Public entities: an international comparative analysis
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Menu: Topics of relevance
• Agencification process (when, how and why)
• Autonomy (managerial, financial, legal)
• Interactions with parent ministries
• Consolidation patterns

On the findings of the comparative research network
• Preliminary work by the COBRA network with headquarters in University of Leuven.
• Research by COST-CRIP network between 2006-2009 (around 95 researchers).
• Publication of several books, policy recommendations and more than 60 articles and book chapters.
• Research into the agencies of 21 countries

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Agencification process (when, how and why)
• Managerialist approaches have fostered the creation of agencies in some countries, but not in most of them
• In some countries, efforts of homogenisation have fostered the creation of a particular type of agency.
• Most countries have had agencies of one of the three types for the last century at least
• None of the agency models dominates and there is no convergence to a particular model
• There are several rationales to create agencies

Is there a process to abolish agencies?
Agencification process (how) in 21 European countries

<table>
<thead>
<tr>
<th>Definition</th>
<th>Ex.</th>
<th>Number</th>
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<tbody>
<tr>
<td>Semi-autonomous organization, unit or body without legal independence but with some managerial autonomy</td>
<td>Ex: executive agencies (UK, NL, B, Rl), agency service agency (IT, A), state institution (EST), central bureaus (HUN), direct agencies (GER)</td>
<td>142-27%</td>
</tr>
<tr>
<td>Legally independent organization/ body (based on statutes) with managerial autonomy. Based on public or private law</td>
<td>Ex: public establishments (IT, POR), ZBO (NL), NDPB (UK), parastatal bodies (B), statutory bodies (not corporations: A, EST, Rl, POR) indirect agencies (GER)</td>
<td>106-20%</td>
</tr>
<tr>
<td>Private or private-law based organization established by or on behalf of the government, like a foundation or corporation, company or enterprise (government owns majority)</td>
<td>Ex: commercial companies, state-owned companies (SOC) or enterprises (SOE), and government foundations</td>
<td>62-12%</td>
</tr>
<tr>
<td>Rest</td>
<td></td>
<td>286-35%</td>
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Agencification process (how) in 6 sectors in Europe

<table>
<thead>
<tr>
<th>Activity</th>
<th>Semi-aut</th>
<th>Indep</th>
<th>&quot;Corp&quot;</th>
<th>Rest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration (statistics, driver license, vehicle registration, meteorology, land register)</td>
<td>35</td>
<td>15</td>
<td>0</td>
<td>21</td>
</tr>
<tr>
<td>Security (prosecution, prisons, police, intelligence, immigration)</td>
<td>31</td>
<td>6</td>
<td>0</td>
<td>38</td>
</tr>
<tr>
<td>Education (universities, museums, broadcasting)</td>
<td>2</td>
<td>16</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Payments (unemployment, taxes, EU subsidies, student loans, development aid)</td>
<td>20</td>
<td>4</td>
<td>5</td>
<td>19</td>
</tr>
<tr>
<td>Caraeling (housing, employment office, hospitals)</td>
<td>6</td>
<td>8</td>
<td>3</td>
<td>26</td>
</tr>
<tr>
<td>Infrastructure (railway, airport, forestry, road maintenance)</td>
<td>11</td>
<td>5</td>
<td>28</td>
<td>16</td>
</tr>
</tbody>
</table>

Agencification process (how) in 25 tasks in Europe

Topics of relevance

- Agencification process (when, how and why)
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Autonomy (managerial, financial, legal) (I):

Main features

- There is no single model of autonomy and there is no straightforward relation between...
  - The activity or name of an organization (i.e. museum) and the juridical type (semi-autonomous, independent, corporitized or direction general)
  - De jure and de facto autonomy
- As expected, many agencies have autonomy in policy implementation
- Not expected, many agencies influence policy design
Autonomy (managerial, financial, legal) (II) – Agency performance

- There is no relation between level of autonomy and performance level
- Some drivers of performance and innovation are:
  - Higher autonomy
  - Some tasks foster innovation
  - There is political support
  - The agency has sources of income

But...
- CEOs and board members of the agencies are not favourable/particularly trained to foster performance.
- Officials from parent ministry do not always have the right skills to commission work, to draft contracts or to monitor performance

How to add value to the relations between the parent ministry and the agencies?

Interactions with parent ministries

- Ministries lack in some cases...
  - Focus on the activities of the agencies (as if they were not their main tasks)
  - Skills to commission and monitor the contracts and the performance of the agencies
- In other cases, ministries exert some sort of tutelle with...
  - Focus on ex ante controls
  - Interference with daily activities of agencies
- There are some examples of using performance indicators to control agencies

Are there new forms of control?

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Consolidation patterns (I) Main features

- In the last years, many countries have...
  - Merged public entities (including ministries)
  - Abolished public entities
  - Consolidated their juridical status
  - Made compulsory (or attractive) the share of auxiliary services among agencies and ministries
- Consolidation has happened because of...
  - High budgetary costs of fragmentation
  - Too many agencies and too much variation in legal forms
  - Unclear assignment of the task (duplicity, it should be performed by another sector or level of government...)

Consolidation patterns (II) An example of the previous assessment exercise

- In the UK, an exercise to review NDPB has to consider the following options in the process...
  - Abolish? Why does the function need to continue?
  - Move out of central government? Why does central government need to deliver this function?
  - Bring In-House? Why does the function need to be delivered at arms length from Ministers?
  - Merge with another body? Are there any other areas of central government delivering similar or complimentary functions?
  - Continued delivery by a NDPB? Does the function pass at least one of the Government’s “three tests”?
    - is this a technical function (which needs external expertise to deliver);
    - is this a function which needs to be, and be seen to be, delivered with absolute political impartiality (such as certain regulatory or funding functions);
    - or is this a function which needs to be delivered independently of Ministers to establish facts and or figures with integrity.

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Sources of the presentation


- Cabinet Office (2011) Guidance on reviews of Non Departmental Public Bodies