to Capital may give written notice to the Supplier stating the deficiencies and removing them from the Approved Supplier list.

Advertising

The Local Authority agrees not to use the results from this RFQ a part of any commercial advertising or promotion without prior written approval of Coast to Capital.

16 September 2020

Ends