

**Report to the federal Parliament:
administrative status and scale of remuneration of the agents of the federal Finance
ministry (Federal Public Service - FPS – Finances)
and staff plan implementation**

In its report to the federal Parliament, the Court of Audit examined the administrative and the scale of remuneration of the FPS Finances' staff members and the way this department implemented its staff plan. The Court audited the payment of remuneration, the ongoing simplification of the staff regulations and the recruitment management as well as the travel allowances and the conditions of employment of seconded staff.

The FPS Finances has been undergoing a structural reform focused on internal reorganization and modernization of its human resources management. With a staff of more than 30,000, this department spends almost 80 % of its global budget (1,622.9 million euro in 2007) on its staff's remuneration.

From June 2006 to July 2007, the Court surveyed the administrative status and scale of remuneration of the FPS Finances' personnel and the implementation of its staff plan. It examined more particularly the total staff of the fiscal section of the Tax and Tax collection division, which accounts for almost 75 % of the FPS's staff expenditure. The audit showed that the remuneration payment and recruiting processes comply with the required quality criteria.

As far as remuneration payment is concerned, an essential guarantee is provided for by centralizing payments in the Central service of fixed expenses (SCDF/CDUV). However, the latter was not in charge of the payment of some types of remuneration and allowances until December 2006. The FPS Finances decided to streamline the process and entrust the SCDF/CDUV with the payment of all remuneration and allowances by the end of 2007.

As already recommended by the Court in 2001, bringing the SCDF/CDUV, which is now accommodated within the Treasury in the FPS Finances, under a single transversal structure with all actors of the federal civil service should be considered.

Moreover, the Court recommended a better mastery of the systems of overtime and of leading functions, as well as an improvement of internal control. Procedures for compensating travel expenses incurred on official business should be revised.

The procedures currently applied in the federal civil service in matters of recruitment management do not allow for a sufficient coordination between the annual staff plan and the budget, which postpones the adoption of this plan. As a result, it cannot be used as an efficient steering tool, notably in order to implement the FPS Finances' projected gradual reduction of staff.

With the application, by 2009, of a replacement rate of 50 % of statutory staff departure, the allocation of staff in a department made up of numerous local services requires that the needs assessment, as carried out within the Corporate and Income tax Division in 2006, be generalized and implemented according to a pre-established and uniform methodology. The Court of Audit also recommended including contract personnel in its policy of selective replacement for departures.

The Court finally suggested re-examining the functional motivation of the employment conditions of staff seconded to the central services in Brussels. In order to avoid certain costs linked to the current internal mobility, it proposed to draw up a regulatory framework

for 'professional mobility', as opposed to the 'personal mobility' provided for in the staff regulations. This would allow to better take into account the department's necessity to manage its staff's allocation according to its needs.

The minister of Finances acknowledged the Court's recommendations and pledged to take the necessary steps to heed them in implementing the modernization action aiming at improving the payment, recruitment and appointment processes.