

### **Question 3 – Joanna Booth**

3. The external auditor's report notes a significant weakness for the council in "managing the risks associated with a large complex capital project" and mentions City Leap's re-procurement process, which has cost the council £10m. How will audit keep track of large complex capital projects such as City Leap, which is set to be decided on by Cabinet in February 2022?

*Answer: The purposes of external auditors value for money work, is to assess whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources and appropriate governance in ensuring that informed decisions are made and risks properly managed. While it is a matter of auditor judgement to determine where there are potential weaknesses in arrangements and when this is considered significant, the VFM audit guidance provides suggestions on the type of issues that could indicate a significant weakness. The suggestions are not exhaustive and include issues such as major capital projects. Following completion of the VFM work a report will be provided to the Audit Committee.*

*Subsequent to the VFM review, delivery of large capital projects such as City Leap will be within the remit of Scrutiny and reports will be provided for Cabinet when necessary.*