

**EUROSAI TFMA – AUDIT REPORT**

<b>Audit ID</b>	KA-001/2016/1140
<b>Title</b>	Efficiency of the public funds spent for communal services
<b>Year</b>	2016
<b>Subject</b>	30 communities and 4 cities with more than 2 000 inhabitants
<b>Type</b>	Performance
<b>Type of performance</b>	Performed by single SAI
<b>Comments</b>	<p>SAO SR monitored what kind of communal services communities provided to their inhabitants, how they implemented the defined goals (programs) and to what extent are the people in the communities satisfied with provided communal services. Audit period was in the years 2012 till 2015.</p> <p>The audit pointed out that the communities missed the specific intentions and goals how to spend the funds efficiently. Even if some communities have the development program approved it has more or less only the formal task. The communities do not use their budgets on the system basis according to the program documents but according to the real needs and possibilities. It seems that long-time development is more or less the result of accidental, not targeted, objectively and analytically tenable decision.</p> <p>At average, almost one third of communities before elaborating the program documents did not map and analyze the real situation in area of communal services which they intended to change. 80% of communities focused their goals and relevant defined measurable indicators only on the output, not on the result, i.e. on the quantity and not on the quality. One of the five key questions could not have been close during the audit. In almost 91 % audited communities the efficiency of funds used for communal services could not have been responsibly evaluated while they had not always defined properly and clearly the measurable indicators, these indicators often existed only formally or the communities did not have them at all. At the same time, the auditors found out that some local government units provide only basic, immediate service, the others implement also the development projects, mostly with the financial support of</p>

	<p>EU.</p> <p>In 5 communities the auditors have been detecting systematically actively the satisfaction with services. The requested persons expressed their satisfaction mostly with the communal and small building waste disposal, with the public lighting, cemetery maintenance. On the other hand, they perceived dissatisfaction with the administration and maintenance of local roads and public green.</p> <p>Hence, SAO SR informed competent ministries on the results of audits and in order to improve the situation it suggested the concrete recommendations. The most essential is that the State must define methodology, procedural progress for preparation, realization and evaluation of strategy documents on how should communities proceed in planning goals and designing sustainable projects. The auditors recommend to communities to pay close attention to elaboration and continuous updating of the Economic and Social Development Programme and subsequently develop the program budget on the basis of intentions and goals of Economic and Social Development programme.</p>
<b>Country</b>	Slovak Republic