

THE GOVERNMENT GRANT PROCEDURE FOR CHILD AND ADOLESCENT PSYCHIATRY

Attention has been focused on the level of psychiatric services for children and adolescents since the mid 1990s. There have been problems in the service system which have reduced the availability and quality of services. Local authorities are responsible for arranging services and the state participates in financing services through the government grant system.

In order to correct problems, additional funds were provided for child and adolescent psychiatry. The 2000 state budget included an appropriation earmarked for "Government grants to local authorities for child and adolescent psychiatry services" in item 33.32.37. The same procedure was repeated in the budgets for 2001-2004. Each time the appropriation has been added to the budget during parliamentary handling. The Government has not proposed special funds for this purpose. Child and adolescent psychiatry's average share of government grants in the Ministry of Social Affairs and Health's administrative sector has been less than 0.3%.

The goal of the present audit was to determine whether the appropriation for child and adolescent psychiatry is used for the activities described in Parliament's budget decision, how well funds have been administered and whether the effectiveness of the use of government grants can be reliably evaluated. The audit sought to answer the question whether the desired results can be achieved with such a small additional appropriation compared to regular financing. A key focus in the audit was the administration of government grants and particularly the grounds for targeting appropriations, the methods used in evaluating effectiveness and the monitoring of the use of grants.

The results indicated that the funds appropriated for child and adolescent psychiatry were used for the activities described in Parliament's budget decision. A small

appropriation earmarked for a specific purpose such as government grants for child and adolescent psychiatry can achieve results which are in the desired direction. The steering effect of government grants is based more on the steering of information than on the steering of funds. Since the procedure has been repeated each year, the government grants have lost their steering effect and no longer receive the same kind of attention as they did the first time in 2000.

The observations made in the audit indicate that the government grant procedure has been laborious for all parties and the timetable fits in poorly with recipients' budgeting and planning. The allocation of grants has taken place mainly on a calculatory basis and project-specific evaluations have not been made.

In recent years other discretionary government grants have become more common. The use of funds under different items in the form of government grants for social services and health care arranged by local authorities has made it more difficult to examine the overall situation. The different application periods for different government grants have in practice meant that the grant process in the state provincial offices, including all its stages, lasts from January to September each year.

The State Audit Office believes that the Ministry of Social Affairs and Health should investigate whether it is possible to harmonize the application process for different government grants which concern social services and health care and go through the state provincial offices, as well as their timetables. The amount of government grants which are earmarked for a special purpose should not be increased without seeing that funds are administered efficiently and effectively.

Government grants which are earmarked for a special purpose contain at least the possibility to verify the purpose for which funds have been used, compared with increasing general government grants by a corresponding amount. The audit indicated, however, that mechanisms and means have not been used to ensure the proper use of funds. The monitoring of effectiveness can be described as being based on trust. The monitoring of government grants for child and adolescent psychiatry by the responsible authorities was

quite limited in 2000-2003. In the opinion of the State Audit Office, the responsible authorities should systematically evaluate the need to monitor government grants for child and adolescent psychiatry each year.