

AUDIT REPORT

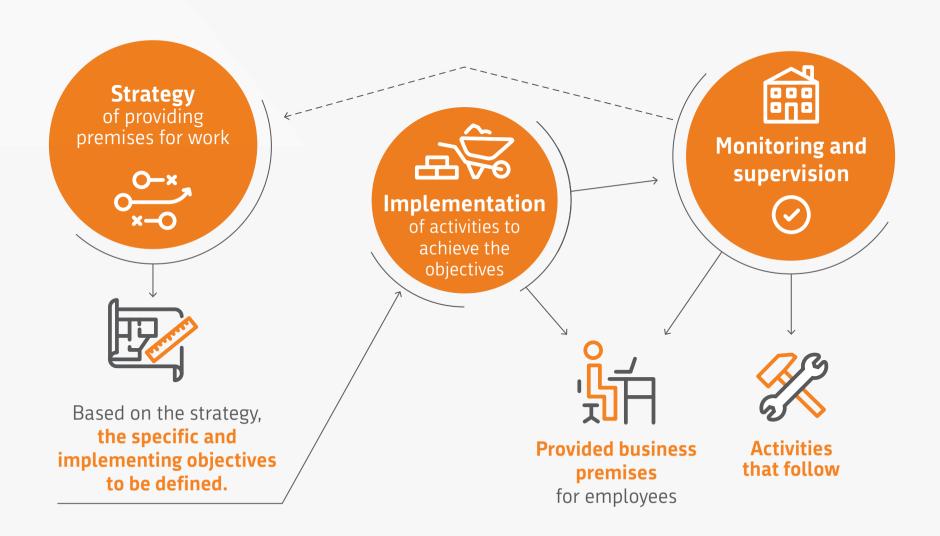
Managing property



Audit of efficiency of the Government of the Republic of Slovenia and ministries when managing business premises in 2014 and first nine months of 2015

## **Process of providing premises** for work





# The audit assessed the quality of **planning** procedure related to business premises **management**



# **Planning**

- Strategy of managing the property
- Annual plan of managing the property



## Weaknesses of the planning process



**Specific objectives**, that should derive from the strategy and are the basis for the implementing objectives not identified

**Implementing objectives** do not contribute to the strategy implementation



#### Reporting

on the achievement of the objectives not appropriately set up

# **Weaknesses of the organisation** and **records** in the field of managing business premises



## Weaknesses of the organisation

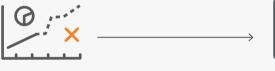






Uncontrolled risks related to records and personnel

For some business premises manager not identified







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#### Weaknesses of the records





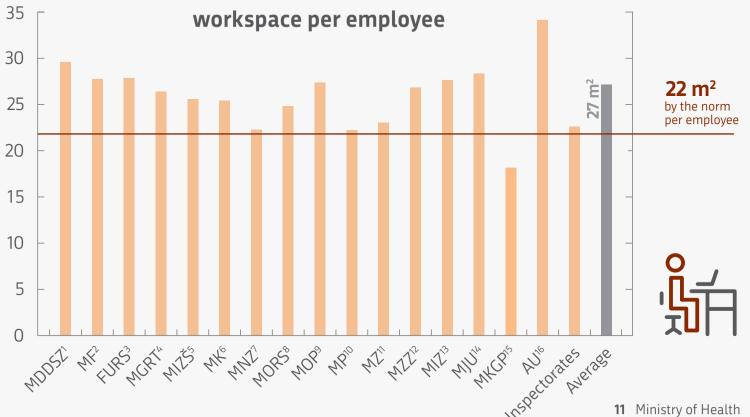




**Records** are  $\longrightarrow$  inappropriate  $\longrightarrow$  incomplete  $\longrightarrow$  and not reliable

# Ministries own on average for $5 \text{ m}^2$ respectively 23% larger workspace per employee than prescribed by the norm





- 1 Ministry of Labour, Family, Social Áffairs and Equal Ópportunities
- 2 Ministry of Finance
- 3 Financial Administration
- 4 Ministry of Economic Development and Technology
- **5** Ministry of Education, Science and Sport

- 6 Ministry of Culture
- **7** Ministry of the Interior
- 8 Ministry of Defence
- **9** Ministry of the Environment and Spatial Planning
- **10** Ministry of Justice

- **12** Ministry of Foreign Affairs
- **13** Ministry of Infrastructure
- **14** Ministry of Public Administration
- 15 Ministry of Agriculture. Forestry and Food
- **16** Administrative Units

# Managing staff accommodation, holiday capacities and parking spaces



#### Staff accommodation

381 only 50% of apartments occupied by employees empty **2.134** occupied apartments apartments Costs of the apartments are higher than rents. The difference between costs of apartments and rents is no purpose and 259 covered by taxpayers. objectives set for the management of apartments Records are neither No analyses of the needs No criteria for allocating for holiday units parking spaces reliable nor complete

# If ministries followed the norms related to workspace when providing business premises and if there were no vacant spaces, the budgetary funds would be saved



Average workspace area per person



22 m<sup>2</sup> by the norm 18 m<sup>2</sup> in the USA 13 m<sup>2</sup> in the UK

# **Potential savings**

Costs for the occupied workspace that exceeds the norms



**> € 5.7 million** per year

**79,917 m<sup>2</sup>** of workspace exceeding the norms

per year

Costs for unoccupied business premises



**63,094 m<sup>2</sup>** of unoccupied business premises

€ 7,600,000

## Possibilities for improvements based on the audit



Better planning, organisation and legal arrangements, records and consideration of the norms could improve the efficiency of the operations of the Government and the ministries related to business premises management, therefore the budgetary savings could amount to € 7.6 million per year.



In order to efficiently manage staff accommodation, holiday capacities and parking spaces, the Government and the ministries should define the purpose and the objectives of managing staff accommodation and should analyse the needs for holiday capacities and define criteria for allocating parking spaces.