



Performance Audit

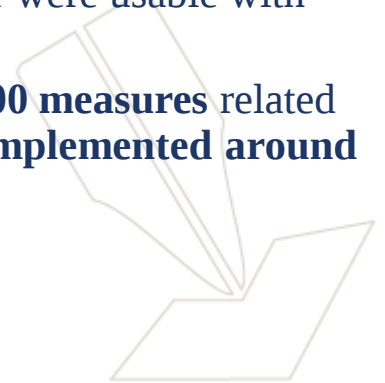


Management of Public Shelters in the Republic of Serbia



Topic Selection

- ✚ **Shelters** are construction facilities or parts of construction facilities intended for civilian protection during wartime, but they may also have a peacetime purpose.
 - ✚ In case of war, they must be made operational for their intended purpose within 24 hours
- ✚ **Public shelters** (including block shelters) are intended for the protection of people in public areas and residents of multiple buildings.
 - ✚ In Serbia, there are 1,442 public and block shelters managed by the Public Enterprise for Shelters „**PE Shelters**“.
 - ✚ Inspections of these shelters are carried out by the **Emergency Situations Sector**
- ✚ **Reasons for selecting this topic:**
 - ✚ **Between 2011 and 2013**, the Emergency Situations Sector conducted an inspection of almost all public shelters and found that **about one-fifth** of the shelters were not usable or were usable with certain deficiencies.
 - ✚ **Between 2019 and 2022**, the Emergency Situations Sector inspected around 30% of public shelters and found that **about four-fifths of the shelters** were not usable or were usable with certain deficiencies.
 - ✚ in the period 2019–2022, the Emergency Situations Sector issued **over 2,000 measures** related to ongoing and investment maintenance of shelters, of which PE Shelters **implemented around 450 measures**



Audit Objective

- ✚ **The key objective of this audit** was to assess whether there is room for more efficient management of public shelters in the Republic of Serbia to ensure their safety and functionality.
- ✚ To achieve this, we formulated **three audit questions**:

1

- Are the necessary prerequisites for adequate management of public shelters ensured?

2

- To what extent is technical control of public shelters carried out?

3

- How are public shelters maintained?

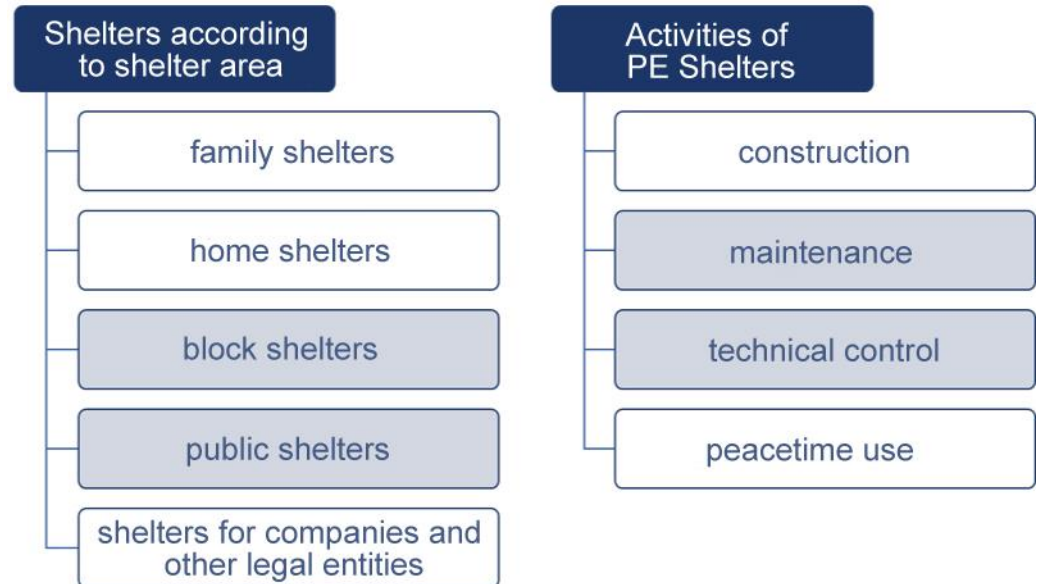
Audit Scope

↓ Auditee

- ↓ **Public Enterprise for Shelters, Belgrade – New Belgrade** (established by the Government of Republic of Serbia to manage construction, maintenance, technical control, and peacetime use of public and block shelters)

↓ Audit Object

- ↓ shelters intended for the protection of the population
- ↓ public and block shelters, managed by the PE Shelters
- ↓ focus on maintenance and technical control of the shelter
- ↓ audited period 2019–2022





Conclusion 1. Efficient management of public shelters is not possible because this area is not properly regulated and the necessary resources are lacking.

↓ Answer to **the first audit question**:

- ↓ Are the necessary prerequisites for adequate management of public shelters ensured?

↓ By **necessary preconditions** we mean:

- ↓ that the area of public shelter management is regulated appropriately and
- ↓ that the necessary resources (financial resources and professional staff) are sufficiently provided





Finding 1.1. The method of maintaining public shelters is not adequately regulated, which in practice makes it difficult to maintain public shelters, as well as to conduct technical control and inspection over them.

↓ The Law on Disaster Risk Reduction and Emergency Management as of 2018 **stipulates** that the Ministry of Interior shall prescribe the manner of maintaining shelters.

- ↓ The deadline was August 2019.
- ↓ The obligation existed before, i.e. since 2009.
- ↓ By 2023, a working version of the rulebook has been developed.

↓ **In practice**, two by-laws are applied (the Regulation on Technical Norms for Shelters as of 1983 and the Technical Regulation for Shelters and Other Protective Facilities as of 1998).

- ↓ the laws on the basis of which they were passed are not in force
- ↓ certain issues are regulated in different ways
- ↓ implementation is difficult in shelters that were built before their enactment
- ↓ do not recognize modern devices and equipment
- ↓ impeding implementation of technical control and inspection oversight





Finding 1.2. The financial resources necessary for the adequate maintenance of public shelters are not sufficiently provided, and certain professional staff are also lacking.

↓ The Law on Public Enterprises **stipulates** that the founder is obliged to ensure that the activity of general interest is carried out continuously.

↓ PE Shelters provides funds for its activities from the rent for the use of shelters in peacetime and other sources

↓ As of 31.12.2022, 177 job posts were systematized in PE Shelters

↓ **In practice**, about two-thirds of public shelters are not suitable for rental, which means that the principle of self-sustainability is not applicable to them.

↓ Of the public shelters suitable for rent, one in four were not rented because there were no interested tenants.

↓ Until 2012, PE Shelters had another source of funds - **shelter fees**.

↓ since 2013 they have been operating at a constant loss

↓ total loss as of 2022 is around 636 million dinars

↓ On average, the PE Shelters are **lacking about 35% of its employees**.

↓ The Technical Affairs Sector is particularly affected, where an average of about 40% of employees are lacking, and the Control Body, where an average of about 60% of employees are lacking.

↓ For example, on 31.12.2022, 6 maintenance support workers were systematized but there were no employees





Conclusion 2. PE Shelters does not conduct sufficient technical control over the public shelters it manages, resulting in a lack of evidence as to whether their safety and functionality is ensured

↓ Answer to the second audit question:

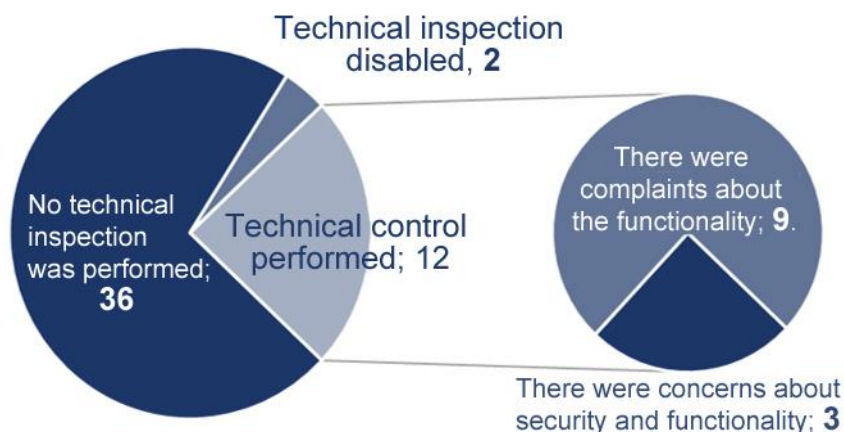
- ↓ To what extent is technical control of public shelters carried out?
- ↓ The technical control of public shelters confirms whether their **safety and functionality** are ensured.
 - ↓ whether they are maintained in accordance with legal regulations, technical standards and manufacturer recommendations
 - ↓ special emphasis on public shelters that are leased due to the additional risk of damage





Finding 2.1. About two-thirds of the 1,442 public shelters managed by the PE Shelters were not subject to technical control in the period from 2019 to 2022, although technical control should be carried out once a year.

- ↓ To ensure the safety and functionality of the shelter, a technical control must be carried out **once a year**.
 - ↓ Special attention is paid to constructions, means of closing openings, living equipment, ventilation systems and electrical installations.



- ↓ in the period 2019-2022, about two-thirds of 1,442 public shelters **were not subject to technical control**
 - ↓ Out of 50 public shelters – case study, technical control was not conducted in 36, an attempt was made in 2, while all 12 inspected received a rating of “unsatisfactory”
- ↓ PE Shelters did not sufficiently use the capacities of its **Control Body** to conduct technical control
 - ↓ with the same capacities, the Control Body carried out over 200 technical controls in 2019, and in 2021 and 2022 that number was below 100
- ↓ Without technical control, **there is no evidence** of whether the safety and functionality of the public shelter is ensured.
 - ↓ there is no confirmation whether the shelter is maintained in accordance with legal regulations, technical standards and manufacturer's recommendations



Finding 2.2. Technical control of public shelters that are leased is not fully enabled, which results in the fact that not all scheduled controls and measurements are carried out.

- ↓ PE Shelters **leases out** a part of its public shelters to generate revenue for its core business.
 - ↓ additional risk that tenants will damage the public shelter through their actions
 - ↓ special attention when conducting technical control because the tenant must not make modifications or adaptations without consent and must not use parts of the shelter intended for the storage of equipment and devices

- ↓ In the period 2019–2022, around 67% of the 339 public shelters that were leased **were not subject to technical control**
 - ↓ out of 19 public shelters leased out – case study, in 11 the technical control was not carried out (during the visits in one we noticed a breach in the outer wall for the installation of air conditioning – picture below)
 - ↓ in 2 the technical control was not possible because the rooms with devices and installations, as well as the emergency exit, were cluttered with the tenant's belongings – picture on the left
 - ↓ in 6 the technical control was carried out and all of them received a rating of “unsatisfactory”, with the tenant's actions also influencing the rating





Conclusion 3. The current level of maintenance of public shelters is not sufficient to ensure their safety and functionality in the long term

↓ Answer to the **third audit question**:

↓ How are public shelters maintained?

↓ To provide the intended level of protection for the population, public shelters must be regularly **maintained in sound condition**.

↓ according to applicable regulations and maintenance instructions

↓ special emphasis on public shelters that are used in peacetime as storage rooms by tenants, due to the additional risk of damage





Finding 3.1. Some public shelters do not provide the intended level of protection because certain deficiencies identified through technical control and inspection have not been eliminated even after several years.

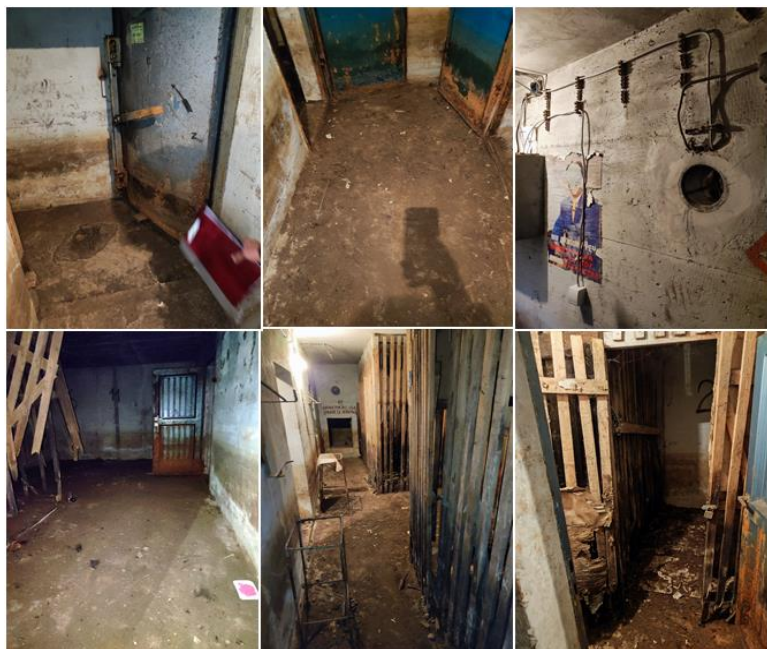
- ✚ Shelters must be **regularly maintained** in good condition, according to applicable regulations and maintenance instructions.
 - ✚ Maintenance includes inspections, tests, **periodic work and actions** in accordance with legal regulations, technical standards and manufacturer's recommendations.
 - ✚ **emphasis on performing ongoing maintenance tasks** because investment maintenance is at a low level due to lack of funds
- ✚ In the period 2019–2022, 1,245 or 86% of public shelters **did not meet the minimum expectation** that routine maintenance activities be carried out at least once a year
 - ✚ out of 50 public shelters – case study, 15 had no ongoing maintenance activities in all four years
 - ✚ certain **deficiencies identified through technical control or inspection have not been eliminated** even after several years
 - ✚ some of the deficiencies existed when the shelters were taken over for management, while others are the result of factors beyond the control of the PE Shelters (flooding due to dilapidated storm and fecal sewage systems, as well as water supply infrastructure)
 - ✚ the current level of maintenance is not sufficient to ensure their safety and functionality
 - ✚ 67 public shelters have been proposed for **reducing the level of resilience**





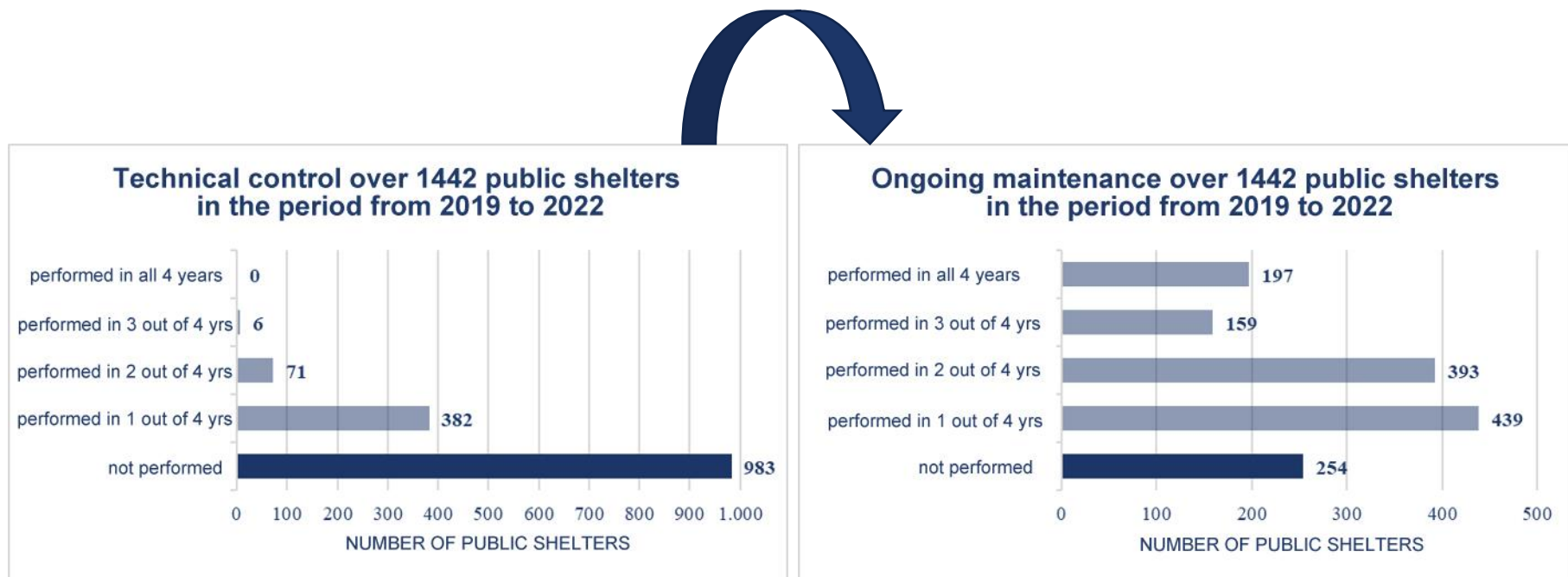
Finding 3.2. PE Shelters has difficulty maintaining public shelters that tenants use as storage facilities in peacetime because the obligations of tenants are not clearly regulated.

- Some public shelters are used as **storage rooms for residents** in peacetime.
 - additional risk that users will damage the public shelter through their actions
 - whereas users are **not obligated to maintain it**, but rather it is the obligation of the PE Shelters



- In the period 2019–2022, at 291 out of 362 public shelters used as storage facilities for residents, PE Shelters **had no ongoing maintenance activities** in each of the four observed years
 - In addition, 206 out of 362 **were not subject to technical control** in the four years observed
 - For 8 public shelters used as storage rooms for tenants - case studies, the common feature is the unscrupulous attitude of the building's tenants towards them (numerous damage to the shelter, usurpation of premises with devices and equipment, dumping of garbage and waste, disabling access)
 - The PE Shelters sent warnings to the housing association and the building's tenants
 - This is not an absolute rule, there are also examples of tenants using shelters with due care

It is necessary to improve the management system of public shelters in order to ensure their safety and functionality and enable them to provide the intended level of protection for the population



SAI recommendations

↓ Key recommendations issued to **PE Shelters**:

- ↓ to launch an initiative to regulate the maintenance of public evacuation shelters, as well as to change the financing model of its activities
- ↓ to make greater use of the capacities of its Control Body, which conducts technical control of public shelters
- ↓ to assess which public shelters have permanently compromised their safety, so that the founder and the competent authorities can make a decision on their further status



It is necessary to improve the system of public shelter management, in order to ensure their safety and functionality and enable them to provide the expected level of protection of the population

A shelter is a construction facility or a part of a construction facility intended primarily for sheltering the population in wartime, while it can also have a peacetime purpose. In the Republic of Serbia, there are 1,442 public shelters with a total area of about 285,000 m², which are managed by PC „Shelters“. At the same time, the inspection of these shelters is carried out by the Sector for Emergency Situations.

In the period from 2019 to 2022, the Sector for Emergency Management conducted inspection point, it was determined that 11 public shelters were not usable, 331 public shelters were defective but still usable, and 84 public shelters were without defects. Also, during that period, inspectors issued over 2,000 measures related to operating and capital maintenance, of which PC „Shelters“ implemented about 450 measures.

Effective management of public shelters is not possible because this area is not properly organized and the necessary resources are lacking.

A maintenance method that would enable shelters to provide protection to the population is not adequately prescribed, which in practice makes their maintenance, technical control and inspection difficult. In addition, the financial resources necessary for adequate maintenance of public shelters are not sufficiently provided, and there is a lack of particular professional staff.

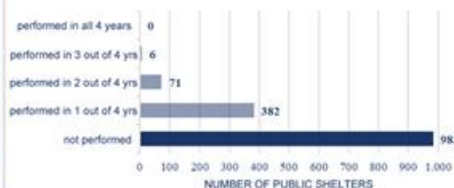
PC „Shelters“ does not carry out technical controls of shelters it manages to a sufficient extent, as a result of which there is no proof of whether their safety and functionality are ensured. About two-thirds of the 1,442 public shelters, managed by PC „Shelters“, were not subject to technical control in the period from 2019 to 2022, even though control should be performed once a year. Also, it is not fully possible to carry out the technical control of public shelters that are leased, which is the reason why only some of the planned inspections and measurements are carried out.

The existing level of maintenance of public shelters is not sufficient to make them safe and operational in the long term. Certain public shelters do not provide the expected level of protection because of certain deficiencies identified through technical control and inspection have not been removed even after many years. At the same time, PC „Shelters“ finds it difficult to maintain public shelters used by tenants as storerooms in peacetime conditions because the tenants' obligations are not clearly regulated.

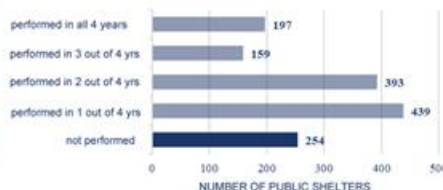
Key recommendations of PE Shelters

- ↓ to launch an initiative to regulate the way of maintaining shelters for sheltering the population, as well as to change the financing model of its activities
- ↓ to make greater use of the capacities of its Control Body, which carries out technical control of public shelters and
- ↓ to carry out an assessment that determines which public shelters have permanently compromised their safety, so that the founder and competent authorities can make a decision on their further status.

Technical control over 1442 public shelters in the period from 2019 to 2022



Ongoing maintenance over 1442 public shelters in the period from 2019 to 2022



Thank you for your attention

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