

PRESS RELEASE

13 November 2013

Report to the Flemish Parliament

Report of the Court of Audit on the public accounts for 2012



The Belgian Court of Audit sent its report on the public accounts for 2012 to the Flemish Parliament on 13 November 2013. This report examines not only how the different entities of the Flemish public services, ministries and autonomized agencies justified their expenses for 2012, it is also an opportunity for the Court to inform the Flemish Parliament about the results of a series of thorough audits carried out within the scope of accounts auditing.

Budget implementation per policy area

For each policy area, the Court gives an overall picture of the budget implementation for 2012 within Flemish ministries and legal entities, paying particular attention to the potential underuse of appropriations and the most important results of the account audits. In most entities of the Flemish ministries, the financial aspect of budget implementation rather follows the estimates and appropriations. The Court noticed a limited number of shortcomings when checking a selection of transactions, the most important of which are charging errors, late commitments of expenditure and payments, poor control of subsidies, non-exhaustive files and inaccurate rules. On the other hand, several ministries did their best during the past year to comply with the laws on public procurements and ensure a quick financial process. The Court agreed with the comments made by the chartered accountants while auditing the annual accounts of several Flemish entities (IWT, UZ Gent, Bloso, VDAB, etc.). Aside from the account audits, the Court also thoroughly examined how a selection of public entities worked in 2012. Reports on these audits follow.

Maintenance and investment works in Flemish public buildings

The Court thoroughly audited the maintenance and investment works carried out in some buildings by the Flemish agency for infrastructure management (AFM). A fragmented organisational structure and mistakes in file handling were noted in the management and follow-up of these works, hence longer deadlines, late payments, default interests and damages claims. Besides, price reviews and greater workloads for the AFM combined with the later occupation of buildings and the pending legal suits increased the costs.

Road traffic tax

On 1 January 2011, the Flemish tax office took over the road traffic tax from the federal ministry of Finance. As the Court noticed, despite the difficulty to integrate

the former federal public agents into the wage scale of the Flemish public servants, this task was performed correctly. Yet, the staffing plan drawn up by Vlabel remains insufficient: it is not based on a process analysis, it ignores the real needs for qualified staff and does not meet the Flemish government's decision to cut down on expenses. What's more, the costs for integrating the road traffic tax into the Flemish tax platform are significantly higher than the initial estimates and Vlabel could not fulfil its reporting obligations due to insufficient automatic systems.

Flemish delegates

The Court observed that the Flemish government's delegates abroad poorly comply with the rules on operational expenses. This situation derives partly from shortcomings in these rules and partly from the fact that the delegates do not always respect the code of conduct for administrative expenditures.

Covering expenses within the Flemish tourist board

Food, travel, accommodation and other expenses and the use of credit cards within the Flemish tourist board generated many problems and handling differences. Various aspects of the board's rules differ from the general rules applying to the Flemish public services and the internal control is lacking. On top of that, the board does not always comply with its own rules. Such a situation gave rise to questionable costs within the Belgian network.

Room for manoeuvre in policy on monument conservation

At the end of 2012, a total amount of 143 million euros of restauration allowances, amounting to 334,3% of the initial appropriation, was available for real-estate. This considerable amount has an impact on the financial situation of the conservation of monuments sector in Flanders and on the minister's flexibility to decide on appropriations and policy. One must also add that the prioritisation criteria for file handling are far from obvious. The minister lacks appropriations at his disposal to grant restauration allowances. Therefore, some expenditure commitments are postponed to later years, despite the expectations of the applicants, who expected to be granted an allowance within reasonable time. Finally, this implicit debt in monument conservation does not appear in the accounts.

Information for the press

The Court of Audit exerts an external control on the financial operations of the Federal State, the Communities, the Regions and the Provinces. It contributes to the improvement of public governance by transmitting to the parliamentary assemblies, the managers and the audited services any useful and reliable information resulting from a contradictory examination. As a collateral body of the Parliament, the Court performs its missions independently of the authorities it controls.

The report on the public accounts for 2012 has been sent to the Flemish Parliament. The full version (in Dutch) and the press release can be found on the Court's website (www.courttofaudit.be).