

International Budget Project
OPEN BUDGET QUESTIONNAIRE

UNITED KINGDOM

October 2005

International Budget Project
Center on Budget and Policy Priorities
820 First Street, NE
Suite 510
Washington, DC 20002
www.internationalbudget.org

This questionnaire was completed by:

Name: JOACHIM WEHNER
Organization: LONDON SCHOOL OF ECONOMICS
GOVERNMENT DEPARTMENT
Address: Houghton Street
London WC2A 2AE
United Kingdom
Telephone: (+44 0) 20 7955 6422
E-mail: j.h.wehner@lse.ac.uk
Internet Website: www.lse.ac.uk/government

International Budget Project OPEN BUDGET QUESTIONNAIRE UNITED KINGDOM

Section One: The Availability of Budget Documents	4
Table 1. Budget Year of Documents Used in Completing the Questionnaire	5
Table 2. Internet Links for Key Budget Documents.....	6
Table 3. Distribution of Documents Related to the Executive’s Budget Proposal.....	8
Table 4. Distribution of the Enacted Budget and Other Reports	10
Section Two: The Executive’s Budget Proposal	11
Estimates for the Budget Year and Beyond.....	12
Estimates for Years Prior to the Budget Year.....	21
Comprehensiveness.....	30
The Budget Narrative & Performance Monitoring.....	38
Additional Key Information for Budget Analysis & Monitoring.....	43
Section Three: The Budget Process	50
Executive’s Formulation of the Budget	51
Legislative Approval of the Budget.....	55
Executive’s Implementation of the Budget.....	60
Executive's Year-End Report and the Supreme Audit Institution	69

Section One: The Availability of Budget Documents

Table 1. Budget Year of Documents Used in Completing the Questionnaire

Please indicate the budget year of the document used to complete the questionnaire. If the document is not available to the public, please state, "Not Available."

Budget Documents Used in Completing the Questionnaire	
<i>As explained in the guide to the questionnaire, documents from a variety of fiscal years are referred to throughout the questionnaire. Please indicate below for which fiscal year responses to questions relating to each report or experience were based on.</i>	
	Budget Year Used
Pre-Budget Statement	2004
Budget Summary	2005
Executive's Budget Proposal	2005
Supporting Budget Documents	2005/2004
Citizens Budget	2005
Enacted Budget	2005
In-Year Reports	October 2005
Mid-Year Report	2004
Year-End Report	2005
Audit Report	2003-04

Table 2. Internet Links for Key Budget Documents

Please provide the Internet link for the document, or indicate one of these three answers: “Not Produced,” “Produced but Not Available to the Public,” “Publicly Available, but Not on the Internet.”

Budget Document	Website
Pre-Budget Statement	http://www.hm-treasury.gov.uk/pre_budget_report/prebud_pbr04/prebud_pbr04_index.cfm
Budget Summary	http://www.hm-treasury.gov.uk/budget/budget_05/bud_bud05_speech.cfm http://budget2005.treasury.gov.uk/
Executive's Budget Proposal	Entire Budget Proposal http://www.hm-treasury.gov.uk/media/B5B/80/bud05_completereport_147.pdf (also available in parts at http://www.hm-treasury.gov.uk/budget/budget_05/budget_report/bud_bud05_report.cfm) Budget Proposal by chapters http://www.hm-treasury.gov.uk/budget/budget_05/bud_bud05_index.cfm
Supporting Budget Documents	http://www.hm-treasury.gov.uk/budget/budget_05/bud_bud05_index.cfm Also: http://www.hm-treasury.gov.uk/budget/budget_05/assoc_docs/bud_bud05_adindex.cfm The Spending Review provides for medium-term planning, and thus context for the Budget. The current Spending Review documents appropriate for the 2005 Budget is available at: http://www.hm-treasury.gov.uk/spending_review/spend_sr04/report/spend_sr04_repindex.cfm http://www.hm-treasury.gov.uk/budget/budget_04/bud_bud04_index.cfm
Citizens Budget	http://budget2005.treasury.gov.uk/ http://www.hm-treasury.gov.uk/budget/budget_05/bud_bud05_regionalleaflets.cfm
Enacted Budget	http://www.opsi.gov.uk/acts/acts2005/50021--a.htm#5 Cover and Contents page: http://www.opsi.gov.uk/acts/acts2005/20050021.htm Supply estimates, published at the beginning of the year for each

	<p>department: http://www.hm-treasury.gov.uk/documents/public_spending_and_services/parliamentary_sapply_estimates/main_sup_estim_2005-6.cfm (estimates pub May 2005) The supplementary budgetary information by department is available at: http://www.hm-treasury.gov.uk/documents/public_spending_and_services/parliamentary_sapply_estimates/supp_bud_info_2005-06.cfm</p>
In-Year Reports	<p>http://www.hm-treasury.gov.uk/newsroom_and_speeches/press/2005/press_natstatsjuly_05.cfm</p> <p>Public Finances Databank available at: http://www.hm-treasury.gov.uk/economic_data_and_tools/finance_spending_statistics/pubs_ec_finance/psf_statistics.cfm</p>
Mid-Year Review	<p>http://www.hm-treasury.gov.uk/newsroom_and_speeches/press/2005/press_natstatsjuly_05.cfm</p>
Year-End Report	<p>http://www.hm-treasury.gov.uk/media/172/47/pesa2005_complete.pdf</p>
Audit Report	<p>http://www.nao.org.uk/publications/index.htm</p> <p>Audit of assumptions for 2005 Pre-Budget report: http://www.nao.org.uk/publications/nao_reports/05-06/0506707.pdf</p>
Other Documents	<p>See comment/citation for individual questions.</p>
Relevant Ministries & Departments	<p>See comment/citation for individual questions.</p>

Table 3. Distribution of Documents Related to the Executive’s Budget Proposal

DISTRIBUTION OF BUDGET DOCUMENTS						
<i>For the following reports, place “Yes” in the appropriate row below to indicate if the report is:</i>						
	Pre-budget	Executive’s Budget Proposal				Citizens budget ¹
		Main document	Budget summary* ²	Supporting Document 1	Additional Document 2	
A. Not produced, even for internal purposes						
B. Produced for internal purposes, but not available to the public						
C. Produced and available to the public, but only on request						
D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)	Yes	Yes	Yes	Yes	Yes	Yes
<i>For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them? For each characteristic, mark “Yes” if yes, “No” if no, or “NA” if Not Available.</i>						
	Pre-budget	Executive’s Budget				Citizens budget ³
		Main document	Budget summary*	Supporting Document 1	Additional Document 2	
1. The release date is known at least one month in advance ⁴	No	No	No	No	No	No
2. Advance notification of release is sent to users, media ⁵	No	No	No	No	No	No
3. Released to public same day as official release to media	Yes	Yes	Yes	Yes	Yes	Yes
4. Available on the Internet free of charge	Yes	Yes	Yes	Yes	Yes	Yes
5. Free print copies available, limited distribution	No	No	Yes	No	No	Yes
6. Free print copies available, mass distribution	No	No	No	No	No	No

¹ There are 12 regional leaflets which outline the impact of the budget at a regional level.

² There is a summary leaflet, and the budget speech.

³ There are 12 regional leaflets which outline the impact of the budget at a regional level.

⁴ Dates for the budget and the pre-budget report are announced by the Chancellor in the Commons. Peer Reviewer ONE Comment: There is a general expectation for the pre-budget and budget statements to be announced and released, but the specific date for this is often not known until a month beforehand.

⁵ There is a series of press releases on budget day. All Treasury press releases are available here: http://www.hm-treasury.gov.uk/newsroom_and_speeches/press/press_index.cfm

7. Readily available outside capital and/or big cities ⁺	Yes	Yes	Yes	Yes	Yes	Yes
8. Written in more than one language	No	No	Yes ⁶	No	No	Yes ⁷
9. News conference is held to discuss release	No	No	No ⁸	No	No	No

*A budget summary should be a stand-alone document, which could include a budget speech or a separately published executive summary.

⁺Mark "Yes" if access by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

⁶ Braille and Welsh versions of the budget summary leaflet are available upon request.

⁷ Available in Welsh.

⁸ Peer Reviewer ONE Comment: There is a televised budget statement by the Chancellor, and separately by representatives of opposition parties.

Table 4. Distribution of the Enacted Budget and Other Reports

DISTRIBUTION OF ENACTED BUDGET AND OTHER REPORTS					
<i>For the following reports, place a “Yes” in the appropriate row below to indicate if the report is:</i>					
	Enacted budget	In-year reports	Mid-year review	Year-end report	Audit report
A. Not produced, even for internal purposes					
B. Produced for internal purposes, but not available to the public					
C. Produced and available to the public, but only on request					
D. Produced and distributed to the public (for example, in libraries, posted on the Internet.)	Yes	Yes	Yes	Yes	Yes
<i>For budget reports that are produced and distributed to the public, what steps does the executive take to distribute these reports and to promote interest in them? For each characteristic, mark “Yes” if yes, “No” if no, or “NA” if Not Available.</i>					
	Enacted budget	In-year reports	Mid-year review	Year-end report	Audit report
1. The release date is known at least one month in advance	No	No	No	No	No
2. Advance notification of release sent to users, media	No	No	No	No	No
3. Released to public same day as official release to media	Yes	Yes	Yes	Yes	Yes
4. Available on the Internet free of charge	Yes	Yes	Yes	Yes	Yes
5. Free print copies available, limited distribution	No	No	No	No	No
6. Free print copies available, mass distribution	No	No	No	No	No
7. Readily available outside capital/big cities ⁺	Yes	Yes	Yes	Yes	Yes
8. Written in more than one language	No	No	No	No	No
9. News conference is held to discuss release	No	No	No	No	No

⁺Mark “Yes” if access is available by mail order or by Internet, if Internet service is readily available outside the capital and/or big cities.

Section Two: The Executive's Budget Proposal

Notes on abbreviations:

BY = budget year (year for which the budget proposals are being made)

BY+1 = one year beyond the budget year

BY-1 = one year before the budget year

Please mark your answer by placing the appropriate letter in the box to the right of the question. For all answers marked “not applicable/other,” please provide a brief explanation indicating either why the answer choices provided are not applicable or why another response would be more appropriate.

The Executive’s Budget Proposal	
Estimates for the Budget Year and Beyond	
<p>1. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <p style="margin-left: 40px;">a. All expenditures are classified by administrative unit. b. Expenditures are classified by administrative unit, but some small units are not shown separately. c. Expenditures are classified by administrative unit, but a significant number of units are not shown separately. d. No expenditures classified by administrative unit are presented. e. Not applicable/other (please comment).</p> <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Table C13, Departmental Expenditure Limits (administrative units within broad departmental groupings), available at: http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf and Parliamentary Supply Estimates (individual admin unit shown), available at: http://www.hm-treasury.gov.uk/media/0A5/42/main_est_2005_sec04.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>2. Does the executive’s budget or any supporting budget documentation present expenditures for the budget year that are classified by functional classification?</p> <p style="margin-left: 40px;">a. All expenditures are classified by functional classification, and the categorization is compatible with international standards. b. All expenditures are classified by functional classification, but the categorization is not compatible with international standards. c. Some, but not all, expenditures are classified by function. d. No expenditures classified by function are presented. e. Not applicable/other (please comment).</p> <p><u>Citation and/or comment:</u> Refer to EFSR (Economic and Fiscal Strategy Report) Chart 1.1., Government Spending by Function, available at: http://www.hm-treasury.gov.uk/media/AA7/2A/bud05_chap01_284.pdf. For a discussion of UK adaptation of COFOG, see http://www.hm-treasury.gov.uk/economic_data_and_tools/finance_spending_statistics/pes_function/function.cfm.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>3. Does the executive's budget or any supporting budget documentation present expenditures for the budget year that are classified by economic classification?</p> <ol style="list-style-type: none"> All expenditures are classified by economic classification, and the categorization is compatible with international standards. All expenditures are classified by economic classification, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by economic classification. No expenditures classified by economic classification are presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Table C22, General Government Transactions by Economic Category, available at: http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>4. Does the executive's budget or any supporting budget documentation present expenditures for individual programs for the budget year?</p> <ol style="list-style-type: none"> Program-level data are presented for all expenditures. Program-level data are presented for at least two-thirds of, but not all, expenditures. Program-level data are presented, but for less than two-thirds of expenditures. No program-level data are presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Parliamentary Supply Estimates contain program-level data, see: http://www.hm-treasury.gov.uk/media/0A5/42/main_est_2005_sec04.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>5. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for a multi-year period (at least two years beyond the budget year)?</p> <ol style="list-style-type: none"> Yes, multi-year estimates of aggregate expenditure are presented. No, multi-year estimates of aggregate expenditure are not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Table C4, Current and Capital Budgets, available at: http://www.hm-treasury.gov.uk./media/AA7/AD/bud05_chapc_252.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>6. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <ol style="list-style-type: none"> Yes, multi-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative). Yes, multi-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs. Yes, multi-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs. No, multi-year estimates are presented for aggregate expenditure only, or they are not presented at all. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Departmental Reports that detail spending plans are tabled with the Main Estimates. The following is an example from the Department for International Development Departmental Report 2005, Annex 1: http://www.dfid.gov.uk/pubs/files/departmental-report/2005/Annexes-bcov.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u> [in addition to the above] However, despite more detailed information available in departmental reports, they are not always clearly connected with the spending targets (Public Service Agreements - PSAs) for departments. For example, PSA 9 to make measurable progress in promoting gender equality across government is not clearly associated with an expenditure heading. Instead, it is captured in the heading 'maximizing potential in the workplace', as many of the sub-targets are employment related. This can make it difficult in certain cases to link expenditure according to stated government spending goals. http://www.dti.gov.uk/expenditureplan/report2005/pdfs/annex_a.pdf</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>7. Does the executive's budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the budget year?</p> <ol style="list-style-type: none"> All sources of tax revenue are identified individually. Sources of tax revenue amounting to at least two-thirds of, but not all, tax revenues are identified individually. Sources of tax revenue amounting to less than two-thirds of all tax revenues are identified individually. No sources of tax revenue are identified individually. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Table C8, Current Receipts, available at: http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>8. Does the executive's budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the budget year?</p> <ol style="list-style-type: none"> a. All sources of non-tax revenue are identified individually. b. Sources of non-tax revenue amounting to at least two-thirds of, but not all, non-tax revenues are identified individually. c. Sources of non-tax revenues amounting to less than two-thirds of all non-tax revenue are identified individually. d. No sources of non-tax revenues are identified individually. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Table C8, Current Receipts (limited data on non-tax revenue, e.g., Section C56, 'Other Receipts,' indicates there are no data on 350+ public corporations), available at: http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf The Main Estimates by department contain a breakdown of departmental receipts, available at http://www.hm-treasury.gov.uk/documents/public_spending_and_services/parliamentary_supply_estimates/main_sup_estim_2005-6.cfm e.g.: http://www.hm-treasury.gov.uk/media/0A4/5A/main_est_2005_25_DTI.pdf</p> <p><u>Peer Reviewer ONE Comment:</u> Response "b" confirmed. There is no breakdown of non-tax revenues in the main documents. The clearest breakdown is provided by department in the notes to the main estimates by department referred to does not always break down income by grants, property income etc. PESA tables (http://www.hm-treasury.gov.uk/media/172/47/pesa2005_complete.pdf) table 7.2, p.81, show non-tax income of public sector corporations, but this is a small proportion of non-tax income.</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>
<p>9. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of revenue presented for a multi-year period (at least two years beyond the budget year)?</p> <ol style="list-style-type: none"> a. Yes, multi-year estimates of aggregate revenue are presented. b. No, multi-year estimates of aggregate revenue are not presented. c. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Table C9, Current Receipts as a Proportion of GDP, available at: http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>10. In the executive’s budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover a multi-year period (for at least two years beyond the budget year)?</p> <ul style="list-style-type: none"> a. Yes, multi-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax). b. Yes, multi-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue. c. Yes, multi-year estimates are presented, but only for some individual sources of revenue. d. No, multi-year estimates are presented for aggregate revenue only, or they are not presented at all. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Table C9, Current Receipts as a Proportion of GDP, available at: http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>11. Does the executive’s budget or any supporting budget documentation present data on the total government debt outstanding for the budget year?</p> <ul style="list-style-type: none"> a. Yes, the data reflect the outstanding debt both at the start of the budget year and at the end of the budget year (and thereby reflect the net borrowing requirement of the budget). b. Yes, the data reflect the outstanding debt at the end of the budget year. c. Yes, the data reflect the outstanding debt at the start of the budget year. d. No, data on the outstanding debt are not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Table C2, Fiscal Balances Compared w/ Budget 2004 & 04 Pre-budget Report, available at: http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf Also refer to EFSR (Economic and Fiscal Strategy Report), Chapter 2, available at: http://www.hm-treasury.gov.uk/media/AA7/12/bud05_chap02_284.pdf Table 2.4, p.30.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>12. Does the executive's budget or any supporting budget documentation present interest payments on the debt for the budget year?</p> <ul style="list-style-type: none"> a. Yes, interest payments on the debt are presented. b. No, interest payments on the debt are not presented. c. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Debt and Reserves Management Report 2005, available at: http://www.hm-treasury.gov.uk./media/CF3/2F/DMO2005amend.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>13. Does the executive's budget or any supporting budget documentation present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, currency denomination of the debt, or whether it is domestic and external debt) for the budget year?</p> <ul style="list-style-type: none"> a. Yes, extensive information related to the composition of government debt is presented. b. Yes, key additional information is presented, but some details are excluded. c. Yes, some additional information is presented, but it lacks important details. d. No, additional information related to the composition of government debt is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Debt and Reserves Management Report 2005, Chapter 2, Size and Composition of UK Government Debt in 2004-05 (released by HM Treasury on the same date as the Budget), available at: http://www.hm-treasury.gov.uk./media/CF3/2F/DMO2005amend.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>14. Does the executive’s budget or any supporting budget documentation present the macroeconomic forecast upon which the budget projections are based?</p> <ul style="list-style-type: none"> a. Yes, an extensive discussion of the macroeconomic forecast is presented, and key assumptions (such as inflation, real GDP growth, unemployment rate, and interest rates) are stated explicitly. b. Yes, the macroeconomic forecast is discussed and most of the key assumptions are stated explicitly, but some details are excluded. c. Yes, there is some discussion of the macroeconomic forecast (and/or the presentation of key assumptions), but it lacks important details. d. No, information related to the macroeconomic forecast is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to EFSR (Economic and Fiscal Strategy Report), Chapter 2, available at: http://www.hm-treasury.gov.uk/media/AA7/12/bud05_chap02_284.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
--	---

15. Does the executive's budget or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget (including expenditures, revenues, and debt)?

- a. Yes, extensive information on the impact of macroeconomic assumptions on the budget is presented, including both a narrative discussion and quantitative estimates.
- b. Yes, information is presented, highlighting the impact of the major macroeconomic assumptions, but some details are excluded.
- c. Yes, some information is presented, but it lacks important details.
- d. No, information on the impact of different macroeconomic assumptions on the budget is not presented.
- e. Not applicable/other (please comment).

b

Citation and/or comment:

The researcher's response to this question was "b." Limited information on sensitivity to macroeconomic developments of public finances in the medium term is presented in the EFSR (Economic and Fiscal Strategy Report) 2005, Chart 2.8, available at:

http://www.hm-treasury.gov.uk/media/AA7/12/bud05_chap02_284.pdf

Longer term projections are subjected to extensive sensitivity analysis: 'Long-term public finance report: an analysis of fiscal sustainability,' December 2004

http://www.hm-treasury.gov.uk/media/8F5/85/pbr04long-term_473.pdf

Peer Reviewer ONE Comment: I think the response should rather be "c" than "b." The government clearly does extensive sensitivity analysis, but this is not presented within the budget information. The sensitivity analysis that is presented does not go into the impact of different assumptions to any great extent. The long-term public finance report is not part of the budget process, so I'm not sure this is an appropriate reference.

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer "b" to maintain the consistency of the data across the countries.

<p>16. Does the executive’s budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect expenditures?</p> <ul style="list-style-type: none"> a. Yes, extensive information on the impact of policy proposals on expenditures is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the impact of key policy proposals on expenditures, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on the impact of policy proposals on expenditures is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Chapter A, available at: http://www.hm-treasury.gov.uk/media/AA7/7A/bud05_chapA_146.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u> In addition to being summarized in the above section of the budget, new policy proposals are highlighted throughout the full narrative document in bold and color.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>17. Does the executive’s budget or any supporting budget documentation present information for at least the budget year that shows how policy proposals in the budget, as distinct from existing policies, affect revenues?</p> <ul style="list-style-type: none"> a. Yes, extensive information on the impact of policy proposals on revenues is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the impact of key policy proposals on revenues, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on the impact of policy proposals on revenues is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Chapter A, available at: http://www.hm-treasury.gov.uk/media/AA7/7A/bud05_chapA_146.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

Estimates for Years Prior to the Budget Year	
<p>18. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by administrative unit (that is, by ministry, department, or agency)?</p> <ol style="list-style-type: none"> All expenditures are classified by administrative unit for BY-1. Expenditures are classified by administrative unit for BY-1, but some small units are not shown separately. Expenditures are classified by administrative unit for BY-1, but a significant number of units are not shown separately. No expenditures classified by administrative unit are presented for BY-1. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Parliamentary Supply Estimates (individual administrative units displayed), available at: http://www.hm-treasury.gov.uk/media/0A5/42/main_est_2005_sec04.pdf Departmental Reports contain further breakdown of past spending, e.g. Department for International Development Departmental Report 2005, Annex 1, available at: http://www.dfid.gov.uk/pubs/files/departmental-report/2005/Annexes-bcov.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>19. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by functional classification?</p> <ol style="list-style-type: none"> All expenditures are classified by functional classification for BY-1, and the categorization is compatible with international standards. All expenditures are classified by functional classification for BY-1, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by function for BY-1. No expenditures classified by function are presented for BY-1. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Public Expenditure Statistical Analyses 2005, available at: http://www.hm-treasury.gov.uk/media/172/47/pesa2005_complete.pdf. Tables 3.2 - 3.6. For a discussion of UK adaptation of COFOG, see http://www.hm-treasury.gov.uk/economic_data_and_tools/finance_spending_statistics/pes_function/function.cfm</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>20. Does the executive's budget or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) that are classified by economic classification?</p> <ol style="list-style-type: none"> All expenditures are classified by economic classification for BY-1, and the categorization is compatible with international standards. All expenditures are classified by economic classification for BY-1, but the categorization is not compatible with international standards. Some, but not all, expenditures are classified by economic classification for BY-1. No expenditures classified by economic classification are presented for BY-1. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Departmental Reports separate current and capital spending several years back, e.g. Home Office Departmental Report 2005, Section 6, available at: http://www.dfid.gov.uk/pubs/files/departmental-report/2005/Annexes-bcov.pdf. More detailed economic classification e.g. for central government in PESA, Table 4.4, available at: http://www.hm-treasury.gov.uk./media/172/47/pesa2005_complete.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>21. Does the executive's budget or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?</p> <ol style="list-style-type: none"> Program-level expenditure data are presented for all expenditures for BY-1. Program-level expenditure data are presented for at least two-thirds of, but not all, expenditures for BY-1. Program-level expenditure data are presented, but for less than two-thirds of expenditures for BY-1. No program-level expenditure data are presented for BY-1. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Departmental Reports present program figures several years back, e.g. Department for International Development Departmental Report 2005, Annex 1, available at: http://www.dfid.gov.uk/pubs/files/departmental-report/2005/Annexes-bcov.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>22. In the executive's budget or any supporting budget documentation, how many months of actual data are reflected in the expenditure estimates of the year prior to the budget year (BY-1)?</p> <ol style="list-style-type: none"> All BY-1 estimates have been updated from the original enacted levels to reflect six or more months of actual expenditure. All BY-1 estimates have been updated from the original enacted levels, but reflect less than six months of actual expenditure. Some BY-1 estimates have been updated from the original enacted levels to reflect actual expenditure. The BY-1 estimates have not been updated from the original enacted levels, or no BY-1 estimates are presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Parliamentary Supply Estimates, Note 1, available at: http://www.hm-treasury.gov.uk/media/OA5/42/main_est_2005_sec04.pdf</p> <p><u>Peer Reviewer ONE Comment:</u> Refer to supplementary budget information available at: http://www.hm-treasury.gov.uk/documents/public_spending_and_services/parliamentary_supply_estimates/supp_bud_info_2005-06.cfm which also shows estimated forecast outturns for BY-1. This reference is more clearly associated with the budget process.</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>23. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of expenditure presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?</p> <ol style="list-style-type: none"> Yes, such prior-year estimates of aggregate expenditure are presented. No, such prior-year estimates of aggregate expenditure are not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> In various forms (public sector, central, local) in PESA (Public Expenditure Statistical Analyses) , available at: http://www.hm-treasury.gov.uk/media/172/47/pesa2005_complete.pdf Historical data are also available online at: http://www.hm-treasury.gov.uk/economic_data_and_tools/finance_spending_statistics/pubsec_finance/psf_statistics.cfm</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>24. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for expenditure estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?</p> <ol style="list-style-type: none"> Yes, such prior-year expenditure estimates are presented for all individual programs, and for one or more expenditure classification (such as functional, economic, or administrative). Yes, such prior-year estimates are presented for one or more expenditure classification (such as functional, economic, or administrative), but only for some individual programs. Yes, such prior-year estimates are presented, but only for a portion of one or more of the expenditure classifications (such as some functions, or some administrative units) and/or for only some individual programs. No, such prior-year estimates are presented for aggregate expenditure only, or they are not presented at all. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Public Expenditure Statistical Analyses at: http://www.hm-treasury.gov.uk/media/172/47/pesa2005_complete.pdf Program-level spending details for past and future years can be found in a series of Departmental Reports that supplement the main estimates, e.g.: http://www.dfes.gov.uk/publications/deptreport2005/docs/2005deptrep.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>25. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?</p> <ol style="list-style-type: none"> Two years prior to the budget year (BY-2). Three years prior to the budget year (BY-3). Before BY-3. No actual data for all expenditures are presented in the budget or supporting budget documentation. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Main Estimates are available at: http://www.hm-treasury.gov.uk/documents/public_spending_and_services/parliamentary_supply_estimates/main_sup_estim_2005-6.cfm</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>26. Are the expenditure estimates for the years prior to the budget year adjusted, as needed, to be comparable with the budget-year estimates in terms of classification and presentation?</p> <ol style="list-style-type: none"> a. Yes, prior-year data are always adjusted to be comparable to the budget year data. b. Yes, in most cases, prior-year data are adjusted to be comparable. c. Yes, in some cases, prior-year data are adjusted to be comparable, but significant deviations between prior-year and budget-year classifications exist. d. No, prior-year data are not adjusted to be comparable, or no prior-year estimates are presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Parliamentary Supply Estimates, Note 1, available at: http://www.hm-treasury.gov.uk/media/0A5/42/main_est_2005_sec04.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>27. Does the executive's budget or any supporting budget documentation identify the different sources of tax revenue (such as income tax or VAT) for the year preceding the budget year (BY-1)?</p> <ol style="list-style-type: none"> a. All tax revenues are identified individually for BY-1. b. Tax revenues amounting to at least two-thirds of, but not all, tax revenue for BY-1 are identified individually. c. Tax revenues amounting to less than two-thirds of all tax revenues for BY-1 are identified individually. d. No tax revenues are identified individually for BY-1. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Table C8, Current Receipts (identified individually except VAT refund and lottery taxes), available at: http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>28. Does the executive's budget or any supporting budget documentation identify the different sources of non-tax revenue (such as grants, property income, and sales of goods and services) for the year preceding the budget year (BY-1)?</p> <ol style="list-style-type: none"> All non-tax revenues are identified individually for BY-1. Non-tax revenues amounting to at least two-thirds of, but not all, non-tax revenue for BY-1 are identified individually. Non-tax revenues amounting to less than two-thirds of all non-tax revenues for BY-1 are identified individually. No non-tax revenues are identified individually for BY-1. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> There is a breakdown (but some of the departmental income figures are not adequately broken down by type of income) of departmental appropriations in aid in the Supply Estimates available at: http://www.hm-treasury.gov.uk/documents/public_spending_and_services/parliamentary_supply_estimates/main_sup_estim_2005-6.cfm</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>
<p>29. In the executive's budget or any supporting budget documentation, how many months of actual data are reflected in the revenues estimates of the year prior to the budget year (BY-1)?</p> <ol style="list-style-type: none"> All BY-1 estimates have been updated from the original estimates to reflect six or more months of actual revenue collections. All BY-1 estimates have been updated from the original estimates, but reflect less than six months of actual revenue collections. Some BY-1 estimates have not been updated from the original estimates to reflect actual revenue collections. The BY-1 estimates have not been updated from the original estimates or no BY-1 estimates are presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Parliamentary Supply Estimates, Note 1, available at: http://www.hm-treasury.gov.uk/media/0A5/42/main_est_2005_sec04.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>30. In the executive's budget or any supporting budget documentation, are estimates of the aggregate level of revenues presented for years that precede the budget year by more than one year (that is, BY-2 and prior years)?</p> <p>a. Yes, such prior-year estimates of aggregate revenue are presented. b. No, such prior-year estimates of aggregate revenue are not presented. c. Not applicable/other (please comment).</p> <p><u>Citation and/or comment:</u> FSBR (Financial Statement and Budget Report), Table C8 details current receipts up to BY-2 but not prior years, available at: http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf Some earlier data are available online: http://www.hm-treasury.gov.uk/economic_data_and_tools/finance_spending_statistics/pubsec_finance/psf_statistics.cfm</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>31. In the executive's budget or any supporting budget documentation, is more detail than just the aggregate level presented for revenue estimates that cover years preceding the budget year by more than one year (that is, BY-2 and prior years)?</p> <p>a. Yes, such prior-year revenue estimates are presented for individual sources of revenue, and by revenue classification (such as tax and non-tax). b. Yes, such prior-year estimates are presented by revenue classification (such as tax and non-tax), but only for some individual sources of revenue. c. Yes, such prior-year estimates are presented, but only for some individual sources of revenue. d. No, such prior-year estimates are presented for aggregate revenue only, or they are not presented at all. e. Not applicable/other (please comment).</p> <p><u>Citation and/or comment:</u> FSBR (Financial Statement and Budget Report), Table C8 and others cover the two years preceding the relevant budget year, available at: http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf Some earlier data are available online: http://www.hm-treasury.gov.uk/economic_data_and_tools/finance_spending_statistics/pubsec_finance/psf_statistics.cfm</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>32. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?</p> <ul style="list-style-type: none"> a. Two years prior to the budget year (BY-2). b. Three years prior to the budget year (BY-3). c. Before BY-3. d. No actual data for all revenues are presented in the budget or supporting budget documentation. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report), Table C8, available at: http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>33. Does the executive's budget or any supporting budget documentation present information related to the government debt for the year preceding the budget year?</p> <ul style="list-style-type: none"> a. Yes, extensive information is presented on the level and composition of government debt for the year preceding the budget year. b. Yes, information on the level of debt is presented, but some important details about the composition of the debt are excluded. c. Yes, but only information on the level of debt is presented. d. No, information related to the government debt for BY-1 is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Debt and Reserves Management Report (annual), available at: http://www.hm-treasury.gov.uk./media/CF3/2F/DMO2005amend.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>34. In the executive's budget or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?</p> <ul style="list-style-type: none"> a. Two years prior to the budget year (BY-2). b. Three years prior to the budget year (BY-3). c. Before BY-3. d. No actual data for government debt are presented in the budget or supporting budget documentation. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The Debt and Reserves Management Report 2005-06 was published in March 2005 and reflects data up to end-December 2004, i.e. it is as up to date as possible. The Report is available at: http://www.hm-treasury.gov.uk./media/CF3/2F/DMO2005amend.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
--	---

Comprehensiveness	
<p>35. Does the executive's budget or any supporting budget documentation present information for at least the budget year on extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, extensive information on extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key extra-budgetary funds, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on extra-budgetary funds is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> There are certain funds that operate on the basis of enabling legislation, notably the National Insurance Fund. Its gross costs of administration are voted by Parliament, and are then offset by appropriations in aid from the Fund. Expenditure from the Fund is subject to Treasury control. The Government Actuary is required to review the operation of the Fund every five years and to examine the long-term level at which the Fund stands in relation to likely demands for payments from it. The Government Actuary's report is laid before Parliament. Available online at: http://www.government-accounting.gov.uk/current/content/ga_27_3.htm http://www.gad.gov.uk/publications/docs/qr5-fullreport.pdf</p> <p>Peer Reviewer ONE Comment: Although there is next to no information on extra-budgetary funds presented at the aggregate level in the executive's budget, each departmental document in the Parliamentary Supply Estimates contains information on extra-budgetary funds (refer to the following website: http://www.hm-treasury.gov.uk/documents/public_spending_and_services/parliamentary_supply_estimates/main_sup_estim_2005-6.cfm). See, for example, the Department for Constitutional Affairs, page 191 contains expenditure details for external bodies such as the Legal Services Commission, the Criminal Defence Service and the Community Legal Service (refer to http://www.hm-treasury.gov.uk/media/0A3/EC/main_est_2005_12_const.pdf)</p> <p>The document referred to on the National Insurance Fund is not released with the budget, and is published only once every five years, so is not so relevant.</p> <p>Peer Reviewer TWO Comment: [in addition to above] “However, the Government Accounting system (link 1 above) describes the National Insurance Fund as being comprised of employee and employer contributions which are ‘broadly’ redistributed for benefits such as pensions, incapacity benefits, etc. However, it fails to note that ‘green taxes’ – in the form of a reduction in NI contributions reduce the overall income of the Fund, thus reducing the overall funds available to pay for employment benefits (Lynes, T. (2006) <i>The Rape of the National Insurance Fund</i> http://www.southwark.tv/spag/spagNIFund.asp).</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>36. Does the executive's budget or any supporting budget documentation present information for at least the budget year on intergovernmental transfers?</p> <ol style="list-style-type: none"> Yes, extensive information on intergovernmental transfers is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key intergovernmental transfers, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on intergovernmental transfers is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Grants to the Welsh and Scottish devolved bodies are made from central government through the Department for Constitutional Affairs and reflected in its Estimates; various other Departmental Estimates detail local government support as applicable. However, there is no detailed separate document on intergovernmental fiscal relations. Refer to: http://www.hm-treasury.gov.uk/media/0A3/EC/main_est_2005_12_const.pdf</p> <p>Peer Reviewer ONE Comment: It is true that there is no proper narrative discussion and compiled quantitative estimates of intergovernmental transfers; so on balance, I would concur with "b."</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>
<p>37. Does the executive's budget or any supporting budget documentation present information for at least the budget year on transfers to public corporations?</p> <ol style="list-style-type: none"> Yes, extensive information on transfers to public corporations is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key transfers to public corporations, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on transfers to public corporations is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Any grants from Departments to public corporations are specified in the Estimates, and annual Departmental Reports provide further details including narrative discussion. E.g. items for Royal Mail are reflected in the Estimates for the Department of Trade and Industry, and its Departmental Report contains further discussion, available at: http://www.hm-treasury.gov.uk/media/0A4/5A/main_est_2005_25_DTI.pdf http://www.dti.gov.uk/expenditureplan/report2005/pdfs/expenditure_plan_complete.pdf</p> <p>Peer Reviewer ONE Comment:</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>38. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on quasi-fiscal activities?</p> <ul style="list-style-type: none"> a. Yes, extensive information on quasi-fiscal activities is presented, including both a narrative discussion and, where possible, quantitative estimates. b. Yes, information is presented, highlighting key quasi-fiscal activities, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on quasi-fiscal activities is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> There is no explicit discussion of quasi-fiscal activities in the documentation, but the International Monetary Fund has attested that “quasi-fiscal activities are not significant” (IMF 1999, paragraph 10). Available at: http://www.imf.org/external/np/rosc/gbr/.</p> <p>Peer Reviewer ONE Comment: On balance, I would agree with the judgment “e” (though it is verging on a “d!”). While the IMF may believe that quasi-fiscal activities are not significant overall, such a judgment would require much further and extensive analysis. There are a few areas where there are significant quasi-fiscal activities, for example, the Export Credit Guarantees Department, which whilst in most years presents a net revenue for the government, it is clearly a transfer of risk from the private to the public sector in support of exports, that entails a significant subsidy. We have elsewhere estimated this to amount to a subsidy worth several hundred million pounds a year. The government, on the day of the 2005 Budget, estimated that ECGD amounted to a subsidy to exporters of £150m (http://www.dti.gov.uk/consultations/page16383.html), using a method close to that which we introduced to Treasury officials three years earlier. But this was not part of the budget process. It is inevitable when a government intervenes that there are many quasi-fiscal impacts, most of which are going to be very difficult to value.</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">e</div>
--	---

<p>39. Does the executive's budget or any supporting budget documentation present information on financial assets held by the government?</p> <ul style="list-style-type: none"> a. Yes, extensive information on financial assets is presented, including a listing of the assets, a discussion of their purpose, and an estimate of their market value. b. Yes, information is presented, highlighting key information, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on financial assets is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Departmental Reports contain up to date summaries on assets, e.g. Ministry of Defence 2003-04 Annual Report and Accounts, available at: http://www.mod.uk/DefenceInternet/AboutDefence/CorporatePublications/Reports/AnnualReports/MODAnnualReports0304/ Full details are in the National Asset Register, which is periodically updated, available at: http://www.hm-treasury.gov.uk/Documents/Public_Spending_and_Services/National_Asset_Register/pss_nar_2001index.cfm</p> <p><u>Peer Reviewer ONE Comment:</u> I agree to the researcher's response of "a." The UK Government, through HM Treasury, has recently undergone a major reform of its accounting processes, and has introduced what it describes as Resource Accounting and Budgeting, introduced in April 2001. This requires a full estimate of financial assets and a notional estimate of the opportunity costs in using them. See http://www.hm-treasury.gov.uk/media/14B/39/34.pdf.</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
--	---

<p>40. Does the executive's budget or any supporting budget documentation present information on non-financial assets held by the government?</p> <ul style="list-style-type: none"> a. Yes, extensive information on non-financial assets is presented, including a listing of the assets, a discussion of their purpose, and (where possible) an estimate of their market value. b. Yes, information is presented, highlighting key information, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on non-financial assets is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Departmental Reports contain up to date summaries on assets, e.g. Ministry of Defence 2003-04 Annual Report and Accounts, available at: http://www.mod.uk/DefenceInternet/AboutDefence/CorporatePublications/Reports/AnnualReports/MODAnnualReports0304/ Full details are in the National Asset Register, which is periodically updated: http://www.hm-treasury.gov.uk/Documents/Public_Spending_and_Services/National_Asset_Register/pss_nar_2001index.cfm</p> <p><u>Peer Reviewer ONE Comment:</u> I agree to the researcher's response "a." See comment for previous section on RAB.</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>41. Does the executive's budget or any supporting budget documentation present information for at least the budget year on expenditure arrears?</p> <ul style="list-style-type: none"> a. Yes, extensive information on expenditure arrears is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting key expenditure arrears, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on expenditure arrears is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Not an issue in the United Kingdom.</p> <p><u>Peer Reviewer ONE Comment:</u> This is indeed not a significant issue for the United Kingdom at this point (though may have been in the past).</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">e</div>

<p>42. Does the executive's budget or any supporting budget documentation present information on contingent liabilities (such as government loan guarantees)?</p> <ol style="list-style-type: none"> Yes, extensive information on contingent liabilities is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key contingent liabilities, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on contingent liabilities is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Contingent liabilities are itemized in the Notes to the Main Estimates. E.g., the Ministry of Defence lists all contingent liabilities above a threshold of £100,000, available at: http://www.hm-treasury.gov.uk/media/0A4/2B/main_est_2005_20_MOD.pdf</p> <p>Peer Reviewer ONE Comment: I am content for the response to be "b." While contingent liabilities are listed, they are not comprehensive, and have little narrative discussion. They do not present any information as to the net current cost of maintaining these liabilities.</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>
<p>43. Does the executive's budget or any supporting budget documentation present information on future liabilities, such as civil service pensions?</p> <ol style="list-style-type: none"> Yes, extensive information on future liabilities is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key future liabilities, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on future liabilities is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>The researcher's response to this question was "a." Refer to Long-term Public Finance Report 2004, available at: http://www.hm-treasury.gov.uk/media/8F5/85/pbr04long-term_473.pdf</p> <p>Peer Reviewer ONE Comment: This is very difficult to judge. It is next to impossible to assess all future liabilities, beyond civil service pensions. For example, liabilities may be dramatically affected by a rise in the oil price beyond \$100 a barrel. The Long Term Public Finance Report referred to above talks of population changes, refers to climate change, but is not an exhaustive discussion of future liabilities. However, given the impossible task of achieving an exhaustive list, a response of "b" would be more appropriate.</p> <p>Peer Reviewer TWO Comment:</p> <p>IBP Comment: IBP editors chose answer "a" to maintain the consistency of the data across the countries.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>44. Does the executive’s budget or any supporting budget documentation provide details on the sources of donor assistance, both financial and in-kind?</p> <ol style="list-style-type: none"> All sources of donor assistance are identified individually. At least two-thirds of, but not all, sources of donor assistance, are identified individually. Less than two-thirds of sources of donor assistance are identified individually. No sources of donor assistance are identified individually. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Not relevant for the United Kingdom.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">e</div>
<p>45. Does the executive’s budget or any supporting budget documentation present information for at least the budget year on tax expenditures?</p> <ol style="list-style-type: none"> Yes, extensive information on tax expenditures is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key tax expenditures, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on tax expenditures is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to ‘Tax credits: reforming financial support for families’, available at: http://www.hm-treasury.gov.uk/media/A64/65/bud05_taxcredits_500.pdf. Refer to EFSR (Economic and Fiscal Strategy Report), Chapter 4, available at: http://www.hm-treasury.gov.uk/media/AA7/35/bud05_chap04_188.pdf. Refer to FSBR (Financial Statement and Budget Report), Chapter C, available at: http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u> The three documents cited refer only to tax credits, and ignores other forms of tax expenditures. The first document cited is a general discussion of Tax Credits – their purpose and impact on individuals and individual families. The second document is similar. Neither considers the impact on the Exchequer of these tax expenditures, which is outlined in a single line in the third document in table C11, p.257. There is no mention here of the myriad of tax benefits to corporations, such as launch investment tax credits which are not listed separately in any of the documents.</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div>

<p>46. Does the executive's budget or any supporting budget documentation identify all earmarked revenues?</p> <ul style="list-style-type: none"> a. All earmarked revenues are identified individually. b. At least two-thirds of, but not all, earmarked revenues are identified individually. c. Less than two-thirds of earmarked revenues are identified individually. d. No earmarked revenues are identified individually. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Earmarked taxes do not have much of a reputation in the UK, e.g. the Road Fund was set up in 1921 and financed by earmarked taxes, but frequently raided for general revenue and closed down in 1937. Sometimes, politicians make political promises that certain revenue increases will go towards certain expenditures, e.g. the Chancellor announced an increase in tobacco duties in Budget 2000 and linked this to increased health spending. There is no reference to earmarked revenues in Budget 2005.</p> <p>Peer Reviewer ONE Comment: Agreed... hypothecation is a dirty word in HM Treasury and I'm not aware of it going on, except in clearly defined service provision: for example, when the Defence Export Services Organisation runs an exhibition for defence contractors they will accept fees from companies displaying equipment to cover much of the cost of the event... or Export Credit Guarantees Department accepts premiums for the services they provide to exporters.</p> <p>Peer Reviewer TWO Comment: Supporting documentation to above - http://www.samuelbrittan.co.uk/text65_p.html.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">e</div>
---	---

<p>47. What percentage of expenditure in the budget year is dedicated to spending on secret items relating to, for instance, national security and military intelligence?</p> <ol style="list-style-type: none"> One percent or less of expenditure is dedicated to secret items. Three percent or less, but more than one percent, of expenditure is dedicated to secret items. Eight percent or less, but more than three percent, of expenditure is dedicated to secret items. More than eight percent of expenditure is dedicated to secret items, or the percentage is not available to the public. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The 2005-06 Main Estimates authorized net resources of £1.1 billion for Security and Intelligence Services, against a net resource total of £435.8 billion. This spending is subject to special (secret) oversight arrangements (reporting to the Prime Minister) as provided in the Intelligence Services Act 1994 (see question 81). http://www.hm-treasury.gov.uk/media/0A5/42/main_est_2005_sec04.pdf</p> <p><u>Peer Reviewer ONE Comment:</u> It is clear that the answer is a. However, we also need to refer to the Defence Intelligence Services within the Ministry of Defence itself, whose budget is not listed separately. They are much smaller than the combined Security and Intelligence Services, so the overall budget is still below 1%.</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
The Budget Narrative & Performance Monitoring	
<p>48. Does the executive's budget or any supporting budget documentation explain how the proposed budget is linked to government's stated policy goals, by administrative unit (or functional category), for the budget year?</p> <ol style="list-style-type: none"> Yes, extensive information on the link between the budget and the government's stated policy goals, by administrative unit (or functional category) is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the link between major policy goals and the budget, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the link between the budget and the government's stated policy goals is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Chapter A, Budget Policy Decisions, available at: http://www.hm-treasury.gov.uk/media/AA7/7A/bud05_chapA_146.pdf</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>49. Does the executive’s budget or any supporting budget documentation explain how the proposed budget is linked to government’s stated policy goals for a multi-year period (for at least two years beyond the budget year)?</p> <ol style="list-style-type: none"> Yes, extensive information on the link between the budget and the government’s stated policy goals over a multi-year period is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the major policy goals, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on the link between the budget and the government’s stated policy goals over a multi-year period is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report) Chapter A, Budget Policy Decisions (see especially Table A1, Budget 2005 policy decisions), available at: http://www.hm-treasury.gov.uk/media/AA7/7A/bud05_chapA_146.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>50. Does the executive’s budget or any supporting budget documentation present non-financial data, such as the number of beneficiaries, for expenditure programs?</p> <ol style="list-style-type: none"> Non-financial data are presented for all programs. Non-financial data are presented for programs representing at least two-thirds of, but not all, expenditures. Non-financial data are presented for programs representing less than two-thirds of expenditure. No non-financial data are presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Contained in Departmental Reports that supplement the Main Estimates, e.g., available at: http://www.dfes.gov.uk/publications/deptreport2005/docs/2005deptrep.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u> Given the level of publication during a budget and the explanations, I think “a” is a fair enough response, even though I am sure that not 100% of all expenditure programs are covered.</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>51. Are the non-financial data presented useful for assessing how an expenditure program is performing?</p> <ol style="list-style-type: none"> The non-financial data are very useful for assessing program performance. The non-financial data are mostly useful for assessing program performance. The non-financial data are somewhat useful for assessing program performance. No non-financial data are provided or they are not useful for assessing program performance. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Departmental Reports, e.g. Section B available at: http://www.dfes.gov.uk/publications/deptreport2005/docs/2005deptrep.pdf Refer to Public Services Performance index, available at: http://www.hm-treasury.gov.uk/performance/index.cfm.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>52. Does the executive’s budget or any supporting budget documentation contain performance indicators for expenditure programs?</p> <ol style="list-style-type: none"> Performance indicators are presented for all programs. Performance indicators are presented for programs representing at least two-thirds of, but not all, expenditures. Performance indicators are presented for programs representing less than two-thirds of expenditures. No performance indicators are presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Departmental Reports, e.g. Section B, available at: http://www.dfes.gov.uk/publications/deptreport2005/docs/2005deptrep.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u> In agreement with the researcher’s response “a”. Departmental Reports all contain Performance Indicators, a strong priority for the government for some time.</p> <p><u>Peer Reviewer TWO Comment:</u> A more appropriate response to this question would be “A” Yes, performance indicators are presented for all programs. These indicators are developed in biennial ‘Spending Reviews’ – which determine the goals for public spending across departments for three-year periods. Performance against these goals are contained in Departmental Reports, e.g. Section B http://www.dfes.gov.uk/publications/deptreport2005/docs/2005deptrep.pdf. For more information about the Spending Review process visit: http://www.hm-treasury.gov.uk/spending_review/spend_index.cfm</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>53. Are the performance indicators sufficiently well designed, such that one can assess whether there has been progress toward meeting policy goals?</p> <ol style="list-style-type: none"> a. All performance indicators are well designed. b. Most performance indicators are well designed. c. Some performance indicators are well designed, but most are not. d. No programs have performance indicators, or they are not well designed. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>The researcher’s response to this question was “a.”</u> Refer to Departmental Reports, e.g. Section B, available at: http://www.dfes.gov.uk/publications/deptreport2005/docs/2005deptrep.pdf. Refer to Public Services Performance index, available at: http://www.hm-treasury.gov.uk/performance/index.cfm. Refer to House of Commons Public Administration Select Committee (2003). On Target? Government By Measurement. Fifth Report of Session 2002-03 HC 62-I. London, The Stationary Office. Available on the internet: http://www.publications.parliament.uk/pa/cm200203/cmselect/cmpublicadm/62/62.pdf</p> <p><u>Peer Reviewer ONE Comment:</u> How long is a piece of string? This question relies upon basic assumptions around PIs that are not shared by all analysts. It also requires a significantly contested judgment that depends upon the bias of the analyst. I would feel uncomfortable about giving any response that was meant to be impartial on this question. Although there is clearly a great deal of effort in the British government that goes into designing PIs, and some evaluation, there are many instances when the PIs that measure one policy objective distort the achievement of other policy objectives (e.g. reducing waiting times for hospital appointments has distorted health provision) I feel uncomfortable with “a” but too hesitant about offering an alternative response.</p> <p><u>Peer Reviewer TWO Comment:</u> A more appropriate response to this question would be “b.” There has been some debate about the appropriateness and robustness of UK public spending performance indicators (Public Service Agreements – PSAs) (Brazier, A. and Ram, V. (2005) <i>Inside the Counting House: a discussion paper on Parliamentary Scrutiny of Government Finance</i>, London: Hansard Society). While performance indicators are generally well accepted, the National Audit Office found that departments’ data systems could not support unproblematic analysis of the indicators (ibid, p.13). Moreover, the particular usefulness of subtargets to the PSA to promote gender equality (PSA 9) has been questioned by the UK gender equality lobby.</p> <p><u>IBP Comment:</u> IBP editors chose answer “a” to maintain the consistency of the data across the countries.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
---	---

<p>54. Are performance indicators used in conjunction with performance targets presented in the executive's budget or any supporting budget documentation?</p> <ol style="list-style-type: none"> All performance indicators are used in conjunction with performance targets. Most performance indicators are used in conjunction with performance targets. Some performance indicators are used in conjunction with performance targets, but most are not. No performance indicators are used in conjunction with performance targets. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Departmental Reports, e.g. Section B, available at: http://www.dfes.gov.uk/publications/deptreport2005/docs/2005deptrep.pdf. Refer to Public Services Performance index, available at: http://www.hm-treasury.gov.uk/performance/index.cfm.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>55. Does the executive's budget or any supporting budget documentation present information on policies (both proposals and existing commitments) in at least the budget year that are intended to benefit directly the country's most impoverished populations?</p> <ol style="list-style-type: none"> Yes, extensive information on policies intended to alleviate poverty is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting the impact of key policies intended to alleviate poverty, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information on policies intended to alleviate poverty is not presented. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to ESFR Chapter 5, Building a Fairer Society, available at: http://www.hm-treasury.gov.uk/media/AA7/40/bud05_chap05_209.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

Additional Key Information for Budget Analysis & Monitoring	
<i>Please note that the questions in this section ask about information that is generally available to the public. The information need not be included in the executive's budget proposal or supporting documents, but may be found in other documents issued by the executive.</i>	
<p>56. Does the executive make available to the public a description of the tax rate or fee schedule for all revenue sources?</p> <ul style="list-style-type: none"> a. Yes, extensive information on tax rates and fee schedules is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, highlighting the rates and fees for major revenue sources, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to HM Revenue and Customs, Rates and Allowances, available at: www.hmrc.gov.uk/rates/.</p> <p>Peer Reviewer ONE Comment: The document cited lays out many of the tax rates, but these do not cover all revenue sources that are non-tax fee schedules. For example, there is no transparent reporting of the calculation of Export Credit insurance premiums charged to clients, premiums that are agreed on a case-by-case basis and the rates are deemed commercial-in-confidence (as are relations between firms and the Defence Export Services Organisation).</p> <p>Peer Reviewer TWO Comment:</p>	b
<p>57. Does the executive make available to the public an analysis of the distribution of the tax burden?</p> <ul style="list-style-type: none"> a. Yes, a detailed analysis of the distribution of the tax burden is presented, including both a narrative discussion and quantitative estimates. b. Yes, an analysis is presented, highlighting key aspects of the distribution, but some details are excluded. c. Yes, some analysis is presented, but it lacks important details. d. No analysis on the distribution of the tax burden is presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to HM Revenue and Customs, Income Tax Statistics and Distribution, available at: http://www.hmrc.gov.uk/stats/income_tax/menu.htm.</p> <p>Peer Reviewer ONE Comment:</p> <p>Peer Reviewer TWO Comment:</p>	a

<p>58. Does the executive make available to the public an explanation of the conditions associated with assistance from international financial institutions (IFI)?</p> <ul style="list-style-type: none"> a. Yes, extensive information on conditions associated with IFI assistance is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on conditions associated with IFI assistance is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Donor assistance is not applicable.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">e</div>
<p>59. Does the executive make available to the public an explanation of the conditions associated with assistance from donor countries?</p> <ul style="list-style-type: none"> a. Yes, extensive information on conditions associated with donor country assistance is presented, including both a narrative discussion and quantitative estimates. b. Yes, information is presented, but some details are excluded. c. Yes, some information is presented, but it lacks important details. d. No, information on conditions associated with donor country assistance is not presented. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Donor assistance is not applicable.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">e</div>

<p>60. Does the executive make available to the public a summary that describes the budget and its proposals?</p> <ul style="list-style-type: none"> a. Yes, it provides a summary that is very informative. b. Yes, it provides a summary that is somewhat informative. c. Yes, but the summary is not very informative. d. No, it does not provide a summary. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Chancellor of the Exchequer's Budget Statement, 16 March 2005, available at: http://www.hm-treasury.gov.uk/budget/budget_05/bud_bud05_speech.cfm. Budget proposals are summarized on a Budget 'Microsite' and a summary leaflet, available at: http://budget2005.treasury.gov.uk/.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>61. Does the executive publish a "Citizens budget" or some non-technical presentation intended for a wide audience that describes the budget and its proposals?</p> <ul style="list-style-type: none"> a. Yes, it publishes a Citizens budget that is very informative. b. Yes, it publishes a Citizens budget that is somewhat informative. c. Yes, but the Citizens budget is not very informative. d. No, it does not publish a Citizens budget. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Budget proposals are summarized on a Budget 'Microsite', available at: http://budget2005.treasury.gov.uk/ Also 12 regional leaflets, outlining the impact of the budget at a regional level is available at: http://www.hm-treasury.gov.uk/budget/budget_05/bud_bud05_regionalleaflets.cfm.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>62. Does the executive make available to the public non-technical definitions of terms used in the budget and other budget-related documents (for instance, in a glossary)?</p> <ol style="list-style-type: none"> Yes, thorough definitions of budget terms are provided. Yes, definitions are provided, but some details are excluded. Yes, some definitions are provided, but it lacks important details. No, definitions are not provided. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> FSBR (Financial Statement and Budget Report) Chapter C section entitled ‘Conventions Used in Presenting the Public Finances’ gives definitions but they are not well suited for a non-technical audience. http://www.hm-treasury.gov.uk/media/AA7/AD/bud05_chapc_252.pdf A brief glossary is provided in Appendix F of the Public Expenditure Statistical Analyses 2005, available online at: http://www.hm-treasury.gov.uk/media/172/2F/pesa2005_appendices.pdf.</p> <p>Peer Reviewer ONE Comment: In agreement with researcher’s response “c.” A great deal more effort could be made to do this, and this would be a useful recommendation to the British government. However, there is a limit to explaining to a non-technical audience who will find more than just the language a barrier to understanding the details.</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div>
<p>63. Does the executive make available to the public a summary of the budget process?</p> <ol style="list-style-type: none"> Yes, it includes a summary of the budget process that is very informative. Yes, it includes a summary of the budget process that is somewhat informative. Yes, but the summary of the budget process is not very informative. No, it does not include a summary of the budget process. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to HMT Budget Guide (lacks process details, does not include a schedule/calendar), available at: http://www.hm-treasury.gov.uk/about/about_budguide.cfm.</p> <p>Peer Reviewer ONE Comment:</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div>

<p>64. Do citizens have the right in law to access government information, including budget information?</p> <ul style="list-style-type: none"> a. Yes, the right has been codified into law, and citizens are generally able in practice to obtain government information, including budget information. b. Yes, the right has been codified into law, but it is sometimes not possible for citizens in practice to obtain government information, including budget information. c. Yes, the right has been codified into law, but it is frequently or always impossible in practice to obtain access to government information, including budget information. d. No, the right to access government information has not been codified into law, or this right does not include access to budget information. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Freedom of Information Act 2000 came into force on 1 Jan 2005. FOIA statistics - April-June 2005: 59% of requests granted in full; 12% withheld in part; 19% withheld in full; 10% not yet processed. Find further information at the Department of Constitutional Affairs website at: www.foi.gov.uk.</p> <p><u>Peer Reviewer ONE Comment:</u> “A” is probably a fair answer, though I would have given it a “b”, as there are clear and extensive examples where the government refuses to release information, even on budgetary expenses. We, for example, have found it impossible to get detailed information associated with the strategic nuclear deterrent.</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
--	---

<p>65. Are citizens able in practice to obtain financial information on expenditures for individual programs in a format that is more highly disaggregated than that which appears in the executive’s budget proposal if they request it (for example, from a ministry or agency)?</p> <ul style="list-style-type: none"> a. In practice, highly disaggregated information is available to the public for all programs except those considered related to national security or military intelligence. b. In practice, highly disaggregated information is available to the public for programs representing at least two-thirds of, but not all, expenditures. c. In practice, highly disaggregated information is available to the public for programs representing less than two-thirds of expenditures. a. In practice, no highly disaggregated expenditure information is available. b. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Freedom of Information: Review of Statutory Prohibitions on Disclosure, Chapter 4: Provisions to be retained or still under review, 16 June 2005 (exemptions include information related not only to national security, but also to monetary policy, personal data, e.g., census forms or criminal records), trade secrets/manufacturing processes, and others), available at: http://www.dca.gov.uk/statbarsrep2005sm2.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u> Another notable exception to FoI is information relevant to advice to ministers, which captures many of the refusals to access. I would agree with “b.”</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; padding: 5px; width: 30px; margin: auto;">b</div>
---	--

66. Are citizens able in practice to obtain non-financial information related to expenditures (for example, number of beneficiaries, number of persons employed by the program, etc.) for individual programs in a format that is more highly disaggregated than that which appears in the executive's budget proposal if they request it from a ministry or agency?

b

- a. In practice, highly disaggregated non-financial information is available to the public for all programs except those considered related to national security or military intelligence.
- b. In practice, highly disaggregated non-financial information is available to the public for programs representing at least two-thirds of, but not all, expenditures.
- c. In practice, highly disaggregated non-financial information is available to the public for programs representing less than two-thirds of expenditures.
- d. In practice, no highly disaggregated non-financial expenditure information is available.
- e. Not applicable/other (please comment).

Citation and/or comment: Refer to Freedom of Information: Review of Statutory Prohibitions on Disclosure, Chapter 4: Provisions to be retained or still under review, 16 June 2005, available at: <http://www.dca.gov.uk/statbarsrep2005sm2.pdf>.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment: [in addition to above FoI] Moreover, limitations in data collection are also present, for example by sex and race. For example, Government analysis conducted on employment programs entitled the *NewDeals* (comprised of employment support programs for different target groups such as young people, and lone parents) found that “*It was not possible to disaggregate spending on the programme by gender, however there was some concern that the delivery system used to achieve employment outcomes might result in spending being skewed towards men rather than women.*” (*DTI and HMT (2004) Gender Analysis of Expenditure Project, London: Stationery Office, p.12*) Analysis is available at: <http://www.hm-treasury.gov.uk/media/86B/04/gender-analysis.pdf> . Lack of this sort of disaggregated data can hide bias against marginalized groups in spending, and makes monitoring the effectiveness of public spending to promote equality difficult.

Section Three: The Budget Process

The Budget Process	
Executive's Formulation of the Budget	
<p>67. How far in advance of the release of the budget is the day of its release known?</p> <ul style="list-style-type: none"> a. The release date is set in permanent law. b. The executive announces the release date at least two months in advance. c. The executive announces the release date less than two months but more than two weeks in advance. d. The executive announces the release date two weeks or less before the release, or makes no announcement. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> There is no set schedule for the budget's release, it is at the discretion of the Government and the date is announced by the Chancellor in the House of Commons. But the date is publicized inter alia on the Treasury website.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	c
<p>68. Does the executive release to the public its timetable for its budget preparation process?</p> <ul style="list-style-type: none"> a. Yes, a detailed timetable is released to the public. b. Yes, a timetable is released, but some details are excluded. c. Yes, a timetable is released, but it lacks important details. d. No, a timetable is not issued to the public. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Release dates vary; approximate schedule is not included in HMT Budget Guide, available at: http://www.hm-treasury.gov.uk/about/about_budguide.cfm.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	d

<p>69. Does the executive adhere to its timetable for the preparation and release of the budget?</p> <ul style="list-style-type: none"> a. The executive adheres to the dates in its timetable. b. The executive adheres to most of the key dates in its timetable. c. The executive has difficulty adhering to most of the dates in its timetable. d. The executive does not adhere to the dates in its timetable, or it does not release to the public its timetable. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Release dates vary; approximate schedule is not included in HMT Budget Guide, available at: http://www.hm-treasury.gov.uk/about/about_budgetguide.cfm.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div>
<p>70. Does the executive hold consultations with members of the legislature as part of its process of determining budget priorities?</p> <ul style="list-style-type: none"> a. Yes, the executive holds extensive consultations with a wide range of legislators. b. Yes, the executive holds consultations with a range of legislators, but some key members are excluded. c. Yes, the executive holds very limited consultations, involving only a few members of the legislature. d. No, the executive does not typically consult with members of the legislature as part of the budget preparation process. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The submission of the pre-budget report in the fall provides a formal opportunity for Parliament to discuss public finance and macroeconomic issues ahead of the submission of the budget in the spring, but legislative influence is very limited.</p> <p><u>Peer Reviewer ONE Comment:</u> In agreement with researcher’s response “d”. Select Committees usually inspect spending priorities after the budget is presented. There is no warning or hint of what is to be presented beforehand, in what is traditionally a highly secret (and sensitive) process.</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div>

<p>71. Does the executive hold consultations with the public as part of its process of determining budget priorities?</p> <ol style="list-style-type: none"> Yes, the executive holds extensive consultations with a wide range of constituencies. Yes, the executive holds consultations with a range of constituencies, but some key constituencies are excluded. Yes, the executive holds very limited consultations, involving only a few constituencies. No, the executive does not typically consult with the public as part of the budget preparation process. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>The researcher’s response to this question was “c.” Budget-related consultations are mostly restricted to specific tax issues. Consultations: full index, HM Treasury, available at: www.hm-treasury.gov.uk/consultations_and_legislation/consult_fullindex.cfm</p> <p>Peer Reviewer ONE Comment: I would think it more appropriate to answer this with “d”, as the consultations are focused on the budget and the public spend after the event (presumably to be taken into account in future budgets).</p> <p>Peer Reviewer TWO Comment: This may be an indicator comment, and too anecdotal, rather than the answer not being correct – please ignore if not relevant. While the government holds a wide range of consultations, it seems the agenda is usually set by government, rather than which budget priorities should be debated, and are set in consultation.</p> <p>IBP Comment: IBP editors chose answer “c” to maintain the consistency of the data across the countries.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div>
<p>72. When does the executive release a pre-budget statement to the public?</p> <ol style="list-style-type: none"> The executive releases a pre-budget statement at least four months in advance of the start of the budget year. The executive releases a pre-budget statement at least two months (but less than four months) in advance of the start of the budget year. The executive releases a pre-budget statement, but it is released less than two months before the start of the budget year. The executive does not release a pre-budget statement. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Pre-budget report released 2 Dec 2004; FSBR (Financial Statement and Budget Report) released 16 March 2005, (budget year = 1 April - 31 March), refer to: http://www.hm-treasury.gov.uk/budget/bud_index.cfm.</p> <p>Peer Reviewer ONE Comment:</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>

<p>73. Does the pre-budget statement describe the government’s macroeconomic and fiscal framework?</p> <ul style="list-style-type: none"> a. Yes, an extensive explanation of the government’s fiscal and macroeconomic policy is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key aspects of the fiscal and macroeconomic framework, but some details are excluded. c. Yes, some explanation is presented, but it lacks important details. d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Pre-Budget Report 2004, Chapter 2: Maintaining Macroeconomic Stability, available at: http://www.hm-treasury.gov.uk/media/92B/BE/pbr04_chap02_390.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>74. Does the pre-budget statement describe the government’s policies and priorities that will guide the development of detailed estimates for the upcoming budget?</p> <ul style="list-style-type: none"> a. Yes, an extensive explanation of the government’s budget policies and priorities is presented, including both a narrative discussion and quantitative estimates. b. Yes, an explanation is presented, highlighting key aspects of the government’s budget policies and priorities, but some details are excluded. c. Yes, some explanation is presented, but it lacks important details. d. No, an explanation is not presented, or the executive does not release to the public a pre-budget statement. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Pre-budget Report 2004, Annex B: The Public Finances, available at: http://www.hm-treasury.gov.uk/media/92C/40/pbr04_chapB_320.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

Legislative Approval of the Budget	
<p>75. How far in advance of the start of the budget year does the legislature receive the budget?</p> <ol style="list-style-type: none"> The legislature receives the budget at least three months before the start of the budget year. The legislature receives the budget at least six weeks, but less than three months, before the start of the budget year. The legislature receives the budget less than six weeks before the start of the budget year. The legislature does not receive the budget before the start of the budget year. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The 2004 Budget was delivered to Parliament on 17 March 2004 and the 2005 Budget on 16 March – about two weeks before the start of the financial year.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div>
<p>76. Does a legislative committee (or committees) hold public hearings on the macroeconomic and fiscal framework presented in the budget in which testimony from the executive branch and the public is heard?</p> <ol style="list-style-type: none"> Yes, public hearings are held on the macroeconomic and fiscal framework in which testimony is heard from the executive branch and a wide range of constituencies. Yes, hearings are held in which testimony is heard from the executive branch and some constituencies. Yes, hearings are held in which testimony from the executive branch is heard, but no testimony from the public is heard. No, public hearings are not held on the macroeconomic and fiscal framework in which testimony from the executive branch and the public is heard. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The Treasury Select Committee considers macroeconomic and revenue issues, which has included testimony from think tanks such as the Institute for Fiscal Studies and the National Institute of Economic and Social Research.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>

<p>77. Do legislative committees hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the executive branch is heard?</p> <ol style="list-style-type: none"> Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the executive branch is heard. Yes, hearings are held, covering key administrative units, in which testimony from the executive branch is heard. Yes, a limited number of hearings are held in which testimony from the executive branch is heard. No, public hearings are not held on the budgets of administrative units in which testimony from the executive branch is heard. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Departmental select committees have a mandate to scrutinize departmental expenditures, but this role is not strongly developed.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div>
<p>78. Does a legislative committee (or committees) hold public hearings on the individual budgets of central government administrative units (that is, ministries, departments, and agencies) in which testimony from the public is heard?</p> <ol style="list-style-type: none"> Yes, extensive public hearings are held on the budgets of administrative units in which testimony from the public is heard. Yes, hearings are held, covering key administrative units, in which testimony from the public is heard. Yes, a limited number of hearings are held in which testimony from the public is heard. No, public hearings are not held on the budgets of administrative units in which testimony from the public is heard. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>Peer Reviewer ONE Comment:</u> Evidence is sometimes taken from the public on public spending in departments. For example, I gave evidence before the Trade and Industry Committee on the economic workings of the Export Credit Guarantees Department. However, any such hearings are not at all connected to the formal budget-making process, so I would probably concur with “d.”</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div>

<p>79. Do the legislative committees that hold public hearings release reports to the public on these hearings?</p> <ul style="list-style-type: none"> a. Yes, the committees release very informative reports, which include all written testimony presented at the hearings. b. Yes, the committees release reports, but some details are excluded. c. Yes, the committees release reports, but they are not very informative. d. No, the committees do not release reports or do not hold public hearings. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Committee reports are available from the parliamentary website at: http://www.parliament.uk/index.cfm</p> <p>Peer Reviewer ONE Comment: In agreement with the researcher’s response “a”. They also release transcripts of the oral evidence given.</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>80. Does the executive present more details or provide a better explanation of any budget proposal, if members of the legislature (including from minority parties) request such information?</p> <ul style="list-style-type: none"> a. The executive responds to such legislative requests, and it generally provides an appropriate and timely response. b. The executive responds to such legislative requests, but its responses are sometimes not appropriate or timely. c. The executive responds to such legislative requests, but its responses are typically not appropriate or timely. d. The executive responds selectively or ignores such legislative requests. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>Peer Reviewer ONE Comment: “A” is probably fair, as the executive generally tends to prioritize requests from the legislature; though there are, of course, exceptions.</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

81. Is the legislature (or the appropriate legislative committee) given information for the budget year on the spending of secret items relating to, for instance, national security and military intelligence?

- a. Yes, the legislature is provided extensive information on all spending on secret items.
- b. Yes, the legislature is provided information on spending on secret items, but some details are excluded.
- c. Yes, the legislature is provided some information on spending on secret items, but it lacks important details.
- d. No, the legislature is provided no information on secret items.
- e. Not applicable/other (please comment).

b

Citation and/or comment: The Intelligence Services Act 1994 establishes special oversight arrangements for intelligence matters. The Intelligence and Security Committee examines the expenditure, administration and policy of the intelligence agencies. Its cross-partisan membership of nine is appointed by the Prime Minister after consultation with the Leader of the Opposition. The Committee is required to report annually to the Prime Minister on its work. These reports, after any deletions of sensitive material, are placed before Parliament and published. Refer to: <http://www.cabinetoffice.gov.uk/intelligence/>.

Peer Reviewer ONE Comment: I do not think it fair to characterize the Intelligence and Security Committee as representative of the legislature, even though its members are drawn from the legislature. The members are picked by the Prime Minister and are answerable to him. Much of the evidence they receive, and the reports that are placed before Parliament are censored. We also are not in a position to know just how much of the budgets they are able to drill down into (because their considerations are in secret). Therefore I would mark this question as “b” to be charitable (though would be tempted to mark it “c”).

Peer Reviewer TWO Comment:

<p>82. Does the legislature have authority to amend the budget presented by the executive?</p> <ol style="list-style-type: none"> Yes, the legislature has unlimited authority to amend the budget. Yes, the legislature has authority to amend the budget, with some limitations. Yes, the legislature has authority to amend the budget, but its authority is very limited. No, the legislature does not have any authority to amend the budget. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p>The researcher’s response to this question was “c.” Standing Order No. 48 of the House of Commons reserves the right to financial initiative for the Government. Formally, Parliament can cut existing items only. Although these are self-imposed constraints, they are very entrenched. In practice, Parliament no longer amends the budget. The last government defeat over estimates dates back to 1921. Nowadays, an amendment to the executive budget proposal would be considered a vote of no confidence and cause the fall of the government.</p> <p>Researcher Response to Peer Reviewer: The formal rules in Standing Order No. 48 are most adequately reflected by “c.”</p> <p>Peer Reviewer ONE Comment: Because of the fact, as outlined in the comment above, that any attempt to amend the budget would be treated as a vote of no-confidence, the fall of the government, and a new election, I would deem there is in practice and in effect no genuine chance to amend the budget, and that an answer “d” would be more appropriate, as “c” would rather imply that the ability to amend is limited to a small number of minor amendments, which is not the case.</p> <p>Peer Reviewer TWO Comment:</p> <p>IBP Comment: IBP editors chose answer “c” to maintain the consistency of the data across the countries.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">c</div>
<p>83. What is the most detail provided in the appropriation (expenditure budget) approved by the legislature?</p> <ol style="list-style-type: none"> The approved budget includes program-level detail. The approved budget includes departmental totals and some additional details (for instance, sub-department totals or major programs). The approved budget includes only departmental totals. The approved budget includes less information than departmental totals. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Totals in the Appropriation Act are highly aggregated. Refer to http://www.opsi.gov.uk/acts/acts2005/50021--a.htm#5</p> <p>Peer Reviewer ONE Comment:</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>

Executive's Implementation of the Budget	
<p>84. How often does the executive release to the public in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ol style="list-style-type: none"> In-year reports on actual expenditure are released at least every month. In-year reports on actual expenditure are released at least every quarter. In-year reports on actual expenditure are released at least semi-annually. In-year reports on actual expenditure are not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Public Expenditure Outturns, National Statistics Release, Table 4: Total Expenditure on Services by Function, 20 July 2005 (released three times per year, plus annual Public Expenditure Statistical Analyses = 4 times per year total), available at: http://www.hm-treasury.gov.uk/newsroom_and_speeches/press/2005/press_natstatsjuly_05.cfm.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>
<p>85. What share of expenditure is covered by in-year reports on actual expenditure (organized by administrative unit, economic classification and/or function)?</p> <ol style="list-style-type: none"> Yes, in-year reports cover all expenditures. Yes, in-year reports cover at least two-thirds, but not all, of expenditures. Yes, in-year report cover less than two-thirds of expenditures. No in-year reports are released to the public. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Public Expenditure Outturns, National Statistics Release, Tables 1-4, 20 July 2005, available at: http://www.hm-treasury.gov.uk/newsroom_and_speeches/press/2005/press_natstatsjuly_05.cfm.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>86. Do the in-year reports released to the public compare actual year-to-date expenditure with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?</p> <ul style="list-style-type: none"> a. Yes, comparisons are made for all expenditures. b. Yes, comparisons are made for at least two-thirds, but not all, of expenditures. c. Yes, but comparisons are made for less than two-thirds of expenditures. d. No, comparisons are not made, or no in-year reports are released to the public. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Public Expenditure Outturns, National Statistics Release, Tables 1-4, 20 July 2005, available at: http://www.hm-treasury.gov.uk/newsroom_and_speeches/press/2005/press_natstatsjuly_05.cfm.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>87. How often does the executive release to the public in-year reports on actual revenue collections by source of revenue?</p> <ul style="list-style-type: none"> a. In-year reports on actual revenue collections by source of revenue are released at least every month. b. In-year reports on actual revenue collections are released at least every quarter. c. In-year reports on actual revenue collections are released at least semi-annually. d. In-year reports on actual revenue collections by source of revenue are not released. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to First Release: Public Sector Finances, October 2005, p. 3, 18 Nov 2005, available at http://www.hm-treasury.gov.uk/media/A2E/A1/psfnovember05.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>88. What share of revenue is covered by the in-year reports on actual revenue collections?</p> <ul style="list-style-type: none"> a. In-year reports cover the actual revenue collections of all sources of revenue. b. In-year reports cover the actual revenue collections of at least two-thirds of, but not all, sources of revenue. c. In-year reports cover actual revenue collections of less than two-thirds of revenue sources. d. In-year reports on actual revenue collections are not released to the public. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to First Release: Public Sector Finances, October 2005, table PSF3, 18 Nov 2005, available at: http://www.hm-treasury.gov.uk/media/A2E/A1/psfnovember05.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>89. Do the in-year reports released to the public compare actual year-to-date revenue collections with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?</p> <ul style="list-style-type: none"> a. Yes, comparisons are made for all revenue sources. b. Yes, comparisons are made for at least two-thirds of, but not all, revenue sources. c. Yes, but comparisons are made for less than two-thirds of revenue sources. d. No, comparisons are not made, or no in-year reports are released to the public. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to First Release: Public Sector Finances, October 2005, p. 3, 18 Nov 2005 (NOTE: includes 'other receipts' column), available at: http://www.hm-treasury.gov.uk/media/A2E/A1/psfnovember05.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>90. Does the executive release to the public in-year reports on actual borrowing?</p> <ul style="list-style-type: none"> a. Yes, in-year reports on actual borrowing are released at least every month. b. Yes, in-year reports on actual borrowing are released at least every quarter. c. Yes, in-year reports on actual borrowing are released at least semi-annually. d. No, in-year reports on actual borrowing are not released. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to First Release: Public Sector Finances, October 2005, table PSF2, 18 Nov 2005, available at: http://www.hm-treasury.gov.uk/media/A2E/A1/psfnovember05.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>91. Do in-year reports released to the public on actual borrowing present information related to the composition of government debt (such as interest rates on the debt, maturity profile of the debt, and currency denomination of the debt) for the budget year?</p> <ul style="list-style-type: none"> a. Yes, extensive information related to the composition of government debt is presented. b. Yes, key additional information is presented, but some details are excluded. c. Yes, some additional information is presented, but it lacks important details. d. No, additional information related to the composition of government debt is not presented, or such in-year reports on borrowing are not released. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to First Release: Public Sector Finances, October 2005, table PSF7, 18 Nov 2005 (NOTE: government debt defined as percentage of GDP at market prices; composition not discussed), available at: http://www.hm-treasury.gov.uk/media/A2E/A1/psfnovember05.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u> Public Sector Finances includes the interest payments made each month, but I agree with the judgment of “c.”</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div>
<p>92. For in-year reports on actual expenditure released to the public by the executive, how much time typically elapses between the end of the reporting period and when the report is released (e.g., are quarterly reports released less than 4 weeks after the end of the quarter)?</p> <ul style="list-style-type: none"> a. Reports are released 1 month or less after the end of the period. b. Reports are released 2 months or less (but more than 1 month) after the end of the period. c. Reports are released more than 2 months after the end of the period. d. In-year reports are not released. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The Public Sector Finances report for October 2005 was released on 18 Nov 2005, available at: . http://www.hm-treasury.gov.uk./media/A2E/A1/psfnovember05.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>93. Does the executive release to the public a mid-year review of the budget that discusses the changes in economic outlook since the budget was enacted?</p> <ol style="list-style-type: none"> Yes, the mid-year review includes an extensive discussion of the economy that includes a revised forecast for the full fiscal year and its effects on the budget. Yes, the mid-year review includes a discussion of the economy, but it lacks some details. Yes, the mid-year review includes a discussion of the economy, but it lacks important details. No, the mid-year review does not include a discussion of the economy, or the executive does not release a mid-year review of the budget. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Pre-budget Report 2004 Chapter A, Maintaining Macroeconomic Stability, available at: http://www.hm-treasury.gov.uk/media/92B/BE/pbr04_chap02_390.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u> [in addition to above] However, according to the <i>OECD Best Practices Budget Transparency</i>, the PBR as a mid-year review is provided too late, at an average 9 months (early December) after the beginning of the financial year in April. The Guidance suggests that this should not be provided more than 6 weeks after 6 months have passed.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>94. Does the executive release to the public a mid-year review of the budget that includes updated expenditure estimates for the budget year underway?</p> <ol style="list-style-type: none"> Yes, the mid-year review includes updated expenditure estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels. Yes, the mid-year review includes updated estimates of expenditure, but some details on why estimates have changed are not provided. Yes, the mid-year review includes updated estimates of expenditure, but important details on why estimates have changed are not provided. No, the mid-year review does not include updated expenditure estimates for the budget year, or the executive does not release a mid-year review of the budget. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Pre-budget Report 2004 Chapter B, The Public Finances, available at: http://www.hm-treasury.gov.uk/media/92C/40/pbr04_chapB_320.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>95. What is the most detail provided in the mid-year review for expenditures?</p> <ol style="list-style-type: none"> a. The mid-year review includes program-level detail for expenditures. b. The mid-year review includes departmental totals (or functional totals) and some additional details (for instance, sub-department totals or major programs). c. The mid-year review includes only departmental totals (or functional totals). d. The mid-year review includes less information than departmental totals (or functional totals) for expenditures, or the executive does not release a mid-year review of the budget. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Pre-budget Report 2004 Table B18, Departmental Expenditure Limits, available at: http://www.hm-treasury.gov.uk/media/92C/40/pbr04_chapB_320.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>
<p>96. Does the executive release to the public a mid-year review of the budget that includes updated revenue estimates for the budget year underway?</p> <ol style="list-style-type: none"> a. Yes, the mid-year review includes updated revenue estimates for the full fiscal year, providing extensive information on why estimates have changed from the original enacted levels. b. Yes, the mid-year review includes updated estimates of revenue, but some details on why estimates have changed are not provided. c. Yes, the mid-year review includes updated estimates of revenue, but important details on why estimates have changed are not provided. d. No, the mid-year review does not include updated revenue estimates for the budget year, or the executive does not release a mid-year review of the budget. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to Pre-budget Report 2004 Chapter B, The Public Finances (see especially B39 and Table B10), available at: http://www.hm-treasury.gov.uk/media/92C/40/pbr04_chapB_320.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>97. Does the executive seek input from the legislature when the executive shifts funds between administrative units (except when the amounts are below a certain level, as specified in law or regulation)?</p> <ol style="list-style-type: none"> Yes, the executive seeks approval from the legislature before shifting funds between administrative units. Yes, the executive advises the legislature before shifting funds, giving the legislature an opportunity to block or modify the proposed adjustment. Yes, the executive seeks legislative approval, but only after the shift of funds has been implemented. No, the executive shifts funds between administrative units without seeking input from the legislature. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The reserve and the regular intervals with which supplementary estimates are tabled (see question 99 below) give the executive very substantial flexibility. Moreover, HM Treasury controls transfers and uses its discretion in approving them: ‘If the proposed reallocation is thought to be of so great a departure from the original estimate, then it will be brought before Parliament by means of a supplementary estimate’ (Lienert 2004, p. 431). Approval of a supplementary estimate – as with any estimate – is routinely granted. Refer to: Ian Lienert (2004), ‘The Legal Framework for Budget Systems’, <i>OECD Journal on Budgeting</i> Vol. 4 No. 3 (special issue).</p> <p><u>Peer Reviewer ONE Comment:</u> In agreement with the researcher’s response “d”, as the approval for supplementary estimates is extraordinary, and only after actual managed expenditure exceeds the contingency held by the Treasury.</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div>
<p>98. During the past year, have there been credible reported instances in which the procurement of goods and services has not followed an open and competitive process in practice?</p> <ol style="list-style-type: none"> There were no credible reported instances of procurement failing to follow an open and competitive process in practice during the past year. The procurement of goods and services frequently followed an open and competitive process in practice, but there were some reported instances of irregularities. The procurement of goods and service followed an open and competitive process in many instances, but there were significant reported examples of irregularities. No, the procurement process was not open and competitive in practice. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> There are exemptions to competitive procurement, mostly defence related (the audit report below indicates that this amounts to about 25% of defence procurement). Audits indicate that there are generally sound processes in place for non-competitive procurement, although there is room for improvement. See National Audit Office (2001): “Non-competitive procurement in the Ministry of Defence”, HC 290 Session 2001-02, 2 November 2001, available at: http://www.nao.org.uk/publications/nao_reports/01-02/0102290.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>

99. When does the legislature typically approve supplemental budgets?

- a. Supplemental budgets are approved before the funds are expended, or the executive rarely proposes a supplemental budget (please specify).
- b. Supplemental budgets are approved after the funds are expended, or the executive implements supplemental budgets without ever receiving approval from the legislature (please specify).
- c. Not applicable/other (please comment).

a

Citation and/or comment: There are up to three occasions for submitting Supplementary Estimates: June (summer), November (winter) and February (spring). Revised Estimates may also be presented in the summer to adjust the Main Estimates before Parliament approves them. New Estimates may also be introduced in the course of the year.
http://www.hm-treasury.gov.uk./media/9EA/7A/wintersupps_section1_171105.pdf.

Executive flexibility during budget execution is substantial, but there are limits. The Exchequer and Audit Departments Act of 1866 allows the Treasury to withhold funds. Treasury uses discretion in reallocating funds, but if adjustments are deemed substantial, a Supplementary Estimate is tabled. Additional spending can be made before parliamentary approval from the Contingencies Fund, which is limited by the Contingencies Fund Act of 1974 to two percent of authorized supply expenditure of the previous year. In addition, a “vote on credit” can be used to obtain parliamentary approval for a lump sum for which the purpose can only be stated in general terms.

Refer to Ian Lienert (2004), ‘The Legal Framework for Budget Systems’, OECD Journal on Budgeting Vol. 4 No. 3 (special issue), pp. 430-1.

Therefore, the appropriate answer appears to be somewhere between categories “a” and “b”, it really depends on what kind of in-year changes are sought and to what extent.

Peer Reviewer ONE Comment: I agree that it is very difficult to judge on the criteria given in the question, and that therefore a “c” is probably appropriate

Peer Reviewer TWO Comment:

IBP Comment: IBP editors chose answer “a” to maintain the consistency of the data across the countries.

<p>100. In most years, how large are supplemental budget requests relative to the size of the original budget?</p> <ol style="list-style-type: none"> Supplemental budgets are generally equal to 2 percent or less of the original budget. Supplemental budgets are generally equal to more than 2 percent, but less than 5 percent, of the original budget. Supplemental budget are generally equal to more than 5 percent, but less than 10 percent, of the original budget. Supplemental budget are generally equal to 10 percent or more of the original budget, or insufficient information is available to the public regarding the amount of supplemental budgets. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Total resource expenditure in the 2004–05 Main Supply Estimates was £348.5 billion. The 2004-05 winter Supplementary Estimates increased resources by £6.7 billion and the spring Supplementary Estimates 2004-5 by £7.1 billion, pushing the total to £362.3 billion. Refer to http://www.hm-treasury.gov.uk/Documents/Public_Spending_and_Services/Parliamentary_Supply_Estimates/pss_pse_index.cfm.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>
<p>101. When does the legislature approve the expenditure of contingency funds or other funds for which no specific purpose was identified in the budget?</p> <ol style="list-style-type: none"> Expenditures are approved before the funds are expended, or contingency funds or other funds with no specific purposes are not included in the budget. Expenditures are approved after the funds are expended, but before the end of the fiscal year. Expenditures are approved after the end of the fiscal year, for example in the next budget. Such expenditure takes place without legislative approval. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> There is a Contingencies Fund, which may be used to finance urgent expenditure in anticipation of parliamentary approval. Total advances outstanding at any one time must not exceed 2 per cent of the previous year’s total cash supply provision. Advances are repaid when Parliament votes for additional cash. At present, there is also a special reserve for military operations in Iraq and other international obligations that received £400 million in the 2005 Budget.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>

Executive's Year-End Report and the Supreme Audit Institution	
<p>102. How long after the end of the budget year does the executive release to the public a year-end report or another document that discusses the budget's actual outcome for the year?</p> <ol style="list-style-type: none"> Reports are released six months or less after the end of the fiscal year. Reports are released 12 months or less (but more than six months) after the end of the fiscal year. Reports are released more than 12 months after the end of the fiscal year. The executive does not release a year-end report. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> In terms of the Government Resources and Accounts Act 2000, audited departmental accounts have to be submitted to Parliament by the end of January (section 6). Accounts may be submitted before the deadline, e.g.: http://www.hm-treasury.gov.uk/media/3A6/1E/resource_accounts_2004-5.pdf</p> <p>Peer Reviewer ONE Comment: In agreement with researcher's response "a". The report referred to was released in June, 3 months into the following financial year.</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>103. In the year-end report, or another document released to the public by the executive (please specify below), have the data on the actual outcomes been audited?</p> <ol style="list-style-type: none"> Yes, all data on actual outcomes have been audited. At least two-thirds, but not all, of the data on actual outcomes have been audited. Less than two-thirds of the data on actual outcomes have been audited. None of the data on actual outcomes has been audited, or a year-end report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> See Question 102 above.</p> <p>Peer Reviewer ONE Comment:</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>104. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Departmental accounts contain a brief “Explanation of the variation between Estimate and Outturn.” Government also publishes two statistical documents with outturn data, the Public Expenditure Statistical Analyses (PESA) and the Public Expenditure Outturn White Paper (PEOWP), available at: http://www.hm-treasury.gov.uk/economic_data_and_tools/finance_spending_statistics/pes_publications/pespub_index.cfm.</p> <p>Peer Reviewer ONE Comment: In agreement with researcher’s response “b”. The accounts for each department generally give some quantitative and qualitative detail, but not in any accessible format. See for example, MoD annual Report and Accounts for 2003-4, Schedule 1, p.111, accessible at: http://www.mod.uk/NR/rdonlyres/2D9543F0-FF18-43A8-9E7F-B97704AE3813/0/dra200304_s2.pdf</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>
<p>105. What level of detail is the focus of the explanation of the differences between the enacted levels and the actual outcome for expenditures presented in the year-end report, or another document released to the public by the executive (please specify below)?</p> <ol style="list-style-type: none"> The explanation of the differences between the enacted expenditure levels and the actual outcome focuses on the program level. The explanation focuses on departmental totals (or functional totals) or some lower level of detail (but not the program level in all cases). The explanation focuses on a higher level of aggregation than departmental totals (or functional totals). No explanation of the differences is provided, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to “Explanation of the variation between Estimate and Outturn” in departmental accounts.</p> <p>Peer Reviewer ONE Comment:</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">b</div>

<p>106. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to End of Year Fiscal Report 2005, available at: http://www.hm-treasury.gov.uk/media/F59/99/pbr05_endofyear_296.pdf.</p> <p>Peer Reviewer ONE Comment: In agreement with researcher’s response “a.” It is a shame there isn’t the same level of detail for the expenditures!</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>107. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to FSBR (Financial Statement and Budget Report), Chapter B discusses macroeconomic developments and updates the Pre-budget Report (Annex A). This includes some comparison with prior estimates, but not comprehensively. There is no separate document similar to the End of Fiscal Year Report to consider specifically forecast and outturn differences for various macroeconomic variables. They are available at: http://www.hm-treasury.gov.uk/media/AA7/8C/bud05_chapb_253.pdf and http://www.hm-treasury.gov.uk/media/FA6/50/pbr05_annexA_293.pdf.</p> <p>Peer Reviewer ONE Comment: In agreement with researcher’s response “c”, though I would be amazed if a government were to honestly admit to the shortcomings in such a way that repeated forecasting errors were explained in similar fashion year after year!</p> <p>Peer Reviewer TWO Comment:</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">c</div>

<p>108. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the original estimates of non-financial data and the actual outcome?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Departments present annual reports that discuss non-financial data, e.g.: http://www.dft.gov.uk/stellent/groups/dft_about/documents/page/dft_about_038338.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>109. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the original performance indicators and the actual outcome?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Departments present annual reports that discuss the achievement of targets, e.g.: http://www.dft.gov.uk/stellent/groups/dft_about/documents/page/dft_about_038338.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>110. Does the year-end report, or another document released to the public by the executive (please specify below), explain the difference between the enacted level of funds intended to benefit directly the country's most impoverished populations and the actual outcome?</p> <ol style="list-style-type: none"> Yes, an extensive explanation of the differences is presented, including both a narrative discussion and quantitative estimates. Yes, an explanation is presented, highlighting key differences, but some details are excluded. Yes, some explanation is presented, but it lacks important details. No, an explanation is not presented, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> While poverty is a cross-cutting issue across Government departments, a significant amount of responsibility rests with the Department for Work and Pensions (DWP). They have responsibility for reducing child poverty, challenging poverty and social exclusion, providing benefits and employment support to those who are not in paid employment (e.g. disadvantaged groups such as lone parents, people living with disabilities, people from Black and Minority Ethnic (BME) communities), and provision of pensions (including to impoverished pensioners). While poverty exists for people in paid employment as well, they are responsible for supporting a significant number of people living in poverty. See in particular Departmental report 2005 - Table 13, available at: http://www.dwp.gov.uk/publications/dwp/2005/dr05/pdf/DWP_Report_Chap6.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>111. Does the year-end report, or another document released to the public by the executive (please specify below), present the actual outcome for extra-budgetary funds?</p> <ol style="list-style-type: none"> Yes, extensive information on the actual outcome for extra-budgetary funds is presented, including both a narrative discussion and quantitative estimates. Yes, information is presented, highlighting key issues, but some details are excluded. Yes, some information is presented, but it lacks important details. No, information is not presented on extra-budgetary funds, or such a report is not released. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Trading Funds prepare accounts under section 4 of the Government Trading Funds Act 1973 and these are audited under section 4(6) of this act. The PAC has responsibility for scrutinizing the accounts. Annual reports are submitted to Parliament, e.g. Ordnance Survey Annual Report and Accounts 2004-05, available at: http://www.ordnancesurvey.co.uk/oswebsite/aboutus/reports/annualreport/index.html.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>112. How long after the end of the fiscal year are the final expenditures of national departments audited and (except for secret programs) released to the public?</p> <ol style="list-style-type: none"> Final audited accounts are released to the public six months or less after the end of the fiscal year. Final audited accounts are released 12 months or less (but more than six months) after the end of the fiscal year. Final audit accounts are released more than 12 months, but within 24 months of the end of the fiscal year. Final audited accounts are not completed within 24 months after the end of the fiscal year or they are not released to the public. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The Comptroller and Auditor-General's General Report for 2003/4 was published on 24 March 2005 (HC 366 Session 2004-2005), available at: http://www.nao.org.uk/publications/nao_reports/04-05/0405366.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>
<p>113. Two years after the completion of a fiscal year, what percentage of expenditure has been audited and (except for secret programs) the reports released to the public?</p> <ol style="list-style-type: none"> All expenditures have been audited and the reports released to the public. Expenditures representing at least two-thirds of, but not all, expenditures have been audited. Expenditures representing less than two-thirds of expenditures have been audited. No expenditures have been audited, or the reports have not been released to the public. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The Comptroller and Auditor General have a statutory responsibility to audit the financial statements of all central government departments, agencies and other public bodies, and to report the results of his examination to Parliament. More than 570 accounts were audited in 2004-05. Refer to: http://www.nao.org.uk/publications/annual05/nao_annual_report05.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>114. Do year-end audit reports of departmental expenditure that are released to the public include an executive summary?</p> <ul style="list-style-type: none"> a. All of these audit reports include an executive summary. b. Most of these reports include an executive summary. c. Some of these reports include an executive summary. d. None of these audit reports include an executive summary, or such reports are not released to the public. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Refer to http://www.nao.org.uk/publications/index.htm.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>115. Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?</p> <ul style="list-style-type: none"> a. Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before they are removed. b. No, the executive may remove the head of the SAI without the final consent of the judiciary or legislature. c. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The Comptroller and Auditor-General is an Officer of the House of Commons.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u> A more appropriate response to this question would be “A” The Comptroller and Auditor-General is head of the UK’s SAI – the National Audit Office (NAO), and is an Independent Officer of the House of Commons, and reports to Parliament (Brazier, A. and Ram, V (2005) <i>Inside the Counting House: a discussion paper on parliamentary scrutiny of Government finance</i>, London: Hansard Society).”</p>	<div style="border: 1px solid black; width: 20px; height: 20px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>116. Does the Supreme Audit Institution release to the public audits of extra-budgetary funds?</p> <ul style="list-style-type: none"> a. Yes, the SAI releases to the public audits of all extra-budgetary funds. b. Yes, the SAI releases audits representing at least two-thirds of, but not all, extra-budgetary funds. c. Yes, the SAI releases audits representing less than two-thirds of all extra-budgetary funds. d. No, the SAI does not release to the public audits of extra-budgetary funds, or it does not audit such funds. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> Trading funds do not receive voted money and are expected to cover their costs through the income from customers. However, they are subject to audit and accountable to Parliament. Refer to: http://www.hm-treasury.gov.uk./media/6C3/BE/38.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>117. Beyond the established year-end attestation audits, does the Supreme Audit Institution (SAI) have discretion in law to undertake those audits it may wish to?</p> <ul style="list-style-type: none"> a. The SAI has full discretion to decide which audits it wishes to undertake. b. The SAI has significant discretion, but faces some limitations. c. The SAI has some discretion, but faces considerable limitations. d. The SAI has no discretion to decide which audits it wishes to undertake. e. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> In practice, the NAO consults the PAC during the development of the audit program.</p> <p><u>Peer Reviewer ONE Comment:</u> Actually, the Public Accounts Committee is more in control than implied and directs the NAO’s work. However, as the PAC is genuinely representative and accountable to Parliament, I am happy with the classification “a.”</p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">a</div>

<p>118. Who determines the budget of the Supreme Audit Institution?</p> <ol style="list-style-type: none"> The budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate. The budget of the SAI is determined by the executive, and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate. The budget of the SAI is determined by the legislature or judiciary (or some independent body), but the funding level is not consistent with the resources the SAI needs to fulfill its mandate. The budget of the SAI is determined by the executive, but the funding level is not consistent with the resources the SAI needs to fulfill its mandate. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> The NAO is funded directly by a parliamentary supply grant agreed by the Public Accounts Commission, a parliamentary body that is distinct from the PAC. Refer to: http://www.parliament.uk/parliamentary_committees/public_accounts_commission.cfm.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>119. Does a committee of the legislature view and scrutinize the audit reports?</p> <ol style="list-style-type: none"> Yes, all audit reports are scrutinized. Yes, most audit reports are scrutinized. Yes, some audit reports are scrutinized. No, audit reports are not scrutinized. Not applicable/other (please comment). <p><u>Citation and/or comment:</u></p> <p><u>The researcher’s response to this question was “b.”</u> To scrutinize all audit reports would be impossible. The NAO audits about 570 accounts per year and also produces about 60 Value for Money audit reports. Each year around 40 to 50 reports – both value for money reports and reports on accounts of public bodies – are investigated further by the Public Accounts Committee. The committee procedure involves the questioning of relevant accounting officers in a public hearing.</p> <p><u>Researcher Response to Peer Reviewer:</u> Most Value for Money reports are considered, and compared with most other countries, audit scrutiny is extensive and in my view very close to best practice.</p> <p><u>Peer Reviewer ONE Comment:</u> A more appropriate response to this question would be “c”, as only a small minority of audit reports are scrutinized, for the reasons given above.</p> <p><u>Peer Reviewer TWO Comment:</u></p> <p><u>IBP Comment:</u> IBP editors chose answer “b” to maintain the consistency of the data across the countries.</p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">b</div>

<p>120. Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?</p> <ol style="list-style-type: none"> Yes, the executive reports publicly on what steps it has taken to address audit findings. Yes, the executive reports publicly on most audit findings. Yes, the executive reports publicly on some audit findings. No, the executive does not report on steps it has taken to address audit findings. Not applicable/other (please comment). <p><u>Citation and/or comment:</u> A Treasury Minute is published to respond to a Public Accounts Committee report, refer to: http://www.hm-treasury.gov.uk./media/694/11/HIA_21-03 - attachment Treasury Minute.pdf. Departments are required to include relevant recommendations made by the Public Accounts Committee and a summary of progress, since the recommendations were published in the Treasury Minutes, e.g. Annex C6 of the Department of Trade and Industry Departmental Report 2005, available at: http://www.dti.gov.uk/expenditureplan/report2005/pdfs/annex_c.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">a</div>
<p>121. Does either the Supreme Audit Institution or the legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?</p> <ol style="list-style-type: none"> Yes, a comprehensive report is released regularly that tracks actions taken by the executive to address audit recommendations. Yes, a report is released, covering key audit recommendations, but some details are excluded. Yes, a report is released, but it lacks important details. No, a report is not produced or it is prepared for internal purposes only (please specify). Not applicable/other (please comment). <p><u>Citation and/or comment:</u> There are no regular tracking reports. However, the NAO does occasionally produce stand-alone follow-up reports on particular topics, e.g. in March 2003 the PAC reported on the 2001 outbreak of Foot and Mouth Disease and made a number of recommendations to improve the management of future livestock epidemics. A follow-up report in February 2005 examined the Government's response and progress made since then (HC 184 Session 2004-2005). Refer to: http://www.nao.org.uk/publications/nao_reports/04-05/0405184.pdf.</p> <p><u>Peer Reviewer ONE Comment:</u></p> <p><u>Peer Reviewer TWO Comment:</u></p>	<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; display: flex; align-items: center; justify-content: center;">d</div>

122. Are audit reports related to national security and other secret programs provided to the legislature (or relevant committee)?

- a. Yes, legislators are provided with detailed audit reports related to national security and other secret programs.
- b. Yes, legislators are provided audit reports on secret items, but some details are excluded.
- c. Yes, legislators are provided audit reports on secret items, but they lack important details.
- d. No, legislators are not provided audit reports on secret items, or secret programs are not audited (please specify).
- e. Not applicable/other (please comment).

Citation and/or comment: National Audit Office staff are cleared to see security-classified papers. Classified reports have in the past been brought to the attention of the Chairperson of the PAC in the form of memoranda. For instance, three audits relating to the intelligence services and carried out in 1992 and 1995 were submitted as memoranda. The Government later consented to their publication and they were published in 2000 (HC 236 Session 1999-2000). Refer to http://www.nao.org.uk/publications/nao_reports/9900236.pdf.

However, an answer “c” would imply regular but censored audits that gave top-level information being made available to the legislature or a committee. The actual practice of occasional memoranda summarizing an audit of a particularly non-sensitive area of spend (in this example the refurbishment of offices) being made available only to the Chair of the PAC falls far short of this.

Peer Reviewer ONE Comment:

Peer Reviewer TWO Comment:

d