

OLAF's comments on the Supervisory Committee Opinion No 1/2017 on OLAF Preliminary Draft Budget for 2018

Background

On 24 February 2017, OLAF sent to the Supervisory Committee (SC) its Preliminary Draft Budget (PDB) 2018 proposal (Ares(2017)1009006).

On 23 March, the SC informed the Office (Ares(2017)1575470) that the Committee supported the OLAF request for five additional administrator posts, on the condition that they would be allocated to the operational part of the Office to reinforce its investigative function. The SC also requested further information on the figures, the preparatory documents and the negotiations prior to the establishment of the 2018 PDB. On 31 March, the SC rapporteur sent OLAF additional, detailed questions (Ares(2017)1744645). OLAF provided replies on both requests by note of 12 April (Ares(2017)1953446).

On 24 April, the SC rapporteur met with HR Business correspondents of Unit 02 and discussed HR matters, notably in terms of HR strategy, recruitment and vacancy rate, learning and development for staff.

On 27 April, the SC rapporteur met with OLAF staff in Unit 02 in charge of the budget, and discussed mainly the figures of the 2018 PDB, transmitted on 24 February.

By note of 27 April (Ares(2017)2183018), the SC sent OLAF its draft Opinion on OLAF's Preliminary Draft Budget for 2018.

On 10 May (Ares(2017)2383786), OLAF sent the SC its comments on the SC draft Opinion.

By note of 26 July (Ares(2017)3759259), the SC sent OLAF its final Opinion No 1/2017 *OLAF Preliminary Draft Budget for 2018*.

The present document outlines OLAF's comments on the final SC Opinion. References to headings and paragraphs refer to this Opinion.

Conclusions of the SC:

- (A)** *The OLAF Supervisory Committee (SC) supports the preliminary draft budget of OLAF for the year 2018, and in particular, OLAF's request for five additional posts to strengthen its investigative function.*
- (B)** *Given that OLAF has an above-average vacancy rate and its turnover rate continues to be high, the SC underlines the importance of effective recruitment and of comprehensive, ongoing training.*
- (C)** *Although no final act is yet in place, the SC considers that any transfer of posts from OLAF to the future European Public Prosecutor's Office must be carefully considered and managed so as not to adversely impact on OLAF's ability to discharge its continuing mandate. Given OLAF's current staffing levels, it is difficult to see how OLAF would absorb further reductions in posts unless there is a clear link between transfer of posts and transfer of functions.*

(A) OLAF welcomes the SC's support for its PDB 2018 and in particular the SC's support for OLAF's request for five additional posts. OLAF would like to inform the Committee that the Commission nevertheless decided¹ not to grant these five additional administrator posts to OLAF.

(B) It should be noted that OLAF is doing its utmost to keep the average vacancy and turnover rates in line with the Commission's, however factors beyond OLAF's control can have a significant impact. OLAF fully shares the SC's view regarding the importance of effective recruitment and comprehensive, ongoing training.

(C) OLAF welcomes the SC's conclusion that any transfer of posts from OLAF to the EPPO must be carefully considered and managed so as not to adversely impact on OLAF's ability to discharge its continuing mandate.

HR Strategy

Concerning the average length of time to recruit (138 days), OLAF would like to point out that it largely depends on the type of recruitment (internal mobility between DGs/Institutions or external recruitment of laureates) and on the profile of the post (investigator, intelligence analyst, secretary, policy officer, etc.). External factors beyond OLAF's control have an impact on the duration of recruitments.

As the Committee is aware, in 2016, OLAF launched two specialised competitions to recruit investigators. The competitions are expected to be finalised in the last quarter of 2017. OLAF will then benefit from two dedicated reserve lists and will be able to start recruiting from the lists. In the meantime, the vacancy rate in OLAF is in line with the average vacancy rate observed over the last years (6,4% vacancy rate over the period 2012-2016).

Concerning the average number of training hours per employee, DG HR, which is managing training courses at the level of the entire Commission, could not provide it in 2016, because of a change of the learning platform used to book training sessions (EU Learn replaced Syslog in 2016).

The real cost of training per employee is also not available, since the internal training costs are paid by the Commission, and the cost per training is not available to individual DGs. However, the Commission has recently added the cost of each internal training

¹ SEC(2017)230 final of 3 May 2017.

session in the training catalogue, and in the future it should be possible to retrieve the total cost of training per employee.

European Public Prosecutor's Office

OLAF welcomes the SC's conclusion that any transfer of posts from OLAF to the EPPO must be carefully considered and managed so as not to adversely impact on OLAF's ability to discharge its continuing mandate. The contribution to the setting up of the EPPO is now decided and reflected in the EPPO Legislative Financial Statement (LFS) of September 2017, and will entail a significant effort for OLAF in view of the current staffing level. In the context of discussions about OLAF resources in the next years, OLAF will welcome the continued support of the SC to ensure that sufficient resources are made available to OLAF in order to properly fulfil its mandate.

The revised EPPO LFS provides for the EPPO to be established gradually over a period of 6 years (2018-2023), with the maximum level of resources, including 115 posts, to be reached in 2023. The revised LFS provides that the EPPO posts will consist of 50 new posts, as well as posts to be transferred from existing sources: 45 posts from OLAF, 16 from Eurojust, and 4 from DG Justice and Consumers. The posts will be transferred to the EPPO gradually, starting in 2019. OLAF's contribution will have the following time profile: 1 post in 2019, 9 posts in each 2020 and 2021, 10 posts in 2022, and 16 posts in 2023.

Recommendation of the SC:

(I) OLAF should request the Internal Audit Service of the European Commission to carry out a post-implementation evaluation of the OCM which should incorporate the experiences of users, in addition to other elements.

As acknowledged by the Committee, OLAF continues to commit resources to the development of its OLAF Content Management System (OCM), which has not yet reached its full deployment. Several functionalities are still to be deployed in the coming year. Therefore, a post-implementation evaluation could be carried out in the second half of 2018 at the earliest. OLAF will carefully consider the need for requesting the Internal Audit Service of the European Commission for such a post-implementation evaluation. It should be noted that the user experiences of OCM will be evaluated annually as part of the user satisfaction survey on IT services.

Recommendation of the SC:

As regards HR strategy 2017-2019, OLAF should pay particular attention to the following:

(II) Detailed workforce planning, which assesses the number of staff to be recruited each year over the period;

(III) Consideration of measures that can be taken to reduce the average recruitment period;

(IV) Identifying possible retention measures based on information gathered through the exit interview process as to the main reasons for employees leaving (other than due to retirement);

(V) A detailed assessment of training needs – this should incorporate both technical and interpersonal skills, as well as situational training, such as specific training for newly appointed managers or for dealing with highly contested cases;

(VI) Measurement and benchmarking of key training statistical data, such as expenditure on training and average days spent on training, compared with peer organisations.

When developing its HR strategy for 2017-2019, OLAF will pay special attention to the topics highlighted in the recommendation of the SC.