SPECIAL REPORT No 12/2022

Why do delays in the implementation of public works occur?

EXECUTIVE SUMMARY

Long delays in the execution of public works result in the disruption of the operators' planning as well as inadequate service of the intended needs and objectives indicated.

The audit was carried out on 24 bodies and processed 1.162 public works, the execution of which was completed from 1.1.2017 to 31.3.2021, in order to determine whether and to what extent their execution was delayed. 140 projects were then sampled to identify the causes of their delays.

The audit findings were as follows:

- **I.** The audit has identified very long delays in the implementation of public works. Extensions were granted to 2/3 of all 1.162 projects, while the implementation of these projects lasted, on average, 2,5 times longer than initially estimated. Few contractors did not present this systemic weakness due to the practices they implemented.
- **II.** Contracting authorities normally accept the contractors' requests for extension and do not seek any responsibility for the occurrence of the deriving delays. The supervision of the works in question is not carried out with due diligence.
- **III.** While granting an extension, contracting authorities provide a stereotypical justification; not an adequate one. In some cases, the audit did not verify that the delays are due to the circumstances mentioned in the decisions granting extensions.
- **IV.** In many cases, delays are due to the contracting authority's errors, when preparing the relevant study and the tender documents. When setting the deadlines for the completion of projects, the authorities do not take into account essential factors that would affect the public work's completion.
- **V.** The audit identified significant delays in complying with procedures or in carrying out actions linked to the implementation of projects, which fall within the contractors' or third parties' remit.
- **VI.** The implementation of provisions related to public works execution and included in Law 4782/2021 is expected to contribute to their faster completion.