

30 April 2012



## PROJECTS RESPONDING TO THE REVIEW OF EXPENDITURE ON POLICY ADVICE

The Government response to the Review of Expenditure on Policy Advice was publicly released on 28 April 2011.

The table below provides a brief update on priority projects. As noted in the table, the Heads of Profession project was discontinued in April 2012.

Enquiries on the implementation can be emailed to: [policyexpenditurereview@treasury.govt.nz](mailto:policyexpenditurereview@treasury.govt.nz).

Information on the Review of Expenditure on Policy Advice is available at: <http://www.treasury.govt.nz/statesector/policyexpenditurereview>

Work stream	Priority Projects	Progress	Lead
<b>Agency Requirements</b>	Review existing policy work programmes Improve policy process Report to Ministers	<p>Each policy agency chief executive is:</p> <ul style="list-style-type: none"> <li>• Reviewing their existing policy work programmes for focus on substantive issues and the most effective interventions, and engaging with respective Ministers on how they will deliver medium term work programmes together with meeting short-term needs.</li> <li>• Improving policy processes in the following areas:               <ul style="list-style-type: none"> <li>– management and assessment (including external peer review) of, and reporting on, policy advice work programmes</li> <li>– policy processes, organisational cultures, and quality management systems to support policy analysis and advice, and</li> <li>– investing in capability of policy analysts and managers, including common competencies, skills, qualifications and training.</li> </ul> </li> <li>• Reporting to their incoming Minister(s), providing:               <ul style="list-style-type: none"> <li>– a status report on the agency’s policy capability</li> <li>– a list of actions the agency needs to take to improve policy performance, and a plan to complete this work</li> <li>– proposed policy work plan(s) for the upcoming term, and</li> <li>– a capability plan to ensure the agency can deliver on the proposed work plan(s).</li> </ul> </li> </ul> <p>Brief guidance on the <i>Requirements for policy work programmes and reporting to Ministers</i>, along with how policy plans fit with other planning, strategy and budget documents (ie, The 2011 Briefing for Incoming Ministers, People/HR Strategy, Regulatory Plans, Four-year Budget Plans) is available here: <a href="http://www.treasury.govt.nz/publications/guidance/circulars">http://www.treasury.govt.nz/publications/guidance/circulars</a></p>	Individual policy agencies

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<b>Finance and Measurement</b>	Common definition and reorganisation of policy appropriations	<p>Working with a cross-agency working group, the Treasury has established a common definition of policy advice. This definition will be used by all policy agencies to reorganise their policy related appropriations in time for Budget 2012. Completion of this task will provide the public, parliament and Ministers with more transparency regarding the Government's expenditure on policy advice.</p> <p>The Treasury has published guidance that outlines key steps for implementing the reorganisation of policy advice-related appropriations: <i>Reorganisation of Appropriations for Policy Advice: Guide for Department</i>. The guidance is available at: <a href="http://www.treasury.govt.nz/publications/guidance/mgmt/rapa">http://www.treasury.govt.nz/publications/guidance/mgmt/rapa</a></p>	The Treasury
	Policy Benchmarking Pilot Project	<p>The Treasury has nearly completed the first stage of the Policy Benchmarking Pilot Project, which involves ten agencies. The pilot aims to produce consistent performance information across the participating agencies, identify areas for improvement, and support value for money assessments.</p> <ul style="list-style-type: none"> <li>• <b>Stage One</b> of the pilot has developed and measured ten performance indicators on the cost, efficiency and management of policy functions.</li> <li>• <b>Stage Two</b> of the pilot, which will run until July 2012 will develop and measure five indicators that focus on the effectiveness of policy functions, eg, including but not limited to assessments of the quality of policy papers, staff engagement and ministerial satisfaction.</li> </ul> <p>It is envisaged that common performance measures for all policy agencies will be selected from the 15 piloted indicators, and these would be published with the reorganised policy appropriations in Information Supporting the Estimates from 2013 onwards.</p>	The Treasury
<b>Improving the Policy Advice Process</b>	Improving guidance on consultation for Cabinet Papers	Cabinet Office is reviewing its guidance on consultation processes for Cabinet Papers	The Cabinet Office
	Proactive disclosure of Cabinet Papers	Cabinet Office is reviewing the benefits, costs and risks associated with the systematic, managed release of most routine Cabinet material.	The Cabinet Office

Work stream	Priority Projects	Progress	Lead
<b>Professionalism</b>	Heads of Profession to set expectations, build networks and provide guidance	<p>Update: April 2012</p> <p>The Heads of Profession trial has been discontinued given other priorities and initiatives, including the Better Public Services work (refer to <a href="http://www.dpmc.govt.nz/better-public-services/index">http://www.dpmc.govt.nz/better-public-services/index</a>).</p> <p>Background information on the HoP project and the generic design as published on 17 October 2011 remain available here: <a href="http://www.treasury.govt.nz/statesector/policyexpenditurereview/per-hop-apr12.pdf">http://www.treasury.govt.nz/statesector/policyexpenditurereview/per-hop-apr12.pdf</a></p>	State Services Commission
	Stronger policy focus in the Performance Improvement Framework (PIF)	The PIF is a joint central agency initiative to help senior leaders drive performance improvement across the State Services. This project is being built into the continuous improvement of the PIF. Information on PIF is available at: <a href="http://www.ssc.govt.nz/pif">http://www.ssc.govt.nz/pif</a>	State Services Commission
	Taking into account attributes needed for policy advice in appointments of chief executives and including policy expectations in their performance agreements	The State Services Commission works with chief executives to deliver performance excellence in three ways: by setting expectations for chief executives, by providing support to chief executives, and by holding chief executives to account for their achievement of performance expectations. Taking into account attributes needed for policy advice in appointments of chief executives and including policy expectations in their performance agreements has been incorporated into this core work.	State Services Commission
<b>Referred Work</b>	<p>Commissioning of cross agency projects</p> <p>Clustering of policy agencies</p> <p>Crown entity responsibility for policy</p>	<p>These projects have been referred the <i>Better Public Services Reform Programme</i>, and will be progressed as necessary.</p> <p>Information on the <i>Better Public Services Reform Programme</i> is available at: <a href="http://www.dpmc.govt.nz/better_public_services/index.htm">http://www.dpmc.govt.nz/better_public_services/index.htm</a></p>	The Department of the Prime Minister and Cabinet / State Services Commission / The Treasury