Secrétariat du Conseil du Trésor du Canada — Treasury Board of Canada Secretariat

Canada

Review of the Treasury Board's 2016 Policy on Results Discussion Paper

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PURPOSE

The purpose of this paper is to elicit discussion and comments to inform the review of the *Treasury Board's Policy on Results*. It aims to help ensure that the next iteration of the Policy on Results continues to support and advance the delivery of results for Canadians.

The 2016 Policy on Results

Since the 1970's, the Government of Canada has issued policies to departments and agencies (hence forth, 'department' will be used to reflect both departments and agencies) with expectations for planning, measuring, evaluating, managing, and reporting on results. The latest of these, the 2016 Policy on Results, combined many of these expectations into a single policy by merging the 2009 Policy on Evaluation and the 2012 Policy on Management, Results, and Resources Structures.

The Policy on Results aims to improve achievement of results-based management by helping departments:

- Be clear on what they are trying to achieve and how they will assess success;

- Measure and evaluate progress, and use that information to improve policies and programs, to support innovation, and to make decisions about resource allocation; and

- Report transparent, clear, and useful information on results and the resources used to Parliamentarians and the public.

The 2016 Policy on Results gave departments new flexibility and latitude in the management of their performance measurement and evaluation activities.

The Review of the 2016 Policy on Results

The 2016 Policy on Results has been in place for over six years, and in keeping with the goals of good management and learning, it is being reviewed. The objectives of the Review are to:

- Assess how the Policy on Results has contributed to improving the Government of Canada's approach to results-based management;

- Understand its implementation and how that has influenced the achievement of the expected Policy on Results;

- Learn about what could be improved for better results, including the implementation and requirements of the Policy on Results ; and

- Identify how emerging priorities and future trends should shape both the Policy on Results and results-based management more broadly.

This paper outlines nine lines of enquiry that will be explored by the review. The findings will inform recommendations for ways in which the policy, its related instruments and its implementation may be adjusted and/or enhanced.

GOVERNANCE AND LEADERSHIP

The 2012 *Policy on Management, Resources and Results Structures* outlined high-level expectations for departments to help build results-based management cultures but did not explicitly require governance, leadership, or other support for performance measurement as a function. The 2016 Policy on Results formally recognized the performance measurement function and established a new Head of Performance Measurement role.

Under the 2009 *Policy on Evaluation*, departments were required to appoint a Head of Evaluation that had direct access to the Deputy Head, who demonstrated specific competencies and, among other duties, ensured that evaluations were conducted in a neutral manner and with integrity between those involved. These expectations were retained under the 2016 Policy on Results, but now the Head of Evaluation was expected to collaborate with the new Head of Performance Measurement as well as with Program Officials as key leaders in results-based management.

The 2016 Policy on Results expanded the Departmental Evaluation Committee's mandate to include governance of the performance measurement function – renaming it the Performance Measurement and Evaluation Committee.

The 2016 Policy on Results gives the Treasury Board of Canada Secretariat responsibility for leading the federal performance measurement and evaluation functions and in supporting departments in the policy's implementation including capacity building. Treasury Board of Canada Secretariat also plays a role in challenging the use and utility of performance and evaluation information in key products such Departmental Results Frameworks, evaluation plans, and Treasury Board submissions.

Key Questions

What impact has the formalization of the performance measurement function and the new governance and leadership model had on the:

- Availability, quality, and utility of performance measurement information including data for evaluations?
- Use of evaluations and performance measurement for organizational learning and management decision-making?
- Roles, responsibilities, collaboration and accountability for results-based management?

Performance measurement and evaluation are complex functions that require sufficient capacity to meet their objectives. Where do departments stand in terms of investments in:

- Human & financial resources assigned to performance measurement and evaluation?
- Investments supporting data collection, management, and analysis (including personnel, technical infrastructure, and the data itself?
- Expertise development?

In terms of the leadership and support role played by the Treasury Board of Canada Secretariat:

- Are departments and agencies receiving the support they need from Treasury Board of Canada Secretariat to efficiently and effectively implement the policy?
- How can Treasury Board of Canada Secretariat better enable departments and agencies?

SUPPORTING DEPARTMENTAL PLANNING AND REPORTING

The 2016 Policy on Results sought to simplify and clarify departmental planning and reporting, in part to help strengthen the performance information in Departmental Plans and Departmental Results Reports. To achieve these aims, the 2016 Policy on Results introduced a new Departmental Results Framework as the structure for financial and non-financial performance information in both the Main Estimates and parliamentary reporting. The new Departmental Results Framework focuses on communicating to Parliamentarians and Canadians about the departments' core responsibilities, what results they are seeking to achieve and how progress toward results is measured. Program-level planning and reporting are maintained through a separate Program Inventory.

This section focuses on departments' experience with the Departmental Results Framework as a tool for organizing their business and related internal processes. Questions about the utility and use of the Program Inventory and associated Program Information Profile are covered under *Supporting Program Planning, Monitoring and Decision Making*. Questions concerning external reporting are covered under *Communicating to Parliamentarians and Canadians*.

Key Questions

Has the Departmental Results Framework allowed departments to effectively communicate their performance story?

How is the Departmental Results Framework being used for internal planning and reporting purposes?

SUPPORTING PROGRAM PLANNING, MONITORING AND DECISION MAKING

The 2016 Policy on Results introduced a new Program Inventory to support planning and reporting on how departments organize their resources to deliver on their core responsibilities and departmental results. To enable results-based management of Programs, each Program in the inventory must have a Program Official tasked to implement a plan – the Performance Information Profile – for collecting and using performance information. Performance measurement for each Program in that Inventory is managed through a dedicated Performance Information Profile.

Key Questions

What impact has the Program Inventory and Performance Information Profile had on the:

- Availability, quality, and utility of performance measurement information?
- Use of performance measurement information early on in program/policy development?

What has been the experience of departments with the Program Inventory structure and Performance Information Profile requirements?

Has the new approach, with the Program Inventory separated from the Departmental Results Framework, given departments more flexibility to be adaptable and manage for results?

FLEXIBILITY IN WHAT TO EVALUATE

Prior to the introduction of the 2016 Policy on Results, the *Financial Administration Act,* combined with the 2009 Policy on Evaluation, required virtually all programs and spending be evaluated every five years.

While Treasury Board of Canada Secretariat recommends all programs and spending should be evaluated periodically, under the 2016 Policy on Results departments can:

- Use a risk and needs-based approach for departmental evaluation planning – including to provide rationales for programs and spending that will not be evaluated in the next five years.
- Exempt programs of grants and contributions of less than $5M per annum from the requirements of the Financial Administration Act Section 42.1.

Departments must produce a Departmental Evaluation Plan and consult on it with Treasury Board of Canada Secretariat. Planned evaluation coverage for the next five years, including the rationales for not evaluating certain programs or spending is made public.

Key Questions

What impact has the flexibility in what to evaluate had on the:

- Evaluation coverage of programs and spending?
- Availability and utility of evaluations for departments and central agencies?

How is the Departmental Evaluation Plan consultation process working, both internal (within departments) and external (between the Treasury Board of Canada Secretariat and departments)?

FLEXIBILITY IN EVALUATION ISSUES

Previous policies required all evaluations to address five core issues including three relevance issues, along with effectiveness and demonstrations of efficiency and economy.

The 2016 Policy on Results scaled back the five core issues to three: relevance, effectiveness and efficiency. It gave departments flexibility on non-grants and contributions spending to choose which core issues should be evaluated.

Key Questions

What impact has flexibility in core evaluation issues had on:

- The types of issues being addressed in evaluations?
- The quality and utility of evaluations for departments and central agencies?

To what extent are departments learning from evaluations and using key findings to make improvements?

COMMUNICATING TO PARLIAMENTARIANS AND CANADIANS

Openness, transparency, and accountability are guiding principles for the Government of Canada. Performance measurement and evaluation are sources of information on how public resources are used and for what results.

The 2016 Policy on Results sought to simplify departmental planning and reporting and strengthen the performance information in Departmental Plans and Departmental Results Reports. To achieve these aims, the 2016 Policy on Results introduced a new Departmental Results Framework as the structure for financial and non-financial performance information in both the Main Estimates and parliamentary reporting.

- Departmental Plans describe departmental priorities, strategic outcomes, programs, expected results and associated resource requirements, covering a three-year period.
- Departmental Results Reports inform parliamentarians and Canadians of the results achieved annually by government organizations for Canadians.
- GC Infobase is an online data visualization tool where the public can access data on program spending and resourcing. It is fed by many sources including Departmental Plans and Departmental Results Reports.
- The new Departmental Results Framework focuses on communicating to Parliamentarians and Canadians about a department's core responsibilities, what results they are seeking to achieve, and how progress toward results is measured.

The 2016 Policy on Results requires departments to release key evaluation documents on web platforms, including:

- Details on what programs and spending will be evaluated over the next five years, including the reasons why certain programs and spending will not be evaluated;
- Evaluations in their entirety, along with mandatory summaries; and
- Management Response and Action Plans developed by departments in response to evaluations, as part of the report.

Key Questions

To what extent are Departmental Plans, Departmental Results Reports, and GC Infobase:

- Telling a clear story of what departments plan on doing, what they achieve on behalf of Canadians, and the resources used to do so?
- Being used by Parliamentarians and Canadians?

To what extent are the publicly released evaluation documents:

- Telling a clear story of the relevance, effectiveness and efficiency of programs and services?
- Showing what adjustments will be made in response to evaluation findings?
- Being used by Parliamentarians and Canadians?

HORIZONTAL FRAMEWORKS

The 2016 Policy on Results requires evaluation analyses to address government-wide policy considerations like gender-based analysis plus and official languages. These considerations are also broadly applied in performance measurement. Since 2016, the Government of Canada has increased its efforts to integrate horizontal frameworks like gender-based analysis plus, a climate change lens, and the Quality of Life framework into planning, policy development, and program delivery. This is key to ensuring that the diversity of people in Canada and multifaceted impacts of government activities are understood and addressed. To realize the objectives of these frameworks, departments require data, particularly disaggregated data, to be able to produce performance information that assesses programs from these perspectives.

Key Questions

To what extent have the performance measurement and evaluation functions:

- Been able to integrate these horizontal frameworks into their activities?

- Had direct access and/or leveraged access to the disaggregated data needed to produce these analyses?

- Developed and/or leveraged the analytical capacity required to work with disaggregated data?

To what extent have departments used horizontal frameworks evidence collected for decision-making, learning and improvement?

SUPPORTING RECONCILIATION

Reconciliation is an ongoing process that involves establishing and maintaining respectful relationships between Indigenous and non-Indigenous people in Canada. A critical part of the process involves repairing the damage from the past and following through with concrete actions that demonstrate real societal change. There are numerous ways the 2016 Policy on Results could support reconciliation efforts, including an ongoing commitment to meaningful dialogue, consultation and cooperation, joint priority setting and co-development of performance measurement and evaluation frameworks, and decolonizing traditional approaches to performance information and evaluation, while being grounded in Indigenous knowledge and practices.

Key Questions

How are organizations currently supporting reconciliation efforts in their performance measurement or evaluation activities?

How can the Policy on Results better support reconciliation?

SMALL DEPARTMENTS

Departments with budgets of less than $300 million per year are defined as small departments under the 2016 Policy on Results. Small departments are exempt from certain policy requirements or have modified expectations. For example, while small departments must appoint a Head of Evaluation and a Head of Performance Measurement, those heads do not have to demonstrate the competency requirements. Small departments are also, among other exemptions, not expected to maintain standing evaluation or performance measurement functions or publish planned evaluation coverage.

As applicable, the key questions noted in the lines of enquiry will be explored for small departments.

Key Questions

What impact has the 2016 Policy on Results had on availability, quality, utility, and timeliness of performance measurement information and evaluations produced by small departments?

What is the impact of performance measurement and evaluation in small departments?