


## REPORT TO THE FEDERAL PARLIAMENT

### New prisons built under public-private partnerships



The Belgian Court of Audit has examined all phases of the public-private partnerships (PPPs) for building new prisons managed by the Régie des bâtiments/Regie der gebouwen (property manager for the Belgian Federal State) and the Belgian Ministry of Justice. Because of prison overcrowding, the dilapidated state of some prisons and limited budgetary margins, the federal government decided in 2008 to build new prisons relying on funding from private partners.

Since then, five prisons have been built and three new projects are underway. The total cost of the nine prisons over 25 years has been estimated at 3.8 billion euros. Although experience gained has improved the management of PPPs, the Court has found that human resources needed to manage these complex contracts are still inadequate and the support by consultants is further of essential importance. In addition, the Régie has not yet made a prior quantitative assessment comparing the costs and benefits of PPPs with conventional procurement contracts to justify the decision to use this kind of contract.

Despite the complexity of PPP contracts, the Court has noted that sufficient competition was provided throughout the procurement processes. Thirty-six consortia involving 81 economic operators took part in the DFBM projects.

The Court's audit conducted in 2018 had revealed weaknesses in the monitoring of PPP contract maintenance. The management tools, which are too complex and voluminous, are unsuited to the day-to-day management of a prison. Since 2018, the monitoring system for performance targets has been improved. However, monitoring is still limited to corrective maintenance and does not cover preventive maintenance.