



## **Glossary of Key Terms for completing the 2023 OECD Spending Review Survey**

### **Effectiveness**

The extent to which a policy, programme and/or organisation's previously stated objectives and targets have been met.

### **Public Policy Evaluation**

The structured and evidence-based assessment of the design, implementation or results of a planned, ongoing or completed public intervention, its design, implementation or results. For ease of understanding of the questions, this survey uses the expressions 'public policy evaluation', 'policy evaluation' and 'evaluation' interchangeably.

### **Expenditure (or government spending)**

The term refers to government spending (or outlays) made to fulfil a government obligation, through a payment or promise of a future payment.

### **Line Ministries**

Central government organisations responsible for designing and implementing policies in line with wider government policies, and for the direction of Agencies/Executive Units under their authority. Line Ministries may be called Departments in some countries.

### **Methodology**

See Spending Review Methodology

**Multi-annual budget planning:** Spending plans that translate the government's priorities into financial terms over several years. They set out spending over a certain period (usually 3-5 years), as well as expenditure ceilings (top-down expenditure ceilings).

### **Performance audit**

A performance audit includes an independent and objective analysis of the extent to which a policy or programme contributed to its intended objectives. Typically conducted by the Supreme Audit Institution.

### **Performance Budgeting (PB)**

The systematic use of performance information to inform discussions and decisions around the budget. The purposes of performance budgeting are to instil greater transparency and accountability throughout the budget process, by providing information to legislators and the public on the purposes of spending and the results achieved.

### **Policy options**

A list of different policy proposals following a spending review and its budgetary impacts over the short and medium-term. Policy options also generally include a description of the policy proposal, stakeholders involved (e.g. who is affected by the policy change, financial implications, impacts on other sectors) and how it will be implemented (e.g. changes that have to be made to implement the proposal, responsibility for implementing and monitoring).

### **Programme**

A programme is a grouping of government activities in relation to a specific government objective.

### **Reallocation**

In the context of this survey, the term reallocation does not only refer to the so-called “Virement” (a movement of funds from one account to another, which can be limited by formal rules). Reallocation in the context of this survey refers to the decision to diminish the budget in a certain budget area and to use this to increase the budget in another budget area. This may be within the same ministry, or across different ministries.

### **Spending Reviews**

Spending reviews are tools for systematically analysing the government’s existing expenditure. They are clearly linked to the budget process. The purposes of a spending review include:

- Enabling the government to manage the aggregate level of expenditure
- Aligning expenditure according to the priorities of the government
- Improving effectiveness within programmes and policies

### **Spending Review Methodology**

Centrally developed standards that apply to the spending review framework in order to coordinate and standardise procedures across the analysed policies and spending. It generally includes information on the objectives and scope, the governance arrangements, review methods, the implementation of spending review decisions and their integration in the budget process.

### **Spending Review Unit**

A dedicated (institutionalised and/or centralised) unit on spending reviews. Responsibilities vary across countries but typically comprise the organisation and coordination of spending review projects across the central government.

**Steering Group**

A group of high-level officials from different institutions overseeing a specific spending review. The tasks include assigning tasks to and supervising the work of the working group, making sure that the ToR is executed and resolving any issues that might arise during the spending review process.

**ToR (Terms of Reference)**

The objectives of a spending review are framed within the terms of reference. It generally contains standard elements to express the arrangements between the decision-making groups and the resources assigned to the spending review. Such terms typically include: context, objectives, governance, scope, preparation of guidance and reference materials, access to information, deliverables, budget and timetable and milestones.

**Working Group**

A group of civil servants and technical experts conducting a spending review and managing the day-to-day operation of the spending review project. Responsibility includes analysing topics according to the objectives of the spending review, preparing policy options and proposing recommendations to the steering group.