

Project grants from appropriation 2:4 Emergency preparedness

– a policy instrument with challenges

Summary and recommendations

The Swedish National Audit Office (Swedish NAO) has reviewed whether appropriation 2:4 Emergency preparedness is an effective policy instrument for strengthening agencies' work on emergency preparedness and civil defence. The audit covers the part of the appropriation that the Civil Contingencies Agency (MSB) distributes as grants to agencies at national and regional level for various development projects. The project grants that MSB distributes amount to about SEK 500 million per year. They are to strengthen overall national preparedness and capacity to manage serious emergencies, as well as contribute to creating or maintaining a basic defence capability.

Audit findings

The Swedish NAO's overall conclusion is that there are shortcomings in the effectiveness of the policy instrument that mean that the project grants risk failing to be the reinforcement of emergency preparedness that was intended.

The agencies' work to maintain and improve emergency preparedness is mainly to be funded within the framework of the agencies' ordinary appropriations, in line with the principle of responsibility. The project grants are to be a reinforcement.

The audit shows that it is not possible to verify that the measures required to maintain and improve emergency preparedness are mainly funded within the framework of the agencies' ordinary appropriations. In practice, it is also difficult for MSB to distinguish between measures that should be funded through ordinary appropriations and those that can be funded through appropriation 2:4. The problem of demarcation becomes particularly evident in the allocation of funds to MSB's own development projects. MSB's broad responsibility in emergency preparedness and civil defence makes it difficult to claim that something goes beyond the responsibility that MSB has under the principle of responsibility. The majority of the agencies also perceive the demarcation and MSB's allocation decisions as unclear.

The Swedish NAO therefore assesses that it is not possible to ensure that project grants do not go to activities that are to be funded within the framework of the agencies' ordinary appropriations. On the contrary, there are indications that many agencies mainly fund their emergency preparedness work with the help of project grants. If the agencies lack basic funding, this should not be solved with the help of a project grant.

The audit shows that the agencies believe that project grants are a good means to achieve sector-specific and cross-sectoral collaboration between actors. They believe that this type of initiative would otherwise never come into being. However, the system has a number of negative side effects. For example, several agencies point out that it is difficult to have long-term planning when a large part of the preparedness work is funded through project grants. In addition, some agencies are completely dependent on project grants to be able to develop emergency preparedness.

Furthermore, the audit shows that the agencies sometimes lack their own resources to utilise the results of the projects carried out with grants from appropriation 2:4. There is then a great risk that the projects will not achieve their intended effects. In other cases, appropriation 2:4 meets the agencies' need for continuous funding, even though this is not the purpose of the appropriation. The activities then live on in new projects and the issue of implementation is postponed to the future. Since MSB does not follow up on the projects in the longer term, these problems are not identified in reporting to the Government.

Since 2015 the County Administrative Boards can apply for funding of so-called coordinated projects. According to MSB's appropriation directions, funds from appropriation 2:4 may be used to co-finance the County Administrative Boards' costs for developing emergency preparedness and civil defence regionally and locally. The new project form has increased predictability and continuity for the County Administrative Boards, but it has been achieved at the expense of the values that were seen as important when creating the appropriation: flexibility and that the appropriation should go to temporary special initiatives. Project grants now constitute more or less permanent co-financing of the County Administrative Boards' basic emergency preparedness work. The Swedish NAO considers that the project grants in this respect are used for activities that the Government has explicitly stated that the appropriation should not be used for, a statement that the Riksdag has also supported.

Recommendations

In the opinion of the Swedish NAO, there is reason for the Government to consider what the appropriation should be used for. If the Government wishes to continue to use the appropriation for temporary special initiatives to strengthen

national emergency preparedness and civil defence, the Swedish NAO makes the following recommendations to the Government:

- Ensure that appropriation 2:4 is not the main source of funding by making sure that the agencies' own funding of emergency preparedness and civil defence is followed up. If it turns out that some agencies lack their own funding for their basic preparedness work, the Government should consider other financing solutions for them.
- Decide whether the County Administrative Boards' permanent activities are to be funded with project grants from appropriation 2:4.
- Decide whether MSB will continue to distribute project funding from appropriation 2:4 for its own activities.

The Swedish National Audit Office makes the following recommendations to MSB:

- develop the follow-up of the projects in order to obtain an overview of their long-term effects on overall national preparedness.
- more clearly explain and communicate the reasons for its decisions on allocation of project grants.