

SUMMARY

Audit of energy efficiency measures of local government Nyíregyháza Town with County Status

In the framework of its audit, the State Audit Office of Hungary examined whether the concerning local government evaluated the actual effect of the change in energy prices on the implementation of the budget, its financial management as well as on the performance of its mandatory and voluntary tasks. The audit also covered whether the local government and its budgetary bodies had taken energy efficiency measures in order to reduce energy costs and the measures taken by the local government contributed to ensuring the financial balance of the budget and the performance of the mandatory tasks.

The audit shed light on the problems related to the performance of statutory tasks of the local government concerning energy management, on the correlations between the tasks of energy and financial management, as well as contributed to the local government's regular and responsible financial management, to the regular and expedient utilisation of public funds as well as to the protection of public assets.

The audit found that the performance of energy operation and maintenance tasks related to the buildings owned and used by the local government and its budgetary bodies, which provide public services, did not comply with legal requirements, since the energy saving action plans were prepared and uploaded to the interface operated by the National Energetic Network only after the first half of the years 2022-2023 as well as retroactively to 2023. Furthermore, no energy manager was employed and the monthly data submission obligation for energy consumption was not fulfilled.

The measures taken by the local government regarding energy efficiency contributed to the maintenance of its functionality and the performance of its mandatory tasks. The financial situation of the local government was stable, and its liquidity was ensured. Despite legal requirements, the mayor did not define the duties of the clerk, the office, and the heads of institutions arising from the Act on energy efficiency, while the clerk did not monitor the implementation of the tasks contained in the Act.

In view of the change in energy prices - in order to ensure the security of financial management - the local government took advantage of the opportunities provided by government measures. It also decided to restrict street lighting and made use of the option of purchasing energy at a fixed price.

During the audited period, the decisions related to the energy efficiency improvements carried out by the local government were made keeping in mind the safety of financial management, however, in the framework of establishing the investments from an economic and efficiency point of view, the expected expenses related to the operation and maintenance of the resulting devices were not examined. During operation, this may pose a risk to the financing of the mandatory tasks of the local government. The developments implemented during the audited period at the local government supported the implementation of measures due to the rise in energy prices. In order to ensure the performance of local government tasks and the security of budget implementation, the decisions taken to manage the increase in energy price were appropriate and the measures to maintain the financial balance were effective.