
SUMMARY

Summary of Report 4/2016, relating to Programme 222, Traffic and road safety, year 2012

Barcelona, 27 April 2016

The Public Audit Office for Catalonia has issued Report 4/2016, relating to Programme 222, Traffic and road safety, financial year 2012, in accordance with its Annual Programme of Activities.

The report, which was presented by Board Member Ms Emma Balseiro, was approved by the Audit Office Board at its meeting on 8 March 2016.

The aims of the audit assignment were to analyse the programme's closing report in respect of strategic objectives OE6.5 (allocating the resources obtained from traffic fines to road safety) and OE6.6 (encouraging research and development) and to check whether these objectives had been met, and also to verify that programme expenditures linked to the aforementioned objectives were carried out in accordance with applicable legislation.

Programme 222, which was included in the Government of Catalonia's Budget for 2012, as passed by Act 1/2012 of 22 February, in order to fulfil the 2011-2013 Road Safety Plan, had an initial budget of €91.75m. Actual budgetary expenditure came out at € 107.36m.

The Catalan Traffic Service (SCT), in charge of managing Programme 222, was created by Act 14/1997 of 24 December as a Catalan Government autonomous agency of an administrative nature. In conjunction with the Interior Department, to which it reports, it manages and monitors traffic on interurban highways, and on thoroughfares and urban roads which affect interurban traffic if a prior agreement to do so has been reached with the relevant local authority and without prejudice to municipal powers in this field, and it takes the necessary measures to ensure the safety and free flow of highway traffic.

In the Conclusions section of the report there is a summary of the main findings from the work carried out, of which the following can be highlighted:

- In the year covered by the audit, the SCT did not have sufficient data or a widespread analytical accounting system at its disposal, to enable it to evaluate its performance in terms of efficiency and economy.
- The analysis of the documentation provided at the end of the programme's execution suggested that the closing report was drawn up more as a formality than as a management performance tool. Thus, the definitions for the strategic objectives and for the

operational objective linked to strategic objective OE6.6 did not specify what outcomes were expected on a medium and short term basis, respectively.

- The SCT's evaluation of the results from Programme 222 in year 2012 only included an assessment of indicators by the managers themselves. It did not look at the contents of the programme's closing report to determine to what extent the strategic objectives analysed had been met.
- Budgetary outlays in financial year 2012 which the Public Audit Office has been able to link to expenditure on road safety represent 46.7% of the resources obtained from traffic fines. With the information provided by management it was not possible to confirm that the remainder, which the SCT transferred to the Government, was actually allocated to expenditures relating to traffic and road safety. So only partial confirmation was obtained of fulfilment of the operational objective linked to strategic objective OE6.5.

Furthermore, expenses totalling €0.49m were included among recurring expenses which cannot be considered as pertaining to road safety, because they correspond to services and supplies for a building shared with other Catalan Government organisations; apportionment of these expenditures was pending at the close of the financial year.

- Final budgetary allocations earmarked for R&D&I (research, development and innovation) represent 0.6% of the SCT's final budget for the 2012 financial year. This figure is below the 5% target envisaged and is insufficient to meet the operational objective and strategic objective OE6.6.
- The SCT has not shown the impact on the budgetary programme's objectives of transfers of budget allocations between expenditure line items made in year 2012 to an accumulated total of €7.89m, in spite of the requirements of article 6.3 of the Catalan Government's Budget Act for 2012 (Act 1/2012, of 22 February).
- In the governmental procurement files reviewed, six contracts were found where the same person was in charge of several phases of the procurement process; this indicates a possible weakness in internal controls. The audit also detected that in contracts awarded using the negotiated tendering procedure there was no documentary evidence of the offers presented by the tenderers having been negotiated.

Of the recommendations made by the report the following can be highlighted:

- The SCT should promote the use of programme budgeting as a management tool designed to help achieve outcomes; link its activities to strategic and operational objectives in the closing report for Programme 222, to facilitate monitoring; and analyse the proposed indicators to evaluate how objectives are fulfilled and outcomes are achieved.
- The report recommends that the SCT implement procedures to monitor how transfers for operating expenses are allocated to specific functions, in order to ensure that the resources transferred are employed in achieving the envisaged outcomes.

- It also recommends that the SCT develop an analytical accounting system to identify all expenditures and costs it may incur in fulfilling the objectives it has been charged with and to enable analysis of its managerial performance in terms of efficiency and economy.

This summary is solely for information purposes. The audit report (in Catalan and Spanish) can be consulted at www.sindicatura.cat.