

Value for Money unit in Slovakia

Title of the governance practice: Value for Money Unit

Summary of the governance practice

The Value for Money unit of the Slovakian Ministry of Finance cooperates with other analytical units across various ministries to identify unnecessary public expenditures of the government. For instance, any investment exceeding 40 million Euros must undergo a cost-benefit analysis carried out by the Value For Money Unit. The Government Office has also created an Implementation Unit to assess whether or not VFM unit recommendations are carried out.

Short description of the governance practice

The Value For Money unit at the Ministry of Finance cooperates with analytical units in other ministries to identify unnecessary expenditures/processes. Since 2016, the unit has reviewed expenditures in various sectors, for instance education, healthcare, and transport infrastructure. Additionally, an Implementation Unit was created by the Government Office to assess whether the recommendations of the VFM unit were carried out. Furthermore, any investment exceeding 40 million Euros (10 million euros for investments to the digitalisation of the public sector) must be based on a cost-benefit analysis provided by the VFM unit.

Achievement/outcome of the governance practice

The VFM policy has gained quite a lot of support from the general public. This initiative was able to secure and sustain public support by publishing not only the results of the VFM unit analyses, but also the data used to produce them. The analyses are mainly based on CBA or other similar non-complex methods. By making their analyses accessible to the public, the Value for Money unit was able to stimulate public discussion on various topics which otherwise would have gone unnoticed. For instance, their work triggered a discussion on how much effort Slovakia should invest into building its highway network infrastructure.

The Value for Money and Implementation units have been extensively covered in the media (for instance with articles and interviews with their respective directors and employees), and are perceived as watchdogs of sound public expenditure.

Source: Example of country practice provided by the Government of Slovakia as part of the Policy Framework's consultation process