

Uniform Government Grants

An innovation from the Netherlands to improve government grants by making them more uniform and with proportional accountability requirements.

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Organisation: Ministry of Finance

Country: Netherlands

Level of government: Central government

Sector: General public services

Type: Financial Resources, Organisational Design

Launched in: 2010

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Description

The uniform and proportional accountability requirements for government grants consists of:

- Three standard procedures for implementation and accounting by the beneficiary depending on the amount of payment.
 - Harmonised and simplified definitions and obligations (e.g. time limits, payments in advance, calculations, reporting).
 - Uniform prevention policy (malpractice).
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Why the innovation was developed

Under the rules and procedures until 2010, the accountability requirements for all grants were the same regardless of the amount of money involved. These requirements and the lack of standardisation excessively raised administrative costs for both the government and the beneficiaries.

Objectives

Enhance transparency, Improve effectiveness, Improve efficiency

- Simplification and harmonisation.
 - Reduced control rate and smarter accountability.
 - Less bureaucracy, less administrative burden.
 - Less errors, less implementation costs.
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Main beneficiaries

Academia, Businesses, General population, Government bodies, Government staff, Students

All beneficiaries of government grants, in particular the smaller beneficiaries.

Results

Efficiency

Initial research showed an overall estimated reduction for:

- Beneficiaries $\pm 30\%$
 - National authorities $\pm 20\%$
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Evaluation

The first evaluation took place in 2012. One of the results was that all rules & laws were adjusted.

<https://zoek.officielebekendmakingen.nl/dossier/31865/blg-243972?resultIndex=4&sorttype=1&sortorder=4>

Development

Design

The innovative practice was initiated and developed by the Ministry of Finance for implementation in other government organisations.

Design time: 18 months

Testing

A successful pilot in the field of education (at universities) was conducted.

Testing time: 24 months

Implementation

Tools used:

- A uniform framework of rules was developed. All ministries were involved in this.
 - The new rules were laid down in instructions for regulation.
 - Implementation in all ministries and public arm's length and independent agencies.
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Diffusion

Local governments have adopted and implemented the framework of rules.

After the framework was developed, these organisations showed interest in adopting the framework. Our organisation provided them with all available information and encouraged the adoption of the framework.

Challenges and solutions

After the new regulation took effect, there were still 600 old/existing rules that had to be changed before January 2012. Each ministry was responsible for the adjustment of their own rules and laws. The agreement was that all the rules and laws would be adjusted within two years.

Partnerships

All ministries

Other Public Sector

A uniform framework of rules was developed. All ministries were involved in the development of a uniform framework of rules, so the best practices of ministries could be incorporated. The implementation took place in all ministries as well.

Lessons Learned

Lessons Learned

Balancing the wish to involve all parties with different interests and keeping the project on schedule was difficult.

Conditions for success

- Reduce the number of parties involved in the phase of conceptualisation, but keep all interested parties well informed.
- Invest in political support at an early stage.