



Treasury Board of Canada
Secretariat

Secrétariat du Conseil du Trésor
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Canada

Performance (-informed) Budgeting in the Government of Canada

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Overview

The federal government in Canada launched a new *Policy on Results* on July 1, 2016.

This new *Policy* strives to instill a culture of evidence-based decision-making in policy and program design and delivery; and has now linked performance measurement, evaluation and innovation in the same policy.

The *Policy* is the key building block that will allow the government to move towards performance (-informed) budgeting.

Ultimately, it will enable resource allocation decisions to be made based on performance information, including from reviews, and tell a meaningful performance story to Canadians.



Track and report on
the progress of
commitments

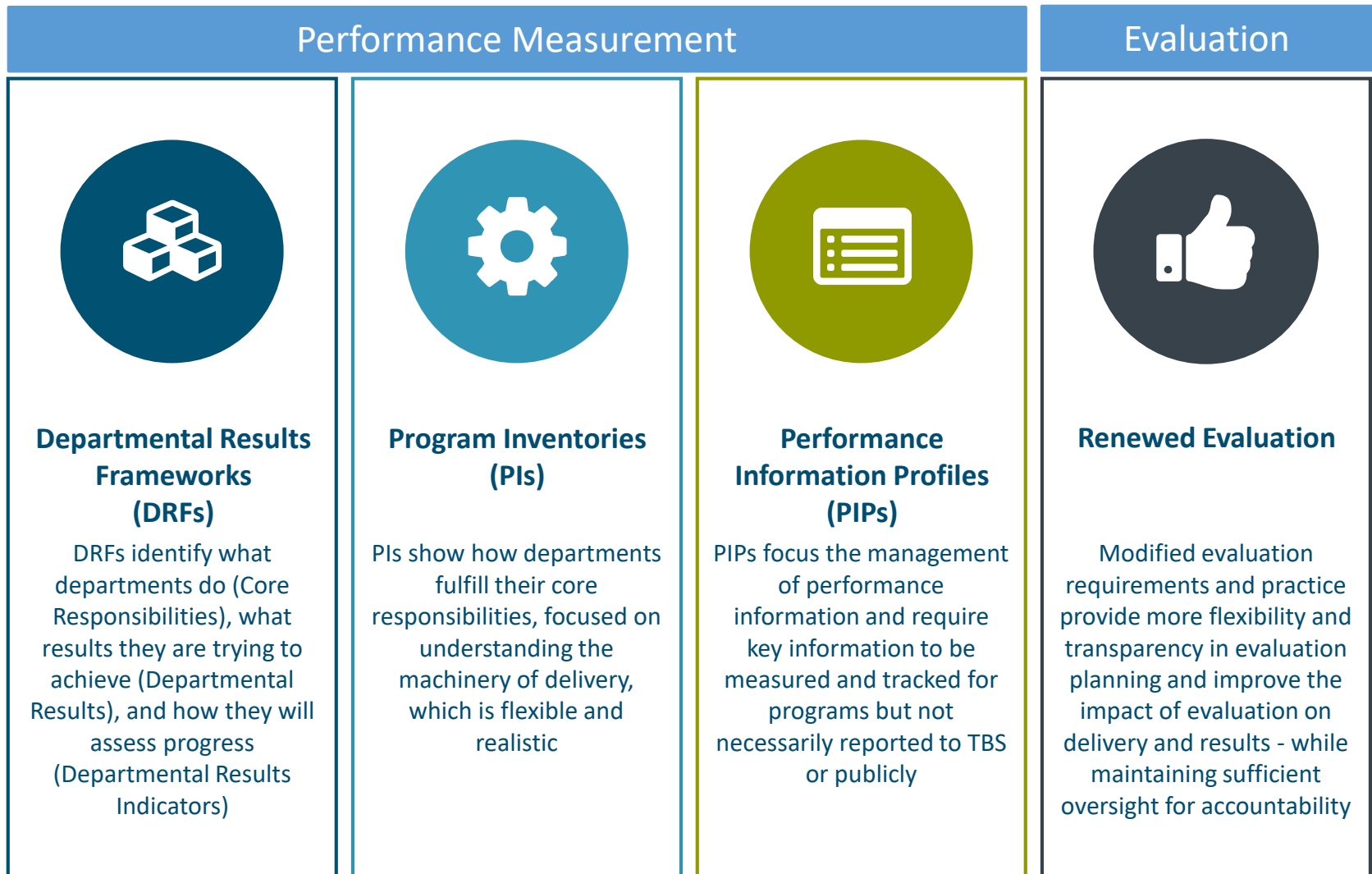


Assess
effectiveness



Align resources
with priorities

The *Policy's* key components are clear, complementary...



...and set the stage for performance budgeting

We are working towards establishing a continuing cycle of:

- Identifying results for government programs.
- Measuring the achievement of these results over time.
- Using this information to allocate resources where they matter.
- Re-measuring performance based on these allocation decisions.
- Analyzing the cost of achieving outcomes to provide options that will deliver results within resource constraints.



Balance in performance budgeting

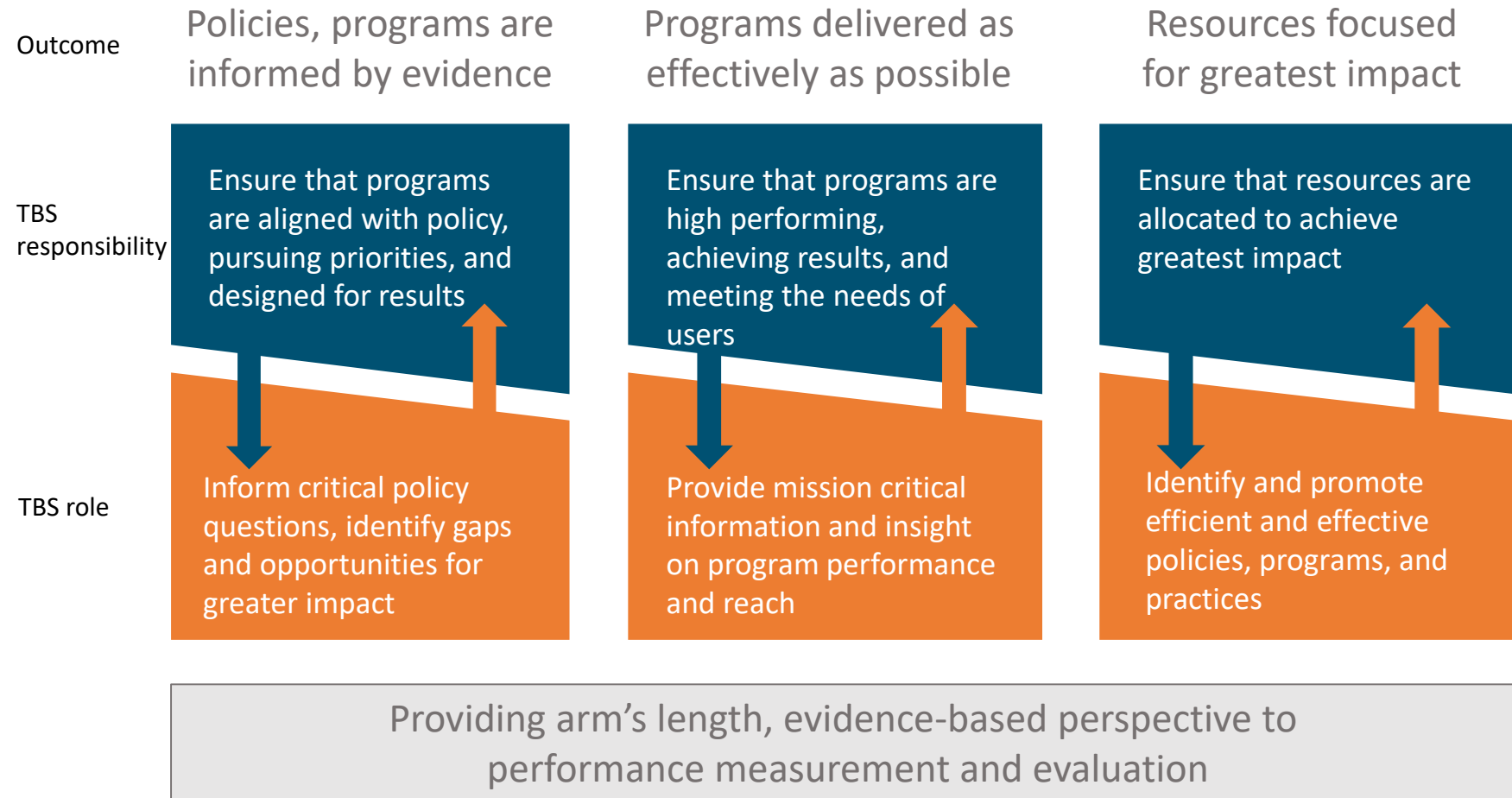
Government will want to implement an ever-shifting set of policies which may (or may not) align with existing operations and may require new programs.

Performance (-informed) budgeting must consider political and operational context:

- Politically-motivated programs may never be cost effective
- Measuring detailed performance can be costly
- Innovation and experimentation culture can be improved
- Availability of performance information

Striking the right balance means prioritizing those areas where change is possible and pushing boundaries in areas where it seems impossible.

TBS's role suits a performance budgeting approach...



... and successful conditions have been set

Performance budgeting components have traditionally been separate in Canada, including:

- Budgeting (Finance) and management board (TBS) functions
- Performance measurement and evaluation functions
- Horizontal and targeted reviews have been separate from budgeting and expenditure management functions

While Estimates (TBS) and budgets (Finance) are increasingly aligned, incorporating performance budgeting capacity in the ongoing oversight of spending holds promise.

Since January 2018, performance measurement, evaluation, and expenditure reviews have all been integrated operationally within the Results Division of TBS.

The Division will also include a new experimental central assessment function, built on combining administrative and program data (see Annex for more details).

What has been accomplished?

Government program structure linked to results information and government priorities

- Established DRFs, PIs and PIPs

Government network of results expertise

- Created Heads of Performance Measurement to support and work with Heads of Evaluation
- Established PMECs, identified lead program officials

Centrally-led evaluations

- Establishing a central performance evaluation team to examine Innovation Programs (B2018)

Resource alignment reviews

- Conducting departmental and horizontal reviews

Standardized government reporting

- Set standard formats for DRFs and PIs, as well as Departmental Plans (DPs) and Departmental Results Reports (DRRs)

Link financial information to results

- Introduced a new financial table in TB submissions to link funding to programs in DRFs (i.e. links outcomes to resources used to achieve them)

Harnessing the *Policy* requires building the right ecosystem...

Evidence-based decision making requires wide availability of evidence and the experience and capacity to use it.



Piloting centrally-led impact assessment

- Evaluation of Innovation programs
- Greater experimentation and testing
- Evolution of performance measurement

1

Continuing work on resource alignment reviews

- Departmental reviews
- Horizontal reviews

2

Working on data collection and analysis tools

- GC InfoBase enhancements
- Widely accessible results, indicator database

3

Building capacity

- Performance measurement community
- Evaluation community
- Central agencies

4

... in order to disrupt silos and facilitate information sharing

Program officials, central agencies and decision makers have typically been constrained by a siloed, inefficient and labour-intensive performance information ecosystem.

Our objective is to disrupt these silos and inefficiencies by creating a centralized performance information system, so that more consistent and reliable data can be used, discovered, and shared more efficiently.



What is still needed?



Link financial and human resource information to results



Increase early engagement of results experts in policy and resource planning



Develop information collection and dissemination systems



Establish and evolve the central performance evaluation team



Enhance coordination

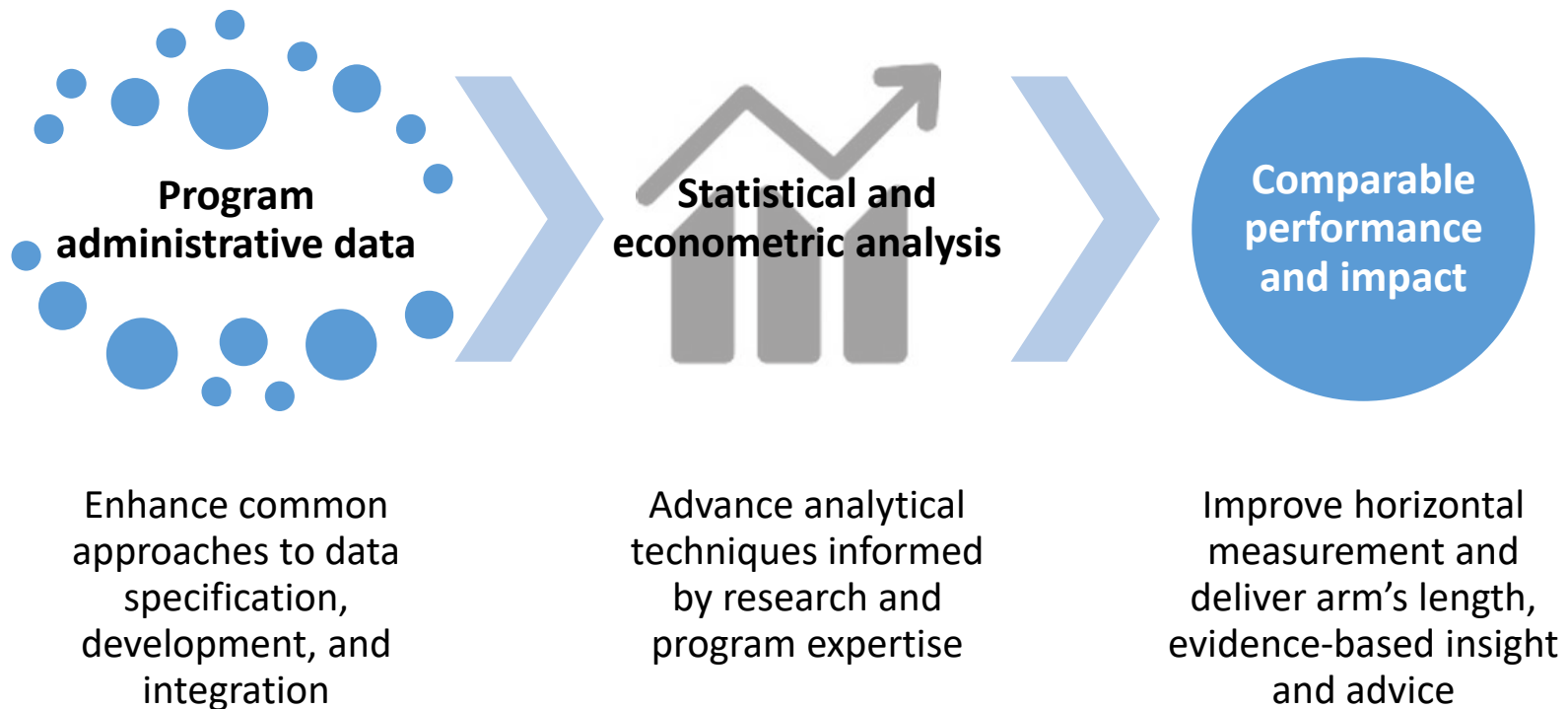
Getting the bottom-up approach right will allow for a holistic horizontal assessment of programs across government.

Questions?



The new Central Performance Impact Assessment Unit

Collaborative and data-driven performance measurement



Supports, drives, and enables data-focused policies

Aligned with Government of Canada principles	Aligned with Policy on Results	Aligned with Statistics Canada mandate and objectives
<ul style="list-style-type: none"> ▪ Open and transparent government, e.g., “committed to openness, transparency and collaboration.” ▪ Focus on outcomes, e.g., “evidence-based decisions that are anchored in meaningful data and indicators.” 	<ul style="list-style-type: none"> ▪ “Improve the achievement of results across government.” ▪ “Enhance the understanding of the results government seeks to achieve, does achieve, and the resources used to achieve them.” 	<ul style="list-style-type: none"> ▪ “To collect, compile, analyze, abstract, and publish statistical information”... that is needed to: <ul style="list-style-type: none"> • “develop and evaluate public policies and programs” • “improve ... decision-making for the benefit of all Canadians.”

Opportunity to advance collaborative, evidence-based policy discourse through the use of world-class microdata and research capacity

Resources



<http://www.tbs-sct.gc.ca>

See: [Policy on Results](#)



[GC InfoBase](#)

(<https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html>)