

“Sludge” in Irish Policymaking

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1. Introduction

Some policies are not as effective as they could be, and “sludge” might be one reason for that. Sludge is the term that behavioural scientists use to describe excessive or unjustified frictions that make it harder for people to do what they want (Sunstein 2021; Thaler 2018). These frictions can come in the form of paperwork burdens, complex application processes, long waiting times, difficult cancellation processes, and many other ways. Concepts closely related to sludge are administrative burden, red-tape, and transaction costs (Bozeman 1993; Burden et al. 2012; Herd and Moynihan 2019; Madsen, Mikkelsen, and Moynihan 2021; Shahab and Lades 2021). Thaler and Sunstein coined the term sludge and also wrote the bestselling book “Nudge” (Thaler and Sunstein 2008). As such, it is no coincidence that both terms rhyme, and sludge has been described as the “[evil cousin of nudge](#)”.

Sludge can lead people to experience tasks as onerous which can make it harder for them to navigate through their everyday lives. Sludge can also have distributional consequences where those individuals most in need face the strongest sludge (Christensen et al. 2020). Sludge can make it difficult for people to search for relevant information, to evaluate the pros and cons of the information once found, and to implement a decision once it has been made. It can also lead to negative psychological experiences such as cognitive overload, shame, frustration, and humiliation. Sludgy processes are often very specific (rather than general), very infrequent (rather than repeatedly encountered), and uncertain (rather than providing certainty about what needs to be done) (Shahab and Lades 2021). As a result, sludge can deprive people from getting what they want, and maybe need (Sunstein 2020).

While it is not hard to find anecdotal evidence of sludge (*When was the last time you were annoyed about an unnecessarily onerous administrative task?*) research on the topic is in its nascent state. Only in the last decade have public administration scholars begun to investigate administrative burden that citizens experience when interacting with the government (Burden et al. 2012; Herd and Moynihan 2019). And behavioural scientists have started working on sludge and dark patterns in public and private settings only a few years ago (Sunstein 2020; Thaler 2018).

This paper aims to illustrate the potential relevance of sludge in Irish policy making. To organise this illustration, section 2 presents seven concepts that facilitate a better understanding and identification of sludge. Section 3 relies on these concepts and provides examples where sludge might be present. These examples come from contexts such as Covid-19 responses, the labour

market, health, housing, passport applications, and the environment. These examples suggest the possibility that sludge is widespread in Ireland and that it (probably) should receive more attention by researchers, policy makers, and citizens. Not much research on sludge has been conducted in these specific areas yet. Hence, we present the examples as illustrations of areas where sludge might be present. Section 4 presents some reflections on how to define and identify sludge and how to use it as a tool for policy making. The last section concludes.

2. Characteristics and consequences of sludge

This section provides a summary of three characteristics of sludge (specificity, uncertainty, and infrequency) and four consequences of it (search costs, evaluation costs, implementation costs, and psychological costs). The section relies on the conceptual framework discussed in Shahab and Lades (2021).

Specificity: When a task is very specific to the given situation so that general knowledge and skills are not helpful for this task, sludge is more likely to be present. As an example, different government departments might use the same web interface (such as myGovID.ie) for different tasks or each department might have their own website. Specificity would be low in the former case and high in the latter.

Infrequency: When a task is very infrequent, sludge is more likely to be present because people do not have the opportunity to learn navigating through the process. For example, people tend to apply for mortgages only a few times in their lives which makes it likely that people experience the necessary steps as onerous.

Uncertainty: When a task leads to uncertain outcomes, sludge is more likely to be present. For example, when starting to apply for grants, people often do not yet know what information will be needed to complete the application. This is an example of sludge due to uncertainty.

Search costs: Sludge leads to search costs when search processes are unnecessarily onerous and when it is difficult to find relevant information. For example, choosing mortgages, pensions, or health insurance can be onerous as these products are complex and information is often not provided in simple terms making it hard to identify the relevant details.

Evaluation costs: Sludge leads to evaluation costs when it is unnecessarily difficult to evaluate the pros and cons of different options. It can be difficult, for example, to compare flight prices across different airlines because add-ons for baggage, priority boarding, and other extras are not included in the initial prices that are used on price comparison websites.

Implementation costs: Sludge leads to implementation costs when it is unnecessarily difficult to implement a decision once it has been made. For example, applying for grants or financial support sometimes takes substantial amounts of time and can require applicants to pay for the services of a lawyer or accountant to process the application.

Psychological costs: Finally, sludge leads to psychological costs when tasks create unnecessary negative psychological experiences such as cognitive overload, shame, frustration, and

humiliation. For example, if someone is asked for information that an agency or department already has on file, it may lead the person to feel that they are not trusted and abandon the application.

3. Examples of Sludge in Irish Policymaking

3.1 First time child passport applications

Obtaining the first passport for an Irish child is one of the key tasks for parents after birth. However, 40% of all passport applications currently fail on their first attempt, mainly due to some documentation missing. Between April and July 2022, many examples of the difficulties with passport application delays were described in the media (see [here](#), [here](#), and [here](#)). We suggest that sludge might be one reason for this.

The main complexity around children's first passports arises due to child protection requirements and the need for the application form to be validated by a member of one of a recognized profession (e.g., Garda, doctor, school principal, member of the clergy, etc.). Emer Higgins, TD stated in [May, 2022](#) that delays are often caused by problems with the witness signature: "the Garda signature might have the wrong date on it, or it mightn't correspond with the log-book that they keep in the station where they verify that parents have come in". The passport office makes only two attempts to contact the witness by telephone to verify they have witnessed the application. If the office is unsuccessful in reaching the witness on both of those occasions, then the application is rejected and must be re-commenced.

This process can be characterised as uncertain (applicants don't know whether the application will be successful and how long the process might take), specific (the validation process is very specific to this application), and infrequent (this process is started only once per child). It also leads to costs, such as implementation costs (e.g., having to take time off work to travel to Dublin to collect a passport, or change flights due to late arrival of a passport) and psychological costs (e.g., related to the uncertainty related to making holiday plans). As such, we might be right when calling the process "sludgy".

3.2 Housing assistance payments

The Housing Assistance Payment (HAP) is a rent subsidy provided by all local authorities across Ireland. Its aim is to help low-income earners pay their rent and it has become an important support mechanism for many renters. Both the tenant and the landlord are required to complete application forms to become part of this system.

Tenants, for example, need to complete two forms in the HAP application process and the second form only becomes available when the first form has been completed and sent to the local authority's Social Housing Support list. The first form itself can be rather long (e.g., for Wicklow County Council it is a rather complicated 27-page long form that needs to be printed and filled out by hand) and the process of approval takes on average 1 month.

It seems that the process the landlords must follow is less burdensome. Landlords are asked to complete only 7 steps to register to the HAP system, and “low administration” is a phrase used to encourage landlords to sign up. However, anecdotal evidence suggests that the process is also burdensome for landlords. For example, to obtain proof of payment of the local property tax, landlords need to login online with the correct details which is a significant barrier for some landlords. Moreover, some landlords consider the information they need to provide to become part of the HAP scheme as too invasive.

There are indicators suggesting that the HAP application process is sludgy for both tenants and landlords. Neither tenants nor landlords go through the process of making a HAP application frequently, the process is very specific to this type of application, and it is characterised by a degree of uncertainty at least for the tenants. Moreover, the design of the process can lead to search costs (e.g., finding all the necessary information to submit the HAP form such as the PPS of everybody in the household or details of accommodation history) and psychological costs (e.g., the uncertainty of the process might act as a psychological barrier that prevents some applicants from starting the process). As such, a more detailed analysis of the application processes seems warranted.

3.3 Home energy upgrades

The Irish [Climate Action Plan 2021](#) has set targets to retrofit 500,000 Irish homes to the equivalent of a B2 BER rating and to install 400,000 heat pumps by 2030. The Sustainable Energy Authority Ireland ([SEAI](#)) is key to delivering this plan and provides the information to homeowners on what is involved in energy upgrades and how they can navigate the process from assessment through to grant or finance. Recent changes in the structure of grant design indicate that the SEAI is aware of the importance of sludge and administrative burdens that can hinder Ireland from achieving its retrofit targets.

In March 2022, the SEAI introduced a “[one-stop shop](#)” approach, whereby homeowners can contact a registered company that handles the entire retrofit process (thus minimising implementation costs for homeowners). The one-stop shop section of the SEAI website also gives an extensive list of all the grants available for different aspects of retrofit (minimising search costs) and the enquiry form for the one stop shop is very simple requiring information the homeowners likely have at hand. The one-stop shop approach shifts much of the administration to the companies for whom the process is much less specific, infrequent, and uncertain and thus less sludgy.

However, at the time of writing this the number of companies offering one-stop shop solutions is limited which means that there is the danger of them being inundated with enquiries. Moreover, anecdotal evidence suggests that the one-stop shop providers are inundated with enquiries as the government encourages people to get their houses retrofitted and the price of gas and electricity soars. These companies are by-passing the SEAI grant process and are trying to sell green energy systems such as solar panels directly to householders, many of whom have made enquiries with a one-stop-shop but have never heard back from them.

3.4 Afforestation

As stated in its [Climate Action Plan 2021](#), Ireland has the ambition to substantially increase its current rates of afforestation by, for example, creating small native forests. This ambition recognises that forests are a good way to store carbon. However, the afforested area in Ireland has [declined](#) between 2007 and 2021, showing an obvious gap between aspiration and action in this sector. Could sludge be a reason for the low uptake of afforestation in Ireland? While the answer to this question is complicated, the forestry licence backlog more than [doubled](#) in the 18 months up to November 2021 from 2,300 applications to 5,000 in the system. As such, it seems that sludge is part of the answer.

To plant trees in Ireland on an area greater than 0.1 hectares, a licence from the Department of Agriculture is required. Getting such a licence involves taking [five steps](#) which are not always straightforward. For example, applicants cannot apply for a licence themselves, but must ask one of 188 registered foresters to complete the application. Overall, it can take several months (up to a year) to get such a licence. Five years after having planted the trees, the forest must be thinned, and another licence is needed for that. Thinning is time-sensitive and needs to be completed within an 18-months window, and hence delays in receiving thinning licenses can be very costly.

Anecdotal evidence suggests that the licence application process has become more complex over time, involving Appropriate Assessments having to be carried out. Overall, the licensing process consists of 4 different licences which must be applied for throughout the life of the forest, and the delay and uncertainty around the licensing process means that even if the forest can be planted, there may be problems around the thinning licence which is a key part of the commercial life-cycle of the forest.

The description above and the large forestry licence backlog suggests that sludge is a serious problem in this area and more detailed research would be warranted. Solutions might involve designing a (more complex) single multi-part licence covering everything from planting, building forest roads, thinning, and felling as that would reduce the number of licence applications and provide more certainty to the sector. An alternative solution might be to investigate whether the licensing process can be simplified or whether thinning licences (which are time-sensitive) should be prioritised thus removing further uncertainty in the process.

3.5 The Covid-19 pandemic unemployment payment

One government response to the Covid-19 pandemic in Ireland was to offer the Pandemic Unemployment Payment (PUP) to many people living in Ireland. Everybody in Ireland who had lost their income due to Covid-19 was eligible. All that was needed to apply for the PUP was to complete a one-page form and it took on average less than a week for the application to be [approved](#). This process was remarkably frictionless. The process to receive the PUP can be compared to the much more complicated processes to receive [Jobseeker's Benefits](#) or [Jobseeker's Allowance](#).

3.6 Roundup policy in Wicklow County Council

In an effort to reduce negative effects of applying glyphosate to kill both broadleaf plants and grasses (e.g., using Roundup), Wicklow County Council recently introduced glyphosate usage forms. Whenever Roundup is used, a process needs to be completed which includes completing a business case form and an application record form. The business case form requires written and detailed descriptions of the area that must be treated and what alternatives to glyphosate have been looked at (e.g., Foamstream). The form also needs to be signed by the district local engineer. The application record form requires further details that later on will be used on an app the council are creating to show the public where glyphosate has been put, how much was used, and when it was used.

One aim of adding this extra layer of work for the council staff is to reduce the amount of Roundup usage. Anecdotal evidence suggests that a key difficulty with the establishment of the form is to communicate to council staff members why such a form and the extra work is required. This example shows how sludge is sometimes used strategically to achieve policy goals.

4. Reflections

The six examples above invite some reflections on the definition of sludge, how it can be identified, and how it can be used. Below, we summarise some these reflections along three open questions.

4.1 Are the frictions excessive and unjustified?

It is obvious from the above examples that administrative frictions shape our daily lives in many areas. Based on this observation, policy makers might be tempted to make reductions of frictions a central policy goal. However, first the key question whether the frictions are indeed excessive or unjustified (and thus sludge) must be answered. For example, it is important that passports are given only to eligible individuals, that benefit systems are not exploited, and that environmental consequences of changed landscapes are considered when giving afforestation licences. Administrative requirements are often important to uphold program integrity, accountability, and transparency.

In many other situations, however, we believe that it is sensible to start from the working assumption that frictions are excessive and unjustified and thus that sludge is present. The simplified retrofit application process described above (the one-stop shops) and the straightforward process to receive the Covid-19 pandemic unemployment payment are notable examples characterised by the absence of frictions. The fact that they stand out suggests that they might be the exceptions that prove the working assumption that sludge is indeed prevalent in the system. A key task for future work in this area is to identify whether the amount of friction is too low, just right, or too high.

4.2 How to best identify sludge?

Identifying unnecessarily high frictions (i.e., sludge) is not always straightforward and requires detailed insights from experts or at least individuals who are directly involved with the relevant administrative processes. For example, the design of the Housing Assistance Payment (HAP) scheme appears to make it much easier for landlords than for tenants to complete the necessary paperwork to join the scheme. However, an interview we conducted with a relevant HAP administrator suggests that landlords often struggle to fill out the forms suggesting that qualitative insights from individuals frequently dealing with the relevant processes are essential to identify sludge.

Whether or not our working assumption (that there is too much sludge in the Irish policy system) is correct can be tested in so-called “sludge audits” (Sunstein, 2020). In sludge audits, departments, agencies, businesses, and other institutions review their processes with a view to identify unnecessary frictions that make it harder for relevant actors to achieve their goals. Guidelines for sludge audits have not yet been developed but considering the 7 concepts presented above can help identify sludge. For example, qualitative interviews can be conducted in which relevant actors are asked whether processes are specific, infrequent, or uncertain and whether interacting with these processes leads to search costs, evaluation costs, implementation costs, and psychological costs. Once it has been determined that sludge is excessive, sludge reduction can be considered.

4.3 How to use sludge as a policy instrument?

Policy makers can also use administrative burdens intentionally as a policy tool (Herd and Moynihan 2019). When policy goals can’t be achieved using legislation, sludge might be an alternative means to achieve similar outcomes. While administrative burden scholars have criticised the existence of excessive bureaucratic processes in the context of, for example, visa applications, benefit schemes, and voting, there are situations in which frictions can be used for good. For example, requiring additional paperwork before the pesticide Roundup is used as described above can help achieve environmental policy target. The added friction helps gathering data on Roundup use but maybe more importantly encourages alternative procedures that do not require paperwork to be completed. Future conceptual work is required to determine whether sludge should always be viewed as something negative or whether an optimal level of sludge can exist.

Conclusion

This paper makes the case that sludge is likely an under-appreciated concept in Irish policy-making. Sludge, defined as excessive or unjustified frictions that make it harder for people to do what they want, is likely prevalent in many areas of Irish life. It can be detrimental for most individuals but at times has particularly detrimental consequences for those already disadvantaged in society. For example, people who can afford hiring accountants will suffer less from cumbersome form filling requirements and people who know their local TD can speed up the application processes. However, frictions can also be used for good, for example when they

reduce the use of pesticides. Detailed research is currently lacking on the specific characteristics, origins, purposes, consequences, and the identification of sludge in the various areas. We thus hope that this paper helps raising attention of the importance of sludge for public policy-making in Ireland.

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