

# The Common Community Commission's Report to the United Assembly

## The Funding of Hospital Facilities

The Court of Audit examined the financial and administrative management of aid allocated by the Common Community Commission (CCC) to hospitals that fall within its competencies and intended to allow them to partially subsidize their investments.

As far as the financial management is concerned, it noted that although the utilisation rate of appropriations varies from year to year, the outstanding liabilities increased till late 2008. Since 2010, however, these liabilities have been subject to a budget monitoring process within the CCC and in July 2010 they decreased significantly.

The Court also blamed the lack of an extinctive time-limit in the regulations governing subsidized works as well as a provision in the 2009 and 2010 budgets allowing to carry forward unused appropriations in case the College so decides. This provision, which could be incorporated again in the 2011 budget, might entail a deterioration of the CCC's debt balance.

Regarding the administrative management, the audit concluded that the regulations on public procurement and subsidized works are generally complied with. Nevertheless, it made the following specific comments.

Some file documents could not be retrieved because of deficiencies in the archiving system.

Because of the lack of a single and exhaustive database, there is no comprehensive overview of the subsidization process.

The Common Community Commission's College decided to raise the ceilings and the overhead costs set by federal regulations, but in so doing it exceeded its powers conferred upon it by the institutional reform law of 8<sup>th</sup> August 1980.

The administration does not check whether the time-limits for execution of work have been extended while this has an impact on the amount of the subsidies to be paid out.

The CCC has chosen to increase the subsidization of hospitals by favouring new constructions, which are subject to more favourable upper limits, above subsidies for extension works.

There is no written procedure governing the processing of files.

Title V of the ordinance of 21<sup>st</sup> November 2006 containing the provisions governing the budget, accounting and controlling procedures has not yet been implemented : the CCC has neither an internal control system nor an internal audit unit. The controller of commitments is not in a position to perform entirely the task conferred upon him by the regulations.

Finally, no list has been compiled of the expenses that have not been submitted to the advice of the Inspectorate of Finance, although this is mandatory under the

United College ordinance of 8<sup>th</sup> March 2007 governing the administrative and budgetary control and budget drafting.

Moreover, as regards the implementation of the axis for sustainable development as promoted by the European Union under the Lisbon Strategy, the CCC is set to test the energy performance adopted by the Brussels-Capital Region in the light of certain provisions of the regulations. Notwithstanding this, prior to the entry into force of these regulations, the CCC had launched an awareness program among users to encourage them to carry out works using less energy and less natural resources and to promote the use of natural materials.