



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Programme 1: Corporate Services

Technical Indicator Descriptions 2014 / 15

Performance Indicator 1.1

Indicator title	Reduction in goods and services price
Short definition	To reduce the overall spending cost on procurement of assets and operating expenditure.
Purpose/importance	To respond to cost containment measures and ensure maximum value received for funds spent; through bulk buying and other possible techniques.
Source/collection of data	The information is collected from quoted price per unit for the procurement of assets versus the procurement of similar assets – in bulk numbers. Monthly reports from travel agents.
Method of calculation	Actual spend versus planned spending in terms of cost per unit – based on quotes.
Data limitations	Market conditions, where savings on certain spending categories cannot be realised.
Type of indicator	The indicator measures efficiency and input.
Calculation type	Calculation is cumulative.
Reporting cycle	Quarterly reporting.
New indicator	Yes
Desired performance	To reduce the overall spending amount on good and services through decreasing the cost per unit price for assets.
Indicator responsibility	Chief Financial Officer

Performance Indicator 1.2

Indicator title	Agreed percentage of positions filled and employees retained.
Short definition	To ensure that vacant positions are filled and to improve the retention levels of staff in NT.
Purpose/importance	To ensure that the department is capacitated to achieve its objectives.
Source/collection of data	Data is sourced from PERSAL reports.
Method of calculation	The percentage of the funded filled positions versus the number of funded approved positions in NT; and the percentage of the employees retained within NT against the filled establishment at the start of the period.
Data limitations	None.
Type of indicator	The indicator measures inputs and outcomes.
Calculation type	Cumulative.
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	To increase the percentage of positions filled and to increase the percentage of employees retained
Indicator responsibility	Chief Director: Human Resource Management

Performance Indicator 1.3

Indicator title	Business Continuity Management (BCM) facility, established and fully functional (People, Systems and Assets).
Short definition	<ul style="list-style-type: none">• Outcome: Minimal disruption to business operations in the event of a disaster.• Output: Established business continuity sites in relation or in order of identified priority business operations• Activity: Co-ordinate the establishment of identified business continuity sites
Purpose/importance	To enable NT to increase its capability to respond to any existing, emerging or unknown risk.
Source/collection of data	BCM facility establishment - Project plan
Method of calculation	% Achievement on the project plan of the BCM facility establishment
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	NT has a fully functional BCM facility established (identified priority business operations)
Indicator responsibility	Chief Risk Officer

Performance Indicator 1.4

Indicator title	Compliance with regulatory reporting requirements.
Short definition	To ensure that all legislation (PSA, PFMA, Treasury and Public Service Regulations) are adhered to.
Purpose/importance	To ensure governance and control so that NT is an efficient and effective and transparent department that sets an example and saves costs.
Source/collection of data	Monthly reports, Internal Audit reports and external audits.
Method of calculation	Compliance / noncompliance to legislation.
Data limitations	None
Type of indicator	Outputs and performance effectiveness.
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	100% compliance with regulatory reporting requirements.
Indicator responsibility	Chief Directors: Corporate Services, Chief Financial Officer, Chief Risk Officer & Chief Audit Executive.

Performance Indicator 1.5

Indicator title	Retention of intellectual capital and institutional memory – Knowledge Management (KM).
Short definition	To retain National Treasury's knowledge assets by harvesting intellectual and institutional memory of employees in the Treasury.
Purpose/importance	To ensure that there is a platform where NT's knowledge assets can be deposited, shared and retained for research and building of a learning organisation.
Source/collection of data	Knowledge assets and information are sourced from employees, functional divisions, social interactions, publications, business processes and stakeholders.
Method of calculation	Number of active knowledge repositories deposited with knowledge assets.
Data limitations	None
Type of indicator	The indicator measures outcomes.
Calculation type	Cumulative
Reporting cycle	Quarterly reporting.
New indicator	No
Desired performance	To ensure that an effective process is place to retain and share knowledge assets in NT on a continuous basis.
Indicator responsibility	Director: Knowledge Management

Performance Indicator 1.6

Indicator title	Implement Enterprise Risk Management strategy and vetting of identified employees.
Short definition	<p>Enterprise Risk Management</p> <ul style="list-style-type: none"> • Outcome: NT achieves its set strategic goals • Output: provide assurance reports to Accounting officer through relevant governance structures that risks are sufficiently mitigated to achieve strategic objectives • Activity: perform enterprise wide risk assessments and submit reports to relevant governance structures <p>Vetting of identified employees</p> <ul style="list-style-type: none"> • Outcome: More secure environment • Output: Increase number of vetted NT employees • Activity: vetting of employees
Purpose/importance	<p>Enterprise Risk Management</p> <ul style="list-style-type: none"> • Assess and monitor risk from all sources for the purpose of increasing the NT's short and long term value to its stakeholders. <p>Vetting of identified employees</p> <ul style="list-style-type: none"> • Assess the integrity of employees for the purpose of minimising risks associated with breaches that may negatively impact the NT and the country.
Source/collection of data	<p>Enterprise Risk Management</p> <ul style="list-style-type: none"> • Approved risk registers and reports submitted to governance structures such as Risk Management Committee. <p>Vetting of identified employees</p> <ul style="list-style-type: none"> • Security clearance certificates
Method of calculation	<p>Enterprise Risk Management</p> <ul style="list-style-type: none"> • % implementation against the risk management strategy <p>Vetting of identified employees</p> <ul style="list-style-type: none"> • % number of vetted employees against number of identified employees.
Data limitations	Lack of an adequate data electronic system may compromise data integrity.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Risk strategy implemented 100% and identified employees vetted.
Indicator responsibility	Chief Risk Officer



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Programme 2: Economic Policy, Tax, Financial Regulation and Research

**Technical Indicator Descriptions
2014 / 15**

Performance Indicator 2.1

Indicator title	Number of papers published by research institutions and internally.
Short definition	Builds economic research capacity in academic/research institutions through the funding of economic research in line with public interest. Research topics would typically include promoting the macroeconomic stability, poverty alleviation, retirement reform and financial sector development or as research need arises.
Purpose / importance	Promote the development of economic research institutions through the funding of economic research on behalf of the department.
Source / collection of data	Research papers are generated based on long term agreements with institutions such as the Centre for Research in to Economics and Finance in Southern Africa, and other institutions for ad-hoc economic research related projects.
Method of calculation	Number of research papers and discussion documents on economic growth, job creation and various microeconomic and macroeconomic subjects annually
Data limitations	<ul style="list-style-type: none"> • Access to and availability of data or information required for research development • Research is commissioned and not directly undertaken by the organisation – it sometimes becomes challenging to accurately estimate timing of satisfactory completion of papers on specific topics
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Achieve targeted annual research output
Indicator responsibility	DDG: Economic Policy and DDG: Tax and Financial Sector Policy

Performance Indicator 2.2

Indicator title	Tax proposals published in annual Budget Review
Short definition	Providing tax policy advice, tax revenue analysis, tax revenue forecasting and drafting the annual tax legislation
Purpose / importance	To ensure an effective, equitable and efficient tax policy and tax administration system
Source / collection of data	Tax proposals developed based on research, tax analysis, tax revenue forecasting, in consultation with relevant stakeholders
Method of calculation	Tax legislation published timeously with annual budget review
Data limitations	Consultation processes can be lengthy and unpredictable in certain cases. Some steps, such as stakeholder engagement can be unpredictable; therefore all intended policies may not be concluded in time for publication.
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Annual published tax proposals in annual budget review
Indicator responsibility	CD: Tax Policy

Performance Indicator 2.3

Indicator title	Tax reforms towards achieving environmental sustainability
Short definition	Environmental tax reform aims to contribute towards achieving environmental sustainability by establishing appropriate tax incentives. In this manner, the country's tax regime will be aligned with economic intentions related to environmental sustainability.
Purpose / importance	The objectives of environmental tax reforms are intended to increase the efficiency of resource use, to improve the environment, and ultimately to increase citizen well-being through both economic and environmental pathways.
Source / collection of data	<ul style="list-style-type: none"> • Evidence of analysis through macroeconomic modelling and forecasting to inform environmental tax reforms • Evidence of proposals being developed • Evidence of consultation of proposals with relevant stakeholders
Method of calculation	Tax reforms and legislations are developed and implemented according to timelines detailed in annual budget
Data limitations	Limited insights into the effects of implementing new tax reforms and limited capacity to effectively implement approved proposals or policies
Type of indicator	Input - Economy
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Environmental sustainability is implemented as per legislation requirements and carbon tax policy is implemented by January 2015.
Indicator responsibility	CD: Economic Tax Analysis

Performance Indicator 2.4

Indicator title	A stable financial sector
Short definition	Providing policy advice on the financial sector through the introduction of the twin peaks model
Purpose / importance	<p>Enable a stable financial sector through the introduction of the twin peaks model in order to increase financial regulation. In South Africa, the goal of implementing a new approach to regulation has four main priorities:</p> <ul style="list-style-type: none"> • Financial stability • Consumer protection and market conduct • Expanding access through market inclusion • Combating financial crime
Source / collection of data	Evidence of establishment of the model and monitoring thereof
Method of calculation	<p>Implementation of twins peaks model along the guidelines upon which the model was intended. The proposed twin peaks model is designed to be:</p> <ul style="list-style-type: none"> • Transparent, comprehensive and consistent • Appropriate, intensive and intrusive • Outcomes-based • Risk-based and proportional • Pre-emptive and proactive • A credible deterrent to non-compliance with prescribed standards • Aligned with applicable international standards <p>The detailed implementation plan describes the changes that will need to take place in order for the new approach to be successful. Many guidelines are offered in a number of areas, including enforcement and conflict resolution. The plan proposes a two-stage implementation:</p> <ul style="list-style-type: none"> • Stage 1 – 2013-2014: Development and discussion of supporting legislation • Stage 2 – subsequent years: Broader harmonization of regulatory systems and frameworks <p>The implementation of twin peaks model legislation will be measured against the milestones detailed in the implementation plan.</p>
Data limitations	None
Type of indicator	Input – Economy
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	The twin peaks model is implemented as proposed in the two stage plan
Indicator responsibility	CD Financial Stability

Performance Indicator 2.5

Indicator title	Savings and retirement policies that lead to increased levels of national savings.
Short definition	Providing policy advice on the financial sector in relation to the regulatory framework and supporting legislation. This includes implementing regulatory reforms on savings and retirement policies that would lead to increased levels of national savings and enabling legislation.
Purpose / importance	Draft legislation detailing retirement, savings reforms and improved regulation are developed and consulted with the public in order to understand applicability and implications. Drafts are prepared based on economic research and modelling developed based on need for regulatory reform. Public feedback received on draft legislation is considered and suggested reforms amended accordingly.
Source / collection of data	Evidence of policy formulation and steps taken towards implementation
Method of calculation	<ul style="list-style-type: none">• Completion of relevant analyses• Submission of proposals to relevant stakeholders• Submission of relevant reports to the executive
Data limitations	Policy formulation and implementation in this case requires extensive consultation with a range of stakeholders. This process can be unpredictable and sometimes becomes protracted, to the extent that milestones are not always met as expected.
Type of indicator	Outcome - Economy
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Initial implementation of regulatory reforms
Indicator responsibility	CD: Financial Investments and Savings

Performance Indicator 2.6

Indicator title	Quality policy memoranda and economic assessment of policy proposals with appropriate turnaround times.
Short definition	Assess and provides advice on macro and microeconomic policy proposals
Purpose / importance	Good economic policy enables robust and sustainable economic growth, stable consumer price trajectory, increased levels of employment
Source / collection of data	<ul style="list-style-type: none">• Reports on and analysis of key macroeconomic trends and variables• Reviews and economic assessment of government policy proposals• Economic advice based on reports and analysis• Reports on key sectors and growth related microeconomic constraints• Evidence of inter-departmental and other stakeholder consultation on economic policy and related issues
Method of calculation	Turnaround time from time of request of assessment to feedback/consultation provided
Data limitations	Turnaround times can sometimes be influenced by the need to consult or request further information from external stakeholders.
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Assessment of policy proposals and recommendation completed within satisfactory turnaround times
Indicator responsibility	Economic Policy

Performance Indicator 2.7

Indicator title	Maintenance and development of well-specified and up-to-date economic models.
Short definition	Maintain and update all economic models that facilitate policy making as and when changes in policy occur
Purpose / importance	Ensure that economic models are up to date and reflective of the current economic environment
Source / collection of data	<ul style="list-style-type: none">• Evidence of relevant research being conducted• Evidence of updates being applied to the relevant economic models
Method of calculation	<ul style="list-style-type: none">• Evidence of models being updated as planned
Data limitations	Changes in economic environment not communicated timeously resulting in a delay in updating corresponding economic model
Type of indicator	Input - economy
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Economic models are updated as changes affecting their accuracy/relevance are made
Indicator responsibility	Economic Policy

Performance Indicator 2.8

Indicator title	Quarterly economic forecasts and high-quality policy and scenario modelling.
Short definition	Build high quality comprehensive macroeconomic analysis and forecasts based on scenario modelling tools. Analyses are completed as required, in terms of those in focus when considering budget and fiscal policy options
Purpose / importance	Detailed and comprehensive economic models inform economic policy and highlight areas where amendments or reforms to legislation is necessary
Source / collection of data	Evidence of analyses being completed as requested
Method of calculation	Turnaround time between requests and completed analyses
Data limitations	<ul style="list-style-type: none">• Quality of input data into scenario models would affect model or forecast accuracy• Turnaround times can sometimes be influenced by the need to consult or request further information from external stakeholders
Type of indicator	Output - economy
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Accurate and comprehensive macroeconomic analysis enabled by good quality scenario models
Indicator responsibility	Economic Policy

Performance Indicator 2.9

Indicator title	Economic policy analysis, research, assessment and advice on real exchange rate
Short definition	Policy analysis, research and assessment on exchange rate that considers all contributing demand and supply factors that could affect exchange rate stability
Purpose / importance	Actively developing and maintaining a knowledge base relating the factors necessary to maintain exchange rate stability
Source / collection of data	Evidence of analyses being conducted as planned, and submitted to relevant stakeholders for consultation and input into further analyses
Method of calculation	Number of analyses completed, reports produced and correspondence with stakeholders
Data limitations	None
Type of indicator	Outcome
Calculation type	Output
Reporting cycle	Annually
New indicator	No
Desired performance	Completion of analyses as planned; as a valuable input to policy conversations
Indicator responsibility	Economic Policy



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Programme 3: Public Finance and Budget Management

Technical Indicator Descriptions 2014 / 15

Performance Indicator 3.1

Indicator title	Timely sectoral analysis, compliance monitoring and advice.
Short definition	Analysis of the developments, challenges and trends in the sector, how these impact on expenditure and to identify a policy framework to address this.
Purpose/importance	The shortcomings in the policy framework being implemented and how effectiveness and efficiency can be established with new or revised policies.
Source/collection of data	Sector and research reports from various external sources, statistics by STATS SA
Method of calculation	Sector reports, compliance and monitoring reports analysed and submitted to relevant stakeholders as required
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	<ul style="list-style-type: none">• Comments on Cabinet memoranda to reach Ministry one day before relevant meeting• Responses to departmental requests within four weeks of receipt of request for administrative submissions and within 12 weeks for ministerial concurrence / policy feedback
Indicator responsibility	Public finance Chief Directors

Performance Indicator 3.2

Indicator title	Monthly expenditure feedback to departments.
Short definition	Monthly expenditure feedback by way of reporting is compiled by the Public Finance budget analysts, and submitted to departments
Purpose/importance	To report to departments on early warning signs that could trigger unauthorised or irregular expenditure
Source/collection of data	Feedback submitted to departments on a monthly basis, where departments have submitted their reports on time to the National Treasury
Method of calculation	Monthly feedback to departments on the monthly expenditure report – submitted within 30 days of the end of the previous month
Data limitations	Information in Vulindela not always updated and in line with the expenditure reports from departments – this affects the National Treasury's ability to provide timely feedback to departments
Type of indicator	Outputs
Calculation type	Cumulative – for the month
Reporting cycle	Monthly
New indicator	No
Desired performance	A Feedback is received within 30 days of the previous month
Indicator responsibility	Public Finance budget analysts

Performance Indicator 3.3

Indicator title	Quarterly expenditure reports to the Standing Committee on Appropriations.
Short definition	Report to the Standing Committee on Appropriations on quarterly expenditure reports of departments presented in a high level summary report
Purpose/importance	Report on deviations against the monthly drawings schedule and additionally, report on expenditure on special/large projects in line with planning. Report on any deviations to policy and financial /accounting regulations.
Source/collection of data	Financial data extracted from Vulindlela in order to populate quarterly reports
Method of calculation	Monthly expenditure report, summary presentation to the Standing committee on Appropriations – I would assume that some calculation that measures deviation from planned expenditure to actual expenditure will be measured and if it is over a certain threshold it will flagged?
Data limitations	Expenditure in the reports cannot always be verified with the information on Vulindela – why not what is the limitation?
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Quarterly expenditure reports should be submitted six weeks from the end of the previous quarter
Indicator responsibility	Public Finance Budget Analysts

Performance Indicator 3.4

Indicator title	Selected Expenditure Reviews
Short definition	Expenditure and performance reviews on selected government policies
Purpose/importance	Expenditure review process was established to identify gaps between policy and implementation planning, budgeting and performance monitoring, and to develop programme design and costing models that can accommodate various implementation scenarios
Source/collection of data	<ul style="list-style-type: none">• BAS expenditure data• Engagements with affected departments• All documentation related to a given policy
Method of calculation	Number of reviews completed in relation to number of studies initiated within a given period.
Data limitations	<ul style="list-style-type: none">• Incomplete data• Limited access to or engagement with affected department representatives
Type of indicator	Effectiveness
Calculation type	Cumulative - over a 2 year period
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Six completed performance reviews per year
Indicator responsibility	Head of Expenditure and Performance Review

Performance Indicator 3.5

Indicator title	Timely inputs on departmental budget submissions to Medium-term Expenditure Committee (MTEC) and the Ministers' Committee on the Budget (MinComBud).
Short definition	Provide MTEC and MinComBud with a consolidated report on budget submissions presented by departments; alongside Treasury recommendations for consideration.
Purpose/importance	A comparison between budget submissions and baseline assessments is necessary. Recommendations that are in line with available baseline funding and reprioritisation where necessary, are submitted to the Committees.
Source/collection of data	<ul style="list-style-type: none"> • Formal submissions by departments • Baseline assessment reports • Estimates of National Expenditure (ENE) • Departments' strategic plans, annual performance plans, expenditure reviews and other relevant planning documents.
Method of calculation	Functional sub-group report, executive summary report. Number of presentations made to MTEC and MinComBud
Data limitations	Plans and detailed costing not always available with new policy initiatives, alignment with past present and future performance of the Department.
Type of indicator	Inputs and outputs
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Inputs delivered as per the dates in MTEC guidelines
Indicator responsibility	Head: Public Finance coordinates this activity with Public Finance Chief Directors

Performance Indicator 3.6

Indicator title	Estimates of National Expenditure (ENE) and Adjusted Estimates of National Expenditure (AENE) are compiled.
Short definition	Compile ENE chapters for departments and public entities that each respective chief directorate is responsible for in line with the guidelines issued by the Budget Office
Purpose/importance	The Estimates of National Expenditure enhance accountability. Policy developments, legislation and other factors affecting expenditure are outlined alongside departmental spending plans. Details of departmental outputs and service delivery indicators are provided as another step towards setting "measurable objectives" for each expenditure programme, in line with the Public Finance Management Act.
Source/collection of data	<ul style="list-style-type: none"> • ENE/MTEC database for departments, • MTEC/ENE database for entities • Strategic and annual performance plans
Method of calculation	Final ENE chapters submitted to the budget office in accordance to the guidelines and the timelines set out in the guidelines
Data limitations	<ul style="list-style-type: none"> • Performance information not reflecting the actual performance of departments and public entities. • Information on the alignment between the budget and performance is not always readily available.
Type of indicator	Output
Calculation type	Cumulative – published annually
Reporting cycle	Annual
New indicator	No
Desired performance	Inputs as per the parliamentary programme
Indicator responsibility	This is a cross-cutting indicator, coordinated by the Head: Budget Office and dependent on several internal Treasury units across the organisation.

Performance Indicator 3.7

Indicator title	In line with the Medium Term Expenditure Framework (MTEF), the expenditure proposed in the Budget tabled does not exceed the main budget non-interest expenditure level determined
Short definition	The indicator measures the ability of government to remain within a set monetary budget threshold
Purpose/importance	The indicator aims to determine the level of government control on expenditure/fiscal discipline
Source/collection of data	The information is collected through databases which are populated by National Treasury – in Expenditure Planning and Fiscal Policy Units
Method of calculation	The departmental allocations are aggregated and compared to the main budget non-interest expenditure projected and the difference should be zero
Data limitations	There are no data limitations in determining the aggregate expenditure estimates
Type of indicator	Output - The indicator measures economic discipline of the South African government
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Zero difference between the aggregate expenditure targets and the aggregated expenditure estimates of departments (no deviation from zero difference would represent an improved performance)
Indicator responsibility	Chief Director: Expenditure Planning

Performance Indicator 3.8

Indicator title	Enhanced alignment of budget documentation with fiscal guidelines based on principles of countercyclicality, debt sustainability and intergenerational equity
Short definition	Established how well the principles guiding fiscal policy are reflected in budget documents
Purpose/importance	Countercyclical and sustainable fiscal policy are key determinants of the long-term health of the economy
Source/collection of data	Budget documents, fiscal framework, long-term fiscal model, fiscal risks framework
Method of calculation	Structural budget balance estimation methodology, debt forecast methodology – are these methodologies detailed anywhere perhaps a reference to the applicable methodology would assist
Data limitations	Data is not problematic although applying the methodology can be complex
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Bi-annually (Budget Review and MTBPS)
New indicator	No
Desired performance	Debt stabilises as a share of GDP over the medium term, and the structural budget deficit closes in line with an improving economy
Indicator responsibility	Chief-Director: Fiscal Policy

Performance Indicator 3.9

Indicator title	Timely completion of a well-coordinated and communicated budget process, culminating in Cabinet's endorsement of expenditure allocations
Short definition	Efficient administration of the budget process where line departments have an opportunity to participate and results in approval from CABINET
Purpose/importance	To measure the ability to administer a credible budget process that CABINET has confidence in and that falls within timeframes that enable the Budget to be tabled in February
Source/collection of data	Budget Office division's administrative records and internet postings
Method of calculation	Dates of issue of guidelines, attendance of meetings and CABINET approval of the allocations relative to the target date
Data limitations	None
Type of indicator	Timeliness of Activities, the output being CABINET approval of budget allocations
Calculation type	Non- cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Timeliness in accordance with approved budget process schedule, deviations from the timelines in either direction do not necessarily represent improvement or deterioration of performance
Indicator responsibility	Chief Director: Expenditure Planning

Performance Indicator 3.10

Indicator title	Guidelines and other budget documents designed, produced and published per year
Short definition	Publication of budget document compilation guidance and documents themselves, that reflect the state's fiscal position and priorities
Purpose/importance	To measure the ability of the National Treasury to produce budget documentation timeously
Source/collection of data	Expenditure Planning with input from the Public Finance division and line departments
Method of calculation	The dates budget guidance and documents are produced relative to budget calendar timelines
Data limitations	None
Type of indicator	Outputs (timeliness)
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Publication as per predetermined timelines, deviations from the timelines in either direction do not necessarily represent improvement or deterioration of performance
Indicator responsibility	Chief Director: Expenditure Planning

Performance Indicator 3.11

Indicator title	Public finance statistics are presented according to function and economic classification for consolidated general government.
Short definition	This <i>measures compliance</i> to the data standard based on the Government Finance Statistics Manual (GFS) of 2001 as well as the Economic Reporting format used in the budget data. The economic classification specifies what is being bought and sold (e.g. user charges and compensation of employees) while the functional classification specifies the purpose expenditure (e.g. Research and development or housing).
Purpose/importance	The indicator is intended to show if compliance is maintained. Public finance data that meet these requirements can easily be understood nationally and internationally. Recognised data standards ensure that the country's reports on budgets and financial performance are reliable and trustworthy.
Source/collection of data	The standard itself is laid out in the GFS manual of 2001. Supporting standards are the System of National Accounts (SNA) and Accounting Standards such as GRAP. The source of government finance statistics are the BAS/ Vulindlela systems, Annual Financial Statements, budget submissions, in-year reporting systems for national, provincial departments and public entities.
Method of calculation	This is mainly a qualitative indicator (i.e. that the data complies with GFS). Quantitative measurements can be derived from errors in the database. <i>For example if data from a unit that performs a health function has been classified as education and is not rectified before publication in the budget documents.</i> Change in the number of errors are used to show if compliance is deteriorating or improving
Data limitations	Classification is mainly done by the government units. New employees in the units are often not familiar with the standards
Type of indicator	Input
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Extend coverage of consolidated accounts to include information on consolidated accounts and borrowing of all general government
Indicator responsibility	Chief Director: Public Finance Statistics

Performance Indicator 3.12

Indicator title	Provide guidance to departments and entities on the classification of expenditure.
Short definition	Guidance is provided by means of circulars, training and response to queries on the classification of expenditure in terms of the Basic Accounting System (BAS) of government using the Standard Chart of Accounts (SCOA).
Purpose/importance	Indicator <i>intended to show that government units are being assisted</i> to ensure that their transactions are according to SCOA by checking that: <ol style="list-style-type: none"> 1. Queries are attended to within the turn-around period of two weeks 2. Number of classification inconsistencies in the data do not increase 3. Circulars on classification issues are sent out timeously whenever the need arises
Source/collection of data	<ul style="list-style-type: none"> - Inconsistency reports comes from the Vulindlela system - Queries turnaround sourced from the call centre run by Public Finance Statistics unit. - Circulars are stored on I-drive folder and logged on the Treasury website. So they can easily be counted
Method of calculation	<ul style="list-style-type: none"> - Queries turnaround records time from when the call is logged and when it is finalised - Inconsistencies are counted automatically in the report - Circulars are physically counted
Data limitations	None
Type of indicator	INPUT
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	YES
Desired performance	<p>Issue classification circulars and guidelines used by departments for transactional classification guidance</p> <p>Provide advice on the interpretation of the SCOA and the reference guide on economic classification when required.</p>
Indicator responsibility	Chief Director: Public Finance Statistics

Performance Indicator 3.13

Indicator title	Aid is aligned with Budget.
Short definition	Alignment of official development assistance (ODA) and technical assistance with Government priorities and policies
Purpose/importance	Ensure integration of ODA into the budget (ODA on report and on parliament)
Source/collection of data	Recipient government department ODA reports (annual) and ODA database during MTEF and ENE BAS expenditure reports
Method of calculation	Submission of reports annual and quarterly Reports produced relative to budget calendar timelines
Data limitations	Departments and donors not reporting on ODA. Flows outside of the RDP are difficult to track and report upon. Misalignment of ODA implementation timelines and SA government budget calendar timelines
Type of indicator	The indicator allows for compliance to the budget process and ODA principles
Calculation type	Non-cumulative (annual interval)
Reporting cycle	Annually and quarterly
New indicator	<ul style="list-style-type: none"> - Aid/ODA is aligned to National Development Plan and departmental strategy - Aid/ODA is measurable and outputs are defined and time specific - Aid/ODA reporting mechanism is in place - Oversight of budget and ODA allocation is supported
Desired performance	Incoming ODA and technical assistance fully aligned to government priorities and policies
Indicator responsibility	Chief Director: International Development Cooperation

Performance Indicator 3.14

Indicator title	ODA into South Africa is coordinated
Short definition	The measure of inbound South African technical and financial cooperation Grants –via the RDP Fund Technical assistance from bilateral partners Concessionary loans that come through bilateral cooperation
Purpose/importance	The measure of inbound South African technical and financial cooperation
Source/collection of data	Annual and Quarterly reports on grants (RDP Fund) Technical assistance and concessionary loans tabled – information from donors
Method of calculation	Submission of reports annual and quarterly Reports produced relative to budget calendar timelines
Data limitations	Development partners are reluctant to provide detailed information on the actual number of technical experts and the remuneration they receive. Departments do not consistently report on ODA programmes
Type of indicator	Country strategy agreements (bi-laterals) and implementation plans Annual report on ODA Annual and quarterly government recipient and development partner reports
Calculation type	Non-cumulative (annual interval)
Reporting cycle	Annually and quarterly
New indicator	Existing, to be improved
Desired performance	Comprehensive information on all inbound ODA well documented; utilise fully the value of technical and financial cooperation received from development partners
Indicator responsibility	Chief Director: International Development Cooperation

Performance Indicator 3.15

Indicator title	A governance and financial management monitoring and compliance system in public entities is implemented.
Short definition	The indicator measures the ability of government to ensure effective and efficient use of resources in public entities.
Purpose/importance	The indicator aims to enhance the level of government control on fiscal discipline and compliance of public entities
Source/collection of data	<ul style="list-style-type: none">• The information is collected from various external data sources which are submitted to the National Treasury by the entities.• The Auditor General Outcome Report is also employed as a data source
Method of calculation	Improvement / Regression in Audit Outcomes of Public Entities. Compliance with Laws and Regulations, Financial Management, Effectiveness of Internal Controls.
Data limitations	There are no data limitations
Type of indicator	Outcomes
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Improved Audit Outcomes in Public Entities.
Indicator responsibility	Chief Director: Public Entities Governance Unit

Performance Indicator 3.16

Indicator title	A cost-of-living adjustment (COLA) costing model is developed to improve the National Treasury's understanding of the implications of the remuneration policy and wage settlements on the public sector wage bill.
Short definition	Development of personnel costing model used to assess the costs of improvements in conditions of service and their implications for growth and size of the wage bill
Purpose/importance	Assess the costs of improvements in conditions of services and implications for sustainability of the Compensation of Employees budget
Source/collection of data	Internal National Treasury databases
Method of calculation	Count (development items completed)
Data limitations	Not applicable
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Review and improve the cost of living allowance model implemented
Indicator responsibility	Public Sector Remuneration Analysis and Forecasting Unit

Performance Indicator 3.17

Indicator title	Timely publication of annual Division of Revenue Bill and annual Division of Revenue Amendment Bill
Short definition	Annual Division of Revenue Bill and annual Division of Revenue Amendment Bill determine the equitable division of nationally raised revenue between national government, the nine provinces and 278 municipalities based on the powers and functions assigned to each sphere
Purpose/importance	Legislation required in terms of section 214 of the Constitution
Source/collection of data	<ul style="list-style-type: none">• StatsSA data• Information submitted by national transferring departments
Method of calculation	<ul style="list-style-type: none">• Equitable shares to provinces and local government determined in terms of formulas published as part of the annual Division of Revenue Bill• The method for calculating conditional grants to provinces and municipalities is determined by each national transferring officer, the details of which is published as part of the annual Division of Revenue Bill
Data limitations	Dependent on accuracy of information submitted by national transferring officers
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Twice a year
New indicator	No
Desired performance	Allocations intended to enable provinces and municipalities to support service delivery and the achievement of national priorities
Indicator responsibility	Programme manager

Performance Indicator 3.18

Indicator title	Reforms introduced to enhance provincial and local government fiscal frameworks
Short definition	The provincial and local government fiscal frameworks need to appropriately structured to facilitate the functioning of provinces and municipalities recognizing the different socio-economic realities and service delivery responsibilities of each sphere and within each sphere
Purpose/importance	Sections 214 and 229 of the Constitution
Source/collection of data	<ul style="list-style-type: none">• Stats SA data• Provincial and local government budget data• Other relevant data sources also used based on area of review
Method of calculation	For each area of review a Terms of Reference are developed that provide details on the problem statement, focus areas of the review, data sources to be used and consultations to be undertaken.
Data limitations	Dependent on the availability and accuracy of data
Type of indicator	Output
Calculation type	Cumulative (all review areas feed back into the broader provincial and local government fiscal frameworks)
Reporting cycle	Longer term
New indicator	No
Desired performance	Reforms to provincial and local government fiscal frameworks intended to enable provinces and municipalities to support service delivery and the achievement of national priorities
Indicator responsibility	Programme manager

Performance Indicator 3.19

Indicator title:	Improvement in infrastructure planning and built environment management in cities and provinces
Short definition:	Through technical assistance and fiscal reforms support infrastructure planning and management in cities to achieve spatial transformation
Purpose/importance:	Better spatial targeting of investment that achieves spatial transformation and supports growth and reduces poverty.
Source/collection of data:	Built Environment Performance Plan
Method of calculation:	Review of the Built Environment Performance Plans, including built environment performance indicators
Data limitations:	Availability and accuracy of information reflected by municipalities in the built environment performance plan
Type of indicator:	Outcome
Calculation type:	Non-cumulative
Reporting cycle:	Annual
New indicator:	No
Desired performance:	Infrastructure investment (housing, transport)in prioritised integration zones that contribute to spatial transformation
Indicator responsibility:	Programme manager

Performance Indicator 3.20

Indicator title:	Improvement performance in the built environment
Short definition:	Improved infrastructure planning and management seeks to ensure that programmes and projects achieve better value for money in delivery
Purpose/importance:	Achieve better value for money (economy, effectiveness and efficiency) in infrastructure delivery
Source/collection of data:	Infrastructure plans
Method of calculation:	Qualitative assessment of plans
Data limitations:	Availability and accuracy of information reflected by provinces within the infrastructure plans
Type of indicator:	Outcome
Calculation type:	Non-cumulative
Reporting cycle:	Annual for plans
New indicator:	No
Desired performance:	Improved value for money in delivery
Indicator responsibility:	Programme manager

Performance Indicator 3.21

Indicator title:	Number of officials trained on budget formulation, assessment and on infrastructure delivery management
Short definition:	Capacity building in Provincial Treasuries and departments on financial management reforms and best practises in infrastructure delivery.
Purpose/importance:	To improve capacity with respect to skills and systems required to institutionalise financial management reforms and best practises in infrastructure delivery management
Source/collection of data:	Course attendance registers
Method of calculation:	Number of attendance counted - arithmetic
Data limitations:	none
Type of indicator:	quantitative
Calculation type:	Arithmetic
Reporting cycle:	Quarterly
New indicator:	No
Desired performance:	650 trained
Indicator responsibility:	Programme Manager

Performance Indicator 3.22

Indicator title:	Benchmark and mid-year engagement with all municipalities and timely publication of reports
Short definition:	Number of non-delegated municipalities that have passed the budget benchmark assessment criteria and the funding compliance methodology in terms sections 17 and 18 of the MFMA and publication of s71/s72 reports
Purpose/importance:	The benchmark exercise enables the National Treasury to ascertain whether municipality's revenue assumptions are realistic. Also determine whether the budget is funded and aligned with the IDP. Reporting on expenditure and performance improves transparency and accountability
Source/collection of data:	MTREF Budget Information and s71 and s72 reports of the MFMA
Method of calculation:	<p>The method entails checking whether the budget prioritises basic services, whether the rates and tariffs increases are fair and sustainable, whether the cash flow projections are realistic and the extent to which the budget adequately provides for maintenance and renewal of existing infrastructure.</p> <p>The monthly expenditure statements serve as input documents for the compilation of annual financial statements and annual reports which ultimately complete the accountability cycle.</p>
Data limitations:	Dependant on accurate budget information and s71 and s72 reports quality
Type of indicator:	Output
Calculation type:	Cumulative – three year horizon
Reporting cycle:	Annual for benchmark and monthly expenditure statements s72 reports

	and quarterly for s71 report
New indicator:	No
Desired performance:	The indicator seeks to ensure that municipalities are financially sustainable and address the obligations of a developmental agenda and there accountability for performance. It also aims to publish reliable financial information for utilisation by the relevant stakeholders.
Indicator responsibility:	Programme Manager

Programme 4:
Asset & Liability Management
Technical Indicator Descriptions
2014 / 15

Performance Indicator 4.1

Indicator title	Analysis of corporate plans, shareholder compacts and annual reports of state-owned companies (SOCs), development finance institutions (DFIs) and water boards.
Short definition	Analysis of corporate plans and annual reports
Purpose/importance	The indicator measures that corporate plans, annual reports and shareholder compacts that NT has reviewed in order to assess the potential impact on the fiscus and alignment with government policy.
Source/collection of data	Summary reports completed
Method of calculation	Reports completed / Reports received
Data limitations	Corporate Plans and Annual Reports may be submitted late or Executive Authorities may request amendments to the Corporate Plans that may result in delays; and/or entities are not required to submit the final shareholder compacts to NT for review
Type of indicator	Activity
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Number of analyses completed, compared with number of analyses planned for the period under review
Indicator responsibility	CD: Governance and Financial Analysis

Performance Indicator 4.2

Indicator title	Review of PFMA submissions and applications for guarantees, funding, borrowing limits and MFMA tariff increases.
Short definition	Applications reviewed
Purpose/importance	The indicator is intended to show that NT has fulfilled its statutory responsibilities as outlined in the PFMA and MFMA.
Source/collection of data	Submissions prepared in response to applications for PFMA submissions and applications for guarantees, funding, borrowing limits and MFMA tariff increases
Method of calculation	Reviews completed / Submissions received [with adjustments to account for inter-temporal differences as below, i.e. submissions carried forward from previous year / to following year]
Data limitations	Inter-temporal differences between the submissions received during the course of the year and those that have been responded to due to additional information being required to finalise the review of submissions and applications received that has still to be received; applications for guarantees and borrowing limits must be considered by the FLC and/or delays in receiving sign off due to e.g. amendments being required
Type of indicator	Activity indicator
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	Completed review of all submissions and applications received, within acceptable timeframes
Indicator responsibility	CD: Sector Oversight

Performance Indicator 4.3

Indicator title	Review of regulatory environment for SOCs/DFIs.
Short definition	Review of legislative, policy, sector reforms and strategies for SOCs/DFIs.
Purpose/importance	Reviews ensure that any potential negative impact of new / amendments to legislation, policies, sector reforms and strategies are identified and mitigated as far as possible
Source/collection of data	Comments provided on legislation, policy etc.
Method of calculation	Legislation, policy, etc. on which NT provided comments / Requests received for comments
Data limitations	No formal process for receiving legislation for comment or for submitting such comments
Type of indicator	Activity
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	Completion of all planned reviews
Indicator responsibility	CD: Sector Oversight

Performance Indicator 4.4

Indicator title	Total annual government borrowing needs met.
Short definition	Funding of the government borrowing requirement resulting from the annual budget deficit through issuances of domestic long term loans and foreign loans
Purpose/importance	To ensure that there is money available to meet government commitments
Source/collection of data	The gross borrowing requirement is sourced from the Budget tabled by the Minister of Finance annually
Method of calculation	Gross borrowing requirement is the sum of revenue, expenditure and debt due for repayment
Data limitations	Accurate revenue and expenditure forecasts Market conditions
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Meeting the funding target as required
Indicator responsibility	Chief Directorate: Liability Management

Performance Indicator 4.5

Indicator title	Ensure timely and accurate payment of interest and redemptions.
Short definition	Servicing of government debt obligations
Purpose/importance	Servicing of debt is a requirement as per loan agreements and failure to do so will result in credit defaults which could lead to credit rating downgrades and loss of investors.
Source/collection of data	Government debt service cost is contained in the annual Budget as tabled by the Minister of Finance
Method of calculation	Outlined in Terms of Conditions of funding instruments
Data limitations	Inability to access debt recording and payment system due to internal and/or external factors
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To meet all government debt obligations on time
Indicator responsibility	Chief Directorate: Liability Management

Performance Indicator 4.6

Indicator title	Retain current investors and attract new ones.
Short definition	Developing and maintaining sound investor relations
Purpose/importance	Positioning South Africa as a safe and credible borrower
Source/collection of data	Information is sourced through investor interaction i.e.: Roadshows; Continuous interaction with market participants; and Marketing and promotion campaigns.
Method of calculation	Maintaining a database of investor records and information
Data limitations	Low investor confidence due to negative economic and political factors
Type of indicator	Activities such as : Well supported weekly government bond auctions Oversubscribed order books for foreign loan issuances Investments made by retail investors
Calculation type	Annual increase in investors/investments – cumulative
Reporting cycle	Daily, weekly, monthly and annually
New indicator	Not a new indicator
Desired performance	Higher: Increased market appetite and support for government funding instruments Broadened investor base Increase in household savings ratio
Indicator responsibility	Chief Directorate: Liability Management

Performance Indicator 4.7

Indicator title	Government's liquidity requirements met at all times.
Short definition	Forecasting and managing of government's daily and medium term cash flows.
Purpose/importance	To ensure that money is available to meet government's commitments at the right time, in the right amounts and the right currency.
Source/collection of data	Cash flow data on receipts and payments is received from the South African Revenue Services, Reserve Bank and various units within the National Treasury and then consolidated.
Method of calculation	<p>Government's net cash position is calculated taking into account:</p> <ul style="list-style-type: none">- Gross borrowing requirement which is the sum of revenue, expenditure and debt due (loan redemptions);- Proceeds from short- and long-term loans issued in the domestic and international markets; and- Change in cash balances <p>A monthly net cash position is calculated for the MTEF period and thereafter maintained.</p> <p>Daily net cash positions are forecasted for three months ahead.</p>
Data limitations	Although projections of government's receipts and payments over the medium term fluctuate, daily cash flows can be projected accurately.
Type of indicator	Inputs and outputs
Calculation type	Cumulative – for the year
Reporting cycle	Quarterly/annually
New indicator	No
Desired performance	Total forecasted cash flows are impacted by the outcome of the budget and financing thereof.
Indicator responsibility	Programme manager

Performance Indicator 4.8

Indicator title	Forecasts of debt and debt-service cost and reporting of national government debt operations.
Short definition	To forecast the stock of national government debt and the cost of servicing this debt, and to report on national government debt operations in terms of the PFMA, the reporting standards of the IMF and the OECD, to the financial markets and investors.
Purpose/importance	Debt-service costs are one of the biggest expenditure items and impact on the budget. Dissemination of information on government debt operations relating to the progress on government's borrowing plan, outstanding government debt and guarantees improves transparency and accountability.
Source/collection of data	Internal treasury operational system, Excel data bases and inputs from departments and state-owned companies.
Method of calculation	Debt and debt-service costs are forecasted using an in-house build Excel based model. Inputs into the model includes the existing volume of debt, new borrowing and market variables such as interest, inflation and exchange rates.
Data limitations	The accuracy of the numbers depends on the outcome of government's budget balance, borrowing programme and volatility of market variables such as interest, inflation and exchange rates.
Type of indicator	Outputs and activities
Calculation type	Cumulative – for the year
Reporting cycle	Varies from monthly, quarterly and annually
New indicator	No
Desired performance	The indicator monitors government's debt and debt-service costs, and report on the progress of government debt operations (progress of the annual borrowing plan). Higher debt and the corresponding higher debt-service costs have an impact on the budget.
Indicator responsibility	Programme manager

Performance Indicator 4.9

Indicator title	Performance assessment against market and refinancing risks benchmarks.
Short definition	To recommend annual risk allocations using appropriate techniques; To manage the debt portfolio within approved risk benchmarks in such a way that minimises the impact of interest rate, inflation and exchange rate risks on annual funding requirements and government's debt portfolio, while balancing the liquidity (cash) and cost objectives.
Purpose/importance	Debt Portfolio Analysis reports the impact of weekly auctions on debt stock, debt portfolio indicators and risk benchmarks. Market Performance Report assesses risk factors impacting on government's funding requirements. Funding Assessment of the actual cash against targeted cash. Monitoring of debt portfolio indicators against approved risk benchmarks. Risk inputs to the ALM annual funding strategy process recommends allocations for the new fiscal year. Annual Risk Rating and Risk Profile of Government Debt to assess movement in debt portfolio indicators and risk benchmarks on an annual basis. The importance of the monitoring and assessment reports is that the portfolio indicators such as: share of debt maturing within a year; share of debt maturing within 5 years; share of inflation linked debt; share of foreign debt; average term to maturity of fixed rate bonds and T-bills and average term to maturity of inflation linked debt are below (thresholds/limits) and within (ranges of) the approved benchmarks. Further, the smooth maturity profile of affordable cash redemptions continue to inform the switch auction and maximum issuance limits.
Source/collection of data	Debt/Portfolio Data – Schedule of RSA Debt; Total State Debt (Financial Operations) Funding Data – Borrowing Requirements from Financial Operations, Cash and Nominal Auction Figures from Liability Management and Financial Operations Market Data – JSE, Bloomberg and Inet Bridge.
Method of calculation	Spread sheet Models
Data limitations	None
Type of indicator	Government debt/financial indicators
Calculation type	Mathematical, Statistical and Financial
Reporting cycle	<ol style="list-style-type: none"> 1. Debt Portfolio Analysis Report <ul style="list-style-type: none"> - Weekly 2. Market Performance Report <ul style="list-style-type: none"> - Monthly 3. Funding Assessment <ul style="list-style-type: none"> - Monthly

	<ul style="list-style-type: none"> - Quarterly 4. Risk Monitoring of Benchmarks - Quarterly 5. Risk Inputs to the Funding Strategy - Annual 6. Risk Rating and Risk Profile of Government Debt - Annual
New indicator	None
Desired performance	<p>Actual funding in fixed rate and inflation linked bonds should not deviate by more than 5 percentage points from the recommended strategy allocation of 78 per cent fixed rate and 22 per cent inflation linked bonds</p> <p>Issuance in fixed rate and inflation linked bonds to be within a range given from second quarter of the fiscal year 2014-15</p>
Indicator responsibility	Market Risk, Strategy and Risk Management

Performance Indicator 4.10.1

Indicator title	Prudent strategies to manage counterparty risk and relations with the credit rating agencies.
Short definition	Continuous engagements and information sharing between the credit rating agencies and the National Treasury.
Purpose/importance	The purpose of improving the relations between government and the rating agencies serves to improve the context of the discussions that take place regarding the rating and to ensure the most accurate information on the country is shared with the rating agency.
Source/collection of data	Telephone calls and email correspondence forms the bulk of the communication. However, meetings and conference calls are scheduled to discuss rating matters more in depth.
Method of calculation	The rating trajectory and status of the SA credit rating is monitored using our internal methodology.
Data limitations	There are no limitations to accessing the credit rating agencies and improving the relationship with them.
Type of indicator	The indicator can be used to improve the discussions between government and the rating agencies regarding rating challenges.
Calculation type	The relations with the rating agencies can be thought of as a cumulative process that is constantly improving.
Reporting cycle	Daily/ Ad hoc
New indicator	The indicator keeps improving every year as the relationship becomes more long term.
Desired performance	Consistently improving relationship with the rating agencies.
Indicator responsibility	Country Risk, Strategy and Risk Management

Performance Indicator 4.10.2

Indicator title	Prudent strategies to manage counterparty risk and relations with the credit rating agencies.
Short definition	Continuous credit risk analysis of government counterparties to determine quality of government's credit risk exposure.
Purpose/importance	Managing counterparty risk is to determine their ability meet their obligations (servicing of guaranteed debt for SOC as well as settlement of government bond auctions and surplus cash for banks). Ultimately the purpose is to protect the fiscus against any sudden and unplanned outflows.
Source/collection of data	Annual Reports of counterparties, Guarantee register from Financial Operations, SOC debt profiles from Governance and Financial Analysis and Bloomberg, SOC credit spreads from the JSE and I-Net bridge as well as BA 900 from the South African Reserve Bank. Additional market information from Moody's Analytics.
Method of calculation	The credit risk analysis is based on an internal risk rating methodology, which uses financial and business risk indicators.
Data limitations	There are limitations in terms of getting data on a quarterly basis as the official annual reports are only available twice a year. Even this is not available for all counterparties.
Type of indicator	The indicator can be used to determine probability of default and the impact that default will have on the fiscus.
Calculation type	The methodology uses financial and business risk indicators to determine probability of default as at a particular point in time although the monitoring is continuous.
Reporting cycle	Weekly, quarterly and semi-annually
New indicator	The indicator continues without change from the previous year.
Desired performance	Consistently improving the quality of government's credit risk exposure.
Indicator responsibility	Credit Risk, Strategy and Risk Management



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Programme 5: Financial Accounting & Reporting

Technical Indicator Descriptions

2014 / 15

Performance Indicator 5.1

Indicator title	Maintenance of current transversal systems – Basic Accounting System (BAS), Financial Management System (FMS), Logis, Persal and Vulindlela.
Short definition	To maintain government transversal financial management systems to operate optimally
Purpose/importance	To ensure that the transversal financial management systems continue to operate without errors and without inhibitions
Source/collection of data	Call Centre Logs and other formal User Requests
Method of calculation	Number of requests, Complexity of requests and time taken to resolve requests
Data limitations	Lack of Policy and complexity of Requests may limit resolution of problem
Type of indicator	Output and Efficiency
Calculation type	Non-Cumulative
Reporting cycle	Quarterly/Annually but sometimes longer interval depending on complexity of request
New indicator	No
Desired performance	A minimum of 98 % availability is desirable, and systems maintenance should contribute towards sustainability of such availability
Indicator responsibility	Chief Director : Financial Systems

Performance Indicator 5.2

Indicator title	Availability of systems during working hours
Short definition	To ensure the transversal financial management systems are available to government users during working times
Purpose/importance	To facilitate payment of government services and salaries
Source/collection of data	Mainframe Audit Trails
Method of calculation	Systems up-time between 07H00-17H00
Data limitations	Impact of Departmental LAN/WAN cannot be provided for
Type of indicator	Impact and efficiency of administrative operations
Calculation type	Non-Cumulative
Reporting cycle	Quarterly/Annually
New indicator	No
Desired performance	desirable minimum of 98% systems availability is desirable
Indicator responsibility	Chief Director : Financial Systems

Performance Indicator 5.3

Indicator title	Delivery and rollout of an Integrated Financial Management System (IFMS) to national and provincial departments.
Short definition	To develop, implement and maintain an integrated financial management system for government
Purpose/importance	Important to the recording, measuring and reporting transactions and / or events within a financial year by departments.
Source/collection of data	Formal submissions to oversight structures, notifications in the government gazette, minutes of meetings, data repositories, requests for quotations issued, contracts signed.
Method of calculation	Advancement of procurement process in accordance with project schedule; project governance implemented; compilation of user requirements in respect of identified policies and procedures; hits on the website.
Data limitations	Inputs from key stakeholders impacting the quality of information and / or responses receive (where required).
Type of indicator	Outputs and activities
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Activities targeted for completion during the 2014/2015 financial year: <ul style="list-style-type: none"> the publication of a request for proposal (RFP) for the IFMS solution (software, configuration, customisation and lead site services); repository of all user and system requirements aligned to new legislation, regulations and policies issued in the past 24 months; capacitated programme management office; functioning and dedicated website for the IFMS;
Indicator responsibility	Chief Director: Technical Support Services

Performance Indicator 5.4

Indicator title	Monitoring improvement of financial management in national and provincial institutions and submission of progress reports to parliamentary oversight committees.
Short definition	<p>The aim of these reports is to inform and update the oversight bodies with the status of compliance and financial management improvement results in institutions that must comply with the PFMA. Reports include:</p> <ul style="list-style-type: none"> • Update on financial management improvement to SCOPA • Update on the status of compliance with the "30 days payment of suppliers " to FOSAD
Purpose/importance	<ul style="list-style-type: none"> • To report on improvement of financial management in national and provincial spheres of government. • To update FOSAD and interested stakeholders on the progress made and the status of compliance with the requirement to pay suppliers within 30 days.
Source/collection of data	<ul style="list-style-type: none"> • Results from the Financial Management Capability Maturity Model (FMCMM) • Results of Audit Outcomes from the Auditor-General • Number of exception reports submitted by departments monthly
Method of calculation	<ul style="list-style-type: none"> • FMCMM Assessment scores received from departments • Number of audit outcomes • Number of invoices paid within 30 days, after 30 days and those that remains unpaid
Data limitations	Information submitted late or not submitted by clients to the National Treasury
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Submission of all reports to relevant institutions by 30 November of each year
Indicator responsibility	Chief Director : Governance Monitoring and Compliance

Performance Indicator 5.5

Indicator title	Fraud and corruption investigations and performance audits.
Short definition	To conduct investigations in all spheres of government on a broad range of financial management and internal control systems in public procurement processes
Purpose/importance	<p><u>Intentions:</u> To promote that public procurement is done in accordance with a system which is fair, equitable, transparent, competitive and cost effective</p> <p><u>Importance:</u> To enforce compliance with Public sector legislation in each sphere of government</p>
Source/collection of data	Audit reports, allegations by Executive Authorities ,Departments' Accounting Officers and Officials; External parties; Media; Anti -Corruption Task Teams; Parliamentary Committees and the Public Protector
Method of calculation	<ul style="list-style-type: none"> • Nature of allegations and its impact. • The amount involved in the allegation and • The source of allegation
Data limitations	<ul style="list-style-type: none"> • Political Interference • Inadequate evidence • Distraction of documentation
Type of indicator	Outputs and Impact of the reports
Calculation type	Non-Cumulative
Reporting cycle	Quarterly reporting
New indicator	No
Desired performance	Completing 20 investigations for the 2014 / 15 year
Indicator responsibility	Chief Director: Specialised Audit Services

Performance Indicator 5.6

Indicator title	Support for anti-corruption task team (ACTT) targets.
Short definition	Produce forensic reports and provide expert witnesses for criminal proceedings
Purpose/importance	Provision of professional consultant on public procurement processes
Source/collection of data	South African Police Services and Forensic Reports
Method of calculation	Nature of allegations and its impact
Data limitations	NPA reluctant to use Public Sector Financial Management Legislation to prosecute on Procurement Fraud ; Political Interference Inadequate evidence Distraction of documentation
Type of indicator	Activities and output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Refer 25 cases for criminal proceedings and civil recovery, per year
Indicator responsibility	Chief Director: Specialised Audit Services

Performance Indicator 5.7

Indicator title	Guidelines of generally recognised accounting practice (GRAP) standards and/or modified cash standards.
Short definition	The development of implementation guidelines for entities required to prepare their annual financial statements in terms of the Standards of GRAP or the Modified Cash Standard (MCS). Implementation guidelines include checklists, tools, FAQs and summaries of the Standards.
Purpose/importance	To assist public sector entities with the implementation and understanding of the Standards of GRAP and the MCS.
Source/collection of data	Effective Standards of GRAP, FAQs issued by the ASB or the National Treasury, matters identified at technical forums and by preparers of the financial statements.
Method of calculation	Each effective standard should have an implementation guide. Other tools will depend on the need and impact on the user community.
Data limitations	Extent of comment received on the draft documents published which should assist the National Treasury in ensuring that all implementation matters are adequately addressed.
Type of indicator	Outputs
Calculation type	Cumulative – for the year
Reporting cycle	Annually
New indicator	No
Desired performance	<ul style="list-style-type: none"> • Develop new guidelines annually by 31 March each year • Maintain and enhance existing guidelines
Indicator responsibility	Chief Director: Technical Support Services

Performance Indicator 5.8

Indicator title	Policies, frameworks, guidelines, regulations and practices in line with approved reporting frameworks
Short definition	The development of financial management policies to standardise practices within an institution leading to improved compliance with legislation (incl. reporting frameworks).
Purpose/importance	To assist public sector entities with the implementation and understanding of the requirements of the PFMA.
Source/collection of data	Treasury Regulations, reporting frameworks and / or matters identified at technical forums.
Method of calculation	Number of policies issued (dealing with each major area of financial management).
Data limitations	Extent of comment received on the draft documents published which should assist the National Treasury in ensuring that all best practices have been identified and / or incorporated.
Type of indicator	Outputs
Calculation type	Cumulative – for the year
Reporting cycle	Annually
New indicator	No
Desired performance	<ul style="list-style-type: none"> • Develop new guidelines, policies, frameworks, guidelines, regulations and practices by 31 March each year • Maintain and enhance existing guidelines, policies, frameworks, guidelines, regulations and practices
Indicator responsibility	Chief Director: Technical Support Services

Performance Indicator 9:

Indicator title	Maintain MFMA helpdesk.
Short definition	Facility is designed for municipalities, municipal entities and all other stakeholders to assist with the interpretation and implementation of the Municipal Finance Management Act, Regulations, MFMA Circulars, Guidelines, etc.
Purpose/importance	The MFMA Helpdesk is an important tool which assists with the interpretation of the MFMA, the Regulations, Circulars, Guidelines, etc. to ensure a consistent application of the Act and its regulations countrywide. The Helpdesk is also a tool which assists the National Treasury with identifying gaps in the implementation of the legal framework and clarifying these gaps either via a MFMA Circular, a regulation or appropriate guideline document.
Source/collection of data	Inputs collated from different units within NT for purposes of concluding appropriate guidance to clients.
Method of calculation	Average response times for queries received
Data limitations	None
Type of indicator	The indicator measures quality of responses including response times.
Calculation type	Indicator calculated based on average response time over a monthly or quarterly period.
Reporting cycle	Monthly and quarterly
New indicator	No
Desired performance	Conclude 75% of responses within 28 days
Indicator responsibility	Chief Director: MFMA Implementation

Performance Indicator 5.10.1

Indicator title	Maintain and enhance financial management capability maturity model (FMCMM) - Departments
Short definition	The Model is revised to introduce an improved electronic FMCMM platform and the model will now move forward from the compliance approach to include level 4, 5 and 6 questions where accountability, effectiveness, efficiency and optimal use of resources is more dominants
Purpose/importance	<p>To evaluate and monitor financial performance and compliance management in government institutions and to ensure that institutions move from the control level of 3 towards the attainment of level 6 which is an optimising level to show continuous learning and improvement in financial management of institutions.</p> <p>Attainment of level 6 which is an optimising level to show continuous learning and improvement in financial management of institutions</p>
Source/collection of data	Evidence of completion of revision of the FMCMM, and piloting as planned
Method of calculation	<p>Successful development and implementation of the revised FMCMM</p> <ul style="list-style-type: none"> •
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Longer time interval
New indicator	No
Desired performance	<p>The revised Model will be piloted at the following institutions</p> <ul style="list-style-type: none"> • DEPARTMENTS – National Treasury, Home Affairs • CONSTITUTIONAL – Icasa • PUBLIC ENTITIES – Fasset, ASB, State Theatre • PROVINCIAL TREASURY – KZN and Free State
Indicator responsibility	Chief Director: Governance monitoring and Compliance

Performance Indicator 5.10:.2

Indicator title	Maintain and enhance financial management capability maturity model (FMCMM) - Municipalities
Short definition	Designed to be a management tool to provide clear yard-stick measurements against which municipalities should aspire for process improvements; it pinpoints specific gaps in the detailed operational activities outlined in all the 21 modules of Financial Management within the municipality, as well as the necessary measures required to close them. In this context, the FMCMM for local governments is a checklist instrument that ensures timeous identification of weak areas or omissions for management closure
Purpose/importance	A tool of this nature responds to the critical capacity problems in municipalities characterised by high vacancy rates in senior finance positions and limited skills sets to perform the key financial management activities within the municipal environment.
Source/collection of data	Evidence of successful development and implementation of the tool, as planned
Method of calculation	Non-cumulative
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Conclusion of the development of the tool, and implantation thereof, as per the plan
Indicator responsibility	Chief Director: MFMA Implementation

Performance Indicator 5.11

Indicator title	Maintain and enhance Treasury regulations and instructions.
Short definition	Revised Treasury Regulations and issuing of National Treasury Instructions
Purpose/importance	<p>To ensure that the revised Treasury Regulations are up to date and relevant and to introduce the revised provisions dealing with strategic planning, annual performance plans, financial misconduct and supply chain management.</p> <p>To elevate and include in the revised Treasury Regulations the peremptory provisions included in the Practice Notes/National Treasury Instructions, circulars and frameworks previously issued by the National Treasury.</p>
Source/collection of data	<ul style="list-style-type: none">• Evidence of work completed, in relation to planned progress, in respect of enhancement of Treasury regulations and instructions
Method of calculation	<p>Number of Practice Notes/National Treasury Instructions issued by the National Treasury since the year 2000</p> <p>Number of chapters updated in the Treasury Regulations subsequent to the revision of the entire set of the Treasury Regulations</p>
Data limitations	Timely inputs received from other branches within the National Treasury
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly until publication of the revised Treasury Regulations
New indicator	No
Desired performance	Complete ongoing maintenance and enhancement of Treasury regulations and instructions as planned
Indicator responsibility	Chief Director: Governance monitoring and compliance

Performance Indicator 5.12

Indicator title	Review and respond to requests for development of financial recovery plans.
Short definition	Review and respond to requests for development of financial recovery plans.
Purpose/importance	Assist municipalities with the preparation of the financial recovery plans
Source/collection of data	In terms of chapter 13 of MFMA the resolution of financial problems in municipalities may take the form of preparation of financial recovery plan. Municipal Finance Recovery Services (MFRS) in the National Treasury is responsible for assisting municipalities with the preparation of the financial recovery plan, amongst others.
Method of calculation	The request for assistance with the preparation of the financial recovery plan comes from the province and municipalities.
Data limitations	Number of municipalities assisted with the review or the preparation of the financial recovery plan
Type of indicator	The support is made available as and when a need arise, except for mandatory provincial intervention assistance must be provided with the preparation of the financial recovery plan
Calculation type	Number of municipalities assisted with the review or the preparation of the financial recovery plan.
Reporting cycle	Non-cumulative
New indicator	Quarterly
Desired performance	No
Indicator responsibility	Chief Director: MFMA Implementation

Performance Indicator 5.13

Indicator title	Review of FMG support plans and alignment with framework.
Short definition	Evaluating the FMG support plans submitted by municipalities to see how municipalities will be spending the funds. To also see that it is in line with the conditions of the grant as indicated in the grant framework.
Purpose/importance	To verify whether FMG support plans submitted by municipalities are in line with the respective conditions of the grant as indicated in the framework which is published in the Division of Revenue Act (DoRA).
Source/collection of data	<ul style="list-style-type: none">• Evidence / reports of activity where reviews have taken place;• Correspondence of the results of such reviews, with relevant stakeholders
Method of calculation	Number of reviews conducted
Data limitations	The plan can only be reviewed once the municipality submits details therein and updated information on progress made.
Type of indicator	Activity
Calculation type	Non- Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	The review of all 278 municipality's FMG support plans.
Indicator responsibility	Chief Director: MFMA Implementation

Performance Indicator 5.14

Indicator title	Quarterly evaluation of municipalities' performance reports and submission of reports.
Short definition	All municipalities have to submit quarterly reports on the performance of the FMG, as required by the Division of Revenue Act (DoRA). Receive the reports from municipalities and analyse the reports to see how the grant is performing.
Purpose/importance	To ensure that the grant is performing in line with the FMG support plan submitted by the municipality.
Source/collection of data	The report is submitted by municipalities on a quarterly basis.
Method of calculation	Number of reports reviewed quarterly
Data limitations	The content of quarterly performance evaluation reports submitted by municipality.
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	The review of all 278 municipality's quarterly performance evaluation reports.
Indicator responsibility	Chief Director: MFMA Implementation

Performance Indicator 5.15

Indicator title	Support to provincial treasuries for preparation of provincial consolidated financial statements, provincial revenue fund statements and implementation of GRAP standards.
Short definition	Provision of support and training initiatives on provincial revenue funds, provincial consolidated financial statements, as well as to municipalities and public entities on GRAP standards.
Purpose/importance	Capacity building. The indicator is an important measure of the number of people in government trained on these areas.
Source/collection of data	Number of trainees is collected by way of attendance registers at training events.
Method of calculation	Number count of trainees
Data limitations	None
Type of indicator	Measures activities
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	desirable total of 200 trainees from provincial treasuries, municipalities and public entities, per annum
Indicator responsibility	Chief Director: Accounting Support & Reporting

Performance Indicator 5.16

Indicator title	Internal audit and state of readiness for quality assurance reviews to assess compliance with PFMA, MFMA (and international professional practice standards of internal audit) and adoption of best practice.
Short definition	To communicate the number of assessments (reviews) done on internal audit functions to determine their level of compliance with applicable prescripts (PFMA or MFMA, Treasury Regulations, International Internal Audit Standards)
Purpose/importance	To oversee progress in maturity and capability of the internal audit function in departments
Source/collection of data	Signed reports issued to the department, municipality or entity concerned
Method of calculation	Count of the number of reviews completed
Data limitations	None
Type of indicator	Outputs
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Conduct reviews at 21 institutions (focusing mainly on municipalities) annually
Indicator responsibility	Chief Director: Internal Audit Support

Performance Indicator 5.17

Indicator title	Financial management capacity development strategy.
Short definition	A document outlining the National Treasury vision under public financial management capacity development. This is supported by the strategic objectives, enablers and separate implementation plans for both PFMA and MFMA aligned to the National Treasury strategic plans cascaded down to the level of the chief directorates.
Purpose/importance	To provide for an agreed upon process to address the identified capacity constraints and strengthen the implementations of public financial management reforms across the three spheres of the government.
Source/collection of data	Capacity Development Strategy implementation plans
Method of calculation	Reports on progress made on the implementation plans
Data limitations	Non-responsiveness and limited buy-in by the relevant internal and external key stakeholders.
Type of indicator	The indicator measures inputs, outputs, activities and outcomes.
Calculation type	Cumulative.
Reporting cycle	Annually.
New indicator	No
Desired performance	<p>For the 2014 / 15 year:</p> <ul style="list-style-type: none"> • Support development and delivery of PFM related qualifications and short learning programmes; • Support development of occupational profiles, job descriptions and performance agreements for nine PFM disciplines; and • Establish learnerships for accounting, internal audit and supply chain.
Indicator responsibility	Chief Director: Capacity Building

Performance Indicator 5.18

Indicator title	Implementation of academic support programme for chartered accountants' academy and other accountants in government.
Short definition	The programme is intended to provide academic support to public sector officials that are pursuing the chartered accountants profession.
Purpose/importance	To contribute towards addressing shortage of financial management skills countrywide especially public sector.
Source/collection of data	Number of qualifying candidates is obtained through the chartered accountant public sector forum (CAPSF).
Method of calculation	Number count
Data limitations	Not applicable
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Report to the CAA steering committee is done every four months and once to the Director-General at the end of each financial year.
New indicator	No
Desired performance	Inclusion of other qualifying government institutions to the CAA in order to increase number of qualified chartered accountants each year; and Enlisting a total 24 participants in the chartered accountants academy and similar programmes in government
Indicator responsibility	Chief Director: Capacity Building

Performance Indicator 5.19

Indicator title	Facilitate opportunities for relevant municipal officials to attain financial management competencies.
Short definition	To ensure that municipal officials affected by the issued municipal regulations on minimum competency levels comply with the requirements for their positions.
Purpose/importance	To outline the level of compliance to the issued minimum competency levels
Source/collection of data	LGSETA, listed training providers and municipalities through an Excel spread sheet
Method of calculation	Number of officials per municipality and courses enrolled for the minimum competency levels
Data limitations	Data is in basic Excel and needs automation for better disaggregation and analysis. At the moment analysis of the status quo remains onerous until automated through other means.
Type of indicator	Indicator is measuring inputs and output and may influence outcomes once full compliance is reached.
Calculation type	Cumulative
Reporting cycle	Quarterly/Annually
New indicator	No
Desired performance	Facilitating 1000 learning opportunities for relevant municipal officials to attain financial management competencies
Indicator responsibility	Chief Director: Capacity Building

Performance Indicator 5.20

Indicator title	Timely and accurate publication of monthly statements of actual revenue and actual expenditure for the National Revenue Fund (NRF).
Short definition	In terms of section 32 of the PFMA this must be published within 30 days after month end
Purpose/importance	<ul style="list-style-type: none">• Requirement of the PFMA, used by IMF and other interested parties for purposes of analysing monthly financial performance; and• Used as an early warning system by departments and the National Treasury
Source/collection of data	<ul style="list-style-type: none">• Monthly reports published on-time in the Government Gazette; and• Approval for publication of these reports by the Accountant-General
Method of calculation	<ul style="list-style-type: none">• Monthly reports published on-time in the Government Gazette; and• Approval for publication of these reports by the Accountant-General
Data limitations	None
Type of indicator	Outputs
Calculation type	Monthly and cumulative
Reporting cycle	Monthly
New indicator	No
Desired performance	Reports published every month in the Government Gazette
Indicator responsibility	Chief Director: Accounting Support and Reporting

Performance Indicator 5.21

Indicator title	Banking services for national government.
Short definition	Assist departments with electronic verification of banking details, payments and provide a daily bank statement reflecting all payments and receipts
Purpose/importance	Need to provide a bank statement daily to interface into ledger. Departments can then follow up on exceptions and perform bank reconciliations
Source/collection of data	<ul style="list-style-type: none">• Evidence of number of transactions verified daily;• Evidence of completion of the daily bank reconciliation; and• Evidence of the system functioning correctly
Method of calculation	<ul style="list-style-type: none">• Number of transactions verified monthly and quarterly
Data limitations	None
Type of indicator	Output
Calculation type	Daily with a cumulative balance
Reporting cycle	Daily
New indicator	No
Desired performance	<ul style="list-style-type: none">• Daily bank reconciliation of NRF; and• Electronic verification of supplier banking details within four working days
Indicator responsibility	Chief Director: Accounting Support and Reporting

Performance Indicator 5.22

Indicator title	Tabling of consolidated annual financial statements for national departments, public entities and Reconstruction and Development Programme (RDP) Fund.
Short definition	Section 8 of PFMA requires preparation and tabling of the consolidated annual financial statements. RDP act requires AFS for RDP fund.
Purpose/importance	Audited financial statements for the stakeholders on results and consolidated results for the year.
Source/collection of data	<ul style="list-style-type: none">• Evidence of completion of annual financial statements for the RDP Fund• Evidence of correctly following the process for, and completion and publication of the consolidated annual financial statements as required in terms of applicable accounting frameworks.
Method of calculation	Evidence of adhering to the necessary processes and frameworks, and tabling the statements on time, as scheduled.
Data limitations	The consolidated AFS is dependent on receiving audited financial statements from all entities and departments. The delay in the submission of significant entities will delay the submission of consolidated AFS.
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Financial statements are submitted annually
New indicator	No
Desired performance	Tabling the appropriate quality of financial statement annually, on 31 October
Indicator responsibility	Chief Director: Accounting Support and Reporting

Performance Indicator 5.23

Indicator title	Issue instructions on designated sectors as requested by the dti.
Short definition	Designate sectors for local procurement
Purpose/importance	To enhance the concept of localisation so as to contribute to job creation
Source/collection of data	Dti research
Method of calculation	Number of instructions, and applicable sectors, issued
Data limitations	None
Type of indicator	Output
Calculation type	Number count
Reporting cycle	As and when sector is designated
New indicator	Yes
Desired performance	Issue instructions on designated sectors, as planned in advance
Indicator responsibility	Office of the Chief Procurement Officer

Performance Indicator 5.24

Indicator title	Preferential procurement legislation.
Short definition	Regulate the awarding of public procurement contracts
Purpose/importance	Contribute to de-racializing the economy through public procurement
Source/collection of data	Database on contract awards to BBBEE compliant companies
Method of calculation	Percentage of award trends to BBBEE compliant companies
Data limitations	Database statistical variation tools required
Type of indicator	Impact contribution to an equitable economy in SA
Calculation type	Cumulative
Reporting cycle	Quarterly & Annual
New indicator	No
Desired performance	<p>For the 2014 / 15 year:</p> <ul style="list-style-type: none">• Develop guidelines for exemptions from the existing PPPFA;• Complete a policy impact analysis of multiple objectives including youth empowerment, women empowerment, SMME development and job creation
Indicator responsibility	Chief Director: :Policy, Norms & Standards

Performance Indicator 5.25

Indicator title	SCM norms and standards frameworks.
Short definition	Guidelines Norms and Standards required for the performance of SCM
Purpose/importance	To ensure that there are standards of performance to achieve certain Government Objectives
Source/collection of data	Policy objective and monitoring outcomes
Method of calculation	Development of standard operating procedures as planned
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	For the 2014 / 15 year: <ul style="list-style-type: none">• Develop standard operating procedures for emergency procurement; and• Apply and implement the policy.
Indicator responsibility	Chief Director: Policy, Norms & Standards

Performance Indicator 5.26

Indicator title	Simplified and rationalised SCM environment.
Short definition	Doing away with the fragmentation in the SCM process and aligning all bidding documents with mandatory requirements for bidding
Purpose/importance	To ensure easy and effective ways to do business with Government.
Source/collection of data	Completion of a coherent set of standardised bidding documents
Method of calculation	Number of standardised bidding documents published
Data limitations	None
Type of indicator	Output
Calculation type	Count, cumulative
Reporting cycle	Quarterly and annual
New indicator	No
Desired performance	Standardised bidding documents: RFPs, contracts, procurement plans, SBD forms.
Indicator responsibility	Chief Director: Policy, Norms & Standards

Performance Indicator 5.27

Indicator title	SCM Treasury regulations.
Short definition	Regulate the public sector supply chain management (SCM) system
Purpose/importance	Efficient and effective procurement and the delivery of services, goods & works to institutions of government & communities through service delivery
Source/collection of data	<ul style="list-style-type: none">• Evidence, and number, of relevant Treasury regulations being developed and implemented by target departments and entities; and• Evidence of development, and publication of revised Guide for Accounting Officers
Method of calculation	<ul style="list-style-type: none">• Extent of development of relevant Treasury regulations;• State of readiness for deployment of Treasury regulations;• Number of Treasury regulations promulgated; and• Evidence of state of completion of revised Guide for Accounting Officers (and evidence of rolling out the revised guide)
Data limitations	None
Type of indicator	Activity and output
Calculation type	Cumulative
Reporting cycle	Quarterly & Annual
New indicator	Yes
Desired performance	Promulgated Treasury regulations and revised Guide for Accounting Officers
Indicator responsibility	Chief Director: Policy, Norms & Standards

Performance Indicator 5.28

Indicator title	SCM human capital development
Short definition	SCM human capital development (HCD) can be defined as: (i) a process of ensuring that the unique set of SCM skills and abilities currently contained within an organisation are identified, nurtured and developed to the optimal advantage of the organisation; and (ii) a process of ensuring that any deficits in the SCM skills pool are filled with employees with the correct skills set. SCM HCD implementation framework seeks to define a workable approach to HCD for SCM officials in the public sector.
Purpose/importance	The HCD implementation framework provides strategic direction in terms of addressing the SCM capacity development issues in the public sector from a human capital development perspective.
Source/collection of data	<ul style="list-style-type: none"> Evidence of activity relating to development and completion of the SCM human capital development framework, including an SCM job specification framework
Method of calculation	<ul style="list-style-type: none"> Extent of completion of the relevant documentation; and Extent of progress in rolling out the SCM human capital development framework and SCM job specification framework
Data limitations	None
Type of indicator	Activity and output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Finalise the SCM human capital development framework, including an SCM job specification framework, during the 2014 / 15 year.
Indicator responsibility	Chief Director: Capacity Development

Performance Indicator 5.29

Indicator title	SCM organisational capacity development.
Short definition	This concerns the development of SCM within the organisation as a whole, and not just focussing on individual capacity development
Purpose/importance	One of the four strategic objectives addressed in the CDS for PFM is to enhance organisational capacity. Considering the legislative mandate of SCM units within the office of the CFO, it is critical that strong SCM units are developed with the required capability to perform their functions.
Source/collection of data	Evidence of development of a generic functional structure for SCM within budget and treasury offices within municipalities
Method of calculation	Extent of development of a generic functional structure for SCM within budget and treasury offices within municipalities
Data limitations	None
Type of indicator	Activity and output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Develop a generic functional structure for SCM within budget and treasury offices within municipalities, during the 2014 / 15 year.
Indicator responsibility	Chief Director: Capacity Development

Performance Indicator 5.30

Indicator title	SCM ETD development and delivery.
Short definition	Manage the analysis, design, development, implementation, monitoring and evaluation of national frameworks, guidelines, and standards for supply chain management (SCM) education, training and development (ETD)
Purpose/importance	To develop and deliver SCM ETD solutions intended to develop and empower a corps of competent and committed high-performance employees.
Source/collection of data	<ul style="list-style-type: none">• SCM ETD Directorates within the Office of the Chief Procurement Officer, as well as validated service providers to provide detail as to the extent of ETD development and delivery achieved during the period under review• Evidence of quantity and quality of SCM ETD solutions developed and delivered
Method of calculation	
Data limitations	Reliability and consistency of data reported by service providers
Type of indicator	Activities and outputs
Calculation type	Quarterly and annually
Reporting cycle	Cumulative
New indicator	No
Desired performance	During the 2014 / 15 year: Implement the SCM ETD framework through the development of supporting products, guidelines and tools.
Indicator responsibility	Director: SCM ETD

Performance Indicator 5.31

Indicator title	Number of bid specifications reviewed to ensure alignment with policy and other applicable procurement instructions.
Short definition	Review of bids specifications to ensure compliance with norms and standards and any available SCM prescripts.
Purpose/importance	To ensure that the specification is compiled in a way that fair, ethical and transparent.
Source/collection of data	<ul style="list-style-type: none">• Evidence of reviews being conducted;• Number of reports issued to bid specification owners
Method of calculation	Total number of reviewed specifications against targeted reviews
Data limitations	Incorrect information used to review. Entities not understanding application of SCM prescripts and compile incorrect specifications.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Average of 30 reviews per quarter or higher
Indicator responsibility	Process owner Chief Director : SCM - GMC Managing and reporting Directorate: Monitoring and Compliance

Performance Indicator 5.32

Indicator title	Number of procurement plans reviewed to ensure contribution to and alignment with the core functions of the organisation.
Short definition	Reviewing of procurement plans from all spheres of government. The process includes reviewing proposed projects in the procurement plan against advertised projects per various tender bulletins. It also analyses planned projects against allocated budgets.
Purpose/importance	The objective of the review is to ensure the departments use procurement plans as a tool to manage their procurement process. The report highlights gaps identified in submitted procurement plans which may hinder timely service delivery.
Source/collection of data	<ul style="list-style-type: none"> • • Evidence of procurement plans having been reviewed; and • Evidence of correspondence with procurement plan owners.
Method of calculation	<ul style="list-style-type: none"> • Number of procurement plans submitted; • Number of reviews completed; and • Evidence of correspondence with procurement plan owners.
Data limitations	Budget information available for public entities and Municipalities. Longer turnaround times on responses from departments
Type of indicator	Activity and output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Complete 120 reviews during the 2014 / 15 year
Indicator responsibility	Process owner: Chief Director : SCM - GMC Managing and reporting: Governance Directorate

Performance Indicator 5.33

Indicator title	Number of projects visited to ensure delivery in line with the specifications of the contract.
Short definition	Physical verification of projects to ensure they are in line with specified approved requirements, e.g. schools infrastructure project.
Purpose/importance	To ensure that projects re delivered on time within approved specification and value for money is achieved.
Source/collection of data	<ul style="list-style-type: none"> • Evidence of number of projects visited and • Evidence of having considered relevant parameters when undertaking visit
Method of calculation	Output –
Data limitations	None
Type of indicator	Output and activity
Calculation type	Cumulative – Total number of planned projects against sites visited (physically verified)
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	100 projects verified annually
Indicator responsibility	Process owner Chief Director : SCM - GMC Managing and reporting Directorate: Monitoring and Compliance

Performance Indicator 5.34

Indicator title	Number of contracts reviewed to ensure alignment with the conditions and deliverables of the tender.
Short definition	Reviews to ensure all procurement process are adhered to and are in line with SCM legislation and regulations
Purpose/importance	To ensure five pillars of public sector procurement (value for money, open and competitiveness, ethics and fair dealing, accountability and reporting and equity) are adhered to and implemented.
Source/collection of data	Procurement plans, tender complaints received , court cases, newspaper articles, internet, etc.
Method of calculation	<ul style="list-style-type: none"> • Evidence of contract reviews having taken place; • Correspondence with relevant procurement owners and accounting officers in relation to contract reviews; and • Reports relating to concluded reviews.
Data limitations	<p>Longer turnaround times as clients are not responding on time on queries raised.</p> <p>At times complaints received are baseless which renders information received irrelevant (this is after days of conducting ground work)</p>
Type of indicator	Activity and outputs
Calculation type	Cumulative
Reporting cycle	Mainly quarterly based on cases reported per quarter
New indicator	Yes
Desired performance	<p>Performance higher than targeted performance, average of 25 contract reviews per quarter.</p> <p>The indicator depends on reported cases (performance can be measured by the turnaround time it takes to review a contract)</p>
Indicator responsibility	<p>Process owner Chief Director : SCM - GMC</p> <p>Managing and reporting Directorate: Monitoring and Compliance</p>

Performance Indicator 5.35

Indicator title	Number of bid evaluation and adjudication minutes reviewed to ensure compliance with the evaluation criteria/scoring through the procurement process.
Short definition	Reviewing minutes of bid evaluation and adjudication to assess fairness of the bid awarding process and to ensure it is aligned to bid specification and bid conditions (general and/ specific)
Purpose/importance	To ensure/ assess the fairness of the tender award process
Source/collection of data	Tender complaints received, court cases, newspaper articles on tender disputes.
Method of calculation	<ul style="list-style-type: none"> • Evidence of reviewing bid adjudication and evaluation minutes; • Correspondence between the OCPO and the procurement owners; and • Existence of reports or other records of relevant reviews
Data limitations	Longer turnaround times as clients are not responding on time on queries raised.
Type of indicator	Activity and output
Calculation type	Cumulative
Reporting cycle	Mainly quarterly based on cases reported per quarter
New indicator	Yes
Desired performance	<p>Performance higher than targeted performance, average of 75 bid evaluations and adjudication minutes reviews per quarter.</p> <p>The indicator depends on reported cases (performance can be measured by the turnaround time it takes to review a set of minutes (evaluation and adjudication))</p>
Indicator responsibility	<p>Process owner Chief Director : SCM - GMC</p> <p>Managing and reporting Directorate: Monitoring and Compliance</p>

Performance Indicator 5.36

Indicator title	Develop Strategic Procurement Framework (SPF), tailored to the needs of different forms of procurement.
Short definition	A Strategic Procurement Framework which will serve as a guide for procurement officials who want to embark on strategic sourcing initiatives.
Purpose/importance	To ensure that government has a well-documented strategic procurement framework that gives guidance as to the process to be followed for developing sourcing strategies for all types of goods and services
Source/collection of data	<ul style="list-style-type: none">• Evidence of consultation with key stakeholders on the development of the SPF;• Evidence of development of the SPF;• Evidence of approval of the SPF; and• Evidence of implementation planning and initial rollout of the SPF.
Method of calculation	<ul style="list-style-type: none">• Progress of activity against plan; and• Existence of an approved SPF
Data limitations	None
Type of indicator	Activity and output
Calculation type	Cumulative over the period of project implementation
Reporting cycle	Annually
New indicator	Yes
Desired performance	Increased number of government departments who implement the SPF and adhere to the guideline methodology for strategic procurement.
Indicator responsibility	Chief Director: Strategic Procurement

Performance Indicator 5.37

Indicator title	Develop sourcing strategies for identified commodities / procurement categories.
Short definition	This involves the development of sourcing strategies for identified commodities / procurement categories on a project basis, using the SPF (indicator 36)
Purpose/importance	To ensure a collaborative, structured and systematic approach to analysing commodity spend, establishing demand, understanding market dynamics and using this information to acquire goods and services effectively; and as a result support government's service delivery objectives.
Source/collection of data	<ul style="list-style-type: none"> • Evidence of activity relating to development of sourcing strategy proposals for targeted procurement categories; • Completion of sourcing strategy proposals for targeted procurement categories; • Evidence of structured engagements completed with key stakeholders for targeted procurement categories
Method of calculation	<ul style="list-style-type: none"> • Number of procurement strategy proposals completed against the planned number
Data limitations	None
Type of indicator	Success of the implementation of developed sourcing strategies will be realised over the medium to long term and could be seen in possible reduced expenditure (savings) or improved service delivery. This indicator will measure the impact on expenditure (savings achieved) Economy and efficiency
Calculation type	Count – number of proposals concluded and accepted
Reporting cycle	Annually and even longer (depending on the contract period)
New indicator	Yes
Desired performance	For the 2014 / 15 year, sourcing strategy proposals for health, travel and accommodation, cell phone subscriptions, ICT hardware will be developed.
Indicator responsibility	CD: Strategic Procurement

Performance Indicator 5.38

Indicator title	Implement sustainable Price Referencing System (PRS)
Short definition	A web-enabled Price Referencing System that can be accessed by SCM officials and used as a guide to benchmark low-value products during the procurement process.
Purpose/importance	The purpose of the PRS is to provide Accounting Officers and Accounting Authorities (AOs/AAs) with a monthly schedule of standard fair-value prices, for certain low-value products procured by government. These prices must be considered as a benchmark during the procurement process, thereby assisting the departments, municipalities and public entities (entities) derive value-for-money from government procurement spend.
Source/collection of data	<ul style="list-style-type: none"> • Evidence of data collection from relevant sources including Statistics SA and other reputable sources still to be determined • Evidence of activity relating to targeted outcomes for the year
Method of calculation	<ul style="list-style-type: none"> • Number of users who accesses the web-based PRS on a monthly basis • Delivery of targeted outputs for the year under review
Data limitations	None
Type of indicator	Activity and Outcome
Calculation type	Monthly, non-cumulative. Usage trend over the review period.
Reporting cycle	Quarterly
New indicator	New
Desired performance	<p>For the 2014 / 15 year:</p> <ul style="list-style-type: none"> • Refine system of price referencing for 20 common items across government. • Develop implementation strategy.
Indicator responsibility	Chief Director: Strategic Procurement

Performance Indicator 5.39

Indicator title	Design and implement supplier database.
Short definition	Consolidate supplier information at a central point to enable government wide access to a Supplier Master list
Purpose/importance	The central supplier database will reduce cost and effort of doing business with state for private sector and reduce administrative burden to officials. It is an important first step in simplification and standardisation of SCM
Source/collection of data	<ul style="list-style-type: none">• Evidence of establishment of central database hosted at SITA;• Evidence of envisaged use of the supplier database
Method of calculation	<ul style="list-style-type: none">• Verification of the existence of a database on 31 March 2014• Evidence of roll out of implementation plan
Data limitations	Hosting arrangements by SITA may impact on availability of database
Type of indicator	Input indicator
Calculation type	Non- cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	for the 2014 / 15 year, rollout of implementation activities against the plan is envisaged
Indicator responsibility	Chief Director: ICT

Performance Indicator 5.40

Indicator title	Maintain the existing transversal term contracts.
Short definition	A transversal contract refers to a contract for common goods or services or ad hoc goods and services in which more than one government institution participates.
Purpose/importance	Primarily to leverage economies of scale through bulk purchasing.
Source/collection of data	<ul style="list-style-type: none">• An annual transversal term contract register is maintained by the Chief Directorate Transversal Contracting; and• Evidence of leveraging economies of scale as a result of leveraging transversal contracting
Method of calculation	Arithmetic counting of existing transversal term contracts
Data limitations	None identified
Type of indicator	Output and outcome
Calculation type	Cumulative for number of contracts renewed
Reporting cycle	Quarterly reporting
New indicator	No
Desired performance	For the 2014 / 15 year, 17 transversal term contracts require renewal
Indicator responsibility	Chief Director: Transversal Procurement

Performance Indicator 5.41

Indicator title	Establishment of the national procurement system.
Short definition	Expansion of larger-scale procurement for common goods and services
Purpose/importance	To leverage buying power of State through economies of scale
Source/collection of data	All government institutions
Method of calculation	<ul style="list-style-type: none">• Evidence of activity for identifying and implementing more strategic contracts for items commonly procured by the State;• Number of additional strategic contracts concluded
Data limitations	None
Type of indicator	Inputs and outcomes
Calculation type	Number of additional strategic contracts introduced
Reporting cycle	Quarterly reporting
New indicator	No
Desired performance	For the 2014 / 15 year, the aim is to identify and implement five additional strategic contracts for centralisation.
Indicator responsibility	Chief Director: Transversal Procurement



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Programme 6: International Financial Relations

Technical Indicator Descriptions

2014 / 15

Performance Indicator 6.1

Indicator title	Strategy papers and briefing notes developed and implemented that advance South Africa's interests
Short definition	A strategy paper refers to a particular long-term plan to successfully advocate for a specific objective/s. A briefing note contains the facts, detailed information and/or a country position that should be used as a guide for a particular meeting.
Purpose/importance	This refers to the G20 and BRICS Finance strategies, WB and AfDB country partnership strategies and the SACU revenue sharing formula strategy. Also refers to the message / SA position that is communicated at WEF Davos and WEFA in order to advance SA's and Africa's interests through engagement and negotiation at economic and financial forums
Source/collection of data	The information used in these briefing and policy notes are generated by the in-house specialists in each area and also external, relevant stakeholders.
Method of calculation	Number of notes generated for different fora
Data limitations	Updated information from external stakeholders may not be available when required Certain limitations w.r.t. confidentiality applies Limitations with "outcomes of meetings" w.r.t. meetings when we are not represented Time constraints w.r.t. time information is requested and expected time of delivery (e.g. Issues Notes)
Type of indicator	Measures outputs, activities and quality
Calculation type	Non-cumulative
Reporting cycle	Annually and Quarterly
New indicator	No, continues without change from previous year
Desired performance	Performance is as expected
Indicator responsibility	Chief Directorate: International Finance and Development Chief Directorate: Africa Economic Integration

Performance Indicator 6.2

Indicator title	Number of governance and administrative reforms that lead to greater efficiency and effectiveness in African multilateral institutions
Short definition	Greater efficiency and financial prudence in the operations of key multilateral institutions
Purpose/importance	To use the role within the Finance and related Committees within the AfDB, SACU, SADC and AU to ensure effective and efficient financial and administrative governance.
Source/collection of data	Annual and prospective Budget Submissions within SACU and SADC
Method of calculation	Amount in either USD or ZAR of realized savings or in reduced expenditure
Data limitations	Annual budgets are approved by Council (committee of Ministers)
Type of indicator	Outputs and outcomes
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Performance will be evaluated on an annual basis
Indicator responsibility	Chief Director: Africa Economic Integration Director: Africa Economic Integration Director: Africa Economic Integration

Performance Indicator 6.3

Indicator title	International Monetary Fund Reform
Short definition	A campaign or measure aimed at achieving a change, to improve the IMF as an institution, by altering the structure to include a 3 rd board seat for a specific region.
Purpose/importance	Seeking a 3 rd board seat for Sub-Sahara Africa (SSA) which will increase the influence and impact that this region would have in the multi-lateral arena.
Source/collection of data	Largely based on lobbying at various meeting as well as influencing and contribution to the agreed communiqués. Dependant on the availability of relevant information but also the strong relationships and trust that is nurtured between South Africa and the IMF.
Method of calculation	Measures outputs, activities and results
Data limitations	Unavailability of information on internal positions at the IMF
Type of indicator	Monitors and evaluates outputs, activities and impact
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No, continues without change from previous year
Desired performance	South Africa has so far not succeeded in obtaining approval for a third SSA chair, and achieved only limited success in obtaining support from some groups (e.g. Africa Group 1, G24) but not from others (e.g. BRICS, G20).
Indicator responsibility	Chief Director: International Finance and Development Deputy Director: IFD

Performance Indicator 6.4

Indicator title	Increased shareholding in the AfDB
Short definition	Augmentation of a part or portion of something owned (AfDB shares) allotted to, or contributed by South Africa. To increase South Africa's shareholding at the African Development Bank to the 6 per cent approved by Cabinet in 1998
Purpose/importance	This is one of the tools through which SA can use to increase its voice and influence in Africa and work towards a more developed and self-sustainable continent
Source/collection of data	Dependent upon availability of new shares, allocation by the AfDB and approval by Minister of Finance.
Method of calculation	Based on the AfDB's share transfer rules and SA's participation index. Choice of currency to pay for the shares is done in consultation with the ALM Division
Data limitations	Data is based on what is received from the AfDB and consultations within NT
Type of indicator	Percentage shareholding which is currently at 4.8 per cent.
Calculation type	Cumulative for 3-5 years (MTEF cycle)
Reporting cycle	Annual
New indicator	No, continues without change from previous year Depends on availability of shares, allocation by the AfDB and approval by the Minister
Desired performance	Performance is as expected
Indicator responsibility	Chief Director: Africa Economic Integration Director: AEI

Performance Indicator 6.5

Indicator title	Implementation of SADC's Finance and Investment protocol(FIP)
Short definition	FIP sets out a range of policy measures that Member States would undertake to increase policy complementarity to improve the investment and economic integration environment across the SADC region.
Purpose/importance	<p>The FIP is a series of Memoranda of understanding, negotiated between SADC Member States. It aims to address the following areas of cooperation: Investment; Taxation, Macroeconomic Convergence; Exchange Controls; Legal and Operational Frameworks; Payment, Clearing and Settlement Systems Information and Communication Technology; Banking Regulatory and Supervisory matters; Development Finance Institutions; non-Banking Financial Institutions; and Stock Exchanges.</p> <p>These MoUs are implemented by various Subcommittees under the FIP.</p>
Source/collection of data	Consultations within NT, SARB and with other regional stakeholders (Private Sector).
Method of calculation	Success is based on whether the required priorities are implemented
Data limitations	Data is based on what is received from SADC countries (Government Departments and Central Banks) and the SADC Secretariat.
Type of indicator	Measures activities and economy
Calculation type	Cumulative for the period prescribed by the FIP
Reporting cycle	Annual
New indicator	No, continues without change from previous year
Desired performance	Performance is lower than expected
Indicator responsibility	Chief Director: Africa Economic Integration (AEI) Director: AEI

Performance Indicator 6.6

Indicator title	Increase number of bilateral financial engagements with strategic economies
Short definition	This can be achieved through participation in infrastructure projects with the strategic economies. This includes projects such as the Grand Inga with the DRC, OSBP with neighbouring countries
Purpose/importance	Important in achieving the strategic objectives of SA mainly on the continent and as a contributor to SAs economy.
Source/collection of data	Bilateral agreements and officials from NT, DIRCO, the DTI.
Method of calculation	Number of targeted bilaterals SA engages on, benefits for SA Inc. from these bilaterals.
Data limitations	Difficulty in sourcing documents
Type of indicator	Contribution of projects to SAs economy, new opportunities for SAs business sector and improved relations with these strategic economies/countries.
Calculation type	Benefits accrue overtime.
Reporting cycle	Annually
New indicator	Not a new indicator
Desired performance	Lots of room for improvement given the status quo
Indicator responsibility	Chief Director: Africa Economic Integration Director: Africa Economic Integration



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Programme 7:

Civil & Military Pensions, Contributions to Funds and Other Benefits

Technical Indicator Descriptions

2014 / 15

Performance Indicator 7.1

Indicator title	Benefits paid accurately and on time: <ul style="list-style-type: none">• Post-retirement medical benefits: 30 days.• Injury on duty: 30 days.• Special pension: 60 days.• Military Pensions 60 days• Other benefits 30 days
Short definition	Payments of benefits accurately and on time
Purpose/importance	To measure the level of accuracy and the time it takes in administering and processing of benefits
Source/collection of data	Benefit application forms and system reports
Method of calculation	In accordance to respective and guiding legislation within the Programme.(e.g. Government Employee Pension(GEP) Law, Compensation for Occupational Injuries and Deceases Act (COIDA), Special Pensions Act, Military Pension Act and Pension Scheme for Officers of Parliament(PSOP) Rules
Data limitations	Delays by Employer in submitting original awards from Compensation Fund, delays by applicants in submission of banking details.
Type of indicator	Efficiency, Effectiveness and impact on Customer and client satisfaction
Calculation type	Mainly cumulative but have non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Aim is to exceed targeted performance
Indicator responsibility	General Manager: Programme 7 (GPAA)

Performance Indicator 7.2

Indicator title	80% re-engineered core business processes implemented.
Short definition	To re-engineer and implement core business processes
Purpose/importance	To modernise and improve GPAA administration
Source/collection of data	Mapped business processes
Method of calculation	% of core business processes re-engineered
Data limitations	Change of priorities
Type of indicator	Efficiency, output and impact
Calculation type	Cumulative
Reporting cycle	QUARTERLY
New indicator	No
Desired performance	To improve on benefit administration in terms of efficiency and optimum level of performance
Indicator responsibility	Programme Manager: Modernisation (GPAA)

Performance Indicator 7.3

Indicator title	90% customer service complaints are resolved within seven days.
Short definition	Acknowledgement and resolution of customer complaints with predetermined time frame.
Purpose/importance	To improve customer experience
Source/collection of data	Telephone, letters, walk-ins, email and faxes
Method of calculation	Time taken to resolve the complaints from date and time of receipt
Data limitations	Delays by Employer in submitting necessary information, delays by Appeal Board in finalization of appeal cases
Type of indicator	Output, outcomes, impact and efficiency
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Maintain 100% complaint resolution time
Indicator responsibility	General Manager: Programme 7 (GPAA)

Performance Indicator 7.4

Indicator title	Mutually beneficial partnerships with employer departments.
Short definition	Establish mutually beneficial partnerships with employer departments
Purpose/importance	To harness, maintain and improve relationships with employer departments
Source/collection of data	From Employers and collected by Client Liaison Officers
Method of calculation	Number of employer training initiatives conducted
Data limitations	Delays by employer in submission of important documentation that enables GPAA to process and finalize benefits on time
Type of indicator	Inputs, activities, outputs and impact
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To encourage compliance in benefits administration requirements by participating employers
Indicator responsibility	General Manager: Programme 7 (GPAA)

Performance Indicator 7.5

Indicator title	Ensure 90% compliance with National Treasury service level agreement (SLA).
Short definition	Compliance to Service Level Agreement with National Treasury
Purpose/importance	To comply with all predetermined service levels
Source/collection of data	Systems reports : Excel spread sheets, MIS and CIVPEN
Method of calculation	% of total achieved indicators against total number indicators
Data limitations	Delays by employer departments in submitting outstanding information to enable GPAA to process and finalize benefits in time
Type of indicator	Output, impact and efficiency
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To comply with customer service level agreement
Indicator responsibility	General Manager: Programme 7 (GPAA)

Programme 8:

Technical & Management Support and Development Finance

Technical Indicator Descriptions
2014 / 15

Performance Indicator 8.1

Indicator title	Programme office development - Governance and programme reports
Short definition	Development of a programme management office for programme 8, to be monitored through reports to the DG and Minister
Purpose/importance	Coordination and overall management of programme 8 activities
Source/collection of data	Meetings of programme 8 management committee and reports submitted to DG and Minister
Method of calculation	Not applicable
Data limitations	Not applicable
Type of indicator	Narrative indicator of outcome
Calculation type	Not applicable
Reporting cycle	Quarterly
New indicator	No
Desired performance	Effective coordination and overall management of programme 8, with established office responsibilities
Indicator responsibility	Head: GTAC

Performance Indicator 8.2

Indicator title	GTAC established
Short definition	Establishment of the Government Technical Advisory Centre as a government component, including an approved staff establishment and separate institutional accounts
Purpose/importance	Effective functioning of GTAC depends on a sound management and administrative structure
Source/collection of data	Records of management meetings and quarterly reports to DG and Minister
Method of calculation	Not applicable
Data limitations	Not applicable
Type of indicator	Narrative indicator of outcome
Calculation type	Not applicable
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Establishment of GTAC as an organisational component with approved staff establishment and separate entity accounts by the end of the 2014/15 year.
Indicator responsibility	Head: GTAC

Performance Indicator 8.3

Indicator title	Project appraisals and economic assessment of policy and programmes.
Short definition	<ul style="list-style-type: none"> • Number of performance appraisals and assessments (completed and handed over to client). • Number of reviews of expenditure disaggregated in terms of project cost and effort.
Purpose/importance	<ul style="list-style-type: none"> • Ascertaining the viability and feasibility of government projects in order to strengthen major capital project appraisal capacity • Reviews to determine if government programmes are effectively managed and implemented.
Source/collection of data	<ul style="list-style-type: none"> • Information system – completed project folders • EPR project tracking report/schedule
Method of calculation	<ul style="list-style-type: none"> • Simple count of the performance appraisals completed • Simple count of EPR projects specified as underway or completed in the period
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	<ul style="list-style-type: none"> • Target number of appraisals is of a high quality analysis and findings are approved by the client. • A higher number of appraisals, etc. is desirable
Indicator responsibility	<ul style="list-style-type: none"> • Head: NCPU • Head: EPR

Performance Indicator 8.4

Indicator title	Number of technical assistance projects supported.
Short definition	The number of projects supported during a defined period. A project is considered supported once it has been registered as a project on the Business Management Information System.
Purpose/importance	To give an indication of the number of projects supported by the Unit.
Source/collection of data	Business Management Information System (BMIS)
Method of calculation	Count the number of projects in the project list on the BMIS that have the following status - pipeline, current, or completed. The projects are counted on the last day of each quarter (i.e. 30 June, 30 September, 31 December, and 31 March).
Data limitations	The number of projects per status (pipeline, current and completed) is, by nature, variable. Therefore, the numbers reported reflect the system register at that particular date. A spread sheet is issued, dated and signed by the persons responsible for the data and for the management of the projects.
Type of indicator	Activity
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Support to targeted number of projects afforded, a intended and within acceptable service parameters
Indicator responsibility	Director: TASS

Performance Indicator 8.5

Indicator title	Percentage of clients who have observed capacity improvement.
Short definition	The percentage of clients that report improved capacity as a result of support afforded
Purpose/importance	Establish the impact that support has on clients' perceived improvement of their capacity
Source/collection of data	Customer satisfaction survey; Feedback/evaluations
Method of calculation	Calculating the average responses of clients that rated satisfaction levels as "very satisfied" and "satisfied" on the quantitative questions of questionnaires and the customer satisfaction survey.
Data limitations	Subjective inputs from clients; Availability of clients to provide feedback
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Achievement of the targeted percentage of clients who observe capacity improvement.
Indicator responsibility	Director: Knowledge Management

Performance Indicator 8.6

Indicator title	Number of knowledge products related to capacity building.
Short definition	The number of knowledge products (learning networks, communities of practice, case studies, learning sessions and knowledge exchanges) produced in the course of capacity building support in client departments and organisations
Purpose/importance	To indicate whether knowledge products are being produced in support of capacity building
Source/collection of data	Progress reports
Method of calculation	Simple count of knowledge products as defined by the Knowledge Management directorate
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Production (and publication) of 10 knowledge products per year.
Indicator responsibility	Director: Knowledge Management

Performance Indicator 8.7

Indicator title	<p>Number of PPP and capital projects supported:</p> <ul style="list-style-type: none"> • Passenger Rail Agency of South Africa (PRASA) rolling stock. • Renewable energy independent power producer (REIPP) programme. • Hospital revitalisation. • Other projects.
Short definition	<p>Provide technical advisory support for the assessment and, if so indicated, procurement of both PPP and non-PPP capital projects in terms of applicable PFMA, National Treasury Regulations, MFMA, MSA and Municipal PPP regulations. Progress on projects is reported as well as number of other projects.</p>
Purpose/importance	<p>There is a general lack of capacity within most national and provincial departments and municipalities to properly assess the appropriateness of the procurement of specific capital projects and if that assessment so indicates its appropriateness, to undertake the procurement thereof in accordance with the Constitution of the Republic which requires all such procurements to be in accordance with a system which is fair, equitable, transparent, competitive and cost-effective.</p> <p>The PPP Unit provides advisory services in terms of the foregoing, which services include the procurement of suitably qualified project officers and transaction advisors, the undertaking of an assessment to determine whether the proposed capital procurement is affordable, demonstrates value for money and transfers appropriate risk to participating parties and if that assessment so demonstrates, to advise on the procurement thereof in accordance with a system which meets the Constitutional standards.</p>
Source/collection of data	<p>Project steering committee minutes and meetings, and project data saved on the electronic system such as project registration letters.</p>
Method of calculation	<p>The information is reported and collected as disaggregated data. For the projects progress information are reported and for the number of other projects, a simple counting measure is used.</p>
Data limitations	<p>None</p>
Type of indicator	<p>Activity</p>
Calculation type	<p>Cumulative</p>
Reporting cycle	<p>Quarterly</p>
New indicator	<p>This indicator has expanded to include non-PPP capital projects over the past three years.</p>

Desired performance	In addition to on-going support of present transactions (PRASA rolling stock programme, REIPP, etc.), provide transaction advisory support on approximately 10 projects per year.
Indicator responsibility	Head: Public-Private Partnerships

Performance Indicator 8.8

Indicator title	Number of interns appointed to municipalities.
Short definition	Financial management interns appointed to implement reforms in MFMA.
Purpose/importance	These interns are appointed to address capacity problems at municipalities.
Source/collection of data	Municipalities' monthly reports
Method of calculation	Count of interns appointed in municipalities
Data limitations	Verification of data lies with municipalities
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Minimum requirements of 5 interns per municipality met
Indicator responsibility	Chief Director: MFMA Implementation Unit

Performance Indicator 8.9

Indicator title	Number of municipalities assisted through Municipal Finance Improvement Project (MFIP).
Short definition	The MFIP II programme is meant to support municipalities through placement of advisors to build institutional capacity to deliver on the MFMA reforms.
Purpose/importance	To assist municipalities build their capacity to deliver under the MFMA reforms.
Source/collection of data	Municipal Advisor scheduled reports
Method of calculation	Count the number of municipalities assisted
Data limitations	Minimal data limitation as this is compiled using adopted and agreed upon municipal support plans which contains targets of achievement against identified outcome.
Type of indicator	Activity indicator
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Actual performance that is higher is more desirable
Indicator responsibility	Chief Director: Capacity Building, MFIP II Programme Management Unit

Performance Indicator 8.10

Indicator title	Audit action plans developed and implemented.
Short definition	Municipalities' audit action plans designed to address audit findings relating to financial management. This indicator does not pertain to implementation of these plans, only the development.
Purpose/importance	To support the municipalities to have a plan in place to address audit findings relating to financial management.
Source/collection of data	FMG monthly reports
Method of calculation	Simple counting of action plans developed
Data limitations	Verification of data takes place at municipalities
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Audit action plans implemented to address audit findings
Indicator responsibility	Chief Director: MFMA Implementation Unit

Performance Indicator 8.11

Indicator title	Municipal compliance with Budget and Treasury Office, supply chain management, internal audit and audit committee requirements.
Short definition	Roll-out of Financial Management Capability Maturity Model (FMCMM)
Purpose/importance	Assess capability of a municipality to implement the MFMA.
Source/collection of data	Assessments undertaken at municipalities to obtain a baseline.
Method of calculation	Completion of applicable modules of the FMCMM tool
Data limitations	Future institutional change
Type of indicator	Outcome
Calculation type	Narrative
Reporting cycle	Dependent on the roll-out of the tool
New indicator	New
Desired performance	Roll-out of tool to as many municipalities as possible
Indicator responsibility	Chief Director: MFMA Implementation Unit

Performance Indicator 8.12

Indicator title	Long-term urban regeneration programmes registered (cumulative)
Short definition	Long-term urban regeneration programmes consist of identified primary and secondary spatially defined networks and a hierarchy of strategic identified nodes. These are document as urban network plans, consisting of both a spatial map and a description table, and should also be reflected in municipal spatial development frameworks (SDFs) and built environment performance plans (BEPPs). Long-term urban regeneration programmes (as represented in urban network plans) serve to optimise Government's infrastructure investment and guide the delivery of catalytic infrastructure that will support spatial transformation as well as attract third party capital investment.
Purpose/importance	<p>The purpose of long-term urban regeneration programmes are to:</p> <ul style="list-style-type: none"> • Reflect the long-term strategic spatial transformation plans • Link a municipality's development objectives and strategic planning processes to physical projects on the ground • Target development within strategically well-located areas to ensure value for money and to optimise impact • Ensure the overall prioritisation of elements within the urban network to ensure network plan optimisation
Source/collection of data	<p>Developed and submitted by Municipalities to the NDP (with the support of Professional Service Providers through funding from the NDPG Technical Assistance allocation)</p> <p>Long-term urban regeneration programmes (as represented in urban network plans) are collected, reviewed by the NDP unit and status of reflected on the Management Information System.</p> <p>Deliverables are stored as records within NDP Unit file plan structure.</p>
Method of calculation	Count of Municipal Urban Network Plans with NDP Unit Letters of Acceptance / No Objection approved and issued
Data limitations	<p>Long-term urban regeneration programmes (as represented in urban network plans) are intended to reflect a municipality's long-term strategic spatial transformation and infrastructure investment plans. By implication, the plan's time horizon is not 3-5 years, but instead 20-50 years. As a result, while there may a need to revisit, review and update plans slightly, such plans are not intended to change significantly. The commitment to a plan such as this is at risk of:</p> <ul style="list-style-type: none"> • A lack of municipal, sector, community buy-in • Political pressures and ward level dynamics • Changes due political leadership and administration • Misalignment with Government's sector plans • Misalignment with future private sector led development • The human resources capacity for the successful coordination and implementation of NDPG at the municipal level

	<ul style="list-style-type: none"> • The level of effort the municipality provides in coordinating the development of NDPG related municipal plans or deliverables , i.e. submission of monthly and quarterly expenditure and progress reports
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Actual performance that is higher than targeted in the corresponding Annual Performance Plan is desirable
Indicator responsibility	Specialist Strategic Support Neighbourhood Development Programme

Performance Indicator 8.13

Indicator title	Total number of catalytic projects approved
Short definition	Post the Urban Network and precinct planning stages, a list of prioritised catalytic projects (name, scope, end dates and costs estimates) is developed in each identified Urban Hub precinct. Projects from this list are given “permission to proceed with implementation planning” and as a result are regarded as approved.
Purpose/importance	<p>The purpose of approving catalytic projects are to:</p> <ul style="list-style-type: none"> • Link a municipality’s development objectives and strategic planning processes to physical projects on the ground • Target development within strategically well-located areas to ensure value for money and to optimise impact • Sequence the delivery and budgeting of identified and prioritised projects at the precinct level • Ensure that the project contributes as a catalytic investment to achieve a return of investment at third party leverage at the precinct level • Improve the quality of life and the levels of access to opportunity for residents in South Africa’s under-served neighbourhoods
Source/collection of data	<p>Projects are identified, listed and prioritised as per the Unit’s Programme Cycle, and then submitted to the NDP by Municipalities (with the support of Professional Service Providers through funding from the NDPG Technical Assistance allocation)</p> <p>Project lists are collected, reviewed by the NDP unit and the statuses of projects are reflected on the Management Information System.</p> <p>Project related plans and lists are stored as records within NDP Unit file plan structure</p>
Method of calculation	Count of municipal projects with NDP Unit “permission to proceed with implementation planning” instructions approved and issued
Data limitations	<p>The identification of catalytic projects is dependent on a sequence of milestones / stage gates through the Unit’s Programme Cycle, i.e. Urban network plans with identified Urban Hubs, precinct plans, precinct management plans and then project. Some risks related to the data include:</p> <ul style="list-style-type: none"> • The duration / effort taken to identify, scope and provide costs estimates per project • Any subjectivity in determining prioritisation • The availability and scheduling of municipal NDP Grant TA or CG funding to take project through to construction • The human resources capacity for the successful coordination and implementation of NDPG at the municipal level • The level of effort / quality the municipality provides in coordinating the development of NDPG related municipal plans or deliverables , i.e. submission of monthly and quarterly expenditure and progress

	reports
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Actual performance that is higher than targeted in the corresponding Annual Performance Plan is desirable
Indicator responsibility	Specialist Strategic Support Neighbourhood Development Programme

Performance Indicator 8.14

Indicator title	Number of Neighbourhood Development Partnership Grant projects under construction.
Short definition	This indicator reflects the total number of neighbourhood development partnership grant projects that falls within in any of the construction activity stages.
Purpose/importance	<p>The purpose of monitoring projects under construction are to:</p> <ul style="list-style-type: none"> • Demonstrate that municipality's development objectives and strategic planning processes are linked to physical projects on the ground • Assist in managing a pipeline (planning and funding) of catalytic projects over the MTEF • Assess the effectiveness of the Grant in terms of grant funding budgeted vs. transferred • Assess a municipality's capacity to procure, implement, spend and close out projects effectively • Review project implementation against cash flow schedules, budgets and timeframes
Source/collection of data	<p>Municipalities (with the support of Professional Service Providers / Teams) manage / monitor and report on project implementation against cash flow schedules, budgets and timeframes. The aim is to ensure sound financial management and performance information as specified by the NDP Unit's management information systems and formats (i.e. monthly web, progress and close-out reports)</p> <p>Project implementation information is collected and reviewed against cash flow schedules, budgets and timeframes. The construction activity stages / statuses of projects are reflected on the Management Information System. Project related progress reports / deviations are stored as records within NDP Unit file plan structure.</p>
Method of calculation	<p>Most infrastructure delivery projects will go through six phases as characterised by a sequential or staged flow of construction activities. They are:</p> <ol style="list-style-type: none"> 1. Inception 2. Concept and Viability 3. Design Development 4. Documentation and Procurement 5. Construction Contract Administration 6. Close Out <p>This indicator reflects the total number of neighbourhood development partnership grant projects that falls within in any of the above construction activity stages as reflected on the Management Information System.</p>
Data limitations	The Number of Neighbourhood Development Partnership Grant projects under construction is dependent on a sequence of milestones / stage gates through the Unit's Programme Cycle, i.e. Urban network plans with identified Urban Hubs, precinct plans, precinct management plans and then projects.

	<p>Some risks related to the data include:</p> <ul style="list-style-type: none"> • The duration / effort taken to identify, scope and provide costs estimates per project • The availability and scheduling of municipal NDP Grant TA or CG funding to take project through to construction • The human resources capacity for the successful coordination and implementation of NDPG of municipalities manage / monitor and report on project implementation against cash flow schedules, budgets and timeframes • The accuracy of project cash flow schedules, budgets and timeframes • The level of effort / quality the municipality provides in coordinating the development of NDPG related municipal plans or deliverables , i.e. submission of monthly and quarterly expenditure and progress reports
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Actual performance that is higher than targeted in the corresponding Annual Performance Plan is desirable
Indicator responsibility	Specialist: Strategic Support Neighbourhood Development Programme

Performance Indicator 8.15

Indicator title	Estimated third-party investment leveraged (cumulative).
Short definition	The NDP Unit's strategy is aimed at leveraging third-party investment in order to transform targeted locations in townships, referred to as Urban Hubs. The NDPG aims to attract third-party investment into township developments by catalytic project funding, optimising a package of public infrastructure investment and ensuring greater coordinated urban management. The outcome of this strategy is measured by the estimated amount of third-party investment leveraged into targeted locations.
Purpose/importance	<p>The purpose of leveraging third-party investment:</p> <ul style="list-style-type: none"> • Wise government invests will save substantial costs by effectively leveraging private funds and by producing improved economic circumstances that reduce other costs and expand public revenues • To maximize and exploit the opportunities of targeted locations • Motivate for greater alignment of fiscal and regulatory incentives & instruments across spheres / sectors [such as infrastructure grants] that foster growth in strategically targeted urban spaces [urban hubs] • To unlock further developmental and economic opportunities through private sector investment • To promote long term sustainability and reduce risk • Increase returns on investment (both public and private)
Source/collection of data	<p>There are various sources that qualify as third-party investment:</p> <ul style="list-style-type: none"> • Other Government grants • Municipal self-investment • Non-governmental support / resources • Private sector business • Investors (developers, project financiers, equity funds, community funds, tribal authorities etc.) • In-kind / sweat equity • Direct fund (contributing hard cash) • Land (e.g. municipality offering land without any cost) • Conditional Loans at preferential rates <p>The role of the municipality is to engage with stakeholders so as to develop partnerships that leveraged funding into the targeted locations. Precinct plans are to be developed with estimated or projected third-party investment potential. Any investment regarded as leverage must be reported against / within each Urban Hub precinct.</p> <p>Leverage information is collected and reviewed then attributed per Urban Hub precinct. Estimated leverage is reflected on the Management Information System. Leverage information / reports is stored as records within NDP Unit file plan structure</p>
Method of calculation	Precinct plans are developed, and approved, only when they include the projected / estimated third-party investment into a precinct or urban hub. Any investment qualifying as leverage must be reported against / within each Urban Hub precinct to the NDPG.

	Estimated leverage is reflected on the Management Information System. The outcome of the NDP's strategy is measured by the estimated amount of total third-party investment leveraged into all targeted locations.
Data limitations	<p>There are various challenges in securing, reporting and attributing leverage:</p> <ul style="list-style-type: none"> • The regulatory constraints sometimes inhibit development, land release hindering the market to invest into strategic locations • The scale of the development may limited by the nature of infrastructure available e.g. bulk infrastructure provision • Effectiveness of investments, i.e. sustainable development [public] vs. returns and profitability [private] • Dependency on the nature of macro investment climate • The level / capacity and effort in mobilising private/public capital • Difficulty in attributing investment solely to catalytic NDPG funding • Factoring in long term operation cost or contributions e.g. urban management • Investment may come in several forms (not all may be integrated or constructive)
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Actual performance that is higher than targeted in the corresponding Annual Performance Plan is desirable
Indicator responsibility	Specialist Strategic Support Neighbourhood Development Programme

Performance Indicator 8.16

Indicator title	Number of spatial transformation zones identified in participating municipalities (per year).
Short definition	The spatial transformation (integration) zones are spatially targeted prioritised areas identified for investment by the metropolitan municipalities. The integration zones are made up of the elements (hub, corridor, core (CBD)) of the urban network strategy.
Purpose/importance	The purpose of the zones is to support the spatial transformation of the city. Through the identification of prioritised areas investment is targeted. This approach is meant to align public investment and create greater efficiencies, synergies and impact of public investment including use of infrastructure grants as well as leveraging private sector investment.
Source/collection of data	The spatial transformation (integration) zones are identified and approved by the metropolitan municipalities. They are reflected in the Built Environment Performance Plans (BEPP) of the municipalities and submitted to National Treasury on a yearly basis in line with the conditions of the Integrated City Development Grant and other metropolitan infrastructure grants in accordance with the DoRA.
Method of calculation	Simple count of the number of integration zones as reflected in the BEPP submitted to NT for 2014/15
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	The identified spatial transformation / integration zones contribute to cities being transformed spatially in the long term. For impact the Zones identified need to be consistent over time.
Indicator responsibility	Cities Support Programme Chief Directorate : Provincial and Local Government Infrastructure

Performance Indicator 8.17

Indicator title	Number of projects within identified zones identified for planning (per year).
Short definition	Within the integration zones cities need to identify, plan and implement catalytic projects. These projects must be integrated (mixed land use, mixed income, leverage investment from the private sector (households/ business)).
Purpose/importance	Many projects are generally planned sectorally and the synergies and efficiencies (with regarding financing and outcomes) that can be generated through integration are not realised. Planning is a critical part of the project cycle. By undertaking the planning a pipeline of projects is being developed and provides an indication of the potential number of projects that could be implemented.
Source/collection of data	The projects in integration zones that are in the planning stage are reflected in the Built Environment Performance Plans (BEPP) of the municipalities that are submitted to National Treasury annually.
Method of calculation	Simple count of the number of projects in integration zones identified for planning reflected in the BEPP submitted to NT for 2014/15
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Increased number of projects that are planned in the integration/ spatial transformation zones by the public and private sector which contributes to the spatial transformation and inclusive growth in the cities
Indicator responsibility	Cities Support Programme Chief Directorate : Provincial and Local Government Infrastructure

Performance Indicator 8.18

Indicator title	Number of integrated city development projects under implementation (per year).
Short definition	The integration zones are spatially targeted areas for infrastructure investment by the cities sometimes in partnership with the private sector. The implementation phase of the projects include detailed design, construction and close out/ completion.
Purpose/importance	Many projects are generally financed and implemented sectorally and the synergies and efficiencies (with regard to financing and sustainability etc.) that can be generated through integration are not realised. It is important to measure the number of projects being implemented as this relates to the expenditure of the grant finance.
Source/collection of data	They are reflected in the Built Environment Performance Plans (BEPP) of the municipalities and submitted to National Treasury on a yearly basis
Method of calculation	Simple count of the number of projects under implementation in integration zones reflected in the BEPP submitted to NT for 2014/15
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Increased number of projects that are implemented in the integration/ spatial transformation zones by the public and private sector which contributes to the spatial transformation and inclusive growth in the cities
Indicator responsibility	Cities Support Programme Chief Directorate : Provincial and Local Government Infrastructure

Performance Indicator 8.19

Indicator title	Loan repaid
Short definition	Gauteng Province honouring the debt obligation as per the requirements of the Gautrain Loan Agreement which was signed by the National Government and the Gauteng Provincial Government in March 2009
Purpose/importance	The purpose is to ensure the funds are paid back
Source/collection of data	EFT payments
Method of calculation	Total amount of EFT payments
Data limitations	None
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Repayments made based on Gautrain Loan Agreement terms
Indicator responsibility	<ul style="list-style-type: none">• Director: Provincial Budget Analysis• Assets and Liability Management

Performance Indicator 8.20

Indicator title	Number of projects approved (cumulative).
Short definition	Denotes the number of project applications approved by the Investment Committee per funding round from inception of the Fund to date.
Purpose/importance	To track the number of applications that have successfully met the Jobs Fund's competitive requirements and the extent to which the Jobs Fund is progressively meeting its strategic imperatives.
Source/collection of data	Data are collected from Investment Committee Decision Records and meeting Minutes.
Method of calculation	A count of all the stage two applications that have been approved at a sitting of the Investment Committee meeting.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	A higher number of projects spread across the various funding windows are desirable.
Indicator responsibility	Head: Social Security and Jobs Fund Project Management Unit

Performance Indicator 8.21

Indicator title	Grant funding approved (cumulative).
Short definition	Denotes the quantum (in Rand value terms) of Grant funds that has been allocated (Committed) for the implementation of approved portfolio projects.
Purpose/importance	Represents the amount of grant funds committed to approved projects relative to the total available pot of MTEF allocations for grant awarding by the Jobs Fund.
Source/collection of data	Data are collected from Investment Committee Decision Records and meeting Minutes.
Method of calculation	A count of the total approved grant amount to be used for the implementation of approved projects.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly.
New indicator	No
Desired performance	A lower proportion of grant funding to match funding is desirable.
Indicator responsibility	Head: Social Security and Jobs Fund Project Management Unit

Performance Indicator 8.21.1

Indicator title	Value of matched funding.
Short definition	Denotes the quantum (in Rand value terms) of Matched funding that is expected to be leveraged from Jobs Fund Partners for the implementation of approved portfolio projects, over their contracted life cycle.
Purpose/importance	The Jobs Fund is run on co-funding principles, which form part of the structural make-up of a Challenge Fund. One of the key eligibility criteria for any application to the Jobs Fund therefore is their ability to co-fund proposed projects.
Source/collection of data	Data are collected from Investment Committee Decision Records and meeting Minutes.
Method of calculation	A count of the total matched funding amount contracted upon by Jobs Fund Partners to be raised and utilised for the implementation of approved projects.
Data limitations	The data are accurate to the extent that projects have adequately projected the availability of the indicated quantum of matched funding.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	A higher proportion of leveraged matched funding to grant funding is desirable.
Indicator responsibility	Head: Social Security and Jobs Fund Project Management Unit

Performance Indicator 8.22

Indicator title	New jobs contracted (cumulative).
Short definition	Denotes the number of projected new permanent jobs (or Full Time Equivalent) that is expected to be created as a result of Jobs Fund projects over the projects' contracted project life cycle.
Purpose/importance	The Jobs Fund intends to catalyse innovative and new approaches to the creation of sustainable job opportunities. This indicator demonstrates the progressive realisation of this Jobs Fund's objective through the measurement of projected permanent job opportunities anticipated by contracted portfolio projects.
Source/collection of data	Project Implementation Monitoring Plans are completed with the approved projected job numbers.
Method of calculation	A count of approved projected permanent jobs to be created by projects by the end of their implementation cycle.
Data limitations	The data are accurate to the extent that projects have adequately projected the quantum of anticipated jobs to be created. These numbers can change (through IC approval) post approval and in the course of implementation on account of several factors, which may include, sector challenges that hinder performance, availability of sufficient matched funding which may impact of the project size, exchange rate elastic projects, project terminations, withdrawals, lapsed approval offers, etc.
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	A higher performance against the targeted value is desirable.
Indicator responsibility	Head: Social Security and Jobs Fund Project Management Unit

Performance Indicator 8.22.1

Indicator title	Placements contracted (cumulative).
Short definition	Denotes the number of projected placements (with and beyond project partners) facilitated by Jobs Fund projects over their contracted project life cycle.
Purpose/importance	The Jobs Fund intends to catalyse innovative and new approaches to the creation of sustainable job opportunities. This indicator demonstrates the progressive realisation of this Jobs Fund's objective through the measurement of permanent placements expected to be unlocked by contracted projects.
Source/collection of data	Project Implementation Monitoring Plans are completed with the approved projected placement numbers.
Method of calculation	A count of total approved projected placement opportunities to be unlocked by projects by the end of their implementation cycle.
Data limitations	The data are accurate to the extent that projects have adequately projected the quantum of anticipated placements to be facilitated. These numbers can change (through IC approval) post approval and in the course of implementation on account of several factors, which may include, sector challenges that hinder performance, availability of demand, project terminations, withdrawals, lapsed approval offers, etc.
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	A higher performance against the targeted value is desirable.
Indicator responsibility	Head: Social Security and Jobs Fund Project Management Unit

Performance Indicator 8.22.2

Indicator title	Training contracted (cumulative).
Short definition	Denotes the projected number of beneficiaries to successfully complete training programmes provided by the Jobs Fund approved projects, over their contracted life cycle.
Purpose/importance	As part of its holistic value proposition, the Jobs Fund seeks to, amongst other things; improve the employability of the beneficiaries that participate in Jobs Fund supported projects. This indicator measures the projected number of beneficiaries that would successfully meet the requirements of such training programmes with a view to acquiring more tradable skills.
Source/collection of data	Project Implementation Monitoring Plans are then completed with the approved projected placement numbers.
Method of calculation	A count of the projected number of approved beneficiaries expected to successfully complete training interventions provided by Jobs Fund projects by the end of their implementation cycle.
Data limitations	The data are accurate to the extent that projects have adequately projected the quantum of anticipated beneficiaries that will successfully complete training interventions. These numbers can change (through IC approval) post approval and in the course of implementation on account of several factors, which may include, sector challenges that hinder performance, project terminations, withdrawals, lapsed approval offers, etc.
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	A higher performance against the targeted value is desirable.
Indicator responsibility	Head: Social Security and Jobs Fund Project Management Unit

Performance Indicator 8.23

Indicator title	Value of grant funding disbursed (cumulative).
Short definition	Denotes the Rand-value of grant funding disbursed to contracted Jobs Fund projects.
Purpose/importance	The Jobs Fund operates on an advance disbursement principle in its dealings with its Partners on a quarterly basis. Disbursements enable the projects to undertake their PIMP activities, which are converted to outputs and these in turn are converted to the desired outcomes. Tracking the flow of disbursement is important in ensuring that the Jobs Fund projects are on course to meet their quarterly and ultimately overall contracted results.
Source/collection of data	This information is documented and collated by the Finance function within the Jobs Fund with each payment made to eligible projects. This information is ultimately captured onto the GMS.
Method of calculation	A calculation of the sum of all payments made to eligible Jobs Fund projects against their approved grant allocations.
Data limitations	None
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Performance that is as close as possible to the targeted disbursement amount is desirable.
Indicator responsibility	Head: Social Security and Jobs Fund Project Management Unit

Performance Indicator 8.24

Indicator title	Jobs Fund evaluation reports documented and learning about effective approaches to job creation disseminated.
Short definition	Denotes the design, set up and management of monitoring and evaluation systems and processes that systematically collect, analyse and disseminate key information on the performance of portfolio projects during and post implementation.
Purpose/importance	One of the key Jobs Fund mandate objectives is the piloting of innovative and inclusive approaches to job creation. This indicator enables the Jobs Fund to systematically collect and decipher critical information on the effectiveness of different theories of change, as have been competitively selected, to better understand their delivery challenges and successes. This knowledge will assist future Jobs Fund decision making as well as inform future government policy on job creation.
Source/collection of data	Project Implementation Monitoring Plans (PIMPs), Grant Management System (GMS), Site Visit Reports, Comparative Studies, Evaluation Reports.
Method of calculation	A count of individual monitoring and evaluation reports documented and approved for internal and external Jobs Fund dissemination.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Performance that is higher than the targeted number is desirable
Indicator responsibility	Head: Social Security and Jobs Fund Project Management Unit

Performance Indicator 8.25

Indicator title	Employment, income distribution and inclusive growth research project (REDI3x3).
Short definition	REDI3x3 seeks to advance an integrated response to unemployment, inequality and poverty, building on a research framework developed through a partnership between the Department of Economics at the University of the Free State and the Southern Africa Labour and Development Research Unit at the University of Cape Town.
Purpose/importance	During 2012, the Minister of Finance called for evidence, analysis and advice on public policy and public finance reforms in support of accelerated employment creation, a more equitable distribution of income and inclusive growth, and approved the National Treasury supporting a multi-year collaborative research project on Employment, Income Distribution and Inclusive Growth (as part of its Employment Creation Facilitation sub-programme).
Source/collection of data	For each of the three focus areas (i. Employment; ii. Income Distribution; and iii. Inclusive Growth), the project has identified a number of research gaps. Members of the research community have been (and continue to be) invited to submit proposals which address these gaps.
Method of calculation	No applicable
Data limitations	None
Type of indicator	Activity
Calculation type	Cumulative
Reporting cycle	Biannually
New indicator	Yes
Desired performance	Performance that is higher than the targeted number is desirable
Indicator responsibility	Head: Social Security and Jobs Fund Project Management Unit

Performance Indicator 8.26

Indicator title	Number of technical assistants deployed in participating departments to support the development of capacity in line with the infrastructure delivery management system (IDMS).
Short definition	Technical Assistants (TAs) placed in National (Treasury, Health, and Basic Education) and Provincial Treasury to support the development of capacity in infrastructure units.
Purpose/importance	Capacity building to improve infrastructure delivery and institutionalise the IDMS
Source/collection of data	Technical Assistance Agreements, Terms of References and contracts
Method of calculation	Number of Signed contracts Number of Technical Assistance Agreements
Data limitations	None submission or late submission of Technical Assistance Agreements and Terms of References
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Deployment of TAs in selected departments (National and Provincial) to develop and enhance capacity in departmental infrastructure units
Indicator responsibility	Chief Director: Infrastructure Delivery Improvement Unit

Performance Indicator 8.27

Indicator title	Number of officials trained on the infrastructure delivery management (IDM) toolkit to support improved infrastructure delivery in provinces.
Short definition	IDM Toolkit training is facilitated through needs driven engagements on the IDMS and through the Infrastructure Delivery Management Programme (IDMP) that is facilitated through the University of Pretoria (UP).
Purpose/importance	To train and capacitate relevant officials on IDMS processes to effectively and efficiently plan, deliver, maintain, manage and report on infrastructure
Source/collection of data	Needs assessment, Nomination letter signed by the HoD of each department, University report of graduated students.
Method of calculation	University report of students that graduated Number of certificates awarded
Data limitations	Late submission of: Needs assessment, Nomination letter signed by the HoD of each department, University report of graduated students
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Capacitated infrastructure units that can effectively and efficiently plan, deliver, maintain, manage and report on infrastructure
Indicator responsibility	Chief Director: Infrastructure Delivery Improvement Unit

Performance Indicator 8.28

Indicator title	Number of graduates trained in line with the relevant statutory council's requirements in engineering, town planning, geographic information systems and project management.
Short definition	The number of graduates in training as per the requirements of the respective statutory councils.
Purpose/importance	The indicator is meant to show gradual progression of graduates from registration (as candidates) right through to becoming registered professionals in their respective fields.
Source/collection of data	<ul style="list-style-type: none"> Monthly and quarterly reports submitted by municipalities Empirical information from reports and municipal visits
Method of calculation	<ul style="list-style-type: none"> Business plans submitted by municipalities with numbers of required graduates, <ul style="list-style-type: none"> Graduates names are submitted to the relevant statutory institutions for registration, Appropriate programme or work plans are issued in alignment to the requirements of the statutory councils for training under the supervision of the municipality's supervisors After graduates have covered all the elements as required by the statutory councils - graduates are assessed and registration granted or required to train further to cover elements that they are found not competent (by the relevant statutory council).
Data limitations	<ul style="list-style-type: none"> Inconsistencies in the information reported by municipalities (which could be attributed to the high staff turnover) Some municipalities are not complying to the grant framework
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	A higher number of graduates than the targeted number is desirable
Indicator responsibility	Chief Director: Infrastructure Delivery Improvement Unit