

**PARTICIPATION OF THE SENIOR ADVISOR OF THE  
AUDIT CHAMBER OF ANDALUSIA AT THE CONFERENCE ON  
THE COMMUNICATION AND PLACING IN THE  
PUBLIC DOMAIN OF AUDIT WORK**

**Toulouse, 24 October 2003**

**THE REPORT ON THE GENERAL ACCOUNT OF THE  
REGIONAL GOVERNMENT OF ANDALUSIA: ITS TREATMENT  
AND PUBLICATION BY THE AUDIT CHAMBER OF ANDALUSIA.**

The Audit Chamber of Andalusia is defined by its regulatory law (Law 1/1998) as a **technical body reporting** to the Parliament of Andalusia. There is no room for doubt that the interpretation that is given to each of these terms and the relationships that are contemplated between them have a deep repercussion on the type of annual report that we draw up and the public repercussion that this report may come to have.

In my opinion, it can be deduced from these legal expressions that it is intended for the Chamber to operate as a technical body whose nature of reporting to the Parliament of Andalusia is established precisely as a **guarantee of its operational independence**, which is protected by the same law through the attribution of a broad autonomy in the planning of its actions, in its internal organisation, in drawing up its budget and in its proprietary administration.

This orientation, in turn, means a commitment to a range of decisions whose concerns range from planning actions to the forms of

publication of the audits and the information provided about them at various levels.

It could be said that with the same legislation, **two distinct models** have in fact been created at the CCA (Audit Chamber of Andalusia), the first of which was applied during the first few years of the institution's existence and the second after 1997 due to a change in the number of councillors in the Plenary, which went from five to seven, and in the composition of the Plenary, with the appointment of five new councillors. It should be said that for nearly a year and a half and in just one, albeit significant, sector of the regional press, these changes gave rise to criticism which questioned the independence of the ensuing institution.

The **model prior to 1997** meant attributing a central role to the so-called Report on the General Account of the Regional Government of Andalusia, an annual report that legally had to be drawn up with regard to the application of the Budget of the previous year. The other reports drawn up by the Chamber throughout the financial year were submitted as appendices to this report, resulting in a single, very extensive document that was neither easy to consult nor easy to read.

**After 1997**, it was roundly decided that the Chamber should draw up **more reports**, and that these should refer to specific aspects of the

**whole of the public sector in Andalusia**, which comprised the regional administration, the local administration and all the agencies and companies reporting to both administrations, as well as the public universities and the chambers of commerce. These changes implied further adjustments, which affected the Chamber's internal organisation, the composition and distribution of staff, the operating regulations and the formal presentation of the reports, which were intended to be shorter and more accessible.

With regard to the **Report on the General Account**, it was separated from the other reports drawn up by the Chamber during the financial year, which number approximately 25 and which are processed and published as they are completed, and it was limited to the analysis of the general account submitted with a series of additional sections according to the following **layout**:

1. An introduction, which includes the aims, the scope and the possible limitations of the documentation submitted.
2. The conclusions and general recommendations with reference to the general administration, the autonomous agencies and the public companies, underlining the fact that this is the only report in which the conclusions are presented at the start in order to make reading it easier.

3. The section relating to the result, where the budgetary result is also analysed (statement of the result, Treasury surplus and Treasury statement, variation of financial assets and liabilities and annual accounts).

4. Sections devoted to analysing the settlement of the budget, studying budgetary amendments and the application of costs and revenue.

5. Another two sections to analyse the administration of the liquid assets and budgetary operations.

6. Afterwards, the debt and guarantees awarded by the Administration is analysed.

7. After this, there are two sections devoted to monitoring compliance with the resolutions passed by the Parliament and the recommendations made by the CCA in previous reports.

8. Then, the execution of the autonomous agencies and of the public companies is analysed.

9. There is a section on administrative contracting, and

10. Finally, there is an analysis of the application of the Interterritorial Compensation Fund, a national solidarity fund of which the main beneficiary is Andalusia.

The General Account is submitted by the Regional Government of Andalusia, in accordance with a time scale laid down by law, by **30 September** of the year after that of the application of the budget. The Chamber must then submit its Provisional Report by **31 December** so that the Administration can present its arguments in **January**, which will be dealt with in **February**. At the end of this month, the Audit Chamber submits the Final Report to the Parliament of Andalusia, which also includes the Administration's arguments that have not been accepted, at a formal act before the President of the Parliament. After publication of the report in the Gazettes of the Parliament and of the Regional Government of Andalusia, it is presented by the Senior Advisor to the Commission for Economy, Taxation and Budgets of the Parliament of Andalusia by means of a special **appearance**, at which the annual report of the Audit Chamber and the settlement of its own annual budget are also presented. After the participation of the Senior Advisor on the Final Report, the parliamentary groups then participate, with reply and rejoinder sessions where appropriate. Once the debate has ended, the groups submit **proposals for resolution**, which are debated and voted in the Commission, to be referred to the Plenary of the Parliament,

which sends those proposals that are approved to the agencies to which they are addressed, including the CCA itself.

Regardless of detailed issues, the Chamber's **main conclusions** in recent years have insisted on:

1. The need to budget better both from the quantitative point of view, as occurs for example with specific expenses whose quantity is known due to the application of the previous budget (STAFF), and from the qualitative point of view, to specify the budgetary programmes better so that efficiency monitoring can really be carried out.
2. The need to draw up various reports which are submitted with the General Account, especially the report that accompanies the annual accounts drawn up with economic criteria and the report relating to the fulfilment of the aims of the budgetary programmes.
3. A low level of execution of the credits for capital transactions has been observed (current investments and transfers)
4. It is recommended that transactions with deferred justification be reduced.
5. Divergences between the initial forecasts of some revenues and their subsequent application have been noted.

6. Improvements in the implementation of computerised management of resources have been flagged.

7. Also flagged are improvements in the area of debt, in terms of cost and efficiency.

8. Divergences of expense in the health services autonomous agency have been notable, as has the proliferation of public companies, whose justification in terms of economic efficiency has not always been clear.

Parallel to these processes, which follow the guidelines set down by regulations, another series of actions aimed at the **media** has been underway.

When the **Provisional Report** is submitted to the President of the Regional Government of Andalusia, an interview takes place between the President and the Plenary of the Chamber, after which a spontaneous press conference with journalists who happen to be there is held at the Office of the President. The message that is intended to be conveyed at that moment is that it is still a provisional report and that it is not the right time to preview any of the information. Despite this, it is always inevitable that comments are made on the ballpark figures of the application of the budget.

When the **Final Report** is submitted at the end of February or the beginning of March before the Parliament of Andalusia, after the interview with the President, the media attend a **press conference** on the content of the report, which starts with a presentation of the most important sections in the report by the Senior Advisor. This is followed by questions to clarify specific aspects, which normally focus on the degree of application of the budget, the importance of the budgetary amendments, the situation of the public companies, going into detail in their losses and debt, and, finally, the application of the budget in the autonomous agency of the Andalusian Health Service. At the end of the press conference, all of the journalists are given a **summary of the report**, drawn up by the same team of auditors that drew up the report in agreement with the Chamber's Press Officer. This summary is the main basis for the first presentation of the content of the report given by the Senior Advisor in their subsequent **appearance** before the Parliament. It should be pointed out that simultaneously to this, the Final Report and the summary are posted on the institution's **website**.

This is the practice that has been pursued in recent years, which has almost completely resolved the Audit Chamber's **communication problems**, which is not to say that other **disagreements and tensions** have not arisen which need be tackled.

To start with problem solving, it is evident that the communication policy must be **separate** from the planning of work and the establishment of the aims of auditing, but this should not hinder the constant concern with informing the public of the reports and with arousing, in every case, the greatest interest possible in the reports. In our case, planning and scheduling the reports is the task of the institution's Plenary, with the advice of a Technical Committee, whereas the communication policy is developed by the Office of the Senior Advisor. However, it is also evident that the fact of having limited the Report on the General Account to its specific aim and of increasing the number of reports that we draw up has also led to greater frequency in the relations with the press and has, therefore, contributed to bringing us closer to public opinion.

In this area, it should be highlighted that the fact that approximately **25 reports** are drawn up in a financial year enables us to tackle the auditing of services and agencies that are very close to the public, in some cases through what we call **horizontal audits**, which affect a set of homogeneous organisations (**town planning, employment contracting, municipal urban transport services, local police costs, general public hospital services, science contracts at the universities, water cost and quality**); the possibilities of comparison between them affords the media a greater presentation of their conclusions. Evidently, the 25 reports are not drawn up with the

intention of responding to the media but by the need to extend the control of the Chamber to the whole of the public sector in Andalusia, which comprises around 2,000 organisations. Yet, neither is there any doubt that a certain volume of audits facilitates in turn a significant volume of communications at local, provincial and regional levels.

Information is channelled through the Chamber's Press Officer, who is also the head of the Office of the Senior Advisor. As has already been stated, their actions are limited to the **phase when the Final Report has already been approved**, from which moment they generally participate in two distinct actions: on the one hand, they monitor the publication of the report on the Chamber **website**; and on the other, they participate, together with the department that has drawn up the report, in **writing the summary** of the report, which is also published on the website and given to the media, so allowing the criteria of a PR professional to play a role in the communications issued by the Chamber. This publication takes place two to three days after the report has been sent to the agency in question and to the other mandatory recipients (Parliament, National Audit Office and others). It should also be highlighted that this summary is the one used for all subsequent references to the report that are made public, including the future appearances of the Senior Advisor before the Parliament of Andalusia, as only the one referring to the Report on the General Account is compulsory.

In our experience, two main aims are achieved thanks to this practice: on the one hand, we **specify the messages** that may be gleaned from the reports, making them simpler and, perhaps, easier. This simplification is not a drawback, however, as the elimination of distortions or oblique interpretations of the content of the audits should also be placed in the equation. On the other hand, we have ensured that the institution appears with **one sole voice**, which always says the same things about the same report, which, since the Chamber is a collegiate body, is of considerable importance. This consequence has derived, among other reasons, from the fact that the Senior Advisor is the person who appears in the case of the Report on the General Account and who also always appears before the Parliament in the case of the other reports, as the other councillors have placed their trust in him or her to this effect. In any event, it goes without saying that there is **no discrimination** in the information provided, but that it is conveyed to all of the media in general.

This way, in my modest opinion, we have been covering **progressively more ambitious aims**. The first was, as is logical, to **raise awareness of the Audit Chamber** of Andalusia within the region for the fundamental reason that the Chamber has only been in existence for fourteen years, and to raise awareness of its institutional reality and of its main aim of ensuring the proper use of public funds. This aspect has its other side in the explanation of what the Chamber **is not** and what it

cannot be: it is neither a ruling nor an executive body. Secondary to this, we have attempted to turn the Chamber into a **prestigious body**, whose reports and conclusions merit the attention of the public and of the organisations audited. Thirdly, the aim at present is that the Chamber be perceived as a **regular source of information** of interest in a way that it can maintain its prestige and, consequently, that the work it does is known and understood and that it acts as a transparent instrument on behalf of the transparency of the whole of the public sector.

**Specific results** have been achieved thanks to this work. On the one hand, in 2002 a total of 836 appearances by the Chamber in the press has been monitored, of which nearly 600 were directly generated by the institution itself. Most numerous among these were the items relating to the Report on the General Account, with nearly 100 pieces of news, while a similar number relating to Marbella Town Council was recorded due to the specific circumstances of the town. In 2002, ten interviews and six leader articles were also arranged. In the same year, the Chamber's website received around 148,000 hits, where, besides the consultation of reports, the most notable reasons were consultation of our regulations and, especially, of our Manual of Procedures, which was downloaded nearly 4,000 times.

To a significant extent, these results are also the product of another range of policies being carried out at the Chamber, especially the

**standardisation and computerisation of all the procedures**, including audits, that we tackle. At present, the Chamber operates as a computer network whose main nucleus is the intranet, from which a part is segregated to be placed in the public domain on our website. In this network, each civil servant has their own work sphere and their own responsibility before the whole, so that it can be determined at which point in the process each procedure is and who is responsible for integrating it. We should also mention the publication of an internal newsletter containing information on the activities in progress and the schedules of interest for the staff.

However, as was stated earlier, this orientation also has its downsides. The first of these is a considerable **increase in the volume of work**. The summaries have to be drawn up and compared, the media have to be attended, some collaborations need be written with the aim of guiding certain facts and, in particular, we must have specialist staff who create the conditions so that these aims organised in stages can be achieved. To this effect, the person or people who are commissioned must have a very specific profile, as it requires a great deal of professionalism and a broad view of the medium and long term in order not to create unnecessary tensions or to falter at minor failures.

However, we should also be aware of the drawbacks that may arise from the **institutional environment**, whether they be internal or,

especially, external. In our experience, the greatest difficulty detected may come from the position derived for the Parliament, on which we organically depend, basically because the Audit Chamber produces information that is made public before the parliamentarians know of it. With the system we currently employ, it could be said that there is a certain amount of tolerance, and also some resistance, which have become patent in some of my appearances, and this cannot be said to be unjustified as the setting and the environment in which these relations occur facilitate the conception that the Audit Chamber is an auxiliary agency of the Parliament. This situation calls for us to be very gradual in the implementation of a model other than the one accepted by the majority of the parliamentarians and their political groupings and which, with various manifestations, is in the regulations of the parliaments.

This apart, in Spain, the tendency pursued by the new legislation for autonomous agencies veers towards the strengthening of the dependency of the monitoring agencies on their corresponding parliaments in the style of the model offered by the National Audit Office.

However, in my opinion, it is worth continuing to defend a different orientation, as the fact that we are an **agent of transparency** should mean the possibility of the direct public knowledge of our actions without the need to depend on official gazettes and other similar instruments. This is also because the transparency of our own

institutions requires direct communication with the real recipients of a climate of transparency, namely the public, and, thirdly, because the content of our reports is leading in a direction where it is detected that parliament, with its legislative and controlling jurisdiction is not the only institution, and not always and as an absolute rule the most appropriate institution, to receive a type of report that is drawn up with preference over any other type.

This does not mean to say that in this gradual implementation that I am defending, I do not see the need to reform some laws and regulations, but as this is not always easy, it seems appropriate to me to establish some uses which are perhaps easier to repeal than laws but which have an indisputable force.