

Ireland - spending reviews

History

- Ireland launched “Special Group” in 2008/2009
- At outset of austerity agenda
- Independent expertise, outside perspective
- Role:-
 - Analysis of all spending areas
 - Political economy / expectations
 - “unthinkables”: Social welfare, Pay, Pensions

Impact of Special Group

- Public impact - Report was a bestseller!
- Political impact – “deniable”, but changed the mindset
- Included structural reforms: staff numbers, shared services, p.s. reform
- Limited direct impact (actual savings measures) – but different measures / efficiencies etc. obtained
- Actual consolidation since 2009 has exceeded Special Group targets

Recent developments

Ongoing reform agenda

- 2011 – new govt – “mainstreamed” spending review as institutional feature (every 2-3 years)
- No longer has to be “independent” to be acceptable
- Set within broader context:
 - Top-down budgeting
 - MTEF (spending ceilings over 2/3 years must comply with aggregate limits)
 - Ongoing evaluation: capacity (IGEES) and culture (Public Spending Code)

Limits of spending review? Future directions?

- Periodic, “short sharp” exercises are, of necessity, superficial and ex post
- Objective must be to instil culture of (a) ex ante and ongoing evaluation and (b) in-depth, truly ‘comprehensive’ reviews
- Public Spending Code – guidelines for ex ante and continuing evaluation
- Needs capacity and culture – potentially huge challenges
- Would be interesting to hear what institutional features other OECD countries have in place to move from *ad hoc* to **systematic** reviews?