



Australian Government

Department of Finance and Administration



1

# Strategic Review Framework

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**Department of Finance and Administration**

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## Looking to improve our approach

- A need for a more integrated and systematic review framework.
- A more holistic assessment of major inter-related programmes, particularly those that are managed by multiple Government agencies.
- Target areas of major risk or impact, and focus on the overall activities of programmes.



## Looking to improve our approach

We want to ensure programmes:

- align with the Government's policy priorities;
- avoid duplication by being managed effectively and efficiently; and
- have the flexibility needed to manage growth of government expenditure.



## Critical attributes for the new framework

- Effective coverage of both fiscal and Government policy impacts.
- Strategic selection of reviews.
- Small number of reviews.
- Greater involvement of our three central agencies.
- Better interaction across government.



## Strategic Reviews

- Major policy and spending areas across programmes and/or across portfolios.
- Focus on information that will assist Senior Government Ministers' decision-making.

## Programme Reviews

- Designed to examine the alignment of an individual programme with Government objectives.
- Assess effectiveness and identify savings, duplication or overlap.



## Selection Criteria

- Size and rate of growth in expenditure.
- Time since the last substantial review.
- Priority and significance of policy review and fiscal risks.
- Areas of duplication, overlap or the potential for improved service delivery.



# 7 Selection Process

## Budget Coordination Committee (BCC).

- A high-level committee of Government officials from central agencies that oversee Budget planning and processes will propose potential reviews.

## Senior Ministers' Review (SMR).

- A meeting of the Australian Prime Minister, the Deputy Prime Minister, the Treasurer and the Minister for Finance and Administration.

The SMR will determine which programmes will be reviewed each year.



## Finance's Role

- Established a Strategic Reviews Unit to:
  - develop a proposed review program;
  - support and coordinate reviews;
  - advise agencies on reviews; and
  - monitor implementation of review reports.
- Funded for up to 7 strategic reviews and 7 programme reviews per year, but can be funded for more.
- Currently undertaking two pilot reviews of major government spending priorities.



## Goals of the strategic review framework

- Better focusing of review activity.
- Integration of review selection.
- Enhancing the conduct of reviews.
- Greater emphasis on assessing efficiency, effectiveness and appropriateness.
- Enhancing the role of central agencies.
- Better performance management.



# Challenges

- Engaging agencies in the review process.
- Ensuring the objective of these reviews is understood.
- Replacing, inadvertently, other evaluation and reviews arrangements within agencies.

# Conclusion

- The strategic review framework offers some real opportunities.
- Our experience with the pilot reviews has been very positive.



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11

# Questions?

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