



EUROPEAN SOCIAL POLICY NETWORK (ESPN)

National monitoring frameworks for public social spending

Ireland

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European Social Policy Network (ESPN)

**ESPN Thematic Report on
National monitoring frameworks
for public social spending**

Ireland

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The European Social Policy Network (ESPN) was established in July 2014 on the initiative of the European Commission to provide high-quality and timely independent information, advice, analysis and expertise on social policy issues in the European Union and neighbouring countries.

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Summary

Public social spending is not a concept which is formally recognised in the Irish public expenditure system. Accordingly, there is no dedicated monitoring framework which looks specifically at 'public social spending'.

The bulk of Irish public social spending consists of expenditure in the areas of social protection administered by the Department (i.e. Ministry of Social Protection) and health care (administered by the Department of Health and the Health Services Executive). Expenditure by these Departments is monitored through the 'overall total public expenditure framework' and this is described in this report as it applies to these Departments.

Supplementary schemes, such as occupational pensions which play a significant role in the Irish social protection system, do not form part of Irish public expenditure and are not included in the public expenditure framework. In Ireland, there is significant tax expenditure to promote occupational pension coverage but this too is not considered to form part of public expenditure. As a result, there is very limited monitoring and evaluation of such supplementary schemes.

Historically, monitoring of public expenditure focused primarily on the level of spending and ensuring that it was in compliance with relevant laws and procedures. Annual expenditure for each Department of State was proposed by the Government and approved by the Oireachtas (Parliament) and published in the Annual Estimates. In theory (but only to a very limited extent in practice), Departmental Estimates are considered by the relevant Oireachtas Committee. Ongoing expenditure is monitored by the line Department which reports to the Department of Finance (now Department of Public Expenditure and Reform). The Comptroller and Auditor General (the constitutional officer responsible for public audit) reviews and reports on annual expenditure. This report is further reviewed by the Oireachtas Committee of Public Accounts.

Subsequent to the 2008 financial crisis, a number of steps have been taken to strengthen expenditure monitoring including: the establishment of an independent Fiscal Advisory Council; splitting the Department of Finance into a Department of Finance (responsible for fiscal policy, tax policy and the financial services sector) and a Department of Public Expenditure and Reform; strengthening formal spending review by the Department of Public Expenditure and Reform; and the establishment of a Parliamentary Budget Office to support Oireachtas oversight. An Oireachtas Committee on Budgetary Oversight was also established to enhance the role of the Oireachtas in the budgetary formation process.

These reforms have strengthened the monitoring of public social spending and have led to spending reviews encompassing significant parts of social spending and some analysis of the impact of public social spending on outcomes. However, there is no comprehensive review of the effectiveness of public social spending, i.e. in terms of whether or not particular social objectives are met, and the review of effectiveness is currently ad hoc and partial. Depending on the study, the outcomes monitored can include issues such as the impact of policy on employment rates, on claimant incomes, and on poverty levels (disaggregated to a certain extent by factors such as income quintile, age, and gender).

Overall, one can say that, despite recent changes, a weakness of the Irish system is that the main focus of review of public social spending remains on monitoring expenditure levels and on monitoring that expenditure has been made in line with the criteria set out in law and in line with established procedures. There has been much less focus on evaluating the impact of public expenditure and, insofar as this is done, it is normally contracted out to the Economic and Social Research Institute (ESRI) or private consultancy firms. It is unclear whether and how impact studies (within or without the formal expenditure framework) feed into overall expenditure decisions and it is not easy to identify situations where public social spending has been altered (increased or reduced) following such studies.

1 Country-specific monitoring frameworks for public social spending

1.1 Country-specific dedicated monitoring framework(s)

Public social spending (as defined for the purposes of this study) is not a concept which is formally recognised in the Irish public expenditure system. Accordingly, there is no dedicated monitoring framework which looks specifically at 'public social spending'.

The bulk of Irish public social spending consists of expenditure in the areas of social protection (administered by the Department of Social Protection (DSP)¹) which is mainly in the form of cash benefits and health care mainly in the form of in-kind benefits (administered by the Department of Health and the Health Services Executive (HSE)).² Expenditure by these Departments is monitored through the 'overall total public expenditure framework' and this is described in this report as it applies to these Departments.³ Public social spending which falls under the remit of other Departments is monitored in the same general manner. This framework forms part of the overall total public expenditure monitoring system and is not dependent on COFOG/ESSPROS obligations. The framework covers both cash and in-kind benefits.

Historically, monitoring and evaluation of public expenditure occurred as follows. Annual expenditure for each Department of State was proposed by the Government and approved by the Oireachtas (Parliament)⁴ and published in the Annual Estimates. In theory (but only to a very limited extent in practice), Departmental Estimates are considered⁵ by the relevant Oireachtas Committee (e.g. the Health Estimates are discussed by the Oireachtas Committee on Health). Ongoing expenditure is monitored by the line Department which reports to the Department of Finance.

The Comptroller and Auditor General (C&AG) (the constitutional officer responsible for public audit) reviews and reports on annual expenditure. This report is further reviewed by the Oireachtas Committee of Public Accounts.

Subsequent to the 2008 financial crisis, a number of steps have been taken to strengthen expenditure monitoring including the establishment of an independent Fiscal Advisory Council; splitting the Department of Finance into a Department of Finance (responsible for fiscal policy, tax policy and the financial services sector) and a Department of Public Expenditure and Reform (DPER); strengthening formal spending review by DPER; and the establishment of a Parliamentary Budget Office (PBO) to support Oireachtas oversight.⁶ An Oireachtas Committee on Budgetary Oversight was also established to enhance the role of the Oireachtas in the budgetary formation process. The Committee reviews the macro-economic and fiscal issues that form part of budget considerations.

¹ The title of this Department has changed from time to time but is referred to in this report under its current title.

² Some expenditure in relation to housing supports is the responsibility of the Department of Housing, Local Government and Heritage and local authorities while expenditure in relation to childcare would fall within the remit of the Department of Children and Families.

³ In the case of health expenditure, the Central Statistics Office also compiles current health care expenditure for Ireland according to the international standard of the System of Health Accounts, 2011. This includes private as well as public spending but, at the time of writing, the most recent completed data is for 2019.

⁴ Parliament constitutionally cannot vote expenditure unless it is proposed by the Government so in practice it can only approve or reject (but not amend) the Estimates.

⁵ As Downes and Nicol (2016, 86) point out Committees may consider but not amend in any way the Estimates.

⁶ Previously, Irish parliamentary budget oversight had been described by the OECD as 'under-developed by international standards' (Downes and Nicol, 2016). As set out in that study, an OECD "Index of Legislative Budget Institutions" (a composite metric that compares legislative budget engagement across countries, based on a range of objective criteria) indicated that the level of budget engagement by the Houses of the Oireachtas was then the lowest observed in any OECD country

1.2 Separate monitoring framework(s) linked to schemes provided by employers

Supplementary schemes (such as occupational pensions which play a significant role in the Irish social protection system) do not form part of Irish public expenditure and are not included in the public expenditure framework.⁷ In Ireland, there is significant tax expenditure to promote occupational pension coverage but this is also not considered to form part of public expenditure. As a result, there is very limited monitoring and evaluation of such supplementary schemes.

1.3 Distinction between current expenditure and capital expenditure

The public expenditure framework distinguishes between current and capital expenditure. In practice, DSP expenditure is almost entirely classified as current (99.94% of Total Gross Voted Expenditure in 2021) but health expenditure includes a capital element (5% in 2021).

1.4 Type of monitoring: level and outcomes

The main focus of the public expenditure framework is on the level of spending and ensuring that spending is in line with relevant laws and procedures. Historically, there has been little focus on social outcomes. However, the Comptroller and Auditor General (Amendment) Act, 1993 gave a mandate to the C&AG to assess whether public resources have been used 'economically and efficiently' (section 9 of the Act).

In subsequent years, the C&AG has developed a somewhat broader focus and has provided 'special reports' on specific schemes such as a 2020 report on the Nursing Homes Support Scheme (Comptroller and Auditor General, 2020). This study was to 'review the economy and efficiency of the Scheme' and considered issues such as whether applicants could access care in a timely manner. However, it did not consider social outcomes such as the quality of care.

In addition to the expenditure monitoring system outlined above, a system of policy evaluation has developed. In 1997, the Government established an Expenditure Review Initiative led by the Department of Finance and in 2006 this was retitled as the Value for Money (VFM) and Policy Review Initiative (Boyle et al., 2012). Under this system, policy areas for evaluation were identified by line Departments and agreed with the Department of Finance. A range of social policy areas were examined as part of this initiative.⁸ Despite the title(s), these evaluations were seen largely as *policy* evaluations (rather than expenditure reviews) and were led by policy sections within the line Departments rather than the expenditure monitoring units. A review of public expenditure in 2009 (McCarthy, 2009, 23-24) found that the reviews had 'had limited success in redirecting scarce resources away from lower-priority, lower-performing areas to areas where they can be put to more productive use' and recommended that the review process should 'be more tightly woven into the resource allocation process'.

Subsequently, although the VFM and Policy Review Initiative remains in place (see now Department of Public Expenditure and Reform, 2018), it appears to have been largely superseded by a more integrated approach to spending evaluation led by DPER (established in 2011).⁹ A comprehensive expenditure review (or Spending Review) is now carried out on a regular basis led by DPER with the results feeding into the Estimates and

⁷ It should be noted that 'employment-related organised by employers' (including occupational pension schemes) are not considered as social insurance in the Irish system. The term social insurance refers only to statutory insurance schemes.

⁸ See <https://iqees.gov.ie/publications/expenditure-reviewandevaluation/vfmr-initiative-fpas/value-for-money-review-initiative/> though this is not a comprehensive list of all reviews.

⁹ The Parliamentary Budget Office (2018) noted that 'the relationship between the longstanding VFM Review process and the Spending Review is unclear'.

budgetary process.¹⁰ This includes the publication of individual papers reviewing specific aspects of social spending and demographic and socio-economic trends.¹¹

The Spending Review provides:

- a broad overview of the long-term trends in the spending area;
- the underlying drivers of expenditure within the Votes; and
- highlights the range of future challenges and policy considerations facing specific areas.

Kennedy and Howlin (2017, 93) described the purpose of a Spending Review as:

‘to increase the fiscal space available to government for new, higher priority policies. This is achieved by systematically examining the scope for savings within baseline expenditure using available evidence and data and consequently by identifying spending programmes that are inefficient or ineffective in addressing priority economic or social goals. This approach counters the increasing tendency to focus only on incremental improvements in expenditure as part of the budgetary process’.

However, this needs to be seen in the context of the origins of Spending Reviews in the Great Recession. The 2021 Mid-Year Expenditure Report (MYER) (Department of Public Expenditure and Reform, 2021, 23) provides a more positive expression of the role:

‘the primary aim of Spending Review 2021 is to provide a key platform to enable and support evidence informed policy making across the public sector’.

This process is supported by the Irish Government Economic and Evaluation Service (IGEES) established in 2012 (Boyle, 2014). IGEES describes itself as an integrated, cross-government service that aims to support better policy formulation and implementation in the civil service through economic analysis and evaluation. In addition to papers published as part of the expenditure review process, IGEES also produces economic and policy analysis papers.¹²

Finally, it is appropriate to mention the Tax Strategy Group which has been in existence for several decades. The Tax Strategy Group is an interdepartmental committee chaired by the Department of Finance, with membership comprising senior officials and advisors from key Departments and the Revenue Commissioners. In advance of the annual budget, it considers option for both tax and expenditure (particularly social protection spending) though its approach is ex-ante rather than ex-post.

1.5 Level of granularity of public social spending

The detailed voted expenditure is published in the Revised Estimates Volume for the Public Service (known as ‘the REV’) around mid-December every year.¹³ This document breaks down expenditure for each Department (known as Votes) into subheads such as state pension or jobseeker’s allowance (the unemployment payment).¹⁴ However, the size of these subheads varies enormously. The annual Estimate is presented in monetary terms

¹⁰ See generally <https://www.gov.ie/en/policy-information/7dc2b1-spending-review/#spending-review-papers-2020>

¹¹ See, for example, the 2021 Spending Review and background papers at <https://www.gov.ie/en/collection/8930f-spending-review-2021/>

¹² <https://igees.gov.ie/publications/economic-analysis/> and <https://igees.gov.ie/publications/economic-analysis/policy-papers/>

¹³ See <https://www.gov.ie/en/collection/e20037-revised-estimates/>. Social Insurance Fund income and expenditure is not part of voted expenditure but details of the SIF are included in the REV as a matter of practice.

¹⁴ Departments may, with the approval of the DPER, transfer savings on one or more subheads to meet excess expenditure on another subhead or subheads within the same Vote (but not across Votes). This is known as virement.

(broken down by current vs capital expenditure) in comparison to the previous year's estimate (and showing the annual percentage change).¹⁵ The data is not expressed as a percentage of GDP.¹⁶

1.6 Breakdown of public social spending

As part of the overall public expenditure framework, there are no tools/frameworks that provide an overview on public social spending broken down by specific population groups (e.g. per income deciles, per age groups). This information may be provided to a certain extent in other policy areas. For example, the DSP provides a detailed breakdown of the age of persons in receipt of social protection payments in its annual statistical report.

1.7 Timing and public accessibility of data

In terms of the availability of data, the Department of Finance publishes a monthly Fiscal Monitor which provides an overview of revenue and expenditure.¹⁷ This is published almost in real time.¹⁸ It shows expenditure by Department (Vote) but not in more granular detail (e.g. in relation to spending on specific schemes) and compares actual expenditure (outturn) to that planned (profile) and year-on-year. Obviously, more detailed data is available internally but, as the Monitor notes, this data is provisional and may be subject to revision.

More detailed data is available in the annual Expenditure Report published at the time of the Budget (October). Details on the projected outturn in spending for 2021 are also published at this time in the annual *Estimate of Receipts and Expenditure* (known as the White Paper). Fully audited details for 2021 expenditure will be available in the 2021 Finance Accounts and 2021 Appropriation Accounts to be published by 30 September 2022. Therefore, the data provided under the national monitoring frameworks is more timely than the requirements regarding COFOG and ESSPROS.

Individual Departments may publish more timely data. For example, DSP now publishes a quarterly statistical report which includes quarterly data on scheme numbers and expenditure.¹⁹ In general, all such data are now published on the website of the respective Department.

The audit carried out by the C&AG is normally published with some time delay. For example, the most recent report which covers public expenditure in 2020 was published in September 2021. This is then reviewed by the Oireachtas Committee of Public Accounts which publishes short reports on its examination of specific votes.

As discussed in more detail in section 2 of this report, there is no comprehensive monitoring of the *effectiveness* of public spending so it is more a question as to *whether* data on the effectiveness of public spending will be available than as to *when*.

1.8 Subnational frameworks

Social spending is administered on a centralised basis in Ireland and there are no specific subnational frameworks.

¹⁵ The Summary Tables at the front of the REV also provide some information on estimated Outturns.

¹⁶ The Department of Social Protection in its annual statistical report does present expenditure compared to GDP, GNP, GNI, inflation etc. See <https://www.gov.ie/en/publication/802ec-2020-annual-statistics-report/>

¹⁷ See <https://www.gov.ie/en/publication/19fba-the-fiscal-monitor/>

¹⁸ For example, the August 2021 issue was published on 2 September and included details to the end of August

¹⁹ The 2021 Q2 report was published in July 2021. See <https://www.gov.ie/en/collection/b08c7-quarterly-statistics/>

2 Reporting/review tools for public social spending

There is no comprehensive review of the effectiveness of public social spending, i.e. in terms of whether or not particular social objectives are met. The review of effectiveness is currently ad hoc and partial. In theory, the Spending Review might lead to a more comprehensive approach but to date it has not done so and there do not appear to be any public proposals to reform this.

The review of effectiveness may be carried out in the following ways: first as part of the overall Spending Review and/or review by IGEES; second through review by the C&AG; and third in reviews by other sources. In practice, effectiveness is considered only to a very limited extent by the existing public expenditure framework (1 and 2 above) and the main source of information on effectiveness is from sources outside this formal framework (3). Effectiveness is, in general, not formally defined and the approach varies from one study to another.

In theory, Oireachtas Committees might be involved in the review of the effectiveness of spending as part of their consideration of the Revised Estimates (or REV) or as part of their general work.²⁰

The VFM Review process might also look at the effectiveness of spending. However, it does not appear that either the Departments of Health or Social Protection have published a VFM Review, outside the context of the Spending Reviews (see below), since 2017.²¹ In 2017, DSP published a Focused Policy Assessment of JobPlus, a small employment incentive scheme. A VFM Review of nursing homes has been ongoing in the Department of Health for several years.²²

2.1 Spending Review & IGEES

The annual Spending Review forms part of a three-year process (currently 2020-22) and is managed by a high-level steering group comprised of senior officials from DPER and from across the Civil Service. This group selects areas for review. As noted in the 2021 MYER, there is 'a good degree of flexibility in respect of the methodological approach that can be employed' (Department of Public Expenditure and Reform, 2021) or, as the Parliamentary Budget Office (2019) described it, 'a lack of coherence'.

Of the 37 papers published to date under the current 2020-22 Review, seven covered issues relating to health and social protection (see below).²³ In addition, in both years there were general assessments of expenditure by all Departments (which are not included in the analysis here). The seven papers can be classified as follows (Table 1):

²⁰ However, we are not aware of any focused study of effectiveness by an Oireachtas Committee in the period 2015-2021.

²¹ The IGEES webpage makes no reference to any VFM Reviews after 2017 although it does appear that some such reviews were carried out by other Departments. See <https://igees.gov.ie/publications/expenditure-reviewandevaluation/vfmr-initiative-fpas/value-for-money-review-initiative/> but see, for example, <https://www.oireachtas.ie/en/debates/question/2019-10-22/644/> and <https://www.gov.ie/en/collection/74ba5-value-for-money-reports/>

²² See Oireachtas Committee of Public Accounts (2021, 5).

²³ <https://www.gov.ie/en/policy-information/7dc2b1-spending-review/#spending-review-papers-2020> A further paper looked at the social housing programme (Farrell and O'Callaghan, 2020).

Table 1 Social protection papers published as part of Spending Review

Year	Function	Paper	Objective
2020	Implications of policy change for future expenditure	Private Expenditure on General Practice	To provide an understanding of the opportunity cost faced by GPs over the course of the implementation of 'Universal GP Care' in Ireland.
2021	Implications of demographic change for future expenditure	Impact of Demographic Change on Health Expenditure	To provide updated estimates of the funding required to maintain 'Existing Levels of Service' to 2025 considering only demographic change.
2021	Review of cost effectiveness of scheme ²⁴	Review of High- Tech Drug Expenditure	To review the scheme
2021	Review of effectiveness of scheme ²⁵	Focused Policy Assessment of Reducing Harm, Supporting Recovery	An analysis of expenditure and performance in the area of drug and alcohol misuse.
2021	Review of expenditure trend and possible drivers	Exchequer Funding of General Practice	To review one of the largest health expenditure growth areas in recent years. The note examines drivers of expenditure in addition to the rationale and impact of discrete policy decisions and the extent to which the Covid-19 pandemic played a role.
2021	Review of policy reform options	Challenges and Strategies for Reforming Publicly Funded Pension Systems	Summarises the challenges associated with implementing such reforms and the strategies identified in recent academic literature for overcoming these.
2021	Review of household income and poverty data including impact of social transfers	An Assessment of Living Standards - Results from the 2019 Survey on Income and Living Conditions	To analyse 2019 SILC's key income, poverty and social exclusion indicators trends to explore how they have changed with the economic cycle; and to examine the impact that COVID-19 may be having on incomes and poverty using ad-hoc CSO data on the impact of COVID-19 on income and poverty metrics

So of these seven, perhaps three can be seen as actually looking at the effectiveness of two (relatively small) health schemes and one (albeit not in great detail and without any recommendations) at the impact on household incomes of social transfers. The methodology involved in these studies varies significantly and is rarely explicitly discussed in the reviews.²⁶

The Parliamentary Budget Office (2019) reviewed the 2017-19 Spending Review and found that as individual Spending Review papers did not generally provide specific policy options and as there was no ex-post review of their impact on the Budget, it was unclear how they feed into the Budget discussions. The PBO set out a number of recommendations which

²⁴ Cost effectiveness is understood as involving expenditure on drugs that offer benefits of one Quality Adjusted Life Year (QALY) per €45,000 spend or less.

²⁵ The review assesses effectiveness in terms of the achievement of the goals of the scheme but notes that 'limitations in the availability of data has constrained the conclusions that can be drawn on the progress made under each goal'.

²⁶ Sections on methodology tend to discuss issues concerning access and quality of data.

would help to show how the Review had fed into the Budgetary process but it is not clear that these issues have been addressed to date.

In addition to papers published as part of the Spending Review, IGEES also conducts a number of economic analyses. In the period from 2015, there have been 12 papers published on health issues²⁷ and eight on social protection.²⁸ The focus of these papers appears quite similar to those which are produced as part of the Spending Review, i.e. mainly looking at drivers of expenditure and implications of demographic change. Most of these studies do not appear to focus on effectiveness in any detailed manner.

Finally, DPER has established a Social Impact Assessment (SIA) which is an analytical framework to examine the demographic profile of public services users and how they are impacted by budgetary policy decisions. The framework complements existing budgetary impact assessment exercises conducted by the Departments of Public Expenditure and Reform, Finance, Social Protection and externally by the Economic and Social Research Institute (ESRI) (see below). This approach is based on a 2016 IGESS staff paper which proposed the development of a SIA framework that would build on existing practices and explore how SIA exercises might be broadened in scope specifically with regard to incorporating expenditure on public services (Lawless and Reilly, 2016).

Only 13 SIA papers have been produced to date and, of these, seven are relevant to public social spending.²⁹ These papers are produced by DPER and IGEES staff and, in some cases, staff from line Departments. However, it is not clear that most do actually look at effectiveness or social impact. For example, the SIA on the nursing home support scheme simply identifies numbers in receipt of this financial support and the characteristics of these recipients in order to generate a baseline profile of beneficiaries (Collins, 2019). Again, the distinction between these SIA papers, IGEES economic analyses and Spending Review papers is unclear.³⁰

2.2 Comptroller and Auditor General

The C&AG carries out an annual assessment of all public expenditure and publishes the conclusions in an annual report. The most recent Report on the Accounts of the Public Services covers 2020 (Comptroller and Auditor General, 2021).³¹ This covers a number of issues concerning social protection spending including 'regularity' of social welfare payments;³² management of social welfare appeals; and controls over COVID-19 payments.³³ A number of these issues were also examined in reports going back to 2015. In the health area, no specific health issues were examined in detail in the 2020 report though such issues are examined from time to time, e.g. the 2018 Report looked at the development of primary care centres.

²⁷ <https://igees.gov.ie/publications/economic-analysis/health/>

²⁸ <https://igees.gov.ie/publications/economic-analysis/social-protection/>

²⁹ <https://www.gov.ie/en/policy-information/615fe5-social-impact-assessment-framework/>

³⁰ The DPER SIA webpage states that eight of the 13 papers have been published as part of the Spending Review process though they are not all listed on the DPER Spending Review webpage.

³¹ <https://www.audit.gov.ie/en/find-report/publications/report%20on%20the%20accounts%20of%20the%20public%20services/report-on-the-accounts-of-the-public-services-2020.html>

³² In this context, regularity refers to whether expenditure has been applied for the purposes for which the money was made available by Dáil Éireann (lower house of Parliament) and whether financial transactions conform with the authorities under which they purport to have been carried out. Financial transactions are considered by the C&AG to be 'regular' when both of these conditions are satisfied.

³³ The Report also examined the Housing Assistance Payment administered by the Department of Housing, Local Government and Heritage and local authorities.

In general, these issues are discussed from the traditional C&AG's perspective of ensuring that public funds and resources are used in accordance with the law and properly accounted for rather than considering the effectiveness of spending in the sense used in this study.³⁴

In addition, the C&AG publishes a number of special reports which look at specific aspects of public spending. Since 2015, the C&AG has published 28 special reports but only one (on the nursing home support scheme) concerned the areas of health or social protection. As noted in section 1, this report considered issues such as whether applicants could access care in a timely manner but did not consider social outcomes such as the quality of care.

2.3 Other sources

Finally, there are a number of other sources which *do* look at the effectiveness of social policies. These studies are obviously not directly linked to the public expenditure framework and it is unclear how and whether their findings have an impact on expenditure decisions (particularly in relation to studies not directly commissioned by Departments).

First, Departments and other public bodies, occasionally support studies of particular issues outside the VFM review process. For example, DSP commissioned a study by a consultancy company of the impact of changes to supports for lone parents since 2012 (Indecon, 2017).³⁵ This study did look at the effectiveness of reforms, e.g. the impact on claimant incomes. The methodology included quantitative analysis of data sources; a survey of recipients; and use of econometric methodologies to estimate the marginal impact of the policy reforms. Similarly, DSP commissioned a review of local employment services (Indecon, 2018) while, in the health area, the Economic and Social Research Institute (ESRI) carried out a study of users of publicly financed dental services and levels of utilisation by age. This work was supported by the ESRI Research Programme in Healthcare Reform funded by the Department of Health. Similarly, ESRI staff (and others) looked at the impact of public hospital bed supply on patients' length of stay while and examined area-level deprivation and geographic factors influencing utilisation of general practitioner services (both studies funded by the Health Research Board).³⁶

Second, Departments sometimes use their own internal capacity to assess the effectiveness of spending. For example, DSP has produced post-Budget integrated social impact assessments of the main tax and social welfare measures for Budgets 2013 to 2022 inclusive, using the ESRI SWITCH tax-benefit model. DSP also provides an ex-ante analysis of possible social protection budget changes in the TSG paper on the social protection budget package.³⁷ This looks at the impact of different options by income quintile, household type and impact on poverty rates. Departments also carry out occasional reviews of specific schemes such as the DSP review of working family payment (Department of Social Protection, 2018)³⁸ and a review of outcomes for persons on employment schemes (Department of Social Protection, 2019).

Third, the ESRI publishes analysis of the impact of tax and welfare changes on incomes on a regular basis. This work is carried out with support from the ESRI's Tax, Welfare and Pensions Research Programme funded by the Departments of Public Expenditure and Reform; Social Protection; Health; Children and Youth Affairs; and Finance. For example, the ESRI recently published a study looking at the impact of welfare changes introduced in

³⁴ In the review of primary care centres, the Report recommended that the HSE should conduct a formal cost effectiveness comparison of the different delivery models for PCCs.

³⁵ In fact, this study was commissioned by DSP in response to a legal requirement by the Oireachtas in the Social Welfare Act 2016.

³⁶ These are just examples and there are a significant number of such studies in the health area though not all look at effectiveness. See

https://www.esri.ie/publications/browse?keywords=&authors%5Ball%5D=all&published_after&published_before&research_areas%5B71%5D=71&page=0

³⁷ See <https://assets.gov.ie/198269/850edcdb-1f8d-4821-94da-aca1b41da4b1.pdf>

³⁸ Again this was required by the Oireachtas in the Social Welfare Act 2017.

response to COVID-19 (Keane, 2021). This study used the SWITCH tax-benefit model to estimate the effectiveness of the welfare response in terms of incomes. The ESRI also provides an annual estimation of the impact of tax and welfare changes in the Budget (e.g. Doorley et al. (2020) looked at the distributional impact of tax and welfare changes in the then Budget). This looks at the impact by income quintile, income inequality and poverty rates, age, and gender.

Finally (but rather rarely) academics may examine the effectiveness of particular policy changes using data which is publicly available or provided by relevant Departments. For example, Doris et al., (2020) analysed administrative data to examine the effect of a 50% benefit cut for young unemployed claimants in Ireland during the Great Recession.

There is some overlap between these categories and, for example, academics not connected to the ESRI contribute to the health studies referred to above.

2.4 Impact of reviews

It is generally by no means clear what, if any, action is taken following the conclusions of such reviews/audits or how they feed into the Budget and expenditure process (Parliamentary Budget Office, 2019, 16). It is not easy to identify situations where public social spending has been cut down following recent reviews or where exercises concluded that certain spending categories were inadequate and expenditure in those categories was increased as a result.³⁹

There are no well-established subnational reviews.

³⁹ To take just one example, the review of High-Tech Drugs carried out as part of the current Spending Review (above) recommended a number of options for cost containment. However, the 2022 Budget speech refers only to 'a €30 million package for new drugs to ensure our citizens have access to the best high-tech drugs available globally', while the 2022 Expenditure Report refers to the paper several times but not to its impact on policy. See <https://www.gov.ie/en/speech/09ec3-statement-of-the-minister-for-public-expenditure-and-reform-michael-mcgrath-td-12-october-2021-budget-2022/> Of course, it may be that cost containment measures have been introduced but were not referenced.

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