

## PRESS RELEASE

19<sup>th</sup> July 2017

### Report to the Walloon Parliament

#### *Litigation management regarding the Walloon public services treasury*



**The Court of Audit conducted an audit on legal and administrative litigations regarding the Walloon public services treasury.**

The litigation management of the treasury deals with the expenses, safeguarding and payment detection whenever the administration faces legal (foreclosure, transfer of debt, bankruptcy) or administrative (death, transfer of accounts) obstacles regarding the payment of an amount owed, whether it concerns an agreement, subsidies or salaries.

The amounts that cannot be directly transferred to the initial beneficiary are transferred to the litigation accountant (in case of legal obstacle) or the accountant for overdues (in case of administrative obstacle). These accountants have to identify the right beneficiaries and make the payments.

In 2016, the total amount transferred on the two litigation accounts almost reached 80 million euro.

However, the risk of not detecting disputes remains. Consequently, the Court of Audit advises to provide the Walloon public services with updated information about the forwarding cycle, and the nature of the elements to communicate.

The Court of Audit found no mistakes in the identification of beneficiaries in the files it analysed.

However, the deferred payments of certain debts categories, such as the amounts due to companies or the allowances for individuals, are particularly lengthy. Moreover, the litigation account shows a significant amount outstanding.

The Court of Audit considers that the organisation, the operation and the implementation of the controls within the unit are the main causes of the delays and the significant amount outstanding. Consequently, the Court makes series of concrete recommendations regarding the organisation, the follow-up and the management.

Moreover, the human resources management remains problematic, even though new recruitments were authorised in 2010. Few candidates respond to calls for submission of applications, on one hand, and organisational problems and inaccurate job descriptions might be the cause of many employee's early departures. In any case, the staff turnover is significant, especially when it comes to legal staff.

The Court advises to adapt the job descriptions in order to recruit employees with appropriate profiles, so that the number of demotivated employees and voluntary departures sinks.

***The Minister's answer***

The Minister of Budget, Public Services, Administrative Simplification and Energy notes that the report does not sufficiently highlight his administration member's observations. He clarifies some of these observations.

His administration will inform the Court of concrete measures that are implemented to follow the recommendations, so that it continues to guarantee the right destination of payments regarding litigation expenses under any circumstance.

**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 improving public governance by transmitting to the parliamentary assemblies, to the managers and to 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 audit report on *Litigation management regarding the Walloon public services treasury* has been sent to the Walloon Parliament. The full version in French, which is only available online, and the press release can be found on the Court's web-site: [www.courtofaudit.be](http://www.courtofaudit.be).