

Performance Budgeting in the Netherlands: Beyond Arithmetic

by

Frans K.M. van Nispen and Johan J.A. Posseth*

Performance-based budgeting seems to be a promising tool for improving the management and accountability of public finances. However, its application causes many difficulties. This article briefly reviews international experience with performance-based budgeting and explores its application in the Netherlands since the late 1990s, including a case study of the Safety Programme. The focus is on transparency and the quality of the performance information. Compared to the former input budget, performance-based budgeting constitutes a major step forward. Given the many difficulties in implementing performance budgeting, it is recommendable, though, to critically revise its scope and shape.

* Frans K.M. van Nispen and Johan J.A. Posseth are affiliated with the Department of Public Administration of the Erasmus University of Rotterdam, the Netherlands.

1. Introduction

Public performance seems to be key to (re)gain people's trust in politics and in government in general these days. For almost two decades, major efforts have been made to improve the problem-solving capacity and the quality of government services and their administrations. Within public finance, one of the most important reforms during this period of “reinventing government” is the transformation from input to output budgeting. Following other OECD countries, the Dutch government launched a performance-oriented budget reform: *Van Beleidsbegroting tot Beleidsverantwoording* (VBTB). Linking policy, budget and performance should enable politicians to make better *ex ante* decisions on the allocation of the budget and to improve *ex post* accountability.

Though on paper the reforms sound promising, in practice reformers face many difficulties. Recurring problems are, among others, the formulation of (sound) objectives, getting useful performance data and linking government performance (the output) to societal impact (the outcome). The efforts to establish a performance budget in the Netherlands are no exception. According to a government-wide self-evaluation (TwK 29 949, No. 1)¹ five years after its introduction, some major improvements have been made, in particular in terms of transparency. To implement the directives on results seems to be troublesome. For the Dutch government, these difficulties were the reason for introducing the principle of “useful and relevant” embodied in a “comply or explain” clause: a department should inform Parliament about those budget items for which it does not make sense, or it is not relevant, to formulate performance indicators.

The annual review of the Dutch Court of Audit shows a comparable picture concerning the result orientation of the VBTB budgets. As these reviews focus predominantly on the availability of the information, they do not give insight on the quality of the information. In this article, we will take a look behind the figures to make a more comprehensive assessment of VBTB. We will follow two tracks. First, we will give an overall view of VBTB in practice, as it is portrayed by the government-wide evaluation and the reports of the Court of Audit. Second, we will step outside the domain of budgets into the field of monitoring reports of policy programmes. Within the policy domain, focusing on results seems to be less problematic, as evident in the great number of extensive monitoring reports and impact studies. Given the difficulties with performance budgets, questions arise as to why, for policy programmes, a results orientation is less problematic

and what we can learn from it to improve the budget. Therefore, we will further explore the information value of the monitoring reports of one of the main policy programmes of the Balkenende Cabinet(s), “Towards a safer society” (2002). What is the quality of the performance data and how does this information rank in terms of VBTB conformity? Before we start with our analysis, we will give a short history of performance budgeting reforms and the role of the OECD as a community for transferring (best) practices on budgetary reform.

The article is structured as follows. We start with a short overview of the current performance movement, arguing that the OECD has served as a platform for the distribution of the performance budgeting model as applied by the Anglo-Saxon countries (Section 2). In the late 1990s, the Dutch government launched a major reform of both the budget format and budget process. Referred to by its Dutch acronym, VBTB is geared to transparency in order to improve both *ex ante* and *ex post* control by Parliament. In addition, it is argued that it promotes efficiency, linking inputs to outputs (Section 3). The performance of VBTB is assessed using data that are collected and provided by the Court of Audit every year. At face value VBTB seems to be successful, though no assessment is made of the quality and, therefore, the reliability and validity of the performance information (Section 4). In addition, one may question the link between the components of the model and, therefore, the impact on efficiency as is illustrated by the Safety Programme that has been launched by the Dutch government to deal with threats (Section 5). We conclude that VBTB may not have met expectations and that there is still room for improvement, but that VBTB constitutes a major step forward in comparison to the old-fashioned input budget.

2. The international performance movement

The first efforts to establish a performance-based budget at a national level date from the interbellum. A couple of years after World War II, the Hoover Committee in the United States recommended that “... the whole budget should be refashioned by the adoption of a budget based upon functions, activities and projects: this we designate a ‘performance budget’” (Hoover, 1950, p. 8; Schild, 1985, p. 21). The advice of the Hoover Committee was followed in the early 1960s, when Robert McNamara, Secretary of Defense in the Kennedy administration, asked the Rand Corporation in Santa Monica to design a system that would facilitate communication between planners and “budgeteers”.

The experiment with the so-called Planning, Programming and Budgeting System (PPBS) worked well at the Department of Defense and so it was declared applicable to all federal departments and agencies. In his speech, President Johnson argued that the use of the most modern methods of programme analysis would ensure a much sounder judgment through more accurate information,

pinpointing those things that ought to be done more, spotlighting those things that ought to be done less (Williams, 1998, p. 61; Radin, 2000, p. 17). Unfortunately, it did not bring what was expected in other policy areas due to a variety of reasons, and not long afterwards PPBS was abandoned (Wildavsky, 1974, p. 206).

In retrospect, one may conclude that the relation between the components of the system was cut, but that the elements of the system survived. One of these elements was a programme structure of the budget that would not reflect an agency's organisational structure in order to promote greater co-ordination and to avoid service gaps or overlap (Downs and Larkey, 1986, p. 157). A programme-based budget should be carefully distinguished from a performance budget² but they have in common that policy or substance matters. In addition, both are geared to an improvement of effectiveness and efficiency in the public sector.

For roughly two decades, the idea of a performance-based budget has regained attention, as both economic pressure and mounting demands from citizens called for better public sector performance (OECD, 2005b). Initiated by the Anglo-Saxon countries, notably New Zealand and to a lesser degree Australia, Canada and the United States (OECD, 1997; OECD, 2005a), nowadays the performance movement is widespread. The idea is propagated, *inter alia*, through the exchange of (best) practices in international forums, such as the meeting of senior budget officials at the OECD and expert meetings (Kristensen *et al.*, 2002, p. 31). The senior budget officials of OECD countries established a network on performance and results that serves as an epistemic community, "... a network of professionals with recognized expertise and competence in a particular domain and an authoritative claim to policy-relevant knowledge within that domain or issue area" (Haas, 1992, p. 3).

One of the benefits of an epistemic community is that it can shed light on the inter-relation of issues and on the chain of events that follow from a specific policy or that might happen if no action is taken (Haas, 1992, p. 15). Though one may question the democratic legitimacy of an epistemic community, it is a widespread practice to rely on the judgment of independent expert bodies (Scharpf, 1999, p. 16), notably if:

- The mechanisms of electoral accountability are thought to be unsuited, and maybe counterproductive, for assuring policy choices that are oriented towards the public interest.
- The policy choices are characterised by a high level of technical complexity, whereas there is broad agreement on the criteria for distinguishing desirable from undesirable outcomes.
- The electorally accountable office holder may over-ride, if necessary, the judgment of independent expert bodies.

A survey on budget practices and procedures conducted by the OECD and the World Bank in 2003 reveals that only 7 out of 38 countries (18.4%) have

established a performance **budget**, i.e. performance targets set for the whole budget (OECD and World Bank, 2003). In addition, performance **information** is provided in 19 out of 38 countries (49.6%), ranging from less than 25% to more than 75% of the budget. It is only fair to note that the cut-off line between performance budgeting and providing performance information is somewhat arbitrary. Applied to the Dutch case, one may argue that VBTB constitutes a performance budget even though reporting covers 75%. In addition, a better description might be “performance-informed budgeting”, as the goal is to bring performance information to the table when political decisions are made (Hilton and Joyce, 2003, p. 403; Schick, 2003).

A closer inspection of the composition of the performance information in the budget shows that most performance targets are a combination of outcomes and outputs. In only 3 out of 37 countries (7.5%) information is given on both for **all** programmes. In addition, 9 out of 37 countries (22.5%) do so for **most** programmes and 7 out of 37 (17.5%) for **some** programmes. The rest provide only information, if any, about outcomes or outputs (OECD and World Bank, 2003).

3. Performance budgeting in the Netherlands: the VBTB

3.1. Historical background

The start of VBTB induced a sense of *déjà vu*. The first efforts to replace the input budget by an output budget date from the mid 1970s when a new provision was inserted in the Financial Law (*Comptabiliteitswet*), requiring the Dutch ministries to provide performance information “if that makes sense and is considered to be useful”. Not surprisingly, civil servants misused that phrase. Besides, performance was put into an annex to the budget. Contrary to the current efforts to generate performance information, the composition of the budget was not changed (Boorsma *et al.*, 1999, p. 26). The budget format was basically kept the same, i.e. an input budget (see Box 1).

In the late 1990s the Dutch Minister of Finance, Gerrit Zalm, considered the time ripe for re-designing the budget documents:

The time is ripe for re-designing the budget documents. This design must be modernised to enable users to better exercise their duties. The budgets and accounts must be more accessible, more manageable and readable. The main policy points are currently difficult to recognise and there is often no direct relation between the financial proposals and the underlying policy plans. In addition to insight, the promptness with which the various documents are made available can also be improved (TwK 26 573, No. 2, p. 4).

The replacement of **budget** items by **policy** articles has changed the composition and classification of the budget. The new budget of each department reads now as shown in Box 2, making intersectoral comparisons possible.

Box 1. The composition of the budget

- V). Foreign Affairs
- VI). Justice
- VII). Interior and Kingdom Relations
- VIII). Education, Culture and Science
- IX). Finance
- X). Defence
- XI). Housing, Spatial Planning and the Environment
- XII). Transport, Public Works and Water Management
- XIII). Economic Affairs
- XIV). Agriculture, Nature and Food Quality
- XV). Social Affairs and Employment
- XVI). Health, Welfare and Sports

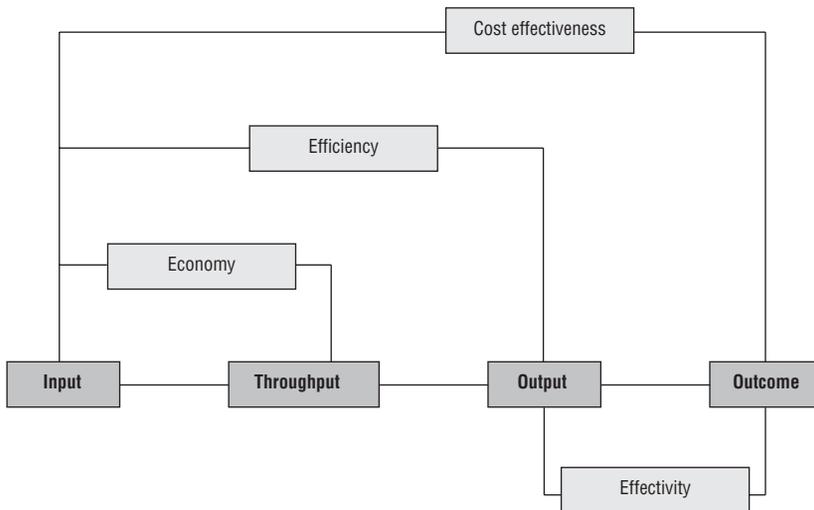
Box 2. The new budget format

- Legislative proposal
 - ❖ Budget statement
- Readers guide
- Policy paragraph
 - ❖ Policy agenda
 - ❖ Policy articles
- Management paragraph
- Agency paragraph
- In-depth appendix

As has already been said, the introduction of VBTB is primarily geared towards clarity, considered to be one of the underlying problems of performance-based budgeting (Hilton and Joyce, 2003, p. 403). Transparency is a key element of good governance. Applied to budgets it is defined as the full disclosure of all relevant information in a timely and systematic manner. As such, budgets should be comprehensive, i.e. encompassing all government revenues and expenditures. However, the enhancement of transparency is not a purpose of its own, but rather a means for assessing the necessary trade-offs between different policy options (OECD, 2001). In addition, transparency may support accountability, credibility, discipline, equity and stability (OECD, 1999). Last, but not least, performance

information contributes to the quality of democratic debate (Pollitt, 2006). Though promoting effectiveness and efficiency was not an explicit objective of VBTB, it definitely was one of the major motivations. After successes in the fields of the legitimacy and management of government spending, “[t]he use of efficiency and efficacy as guiding design and classification principles in the budget and accountability process is [...] a logical next step”, as the VBTB policy paper states (TwK 26 573, No. 1-2, p. 8). In this article we mainly focus on the information that is needed to draw conclusions about effectiveness and efficiency. The relation between inputs and outputs or outcomes is illustrated in Figure 1.

Figure 1. **A basic input/output model**



Sources: MvF, 2002, p. 18; Pollitt and Bouckaert, 2004, p. 106 (adapted).

3.2. Design

The establishment of VBTB embodies, as such, a new attempt towards output budgeting in the Netherlands. The question may be raised as to why the introduction of a performance-based budget would succeed this time. A major difference from previous efforts is that the ambitions are stronger. Whereas during the COBA period (*Commissie voor de Ontwikkeling van Beleidsanalyse*, Committee for the Development of Policy Analysis, in the 1970s and early 1980s), the performance information was seen as additional (“nice to know”) information, the budgetary rules of VBTB prescribe a more profound integration of financial and policy information (“need to know”). As can be partly deduced from the project’s name, three elements are key for VBTB:

- A closer link between budget and policy.

- A stronger connection between the budget and accounts.
- A better insight into the relation between objectives, resources and performance.

The new budget has been centered on three *ex ante* questions and three *ex post* questions (three “W questions” for the budget and three “H questions” for accountability), as shown in Table 1.³

Table 1. **The VBTB questionnaire**

<i>Ex ante</i>	<i>Ex post</i>
1. What do we want to achieve?	1. Have we achieved what we intended?
2. What steps will we take to achieve it?	2. Have we done what we should have done to achieve it?
3. What should it cost?	3. Did that cost what we had expected?

For the first “W question” a distinction is made between a **generic objective** and **specific goals**. The generic objective describes the intended impact on or consequences for the community and “ideally concerns the effects aimed at in society, also known as the final policy effects” or outcomes. Specific goals are “... intermediary effects (manageable and quantifiable effects that contribute to realising the so-called final policy effects [...] or more tangible effects that give a fair indication of the final policy effects” (TwK 26 573, No. 1-2, p. 13).⁴ To be able to assess the policy effects, ministries must provide performance information that should, preferably, be at the same level (outcome/output) as the generic objective and specific goals. If “it is entirely impossible to quantify and measure the effects aimed at [...] efforts will have to fall back on quantifying and measuring wherever possible the products to be supplied or the activities to be performed” (TwK 26 573, No. 1-2, p. 13). In 2005, the guidelines were refined by the introduction of a “comply or explain” clause. A department should inform Parliament about those budget items for which it does not make sense, or it is not relevant in its opinion, to formulate performance indicators.

3.3. Assessment of VBTB conformity

The empirical data are taken from the Court of Audit that scrutinises the budget every year for its conformity with VBTB. The findings are presented to Parliament on the third Wednesday of May, popularly known as “Wednesday, chopped meat day” (*Woensdag, gehakt dag*). It should be underscored that the Court of Audit does not check the **quality** of the information. The focus is upon the **availability** of the information.

A couple of disclaimers should be made from the start, as the method used by the Court of Audit to assess the quality of the objectives and performance is not geared towards conformity with VBTB. The objectives, for instance, are

considered to conform only if the outcome is specified in an “effect indicator” containing a target value that is measurable through a performance indicator and that is limited in time (AR, 2005a). If one of these criteria is not met, then the overall score is negative, even though the score might be positive on the other two requirements. A similar method applies for performance, the only exception being the assessment of the resources for which only one out of three questions should be answered positively. In addition, it should be underscored (again) that only the availability of performance information is checked, not the quality of the information. Consequently, the results might not give an accurate account of the actual information value of the budget.

Apart from methodological criticism, another comment concerns the interpretation of the budgetary rules. On the one hand, the criteria require that a policy article contains performance indicators that give information about the social effects. On the other hand, VBTB initially prescribed that output or outcome information is preferable, later reaffirmed with the introduction of “useful or relevant” as guiding principles concerning performance measurement. Related to this is the statement that the budget is not the sole site for performance information (MvF, 2005).⁵ As stated in the budgetary rules, the primary sources for data about effectiveness and efficiency are policy papers or periodical monitoring reports. Besides, only performance information that increases insight on the accompanying budgetary consequences is provided.

To sum up, roughly, it is fair to say that the Court of Audit’s method gives a too negative view of VBTB conformity of the budget. On the other hand, given the fact that the method does not include the quality of the information, we have to be careful when interpreting these data. Without analysing the actual information, we might draw wrong conclusions.

4. The performance of VBTB

4.1. Transparency

For a couple of years now, the budgets and accounts are published entirely in the new format. After a test period, in which the ministries could prepare for the new budgetary rules, the first complete VBTB budgets were presented in September 2001 (fiscal year 2002). According to the founding fathers of the VBTB, making the budget more policy oriented means that “... policy spearheads must indicate the main policy lines (points) at a single glance” (TwK 26 573, No. 1-2, p. 5). As far as the policy agenda is concerned, the budgets are indeed quite firm. In about 15 pages a minister describes his/her policy priorities and the financial consequences of the (new) policies. Compared to the former budget, in which a minister gave information in roughly 60 pages about the state of affairs for each policy field separately, this is quite an improvement. In addition, the policy agenda is more political as well, because of the stronger links with the coalition

agreement (*Regeerakkoord*) and the budget memorandum (*Miljoenennota*) (TwK 29 949, No. 1, p. 10). Up to now, the operation has brought some major improvements *vis-à-vis* the former input budget.

First, the access to and the insight in the budget have been clearly improved. The number of articles has been reduced substantially from approximately 800 **budget** items to 150 **policy** articles. Flexibility has been greatly increased, as a minister is now able to shift money from one budget item to another. However, one may question the impact on the *ex ante* and *ex post* control by Parliament, as there has been an increase in the level of aggregation of the information that is provided in the budget. There is a trade-off between aggregation and transparency. Information that was in the budget before is now more or less “hidden” in the in-depth appendix to the budget or only available upon request. The power of the purse is at stake here, as the Court of Audit has argued correctly (TwK 29 949, No. 4).

Second, the documents give better and more systematic insight into policy, *i.e.* objectives, performances and resources or, more generally, strengthen the attention to results and thinking in terms of outputs and outcomes in the policy cycle. However, a closer inspection of the VBTB elements reveals that departments have difficulties in the formulation of specific goals and performance indicators. In many cases they do not completely conform to VBTB. A breakdown is provided in Figure 2, taking data reported by the Court of Audit every year.

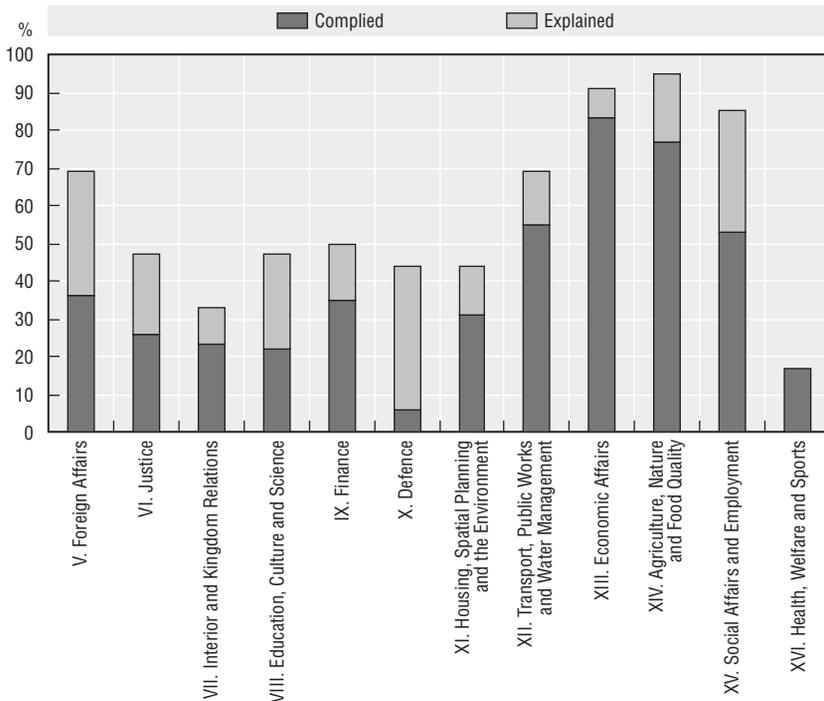
4.2. Generic objectives and specific goals

The assessment regarding the translation of generic objectives into specific goals is less positive. A breakdown is provided in Table 2 relating the number of articles (items) to the number of objectives. On average there are 10 policy articles per department, each reflecting a generic objective. In sum, there are 127 generic objectives translated into 458 specific goals, which means that basically everything is a priority and therefore practically not an objective at all (TwK 26 573, No. 1-2, p. 16). The average is 3.60 specific goals per generic objective. Besides, the number of specific goals that meet the requirements of conformity with VBTB (“tSG” in Table 2) is only 40%. Consequently it will be difficult to link these specific goals to performance indicators, even though the departments are doing better, as we will see, regarding the formulation of performance indicators.

In order to link inputs to outcomes, the generic objectives should be translated into more specific goals. At least three conditions should be met. First, the desirable outcome should be observable. A statement like the promotion of welfare of all citizens does not say much because attainment cannot be observed and, therefore, not measured. Second, a quantification of the desirable outcome is needed to measure performance. Third, it should be

clear when the desirable outcome is supposed to be attained and, therefore, the objective should be limited in time (Van Nispen, 1993, pp. 143-144; TwK 26 573, No. 1-2). To put it differently, they should be SMART, i.e. specific, measurable, acceptable, realistic and (limited in) time (Van Dijken, 2003).

Figure 2. **The VBTB conformity of objectives**
Fiscal year 2006, in percentages of the total



Source: AR, 2006a.

In sum, about 35% of the specific goals turn out to be in conformity with VBTB.⁶ In addition, for 18% of the specific goals, an explanation is given for why they do not conform. The remaining 47% of the specific goals are unclear. A breakdown of the specific goals by department reveals a wide variety in terms of conformity.

A closer inspection of the specific goals shows that the formulation of a large number of objectives is partly due to misinterpretation of the new budgetary rules. For example, on many occasions resources or activities are presented as specific goals, instead of the intended output or outcome. Another problem is the delimitation of the objectives. Many objectives are too broad (in terms of social impact) and too little distinct from other objectives (both those

within the same budget and those in the budget of other departments). As this often coincides with a minimum of information on the rationale (purpose and need) for government intervention, it is difficult to assess the why, what and how of a policy as described in a certain policy article (MvF, 2006).⁷

Table 2. The generic objectives and specific goals per budget item (budget for fiscal year 2006)

Chapter	Department	GO ¹	SG	Ratio SG/GO	tSG ²	Ratio tSG/SG
III	Prime Minister	1 (..)	4	4.00	0	0
V	Foreign Affairs	8 (3)	34	4.25	19	56
VI	Justice	7 (3)	18	2.57	6	33
VII	Interior and Kingdom Relations	12 (2)	29	2.42	7	24
VIII	Education, Culture and Science	16 (4)	54	3.38	10	19
IX	Finance	8 (2)	25	3.13	8	32
X	Defence	7 (3)	31	4.42	8	26
XI	Housing, Spatial Planning and the Environment	13 (1)	47	3.62	31	66
XII	Transport, Public Works and Water Management	8 (3)	56	7.00	27	48
XIII	Economic Affairs	8 (3)	27	3.38	22	81
XIV	Agriculture, Nature and Food Quality	7 (2)	29	4.14	13	45
XV	Social Affairs and Employment	15 (3)	38	2.53	22	58
XVI	Health, Welfare and Sports	17 (2)	66	3.88	12	18
Total		127 (31)	458	3.60	185	40

1. The number of policy items is used as a proxy for the number of generic objectives. The number of non-policy items is shown in brackets.

2. The term "tSG" means a specific goal that conforms to VBTB.

Source: Budget Memorandum 2006 (AR, 2006a).

Apart from formulating "proper" objectives, the departments have difficulties in making the intended results measurable. Each year, the Netherlands Court of Audit assesses the VBTB conformity of the budget and accounts. Considering the first "W question" in Table 1 (What do we want to achieve?), the Court states that more than half of the departments give proper information about the intended effects for less than 50% of the objectives (the so-called "W1 score"). The norm used by the Court is that the intended effect is concrete: when it is made measurable by means of a performance indicator; when a time frame is set; and when it contains an intended direction (AR, 2005a, p. 13).⁸

According to the Court of Audit, the differences between the ministries cannot be explained by differences in the characteristics of the policy fields. In principle, the policy field of the Ministry of Economic Affairs does not differ from the policy field of the Ministry of Health, Welfare and Sports. Both departments have to

accomplish community effects by steering performances of private companies (AR, 2005a, p. 17).⁹ In an official response, the government pointed out that it disagrees with the Court's assumption of "where there is a will, there is a way" (AR, 2005a, p. 45). Ever since a government-wide evaluation of VBTB, the line of reasoning is that performance measurement is not always "useful and relevant": "More important than measurable general objectives is a convincing explanation about the way in which specific goals and instruments deployed contribute to the general objective" (TwK 29 949, No. 1, p. 38). Ever since the budgetary rules in 2005 (MvF, 2005), the criteria "useful and relevant" are formal guidelines concerning performance measurement. The government thus followed its own point of view, at the expense of the recommendations of the Court of Audit. However, on the request of Parliament (motion Douma c.s.), this new adage is restrained by the principle of "comply or explain"¹⁰ (TwK 29 949, No. 11).

4.3. Performance indicators

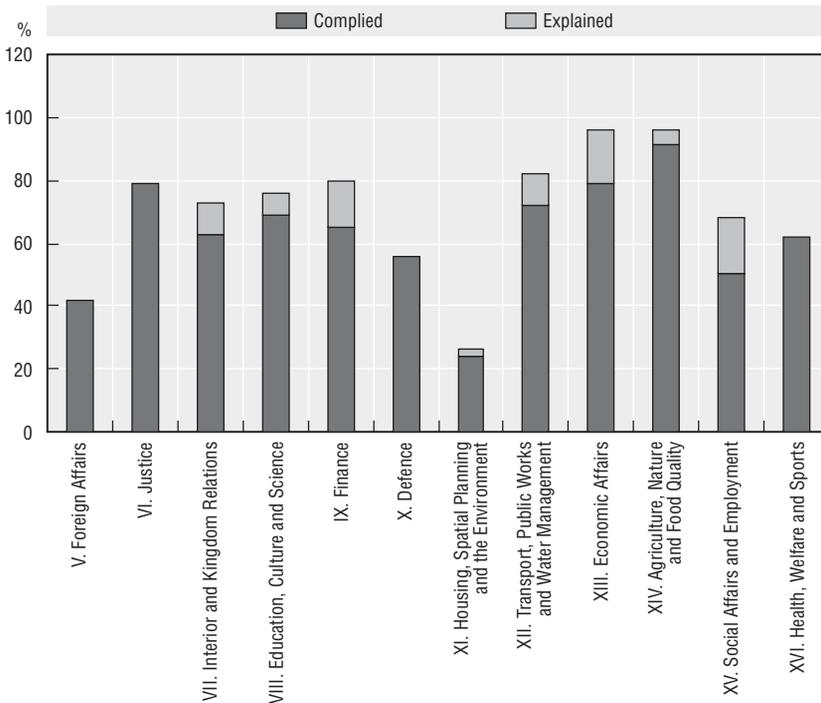
The question may be raised as to how much of the budget is covered by performance indicators. In the first half of the 1980s, coverage increased from 29.5% to 41.5% of the budget (Schild, 1985, p. 23). At the end of the century, the number of output indicators had increased to more than 65% of the budget (TwK 26 200, pp. 74-75). A closer look at the budget for FY 1999 – the last submitted by the so-called purple cabinet (Prime Minister Kok, 1992-2000) – reveals that it referred to that part of the budget "for which it is considered to be appropriate to formulate performance indicators". The coverage is shrinking to approximately 36% if we relate the performance indicators to the whole budget.¹¹

Contrary to the first "W question", the ministries do quite well regarding the second "W question", i.e. the activities (throughput) and the result of these activities (output). The number of performance indicators that meet the test covers 60% of the specific goals. Besides, an explanation is given for 6% of the specific goals, i.e. the performance indicators for 34% of the specific goals do not conform to VBTB.¹² A breakdown by department shows that the score of most departments tops the 50% mark. The only exceptions are the Ministry of Foreign Affairs (Chapter V) and the Ministry of Defence (Chapter X).

The coverage of performance indicators is overestimated and underestimated at the same time. They are overestimated because the Court of Audit, as mentioned before, has only looked at the provision of information about the target value of the performance indicator for each policy instrument. Unfortunately, the score does not say much about the quality and, therefore, reliability and validity of the performance indicators. In fact, the percentage of performance indicators that make sense is probably substantially lower than assessed by the Court of Audit in its annual report. On the other hand, the performance indicators are underestimated because a

positive score is only given if all criteria are met. In many cases, departments are doing well on two out of three questions. Unfortunately, the ratio of specific goals and performance indicators that have both met the test is unclear because the raw data are not made public.

Figure 3. **The VBTB conformity of performance indicators**
Fiscal year 2006, in percentages of the total



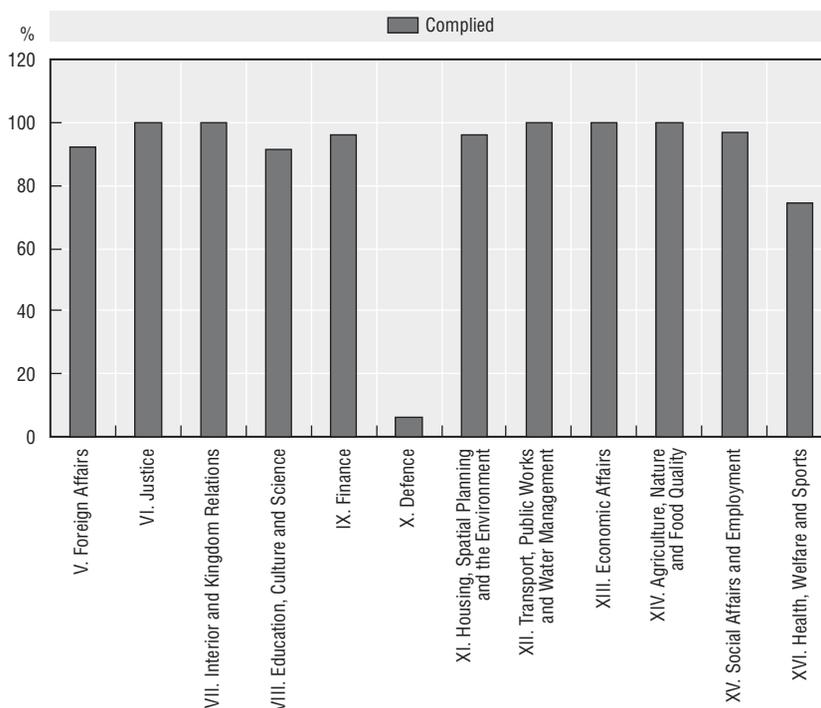
Source: AR, 2006a.

4.4. Resources

The third “W question” in Table 1 (What should it cost?) is sufficiently answered when the programme budget is related to a specific goal, reflecting the main difference with the old-fashioned input budget. However, most information about resources was already available in the old budget and, therefore, it is not a surprise that all departments are doing well with an average score of slightly more than 85%.

In addition, two questions must be answered – the budget and costs per instrument – but they are not needed for a positive score on the third “W question”. In the next paragraphs, we will apply the three “W questions” to the Safety Programme, launched by the Dutch government at the end of 2002.

Figure 4. **The VBTB conformity of resources**
Fiscal year 2006, in percentages of the total



Source: AR, 2006a.

5. The case of the Safety Programme

5.1. “Towards a Safer Society”: a bird’s eye view

For many years, public safety has been an important issue in the Netherlands. Out of 16 political objectives, most of the time people identify crime fighting and preserving order as the most important topics (SCP, 2005, p. 253). After a turbulent start of the 21st century (with, among others, the rise of international terrorism, a political murder and a general increase in crime), the first Balkenende Cabinet (set up after the elections of July 2002) decided to increase the efforts to fight crime. This resulted in a policy programme on safety entitled “Towards a Safer Society” consisting of about 150 measures to reduce crime and nuisance in the public sphere. There are two main aspects (generic objectives): 1) objective safety as it appears from official statistics; and 2) subjective safety or the “safety temperature” based on citizens’ opinions about crime and nuisance. No further distinction is made in specific goals. To implement the programme, a (relatively) large amount of additional funds is reserved, starting from EUR 340 million in fiscal year 2003 up to EUR 1 264 million

in 2008 and 2009 (TwK 28 684, No. 36, pp. 102-103). These amounts add up to the regularly available budgets for crime fighting; to give an indication, the budget for the police is approximately EUR 4 billion and about EUR 2 billion for the Department of Justice.

The monitoring reports of the Safety Programme contain different types of performance information. Twice a year Parliament is informed about the proceedings of the programme at four levels:

- The progress of the individual measures.
- The related output.
- The results (effects) concerning objective safety.
- The safety perception (subjective safety).

Progress of the measures is monitored by means of a status report that includes a description of the measures, the activities to be executed and performances to be realised, a time schedule and the state of accomplishment. In addition, Parliament is separately informed about the realised output for some activities, such as the police performances as agreed upon in performance contracts. The outcome is measured by quantification of reported offences (registered crime and nuisance rates as measured in victim and population surveys).

5.2. Generic objectives and specific goals of the Safety Programme

Initially the programme stated that, as far as objective safety is concerned, a reduction of 20 to 25% should be evident starting from 2006. After deliberation with Parliament, this was made more concrete by changing “be evident starting from 2006” into actual realisation of the intended outcome in the years 2008-10 (TwK 28 684, No. 8, p. 5). But the realisation of objectives for 50 problem areas is set for 2006 (TwK 28 684, No. 36, p. 5). For subjective safety, there is no concrete target but an ambition for “substantial improvement”. Table 3 provides an overview of the target rates.

A positive aspect is that, contrary to many general objectives in the budgets, there **are** outcome indicators for both objective and subjective safety. Though this is not sufficient for assessing the effectiveness of the programme, at least it gives insight into the general developments in the policy field. Unfortunately, however, there are no target values for subjective safety. Thus the reported performance cannot be compared with the intended performance. A second remark has to do with the time frame of objective safety. The intended results must be achieved between 2008 and 2010 and not earlier (as the ministers explicitly state – TwK 28 684, No. 8, p. 5). This is not only problematic for assessing the effectiveness of the policy programme; it also hinders parliamentary control. As the Government Spending Committee rightly states, the ministers involved have to account for the implementation of the policy as it is agreed upon with

Parliament (CRU, 2005, p. 6). Since for subjective safety there is no target value and for objective safety this value is beyond the minister's term in office, notably 2007, this is problematic. To correct this lack of accountability, the Government Spending Committee advised working with intermediate objectives (CRU, 2005, p. 6). In our opinion, introducing specific goals that are more related to the government performance (as in the budget) may indeed improve insight into the effectiveness of the programme.

Table 3. **Targets concerning objective and subjective safety**

	2002 (t = 0)	2003	2004	2005 ¹	2006 ¹	Target rate
Objective safety civilians (national)						
Actual experienced crime:						
Number of experienced crimes against property	1 477 000	1 342 000	1 340 000	1 623 000	1 518 000	Reduction of 20 to 25% in 2008-10
Number of experienced acts of violence	1 081 000	1 093 000	964 000	1 302 000	1 096 000	Reduction of 20 to 25% in 2008-10
Actual experienced nuisance and corruption:						
Serious nuisance	2.2	2.1	2.1	1.8	1.8	Substantial improvement
(Physical) corruption	3.6	3.5	3.4	3.0	2.9	Substantial improvement
Subjective safety civilians (national)						
Feelings of unsafeness:						
Often unsafe (%)	5.4	5.0	4.4	4.1	3.0	Substantial improvement
Rare/sometimes/now and then (%)	30.8	27.7	26.9	27.0	23.7	Substantial improvement

1. Because of a different measuring method, the data for years 2002-04 cannot be immediately compared with the data for 2005-06 (MvJ/BZK, 2006, p. 3).

Source: MvJ/BZK, 2006, Enclosure II, p. 62.

5.3. Performance indicators for the Safety Programme

In general little is known about the effects of Dutch safety policy, since during the last 25 years hardly any policy measure has been properly evaluated (SCP, 2005, p. 258). For this reason, it is quite remarkable that no *ex ante* research was done before formulating the new safety policy. In addition, there was no consultation with the executive organisations about the feasibility of the measures (BMC, 2005, p. 81). It is thus uncertain whether the measures will be executed as intended and on time. A further complication is that the programme makes no clear distinction between regular and new policy measures (as part of the Safety Programme). Therefore, it is impossible to determine whether the measured output and outcome are the result of existing policy or a direct consequence of the Safety Programme.

Another problem is that the monitoring reports only give performance information on an aggregate level, on the level of the measures all together. This is partly due to the fact that the ministers wanted to reduce the

(inevitable) administrative burden. Though measuring the results of all the measures (approximately 150) indeed has more costs than benefits, in our opinion the ministers were too arbitrary. By clustering similar measures around a couple of distinctive specific goals (as in the VBTB format), insight into the effects of (groups of) the measures can be drastically increased. Though, obviously, this will not reveal causal relations, it has a clear added value for policy evaluation: “If there is no unambiguous evidence for causality, the ministers should at least provide the necessary information to Parliament to judge the plausibility of the effect” (CRU, 2003, p. 4).¹³

An important source of performance data is the data derived from monitoring policy on public safety and urban policy. In particular the performance contracts with the police and the performance agreements with the 31 major cities have resulted in large amounts of performance information. The choice and quality of the indicators are under discussion, however. According to the Dutch Central Bureau of Statistics, indicators that deal with numbers of fines and numbers of suspects create perverse effects at the cost of (among others) the quality of police work and flexibility – *e.g.* to adopt national priorities and regional responses to changing circumstances (CPB, 2003, pp. 10-11).¹⁴ Another remark has to do with the target values. Concerning the performance contracts with the police (one of the key players of the Safety Programme), the Central Bureau of Statistics notes that the “government does not have the data to set the performance targets at the right level [...]” and also notes:

Back-of-the envelop calculations indicate that the targets for the number fines and charges are little ambitious – certainly given the future increase in the number of police officers. The goals for customer satisfaction may also be little ambitious since they are based on the own historical performance (“perform at least as good as you did in the past”). If the targets are set too low, the force may stop their efforts as soon as the target is reached (“satisfying behaviour”) (CPB, 2003, pp. 10-11).

A good illustration of this proposition is the performance concerning the number of fines and transactions: at the end of 2004 the target rates for 2006 were amply surpassed (the target for 2006 was an increase to 180 000; by end 2004 the number had already reached 548 000). At face value, the policy is successful; but in fact (because of the low level of the target rates) little improvement has been made.

Another bottleneck is the effect of policy changes on measurement and registration. According to the Social and Cultural Planning Office (SCP) of the Netherlands, the positive statistics of the past years are not only the result of the policy, but they are also a consequence of the introduction of performance contracts that can be manipulated for bureau-politics (SCP, 2005, p. 258). In other words, the reliability of these data is thus questionable.

5.4. Resources for the Safety Programme

Because of “complex management and distribution of responsibilities, both nationally and locally”, the “considerable investments and increase of expenditure” and the long implementation period, Parliament has requested the government (motion Cornielje) to give the Safety Programme a “large project status” (TwK 28 684, No. 6, pp. 18 and 55). This means additional requirements concerning the provision of information about the progress of the project to improve parliamentary control. In addition, the motion requested a separate programme budget (in conformity with VBTB principles) to get necessary information about objectives, resources and performance. The ministers agreed with the “large project status” under the condition that it be executed in a way that does not involve much extra paper work (TwK 28 684, No. 6, p. 60). The call for a programme budget was not answered, because it would “disrupt” the regular budgetary process too much (TwK 28 684, No. 8, p. 3). As a consequence, the different organisations involved do not separately report about the resources of the Safety Programme. Neither are resources and performance of the programme explicitly linked (TwK 28 684, No. 36, pp. 113-114). The budget of the Safety Programme is presented in Table 4.

Table 4. **The budget of the Safety Programme, FY 2003-09**

	2003	2004	2005	2006	2007	2008	2009
VI Justice	201	373	527	643	758	773	773
VII Interior and Kingdom Relations	132	206	329	421	442	443	443
Miscellaneous	7	24	43	49	49	49	49
Total	340	603	899	1 113	1 249	1 265	1 265

Source: TwK 28 684, No. 36, pp. 102-106.

In addition, in the fourth monitor report (October 2004), an overview of the budget allocation to specific goals of the Ministry of the Interior and the Ministry of Justice was presented (Table 5). With this non-recurring overview, the ministers were more clear about the cost of the Safety Programme.

5.5. VBTB conformity of the Safety Programme

In a policy brief about the interpretation of the “large project status”, the Ministers of the Interior and Justice declared that the Safety Programme will be embedded in the VBTB systematically. According to the ministers, this requires, according to the ministers, that information be supplied about what has to be achieved and when, what has to be done in terms of output and outcome, and what it will cost (TwK 28 684, No. 8, p. 4). Our analysis of the Safety Programme shows that it is geared towards VBTB but certainly not in conformity with VBTB. Table 6 expresses the information value in VBTB concepts.

Table 5. Allocation of resources according to specific goals

	2003	2004	2005	2006	2007	2008	2009
Ministry of Justice							
12.1.1. Administration of justice	20.9	52.5	42.0	39.9	49.4	49.2	49.2
12.2.1. Legal aid	4.6	9.9	18.4	25.4	33.5	33.5	33.5
13.3.2. Public Prosecutor	10.2	35.0	43.5	49.3	55.2	58.0	58.0
13.4.1/2; 15.3.1/2; 14.2.1. Enforcement of punishments	132.4	214.1	321.6	375.1	439.1	441.1	441.1
13.4.3/4 SRN (Netherlands Probation and After-Care Foundation)	10.9	25.4	43.4	63.0	78.6	82.4	82.4
14.1.4. Youth care services	20.0	23.1	39.9	69.0	75.0	75.0	75.0
Others	2.0	13.1	18.0	21.1	27.6	33.9	33.9
Total	201.0	373.1	526.8	642.8	758.4	773.1	773.1
Ministry of the Interior							
2.2. Police (capacity)	112.0	167.0	237.0	300.0	308.0	308.0	308.0
2.2. Police (quality)	20.0	37.0	63.0	81.0	95.0	95.0	95.0
2.5. Police (education)		3.0	13.0	20.0	20.0	20.0	20.0
Disaster response and fire fighting			16.0	20.0	20.0	20.0	20.0
Total	132.0	207.0	329.0	421.0	443.0	443.0	443.0

Source: TwK 28 684, No. 36, pp. 102-106.

Table 6. The VBTB conformity of the Safety Programme

"W Questions"	VBTB conformity	Insufficient
1. What do we want to achieve?	<ul style="list-style-type: none"> - Objective safety: concrete end target (improvement of 20 to 25%) - Outcome indicators for both objective and subjective safety 	<ul style="list-style-type: none"> - No targets for subjective safety - No specific goals - Quality of indicators
2. What steps will we take to achieve it?	<ul style="list-style-type: none"> - Extensive report on status of measures 	<ul style="list-style-type: none"> - No clear relation between measures and effects - No distinction between "going concern" and new policy measures - No performance indicators for most measures - Measures are not linked to specific targets
3. What should it cost?	<ul style="list-style-type: none"> - Clear insight on the total costs of the programme 	<ul style="list-style-type: none"> - No insight on the total costs of social safety policy - No insight on the costs of the individual measures

Applied to the multistage model, the programme shows mixed results on the outcome: there is quite a lot of information, but for different reasons it is unclear whether the outcome is the result of the Safety Programme. On output, there is quite a lot of data available as well, but here the main concern is the quality and relevance of the data. Concerning input, the programme is clear about the costs and the allocation of its budget to the specific goals of the Ministry of the Interior and the Ministry of Justice. Given the fact that the individual measures of the programme are not linked to these specific goals,

the information value of these budget overviews is limited, however. In sum, given the state of information on the three stages (input, output, outcome), it is difficult to assess the effectiveness and efficiency of the Safety Programme.

6. Conclusions

In recent years there have been many efforts to improve government performance. After successful operation in the field of the legitimacy and management of government spending during the 1980s and early 1990s, the national budget was dragged into the international slipstream of management reform in the public sector. The triad of objectives, performance and resources has become the new gospel for a transparent, policy-oriented and result-oriented budget and accounts in the Netherlands. VBTB has indeed improved the transparency of the annual budget: the number of budget items has been reduced; the budget format has been streamlined, making it easier to make comparisons; and policy and budget are more closely connected. The record regarding the information provided in the budget is mixed, however. On the one hand, the degree of information about the generic objectives and specific goals that conform to VBTB is low (but growing). The findings suggest that the budget is basically geared to outputs (or throughputs) rather than to outcomes. In addition, it seems that most of the departments have difficulties in making intended results measurable. On the other hand, regarding the degree of information about instruments and resources, the results are more promising (average scores of about 60% for the second “W question” and 85% for the third “W question”). However, care should be taken with these figures, as no judgment is made about the quality and therefore the reliability and validity of the performance indicators. In practice, as the case of the Safety Programme has shown, many indicators are simply not relevant or useful. Therefore, further research should be done to gain more insight into the “purpose and practice” of performance measurement. For instance, one may question whether it makes sense to formulate performance indicators for organisational units that are mainly supervisory and/or produce policy documents. The growing number of performance indicators that do not conform to VBTB, for whatever reason, suggests that only a part of the budget is appropriate for (the formulation of) performance indicators.

In addition to the quality and relevance of performance information, another aspect is the connection between the policy stages. In the case of the Safety Programme, to put it simply, there is too much space between input and outcome. The government-wide VBTB evaluation also concludes that most policy articles lack a clear policy theory that explains the connection between objectives, measures and effects. To put it differently, the supposed (causal or

plausible) relation between input and outcome is unfounded. This is not surprising, as:

... [it is] frequently the case that outcomes are only partially determined by government programmes – that there are other determining variables which are beyond the control of the managers – and that linking resources to outcomes is, therefore, to greater or lesser degree unfair (Pollitt, 2001, p. 15).

At the same time it is important, for both *ex ante* and *ex post* parliamentary control, that sufficient attention is paid to specific targets and their relation with the outcome, since these are more related to the actual performance (output/throughput) of the department(s) involved.

Apart from the information value, another aspect involves the utilisation of the information that is provided. After all, the reforms aim at performance-based **budgeting** and not just performance-based **budgets**. The literature suggests that expectations about the role of performance information in decision making are too high (Pollitt, 2006). Moreover, using the information may induce contrary or even perverse effects as departments learn to deal with performance indicators, for instance by focusing on what can be measured and leaving out what cannot be measured, and performance indicators may become obsolete over time.¹⁵ The influence of performance information depends a great deal on the institutional setting, as Schick has argued correctly: “performance budgeting can thrive only when it is embedded in managerial arrangements that make results paramount” (Schick, 2003, p. 102). If this condition is not met, the best we may get is “performance **informed** budgeting” (Hilton and Joyce, 2003, p. 403; bolding added). However, this still constitutes a major step forward in comparison with the situation that induced the development in the direction of performance budgeting. With this, we are back where we started: the function of performance (-based) budgets. According to the OECD, “[t]he performance movement is here to stay” (OECD, 2004, p. 1). The performance of VBTB, up to now, has shown that it is indeed possible to take a step forward with respect to the former input budget. More transparency may support parliamentary authorisation and control. Focussing on the information value of the budget, the current format of the VBTB is however too restrictive. Given the many difficulties in implementing performance budgeting, it is recommended to critically revise its scope and shape.

Notes

1. The Dutch Parliament uses a numerical system for official government documents. They are listed in the bibliography under “TwK”, Tweede Kamer.
2. Performance budgeting is a method for the design of a budget rather than a budget format (Schild, 1985, pp. 20-21).

3. The words “objectives”, “instruments” and “funds” could be replaced by “effects”, “performance” and “resources”.
4. “When the general policy objective offers both quantifiable and concrete points of contact for direct management and policy instruments (such as preserving the coastline), a translation into specific goals is naturally unnecessary. The general policy objectives and the specific goals then coincide” (TwK 26 573, No. 1-2, p. 13).
5. Since the 2006 budget, the Court of Audit gives an indication of the percentage of specific goals for which a minister has shown why there is no concrete performance information.
6. The coverage was 41% in FY 2005, but fell in FY 2006. At the same time the number of specific goals for which an explanation is given grew from 1% to 18%.
7. The budget of the Department of the Interior and Kingdom Relations, for instance, consists of 12 budget items of which six are geared to a more secure society without any further specification (TwK 30 300, VII, No. 2).
8. The performance indicator can be both qualitative and quantitative (AR, 2005a, p. 13).
9. It is striking that this point of view of the Court of Audit is completely different from an earlier statement of the Court in which it evaluated, as a consequence of the characteristics of some policy fields for some departments (notably the Ministries of Foreign Affairs, Defence, the Interior and Finance), the possibilities to improve performance information: “For these policy articles it seems that it is not always possible to formulate measurable performance information that is relevant enough for the intended final effect of the policy” (AR, 2002, p. 31).
10. This implies that, in principle, policy objectives should be formulated in terms of intended social effects (outcome) and accompanying performance information. Deviation from this rule is only allowed if the motivation is to conform to the “comply or explain” principle (motion Douma c.s., TwK 29 949, No. 11).
11. In the next period, performance information is no longer provided as part of the budget memorandum.
12. The number of performance indicators that conform to VBTB fell from 72% in the budget for FY 2005 to 60% in the budget for FY 2006.
13. The Minister of Justice advised against a motion of Parliament (motion Van Heemst c.s.) that requested more clear and concrete information about the “deliverables”. “It is not in the interest of public safety to endlessly produce extra paper”, according to Donner, Minister of Justice (TwK 28 684, No. 6, p. 59).
14. Recently the Dutch Minister of the Interior recognised this problem and proposed to abolish the performance agreements that involve numbers of fines.
15. The authors argue that performance indicators may be subject to what Meyer and Gupta have called a performance paradox (Meyer and Gupta, 1994; De Bruijn, 2001; Van Thiel and Leeuw, 2002; TwK 26 573, No. 70, p. 13).

References

- AR (Algemene Rekenkamer) (2002), *VBTB in begrotingen 2002* (TwK 26 573, No. 3), Den Haag.
- AR (2005a), *Staat van de beleidsinformatie 2005* (TwK 30 116, No. 2), Den Haag.
- AR (2005b), *Aanpak lokaal veiligheidsbeleid* (TwK 30 085, No. 2), Den Haag.

- AR (2006a), *Rijk Verantwoord 2005* (TwK 30 550, No. 2), Den Haag.
- AR (2006b), *Staat van de beleidsinformatie 2006* (TwK 30 558, No. 2), Den Haag.
- Blöndal, Jón R. and Jens Kromann Kristensen (2002), "Budgeting in the Netherlands", *OECD Journal on Budgeting*, Vol. 1, No. 3, pp. 43-80.
- BMC (Bestuur and Management Consultants) (2005), *Sturing van veiligheid? Sturingsmogelijkheden van de overheid verkend*, BDU Grafisch Bedrijf, Barneveld, Netherlands.
- Boorsma, P.B. et al. (1999), "Van beleidsbegroting tot beleidsverantwoording in relatie tot Beleidsanalyse en Prestatiebegroting: een vergelijking vanuit beleidsanalytisch perspectief, special over resultaatgericht begroten en verantwoorden", *Beleidsanalyse*, No. 1/2, pp. 15-28.
- CPB (Centraal Planbureau) (2003), *Performance contracts for police forces*, CPB, Den Haag.
- CRU (Commissie voor de Rijksuitgaven) (2003), *Naar een veiliger samenleving* (TwK 28 684, No. 12), Den Haag.
- CRU (2005), *Evaluatie VBTB* (TwK 29 949, No. 3), Den Haag.
- De Bruijn, H. (2001), *Prestatiemeting in de publieke sector: tussen professie en verantwoording*, Lemma, Utrecht, Netherlands.
- Downs, George W. and Patrick D. Larkey (1986), *The Search for Government Efficiency: From Hubris to Helplessness*, Temple University Press, Philadelphia, Pennsylvania, United States.
- Haas, Peter M. (1992), "Introduction: Epistemic Communities and International Policy Coordination", *International Organization*, Vol. 46, No. 1, pp. 1-35.
- Hilton, Ria M. and Philip G. Joyce (2003), "Performance Information and Budgeting in Historical and Comparative Perspective" in B. Guy Peters and Jon Pierre (eds.), *Handbook of Public Administration*, Sage Publications, London, pp. 402-412.
- Hoover, H. (1950), *Budgeting and Accounting: A Report to the Congress. Commission on Organization at the Executive Branch of Government*, McGraw-Hill, New York, United States.
- Kraan, D.J. (2005), "Rijksbegroting: het comptabel bestel", in C.A. de Kam and A.P. Ros (eds.), *Jaarboek Overheidsfinanciën 2005*, Sdu Uitgevers, Den Haag, pp. 61-79.
- Kristensen, Jens Kromann, Walter S. Groszyk and Bernd Bühler (2002), "Outcome-focused Management and Budgeting", *OECD Journal on Budgeting*, Vol. 1, No. 4, pp. 7-34.
- Meyer, J. and V. Gupta (1994), "The Performance Paradox", *Research in Organizational Behavior*, Volume 16, pp. 309-369.
- MvF (Ministerie van Financiën) (2002), *Regeling Prestatiegegevens en Evaluatieonderzoek Rijksoverheid*, Den Haag.
- MvF (2005), *Rijksbegrotingsvoorschriften*, Den Haag.
- MvF (2006), *Rijksbegrotingsvoorschriften*, Den Haag.
- MvJ/BZK (Ministerie van Justitie en Ministerie van Binnenlandse Zaken en Koninkrijksrelaties) (2004), *Naar een veiliger samenleving. Midterm review*, Den Haag, www.minbzk.nl.
- MvJ/BZK (2005a), *Jaarrapportage Veiligheid*, Artoos, Rijswijk, Netherlands.

- MvJ/BZK (2005b), *Persbericht 6^e voortgangsrapportage*, Den Haag, www.veiligheidsprogramma.nl/default.asp?id=325&template=content.htm&parent=167.
- MvJ/BZK (2005c), *Zesde voortgangsrapportage*, Programmabureau Veiligheid, Den Haag.
- MvJ/BZK (2006), *Achtste voortgangsrapportage*, Programmabureau Veiligheid, Den Haag.
- OECD (1997), *In Search of Results: Performance Management Practices*, OECD, Paris.
- OECD (1999), "Budget Presentation and Fiscal Transparency", *Focus*, No. 14, September-November, p. 4.
- OECD (2001), "OECD Best Practices for Budget Transparency", *OECD Journal on Budgeting*, Vol. 1, No. 3, pp. 7-14.
- OECD (2004), "Public Sector Modernisation: Governing for Performance", *OECD Policy Brief*, October.
- OECD (2005a), "Using Performance Information for Managing and Budgeting: Challenges, Lessons and Opportunities", GOV/PGC/SBO(2005)3, Second meeting of the OECD Network on Performance and Results, OECD, Paris.
- OECD (2005b), *Modernising Government: The Way Forward*, OECD Publishing, Paris.
- OECD and World Bank (2003), "Survey on Budget Practices and Procedures", www.oecd.org/gov/budget/database.
- Pollitt, Christopher (2001), "Integrating Financial Management and Performance Management", *OECD Journal on Budgeting*, Vol. 1, No. 2, pp. 7-37.
- Pollitt, Christopher (2006), "Performance Information for Democracy: The Missing Link?", *Evaluation*, Vol. 12, No. 1, pp. 38-55.
- Pollitt, Christopher and Geert Bouckaert (2004), *Public Management Reform. A Comparative Analysis*, Oxford University Press, Oxford/New York (2nd edition).
- Radin, Beryl A. (2000), *Beyond Machiavelli, Policy Analysis Comes of Age*, Georgetown University Press, Washington DC.
- Scharpf, Frits W. (1999), *Governing in Europe: Effective and Democratic?*, Oxford University Press, Oxford, United Kingdom.
- Schick, Allen (2003), "The Performing State: Reflection on an Idea Whose Time Has Come but Whose Implementation Has Not", *OECD Journal on Budgeting*, Vol. 3, No. 2, pp. 71-103.
- Schild, J.A. (1985), "De ontwikkeling van de prestatiebegroting", *Beleidsanalyse*, No. 1-2, pp. 20-27.
- SCP (Sociaal Cultureel Planbureau) (2005), *De sociale staat van Nederland 2005*, SCP, Den Haag.
- TwK (Tweede Kamer) (1973-74), *Memorie van Toelichting bij de Comptabiliteitswet* (TwK 13 037, No. 1), Den Haag.
- TwK (1998-99a), *Nota over de toestand van 's Rijks financiën (Miljoenennota)* (TwK 26 200, No. 1), Den Haag.
- TwK (1998-99b), *Van Beleidsbegroting tot Beleidsverantwoording* (TwK 26 573, No. 1-2), Den Haag.
- TwK (2002-03a), *Vaststelling van de begroting van het Ministerie van Binnenlandse Zaken en Koninkrijksrelaties* (TwK 28 600, VII, No. 5), Den Haag.
- TwK (2002-03b), *Naar een veiliger samenleving* (TwK 28 684, No. 1), Den Haag.

- TwK (2002-03c), *Naar een veiliger samenleving* (TwK 28 684, No. 3), Den Haag.
- TwK (2002-03d), *Naar een veiliger samenleving* (TwK 28 684, No. 6), Den Haag.
- TwK (2002-03e), *Naar een veiliger samenleving* (TwK 28 684, No. 8), Den Haag.
- TwK (2002-03f), *Naar een veiliger samenleving* (TwK 28 684, No. 12), Den Haag.
- TwK (2004-05a), *Naar een veiliger samenleving* (TwK 28 684, No. 36), Den Haag.
- TwK (2004-05b), *Evaluatie VBTB* (TwK 29 949, No. 1), Den Haag.
- TwK (2004-05c), *Evaluatie VBTB* (TwK 29 949, No. 4), Den Haag.
- TwK (2004-05d), *Evaluatie VBTB. Motie van het lid Douma c.s.* (TwK 29 949, No. 11), Den Haag.
- TwK (2005-06), *Vaststelling van de begroting van het Ministerie van Binnenlandse Zaken en Koninkrijksrelaties* (TwK 30 300, VII, No. 2), Den Haag.
- Van Dijken, J.A. (2003), "Zijn doelstellingen SMART?", in *Van Beleidsbegroting tot Beleidsverantwoording: Een kritische evaluatie*, IOO, Zoetermeer, Netherlands.
- Van Nispen, Frans K.M. (1993), *Het dossier Heroverweging*, Eburon, Delft, Netherlands.
- Van Schoten, E.M.A. (2003), "De VBTB begrotingen 2003: papieren tijger of groot succes?", in *Van Beleidsbegroting tot Beleidsverantwoording: Een kritische evaluatie*, IOO, Zoetermeer, Netherlands.
- Van Thiel, Sandra and Frans L. Leeuw (2002), "The Performance Paradox in the Public Sector", *Public Performance and Management Review*, Vol. 25, No. 3, pp. 267-281.
- Wildavsky, Aaron (1974), *The Politics of the Budgetary Process*, Little, Brown and Company, Boston, Massachusetts, United States.
- Williams, Walter (1998), *Honest Numbers and Democracy*, Georgetown University Press, Washington DC.

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where the governments of 30 democracies work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD member countries are: Australia, Austria, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The Commission of the European Communities takes part in the work of the OECD.

OECD Publishing disseminates widely the results of the Organisation's statistics gathering and research on economic, social and environmental issues, as well as the conventions, guidelines and standards agreed by its members.

This work is published on the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of the Organisation or of the governments of its member countries.

© OECD 2007

No reproduction, copy, transmission or translation of this publication may be made without written permission. Applications should be sent to OECD Publishing rights@oecd.org or by fax 33 1 45 24 99 30. Permission to photocopy a portion of this work should be addressed to the Centre français d'exploitation du droit de copie (CFC), 20, rue des Grands-Augustins, 75006 Paris, France, fax 33 1 46 34 67 19, contact@cfcopies.com or (for US only) to Copyright Clearance Center (CCC), 222 Rosewood Drive Danvers, MA 01923, USA, fax 1 978 646 8600, info@copyright.com.
