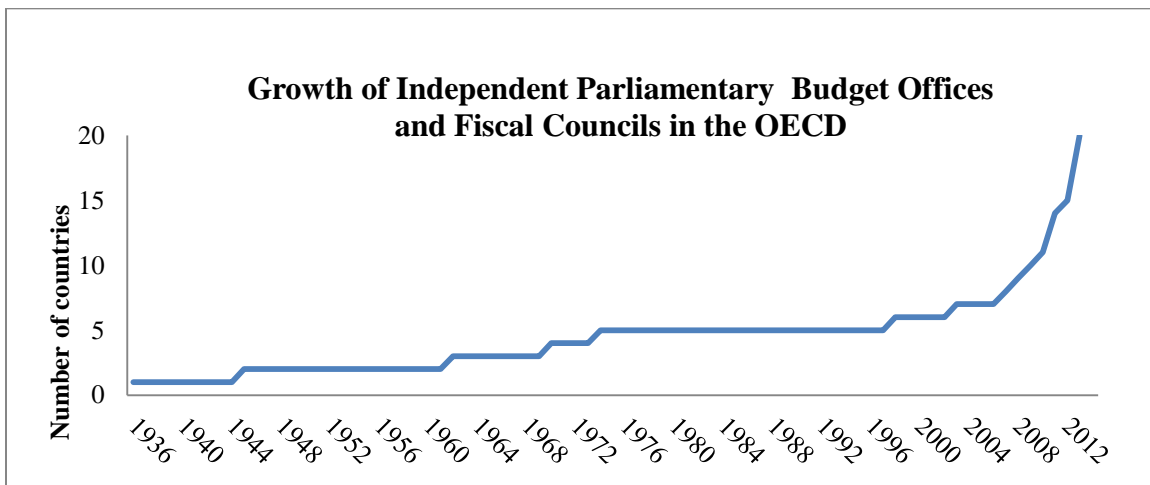


Evaluating the Performance of Independent Fiscal Institutions: Towards a Common Evaluation Framework*

Executive Summary

Since 2008, the number of independent fiscal institutions (IFI) within the OECD has more than tripled. Spurred by the 2008 financial crisis, challenges to government accountability or a perceived need to strengthen parliament, there are approximately 20 IFIs established with more in development. Representatives of these countries have formed the network of Parliamentary Budget Officials and Fiscal Institutions (PBO Network), dedicated to enhancing the fiscal scrutiny process in parliament as well as through its associated offices, such as PBOs.



IFIs provide “non-partisan oversight of fiscal performance and/or advice and guidance” (Hagemann, 2011, p. 76) “to maintain discipline and transparency in public finances during the policy-making process, which in turn helps bolster the credibility of government.” (Kopits, 2011, p. 2) Since IFIs reduce information asymmetry and improve fiscal responsibility in public finance with a forward-looking perspective, it is crucial for the IFI to be recognized as credible and relevant to public debate and deliberation.

The OECD *Recommendation of the Council on Principles on Independent Fiscal Institutions* provides a common framework for the creation and management of IFIs in Member Countries. As evidence of its commitment to sustainability and improvement of IFIs in the OECD, the PBO Network took action on Principle 9.1 of the principles to pursue the development of an evaluation framework for IFIs. Principle 9.1 states that:

IFIs should develop a mechanism for external evaluation of their work – to be conducted by local or international experts. This may take several forms: review

* Kevin Page, Sahir Khan and Helaina Gaspard of the University of Ottawa and the first external review of the United Kingdom’s Office for Budget Responsibility. Special thanks to the OECD reference group for their comments on earlier drafts.

of selected pieces of work; annual evaluation of the quality of analysis; a permanent advisory panel or board; or peer review by an IFI in another country. (OECD Principles on IFIs, 2014, Principle 9.1)

Within the OECD IFI community, there are various practices that exist to assess specific elements of an IFI's mandate. These tools for assessment include peer review of products, stakeholder satisfaction surveys, as well as resource compliance audits. However, these tools do not provide a comprehensive evaluation of the IFI as an institution in a specific context, with a defined set of inputs, which produces outputs and that considers the outcomes of its work through the perceived confidence of its stakeholders.

This article seeks to fill a void in the literature on IFIs by proposing a framework for a more comprehensive evaluation of the institution that accounts for its contextual uniqueness while abstracting to commonalities and benchmarking for its resources, products and performance assessments. A full evaluation of an IFI can serve to legitimize the institution relevant to its environment, resources, products and perceptions of its legislated and non-legislated stakeholders. As with the case of the evaluation of the United Kingdom's Office for Budget Responsibility (OBR), a full evaluation can in fact serve to reinforce the legitimacy of the office (Financial Times, 2014). Applying the framework in this paper, the final report produced a contextually relevant assessment of the institution, going beyond the mere accuracy of its forecasts.

The impetus for evaluating an IFI comes from the informational role it plays in democratic debate. To maximize the institution's potential, it must be held to the highest possible contextually relevant standard. As IFIs exist to promote transparency and scrutiny, they have a duty to exemplify this behaviour through their practices. Principle 7.1 of the OECD Principles for IFIs highlights the IFI's "special duty to act as transparently as possible" since it "provides the greatest protection of IFI independence and allows them to build credibility" (OECD 2014). Developing an evaluation framework that drives transparency and contextually relevant excellence requires consideration of four key elements of IFIs:

1. **Context:** The unique political and institutional environment housing the IFI as well as its legally defined mandate.
2. **Inputs:** Quantification and quality of the IFI's resources (both financial and human). It is necessary to consider organizational inputs as a factor for comparison and possible influencer of institutional capacity, productivity and institutional relevance.
3. **Outputs:** The products developed and released by the IFI based on the functions defined in its mandate (i.e. costing, economic and fiscal forecasting, macro-fiscal sustainability, budgetary advisory).
4. **Outcomes:** Stakeholders' perceived confidence in the IFI's work.

Using the evaluation of the OBR as a case study, this article proposes an evaluation framework that can be applied across the OECD. Based on this framework, there are eight key lessons that can be extracted.

Lesson #1:

- An IFI's context frames its inputs and outputs and is directly linked to its outcomes. To understand the impacts of context on the IFI, mandate and nature of accountability must be identified and assessed by asking: what is the legislative mandate of the IFI? What is the nature of its accountability?
 - Legislation? Convention?
 - Accountable to the legislature or to the executive? Both?
 - What are the manifestations of its accountability in terms of functions and stakeholders?

Lesson #2:

- To understand the capacity the IFI has based on its inputs to fulfill its mandate, an evaluation should seek to quantify the financial and human resources as well as its access to data and independence through an assessment of:
 - Funding (USD)
 - Personnel (number and qualifications)
 - Access to information (government data) (OECD Principles for IFIs, #6)
 - Political independence (OECD Principles for IFIs, #2)
 - Stability of the organization's inputs (can they be changed or eliminated?)

Lesson #3:

- The evaluation of IFIs should involve peer review by an international panel of experts to promote objectivity, transparency and rigour.

Lesson #4:

- Evaluations of IFIs should happen at two levels: first, the IFI should engage in regular self-assessment through the peer-review of its work. This regularized means of evaluation promotes rigour and adherence to international standards. A more complete external evaluation should occur periodically, for instance every five years. The results of the evaluation should be made public giving the IFI an opportunity to respond to the findings.

Lesson #5:

- The OECD may wish to develop a series of peer groups that could perform external evaluations to facilitate the evaluation of IFIs. Peer groups could be created based on expertise, type of IFI, while combining a series of researchers and expert practitioners in the panel.

Lesson #6:

- Evaluating outputs goes beyond the quantity of reports released by the IFI. Output evaluation should begin by asking: What are the products the IFI develops/releases to fulfill its mandate? How does the content of these products compare to those of their peers and to international standards of evaluation? With this information in place, the evaluation should focus specifically on:
 - Scientific and methodological soundness
 - Assessments of transparency gains
 - Accessibility of products for non-technical readers
 - Access to data

Lesson #7:

- As primary stakeholders, a comprehensive evaluation of IFIs should include a survey of legislators’ knowledge of and perceived confidence in the IFI.
- Non-parliamentary stakeholders should also be surveyed to gain insight into perceptions of the IFI outside of the political world.

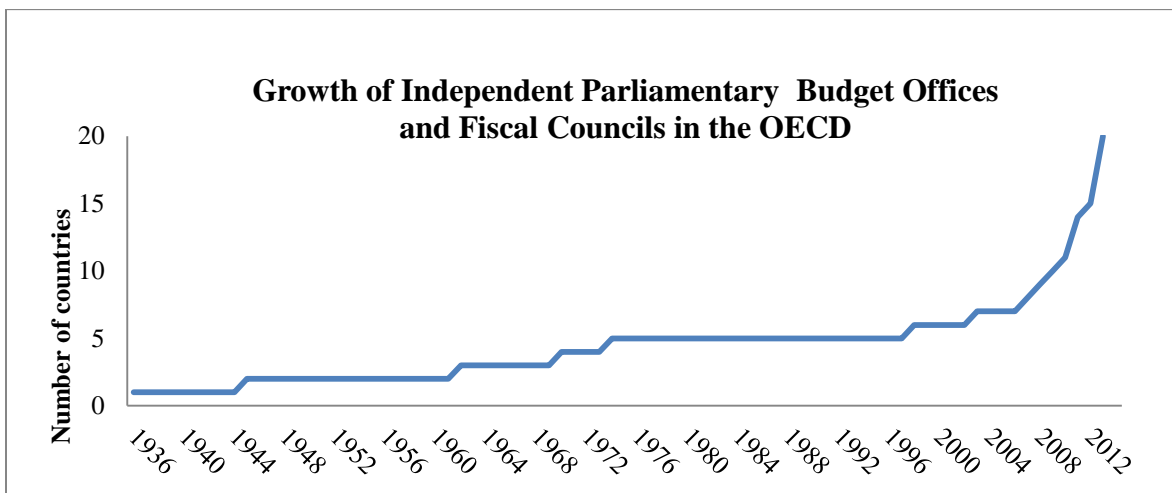
Lesson #8:

- Given the media’s public role as a conduit of information and participant in public debate, its perceived confidence in an IFI is an important indicator of outcomes. Therefore, an evaluation of an IFI must consider the media’s appropriation and trust of its work through references and willingness to engage with its outputs, through citation analysis.

It is proposed that a framework for evaluation based on these eight lessons be adopted.

Part I: Introduction

The last ten years has seen significant growth in the establishment of independent fiscal institutions (IFI), spurred by the 2008 financial crisis, challenges to government accountability or a perceived need to strengthen parliaments. As indicated in the Organization for Economic Cooperation and Development’s chart below, the number of IFIs within the OECD more than tripled to around 20 institutions in 2014, with several other IFIs currently under development. In response to the development of IFIs, the OECD Working Party of Senior Budget Officials created the Network of Parliamentary Budget Officials and Fiscal Institutions (PBO Network). The PBO Network is dedicated to enhancing the fiscal scrutiny process in parliament as well as through its associated offices, such as PBOs.



IFIs provide “non-partisan oversight of fiscal performance and/or advice and guidance” (Hagemann, 2011, p. 76) “to maintain discipline and transparency in public finances during the policy-making process, which in turn helps bolster the credibility of government.” (Kopits, 2011, p. 2) By analyzing current decisions and policies and providing financial diagnostics, the IFI is uniquely positioned to maintain and enhance fiscal discipline and transparency in policy-making and it must be evaluated accordingly. Distinct from an audit agency, the IFI “has a forward-looking diagnostic task” (Kopits, 2011, p. 2), concerned with actual and projected spending and not an ex-post assessment, distinguishing IFIs from SAIs and audit functions. Thus, the IFI exists to reduce information asymmetry and to improve fiscal responsibility in public finance. However, there is a risk that neither the imperative for IFIs nor growth in numbers can sustain these organizations. Given its forward-looking perspective, it is crucial for the IFI to be recognized as credible and relevant for political debate and deliberation.

The OECD *Recommendation of the Council on Principles on Independent Fiscal Institutions* provides a common framework for the creation and management of IFIs in

Member Countries. Reflecting the community’s commitment to evaluation as a useful means of ensuring the quality of work and credibility, Principle 9.1 states that:

IFIs should develop a mechanism for external evaluation of their work – to be conducted by local or international experts. This may take several forms: review of selected pieces of work; annual evaluation of the quality of analysis; a permanent advisory panel or board; or peer review by an IFI in another country. (OECD Principles on IFIs, 2014, Principle 9.1)

As evidence of its commitment to sustainability and improvement of IFIs in the OECD, the PBO Network took action on Principle 9.1 to pursue the development of an evaluation framework for IFIs, the result of which is defined in this article.

Part II: Developing a Framework for Evaluation Through Four Commonalities

IFIs exist in different environments, are subject to different mandates, have access to diverse resources and are accountable to a variety of stakeholders. However, as is evident from the unified set of OECD Principles, there are several fundamental aspects of IFI operations that are held in common. For example, regardless of mandate, resources, products or stakeholders, all IFIs have a specific *context*, have a defined set of *inputs*, produce *outputs* and must consider the *outcomes* of their work through the perceived confidence of their stakeholders. Thus, in constructing an evaluation framework for IFIs, we must balance their unique attributes with their common modalities.

Within the OECD IFI community, a series of practices exist to assess IFIs on one of either inputs, outputs or outcomes. Australia for instance, undertakes an audit of practices focused on the organization’s inputs (i.e. resources) by testing their compliance to its legislation. In the Netherlands, an external council of experts (nearly all non-Dutch academics) assess its Central Planning Bureau’s (CPB) outputs roughly every five years. Furthermore, the CPB fosters contact with the academic community and encourages staff to publish in academic journals and to work with academics (see OECD 2013). Focusing on outcomes through the perceptions of legislative stakeholders, South Korea’s National Assembly Budget Office (NABO) releases an annual satisfaction survey of its office among legislators and their staff. The survey provides NABO with a reading on its performance through the perception of its stakeholders. Other IFIs also undertake various types of assessments, see Table 1.

Country	IFI and Founding Year	Modality of Evaluation	Related Category
Australia	Parliamentary Budget Office (PBO), 2011	External evaluation of the PBO conducted after every general election.	
Austria	Government Debt Committee (GDC), 1970	None	
Belgium	High Council of Finance (HFC), 1989	No formal mechanisms in place.	
Canada	Parliamentary Budget Office (PBO), 2008	Peer-review of selected products by external experts (e.g. academics).	Outputs
Denmark	Economic Council, 1962	Internal comparisons of the Economic Council's projections with those of peer institutions.	Inputs
Ireland	Irish Fiscal Advisory Council (IFAC), 2011	General oversight of operations by an external auditor and the Oireachtas. Peer review by external experts undertaken of products at the request of the Minister of Finance.	Inputs, outputs
Italy	No official title, 2013	None	
Korea	National Assembly Budget Office (NABO), 2003	Annual internal audits of activities. Annual stakeholder satisfaction survey.	Outputs, Outcomes
Mexico	Centre for Public Finance Studies, 1998	Informal assessment from comments and feedback by committees and members of Congress, peers and the media.	Undefined (outputs)
Netherlands	Central Planning Bureau (CPB), 1945	Peer-review of products by non-Dutch advisory panel (mainly academic).	Outputs
Portugal	Council on Public Finances (CPF), 2011	An internal auditor is part of the Council and is responsible for the CPF's financial and asset management. The CPF is also subject to legal and financial control by the Court of Auditors which could, in principle, evaluate the performance of the CFP.	Undefined (inputs, outputs)
Slovak Republic	Council for Budgetary Responsibility, (EST.)	Although no formal mechanisms are defined, the Council engages a three-person panel of experts to evaluate its work.	Outputs
Slovenia	Fiscal Council, 2009	None	None
Sweden	Swedish Fiscal Policy Council, 2007	None	None
United Kingdom	Office for Budget Responsibility (OBR), 2010	Legally mandated to undertake an evaluation at five year intervals. The OBR also has a seven-person panel of leading economic and fiscal experts to help develop and scrutinise its work program and methodology. Seven economic and fiscal experts also scrutinize the methodological quality and content of the OBR's outputs.	Inputs, outputs, (outcomes read-in during the first evaluation)
United States	Congressional Budget Office (CBO), 1974	Self-evaluations of its economic forecasting record.	Outputs

Table 1: Summary of OECD IFI assessment tools

Despite the range of assessment tools employed by IFIs in the OECD community, none appear to be designed to independently or individually produce a comprehensive evaluation of the institution by assessing context, inputs, outputs and outcomes as well as the linkages between them. This article seeks to fill this void in the literature on IFIs by proposing a framework for a complete evaluation of the institution that accounts for its contextual uniqueness while abstracting to commonalities and benchmarking for its resources, products and performance assessments. A full evaluation of an IFI can serve to help to reinforce the legitimacy of the institution relevant to its environment, resources, products and perceptions of its legislated and non-legislated stakeholders. As with the case of the evaluation of the United Kingdom’s Office for Budget Responsibility (OBR), a full evaluation can in fact serve to legitimize the office (Financial Times, 2014). Applying the framework in this paper, the final report on the evaluation of the OBR produced a contextually relevant assessment of the institution, going beyond the mere accuracy of its forecasts.

The ultimate goal of evaluation would be to ensure the relevance of the IFI through its performance to foster the longer-term sustainability of the institution. In the short- and medium-terms, an IFI would benefit from evaluation for instance, by improving its outputs (e.g. products), enhancing its capacity for stakeholder engagement and communication with its work. This paper proceeds by defining and reviewing the four common areas of analysis that serve as the basis of the framework (context, inputs, outputs, outcomes). A menu of evaluation mechanisms is reviewed, drawing principally on the evaluation of the OBR as a case study. The paper concludes by reviewing the key lessons learned in defining and testing an evaluation framework.

The impetus for evaluating an IFI comes from the informational role it plays in democratic debate. To maximize the institution’s potential, it must be held to the highest possible contextually relevant standard. As IFIs exist to promote transparency and scrutiny, they have a duty to exemplify this behaviour through their practices. Principle 7.1 of the OECD Principles for IFIs highlights the IFI’s “special duty to act as transparently as possible” since it “provides the greatest protection of IFI independence and allows them to build credibility” (OECD 2014). Developing an evaluation framework that drives transparency and contextually relevant excellence requires consideration of four key elements of IFIs:

1. **Context:** The unique political and institutional environment housing the IFI as well as its legally defined mandate.
2. **Inputs:** Quantification and quality of the IFI’s resources (both financial and human). It is necessary to consider organizational inputs as a factor for comparison and possible influencer of institutional capacity, productivity and institutional relevance.
3. **Outputs:** The products developed and released by the IFI based on the functions defined in its mandate (i.e. costing, economic and fiscal forecasting, macro-fiscal sustainability, budgetary advisory).
4. **Outcomes:** Stakeholders’ perceived confidence in the IFI’s work.

Table 2 summarizes the four key elements of the evaluation framework and their modalities for assessment.

Modalities of Evaluation	Common Evaluation Framework			
	Context	Inputs	Outputs	Outcomes
	<ul style="list-style-type: none"> ▪ Legislation ▪ Sources of accountability ▪ Definition of stakeholders 	<ul style="list-style-type: none"> ▪ Budget ▪ Human resources ▪ Access to data ▪ Independence 	<ul style="list-style-type: none"> ▪ Peer review of reports (scientific and methodological soundness) ▪ Transparency gains ▪ Assessment against counterfactuals 	<ul style="list-style-type: none"> ▪ Stakeholder surveys ▪ Media analysis ▪ Expert interviews

Table 2: Four key elements of the evaluation framework and their modalities for assessment.

Context

The IFI’s specific institutional context will frame the direction of its evaluation. Context reflects the importance of locality by referring to the mandate and unique political and institutional environment in which the IFI finds itself (see Table 2 for a summary of the legislative underpinnings of a selection of OECD IFIs). There is strong agreement across jurisdictions about the importance of accounting for context in the evaluation of IFIs. This is reflected in the first principle of the OECD’s Principles for IFIs through its emphasis on “local ownership” of the institution. The IFI like any other institution does not exist in a vacuum – its context informs its design, its operation and its sustainability.

Accounting for the uniqueness of an IFI in the evaluation is crucial. For instance, OBR is accountable to both the executive and legislative branches of government, which are naturally in tension. This construct of an IFI has no global peer. However, its uniqueness provided a useful case with which to test this evaluation framework. Given its dual sources of accountability, the OBR allowed for the framework to be tested in both executive and legislatively accountable environments. With a single evaluation both the practicality, applicability and transferability of this framework were tested and demonstrated to be applicable in competing constitutional contexts.*

The importance of context is recognized in the proposed evaluation framework by first assessing the IFI’s mandate and its corresponding sources of responsibility and accountability. There are various motivations to establish an IFI. For instance, some as in the case of Canada, are born out of a crisis of fiscal and legislative accountability. Others, as was the case for Australia, were established by the legislature to foster

* The *External review of the office for Budget Responsibility* (2014) can be accessed at <https://www.gov.uk/government/publications/external-review-of-the-office-for-budget-responsibility>

transparency. In other situations, the IFI is created as a condition for support from a supranational organisation (e.g. the World Bank, the IMF). Or as was the case for Ireland and Portugal, the IFI acts as a surveillance mechanism to monitor adherence to support conditions for a supranational body such as the European Union. The impetus for creating the institution informs its mandate and ultimately defines its stakeholder universe.

For the purpose of establishing the particular context of an IFI, an evaluator may wish to use expert stakeholder interviews. Expert interviews provide crucial contextual information about the IFI and perceptions of its work within the stakeholder community most closely associated with the office (e.g. founders of the institution, parliamentarians, think-tanks that engage directly with its work, journalists etc.). More than a single round of interviews may be necessary to first gain understanding of context and then test working hypotheses. Data from these interviews capture complex institutional dynamics and tendencies that cannot be addressed in a survey. While these stakeholder interviews are not a substitute for surveys that provide statistically valid data, they can however contextualize survey findings.

	Specifications of the IFI as per its legislation	Australia	Austria	Canada	Ireland	Korea	Netherl-ands	UK	USA
1	Date of founding legislation	2011	2013	2006	2012	2003	1947	2011	1974
2	Does the legislation define the relationship between the IFI and the:								
	a) executive	●	●	○	●	○	●	●	●
	b) legislature	●	●	●	●	●	○	●	●
	c) civil society and/or public	○	●	○	○	○	●	○	○
3	Is the IFI's full mandate defined in legislation?	●	●	●	●	●	○	●	●
4	Who appoints the head of the IFI in legislation?	L	E & O	E & L	E	L	E	E & L	L
5	Are the skills/competencies/educational requirements for the IFI leadership defined in legislation?	○	●	○	●	○	○	○	○
6	Does the legislation define the IFI's organisational structure?	○	●	○	○	●	●	●	○
7	Does the legislation provide for the independence of the IFI as a function of its inputs?	○	●	○	●	●	○	○	●
8	Is the IFI's accountability defined in legislation? If yes, to whom is it accountable?	L	E	L	E & L	L	E	E & L	L
9	Is the legislation prescriptive in terms of outputs?	●	●	●	●	●	●	●	●
10	Are there provisions for access to government/state data in the IFI's legislation?	●	●	●	○	●	○	●	●
11	Does the legislation provide a mechanism for recourse for infringement of the IFI's access to data?	○	○	○	○	○	○	○	○
12	Does the legislation prescribe modes or timing of communication for outputs?	●	○	○	●	○	○	○	●

Table 3: Legislative comparison of OECD IFIs (Source: Review of the OBR, 2014).

E = Executive O = Other L = Legislature

Despite best intentions in establishing an IFI, context is dynamic. Even though a government may initially be welcoming of the IFI upon its establishment (e.g. Ireland),

that context can shift and the relationship can become combative (e.g. Canada) if the government perceives the IFI to be a threat or an impediment to its objectives. Changes in context can also result from an institution’s lifecycle. For instance, the preoccupations of a newly established IFI will be different than one in existence for decades. A newly formed IFI may find itself struggling to establish and sustain itself in the political landscape of its jurisdiction. An established IFI may have an entirely different set of issues that are not existential in nature. The institution’s age and preoccupations must be considered in its assessment. Therefore, when it comes to evaluating IFIs, an assessment of context should include its mandate, its political environment as well as its maturity. Only then can its legislatively defined functions be compared to its actual capacity for operation.

Lesson #1:

- An IFI’s context frames its inputs and outputs and is directly linked to its outcomes. To understand the impacts of context on the IFI, mandate and nature of accountability must be identified and assessed by asking: what is the legislative mandate of the IFI? What is the nature of its accountability?
 - Legislation? Convention?
 - Accountable to the legislature or to the executive? Both?
 - What are the manifestations of its accountability in terms of functions and stakeholders?

With the context established as a frame, inputs and outputs will be discussed. Defining and evaluating the content of these categories allows us to empirically assess the operation and functions of the IFI.

Inputs

In order for an IFI to fulfill its duties, it requires various resources. As the IMF’s 2013 report on Fiscal Councils indicated, there are key features in the design of an institution that can help to ensure its success (IMF, 2013). Kopits (2011), identifies the technical competencies of staff, independence, non-partisanship and accountability to the legislature as the four key characteristics of a successful IFI. Based on assessments of the OECD IFI community, there is a common set of resources identifiable across the community, which are discussed individually in this section. They include: financial resources (i.e. budget); human resources (i.e. leadership and staff); independence (i.e. freedom from political interference); access to data (i.e. legislatively protected or not). The resources allocated to IFIs influence its capacity to fulfill its mandate—and should, according to OECD principles, be commensurate with mandate (OECD Principles on IFIs, 4). To evaluate the effectiveness of an IFI’s resources, they can be benchmarked against the organization’s mandate and compared to those of international peer institutions.

An IFI’s inputs derive directly from its context (namely from its legislation and mandate), which means that at its founding, an IFI may or may not have been attributed the tools

(resources) it requires for success. Assessing inputs then becomes an important indicator of the IFI’s capacity (or lack thereof) relative to its mandate and to its peers.

Context and inputs are not mutually exclusive categories for analysis and thus, when assessing inputs, elements of context will inevitably factor-in. When it comes to assessing financial and human resources in particular, accounting for an IFI’s obligations and responsibilities relative to its mandate becomes necessary to create an equitable and accurate base for comparison—especially when benchmarking inputs against those of peers. Therefore, when evaluating inputs, it will not suffice to assess them at face value, they must be considered against their context, including their mandate and founding legislation. The modalities (financial resources, human resources, independence and access to data), their justification and means for assessment are discussed in turn below.

Financial Resources

Information on the annual budget is necessary to assess whether it is commensurate with the IFI’s mandate. Benchmarking against data obtained from peer offices can be a useful means of comparing IFI functions with its budget and staff (as in Table 4). As highlighted by the IMF (2013), some functions, such as costing, are more resource-intensive than others. This suggests that IFIs should have different budgets based on their functions, but this is not always the case. International comparisons of funding levels can promote optimization of functions and capacity by looking abroad to see what other IFIs are doing and with what fiscal resources. For a list of IFI budgets, see Table 5.

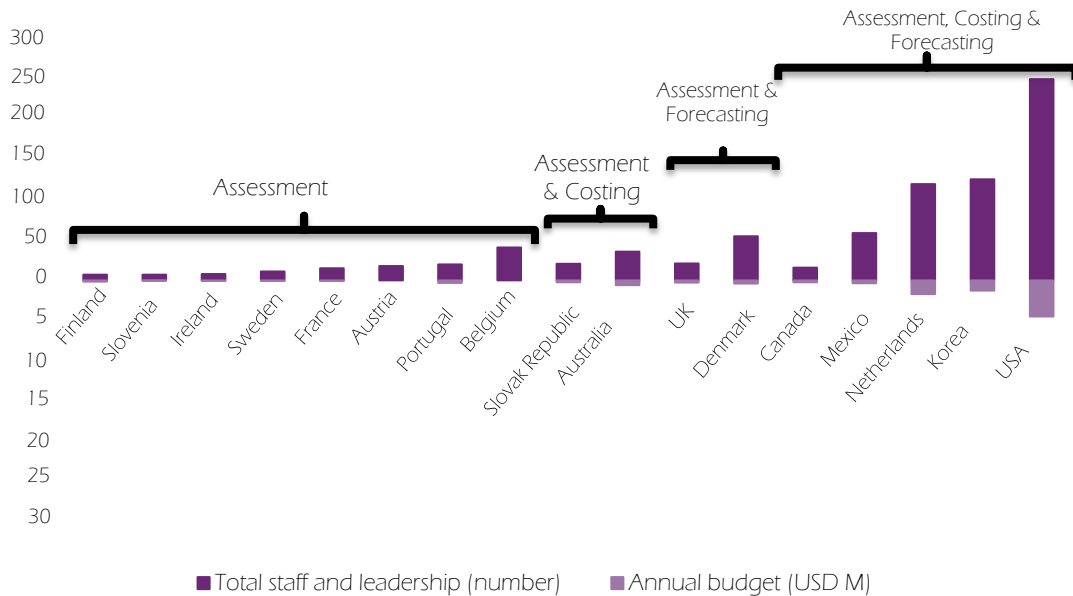


Table 4: Comparison of staff, functions and budgets of OECD IFIs (no budget data available for Belgium and Austria) (Source: Review of the OBR, 2014).*

* All currency converted to USD on September 25, 2014, using www.xe.com and rounded to the nearest \$100,000.

Further, money is not the only indicator of supplementary resources. This is illustrated in the *interdependence* of the OBR on 125 full-time equivalent employees from other government agencies to fulfill its duties. Without knowing that the OBR draws on the support of a high number of supplementary staff, basic organizational data on the office would indicate that the OBR with 19 employees performs the same functions as the Dutch CPB with 117 full-time equivalents. However, this is not the case, given the OBR’s interdependence on 125 other employees.

Country	Annual Budget (USD M)
United States of America	45.2
Netherlands	17.21
South Korea	12.70
Australia	6.15
Denmark	4.03
Mexico	3.80
Portugal	3.25
United Kingdom	2.86
Slovak Republic	2.55
Canada	2.52
Finland	1.78
Sweden	1.05
Ireland	1.02
France	1.00
Slovenia	0.13

Table 5: Annual budgets of OECD IFIs (Source: OECD Country Notes, 2013 and correspondence via email with Australian PBO).

The source of an IFI’s budget must also be considered. Is the funding guaranteed for a set number of years or is it legislatively protected? For instance, Australia’s PBO funding is guaranteed at AUS 7 million per year with the potential for increases during election periods to meet supplementary demands on their work (OECD 2013). NABO’s budget in South Korea is independent of the national budget, in principle insulating it from a government’s political will by requiring congressional approval of government decisions (OECD 2013). The Congressional Budget Office’s budget is set in an appropriations bill voted on by Congress (OECD 2013). Notwithstanding a majority parliament or majorities of the same party in both Houses of Congress, these measures provide some means of ensuring a measure of stability in the organization’s budget.

By contrast, the OBR’s budget is bound to Her Majesty’s Treasury’s budget (the United Kingdom’s equivalent to a department of finance), although it is a separate line item in the department’s budget. The most transparent mechanism for funding an IFI is through the legislature. If a government wanted to reduce funding or eliminate the OBR’s funding, especially in the case of a majority government, it could do so by reducing HM Treasury’s budget. This implies that the OBR’s budget could be subject to a change in political will and does not benefit from funding approval independent from the government as in the cases of South Korea, Australia and the United States. While not an absolute guarantee for protection, this puts in place an added measure of protection through the extra step required for change.

Identifying nuances in the source and guarantee for sustained and consistent funding impacts an IFI's ability to operate. If the organization believes its funding could be reduced or eliminated causing its demise, it cannot focus on its roles, responsibilities and long-term planning with its long-term sustainability threatened by funding cuts.

Human Resources

An IFI's human resources should include its staff and leadership. Focusing first on its staff structure, the IFI's employees must be assessed based on their academic credentials, their professional experiences and areas of expertise. To understand the managerial practices and accountabilities within the office, an organizational structure of the IFI should be obtained. What is the organization's total number of staff and their breakdown? Does the organization depend on staff from other organizations? With the number of staff and their roles in fulfilling the organization's mandate identified, an evaluation should closely analyze whether the people in those positions meet the requirements.

An IFI requires a particular set of educational and technical competencies, as well as experience and knowledge in and of the state's financial system. When assessing whether an IFI's human resources are commensurate to its mandate, an evaluation must look at the staff's credentials, the collective number of years of experience relevant to the office (e.g. public sector finance, private sector finance, economics, etc.) as well as their collective years of experience in the civil service's department of finance and other finance-related departments. Analyzing this data and even comparing it to that of similar organizations can be useful in assessing how the IFI's is working and if it is fulfilling its mandate.

Reflecting this emphasis on expertise and competencies, the IMF identifies ranges of required full-time professionals to fulfill various functions of the fiscal council (2013, see p. 35). For instance, assessing fiscal policy and compliance of fiscal rules requires the fewest number of staff, approximately 2-10 full-time professionals, according to the IMF's analysis.

Policy costing and forecasting on the other hand, are the most resource intensive functions to undertake. As the IMF's study highlights a significant staff of 240 people and operating budget of 45 million USD are provided to the CBO to fulfill its functions and broad mandate that includes costing, fiscal policy analysis, forecasts and long-term sustainability assessments (IMF, 2013, p. 35).

Beyond peer-group comparisons, it is also helpful to check the results of human resources analysis against the OECD's principles on IFIs on these matters. Such an assessment can say a great deal about an IFI's capacity and sustainability. More specifically, the evaluation should consider whether the IFI has a legally defined mandate and secured access to inputs to insulate it from changes in its political environment or its staff.

An IFI's leadership is central to the success of the organization especially during its foundational years. When it comes to leadership, it is useful to undertake expert

interviews with stakeholders of the IFI to gain perspective on perceptions of confidence in the organization’s leadership and their impact on the organization. Is the confidence of an institution bound to its founding structure or to its leadership? Expert interviews corroborated by a survey of over 70 stakeholders for the OBR indicated that in fact, in the case of the British office, confidence in the IFI is linked directly to the organization’s leadership (namely the three-person Budget Responsibility Committee which includes the Chair) than in its legal and structural foundations. With leadership so closely tied to perceptions of confidence in the organization, what happens if that leadership were to change? The founding leadership of an organization can play a significant role in informing its culture and operation, setting it on a particular path. Alice Rivlin, the first Congressional Budget Officer of the CBO, is credited with imbuing the office with a culture committed to independence and transparency, as its founding leader (see for instance Joyce, 2011).

Acknowledging the importance and impact of leadership on an organization’s culture, the choice in leaders and their actions should be carefully considered and monitored, given their bearing on the organization.

Access to Data

The data that an IFI can access and whether it is perceived as authoritative, impacts the quality of and confidence in its work. Does the IFI have legislatively guaranteed access to government information and data? If it does, is it because the IFI’s mandate impacts other government processes? Deciphering why an IFI was legally guaranteed the ability (or not) to access information can provide insight into the organization and its operation. For instance, is a guaranteed access to government information the result of a government’s dependency on the work of the IFI? Is it a manifestation of a desire to promote transparency? Is it a result of some other political interest or imperative?

If the IFI does not have guaranteed access to government data, from where does it obtain its data and information to fulfill its mandate? Is this data perceived to be authoritative? Evaluating an IFI’s access to data and alternate sources of information help to understand the enabling and detracting elements of its structure, ultimately impacting its sustainability. If an IFI has no guaranteed means of accessing data, and/or if its sources or capacity of obtaining data from other sources cease to exist, performing its mandated functions can become constrained if not inhibited.

Country	Name of Independent Fiscal Institution	Annual budget (in USD M)	Senior management numbers	Other staff (FTE)	Can management be non-citizens	Who appoints senior management	Who dismisses senior management
Australia	Parliamentary Budget Office	6.15	1	35 in recruitment	Yes	Legislature	Legislature
Austria	Fiscal Advisory Council	-	15	3	No	Government & Other	-
Belgium	High Council of Finance	-	27	14	No	Government & Other	Other
Canada	Parliamentary Budget Office	2.52 (2008)	1	15	No	Government	Government
Croatia	Fiscal Policy Council	-	7	0	No	Government	Government
Denmark	Danish Economic Council	4.03	25	30	Yes	Government	-
France	High Council of Public Finance	1.00	10	5	-	Government & Legislature	-
Georgia	Parliamentary Budget Office	-	10	1	No	Legislature	Legislature
Hungary	Fiscal Council	-	3	4	No	Other	-
Ireland	Irish Fiscal Advisory Council	1.02	5	3	Yes	Government	Government & Legislature
Italy	Parliamentary Budget Office	£4.8m (unknown)	5	-	-	Legislature & Other	Legislature & Other
Korea	National Assembly Budget Office	12.7	1	125	Yes	Legislature	Legislature
Mexico	Center for Public Finance Studies	3.80	0	59	No	Legislature	Legislature
Netherlands	Netherlands Bureau for Economic Policy Analysis	17.21	3	117	Yes	Government	Government
Portugal	Portuguese Public Finance Council	3.25	5	15	Yes	Government & Other	Other
Romania	Fiscal Council	-	5	6	No	Legislature & Other	Legislature
Serbia	Fiscal Council	-	3	4	No	Legislature	Legislature
Slovak Republic	Council for Budget Responsibility	2.55	3	17.5	Yes	Government & Other	Other
Slovenia	Fiscal Council	0.13	7	0	Yes	Government	Government
Sweden	Swedish Fiscal Policy Council	1.05	6	5	Yes	Government	Government
United Kingdom	Office for Budget Responsibility	2.86	3	18	Yes	Government & Legislature	Government & Legislature
United States	Congressional Budget Office	45.2	1	250	No	Legislature	Legislature

Table 6: Input data for OECD IFIs (Review of the OBR, 2014).

Independence

Evaluating the independence of an IFI means determining if it is perceived to be free from political interference. There is broad agreement in the literature on IFI's that its culture must be one of political independence (IMF, 2013; Kopits, 2011; Hagemann, 2011). The community agreed to independence and non-partisanship of the IFI as important elements for effective operation (OECD Principles for Independent Fiscal Institutions, #2).

A series of indicators can be used to measure an IFI's independence. Some of these measures were previously discussed in the inputs section. These include, an IFI's access to data (is it legally guaranteed or not?); its analytic capacity (i.e. the competency of its staff); its budget (i.e. who determines the budget? Is it legally guaranteed/protected?); its outputs (are the IFI's reports perceived to be independent?); and finally, the dissemination of its products (does the IFI answer questions about its reports?). The appointment process of senior leadership and legal accountabilities also require attention when evaluating independence. When assessing the appointment of senior leaders, evaluators should consider the process, the players and the safe-guards for the appointee. Is the leader appointed by the executive (as in the case of Canada's PBO)? Is their appointment ratified by a legislature meant to hold the executive to account (as in the case of the American CBO)? Is the appointment process governed in full by the legislature (i.e. independent of the executive)? After considering the appointment process, safeguards for the leadership (i.e. to ensure that they can speak freely in response to the government, holding it to account as their mandate requires) should be assessed. If the leader of the IFI is constantly concerned they will be removed from their office or chastised by the executive, they may not be willing to push the bounds of their mandate.

Assessing the legal accountability (i.e. to the legislature or the executive) is also a measure of independence that should be considered. Are the sources of its accountability in tension? Such a situation may reduce the independence of the organization. In the case of the OBR, it has two legally defined sources of accountability (the Chancellor of the Exchequer (a member of the government) and Parliament) that are in tension. This tension can be challenging for the independence of the organization because it must fulfill its obligations to opposing sides of the governing structure – the executive responsible for governing and the legislature that holds the executive to account. A useful way of depicting independence is through a graphical representation of its modalities (e.g. as depicted in Table 7).

By providing the IFI with adequate resources and protection to fulfill its functions, the state can send a message about its commitment to fiscal transparency and tacitly, to democracy by fostering informed choice in fiscal matters. Since resources impact the IFI's ability to fulfill its functions and roles, quantifying and understanding the nature of these resources (e.g. in-kind and subject to withdrawal; secondees who may not be independent, etc.) is an important step in the evaluation process.

Depicting the Independence of the OBR

Modality	Level of Independence	Notes
Appointment Process	4	The Chancellor's recommendations for appointments and any appointment terminations to the executive committee must be approved by the Treasury Select Committee (that retains a veto) enhancing the independence of the process
Legal Accountability	2	The OBR's legally defined sources of accountability (Chancellor and Parliament) are in tension; challenging its independence
Data	4	The OBR has legislatively guaranteed access to data (access that was confirmed by Robert Chote (OBR Director), in a letter to Kevin Page (Evaluator)
Analytic Capacity	2	The OBR is <i>interdependent</i> on 125 full-time equivalent staff from other government agencies limiting its ability to produce reports independently (with its core staff of 19)
Budget	2	The OBR's budget is part of HMT's and there is no parliamentary recourse to contest this, reducing the independence of the office
Reports	4	The OBR's reports are perceived to be transparent and independent
Dissemination of Products	4	The OBR releases its reports and answers questions (from Parliamentarians, the public etc.) in a transparent fashion contributing to its perceived independence

Table 7: Sample independence chart (Source: Review of the OBR, 2014).

Lesson #2:

- To understand the capacity of the IFI based on its inputs to fulfill its mandate, an evaluation should seek to quantify the financial and human resources as well as its access to data and independence through an assessment of:
 - Funding (USD)
 - Personnel (number and qualifications)
 - Access to information (OECD (2014) Principles for IFIs, 6.1: “There is often asymmetry of information between the government and the IFI [...]” making it crucial to ensure “[...] that the IFI has full access to all relevant information in a timely manner”)
 - Political independence (to be fostered, according to OECD (2014) Principles for IFIs, section 2, through its work, its leadership and staffing practices)
 - Stability of the organization's inputs (can they be changed or eliminated?)

Outputs

Utilizing available inputs, the IFI is responsible for producing a variety of reports to fulfill functions in four principal categories: costing, forecasting, macro-fiscal sustainability, budgetary/advisory. Evaluating the outputs of IFIs means going beyond counting the number of reports or assessments released annually. It means evaluating the outputs by inquiring into how the IFI is fulfilling its mandate by producing in its areas of responsibility and assessing the content and quality of those products relative to their peers (see Table 8 for a summary of jurisdictions and their functions). Any evaluation must assess an IFI's products against internationally recognized standards of quality and scientific soundness while fulfilling the requirements of their mandate. Building on the

Dutch example, the evaluation of outputs should focus on four principle categories: the scientific soundness of the product (i.e. questioning if the results are reproducible and verifiable); the transparency of the products (i.e. questioning if there were gains in transparency); the accessibility of the products (i.e. questioning if they can be understood and applied by non-technical readers, e.g. parliamentarians); and the IFI's access to data.

The scientific soundness of the project refers to the appropriateness and rigour of its methodology, as well as the reproducibility of its results. In evaluating outputs, what must be verified is the IFI's capacity to produce reports based on internationally recognized standards that disclose adequate detail about the approach, the data used and the methodology, in order for results to be reproduced and verified. Just like any other academic exercise, the product must implicitly defend, with sufficient detail, its content and approach. For an IFI to have impact, its products must be perceived to be accurate and reliable by stakeholders engaging with them. Many IFIs, including Australia, Canada, the Netherlands and Finland rely on peer-review during the report drafting process to test methodological rigour and unbiased application of the approach to promote high-quality analytic reports.

As in the case of input comparisons, peer groups should be carefully constructed to ensure comparability of IFIs based on their outputs. Using the data in Table 8, peer groups for output comparison can be constructed based on the type of reports released by the IFI. Peer review teams will add value to the evaluation process through their "outsider" perspective. This approach can also promote transparency in the IFI's work and operations (see OECD Principles for IFIs, #7). To foster useful diversity in these teams, product knowledge (knowledge of types of outputs) can be used as a baseline to create peer groups by moving beyond differences in types of IFIs (e.g. PBO v. fiscal council).

A representative peer review committee should include people from outside the institution with knowledge of the outputs of the IFI. The evaluation process can be imbued with distance and neutrality through the appointment of non-nationals to the review committee. This approach injects a measure of objectivity from the national context. Of course, accounting for the IFI's context in the evaluation is crucial, but an outside perspective can offer different expertise and outlook on the institution, its work and outcomes.

A more complete external evaluation of the IFI should ideally occur at five-year intervals. A five-year cycle for full evaluations is preferable to help ensure it does not coincide with the political cycle. A typical government lasts approximately four years and scheduling evaluations outside of a presumed writ period can insulate the process from over politicization. With a five year review, the scope and dynamics of the office can be assessed which would allow the government and legislature to consider the performance of the IFI and propose adjustments if required. By evaluating the scope of the IFI through its inputs, outputs and outcomes, we obtain an aggregate or big picture of the office and its operations. The dynamics of the IFI are an assessment of its progress overtime. Has the office improved its performance relative to previous reviews or

benchmarks? Taken together, the scope and dynamics derived from an evaluation provide the government and legislature with the information it requires for an informed assessment of the IFI relative to its mandate and outcomes.

Country	Institution Name	Economic Forecast	Fiscal Forecast	Analysis of Forecast Errors	Assess Long-term Sustainability of Public Finances	Monitor Fiscal Rules Compliance	Produce Costings	Cost election platforms	Certify Policy Costings
Australia	Parliamentary Budget Office	○	○	○	●	○	●	●	○
Austria	Fiscal Advisory Council	○	○	○	●	●	○	○	○
Belgium	High Council of Finance	○	○	○	●	●	○	○	○
Canada	Parliamentary Budget Officer	◆	◆	○	●	○	●	○	○
Denmark	Economic Council	◆	○	○	●	●	○	○	○
Finland	Fiscal Policy Audit and Executive Office	○	○	○	●	●	○	○	○
France	High Council for Public Finances	○	○	○	○	●	○	○	○
Ireland	Fiscal Advisory Council	○	○	○	○	●	○	○	○
Korea	National Assembly Budget Office	◆	◆	○	●	○	●	○	○
Mexico	Centro de Estudios de las Finanzas Públicas	◆	◆	○	○	○	●	○	○
Netherlands	Bureau for Economic Policy Analysis	■	■	○	●	○	●	●	○
Portugal	Conselho das Finanças Públicas	○	○	○	●	●	○	○	○
Slovak Republic	Council for Budget Responsibility	○	○	○	●	●	●	○	○
Slovenia	Fiscal Council	○	○	○	●	●	○	○	○
Sweden	Fiscal Policy Council	○	○	○	●	●	○	○	○
UK	Office for Budget Responsibility	■	■	●	●	●	○	○	●
USA	Congressional Budget Office	◆	◆	●	●	○	●	○	○

Table 8: Functions of OECD IFIs (Source: Evaluation of the OBR 2014; OECD, *Government at a Glance*, 2013).

- Yes
- No
- Prepare official forecasts
- ◆ Prepare alternative forecasts
- ◆ Detail not clear in data sources

Lesson #3:

- The evaluation of IFIs should involve peer review by an international panel of experts to promote objectivity, transparency and rigour.

Lesson #4:

- Evaluations of IFIs should happen at two levels: first, the IFI should engage in regular self-assessment through the peer-review of its work. This regularized means of evaluation promotes rigour and adherence to international standards. A more complete external evaluation should occur periodically, for instance every five years. The results of the evaluation should be made public giving the IFI an opportunity to respond to the findings.

Lesson #5:

- The OECD may wish to develop a series of peer groups that could perform external evaluations to facilitate the evaluation of IFIs. Peer groups could be created based on expertise or type of IFI, while combining a series of researchers and expert practitioners in the panel.

During a full external evaluation of an IFI, the scientific review process can be undertaken by a group of independent referees with expertise in the field, such as academics or practitioners. In undertaking the review, the peer-reviewers assess the IFI's mandated outputs, its methodology and the quality of the data used in the report to evaluate the final product overall. For the first review of the OBR, expert analysts with foundational experience at the Canadian PBO evaluated the OBR's outputs. In this exercise, each of the OBR's four report types – economic and fiscal outlooks, the fiscal sustainability report and the forecast evaluation report – were assessed against the requirements of the OBR's mandate as well as international standards.¹ The practices of peers that produce similar types of reports (i.e. Australia, Canada and the United States) were used as benchmarks for the international standards comparison. It must be stressed that it is not solely the accuracy of an economic forecast that matters in such an evaluation. Rather, the methodological soundness of the approach, the quality of the data and the reproducibility of the results are of great importance to reduce the potential for bias. A summary of this type of analytic evaluation can be found in Annex 1.

Beyond the scientific and methodological soundness of the products, their transparency should be considered during an evaluation. Transparency here refers to the efforts undertaken by the IFI to make its work understandable and clear by providing explanatory details about its approach in its products. The transparency of outputs refers to the perceived gains in transparency of the products against an existing counter-factual, whether that is the IFI's own previous work or that of a government agency previously responsible for producing similar reports. It is most effective to demonstrate transparency in written-form, such that it is included in the reports themselves. The accessibility of analysts to clarify reports and ask questions is useful, but cannot replace documented evidence.

¹ The OBR's reports can be retrieved through their website at <http://budgetresponsibility.org.uk/>

Transparency gains were assessed in the evaluation of the OBR by comparing its reports to those previously produced by the executive branch of government through HM Treasury. For the economic and fiscal forecasts for instance, the OECD’s *Best Practices for Budget Transparency 2002* were referenced to create benchmarks for analysis. Comparisons with other independent forecasters as well as discussion of other tools to assess risk and error in forecasting helped the OBR to demonstrate significant transparency gains in its forecasting over those produced by HM Treasury. Similarly, for the fiscal sustainability reports and the forecast evaluation, the OBR demonstrates its transparency gains by bolstering its comparative analysis and demonstrating commitment to analyzing its own errors. The transparency gains assessment is a useful way to identify and measure the ways and means the IFI’s stakeholders are being served with increased clarity and openness in its outputs.

In order for an IFI’s work to have practical relevance, those outside of the immediate fiscal community should be able to use report findings in their own work. The IFI’s products should be evaluated to assess their accessibility to non-technical readers to ensure that a maximum number of stakeholders (e.g. legislators, the media, civil society etc.) can understand and use the outputs. Maximizing output accessibility helps to carve out a space for the IFI in its political environment to reinforce its relevance, especially during its early years.

The accessibility of outputs is largely determined by the perceptions of the IFI’s stakeholders. Returning to the definition of the stakeholder universe discussed in the context section of this paper, stakeholders have differing linkages and dependencies on the IFI with varying levels of intensity. Not all stakeholders are created equal nor are they equally connected to the IFI and its products, as illustrated in Figure 1. Emanating from the centre are the stakeholders with connections decreasing in intensity with the IFI and its legally defined mandate.

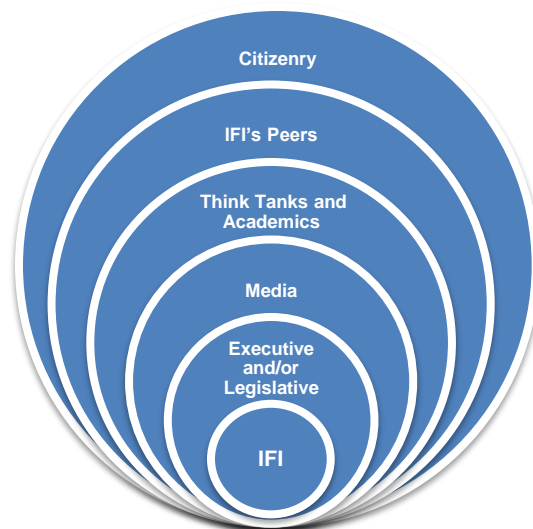


Figure 1: IFI - stakeholder linkages.

Assessing the accessibility of the OBR’s products requires more than an expert evaluator deeming the outputs to be “accessible” to non-technical readers. Evaluators should

consult relevant stakeholders directly to determine whether the IFI's products are understandable and usable in their work. There are three principal ways through which a reading on accessibility can be achieved: interviews with expert stakeholders; a stakeholder survey; and media citation analysis. The methodological considerations and mechanisms for implementation of these three tools are discussed extensively in the outcomes section.

Taken together the three tools can provide useful insights into the accessibility of the IFI's outputs through direct and inferential sources. Another possible means for assessing accessibility would be to study official records of parliamentary debates as well as committee testimony for references to the IFI. Accessibility of the IFI's work is paramount to the relevance and sustainability of the office.

No evaluation of an IFI would be complete without considering its access to data from an output perspective. All IFIs produce outputs on behalf of their constituent(s) but with varying results. Access to data is an important indicator of the IFI's work because reliable data is required to produce verifiable and usable products. An evaluator must determine whether the IFI has consistent access to data or whether it was unavailable. Assessing in the context of available levers, these should be compared against other statutory and conventional levers, as well as best practices from other jurisdictions. The reason an evaluator cares about the level to which levers have been used is its impact on the inputs and quality of outputs of an IFI. Where data is unavailable or cannot be accessed, the evaluator must identify the reasons why and determine whether the IFI took significant efforts to obtain the information (e.g. the Canadian PBO sought a federal court reference in 2012-2013 to clarify its information access rights under its legislation).

When assessing access to data, three factors should be considered: accountability; legislation; and the ability to compel. An evaluator should first define the nature of the IFI's accountability. Is the IFI accountable to the executive or the legislature and what is the strength of that particular branch? For instance, in the US, the CBO serves Congress. With a relatively powerful Congress and constitutional leverage behind it, the CBO is supported if ever it seeks to compel access to data. In the case of the UK's OBR, the Chancellor (executive branch) is its primary source of accountability. With this structure, the OBR is tacitly guaranteed strong access to data because the government is dependent upon its products and can direct the civil service to provide the OBR with data as required.

Second, the evaluator should assess any legislation that exists (or does not exist) to guarantee the IFI access to data. There are various OECD IFIs that have guaranteed access to information through their founding legislation (e.g. South Korea, Slovak Republic, Slovenia). In other cases such as that of Australia, a memorandum of understanding (MOU) to produce data can compel action to release the information based on an agreement. Although it is not a legally defined right, the MOU can help an IFI build its case to access data. Such provisions provide the IFIs with a recourse mechanism if ever their access to data is threatened. There are also cases such as the Netherlands, which have data-sharing conventions between the IFI and the government although no

legal requirement to provide the data exists. Legislatively guaranteed access to data or conventions, therefore, can provide the IFI with a means of improving the quality of their outputs by increasing or guaranteeing their access to reliable data.

Third, an IFI can also attempt to compel data through its leadership, the state of its parliament and other institutional arrangements. The ability of an IFI to compel data through one of these three means is dependent upon its organizational and political situations. If an IFI is led – as it should be – by a strong and credible leader, that leader can use their position and reputation to draw the attention of the media and even the international community if ever the IFI’s ability to access information is unnecessarily or unjustly violated. For instance, Canada’s first Parliamentary Budget Officer often used the media to draw attention to the government’s unwillingness to provide data to the office on issues such as the estimated cost of Canada’s procurement of the F-35 fighter jet. The OBR’s current Chairman has also used press releases and media interviews to clarify misinterpretations of their reports.

The parliamentary context can also be potentially beneficial to an IFI, especially if it is a minority or “hung” parliament. In this situation, the government is dependent upon the support of other members of the legislature in order to stay in power. Due to its dependence, it often times must make compromises on the content of its legislation. Various IFIs have been established in these parliamentary contexts with an opposition party forcing the hand of the government to establish an IFI. In a minority parliament, an IFI can seek support from opposition parties to compel the government to produce the requested data or risk having its stability threatened.

Once the IFI has exhausted channels of redress within its immediate institutional environment, it may then seek further recourse in the broader state apparatus. If an IFI has other institutional recourses to advance its access to data requests, it should use them, e.g. Ombudsmen, the courts, etc. Using these alternate institutions can also draw the attention of the media and subsequently the public. Access to data varies among IFIs with some undertaking their work with strong access to data, others with weak access and some that struggle to do the work at all. Analyzing an IFI’s circumstance relative to access to data can be an indicator of output quality (i.e. good data is the basis for good outputs).

Lesson #6:

- Evaluating outputs goes beyond the quantity of reports released by the IFI. Output evaluation should begin by asking: What are the products the IFI develops and releases to fulfill its mandate? How does the content of these products compare to those of their peers and to international standards of evaluation? With this information in place, the evaluation should focus specifically on:
 - Scientific and methodological soundness
 - Assessments of transparency gains
 - Accessibility of products for non-technical readers
 - Access to data

With an evaluation of inputs and outputs, we gain a sense of the resources and production capacities of the institution. Once it is understood what the institution does and how it achieves it, we can turn to evaluating its outcomes.

Outcomes

An outcome is the end result of an IFI's work – it is not an output (product) or an input (resource) but rather the combined impact (or lack thereof) of these components. Since IFIs are accountable to particular stakeholders based on their mandate, in order to assess outcomes, we must assess the perceived confidence of stakeholders in that work.

Relevant stakeholders can be identified relative to the IFI's mandate and the nature of its accountability. In analysing the IFI community, despite differences in legislatively defined accountability, common stakeholders can be identified. Such stakeholders include legislatures, the executive branch, the media (often including the public), the scientific community and researchers, as well as international (e.g. the World Bank, the OECD, the IMF) and supranational organizations (e.g. the European Commission).

Why does the evaluation of outcomes matter? It matters for government accountability to the legislature, and the quality debate and democracy. If we accept that democracy is best served by the informed choice of decision makers (Joyce 2011, p. 8), then institutions like IFIs that provide independent information and analysis should be welcomed. The outcomes of the IFI however, must have the confidence of its stakeholders in order to be relevant. Unless stakeholders are confident in the content of its work, the IFI risks limiting its impact and threatening its relevance in public debate as well as its sustainability in its political environment.

To reach the breadth of the IFI's stakeholder community, three types of outcome analysis are proposed: interviews with experts; separate parliamentary and non-parliamentary stakeholder surveys; and media citation analysis. Each of these research tools targets a unique segment of the stakeholder community that should be consulted. As stakeholders derive directly from the IFI's context, their perceptions of confidence in the work, organization and leadership of the IFI matter for its relevance and sustainability as an institution. This section provides an overview and discussion of outcome assessment tools and their application for the evaluation of an IFI.

Expert Interviews

Undertaking expert interviews is an important data gathering exercise for an evaluation of an IFI. Similarly to establishing context, expert interviews provide perspective and essential information that would likely not be evident through typical analysis of mandate and surveys. The complexity of IFI environments due to political considerations and sources of accountability make it necessary to decipher the inner workings of the IFI as an organization as well as its place in the broader political system. To do so, undertaking semi-directed interviews with founders, parliamentarians, researchers, media figures and civil servants that are stakeholders of the IFI, provide evaluators with perspective and understanding from those closest to the organization.

When evaluating an IFI, interviewing experts is a means of expediting learning about the nuances of the office without having to undertake extensive ethnographic research. Using a semi-structured interview format, evaluators can have a predetermined set of questions to use as guidelines. The evaluator is then free to develop and adjust questions based on the participant's knowledge. The semi-structured style enables interviewees to share their experiences and expertise in a less formal and constrained fashion. As experts, they are there to clarify, inform and serve as a sounding board against which to test hypotheses.

Non-probability sampling, where the evaluators maintain control over the selection of participants, can be an effective approach for an evaluation. This enables the evaluators to ensure that key expert stakeholders from various segments of the stakeholder universe (e.g. parliamentary, media, research etc.) are interviewed (see Tansey 2007). Although this does present a risk of selection bias and does not allow the generalization of findings, expert interviews offer insight into undocumented processes and tendencies of the IFI that cannot be collected in a broad-based survey. Data collected from the interviews can be corroborated through surveys, although the surveys alone cannot replace the richness and complexity of data collected from the interviews.

Data collected during the interviews has the potential to contribute to all parts of the evaluation framework (e.g. context, inputs, outputs, outcomes) by providing informed perspective and analysis about the IFI. Specifically in relation to outcomes, the interviews are crucial for assessing perceptions of confidence in the IFI and the sources of that confidence. The experts being interviewed can provide indications that are both more nuanced and in-depth than would any generalized approach to gathering perceptions.²

Survey Analysis

Undertaking surveys of stakeholder perceptions is a replicable and efficient means of assessing an understanding of and confidence in the IFI. The survey should comprise a series of questions that appraise the respondent's knowledge of the IFI (e.g. its leadership, its mandate, its primary functions and responsibilities), the respondent's perception of confidence in the IFI and its work (e.g. is confidence derived from its outputs? The IFI's

² For the evaluation of the OBR, expert stakeholders shed light on perceptions of the organization and their products. A combination of 30 individuals were interviewed and consulted during the evaluation of the OBR. Overall, the experts conveyed – as was corroborated by the survey of non-parliamentary stakeholders – that the OBR is positively perceived by stakeholders in government, the media, civil society and academia (OBR Report, p. 72). While generally endorsing the work and direction of the OBR, the expert stakeholders raised questions about the sustainability of the OBR on three fronts: the interconnectedness between the organization's leadership and its initial successes; challenges of mediating a potential change in leadership; whether the OBR has the institutional memory necessary to carry its work forward. This type of analysis would be difficult to obtain from a standardized survey. As the evaluation of the OBR demonstrates, expert stakeholder interviewers are central to a complete and thorough evaluation.

leadership?), the respondent’s awareness and use of the IFI’s outputs (e.g. are the IFI’s reports used in the respondent’s regular work? Does the respondent have confidence in the reports?), as well as general questions for statistical aggregation (e.g. respondent’s employment sector, age, etc.).

Ideally, two separate and anonymous stakeholder surveys would be undertaken for an evaluation of an IFI: a survey of legislators and a survey of non-legislative stakeholders (i.e. all stakeholders that are not parliamentarians). The different surveys are required to tease out the different linkages between the stakeholder groups and the IFI. In the case of legislators, as guardians of the public purse through scrutiny of government spending, they have a unique connection to the IFI through its informational role (OECD Principles on IFIs, #5). Determining whether or not legislators have a deep understanding of the function and role of the IFI in Parliament is important in framing their perceived confidence in the institution and their use of the IFI’s outputs in their own work.

As was identified in the evaluation of the OBR, there appears to be some dissonance between the obligations parliamentarians are expected to discharge and their actual practices. On the one hand, there is the constitutional requirement that parliamentarians scrutinize government spending of public monies and tax legislation and to hold the government to account. On the other hand, the actual observed behaviour of parliamentarians is often rooted in more partisan and political tactics. In a political environment that tends to be conversant in political narratives, the IFI’s language of evidence rooted in finance and economics differentiates them from standard political discourse. Given these tendencies, the IFI is effectively being grafted onto an environment that can be seen to be inhospitable to its long-term sustainability. Therefore, the IFI, namely in its founding years and with its founding leadership, is required to create an analytical space in a political environment through engagement, demonstration of relevance and accessibility relative to their stakeholders (namely legislators). The IFI’s capacity to influence stakeholder opinions is rooted in perceptions of legitimacy and is tested for in the evaluation of outcomes in this framework.

It is just as important to understand perceptions of confidence among non-parliamentary stakeholders, even though they tend not to be defined in the IFI’s founding legislation. The functions and roles of non-parliamentary stakeholders vary based on their sector (e.g. media, think tanks, civil servants etc.). The various roles and responsibilities create unique linkages to the IFI, distinct from parliamentary stakeholders. Just as functions and roles vary in the non-parliamentary stakeholder group, so too do their linkages to the IFI and uses of its outputs. Therefore, developing two separate surveys to assess stakeholder perceptions of the institution is necessary to tease out their different perceptions of confidence.

Both of the surveys can be released by the evaluators or by a professional polling firm. In an ideal situation, a polling firm would be responsible for disseminating the survey and collecting results. As a professional organization, the polling firm will have tools and resources to disseminate the survey and follow-up as required with participants to ensure responses. Unaffiliated with the evaluation, a polling firm can decrease perceptions of

bias or concerns among participants about their anonymity. Retaining a professional polling firm will increase the costs of the evaluation, but if resources permit it, this approach should be adopted. Failing the ability to retain a polling firm, a university research group or think tank could also administer the surveys to reduce potential perceptions of bias in the process.

South Korea's National Assembly Budget Office itself, has undertaken an annual satisfaction survey of Members of Parliament and their secretarial staffs since 2004. Such a survey can be useful to provide context for evaluators during a review, but should only be used if its content meets the informational needs of the inquiry.³

Understanding the knowledge and perceptions of parliamentarians relative to their IFI is paramount to the sustainability of the office. When mandate defines legislators as a legal stakeholder of the IFI – as was the case with the OBR – parliamentarians who misunderstand or do not know how to engage with the IFI, can pose a risk to the ability of the IFI to make itself relevant and carve out a space for itself in its political environment.

³ During the evaluation of the OBR, two surveys were released: one to parliamentary stakeholders and another to non-parliamentary stakeholders. The survey of parliamentarians was unsuccessful due to abysmal response rates. Every parliamentary, including 650 Members of Parliament and 777 Members of the House of Lord received the 21-question survey via email or in hard copy by post (the majority of the Members of the House of Lords received the survey by post because their email addresses were not publicly available) (see Annexe 2 for the survey). Despite issuing reminders to their offices, a total of only 52 responses were obtained: five responses from Members of Parliament and 47 responses from Members of the House of Lords. Due to the low response rate, the data collected from this survey was not used in the evaluation.

In contrast to the unsuccessful attempt at a survey of UK parliamentarians, the survey of the OBR's non-parliamentary stakeholders was successful. A link to an 18-question survey was released via email to 130 non-parliamentary stakeholders with a 55% (71 participants) statistically valid response rate. See Annex 3 for the survey questions. These stakeholders came from the private sector, the civil service, the media, academia, the think tank community and civil society.

The survey revealed that confidence in the OBR was largely bound to its people (e.g. leadership and staff) rather than to the organization's structure and legal mandate. The linkages between confidence and people for stakeholders poses a risk associated with successions in leadership and staff. Survey results also indicated that while stakeholders can identify the organization's leadership, they have less understanding of its legally mandated roles and responsibilities. More specifically, there was an incorrect perception among stakeholders that the OBR produces costings, when in fact, the OBR only certifies costings done by other departments, not producing them from scratch. The data collected from this survey was crucial to informing the recommendations of the evaluation and corroborating the data collected during the interviews. The non-parliamentary stakeholder survey was instrumental in assessing sources and perceptions of confidence in the OBR. Such a survey is replicable and a means of quality control of an IFI. The use of surveys, as in the evaluation of the OBR, provides replicable methodology and scientifically sound data on stakeholder perceptions. Both the data and the methodology can be used in future evaluations of the OBR or comparatively for IFIs generally.

Survey analysis offers a means of aggregating data and collecting perceptions of a large and disparate stakeholder group. This data is necessary as it clarifies perceptions of stakeholders, which ultimately impacts the relevance and sustainability of an IFI.

Lesson #7:

- As primary stakeholders, a comprehensive evaluation of IFIs should include a survey of legislators’ knowledge of and perceived confidence in the IFI.
- Non-parliamentary stakeholders should also be surveyed to gain insight into perceptions of the IFI outside of the political world.

Media Citation Analysis

As a facilitator of public information and debate, the media can play an important role in publicizing and rendering an IFI’s work relevant and digestible. According to Hagemann (2011), “[...] active and unfettered dissemination of the agency’s analyses and reports” is crucial because dissemination and discussion in the media impact the debate of policy issues (p. 93). The OECD Principles on IFIs highlight the importance of communication, particularly with the media because, as stated in Principle #8: “the influence of IFIs in fiscal policy making is persuasive [...] media coverage of their work assists in fostering informed constituencies that may then exercise timely pressure on the government to behave transparently and responsibly in fiscal matters”.

Echoing this perspective, an IMF “good practice” for IFIs emphasizes the importance of using the media as an extension of the IFI’s capacity to warn the public and stakeholders as well as inform them. As stated in *The Functions and Impact of Fiscal Councils* (IMF 2013, p. 37-38):

For fiscal councils to influence the policy debate it is important to have a strong media presence to communicate their assessment of government’s fiscal policy to the public. This is particularly important when fiscal councils need to raise the alarm as when proposed budgets are not in line with stated objectives [...] or when the fiscal outturns are coming out significantly worse than projected. By identifying such episodes, and mapping them against the volume of media reporting of the findings of the council, it is possible to get a sense of the effectiveness of the council’s communication with the public’.

As a tool to channel information and enhance debate through increased information, positive media attention can attract politicians. Thus, as both a disseminator and interpreter, the media can play a significant role in providing perceived confidence in the role of the IFI by citing the content of its outputs and referencing its reports.⁴

⁴ Media citation analysis was undertaken during the evaluation of the OBR. Using the *Factiva* database, a series of key word searches were executed to determine when and how the media covered the OBR as well as to test general confidence in the IFI’s work by counting its citations. In general, the analysis found that peak periods of coverage aligned with the release of the OBR’s economic and fiscal outlooks in the winter and in the spring.

By assessing and disseminating the work of the institution, the media comments on its perceived confidence in the IFI, making it an important evaluator of its work. If an IFI's reports are regularly appropriated and discussed by the media as a source of information and authority, the IFI gains legitimacy. The reverse would also be true. If the media did not engage with the IFI or its outputs, there may be reason to be concerned about the quality of the institution's work and its sustainability.

Lesson #8:

- Given the media's public role as a conduit of information and participant in public debate, its perceived confidence in an IFI is an important indicator of outcomes. Therefore, an evaluation of an IFI must consider the media's appropriation and trust of its work through references and willingness to engage with its outputs, through citation analysis.

Part III: Conclusion: Toward a Common Evaluation Framework

This paper set out to develop a common evaluation framework for IFIs that encompassed their mandate and stakeholders while recognizing their unique political and institutional contexts. In order to fulfill the task, this paper reviewed the existing literature and undertook discussions with jurisdictions in the OECD community. Analysis of our findings led to defining an evaluation framework based on context, inputs, outputs and outcomes. These four categories of analysis allow us to capture the diversity of the IFI community while establishing a common baseline for evaluation.

Analysis of IFIs highlights the different tools that can be used to assess context, inputs, outputs and outcomes across jurisdictions. Table 1 in the introduction of this paper, captures this menu of tools and offers a summary of common practices. This repository could serve as a menu of options that provides a starting point for evaluations. The components for the proposed framework for evaluation are independently verifiable by engaging these tools. Self-assessments therefore, are ruled out as anything more than pre-peer evaluation internal studies for internal learning and management. The idea here is to emphasize the fact that a direct link can be drawn from the context of the IFI through to its outcomes.

Given the potential positive role that an IFI can play to enhance the quality of democratic debate and discourse, it is crucial that the IFI is evaluated to ensure its credibility, relevance and impact. As indicated in this paper, evaluation should be a process built-into the regular operations of the IFI. Constant evaluations (namely of outputs) should be complemented by a broader and less frequent review of the IFI with the assistance of an international group of peers. The less frequent evaluation should focus on outcomes (the perceived confidence of stakeholders) in the work of the IFI. The evaluation process comes full-circle with the assessment of outcomes through the connections between context, inputs, outputs, outcomes for stakeholders. The ultimate measure of success of an IFI is its capacity to contribute to public debate by producing timely and relevant work while maintaining political independence.

There are eight key lessons that can be extracted from this paper’s analysis and incorporated into the framework for evaluation:

Lesson #1:

- An IFI’s context frames its inputs and outputs and is directly linked to its outcomes. To understand the impacts of context on the IFI, mandate and nature of accountability must be identified and assessed by asking: what is the legislative mandate of the IFI? What is the nature of its accountability?
 - Legislation? Convention?
 - Accountable to the legislature or to the executive? Both?
 - What are the manifestations of its accountability in terms of functions and stakeholders?

Lesson #2:

- To understand the capacity the IFI has based on its inputs to fulfill its mandate, an evaluation should seek to quantify the financial and human resources as well as its access to data and independence through an assessment of:
 - Funding (USD)
 - Personnel (number and qualifications)
 - Access to information (government data) (OECD Principles for IFIs, #6)
 - Political independence (OECD Principles for IFIs, #2)
 - Stability of the organization’s inputs (can they be changed or eliminated?)

Lesson #3:

- The evaluation of IFIs should involve peer review by an international panel of experts to promote objectivity, transparency and rigour.

Lesson #4:

- Evaluations of IFIs should happen at two levels: first, the IFI should engage in regular self-assessment through the peer-review of its work. This regularized means of evaluation promotes rigour and adherence to international standards. A more complete external evaluation should occur periodically, for instance every five years. The results of the evaluation should be made public giving the IFI an opportunity to respond to the findings.

Lesson #5:

- The OECD may wish to develop a series of peer groups that could perform external evaluations to facilitate the evaluation of IFIs. Peer groups could be created based on expertise, type of IFI, while combining a series of researchers and expert practitioners in the panel.

Lesson #6:

- Evaluating outputs goes beyond the quantity of reports released by the IFI. Output evaluation should begin by asking: What are the products the IFI

develops/releases to fulfill its mandate? How does the content of these products compare to those of their peers and to international standards of evaluation? With this information in place, the evaluation should focus specifically on:

- Scientific and methodological soundness
- Assessments of transparency gains
- Accessibility of products for non-technical readers
- Access to data

Lesson #7:

- As primary stakeholders, a comprehensive evaluation of IFIs should include a survey of legislators' knowledge of and perceived confidence in the IFI.
- Non-parliamentary stakeholders should also be surveyed to gain insight into perceptions of the IFI outside of the political world.

Lesson #8:

- Given the media's public role as a conduit of information and participant in public debate, its perceived confidence in an IFI is an important indicator of outcomes. Therefore, an evaluation of an IFI must consider the media's appropriation and trust of its work through references and willingness to engage with its outputs, through citation analysis.

It is proposed that a framework for evaluation based on these eight lessons be adopted.

ANNEX 1

Summary of Transparency Gains – Evaluation of the OBR

Report	Economic and Fiscal Outlook (March 2014)	Fiscal Sustainability Report (July 2013)	Forecast Evaluation Report (October 2013)
Legislation the report is intended to satisfy	Budget Responsibility and National Audit Act 2011; Charter for Budget Responsibility	Budget Responsibility and National Audit Act 2011; Charter for Budget Responsibility	Budget Responsibility and National Audit Act 2011
Explain how the report does or does not help the OBR fulfil this legislative requirement	The EFO helps the OBR fulfil this legislative mandate by preparing semi-annual economic and fiscal forecasts and assessing the extent to which the fiscal mandate has been, or is likely to be achieved. Further, the EFO provides a projection for the cyclically-adjusted current balance (CACB).	The FSR helps the OBR fulfil this legislative mandate by preparing annual long-term economic and fiscal forecasts in order to determine the sustainability of public finances through an assessment of the intertemporal budget balance and summary fiscal indicators, such as the fiscal gap.	The FER helps the OBR satisfy its legislative mandate by providing an annual evaluation of the OBR's economic and fiscal forecasts against outturn data and the performance of other forecasters.
Explain how the methods used in the report compare to international standards	The methods used by the OBR compare well to international standards. To begin, the OBR uses data from official sources (such as the Office of National Statistics), supported by other non-official data from well-recognised sources. In using this data, the OBR thoroughly explains how the data have been revised over history and what the impact is on the outlook. Further, in doing its analysis, the OBR uses generally accepted modelling and econometric methods. Specific examples include its calculation of the CACB, the output gap and error-correction models in macroeconomic modelling. The OBR also uses internationally accepted concepts for the calculation of unobserved variables, such as potential GDP and the cyclically-adjusted current budget.	The methods used by the OBR compare well against international standards. Specifically, the approach used by the OBR to assess the sustainability of public finances closely follows the recommendations outlined by Barry Anderson and James Sheppard's 2009 OECD paper <i>Fiscal Futures, Institutional Budget Reforms, and Their Effects: What Can Be Learned</i> , both conceptually and methodologically.	The OBR's analysis of its forecast errors surpasses all expectations for frequency, detail of the evaluation and implementation of the outcomes of the evaluation.
Explain how the methods used in the report compare to those of peer institutions	The methods used by the OBR compare well with those of peer institutions. The depth of the work produced by the OBR is generally more substantial than those of its peers (e.g. Australia, Canada, United States) for documents comparable to the EFO. This is in part a function of the OBR's clear mandate and its ability to draw on resources within HM Treasury.	The methods used by the OBR compare well with peer institutions. Specifically, as many of these institutions closely follow the principles outlined in Anderson and Sheppard (2009), their methods tend to be very similar (with the exception of Australia, which does not undertake a long-term economic and fiscal forecast). That said, the OBR generally provides much more detail than its peer institutions.	The methods used by the OBR, as well as the frequency of the evaluation, surpass similar work conducted by its peers (e.g. Australia, Canada, and the United States).

Annex 2

OBR Survey of Parliamentarians

1. Parliamentarians carry out many important roles on behalf of British citizens. The list below describes some of these roles. For each one, please tell me how important you think that specific role is, using a scale of 1 to 7, where 1 means not important at all and 7 means very important.

- a. Advancing the party's official policies [_____]
- b. *Representing constituency interests [_____]
- c. Vote on bills and/or motions [_____]
- d. Scrutinising how the government manages public finances [_____]
- e. Serving on committees [_____]
- f. Overseeing the government's activities [_____]

**Only for MPs*

2. Parliament plays a crucial role in financial scrutiny and holding the Government to account. In your view, how easy or difficult is it for Parliamentarians to perform this role effectively? Would you say this is:

- a. Extremely easy
- b. Easy
- c. Moderately easy
- d. Neither easy or challenging
- e. Moderately challenging
- f. Challenging
- g. Extremely challenging

3. Which of the following institutions are responsible for assisting Parliament and its Committees in scrutinising how the government manages public finances? Please select all that apply.

- a. HM Revenue and Customs (HMRC)
- b. National Audit Office (NAO)
- c. Office for Budget Responsibility (OBR)
- d. HM Treasury
- e. Scrutiny Unit

4. In your view, which of the following, if any, make it challenging for Parliamentarians to scrutinise how the government manages public finances?

- a. Lack of information
- b. Lack of time
- c. Lack of resources
- d. Lack of expert advice

- e. Lack of interest
 - f. Some other reason (please specify): _____
5. To what extent do you think Parliamentarians need technical assistance from subject matter experts (e.g. Scrutiny Unit, Office for Budget Responsibility, National Audit Office) to be able to scrutinise how the government manages public finances? Please select a single response.
- a. To a very significant extent
 - b. To a significant extent
 - c. Neither a significant nor an insignificant extent
 - d. To an insignificant extent
 - e. To a very insignificant extent
 - f. None at all
6. The Office for Budget Responsibility (OBR) was created in 2010 to examine and report on the sustainability of the public finances. How would you rate your overall level of familiarity with its legislatively mandated roles and responsibilities? Would you say you are...
- a. Very familiar
 - b. Moderately familiar
 - c. Neither familiar nor unfamiliar
 - d. Moderately unfamiliar
 - e. Very unfamiliar
 - f. Not at all familiar
7. If you selected “not at all familiar,” please go to question 8. In your opinion, what are the OBR’s most important legislatively mandated roles and responsibilities in terms of its engagement with Parliament? Please explain.

8. Since its inception, the OBR has published a number of reports. Which of the following OBR reports were you previously familiar with? Please select all that apply.
- a. Economic and fiscal outlooks
 - b. Fiscal sustainability reports
 - c. Forecast evaluation reports
 - d. Briefing documents and working papers
 - e. Other (please specify): _____

9. Of the reports with which you are familiar, to what degree do you think they assisted Parliamentarians in scrutinising how the government manages public finances? To do this, use a 7-point scale, where 1 means you think it was not helpful at all and 7 means very helpful. Please only rank reports that you are aware of.
- a. Economic and fiscal outlooks [___]
 - b. Fiscal sustainability reports [___]
 - c. Forecast evaluation reports [___]
 - d. Briefing documents and working papers [___]
 - e. Other (please specify): _____ [___]
10. Have you personally ever referenced an OBR report during a speech, intervention or commentary in the House of Commons or House of Lords?
- a. Yes
 - b. No
 - c. Cannot recall
11. If you answered “yes” to question 10, please skip to question 12. If you answered “no or cannot recall” to question 10, which of the following responses best explain why you did not reference a report of the OBR (please select all that apply):
- a. Unaware of the OBR’s publications
 - b. The OBR’s reports are too difficult to understand
 - c. There is no technical expert to explain the content of the reports
 - d. No time to read the OBR’s reports
 - e. Information such as that from the OBR is obtained elsewhere
 - f. Other (please specify): _____
12. If you answered question 11, please skip to question 13. As you can recall, how many times have you referenced an OBR report in the House of Commons or House of Lords?
- a. Once
 - b. 2-3 times
 - c. 4-5 times
 - d. 6-10 times
 - e. More than 10 times
13. Have you ever referenced an OBR report during public commentary, public engagements and/or constituency activities (outside of Parliament)?
- a. Yes
 - b. No
 - c. Cannot recall

14. If you answered yes to question 13, how many times have you referenced an OBR report for any of these purposes?

- a. Once
- b. 2-3 times
- c. 4-5 times
- d. 6-10 times
- e. More than 10 times

15. How do you usually obtain information about OBR reports? Please select all that apply.

- a. OBR website
- b. Private briefings by OBR officials
- c. Media
- d. Social media (e.g. Twitter)
- e. Parliamentary briefings
- f. Other (please specify): _____

16. How would you characterise the authoritativeness of the OBR's reports?

- a. Very authoritative
- b. Authoritative
- c. Somewhat authoritative
- d. Neither authoritative nor unreliable
- e. Somewhat unreliable
- f. Unreliable
- g. Very unreliable

17. To what extent would you say the OBR has increased transparency in government through its work?

- a. Very significantly
- b. Significantly
- c. Somewhat significantly
- d. Neither significantly or insignificantly
- e. Somewhat insignificantly
- f. Insignificantly
- g. Very insignificantly

18. Thinking about the overall performance of the OBR, how would you rate each of the following indicators using a 7-point scale, where 1 means very poor and 7 means excellent?

- a. The clarity and ease of understanding of its reports [____]

- b. The overall impact of the OBR in terms of helping Parliamentarians to scrutinise the government’s management of the public finances [____]
- c. The accuracy of its analyses [____]
- d. The OBR’s contribution to public debate on related issues [____]

These last few questions are for analytical purposes only.

19. Please indicate whether you are a Member of Parliament or Member of the House of Lords:

- a. Member of Parliament
- b. Member of the House of Lords

20. How long have you been a Member of Parliament or Member of the House of Lords?

- a. Less than 2 years
- b. 2-5 years
- c. 6-10 years
- d. More than 10 years

21. Please list the committees on which you currently sit or have sat during the past five years.

Annex 3

OBR Non-Parliamentarian Stakeholder Survey

1. Which of the following are legislatively mandated roles of the Office for Budget Responsibility (OBR)? Please select all that apply.
 - a. Assess the long term sustainability of public finances
 - b. Provide evidence to parliamentary committees
 - c. Produce costings of tax and spending measures
 - d. Answer parliamentary questions on reports
 - e. Scrutinise the government’s costing of tax and spending measures
 - f. Publish five-year economic forecasts twice a year
 - g. None of the above

2. Who is the Chairman of the OBR?
 - a. Lord Burns
 - b. Graham Parker
 - c. Steve Nickell
 - d. Robert Chote
 - e. Kate Barker
 - f. Sir Alan Budd
 - g. None of the above

3. To whom is the OBR accountable?
 - a. Executive branch of government
 - b. House of Commons
 - c. Both the Chancellor of the Exchequer and Parliament (House of Commons and House of Lords)
 - d. Her Majesty’s Treasury
 - e. House of Lords
 - f. Chancellor of the Exchequer
 - g. None of the above

4. How do you access the OBR’s products? Please select all that apply.
 - a. OBR’s website
 - b. Print media
 - c. Radio
 - d. Television
 - e. Social media
 - f. Discussions with OBR staff
 - g. None of the above

5. The work produced by the OBR is free from political interference.
 - a. Strongly agree
 - b. Agree
 - c. Somewhat agree

- d. Neither agree or disagree
 - e. Somewhat disagree
 - f. Disagree
 - g. Strongly disagree
6. Considering the reports that the OBR releases, would you consider the quality of the data in these reports to be:
- a. Very reliable
 - b. Reliable
 - c. Somewhat reliable
 - d. Neither reliable or unreliable
 - e. Somewhat unreliable
 - f. Unreliable
 - g. Very unreliable
7. How understandable are the OBR's products?
- a. Very understandable
 - b. Understandable
 - c. Somewhat understandable
 - d. Neither understandable or incomprehensible
 - e. Somewhat incomprehensible
 - f. Incomprehensible
 - g. Very incomprehensible
8. Would you consider the scientific quality of the methodology (i.e. the approach used for analysis) used by the OBR in its reports as being:
- a. Very reliable
 - b. Reliable
 - c. Somewhat reliable
 - d. Neither reliable or unreliable
 - e. Somewhat unreliable
 - f. Unreliable
 - g. Very unreliable
9. To what degree do you utilize the OBR's reports in your professional work?
- a. Very often
 - b. Somewhat often
 - c. Often
 - d. Neither often or rarely
 - e. Somewhat rarely
 - f. Rarely
 - g. Very rarely
10. It is important for the government of the day to be perceived to support the OBR.
- a. Strongly agree
 - b. Agree
 - c. Somewhat agree

- d. Neither agree or disagree
- e. Somewhat disagree
- f. Disagree
- g. Strongly disagree

11. Your confidence in the OBR is directly related to the Chairman.

- a. Strongly agree
- b. Agree
- c. Somewhat agree
- d. Neither agree or disagree
- e. Somewhat disagree
- f. Disagree
- g. Strongly disagree

12. Your confidence in the OBR is directly related to the competency of its analysts.

- a. Strongly agree
- b. Agree
- c. Somewhat agree
- d. Neither agree or disagree
- e. Somewhat disagree
- f. Disagree
- g. Strongly disagree

13. Your confidence in the OBR is directly related to its founding legislation.

- a. Strongly agree
- b. Agree
- c. Somewhat agree
- d. Neither agree or disagree
- e. Somewhat disagree
- f. Disagree
- g. Strongly disagree

14. Your confidence in the OBR is directly related to its administrative operations.

- a. Strongly agree
- b. Agree
- c. Somewhat agree
- d. Neither agree or disagree
- e. Somewhat disagree
- f. Disagree
- g. Strongly disagree

15. How can the OBR improve its products and communications strategies to meet stakeholder needs?



Please answer the following questions for the purposes of data aggregation and sorting.

16. What is your gender?

- a. Male
- b. Female

17. What is your professional sector?

- a. Media
- b. Private sector
- c. Civil service
- d. University researcher or academic
- e. Think tank
- f. Civil society

18. What is your age?

- a. 16-26
- b. 27-37
- c. 38-48
- d. 49-59
- e. 60-70
- f. 70-80
- g. 81-101

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The following offices and experts were consulted prior to the development of the framework in March 2014:

Parliamentary Budget Office, Australia.

Allen Schick, University of Maryland and The Brookings Institution.

Central Planning Bureau for Economic Policy Analysis, The Netherlands.
Congressional Budget Office, United States.

Fiscal Council, Hungary.

Irish Fiscal Advisory Council, Ireland.

Joachim Wehner, London School of Economics.

National Audit Office of Finland, Finland.

National Assembly Budget Office, South Korea.

High Council of Public Finance, France.