Performance Information and the Revised Estimates for Public Services
PBO Note 25 of 2018

Key messages

» In Budget documentation (October), the focus in relation to Voted expenditure (666.6 billion in 2019) is on financial data and this is set out at a high level (programmes).

» Financial data is then presented at a lower level (subheads) in the Revised Estimates for Public Services (December). Performance data is presented at programme level.

» The relationship between financial and performance data is central to the scrutiny of the Revised Estimates for Public Services (REV).

» Scrutiny of the individual Votes in the REV can be based on the Programme Logic Model (PLM), i.e. financial inputs produce outputs which should affect outcomes. Outputs, in particular, are amenable to being used as performance targets.

» The most useful performance targets currently set out in the REV are the ‘Key High Level Metrics’. These are output targets which provide a quantification of what Departments/Agencies are aiming to produce with the monies approved by Dáil Éireann.

» The quality and comprehensiveness of these ‘Key High Level Metrics’ requires development and better links to outcome indicators.

» Overall, the financial and performance data set out in the REV could be reviewed in order to improve its usefulness.

Introduction

This Note is a primer which sets out how to approach scrutiny of the Votes set out in the REV, based on the Programme Logic Model (PLM).

Programme Logic Model

The Programme Logic Model (PLM) is frequently used in evaluating the effectiveness of expenditure programmes (see Figure 1).

The Programme Logic Model analyses expenditure, based on identifying the:

• Inputs (in terms of money and personnel) that a programme consumes;

• Outputs produced by those inputs i.e. the goods and services that the programme activities have produced;

• Outcomes i.e. the direct short-term result on the groups/individuals the programme was targeted at and the longer term impact on them.

Box 1 (over) gives an example of the Model - based on the Irish social protection system.

Figure 1 – Programme Logic Model

Box 1: Example of the Programme Logic Model

**Issue** Older people who live in poverty.

**Policy** Reduce number of older people living in poverty through means tested payments.

**Programme** Non-Contributory State Pensions.

**Inputs** Amount spent on Non-Contributory State pensions. Administration of State pension system (including processes, staff).

**Activity** Means testing of applicants. Payment of successful applicants.

**Output** Number of Non-Contributory State pensions paid.

**Result** Individuals receive State pension. Pensioners satisfied with administration of system.

**Impact** Fewer older people live in poverty.

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### Data presented in the Revised Estimates for Public Services

Financial data is complemented by performance data in the REV. This performance data is provided at a programme (not subhead) level on financial and human resources, public service activities, outputs and context and impact indicators for each Vote. The most useful information when scrutinising the REV is provided in the ‘Key outputs and Public Service Activities – Key High Level Metrics’ tables within the individual Votes:

- This gives quantitative output targets for the year of the REV in question (x), the previous year (x-1) and the year before that (x-2). It also provides the final outturn for year x-2.
- Key High Level Metrics are the quantitative output targets it is intended should be produced by the financial (and human) resources represented by the gross Voted allocations.

These output targets relate to a number of (specified) subheads in the Votes. The PBO notes that:

- There is no consistency in relation to the portion of the Vote encompassed by the output targets or the number of programmes or subheads involved;
- The quantity of output targets a programme has may be dis-proportionate to its financial allocation, i.e. programmes with large allocations may have few or no output targets and vice versa.

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### Improving the Revised Estimates for Public Services

**PBO Infographic 3 of 2018** illustrated that 40% of expenditure in REV2018 is concentrated in only 10 of the total number (676) of subheads. This concentration in a limited number of subheads has implications for how scrutiny of the Revised Estimates is carried out, i.e. output targets should be matched to an appropriate amount of expenditure that has a distinct objective. The PBO believes that there is scope for reviewing the REV with a view to making financial and performance data available in a format that would facilitate more effective scrutiny.

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### Conclusion

Using the Programme Logic Model to scrutinise Voted allocations enables us to:

- Examine the financial allocation in respect of which approval is being sought;
- Determine what financial input is producing which output;
- Track how performance is evolving over time.

By using the Programme Logic Model a discussion in relation to the outcomes produced by expending public monies can be set in a logical, accurate and accountable framework. However, the data currently set out in the REV makes the use of the PLM in scrutinising the individual Votes challenging.

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2 Public Service Performance Reports were published in respect of 2016 and 2017 which each provided outturn data covering two year periods.

3 In REV2018 an additional performance information section was added to six Votes in respect of equality. A commitment has also been made to publish climate-related expenditure in REV2019.