Control of Autonomous Agencies  
Swedish experiences  

Richard Murray  
Swedish Agency for Public Management
Structure of government

National level

Parliament

Government (Cabinet)

Ministries

Government agencies

Government corporations

Regional level

Regional organisation of gov agencies

21 County governors

20 County councils

Local level

290 Municipalities

Voters
Structure of government

- 11 ministries (departments)
- 21 ministers
- 4,500 employees in ministries
- 200,000 employees in 500 agencies
- 200,000 employees in national government corporations
- 1,100,000 employees in local government
- Private companies make up 65% of total employment in the economy
Structure of government

National government:
Division of responsibilities

- **Parliament**
  - Legislates
  - Appropriates budgets for agencies
  - Sets goals for policy areas

- **Government (Cabinet)**
  - Specifies budgets and goals for agencies
  - Issues assignments for agencies
  - Appoints agency heads

- **Agencies**
  - Acquire resources
  - Handle cases, perform business
National government:

Characteristics

- "Autonomous" agencies – courts and other agencies are treated alike
- No Civil Service – only judges have tenures
- Ministers don’t rule – collective decision making of the Cabinet
- No one can interfere with agencies in their handling of cases (Constitution)
- Public access to documents
- Ex post control – no ex ante control
Objective

Sweden should be a leading nation in knowledge, quality of training, lifelong learning for economic growth and equality
Policy Area: Education

- Program 1: Primary and secondary education
- Program 2: Adult education
- Program 3: Tertiary education
- Program 4: Student aid and loans
Government: Program 3

Tertiary education

Target

50 percent of a cohort should have started tertiary education at the age of 25
Government: Program 4

Student aid and loans

Objective

Student aid and loans should help people to undertake tertiary education regardless of wealth and disabilities
Objective

*Student aid and loans should help people to undertake tertiary education regardless of wealth and disabilities*

Targets

*Telephone responses within 3 minutes shall increase*

*Customer satisfaction shall increase*

…
Government Control document:
Swedish National Board of Student Aid

- Business area 1: Administration of student aid and loans
- Business area 2: Repayment of loans
- Business area 3-6: ....
Objective

- Promote enrolment and social equality

Target

- Proportion of handled cases within less than three weeks should increase

Budget

- Appropriation and fees (set by the Government) should cover administrative costs
- A limit on loans for administrative investments
- Open ended appropriations for aid and loans respectively
Government Control document:

Business area 1: Administration of student aid and loans

Special report requirements

- *Number of students, age, amounts granted, type of grant, loan etc.*

- *Number of cases handled, handling time, numbers rejected, unit cost per type etc.*

- …
Government Control document:
Swedish National Board of Student Aid

Special report requirements

- Number of telephone calls, average waiting time, written responses and response time
- Customer satisfaction according to surveys
- Progress of adjustments of offices and information for disabled persons
Government Control document:

Assignments

- Monitor living conditions for students
- Evaluate extra support to students with children
- Evaluate efficiency and correctness gains in administration due to computerized communication with other agencies
Agencies’ business

- Hire and fire personell
- Bargain salaries and wages
- Rent and equip offices
- Borrow money for administrative investments
- Reorganize (up to a limit)
- Handle cases according to law without interference from anyone
Annual reports
(for some agencies also half year reports)

- Financial report (yearly and monthly)
- Balance sheet
- Results report
  - Achievement in relation to goals (some agencies report four times per year)
  - Quantity and quality of output
  - Unit and program costs (in fixed prices)
  - Other required reports
Control

- Internal auditing
- External auditing
  - financial auditing
  - efficiency auditing
- Evaluations, reviews, inquiries, commissions
- Ombudsmen
- Appeals by clients/citizens
- Public access to documents – free press
Control cycle

Budget decision by Parliament

Government proposes budget bill

Government issues Control document

Dialogue ministry-agency on goals and budgets

Agencies do their business

Agencies submit budget proposals

Annual reports of agencies

Evaluations, reviews of agencies and programs

Auditor general audits annual reports

Dialogue ministry-agency on performance
Misunderstandings

- "Autonomous" agencies are free
- "Autonomous" agencies complicates accountability
- "Autonomous" agencies don’t participate in policy making
- "Autonomous" agencies cannot be controlled
- Ministers may not talk with "autonomous" agencies
- "Autonomous" agencies are like executive agencies
- "Autonomous" agencies are controlled only via goals
- Performance management is only about goals and indicators – evaluations equally important
Problems

- Ministries don’t act like real “owners”
  - Don’t ask for relevant results
  - Don’t analyze results and financial needs
  - Don’t coordinate enough
  - Don’t appoint real managers
  - Don’t hold managers accountable
- Proliferation of goals (“political decease”) and assignments
- Dialogue with agencies has mixed up accountability (ministerial rule via the back door?)