



Executive summary of the public audit report

THE IMPLEMENTATION OF THE SAFE
AND QUALITY CATERING PROGRAMME
FOR 2013–2023 IN THE GENERAL
EDUCATION ESTABLISHMENTS OF
JURBARKAS DISTRICT

12 May 2016, No. VA-P-30-3-6



Full audit report in Lithuanian available on website
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SUMMARY

Previous municipal audits have revealed that there are many problems related to the provision of catering services for children in general education schools. In addition to this, articles still emerge in the media about how catering service providers find ways of profiting at the expense of children's nutrition. As we continued to monitor the area of children's catering, we observed the actions of the Jurbarkas District municipality, which had been implementing the safe and quality nutrition programme for 2013–2023 in the general education establishments since 2013. Interestingly, the programme not only organised catering services by selecting a catering service provider for ten years, but also committed to attracting 925,875 euros in funds for the acquisition of necessary kitchen equipment and 502,490 euros for renovating the catering facilities.

Because this topic is important to all the municipal governments that seek to adequately fulfil their function as the organisers of children's catering, we assessed not only how the children's catering programme is prepared, how the programme is implemented and its expected outcomes, but also whether the municipal government's chosen method of procuring catering services and investment can be held up to other municipalities as a best practice.

We conducted a performance audit in order to assess the suitability of the programme and the measures used to implement it.

CONCLUSIONS

The ten-year programme prepared by the municipal government has several shortcomings, and its further implementation would not be purposeful for the following reasons:

- The parts of the programme that are important in achieving its goals were not prepared adequately, thus municipal authorities find it difficult to assess whether the goals were achieved, at what cost and with what savings:
 - No cost-benefit analysis was conducted as the programme was developed, and the investments for renovating catering facilities and acquiring kitchen equipment are not based on actual calculations (Subsection 1.1).
 - The programme does not define objectives, measures or assessment criteria for reaching programme goals (Subsection 1.1).
 - The expected results of the programme, i.e., that a catering service provider will be selected by way of public tender and will provide safe and quality catering services for children, are formulated as goals. This makes it impossible to compare programme goals and outcomes (Subsection 1.1).
- Municipal authorities only procured catering services for ten years, even though the programme established the need not only to select a catering service provider, but also attract the provider's investment in the facilities and equipment needed for the provision of the service. The service provider's acquired equipment and conducted facility renovation work, which were necessary for the provision of services, do not in themselves amount to an

investment in municipal property. Municipal authorities should have attracted private investment based on the legal acts that regulate investment terms and conditions (Subsection 1.2).

- It is likely that the planned outcome – to save municipal funds – will not be achieved once the programme has been completed because in two years of implementation, catering costs have not decreased. In addition to this, municipal authorities do not have the data necessary for monitoring the programme adequately, which means that it will not be able to measure whether its implementation of the programme has generated any benefit (Subsection 2.2).

RECOMMENDATIONS

Municipal authorities should consider the purposefulness of implementing the programme over a ten year period because the established goal – to attract investment from private entities based on a long-term contract – should have been implemented in compliance with the legal acts regulating investment terms and conditions.

Measures and time frames for the implementation of the recommendation are presented in Annex 2, 'Plan for Implementing Recommendations'.

In order to ensure that other municipal governments comply with the legal acts regulating investment terms and conditions in attracting private investment, we will be presenting this report to the Association of Local Authorities in Lithuania, which deals with the general problems municipal governments face and coordinates their activity.