

## The Court reports about Kind en Gezin's HRM policy

*The Court found that the Flemish Government Agency "Kind en Gezin" largely meets its commitments in relation to staff matters. There remain, however, several unresolved issues. Kind en Gezin has not yet developed any strategic and operational objectives regarding its staff policy and management. A staffing needs plan for the whole organisation is still missing. Decentralisation of the human resources management function to provincial sections is responsible for a loss in efficiency. In some cases, the Agency ignores the regulatory provisions, among others as far as the requirements for contract recruitment and the rules for granting of some benefits are concerned.*

### Analysis of the internal control system

The Court analysed five interrelated staff cycle internal system components. It noticed that Kind en Gezin largely meets its commitments in relation to staff issues but the system is still liable for improvement in several respects.

The component *internal control environment* is related to the general setting. Kind en Gezin is aware how important integrity and ethics are. Management abides by the delegation of powers and is available for discussion. The territorial decentralisation of staff issues to the provincial sections is responsible for a loss in efficiency, which is partly evidenced by the high number of HRM collaborators. These staff members have expertise but knowledge concentration and legal know-how development are still weak. The *assessment of the risk* of failing to reach the HRM objectives is still in its infancy. In the absence of a HRM strategic policy plan it is not possible to know or quantify all objectives. The measures for mitigating risks, the so-called "*internal control activities*", are introduced more often than not on an ad hoc basis. Very often there is sufficient separation of function. But there is a risk of collusion in certain provincial sections. There is a smooth *information and communication flow* among HRM collaborators, between the central headquarters as well as the provincial sections. Although many procedures are laid down there is, for example, still no procedure for the contract recruitments in the provincial sections. *Monitoring* of internal control occurs in the course of normal, recurring operations. Moreover there is much time provided for discussion and the internal audit function is highly developed. A systematic risk analysis is, however, missing.

### Evaluation of staff processes

To evaluate the analysis made of the internal control components the Court tested four essential staff processes. The analysis was largely corroborated, even if new imperfections appeared, mainly as far as the compliance with the rules is concerned.

It appeared that the Agency has not yet a *staff plan for the whole organisation* based on a process analysis. Kind en Gezin knowingly opts for contract recruitment while it is bound by its statute to recruit staff on a permanent basis. When evaluating the *recruitment and selection process* the Court found, among others, that staff under contract who have passed a recruitment examination (general qualification) with the state body Selor can too readily get a permanent status in their function. The Court tested the *follow-up on the performances* and the granting of holiday. It found nearly no shortcoming. It did not find any basic error either in the *pecuniary process* but some errors in the calculation of the pecuniary seniority and violations against the rules in the awarding of allowances, subsidies and other benefits.

### **Minister's response**

In his reply of 30 October 2007 the minister for Well-being, Health care and Households did not dispute the Court's conclusions and recommendations. He, however, referred to a policy plan that would be discussed by Kind en Gezin on 6th November 2007 and would contain a series of objectives that would allow to meet most of the Court's recommendations.