

# Trust in Accountability

Strategy  
2021-2025



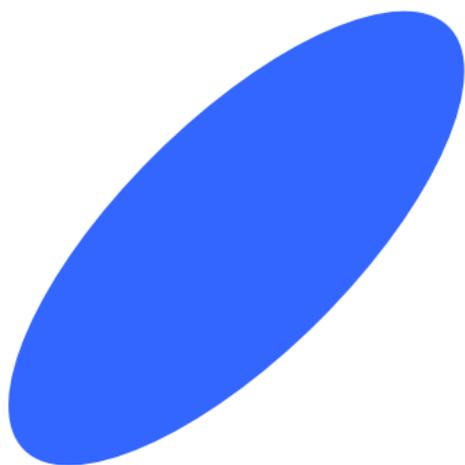
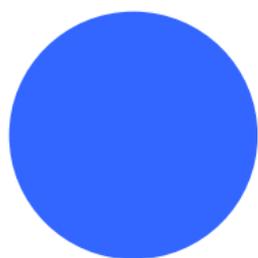
Netherlands  
Court of Audit

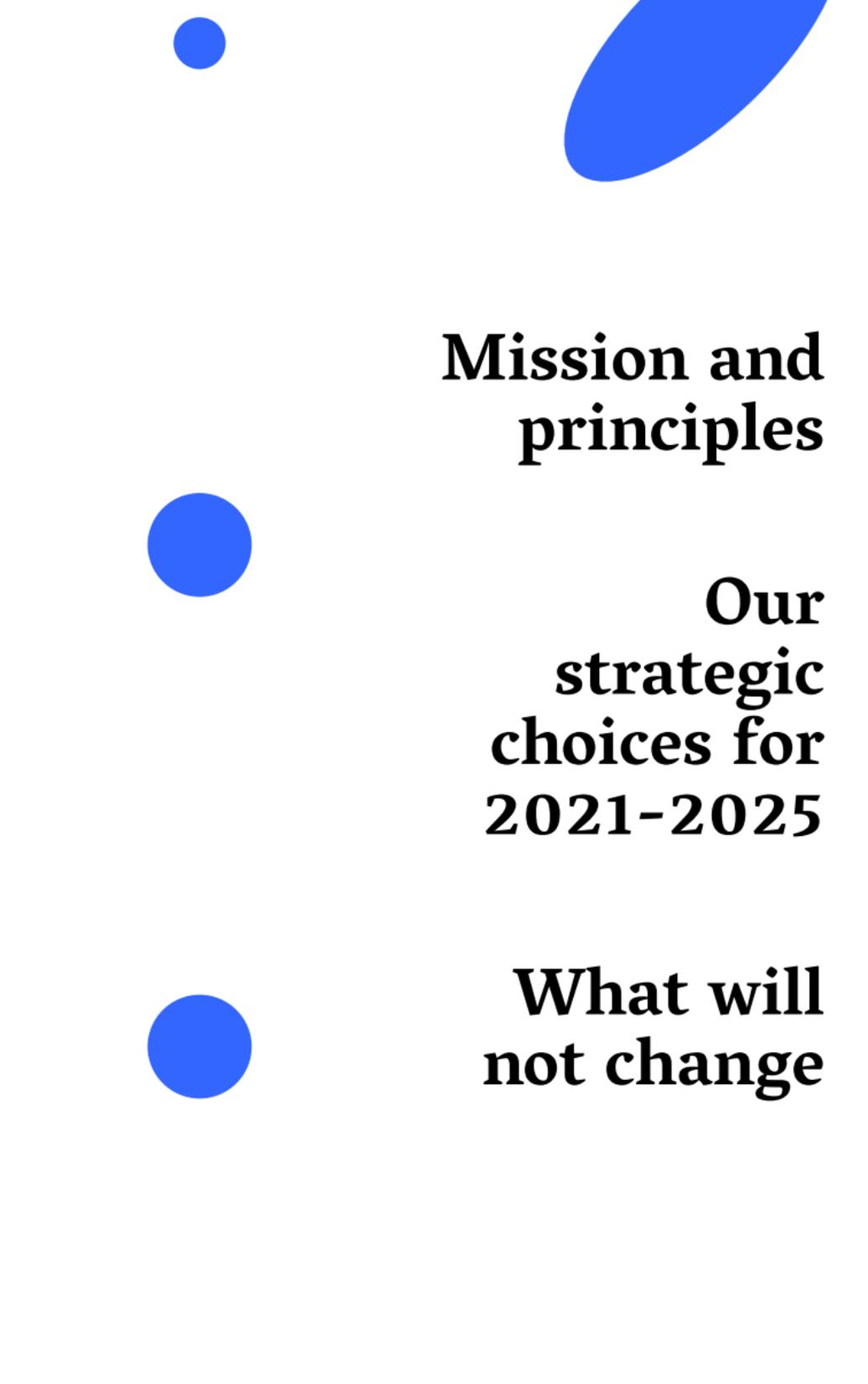


# **Trust in Accountability**

Strategy of the Netherlands Court of Audit

2021–2025





**Mission and  
principles**

**Our  
strategic  
choices for  
2021-2025**

**What will  
not change**

This strategy appears in turbulent times. The COVID-19 crisis, the tight housing market, energy transition, Brexit and the nitrogen and PFAS crises are daunting social challenges that demand momentous decisions at relatively short notice. At the same time, the many problems in policy implementation sometimes suggest that the government is creaking at the seams, as evidenced by the benefits system, the Tax Administration's outdated IT systems, problems issuing driving licences to the elderly and the organisation of personal budgets.

The political dynamic in which new policy is being developed and the unprecedented turnover at political and civil service level are clouding the long-term horizon. The parochial approach of compartmentalised ministries, with little thought for

implementation, in combination with the political need to have parliament approve compromises as quickly as possible is putting policy under constant pressure. And where consensus cannot be reached, some structural problems are abandoned to the future.

To resolve complicated social issues, the government is increasingly working with partners: not only internationally, such as in the EU, but also with provinces and municipalities and with private and non-governmental organisations. Questions are accordingly being asked about how policy is financed and how it is accounted for publicly. If we want to perform better in the future, we have to learn the lessons of the past.

Emotions regularly become heated in the public debate. Institutions and scientific models are called into question if the outcomes are unwelcome. The public debate is informed by 'fake news', 'alternative facts' and other 'post-truth' claims. Ministers and their ministries respond with their own readings of reality so that 'experience' sometimes becomes more important than the 'facts' themselves.

We live in the information age, where new technologies and previously unimaginable methods to gather and store data are creating new systems, services and products. Not surprisingly, knowledge and understanding of the efficiency and effectiveness of government policy have difficulty keeping up with these changes. The government regularly fails to inform the public objectively about what it has done with their money, to say nothing of where its performance can or must be improved.



The background is a solid blue color. There are three large, overlapping, pinkish-red abstract shapes. One is a circle in the top-left corner. Another is an elongated oval in the top-right corner. The third is a large, elongated oval in the bottom-left corner, extending towards the center.

# Mission and principles

## Mission

The Netherlands Court of Audit has the ambition to be an independent, authoritative and stable factor in these turbulent times. Despite the social turmoil, we are still doing what we have been doing well for more than 200 years: auditing the collection and use of public money. And that is what we will carry on doing. The Court of Audit's mission is and remains to help improve the performance and operation of central government and the institutions associated with it. To do so, we investigate whether the government spends public money economically, efficiently and effectively.

We will continue to present facts based on our exhaustive audits, however unfashionable it might seem. Facts are the building blocks of our independent opinions on the performance and operation of central government. We have no doubt that our audits build trust in the

workings of democracy. We acknowledge what is going well and point out where mistakes are occurring and where improvements can be made.

Independent audit of government expenditure and revenue has been the cornerstone of our work for 2 centuries, but what and how we audit has changed over the years. The way we carry out our work has evolved in step with society. Whereas 30 years ago we audited machine-readable facts; today our sights are set on self-learning algorithms. 35 years ago we developed a systematic method to audit effectiveness. Today, we are making more use of mixed methods: blended investigations of quantitative data analysis and qualitative studies of the stories behind the figures. In all those years, the Government Accounts Act has evolved with us and its powers have been extended where necessary. That and more is cause enough to rethink our course every five years. That is why we are now presenting a new strategy.

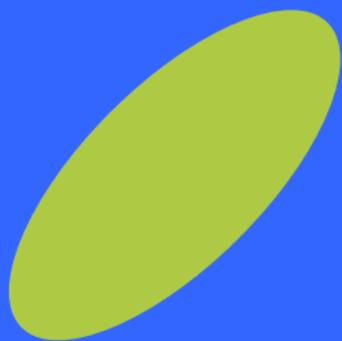
## Principles

The government is responsible for the economical, efficient and effective use of public money and must account for its performance to parliament. The legislator reconfirmed this in the latest amendment of the Government Accounts Act. The audits performed by the Central Government Audit Service (ADR) and the ministers' own evaluations underpin a system that provide an insight into regularity, effectiveness and efficiency.

Public money requires public accountability. We will continue our work to improve the performance of internal audits and evaluations within central government and to oversee their quality and reliability. In particular, we believe there is an urgent need for the government itself to have a far better understanding of the results of its policies and the effectiveness of public money. We wholeheartedly support

ambitions for improvement in this area. This can be seen in the continuous honing of our input into the public debate of advances in both audit and accountability. Audit is not a goal in itself but a means to determine whether agreements have been kept and whether those agreements were worthwhile.

A key consideration in our selection of performance audits to determine the efficiency and effectiveness of policy is the extent to which our unique powers are needed to access information that others cannot.

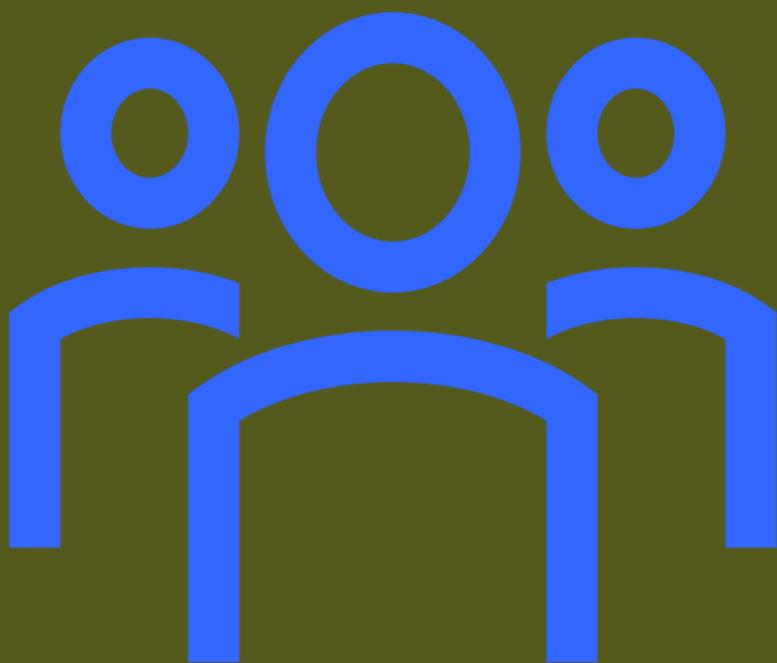




**Our  
strategic  
choices for  
2021-2025**



**Citizens and  
businesses are  
our starting  
point**



Citizens and businesses are the starting point for our work. The government exists to serve them. It is they, after all, who finance the government through their taxes, premiums and other payments. In the day to day politics of The Hague, however, the government sometimes seems to forget this. We are aware that we, too, are part of 'The Hague'. That is why we will approach our audits more emphatically from the perspective of citizens and businesses. We try to do so by first considering how policy implementation affects citizens and businesses before we start to design an audit.

# IT and data management



Central government is barely able to keep pace with advances in information technology, if at all. Yet technology and data – the ‘gold of the 21st century’ – are increasingly at the heart of government. The COVID-19 crisis has again made it all too clear that the continuity of service provision stands or falls on the smooth operation of IT – and government services are no exception. That is why we give information management such prominence in our annual government-wide accountability audit. It has become the third component in our audit of operational management alongside financial and material management. Where necessary, we will develop additional standards for information management. With this in mind, we will look at the development and control of the objectives and use of self-learning algorithms in the years ahead.

# Efficiency



Our audits of policy effectiveness consider the results of a particular policy. Our audits of policy efficiency – the relationship between costs and results – have not lived up to our ambitions in this area in recent years. This is partly because efficiency is so difficult to audit. We intend to change this, in part by having our audit reports state whatever we can conclude about efficiency. This is particularly important now that public finances are again coming under pressure from the COVID-19 crisis. Another step will be to carry out efficiency audits in cooperation with other knowledge institutions. In this strategic period we will set ourselves definite goals for the number of publications in which we can express an opinion on policy efficiency. We will consider our progress against these goals in our annual report.

**Citizens and  
businesses are  
our end point**

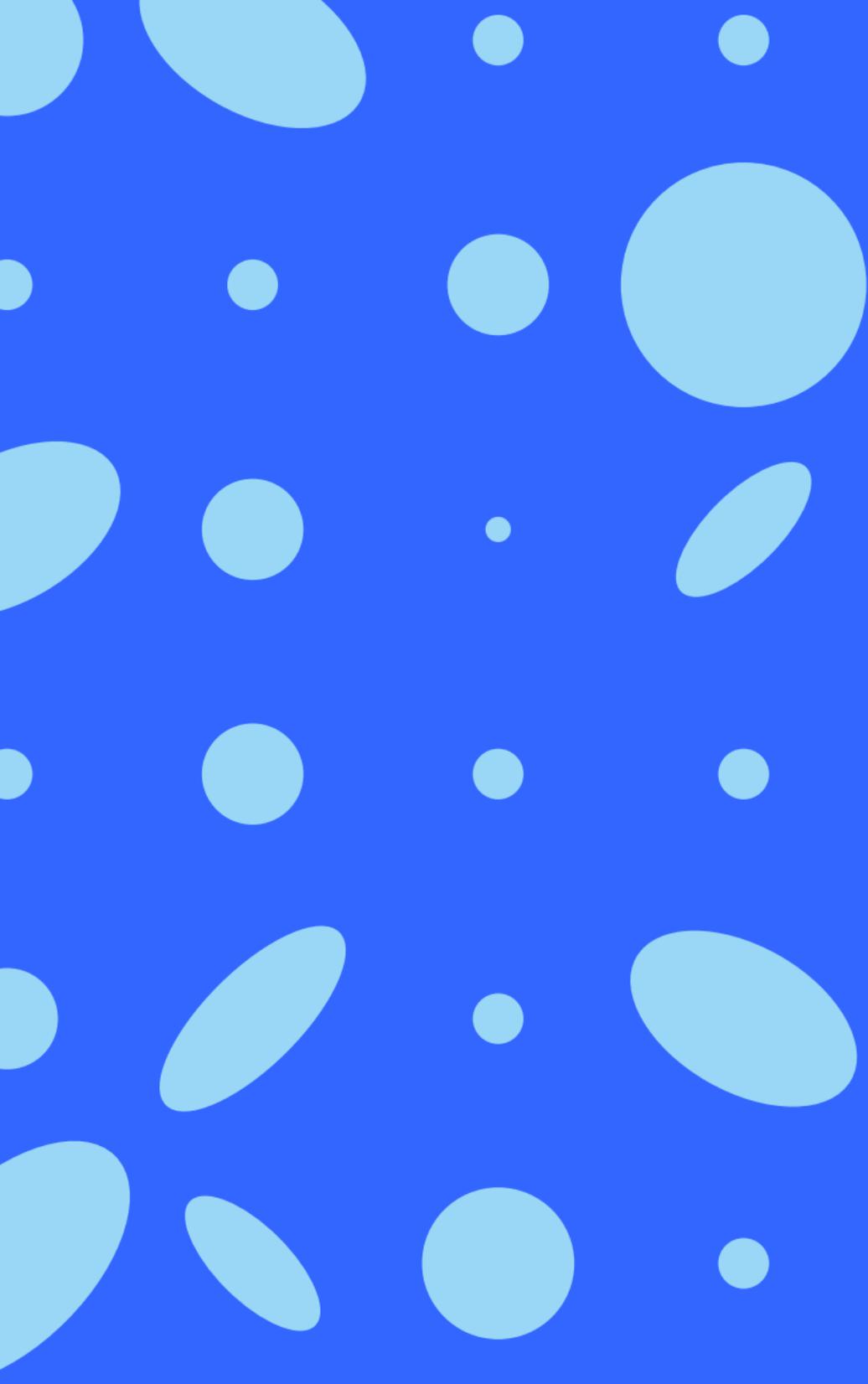


Our audits not only begin with citizens and businesses, they also end with them. Wherever possible, we must communicate our audit findings in such a way that citizens and businesses understand that public money has been spent economically, efficiently and effectively – or has not. Both our regularity audits and our performance audits must be relevant to citizens, businesses and institutions. More of our audits of the ministries' operational management will also explain why good operational management is important to citizens and businesses.

# Opinion



Our work in the new strategic period will give higher priority than in the past to expressing an opinion. Our accountability audits already result in opinions on the regularity of expenditure and the quality of operational management. We will extend this practice and apply it to our performance audits. We will seek the right words and style that do justice to the context in which the government works: the world is not always black and white and neither are our independent opinions.





**What will  
not change**

# Sharp audit focus



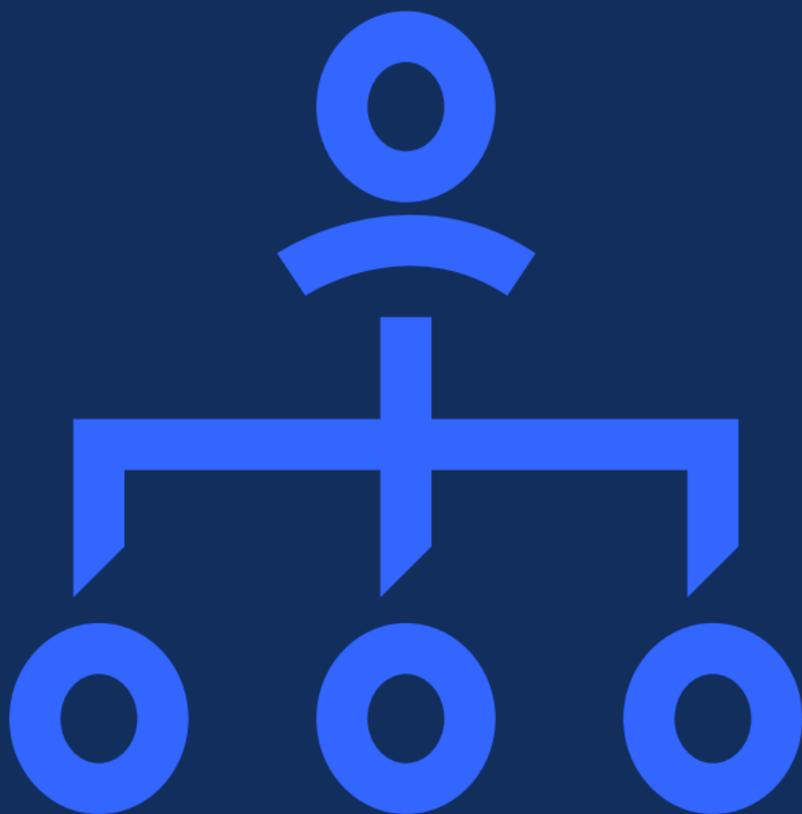
We introduce focus into our audit agenda by selecting broad themes that have a significant financial and social impact and that our audit programmes can track over several years. This will not change. Our audit programmes enable us to plan our work flexibly across many years.

# Focused accountability audit



Our annual audits of the ministries' annual reports will continue to do more than just approve the central government accounts and express an opinion on the quality of operational management. Our ambition for Accountability Day, the 3rd Wednesday in May when we report on our government-wide audit, is not confined to what is strictly necessary for parliament to grant the government discharge. We ask 3 questions about each budget chapter: was the money collected and used in accordance with the regulations? Was the collection and use of the money properly organised? Did citizens get value for money? We will continue to sharpen our annual accountability audit's focus on the second question by working with government-wide operational management themes over several years. To introduce even more focus and answer the third question on the results of policy, we will also select a government-wide theme our accountability audit each year.

# Connection



As a High Council of State, we are part of government. We are independent but work better if we connect with other parties. Our audits therefore involve all parties that play a role in policy implementation, including agencies on the ground, consortia and municipalities. Where necessary, we will draw on the knowledge available in our international network of supreme audit institutions and work with local audit offices and research centres. We work to the international standards of supreme audit institutions provided they are conducive to the efficiency of the specific organisation of the Netherlands' audit system, in which the ADR is the internal auditor and certifying authority of central government.

**Our target  
group:  
parliament**



Parliament is and will remain our primary target group. It is the first to receive our reports and letters. This does not mean that our work stops there, quite the opposite. We also want our work to be relevant to the parties we audit and to the ultimate stakeholders: citizens and businesses. We want to enter into a dialogue with these stakeholders to discuss our audits and their results. After all, it is in everyone's interest that the government works economically, efficiently and effectively.

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