

# How to ensure through auditing that infrastructure delivers better services for citizens

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Value for money (VFM) in PPP contracts is based both on what is secured in the award phase and what is realised in the contract execution phase. But securing this VFM in procuring, constructing, and operating infrastructure, is quite a challenge for the sub-national public bodies.

And as an auditor, that is where you can, and should, step in, to ease these complexities. In fact, your role really forms the core of good public governance. You should ensure that public bodies fulfil their duty to spend taxes wisely, on the top priorities of citizens.

You can achieve these both in terms of steps that you can take and processes that you should ensure, while securing VFM in both the phases.

## Steps that you can take related to the contract award phase

- Conduct an audit of the planned contract management arrangements

- Undertake an *ex-ante*/in-progress audit of the possible impact of decisions taken
- Conduct an *ex-post* audit of VFM secured

You should follow this up with regular (at least annual) audit of the VFM realised in the contract execution phase.

## Processes that you should ensure while securing VFM:

- Use of the most relevant audit dialogue or negotiation strategies in cases where competitive dialogue or the competitive procedure with negotiation is used
- Proper assessment when awarding bodies are securing VFM in the contract execution phase
- Reporting your findings accurately during the procurement award or contract execution phase

For more in-depth insights on the role of auditors in infrastructure governance, you can refer to the PPP Audit chapter in my book *Public-Private Partnerships (PPP) – A Decision-Maker's Guide*.

I was fortunate to have been a contributor to the 11th Annual Meeting of OECD's Senior Infrastructure and PPP Officials Network in Paris, where I shared my insights on this topic as well. You can read the details of this meeting, and also download my full presentation on this topic.