

TECHNICAL INDICATOR DESCRIPTORS 2015/16



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

TECHNICAL **INDICATOR DESCRIPTORS** 2015/16

PROGRAMME 1:
ADMINISTRATION



national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

PERFORMANCE INDICATOR 1.2.1

Indicator title	Cost efficient management of goods and services
Short definition	Reduce overall spending on procuring assets and on 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	<ul style="list-style-type: none"> • Evidence that robust negotiations with suppliers routinely takes place • Evidence that prices paid for commodities are well within market norms
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	No
Desired performance	To reduce the overall spending amount on good and services by decreasing the cost per unit price for assets.
Indicator responsibility	Chief Financial Officer

PERFORMANCE INDICATOR 1.2.2

Indicator title	Provide an effective and efficient information and communication technology (ICT) service
Short definition	Ensure that the National Treasury is provided with effective ICT solutions and services
Purpose/importance	To ensure that the department is capacitated to achieve its objectives
Source/collection of data	<ul style="list-style-type: none"> • Evidence that ICT plans are aligned with the priorities of the organisation • Evidence that identified solutions are implemented and effective • Evidence that services are delivered in accordance with expectations of the organisation.
Method of calculation	Measurement of delivery against plans and agreed service levels
Data limitations	None
Type of indicator	The indicator measures outputs and outcomes
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	t To best equip the organisation, from an ICT perspective, with available resources
Indicator responsibility	Chief Director: Information and Communication Technology

PERFORMANCE INDICATOR 1.2.3

Indicator title	Retain appropriately skilled personnel
Short definition	Ensure that vacant positions are filled and improve the retention levels of staff in NT
Purpose/importance	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	No
Desired performance	Increase the percentage of positions filled and the percentage of employees retained
Indicator responsibility	Chief Director: Human Resource Management

PERFORMANCE INDICATOR 1.2.4

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 to 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 risks in an effort to attain operational resilience
Source/collection of data	BCM facility establishment
Method of calculation	Percentage % achievement of the BCM facility establishment
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	NT has a fully functional BCM facility established (identified priority business operations)
Indicator responsibility	Chief Risk Officer

PERFORMANCE INDICATOR 1.3.1

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: through relevant governance structures, provide assurance reports to the Accounting Officer 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: Increased number of vetted NT employees • Activity: vetting of employees
Purpose/importance	<ul style="list-style-type: none"> • Implementing an Enterprise Risk Management strategy is necessary to assess and monitor risk from all sources in order to increase NT's short and long term value to its stakeholders • The importance of vetting identified employees is to assess the integrity of employees in order to minimise risks associated with breaches that may negatively affect 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 the Risk Management Committee • Vetting of identified employees • Security clearance certificates
Method of calculation	<p>Enterprise Risk Management</p> <ul style="list-style-type: none"> • Percentage % implementation against the risk management strategy • Vetting of identified employees • Percentage % of 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 all identified employees vetted
Indicator responsibility	Chief Risk Officer

PERFORMANCE INDICATOR 1.3.2

Indicator title	Retention of intellectual capital and institutional memory through knowledge management (KM).
Short definition	Retain National Treasury's knowledge assets by harvesting intellectual and institutional memory of employees in the Treasury.
Purpose/importance	Ensure that there is a platform where NT's knowledge assets can be deposited, shared and retained for research and for the development 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 1.3.3

Indicator title	Exercise oversight over public entities
Short definition	Exercise oversight over the public entities reporting to the Minister of Finance to enable the achievement of government's policy objectives in a financially sustainable manner
Purpose/importance	Ensure compliance with the PFMA and enable public entities to meet government's policy objectives
Source/collection of data	<p>Evidence of review of relevant public entity data, including:</p> <ul style="list-style-type: none"> • Annual Reports • Strategic Plans and Annual Performance Plans • Engagements with management • Industry reports • National Development Plan (NDP) <p>Evidence of conducting relevant analyses, engagement with stakeholders and submission of information to the Ministry and/or other internal stakeholders</p> <p>Evidence of having examined relevant entity compliance with the PFMA, Treasury Regulations and Practice Notes, the Companies Act and government regulations</p>
Method of calculation	Extent of analyses and stakeholder engagement conducted, in relation to mandate of the unit
Data limitations	None
Type of indicator	The indicator measures outcomes
Calculation type	Cumulative
Reporting cycle	Quarterly reporting
New indicator	No
Desired performance	Ensure that the public entities are directed to serve government's strategic objectives as outlined in the NDP, MTSF and further articulated in the New Growth Path
Indicator responsibility	Director: Public Entities Oversight Unit

PERFORMANCE INDICATOR 1.3.4

Indicator title	Implement the risk-based internal audit plan
Short definition	<p>Conducting assurance and consulting engagements on governance, risk management and control processes</p> <ul style="list-style-type: none"> • Outcome: NT achieves its set strategic goals • Outputs: <ul style="list-style-type: none"> ○ provide reasonable assurance reports to the Accounting Officer through relevant governance structures that risks are adequately mitigated to achieve strategic objectives ○ provide robust and practical recommendations to improve the governance, risk management and control processes • Activity: perform risk-based audit engagements and submit reports to relevant governance structures
Purpose/importance	Assist NT to achieve its strategic goals by evaluating the adequacy and effectiveness of the department's governance, risk management and control processes, and providing robust and practical recommendations to improve them
Source/collection of data	<ul style="list-style-type: none"> • Approved risk registers from Enterprise Risk Management • NT's strategy documents and Operational Plans • External audit reports • Specific information requests to NT management that is relevant
Method of calculation	Percentage % completion of audit engagements against the risk-based internal audit plan
Data limitations	Lack of an adequate electronic data system may compromise data integrity
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Risk-based internal audit plan implemented 100%
Indicator responsibility	Chief Audit Executive

TECHNICAL **INDICATOR DESCRIPTORS** 2015/16

PROGRAMME 2:
**ECONOMIC POLICY, TAX, FINANCIAL
REGULATION AND RESEARCH**



national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

PERFORMANCE INDICATOR 2.1.1

Indicator title	Number of papers published by research institutions and internally
Short definition	Builds economic research capacity in academic and/or research institutions through the funding of economic research in line with public interest. Research topics would typically include promoting 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 Economic Research Southern Africa (ERSA) and other institutions, for <i>ad-hoc</i> 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 published annually on the ERSA website
Data limitations	Access to and availability of data or information required for research development
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Achieve targeted annual research paper output
Indicator responsibility	DDG: Economic Policy and DDG: Tax and Financial Sector Policy

PERFORMANCE INDICATOR 2.2.1

Indicator title	Implement twin peaks model legislation
Short definition	Enabling legislation for the twin peaks model was introduced in 2013/2014; its implementation is necessary in order to establish the twin peaks regulators. Under the twin peaks model, the financial services industry and related structures will have two regulators: a prudential regulator, which will operate within the Reserve Bank; and a new market conduct regulator, which will be established within a restructured Financial Services Board.
Purpose/importance	Enable a stable financial sector through the introduction of the twin peaks model. This is a new approach to regulation, and has the following four main priorities: <ul style="list-style-type: none"> • Financial stability • Consumer protection and market conduct regulation • Expand access through market inclusion • Combat financial crime
Source/collection of data	<ul style="list-style-type: none"> • Evidence of activity towards establishing regulators • Evidence of other activity towards implementation , monitoring and evaluation of the legislation • Information published on NT website
Method of calculation	<p>Implementation of the twins peaks model along the guidelines upon which the model was intended. The proposed 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. The plan offers guidelines 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 success of the implementation of the twin peaks model 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 2.2.2

Indicator title	Implement savings and retirement policies
Short definition	Implement regulatory reforms on savings and retirement policies that would lead to increased levels of national savings and enabling legislation
Purpose/importance	In order to increase levels of national savings policies will be developed to improve the national savings rate through reforms to the legislative framework governing the savings industry, including work being undertaken towards the implementation of retirement reform proposals
Source/collection of data	<ul style="list-style-type: none"> • Evidence of research undertaken to inform policy choices • Evidence of activity related to the implementation of policy, in line with targets specified in the Annual Performance Plan
Method of calculation	Number of policies developed and the extent to which the policies are implemented over a given period
Data limitations	None
Type of indicator	Outcome - Economy
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Percentage increase in National Savings and percentage increase in retirement funds as reflected in macroeconomic data
Indicator responsibility	CD: Financial Investments and Savings

PERFORMANCE INDICATOR 2.3.1

Indicator title	Publish tax proposals in annual Budget Review
Short definition	Providing tax policy advice, tax revenue analysis, tax revenue forecasting and drafting the annual tax legislation
Purpose/importance	Ensure an effective, equitable and efficient tax policy and tax administration system
Source/collection of data	Tax proposals developed based on research, tax analysis and tax revenue forecasting
Method of calculation	Tax legislation published timeously with the annual Budget Review
Data limitations	Input into budget not provided timeously
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Tax proposals published annually in the Budget Review
Indicator responsibility	CD: Tax Policy

PERFORMANCE INDICATOR 2.3.2

Indicator title	Implement, monitor and evaluate environmentally sustainable tax legislation
Short definition	Implement environmental tax reforms aimed at targeting taxation on economic 'bads' such as pollution (carbon tax policy) and resource depletion
Purpose/importance	The objectives of environmental tax reforms are to increase the efficiency of resource use, to improve the environment and to increase citizen well-being both economically and environmentally
Source/collection of data	Macro-econometric modelling and forecasts would inform the environmental tax reforms as these models and forecasts would establish the effects of such reforms on industry and citizens. Research on environmental tax reform implementation in other countries is also as a source of data and input.
Method of calculation	Tax reforms and legislation are developed and implemented according to timelines in the annual budget and in internal planning documents
Data limitations	Limited insights into the effects of implementing new tax reforms and limited capacity to implement approved proposals or policies effectively
Type of indicator	Input – Economy
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Environmental sustainability is implemented in line with legislative requirements, and carbon tax policy is implemented during 2015
Indicator responsibility	CD: Economic Tax Analysis

PERFORMANCE INDICATOR 2.4.1

Indicator title	Provide economic analysis and assessment of government policy proposals
Short definition	Assess and provide advice on macro and microeconomic policy proposals within appropriate turnaround times
Purpose/importance	Good economic policy enables robust and sustainable economic growth, stable consumer price trajectories and 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 • Inter-departmental and private stakeholder consultation on economic policy and related issues
Method of calculation	Turnaround time for policy proposal assessment from receipt of proposal to feedback/consultation provided
Data limitations	Quality of policy memoranda and policy proposals received. Quality and completeness of information received would affect turnaround times
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	<ul style="list-style-type: none"> • Reports on and analysis of key macroeconomic trends and variables within two days of publication • Reviews and economic assessment of government policy proposals within three weeks of request
Indicator responsibility	Economic Policy

PERFORMANCE INDICATOR 2.4.2

Indicator title	Development and maintenance of 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 reflect 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 delays to 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 2.4.3

Indicator title	Develop 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
Purpose/importance	Detailed and comprehensive economic models inform economic policy, and highlight areas where amendments or reforms to legislation are 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 the accuracy of models or forecasts • Turnaround times can 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 2.4.4

Indicator title	Develop economic policy analysis, research, assessment and advice on macroeconomics
Short definition	<p>Assess and provide advice on macroeconomic policy proposals within appropriate turnaround times</p> <ul style="list-style-type: none"> • Provide briefing notes or memos to Minister or DG on macroeconomic issues/research including inflation, employment, exchange rate, capital flows and international growth strategies • Publish research papers (with external researchers) on employment, growth, consumption and investment policies • Provide monthly/quarterly reports on CPI, reserves, credit extension, monetary policy decisions, employment, trade and GDP growth
Purpose/importance	Provide macroeconomic analysis on critical issues affecting monetary policy, economic growth, investment and job creation in order to inform the Ministry of Finance, NT and engagements with the Economic Cluster
Source/collection of data	<ul style="list-style-type: none"> • Evidence of relevant data collected • Evidence of analyses being conducted • Evidence of appropriate levels of consultation being undertaken • Evidence of publications, briefing notes, reports and memos
Method of calculation	Number of analyses completed, reports produced and correspondence with stakeholders. Turnaround time of policy advice.
Data limitations	<p>Turnaround times can be influenced by the need to consult or request further information from external stakeholders, such as other national departments, for example</p> <p>Availability and provision of relevant data and information from SARS, other national departments and external stakeholders</p>
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	<p>Respond to <i>ad hoc</i> requests for advice, including from the MSC, SCBFM, Economic Cluster Meetings, Cabinet Memos, Speeches within 2 weeks with quality inputs</p> <p>Publish at least two research papers (with external consultants)</p> <p>Write 10 briefing notes and memos for Minister or DG</p>
Indicator responsibility	Economic Policy

PERFORMANCE INDICATOR 2.4.5

Indicator title	Develop economic policy analysis, research, assessment and advice on microeconomics
Short definition	<ul style="list-style-type: none"> Assess and provide advice on microeconomic policy proposals within appropriate turnaround times Publish research papers (with external researchers) on freight logistics, competition and firm level dynamics Provide briefing notes or memos to the Minister or DG on microeconomic issues/research including mining, industrial, agricultural or competition policy, and regulation of network industries (including electricity, transport, communications) Provide monthly/quarterly reports on growth and employment creation in key sectors
Purpose/importance	Provide microeconomic analysis on critical issues affecting competitiveness, economic growth, investment and job creation to inform the Ministry of Finance, NT and the economic-policy related departments in the Economic and Infrastructure clusters
Source/collection of data	<ul style="list-style-type: none"> Evidence of relevant data collected Evidence of analyses being conducted Evidence of appropriate levels of consultation being undertaken Evidence of publications, briefing notes, reports and memos
Method of calculation	Number of analyses completed, reports produced and correspondence with stakeholders. Turnaround time of policy advice.
Data limitations	<p>Turnaround times can be influenced by the need to consult or request further information from external stakeholders such as other national departments, for example.</p> <p>Availability and provision of relevant data and information from SARS, other national departments and other external stakeholders</p>
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	<p>Respond within two weeks to <i>ad hoc</i> requests for advice (including ITAC, Economic Cluster meetings, Cabinet memos, speeches) with quality inputs</p> <p>Publish at least five research papers (with external consultants)</p> <p>Write 10 briefing notes and memos for Minister or DG</p>
Indicator responsibility	Economic Policy

TECHNICAL **INDICATOR DESCRIPTORS** 2015/16

PROGRAMME 3:
**PUBLIC FINANCE AND
BUDGET MANAGEMENT**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

PERFORMANCE INDICATOR 3.1.1

Indicator title	In line with the 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 in line with the MTEF
Purpose/importance	The indicator aims to determine the level of government control over expenditure in order to exercise fiscal discipline
Source/collection of data	Databases which are populated by NT in the Expenditure Planning and Fiscal Policy units
Method of calculation	All national departmental allocations are aggregated and the total compared with the main budget non-interest expenditure projected; the difference should be zero
Data limitations	No data limitations in determining the aggregate expenditure estimates
Type of indicator	Output - The status of fiscal discipline of the South African government
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Zero difference between the aggregate expenditure targets and the aggregated expenditure estimates of departments (the smaller the deviation from zero the smaller the loss in performance represented)
Indicator responsibility	Chief Director: Expenditure Planning

PERFORMANCE INDICATOR 3.1.2

Indicator title	Ensure enhanced alignment of budget documentation with fiscal guidelines based on principles of counter-cyclicality, debt sustainability and intergenerational equity
Short definition	Establish 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 and debt forecast methodology
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 3.2.1

Indicator title	Timely completion of a well-coordinated and communicated budget process, culminating in making well-considered and appropriate revenue and spending proposals to Cabinet
Short definition	Efficient administration of the budget process in which line departments have the opportunity to participate, culminating in Cabinet endorsement of national government expenditure allocations
Purpose/importance	To measure the ability to administer a credible budget process in which Cabinet has confidence 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	No
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 3.2.2

Indicator title	Submitting inputs on departmental budget submissions to the MTEC and the Ministers' Committee on the Budget (MinComBud) on a timely basis
Short definition	Provide MTEC and MinComBud with a consolidated report on budget submissions presented by departments, with NT 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 the detail of the reprioritisation where necessary, are submitted to the Committees.
Source/collection of data	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 Presentation to MTEC and MinComBud
Data limitations	None
Type of indicator	Inputs and outputs
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Inputs delivered in line with the dates in the MTEC guidelines
Indicator responsibility	Head: Public Finance coordinates this activity with Public Finance Chief Directors

PERFORMANCE INDICATOR 3.2.3

Indicator title	Compile chapters of the Estimates of National Expenditure (ENE) and Adjusted Estimates of National Expenditure (AENE)
Short definition	Compile ENE chapters for departments and public entities for which the respective Chief Directorates are responsible, in line with the guidelines issued by the Budget Office
Purpose/importance	The ENE 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 PFMA
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 with timeframes 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 not always readily available
Type of indicator	Outputs
Calculation type	Cumulative – published annually
Reporting cycle	Annual
New indicator	No
Desired performance	Inputs in line with the parliamentary programme
Indicator responsibility	Public Finance Chief Directors

PERFORMANCE INDICATOR 3.3.1

Indicator title	Design, produce and publish guidelines and related budget documents
Short definition	Compilation and publication of budget guidelines and related documents that reflect the state's fiscal position and priorities, including compilation guidance for drafting the documents themselves
Purpose/importance	To measure the ability of NT to produce budget documentation timeously
Source/collection of data	Budget Office divisions' administrative records and internet postings
Method of calculation	Dates of issue of budget guidance and documents produced relative to budget calendar timelines
Data limitations	None
Type of indicator	Timely outputs
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Publication in line with 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 3.2.2

Indicator title	Presenting public finance statistics according to function and economic classification for consolidated government
Short definition	Measures compliance with the data standard based on the Government Finance Statistics Manual (GFS) of 2001 and the Economic Reporting format used in the budget data. The economic classification specifies what is being bought and sold (such as user charges and compensation of employees) while the classification by function specifies the purpose of expenditure (such as 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 and accounting standards such as GRAP. The source of government finance statistics are the BAS/Vulindlela systems, annual financial statements, budget submissions and in-year reporting systems for national, provincial departments and public entities.
Method of calculation	This is mainly a qualitative indicator (the data complies with GFS). Quantitative measurements can be derived from errors in the database: 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. Changes in the number of errors show if compliance is deteriorating or improving.
Data limitations	Classification is mainly done by the government units; new employees in the units may not be 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 these accounts and on borrowing by general government
Indicator responsibility	Chief Director: Public Finance Statistics

PERFORMANCE INDICATOR 3.3.3

Indicator title	Providing guidance to departments and entities on 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 government's Basic Accounting System (BAS) using the Standard Chart of Accounts (SCOA).
Purpose/importance	Indicator intended to show that government units are being assisted to ensure that their transactions are carried out according to SCOA by checking that: <ul style="list-style-type: none"> • Queries are attended to within a turn-around period of two weeks • Number of classification inconsistencies in the data do not increase • Circulars on classification issues are sent out timeously whenever the need arises
Source/collection of data	<ul style="list-style-type: none"> • Inconsistency reports come from the Vulindlela system • Queries turnaround sourced from the call centre run by the Public Finance Statistics unit • Circulars are stored on I-drive folder and logged on the NT 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 to 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	No
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 3.4.1

Indicator title	Provide timely sectoral analysis and advice for policy framework development
Short definition	Analysis of the developments, challenges and trends in the sector and how these affect expenditure; identify a policy framework to address this
Purpose/importance	These analyses aim to identify shortcomings in the policy framework being implemented, as well as the means by which effectiveness and efficiency can be enhanced with new policies.
Source/collection of data	Sector reports, statistics by Stats SA, research reports from various external sources
Method of calculation	Sector reports, compliance and monitoring reports analysed and submitted to 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 the 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 Directorates

PERFORMANCE INDICATOR 3.4.2

Indicator title	Providing 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	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 NT
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 NT'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	Feedback is received within 30 days of the previous month
Indicator responsibility	Public Finance budget analysts

PERFORMANCE INDICATOR 3.4.3

Indicator title	Compile and submit quarterly expenditure reports to the Standing Committee on Appropriations
Short definition	Provide the Standing Committee on Appropriations with quarterly high level summary expenditure reports on departments
Purpose/importance	Report on deviations against the monthly drawings schedule; on expenditure on special/large projects in line with planning; and on any deviations to policy and financial/accounting regulations
Source/collection of data	Financial data extracted from Vulindlela to populate quarterly reports
Method of calculation	Evidence of reports being compiled and submitted to the Standing Committee on Appropriations on a timely basis
Data limitations	Information in Vulindlela not always updated and in line with the expenditure reports from departments; this affects NT's ability to provide timely feedback to departments
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Quarterly expenditure reports submitted six weeks from the end of the previous quarter
Indicator responsibility	Public Finance Budget analysts

PERFORMANCE INDICATOR 3.4.4

Indicator title	Undertake selected expenditure and performance reviews
Short definition	Expenditure reviews and programme evaluations of selected government institutions and programmes
Purpose/importance	Institutions which have participated in the expenditure reviews and programme evaluation processes are expected to use the results of the reviews and evaluations to improve their programme budgeting and performance
Source/collection of data	BAS expenditure data Engagements with affected departments All documentation related to a given programme and/or institution that participated in the review
Method of calculation	A number of programmes/institutions are selected for expenditure review and the resulting number of completed reviews are counted
Data limitations	Incomplete data Limited access to or engagement with affected departments' representatives
Type of indicator	Effectiveness
Calculation type	Cumulative - over a 2 year period
Reporting cycle	Quarterly
New indicator	No
Desired performance	Six completed expenditure reviews and/or programme evaluations per year
Indicator responsibility	Head of Expenditure and Performance Reviews

PERFORMANCE INDICATOR 3.4.5

Indicator title	Development of a cost of living adjustment (COLA) costing model to improve NT's understanding of the implications of the remuneration policy and wage settlements for the public sector wage bill
Short definition	Development of a personnel costing model to assess the costs of improvements in conditions of service and their implications for the growth and size of the wage bill
Purpose/importance	Assess the costs of improvements in conditions of service, and implications for the sustainability of the Compensation of Employees budget
Source/collection of data	Internal NT databases
Method of calculation	Final model used to assess cost of changes to remuneration policies and wage settlements at the bargaining chamber
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 3.4.6

Indicator title	Implement a governance and financial management monitoring and compliance system in public entities
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 of fiscal discipline and compliance by public entities
Source/collection of data	<ul style="list-style-type: none"> • Evidence of work relating to institutional budgeting reforms • Evidence of support provided to national and provincial public entities • Evidence of communication with relevant stakeholders
Method of calculation	<ul style="list-style-type: none"> • Extent of work completed in relation to intent in the Annual Performance Plan • Copies of relevant documentation (for example, submission of specific recommendations to Cabinet)
Data limitations	None
Type of indicator	Outcomes
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Implementation of the principles of improved governance in public entities
Indicator responsibility	Chief Director: Public Entities Governance Unit

PERFORMANCE INDICATOR 3.5.1

Indicator title	Ensure the alignment of development cooperation with government policy and priorities
Short definition	Alignment of official development assistance (ODA), which includes grants, concessionary loans and technical assistance, with the NDP, MTSF and the budget process
Purpose/importance	Ensure alignment with government processes, policy and priorities
Source/collection of data	ODA report (annual) and ODA database during MTEF and ENE BAS expenditure reports DCMIS Quarterly dashboard
Method of calculation	Evidence of management of GBS allocation process in government Extent of alignment of development cooperation with sector budgets
Data limitations	In certain instances, coordination challenges with multiple donors and line departments may limit the ability of the unit to conduct the process according to plan
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Incoming development cooperation fully aligned with government policies and priorities
Indicator responsibility	Chief Director: International Development Cooperation

PERFORMANCE INDICATOR 3.5.2

Indicator title	Manage and coordinate the country's development cooperation in South Africa
Short definition	Manage and coordinate inbound South African technical and financial cooperation covering: <ul style="list-style-type: none"> • Grants, via the RDP Fund • Technical assistance • Concessionary loans
Purpose/importance	Manage and coordinate donor funds and technical assistance to ensure optimal utilisation of such funds and assistance, and concessionary loans, in line with national policy and priorities
Source/collection of data	<ul style="list-style-type: none"> • Quarterly reports on existing programmes
Method of calculation	<ul style="list-style-type: none"> • Submission of annual and quarterly reports • Reports produced relative to budget calendar timeframes
Data limitations	<ul style="list-style-type: none"> • Development partners are reluctant to provide detailed information on the number of technical experts and the remuneration they receive • Departments do not consistently report on ODA programmes
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annually and quarterly
New indicator	No
Desired performance	Comprehensive information on all inbound ODA documented; and maintain the value of technical and financial cooperation received from development partners
Indicator responsibility	Chief Director: International Development Cooperation

PERFORMANCE INDICATOR 3.6.1

Indicator title	Publish the Division of Revenue Bill and Division of Revenue Amendment Bill annually
Short definition	Annual Division of Revenue Bill and annual Division of Revenue Amendment Bill determine the equitable division of nationally raised revenue between national governments, 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"> Stats SA data Information submitted by national transferring departments
Method of calculation	<ul style="list-style-type: none"> Evidence of work undertaken towards publication of relevant Bills Evidence of publication of relevant Bills on time, as planned
Data limitations	None
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	Chief Director: Intergovernmental Policy and Planning

PERFORMANCE INDICATOR 3.6.2

Indicator title	Introduce reforms to enhance provincial and local government fiscal frameworks
Short definition	Provincial and local government fiscal frameworks need to be appropriately structured to enable provinces and municipalities to function, taking account of the different socio-economic realities and service delivery responsibilities of 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 the area of review
Method of calculation	For each review, Terms of Reference are developed to provide details of the problem statement, the focus areas of the review, data sources to be used and consultations to be undertaken. These, together with relevant work product, can be collated.
Data limitations	Dependent on 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 to enable provinces and municipalities to support service delivery and the achievement of national priorities
Indicator responsibility	Chief Director: Intergovernmental Policy and Planning

PERFORMANCE INDICATOR 3.6.3

Indicator title:	Promote on-going improvements 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, supports growth and reduces poverty
Source/collection of data:	<ul style="list-style-type: none"> • Evidence of reviews of Built Environment Performance Plans • Evidence of collaboration and correspondence where necessary • Evidence of collected infrastructure plans
Method of calculation:	Number of plans reviewed Extent of communication and collaboration with stakeholders Qualitative assessment of plans
Data limitations:	None
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 and improved value for money
Indicator responsibility:	Chief Director: Provincial and Local Government Infrastructure

PERFORMANCE INDICATOR 3.6.4

Indicator title:	Promote on-going performance improvement in the built environment
Short definition:	Improved infrastructure planning and management to ensure that built environment programmes and projects achieve better value for money
Purpose/importance:	Achieve better value for money (economy, effectiveness and efficiency) in infrastructure delivery
Source/collection of data:	Evidence of infrastructure plans having been reviewed Evidence of collaboration with relevant stakeholders
Method of calculation:	Number and extent of reviews of infrastructure plans undertaken Extent of collaboration with stakeholders
Data limitations:	None
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 3.6.5

Indicator title:	Facilitate training of officials on budget formulation, conditional grant framework, assessment and analysis, 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:	Improve capacity with respect to the 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:	Numbers attending counted - arithmetic
Data limitations:	None
Type of indicator:	Quantitative
Calculation type:	Arithmetic
Reporting cycle:	Quarterly
New indicator:	No
Desired performance:	At least 650 trained
Indicator responsibility:	Chief Director: Provincial and Local Government Infrastructure. Chief Director: Provincial Budget Analysis

PERFORMANCE INDICATOR 3.6.6

Indicator title:	Benchmarking and conducting mid-year engagements 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 of Sections 17 and 18 of the MFMA and publication of S71 and S72 reports
Purpose/importance:	The benchmark exercise enables NT to ascertain whether municipalities' revenue assumptions are realistic, and whether budgets are funded and aligned with IDPs. Reporting on expenditure and performance improves transparency and accountability.
Source/collection of data:	<ul style="list-style-type: none"> • MTREF budget information and S71 and S72 reports of the MFMA • Extent of benchmarking having been undertaken: meetings chaired and attended, reports compiled and feedback given to relevant stakeholders
Method of calculation:	Extent of benchmarking having been undertaken: meetings chaired and attended, reports compiled and feedback given to relevant stakeholders
Data limitations:	Dependant on accurate budget information and the quality of S71 and S72 reports
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 aims to ensure that municipalities are financially sustainable, carry out their obligations in relation to a developmental agenda and account for their performance. It also aims to publish reliable financial information for use by the relevant stakeholders.
Indicator responsibility:	Chief Director: Local Government Budget Analysis

PERFORMANCE INDICATOR 3.6.7

Indicator title:	Benchmarking and conducting mid-year engagements with all provinces, and timely publication of reports
Short definition:	Prior to tabling of provincial budgets, these are benchmarked, objectively assessed and referred to the Budget Council, with NT's recommendations
Purpose/importance:	The benchmark exercise enables NT and other stakeholders to ascertain the existence of risks (policy-related or other) related to proposed budgets before they are tabled in their respective provincial legislatures
Source/collection of data:	<ul style="list-style-type: none"> • Evidence of benchmarking workshops having been held • Evidence of reports having been prepared and consulted amongst stakeholders
Method of calculation:	<ul style="list-style-type: none"> • Extent of benchmarking having been undertaken, workshops chaired and attended, reports compiled and feedback given to relevant stakeholders
Data limitations:	Dependant on accurate budget information received from provinces
Type of indicator:	Output
Calculation type:	Cumulative
Reporting cycle:	Annual
New indicator:	No
Desired performance:	The indicator seeks to ensure that budgetary risks in provinces are proactively mitigated and avoided where possible
Indicator responsibility:	Chief Director: Provincial Budget Analysis

PERFORMANCE INDICATOR 3.6.8

Indicator title:	Implementation of a Standard Chart of Accounts (SCOA) for local government
Short definition:	This financial management reform tracks a similar reform undertaken in national and provincial government, through which the classification system for recording all financial transactions in the various spheres of government is standardised and centrally coordinated.
Purpose/importance:	The introduction of a SCOA in local government is a logical progression in government's financial management reform agenda, led by NT. This purpose of the reform is to improve financial practices in local government and improve the accuracy of financial transaction records and the transparency with which they are managed.
Source/collection of data:	<ul style="list-style-type: none"> • Evidence of the existence of several versions of the SCOA for local government, demonstrating a logical design process until rolling out of the SCOA in all municipalities • Evidence of a Project Summary Report having been compiled to reflect the progress of this reform • Evidence of engagements with stakeholders at various forums, ranging from TCF and CFO forums to dedicated SCOA ICF Forums • Evidence of identification and engagement with pilot municipalities
Method of calculation:	Extent of available data, as described above, to demonstrate intended progress
Data limitations:	None
Type of indicator:	Output
Calculation type:	Cumulative
Reporting cycle:	Annual
New indicator:	Yes
Desired performance:	The indicator seeks to track the progress of a large reform in local government financial management. Successful piloting and completion of the SCOA technical specification for purposes of piloting are desirable during the 2015/16 year.
Indicator responsibility:	Chief Director: Local Government Budget Analysis

TECHNICAL **INDICATOR DESCRIPTORS** 2015/16

PROGRAMME 4:
**ASSET AND LIABILITY
MANAGEMENT**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

PERFORMANCE INDICATOR 4.1.1

Indicator title	Analysis of corporate plans, shareholder compacts and annual reports of state-owned companies (SOCs) and development finance institutions (DFIs) and water boards
Short definition	Analyse the remuneration trends, borrowing, infrastructure spending and funding progress data for SOCs to ensure continued governance of the entities and its alignment with government policy objectives
Purpose/importance	The indicator measures corporate plans, annual reports and shareholder compacts to assess their potential impact on the fiscus and alignment with government policy
Source/collection of data	Summary reports completed
Method of calculation	Reports completed/received
Data limitations	<ul style="list-style-type: none"> • Late submission of Corporate Plans and Annual Reports from SOCs • Executive Authorities may request amendments to Corporate Plans which may result in delays • Entities are not required to submit final shareholder compacts to NT for review
Type of indicator	Activity and output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Number of analyses completed against the number planned for the period under review
Indicator responsibility	Chief Directorate: Governance and Financial Analysis

PERFORMANCE INDICATOR 4.1.2

Indicator title	Review of PFMA submissions and applications for guarantees, funding, borrowing limits and MFMA tariff increases
Short definition	<ul style="list-style-type: none"> • Applications reviewed • Review of the regulatory environment for DFIs
Purpose/importance	Ensure that SOC submissions and applications comply with 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 (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 responded to, due to additional information being required to finalise the review of submissions and applications 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	Output and activity
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	Chief Directorate: Sector Oversight

PERFORMANCE INDICATOR 4.1.3

Indicator title	Review of the regulatory environment for SOCs/DFIs
Short definition	Review of legislation, policy, sector reforms and strategies for SOCs/DFIs
Purpose/importance	Reviews ensure that any potential negative impact of new/amended legislation, policies, sector reforms and strategies are identified and mitigated
Source/collection of data	Comments provided on legislation, policy etc.
Method of calculation	<ul style="list-style-type: none"> • Number of reviews conducted and submitted • Number of documents on which comments are provided
Data limitations	No formal process for receiving legislation for comment or for submitting such comments
Type of indicator	Activity and output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	Completion of all planned reviews and related activity
Indicator responsibility	Chief Directorate: Sector Oversight

PERFORMANCE INDICATOR 4.2.1

Indicator title	Meet government's total annual borrowing needs
Short definition	Fund government's annual borrowing requirements through various debt instruments
Purpose/importance	Ensure that sufficient funds are available to meet government commitments
Source/collection of data	Annual gross borrowing requirement is sourced from the Budget tabled annually by the Minister of Finance
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	Annual
New indicator	No
Desired performance	Meeting the annual borrowing requirement amount
Indicator responsibility	Chief Directorate: Liability Management

PERFORMANCE INDICATOR 4.2.2

Indicator title	Ensure timely and accurate payment of interest and redemptions
Short definition	Payment of government debt obligations in a timely and accurate manner to avoid any credit defaults or additional costs due to inaccurate/delayed payment
Purpose/importance	Servicing of debt is a requirement as per loan agreements; 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 costs are 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 systems due to internal and/or external factors
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	To accurately meet all government debt obligations on time
Indicator responsibility	Chief Directorate: Liability Management

PERFORMANCE INDICATOR 4.2.3

Indicator title	Retain current, and attract new investors
Short definition	Developing initiatives to attract new investors whilst maintaining sound relations with current investors
Purpose/importance	Positioning South Africa as a safe and credible borrower
Source/collection of data	Information is sourced through investor interactions such as: <ul style="list-style-type: none"> • Roadshows • Continuous interaction with market participants • Marketing and promotion campaigns
Method of calculation	Maintaining an up-to-date database of investor records and investment information
Data limitations	Low investor confidence due to negative economic and political factors
Type of indicator	Activities and outcomes indicator
Calculation type	Cumulative
Reporting cycle	Daily, weekly, monthly and annually
New indicator	No
Desired performance	Achieve objectives by: <ul style="list-style-type: none"> • Increasing appetite and support for government funding instruments • Broadening the investor base • Increasing household savings ratio
Indicator responsibility	Chief Directorate: Liability Management

PERFORMANCE INDICATOR 4.3.1

Indicator title	Government's liquidity requirements met at all times.
Short definition	Forecasting and management of government's short and medium term cash flows
Purpose/importance	Ensure provision for government's short and medium term commitments at the right time, in the right amounts and in the right currency
Source/collection of data	Cash flow data on receipts and payments is received from SARS, Reserve Bank and various units within NT 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 (interest and redemptions) - Proceeds from short- and long-term loans issued in the domestic and international markets - 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 forecast 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 and annually
New indicator	No
Desired performance	Total forecasted cash flows are impacted by the outcome of the budget and financing thereof
Indicator responsibility	Chief Directorate: Financial Operations

PERFORMANCE INDICATOR 4.3.2

Indicator title	Forecasting of debt and debt-service costs; 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, and the reporting standards of the IMF and the OECD, to investors and the financial markets
Purpose/importance	Debt-service costs are one of the biggest expenditure items affecting 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, accountability and investor confidence.
Source/collection of data	Internal NT operational system, Excel databases and inputs from departments and SOCs
Method of calculation	Debt and debt-service costs are forecast using an in-house Excel-based model. Inputs into the model includes the existing volume of debt, new borrowing data and market variables such as interest, inflation and exchange rates.
Data limitations	The accuracy of the numbers generated by the forecasting model is dependent on the outcome of the 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	Government's debt and debt-service costs are accurately forecast and monitored, and reports on the progress of government debt operations (progress of the annual borrowing plan) generated
Indicator responsibility	Chief Directorate: Financial Operations

PERFORMANCE INDICATOR 4.4.1

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 so that it minimises the impact of interest rate, inflation and exchange rate risks on annual funding requirements and government's debt portfolio while balancing liquidity (cash) and cost objectives
Purpose/importance	<p>Debt portfolio analysis reports the impact of weekly auctions on debt stock, debt portfolio indicators and risk benchmarks.</p> <p>Market performance reports assess risk factors affecting government's funding requirements</p> <p>Funding assessment of actual cash against targeted/ allocated cash.</p> <p>Monitoring of debt portfolio indicators against approved risk benchmarks.</p> <p>Risk inputs to the ALM annual funding strategy process recommends allocations for the new fiscal year</p> <p>Annual risk rating and risk profile of government debt to assess movement in debt portfolio indicators and risk benchmarks on an annual basis</p> <p>Monitoring and assessment reports indicate that share of debt maturing within one year; share of debt maturing within five 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 threshold limits and within range of approved benchmarks.</p> <p>Smooth maturity profile of affordable cash redemptions continues to inform switch auction and maximum issuance limits</p>
Source/collection of data	<p>Debt/portfolio data: schedule of RSA debt; total state debt (financial operations)</p> <p>Funding data: borrowing requirements from Financial Operations</p> <p>Cash and nominal auction figures from Liability Management and Financial Operations</p> <p>Market Data: JSE, Bloomberg, Inet Bridge</p>
Method of calculation	Spread sheet models
Data limitations	None
Type of indicator	Government debt/financial indicators
Calculation type	Mathematical, statistical and financial
Reporting cycle	<ul style="list-style-type: none"> • Debt portfolio analysis report: weekly • Market performance report: monthly • Funding assessment: monthly, quarterly • Risk monitoring of benchmarks: quarterly • Risk inputs to the funding strategy: annual • Risk rating and risk profile of government debt: annual
New indicator	No
Desired performance	<p>Actual funding in fixed rate and inflation linked bonds should not deviate by more than the acceptable deviation percentage points from the recommended strategy allocation</p> <p>Issuance in fixed rate and inflation linked bonds to be within a range given during a particular quarter of the fiscal year</p>
Indicator responsibility	Chief Directorate: Strategy and Risk Management

PERFORMANCE INDICATOR 4.4.2

Indicator title	Prudent strategies to manage counterparty risk and ensure effective relations with the credit rating agencies
Short definition	Continuous and proactive engagements with and information sharing between the credit rating agencies and NT
Purpose/importance	Strengthen relations between government and the rating agencies to improve the context of the discussions regarding credit ratings and to ensure that the most accurate information on the country is shared with the rating agencies on a timely basis; and to address information asymmetries and ensure that government is the first point of contact for key policy messages to be shared with the rating agencies
Source/collection of data	Telephone calls and email correspondence forms the bulk of the communication. International and domestic meetings and conference calls are scheduled to discuss ratings matters more in depth.
Method of calculation	The rating trajectory and status of SA's sovereign credit rating is monitored and communicated using the following four reports: <ul style="list-style-type: none"> • Daily Special Sovereign Risk Developments • Weekly Sovereign Risk Developments • Monthly Sovereign Risk Highlights Reports • Monthly CDS Credit Evaluation and Probability of Default Model • Bi-Annual Forward Looking Internal Risk Rating Methodology
Data limitations	Regional, contagion and political risks are outside of the control of this NT programme
Type of indicator	Activity
Calculation type	Cumulative for the year
Reporting cycle	Daily (only for <i>ad hoc</i> developments), weekly, monthly and bi-annual
New indicator	No
Desired performance	Consistently improving relationships with the rating agencies. Consistency across public and private sector when communicating key policy messages Greater collaboration in addressing ratings constraints
Indicator responsibility	Chief Directorate: Strategy and Risk Management

PERFORMANCE INDICATOR 4.4.3

Indicator title	Management of contingent liabilities
Short definition	Prudent management of contingent liabilities
Purpose/importance	Management of contingent liabilities is critical to prevent government from being in a position where contingent liabilities, should they materialise, compromise the sustainability of funding strategies
Source/collection of data	<ul style="list-style-type: none"> • Drafting and submitting quarterly reports outlining the performance of SOCs • Weekly monitoring of key data relating to credit spreads of SOCs' banking sector expected default frequency and foreign bonds issued in foreign denominated currency
Method of calculation	<ul style="list-style-type: none"> • Existence of quarterly reports and evidence of submission to NT stakeholders • Submission of inputs to Cabinet memoranda • Evidence of monitoring of key data undertaken: existence of key data within the unit's filing system
Data limitations	None
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Weekly and quarterly
New indicator	Yes
Desired performance	Consistently ensuring that government's exposure to contingent liabilities remains within acceptable parameters
Indicator responsibility	Chief Directorate: Strategy and Risk Management

TECHNICAL **INDICATOR DESCRIPTORS** 2015/16

PROGRAMME 5:
**FINANCIAL ACCOUNTING & SUPPLY CHAIN
MANAGEMENT SYSTEMS**



national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

PERFORMANCE INDICATOR 5.1.1

Indicator title	Monitor financial management improvement in national and provincial institutions
Short definition	<p>The aim of these reports is to inform and update 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 compliance with the 30 days payment of suppliers rule to FOSAD
Purpose/importance	<p>To report on improvements in financial management across national and provincial spheres of government</p> <p>To update FOSAD and interested stakeholders on progress made and the status of compliance with the requirement to pay suppliers within 30 days</p>
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 remaining unpaid
Data limitations	Information submitted late or not submitted by clients to NT
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 each year
Indicator responsibility	Chief Directorate : Governance Monitoring and Compliance

PERFORMANCE INDICATOR 5.1.2

Indicator title	Develop and implement guidelines on new or revised accounting policies and regulations
Short definition	Develop and implement guidelines on generally recognised accounting practice (GRAP) standards and/or modified cash standards for all government entities
Purpose/importance	Ensure that there are directives for new developments and assist public sector entities with implementing and understanding the GRAP standards and the Modified Cash Standard (MCS)
Source/collection of data	Policy versions by government, effective standards of GRAP, FAQs issued by the ASB or NT, and 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 needs of and impact on the user community.
Data limitations	Extent of comment received on the draft documents published which should assist NT to ensure 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 • Maintain and enhance existing guidelines
Indicator responsibility	Chief Directorate: Technical Support Services

PERFORMANCE INDICATOR 5.1.3

Indicator title	Maintain and enhance Treasury Regulations and instructions
Short definition	Revise Treasury Regulations as or when necessary and issue NT Instructions as required
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/NT Instructions, circulars and frameworks previously issued by NT</p>
Source/collection of data	<ul style="list-style-type: none"> • Practice Notes/NT Instructions • NT Frameworks • Comments received on the revised Treasury Regulations issued for public comment
Method of calculation	Number of revisions made and subsequent Practice Notes or Instruction Notes issued
Data limitations	Limited inputs from other branches within NT
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly until publication of the revised Treasury Regulations
New indicator	No
Desired performance	<ul style="list-style-type: none"> • Complete ongoing maintenance and enhancement of Treasury regulations • Publication of amendments and related notes according to planned timeframes
Indicator responsibility	Chief Directorate: Governance, Monitoring and Compliance

PERFORMANCE INDICATOR 5.1.4

Indicator title	Improve FMCMM in departments
Short definition	The model is revised to introduce an improved electronic FMCMM platform; it moves from a compliance approach to include level 4, 5 and 6 questions where accountability, effectiveness, efficiency and optimal use of resources are more dominant
Purpose/importance	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 the optimal level, showing continuous learning and improvement in financial management of institutions
Source/collection of data	Maintain and enhance FMCMM in compliance with legislation and aligned with applicable norms and standards
Method of calculation	Maintained and enhanced FMCMM in compliance/aligned with the PFMA, Treasury Regulations and Instructions Notes, COSO Framework, Risk Management Framework and King III
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Longer time interval
New indicator	No
Desired performance	<ul style="list-style-type: none"> • Attain level 6 which is the optimal level showing continuous learning and improvement in financial management of institutions • Maintain and enhance FMCMM as required
Indicator responsibility	Chief Directorate: Governance, Monitoring and Compliance

PERFORMANCE INDICATOR 5.1.5

Indicator title	Improve FMCMM in municipalities
Short definition	A management tool that provides clear yard-stick measurements to which municipalities should aspire for process improvements. It pinpoints specific gaps in the detailed operational activities outlined in all 21 modules of financial management within the municipality, and the measures required to close them.
Purpose/importance	Responds to critical capacity problems in municipalities characterised by high vacancy rates in senior finance positions and limited skill sets to perform key financial management activities.
Source/collection of data	Maintain and enhance FMCMM in compliance with legislation and in alignment with applicable norms and standards
Method of calculation	Maintained and enhanced FMCMM
Data limitations	None
Type of indicator	Output indicator
Calculation type	Trend – increase in number of participating municipalities
Reporting cycle	Annually
New indicator	No
Desired performance	A score of 3 on each applicable question Successful rollout, maintenance of and enhancements to the FMCMM
Indicator responsibility	Chief Directorate: MFMA Implementation

PERFORMANCE INDICATOR 5.1.6

Indicator title	Conduct and support forensic investigations to eradicate fraud and corruption
Short definition	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>Purpose: To ensure that the public procurement system is fair, equitable, transparent, competitive and cost effective</p> <p>Importance: To ensure 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; forensic reports; external parties; media; anti-corruption task teams; Parliamentary committees; the Public Protector
Method of calculation	<ul style="list-style-type: none"> • Evidence of collation analysis of audit reports • Evidence of logging of and response to allegations by Executive Authorities, departments' Accounting Officers and officials; external parties; media; anti-corruption risk teams; Parliamentary committees; and the Public Protector
Data limitations	<ul style="list-style-type: none"> • Political interference • Inadequate evidence • Distraction of documentation
Type of indicator	Outputs and impact of reports
Calculation type	Cumulative
Reporting cycle	Quarterly reporting
New indicator	No
Desired performance	Completing the number of investigations and referral of cases as contemplated in the Annual Performance Plan
Indicator responsibility	Chief Directorate: Specialised Audit Services

PERFORMANCE INDICATOR 5.1.7

Indicator title	Review FMG support plans and establish alignment with the framework
Short definition	Evaluate the FMG support plans submitted by municipalities to see how they will be spending their funds. Check that spending plans are in line with the conditions of grants as indicated in the grant frameworks
Purpose/importance	Evaluating the alignment of the FMG support plan (submitted by municipalities) with conditions of the grant as indicated in the framework, as 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	The grant is available to all municipalities and spending is based on the content and submission of a Support Plan. This is monitored through quarterly performance evaluation reports.
Data limitations	The support plan can only be reviewed when a municipality provides information on progress made on it, through quarterly reports
Type of indicator	Activities
Calculation type	Cumulative
Reporting cycle	Annual and quarterly
New indicator	No
Desired performance	Review all 278 municipalities' FMG support plans and quarterly performance evaluation reports
Indicator responsibility	Chief Directorate: MFMA Implementation

PERFORMANCE INDICATOR 5.2.1

Indicator title	Research, develop and implement structural and policy reforms so that the internal audit and risk management functions become more responsive to government's needs
Short definition	Assess internal audit compliance with PFMA, MFMA and international professional practice standards of internal audit, and its state of readiness for quality assurance reviews
Purpose/importance	<ul style="list-style-type: none"> • Oversee progress in the maturity and capability of departments' internal audit function • Review internal audit functions to determine their level of compliance with the PFMA, MFMA, Treasury Regulations and international internal audit standards
Source/collection of data	Signed reports issued to the department, municipality or entity concerned
Method of calculation	Simple count of the reports issued
Data limitations	None
Type of indicator	Outputs
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Research and analyse challenges and their optimal solutions
Indicator responsibility	Chief Directorate: Internal Audit Support Chief Directorate: Risk Management

PERFORMANCE INDICATOR 5.2.2

Indicator title	Management of MFMA helpdesk
Short definition	Manage MFMA helpdesk, which assists municipalities, municipal entities and all other stakeholders to interpret and implement the MFMA, Regulations, MFMA Circulars and Guidelines.
Purpose/importance	The MFMA Helpdesk is an important tool which assists with the interpretation of the MFMA, the Regulations, Circulars and Guidelines. This helps to ensure consistent countrywide application of the Act and its regulations. The helpdesk also assists NT to identify gaps in the implementation of the legal framework and to address these through MFMA Circulars, Regulations or Guidelines.
Source/collection of data	Coordination of inputs from different units within NT to provide guidance to clients
Method of calculation	Average response times for queries received
Data limitations	No data limitations, as guidance is provided in terms of the legal framework
Type of indicator	Measurement of the quality of responses, including response times
Calculation type	Based on the average monthly or quarterly response time
Reporting cycle	Monthly and quarterly
New indicator	No
Desired performance	Average response time, in line with the Annual Performance Plan
Indicator responsibility	Chief Directorate: MFMA Implementation

PERFORMANCE INDICATOR 5.2.3

Indicator title	Assist municipalities with the preparation of financial recovery plans
Short definition	Review and respond to requests for assistance from municipalities in the development of financial recovery plans
Purpose/importance	Provide technical support to municipalities with the preparation of their financial recovery plans. The support is as and when needed, but for mandatory provincial intervention assistance must be provided with the preparation of the financial recovery plan.
Source/collection of data	In terms of Chapter 13 of the MFMA, resolving financial problems in municipalities may take the form of preparation of financial recovery plans. NT's Municipal Finance Recovery Service (MFRS) is responsible for assisting municipalities to prepare financial recovery plans, among others tasks.
Method of calculation	Requests for assistance with preparing financial recovery plans come from provinces and municipalities.
Data limitations	Number of municipalities assisted to review or prepare financial recovery plans
Type of indicator	The indicator measures the number of municipalities assisted to review or prepare their financial recovery plans
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Provision of assistance in response to requests, within the timeframes specified in the Annual Performance Plan
Indicator responsibility	Chief Directorate: MFMA Implementation

PERFORMANCE INDICATOR 5.2.4

Indicator title	Support and train personnel from provincial treasuries to prepare provincial consolidated financial statements and provincial revenue fund statements, and to implement GRAP standards
Short definition	Provision of support and training initiatives on provincial revenue funds and provincial consolidated financial statements, as well as to municipalities and public entities on GRAP standards
Purpose/importance	Enable financial management capacity building. The indicator measures the number of government personnel trained in these financial areas.
Source/collection of data	Number of trainees as indicated by training event attendance registers
Method of calculation	Number of attendees
Data limitations	None
Type of indicator	Measures activities
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	At least 250 trainees annually, as specified in the Annual Performance Plan
Indicator responsibility	Chief Directorate: Accounting Support and Reporting

PERFORMANCE INDICATOR 5.2.5

Indicator title	Facilitate financial management competencies training for municipal officials
Short definition	Provide training that enables municipal officials to comply with the financial management competency requirements of their positions, in alignment with municipal regulations
Purpose/importance	Promote compliance with required financial management competency levels
Source/collection of data	Data collated from various sources – Local Government Sector Education and Training Authority (LGSETA), listed training providers and municipalities – and maintained on a spreadsheet
Method of calculation	Number of officials per municipality and courses enrolled for the minimum competency levels
Data limitations	Data is captured in basic Excel which is onerous and needs automation for better disaggregation and analysis.
Type of indicator	Outputs
Calculation type	Cumulative
Reporting cycle	Quarterly/annual
New indicator	No
Desired performance	Provide training for at least 750 learners a year
Indicator responsibility	Chief Directorate: Capacity Building

PERFORMANCE INDICATOR 5.2.6

Indicator title	Develop and implement the Financial Management Capacity Development Strategy
Short definition	Develop the strategy document outlining the NT's vision for public financial management capacity development, including the strategic objectives, enablers and separate implementation plans for the PFMA and MFMA aligned with the NT's strategic plans cascaded down to the level of Chief Directorates
Purpose/importance	Provide an agreed upon process to address identified capacity constraints and strengthen the implementation 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 internal and external key stakeholders
Type of indicator	The indicator measures inputs, outputs, activities and outcomes
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Strategy implemented in line with the Annual Performance Plan
Indicator responsibility	Chief Directorate: Capacity Building

PERFORMANCE INDICATOR 5.2.7

Indicator title	Management and implementation of academic support programme for prospective chartered accountants
Short definition	The programme is intended to provide academic support to public sector officials pursuing the chartered accountants profession
Purpose/importance	To contribute to addressing the shortage of financial management skills countrywide, especially in the public sector
Source/collection of data	The number of qualifying candidates is obtained through the chartered accountants' public sector forum (CAPSF)
Method of calculation	Number of candidates receiving support
Data limitations	Not applicable
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Report to the CAA steering committee every four months and to the Director-General at the end of each financial year
New indicator	No
Desired performance	<ul style="list-style-type: none"> • Support provided to the target number of candidates, as specified in the Annual Performance Plan • Inclusion of other qualifying government institutions in the CAA in order to increase the number of chartered accountants qualifying each year
Indicator responsibility	Chief Directorate: Capacity Building

PERFORMANCE INDICATOR 5.2.8

Indicator title	Quarterly interim financial statement reviews of selected priority departments
Short definition	Building the capacity of practitioners by reviewing interim financial statements and providing constructive feedback in order to improve the quality of the statements and the capacity of the practitioners
Purpose/importance	Enable financial management capacity building through practical feedback and experiential learning
Source/collection of data	Evidence of reviews conducted and reports issued
Method of calculation	Number of reviews conducted and reports issued
Data limitations	None
Type of indicator	Measures activities
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Perform 15 reviews and provide relevant departments with reports
Indicator responsibility	Chief Directorate: Accounting Support and Reporting

PERFORMANCE INDICATOR 5.2.9

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 , these statements must be published within 30 days of month end
Purpose/importance	<ul style="list-style-type: none"> • A requirement of the PFMA, used by the IMF and other interested parties to analyse monthly financial performance • Used as an early warning system by departments and NT
Source/collection of data	<ul style="list-style-type: none"> • Monthly reports published on time in the Government Gazette • The reports approved for publication by the Accountant-General
Method of calculation	<ul style="list-style-type: none"> • Monthly reports published on time in the Government Gazette • The reports approve for publication 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 5.2.10

Indicator title	Banking services for national government
Short definition	Assist departments with electronic verification of banking details and payments, and provide a daily bank statement reflecting all payments and receipts
Purpose/importance	Need to provide a bank statement daily to interface with 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 • 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 • Electronic verification of supplier banking details within four working days
Indicator responsibility	Chief Director: Accounting Support and Reporting

PERFORMANCE INDICATOR 5.2.11

Indicator title	Tabling of consolidated annual financial statements for national departments, public entities and RDP Fund
Short definition	Section 8 of the PFMA requires consolidated annual financial statements to be prepared and tabled. The RDP Act requires annual financial statements (AFS) for the RDP fund.
Purpose/importance	Audited financial statements for stakeholders on the results, and consolidated results for the year
Source/collection of data	<ul style="list-style-type: none"> Evidence of completion of AFS for the RDP Fund Evidence of correctly following the process for, and completion and publication of, the consolidated AFS as required in terms of applicable accounting frameworks
Method of calculation	Evidence of adherence to the required processes and frameworks, and tabling the statements on time, as scheduled
Data limitations	The consolidated AFS depends on receiving audited financial statements from all entities and departments. Delay in submissions from significant entities delays 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 5.3.1

Indicator title	Manage current transversal systems
Short definition	Maintenance of current transversal systems: Basic Accounting System (BAS), Financial Management System (FMS), Logis, Persal and Vulindlela Ensure that these systems are available to government users during working hours in line with SLA agreements
Purpose/importance	Ensure that transversal financial management systems continue to operate within agreed parameters
Source/collection of data	Call centre logs, mainframe audit trails and other formal user requests
Method of calculation	System availability, number of requests, complexity of requests and time taken to resolve requests
Data limitations	None
Type of indicator	Output and efficiency
Calculation type	Non-cumulative
Reporting cycle	Quarterly/annually
New indicator	No
Desired performance	Maintain 98 percent availability of systems during working hours or in line with SLA with service provider
Indicator responsibility	Chief Directorate : Financial Systems

PERFORMANCE INDICATOR 5.3.2

Indicator title	Delivery and rollout of an Integrated Financial Management System (IFMS) to national and provincial departments
Short definition	Develop, implement and maintain an integrated financial management system for government
Purpose/importance	The IFMS aims to replace ageing government systems presently in operation, and to improve the management of government resources
Source/collection of data	Measurements of project progress will include reviews of formal submissions by oversight structures, notifications in the Government Gazette, minutes of meetings, data repositories, requests for quotations issued and contracts signed
Method of calculation	<ul style="list-style-type: none"> • Evidence of progress against strategic decisions • Evidence of progress against plan
Data limitations	Inputs from key stakeholders affecting the quality of information and/or responses received (where required)
Type of indicator	Outputs and activities
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Project is delivered and implemented in line with the project plan
Indicator responsibility	Chief Directorate: Technical Support Services

PERFORMANCE INDICATOR 5.4.1

Indicator title	Review Preferential Procurement Policy Framework Act (PPPFA)
Short definition	Review the PPPFA that regulates the awarding of public procurement contracts with a specific focus on understanding the impact on government broader socio-economic objectives
Purpose/importance	The PPPFA should be reviewed so that it contributes to de-racializing the economy through public procurement
Source/collection of data	Database of contract awards to B-BBEE compliant companies
Method of calculation	Trend in percentage of awards to B-BBEE 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 and annual
New indicator	Yes
Desired performance	Revised PPPFA that supports government's socio-economic objectives and the designation of sectors
Indicator responsibility	National Treasury OCPO: Chief Directorate Policy, Norms and Standards

PERFORMANCE INDICATOR 5.4.2

Indicator title	Review government legislative framework and update supply chain management (SCM) policy
Short definition	Review SCM legislation to eliminate fragmentation. The policies will form the basis for developing standard operating procedures to regulate the public SCM system.
Purpose/importance	Legislation should enable efficient and effective procurement and delivery of services, goods and works to institutions of government & communities through service delivery. Standard operating procedures (SOPs) should ensure standards of performance for achieving these objectives.
Source/collection of data	Policy objectives, monitoring outcomes and SCM system performance management reporting
Method of calculation	Comparative SCM system performance reporting and Auditor-General reports
Data limitations	Central SCM performance management database and statistical variation tools required
Type of indicator	Input
Calculation type	Non-cumulative
Reporting cycle	Quarterly and annual
New indicator	Yes
Desired performance	Policy and SOPs implemented as planned
Indicator responsibility	National Treasury OCPO: Chief Directorate Policy, Norms and Standards

PERFORMANCE INDICATOR 5.4.3

Indicator title	Simplify and rationalise SCM procedures in line with updated policy
Short definition	Review SCM procedures to ensure that they are aligned and correspond with policy revisions. Once procedures are aligned they must be standardised.
Purpose/importance	To ensure that policy and procedures are aligned and to allow for an easy and effective SCM process
Source/collection of data	Regulatory requirements and existing SCM procedures
Method of calculation	Establish if policies and procedures are aligned
Data limitations	N/A
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Procedures are updated and are in line with current policy
Indicator responsibility	National Treasury OCPO: Chief Directorate Policy, Norms & Standards

PERFORMANCE INDICATOR 5.5.1

Indicator title	SCM Advisory Support Services
Short definition	Provide consistent, reliable and high-quality SCM advisory support to departments
Purpose/importance	To ensure that SCM reforms are appropriately implemented as quickly as possible and to prevent problems before they arise, an advisory facility for SCM practitioners is needed.
Source/collection of data	<ul style="list-style-type: none"> • Evidence of helpdesk going live • Evidence of SCM learning network going live
Method of calculation	Helpdesk and learning network going live
Data limitations	N/A
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Helpdesk and learning network going live during 2015/16 year
Indicator responsibility	OCPO

PERFORMANCE INDICATOR 5.5.2

Indicator title	SCM Operational Support Services
Short definition	Provide consistent, reliable and high-quality SCM operational support to departments
Purpose/importance	To ensure that SCM reforms are appropriately implemented as quickly as possible and to prevent problems before they arise, an advisory facility for SCM practitioners is needed.
Source/collection of data	<ul style="list-style-type: none"> • Evidence of the development of toolkits • Evidence of provision of operational support rendered to institutions
Method of calculation	<ul style="list-style-type: none"> • Toolkits developed and workshops conducted • Evidence of provision of operational support rendered to four institutions
Data limitations	N/A
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	<ul style="list-style-type: none"> • Toolkits developed and workshops conducted • Evidence of provision of operational support rendered to four institutions
Indicator responsibility	OCPO

PERFORMANCE INDICATOR 5.5.3

Indicator title	SCM baseline study
Short definition	Conduct baseline study to ascertain “as is” state of SCM and SCM officials in all three spheres of government
Purpose/importance	This study aims to provide a clear picture of the challenges and opportunities for the SCM landscape, and to offer strategic insight into the most appropriate ways to substantially improve the present state of government SCM
Source/collection of data	<ul style="list-style-type: none"> • Evidence of development of baseline survey • Evidence of data being collated and report compiled
Method of calculation	<ul style="list-style-type: none"> • Baseline survey developed and conducted • Report compiled and consulted as appropriate
Data limitations	N/A
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	<ul style="list-style-type: none"> • Baseline survey developed and conducted • Report compiled and consulted as appropriate
Indicator responsibility	OCPO

PERFORMANCE INDICATOR 5.5.4

Indicator title	i-Develop (Individual Development Assessment Toolkit)
Short definition	Electronic solution designed to measure skills and competencies, identify skills gaps and take remedial action
Purpose/importance	The ability to measure skills and competencies, to identify skills gaps and to take remedial action is important for improving capacity on a large scale in government. This solution is aimed at providing access to content for all SCM practitioners in government over the medium-term.
Source/collection of data	<ul style="list-style-type: none"> • Evidence of i-Develop software development • Evidence of piloting of the software having taken place
Method of calculation	<ul style="list-style-type: none"> • Extent of software development achieved • Extent of software piloting conducted during the year under review
Data limitations	N/A
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	<ul style="list-style-type: none"> • i-Develop software solution developed • Piloting of the software having taken place in 12 institutions in 2015/16 year
Indicator responsibility	OCPO

PERFORMANCE INDICATOR 5.5.5

Indicator title	SCM education, training and development (ETD) solutions
Short definition	Design, develop and roll out a range of skills development programmes, each targeting specific audiences within the SCM function
Purpose/importance	A concerted ETD rollout is necessary to: <ul style="list-style-type: none"> • Strategically position SCM and improve governance and SCM performance • Enhance SCM competencies and skills thereby improving SCM capability and performance
Source/collection of data	SCM ETD directorates within national and provincial Treasuries, as well as validated service providers
Method of calculation	Quantity and quality of SCM ETD solutions developed and delivered
Data limitations	Service provider reporting of data
Type of indicator	Inputs, activities, outputs and outcomes
Calculation type	Quarterly and annual
Reporting cycle	Non-cumulative
New indicator	Substantially changed
Desired performance	<ul style="list-style-type: none"> • Development and delivery of the Executive SCM Development Programme • Skills Development Programmes developed, delivered and approved: Demand Management, Bid Committees and Contract Management • Project initiation, programme customisation and delivery of the SCM Certificate Learnership
Indicator responsibility	Director: SCM ETD

PERFORMANCE INDICATOR 5.5.6

Indicator title	SCM ETD development and delivery framework
Short definition	Manage the analysis, design, development, implementation, monitoring and evaluation of national frameworks, guidelines, and standards for SCM ETD
Purpose/importance	<p>Develop and deliver SCM ETD solutions to develop and empower a corps of competent and committed employees through:</p> <ul style="list-style-type: none"> • A structured approach to the development and delivery of these solutions • A documented body of knowledge aligned to the SCM master learning curriculum
Source/collection of data	<ul style="list-style-type: none"> • SCM ETD directorates within the OCPO, as well as validated service providers, to provide information about the extent of ETD development and delivery in the period under review • Evidence of development of the information lifecycle management (ILM) policy, process and prospectus having taken place • Evidence of the quantity and quality of SCM curriculum content for the public sector developed and delivered
Method of calculation	<p>Extent of development of:</p> <ul style="list-style-type: none"> • SCM ETD Framework • Integrated learning matrix policy, process and prospectus • Public sector SCM curriculum content
Data limitations	Reliability and consistency of data reported by service providers
Type of indicator	Activities and outputs
Calculation type	Quarterly and annual
Reporting cycle	Cumulative
New indicator	No
Desired performance	<p>During 2015/16, development, adoption and/or rollout of:</p> <ul style="list-style-type: none"> • SCM ETD Framework • Integrated learning matrix policy, process and prospectus <p>SCM curriculum content for the public sector</p>
Indicator responsibility	Director: SCM ETD

PERFORMANCE INDICATOR 5.5.7

Indicator title	SCM organisational and individual capacity development
Short definition	The development of SCM within the organisation as a whole; the focus is not only on individual capacity development
Purpose/importance	One of the four strategic objectives addressed in the CDS for public finance management is to enhance organisational capacity. Given the legislative mandate of SCM units within departments, it is critical that strong SCM units are appropriately structured to perform their functions.
Source/collection of data	Evidence of development of a generic functional structure for SCM within the offices of CFOs in national departments
Method of calculation	Extent of development of a generic functional structure for SCM within the offices of CFOs in national departments
Data limitations	None
Type of indicator	Success of implementation is more medium to long-term. An example of a success indicator may be higher staff morale in that employees now have greater clarity about what is expected of them.
Calculation type	Cumulative
Reporting cycle	Would depend on how frequently the information is required. It is recommended that the status of progress of organisational capacity initiatives is monitored and reported on at least once every year.
New indicator	N/A
Desired performance	Develop a generic functional structure for SCM within the office of the CFO in national departments during 2015/16
Indicator responsibility	Chief Director: Capacity Building

PERFORMANCE INDICATOR 5.6.1

Indicator title	Review bid specifications against SCM policy and applicable procurement instructions
Short definition	Review bid specifications to ensure compliance with policy, norms and standards and any SCM prescripts
Purpose/importance	Ensure that bid specifications are compiled in a way that is fair, ethical and transparent
Source/collection of data	<ul style="list-style-type: none"> • Evidence of reviews 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 the application of SCM prescripts and compiling incorrect specifications.
Type of indicator	It measures inputs used in compiling a specification (SCM prescripts) and resulting output in terms of advertised specification.
Calculation type	Non-cumulative: each specification is reviewed on its own merit and has no impact on other reviews
Reporting cycle	Quarterly
New indicator	No
Desired performance	150 bid specifications reviewed annually
Indicator responsibility	Process owner: Chief Director: SCM – GMC Managing and reporting Directorate: Monitoring and Compliance

PERFORMANCE INDICATOR 5.6.2

Indicator title	Review procurement plans against core functions of the organisation
Short definition	Review procurement plans from all spheres of government to ensure contribution to and alignment with the core functions of the organisation. 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 that departments use procurement plans as a tool to manage their procurement process. The reports generated highlight gaps identified in the 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 • 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 • Evidence of correspondence with procurement plan owners
Data limitations	Limited budget information available for public entities and municipalities Long turnaround times in responses from departments
Type of indicator	A combination of output (procurement plan), outcome(review of advertised and awarded tenders) and impact on service delivery
Calculation type	Reported performance is cumulative
Reporting cycle	Quarterly
New indicator	New
Desired performance	200 procurement plans reviewed each year
Indicator responsibility	Process owner: Chief Director: SCM - GMC Managing and reporting: Directorate Governance

PERFORMANCE INDICATOR 5.6.3

Indicator title	Review bid evaluation and adjudication minutes to ensure compliance with evaluation criteria and scoring
Short definition	Review minutes of bid evaluation and adjudication to assess objectivity of bid award process and ensure that evaluation and adjudication are aligned with the bid specification and the general and specific bid conditions
Purpose/importance	To ensure and assess the fairness of the tender award process
Source/collection of data	Tender complaints received, court cases, media 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 • Existence of reports or other records of relevant reviews
Data limitations	Long turnaround times if clients do not respond on time on queries raised.
Type of indicator	It measures input, output, outcome, activity and impact (value for money achieved)
Calculation type	Non-cumulative: each case is reviewed on its own merit and has no impact on other cases reviewed
Reporting cycle	Quarterly
New indicator	No
Desired performance	400 sets of BEC/BAC minutes reviewed annually
Indicator responsibility	Process owner: Chief Director : SCM - GMC Managing and reporting Directorate: Monitoring and Compliance

PERFORMANCE INDICATOR 5.6.4

Indicator title	Evaluate the implementation of projects against contract specifications and conditions of tender
Short definition	Physical verification of projects to ensure that the project is implemented in line with specified contract agreements and conditions of tender
Purpose/importance	Ensure that projects are delivered on time within approved specifications and that value for money is achieved
Source/collection of data	<ul style="list-style-type: none"> • Evidence of number of projects visited • Evidence of having considered relevant factors, such as report-back, when undertaking visits
Method of calculation	Number of planned site visits against actual number visited (physically verified)
Data limitations	Access limitations to verify some projects due to geographical location as well as restricted access imposed by officials
Type of indicator	It measures outcome and impact (value for money)
Calculation type	Non-cumulative; each project is measured on its own merits
Reporting cycle	Quarterly
New indicator	No
Desired performance	Average of 25 visits per quarter and 25 contract reviews per quarter
Indicator responsibility	Process owner: Chief Director : SCM - GMC Managing and reporting Directorate: Monitoring and Compliance

PERFORMANCE INDICATOR 5.7.1

Indicator title	Develop a Strategic Procurement Framework (SPF) tailored for the different forms of procurement
Short definition	A SPF which will serve as a strategic sourcing guide for procurement officials
Purpose/importance	A well-documented SPF provides guidance on strategic sourcing strategies for all types of goods and services
Source/collection of data	Evidence of specific activities undertaken in maintaining and refining the SPF
Method of calculation	Extent of work undertaken in maintaining and refining the SPF
Data limitations	None
Type of indicator	Impact - success of the implementation of the SPF will be realised over the medium to long term and should help to reduce expenditure and improve service delivery. This indicator will measure the impact on expenditure.
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Effective rollout of refinements to the SPF
Indicator responsibility	Chief Director: Strategic Procurement

PERFORMANCE INDICATOR 5.7.2

Indicator title	Develop sourcing strategies for identified commodities/procurement categories
Short definition	Development of sourcing strategies for identified commodities/procurement categories on a project basis, using the SPF (indicator 28)
Purpose/importance	Ensure a collaborative, structured and systematic approach to analysing commodity spend, establishing demand and understanding market dynamics; using this information to acquire goods and services effectively; and supporting government's service delivery objectives.
Source/collection of data	<ul style="list-style-type: none"> • Evidence of activity relating to the 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 actual procurement strategy proposals completed against the planned number
Data limitations	None
Type of indicator	Successful implementation of developed sourcing strategies will be realised over the medium to long term and should result in reduced expenditure and improved service delivery. This indicator will measure the savings achieved, and the level of economy and efficiency.
Calculation type	Count – number of proposals concluded and accepted
Reporting cycle	Annually and longer (depending on the contract period)
New indicator	No
Desired performance	For 2015/16 year, sourcing strategy proposals for government Health and Education sectors will be developed.
Indicator responsibility	Chief Director: Strategic Procurement

PERFORMANCE INDICATOR 5.7.3

Indicator title	Implement sustainable Price Referencing System (PRS)
Short definition	Develop and implement a web-enabled PRS that can be accessed by SCM officials and used as a guide to benchmark product value 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, assisting departments, municipalities and public entities to 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 Stats 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 access 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 impact
Calculation type	Non-cumulative. Usage trend over the review period.
Reporting cycle	Quarterly
New indicator	No
Desired performance	Design and implementation of PRS on a nationally accessible platform
Indicator responsibility	Chief Director: Strategic Procurement

PERFORMANCE INDICATOR 5.7.4

Indicator title	Maintain existing transversal term contracts and establish the national procurement system
Short definition	A transversal contract refers to a contract for common goods or services or <i>ad hoc</i> goods and services in which more than one government institution participates. A national procurement system refers to expansion of the present portfolio of transversal contracts to include various commodities purchased routinely by departments.
Purpose/importance	Contracts are maintained and sourced primarily to achieve economies of scale through bulk purchasing
Source/collection of data	An annual transversal term contract register is maintained by the Chief Directorate: Transversal Contracting
Method of calculation	Arithmetic counting of existing transversal term contracts
Data limitations	None identified
Type of indicator	Impact measures transversal term contracts maintained, identification of activities through the contract management cycle, conducting of benchmark exercise to measure economies of scale
Calculation type	Performance is non-cumulative and is in line with the contract/contract cycle
Reporting cycle	Quarterly reporting
New indicator	No
Desired performance	Maintain and establish transversal term contracts that achieve value for money and improved service delivery
Indicator responsibility	Chief Director: Transversal Contracts

PERFORMANCE INDICATOR 5.8.1

Indicator title	Develop, implement and maintain a Central Supplier Database
Short definition	Develop, implement and maintain a Central Supplier Database to reduce the administrative burden on suppliers and on SCM practitioners
Purpose/importance	Reducing the amount of paper and increasing electronic referencing will significantly reduce service providers' costs of doing business with the State and improve the quality of reference and administrative data. SCM efficiency will also improve.
Source/collection of data	Evidence of development and implementation of government's Central Supplier Database
Method of calculation	Extent of development and implementation of government's Central Supplier Database
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Development and implementation of the Central Supplier Database in government during 2015/16
Indicator responsibility	OCPO

PERFORMANCE INDICATOR 5.8.2

Indicator title	Establish an e-Tender Portal
Short definition	Establish a portal where all government tenders can be accessed by interested parties
Purpose/importance	Centralising the publication of government tenders will offer many benefits to government and service providers, including improved efficiencies, reduced amount of paper and manual processing and broad access to tender information
Source/collection of data	Evidence of development and implementation of the e-Tender portal
Method of calculation	Extent of development and implementation of the e Tender portal
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Development and implementation of the e Tender portal during 2015/16 year
Indicator responsibility	OCPO

PERFORMANCE INDICATOR 5.8.3

Indicator title	Develop e-Procurement specifications
Short definition	Develop e-Procurement specifications in anticipation of the procurement and implementation of a government IFMS
Purpose/importance	As national and provincial government's resource planning systems are being replaced, this is an opportune time to complete specifications in line with the intended strategy of the OCPO. Technology is a significant resource for rolling out procurement reform.
Source/collection of data	Evidence of development of e-Procurement specifications
Method of calculation	Extent of development of e-Procurement specifications
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Completion of e Procurement specifications during 2015/16
Indicator responsibility	OCPO

PERFORMANCE INDICATOR 5.8.4

Indicator title	Develop IFMS SCM specifications
Short definition	Develop IFMS-SCM specifications in anticipation of the procurement and implementation of an IFMS for government
Purpose/importance	As national and provincial government's resource planning systems are being replaced, this is an opportune time to develop comprehensive specifications in line with the intended strategy of the OCPO. The technology is of significant value in SCM reform.
Source/collection of data	Evidence of development of IFMS SCM specifications
Method of calculation	Extent of development of the IFMS-SCM specifications
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Completion of the IFMS SCM specifications during 2015 /16
Indicator responsibility	OCPO

PERFORMANCE INDICATOR 5.8.5

Indicator title	Develop e-Commerce centre
Short definition	Conceptualise and establish a government e-Commerce centre
Purpose/importance	e-Commerce is a very efficient way of conducting commercial transactions, as has been demonstrated in developed countries. It offers government the opportunity to increase its efficiency in conducting business whilst reducing costs.
Source/collection of data	Evidence of the concept and design of a government e-Commerce centre having been carried out
Method of calculation	Extent of the concept and design of a government e-Commerce centre developed
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Completion of the eCommerce centre specifications during 2015/16
Indicator responsibility	OCPO

PERFORMANCE INDICATOR 5.8.6

Indicator title	Develop an e- SCM Performance Management Module
Short definition	Develop an electronic solution for managing the performance of government's SCM function
Purpose/importance	The SCM function is presently being overhauled. The dynamic nature of such a change needs constant monitoring so that progress can be measured and performance improves consistently over time.
Source/collection of data	Evidence of the concept and design of a SCM Performance Management Module for government having been developed
Method of calculation	Extent of the concept and design of a SCM Performance Management Module for government developed
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Completion of the SCM Performance Management Module specifications during 2015/16
Indicator responsibility	OCPO

PERFORMANCE INDICATOR 5.8.7

Indicator title	Assessment of local government systems
Short definition	Conduct an assessment of SCM systems in local government
Purpose/importance	Standardising SCM functionality in local government must start with a clear understanding of the key activities and principles employed in the function at present. The diversity in scale, size, capability and requirements amongst various municipalities will also be taken into account, as this forms a key input to the design process.
Source/collection of data	Evidence of the assessment of local government SCM systems having been conducted
Method of calculation	Extent of the assessment of local government SCM systems having been conducted
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Completion of the assessment of SCM systems in local government, during the 2015/16 year
Indicator responsibility	OCPO

TECHNICAL **INDICATOR DESCRIPTORS** 2015/16

PROGRAMME 6:
**INTERNATIONAL
FINANCIAL RELATIONS**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

PERFORMANCE INDICATOR 6.1.1:

Indicator title	Compile analyses and Briefs on current issues and recommendations
Short definition	Analyses refers to the synthesis of data in a manner that draws indications, inferences or bases for recommendations. 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	The division leads or supports participation of the National Treasury and Ministry of Finance in various forums, including but not limited to those organised by WEF, G20, BRICS, SADC, SACU, WB, IMF, AU, UNECA, G24 and Commonwealth. In order to support the effort to maximise the value derived from engagements in these forums, the division will engage with relevant stakeholders, complete analyses and Briefing notes as necessary and communicate progress where appropriate.
Source/collection of data	<ul style="list-style-type: none"> • Evidence of generation of relevant briefing notes and position papers • Evidence of interaction with stakeholders • Evidence of publication of issue briefs, progress reports and related documents
Method of calculation	<ul style="list-style-type: none"> • Number of analyses compiled and distributed or submitted to relevant stakeholders and/or interested parties • Number of progress reports submitted to Cabinet • Number of domestic stakeholder engagements held to observe lessons learned from international meetings, for purposes of communicating future strategy to Cabinet
Data limitations	None
Type of indicator	Outputs and activities
Calculation type	Cumulative
Reporting cycle	Annual and Quarterly
New indicator	Substantially changed
Desired performance	Performance is as expected – several briefing notes are requested on an ad-hoc basis and prepared within required timeframes
Indicator responsibility	Chief Directorate: International Economic Cooperation Chief Directorate: African Integration and Support

PERFORMANCE INDICATOR 6.1.2:

Indicator title	Support and monitor implementation of international agreements
Short definition	Ensuring that applicable international agreements, to which South Africa is a party, are implemented. Furthermore, the potential benefits and risks which South Africa incurs as a result of joining specific agreements should be identified by the Division.
Purpose/importance	To ensure that South Africa maintains a streamlined and prudent approach to subscribing to international agreements and; to ensure that South Africa complies with, and is able to demonstrate such compliance, to international agreements.
Source/collection of data	<ul style="list-style-type: none"> • Evidence of reviews having taken place, where the potential benefits and risks of specific agreements, are considered; and • Evidence of progress having been made on specific agreements, such as the SACU revenue-sharing formula.
Method of calculation	<ul style="list-style-type: none"> • Progress made in implementation of agreements specified in the Annual Performance Plan; • Number of assessments of potential agreements completed and submitted to the relevant principals
Data limitations	None
Type of indicator	Outputs and activities
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	Substantially changed
Desired performance	Performance will be evaluated on an annual basis
Indicator responsibility	Chief Directorate: International Economic Cooperation Chief Directorate: African Integration and Support

PERFORMANCE INDICATOR 6.2.1:

Indicator title	Pursuit of institutional reform
Short definition	A campaign or measure aimed at achieving change, to improve specific institutional performance.
Purpose/importance	Institutions such as SADC and the AU have the potential to add immense value to South Africa and the continent, if they were able to operate more efficiently and effectively. This pursuit of institutional reform is intended to be achieved over the medium-term by offering support and analysing the root causes of challenges faced (where appropriate).
Source/collection of data	<ul style="list-style-type: none"> • Evidence of provision of capacity-building support or initiatives as planned; • Evidence of the provision of high-quality inputs and participation in key development policy processes
Method of calculation	<ul style="list-style-type: none"> • Number of initiatives or interventions conducted, relative to the planned number • Extent of participation in key policy development processes, such as the IDA, ADF and G20 departmental working group.
Data limitations	None
Type of indicator	Outputs and activities
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	Substantially changed
Desired performance	Robust engagement with targeted institutions, and strong participation in the working groups
Indicator responsibility	Chief Directorate: African Integration and Support Chief Directorate: International Development Funding Institutions Chief Directorate: International Projects

PERFORMANCE INDICATOR 6.2.2:

Indicator title	Increased presence within institutions of particular strategic value
Short definition	Increasing South Africa's presence in strategically valuable institutions, such as the AfDB, World Bank, IMF and OECD; through appropriate means and measures, offer the prospects of increasing South Africa's influence in these institutions.
Purpose/importance	Increasing influence in these institutions is one of the means 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	<ul style="list-style-type: none"> • Evidence of having purchased AfDB shares made available to South Africa; • Evidence of having engaged with relevant stakeholders in these organisations on a range of issues
Method of calculation	<ul style="list-style-type: none"> • Volume of AfDB shares purchased, relative to the number made available in a given period of time; and • Number of engagements held relative to the number planned
Data limitations	None
Type of indicator	Output and impact
Calculation type	Cumulative for 3-5 years (MTEF cycle)
Reporting cycle	Annual
New indicator	Substantially changed
Desired performance	<ul style="list-style-type: none"> • An increased shareholding in AfDB shares to 6% • Engagement with external stakeholders • Appropriate participation in domestic working groups
Indicator responsibility	Chief Directorate: African Integration and Support Chief Directorate: International Development Funding Institutions Chief Directorate: International Projects

PERFORMANCE INDICATOR 6.3.1:

Indicator title	Assessment of initial conditions and projects and plans to accelerate regional integration
Short definition	To empower decision-makers with an understanding of the status quo and constraints to increasing trade amongst countries in SSA
Purpose/importance	In order to develop a coherent strategy and refine implementation of the strategy of the medium-term, it is important to understand the status-quo and identify present constraints and opportunities available to increase trade in the region.
Source/collection of data	<ul style="list-style-type: none"> • Evidence of research conducted on relevant trade patterns • Evidence of having assessed specific constraints in greater detail
Method of calculation	<ul style="list-style-type: none"> • Number of reports, submitted or distributed, relating to relevant trade patterns • Extent of assessment completed
Data limitations	None
Type of indicator	Activities and outputs
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	<ul style="list-style-type: none"> • Development of An Africa strategy • Targeted support to increase investment in infrastructure in SSA; through analysis of the opportunities and constraints
Indicator responsibility	Chief Directorate: African Integration and Support Chief Directorate: International Projects Chief Directorate: International Economic Cooperation

PERFORMANCE INDICATOR 6.2.3:

Indicator title	Expansion of relations with key strategic partners
Short definition	In order to exploit opportunities with key strategic partners, an alignment of interests and mutual awareness of available opportunities is necessary
Purpose/importance	This will help SA achieve its strategic objectives and contribute to increased economic activity in the region
Source/collection of data	Evidence of having collated evidence and analysed specific areas of cooperation, associated 'bottlenecks' and resolution of these challenges.
Method of calculation	Number of analyses completed and submitted to principals, and/or distributed to other stakeholders for further engagement or action
Data limitations	None
Type of indicator	Outputs, impact, and economy
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	<ul style="list-style-type: none"> • Identification of strategic partners; • Increased exchange of views and improved alignment of interests; and • Increased outreach and stronger information exchange on current policy debates and issues, particularly with EMDCs, especially in SSA
Indicator responsibility	Chief Directorate: African Integration and Support Chief Directorate: International Projects Chief Directorate: International Economic Cooperation

TECHNICAL **INDICATOR DESCRIPTORS** 2015/16

PROGRAMME 7:
**CIVIL & MILITARY PENSIONS,
CONTRIBUTIONS TO FUNDS
AND OTHER BENEFITS**



national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

PERFORMANCE INDICATOR 7.1.1

Indicator title	Pay 100 % of benefits within liability date
Short definition	Payments of benefits accurately and on time: <ul style="list-style-type: none"> • Post-retirement medical benefits paid within 30 days • Injury on duty paid within 45 days • Special pension paid within 60 days • Military pensions within 45 days
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 – performance indicator title changed as necessary
Desired performance	Aim is to exceed targeted performance
Indicator responsibility	General Manager: Programme 7 (GPAA)

PERFORMANCE INDICATOR 7.1.2

Indicator title	Ensure 100 % 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 – performance indicator title amended as necessary
Desired performance	To comply with customer service level agreement
Indicator responsibility	General Manager: Programme 7 (GPAA)

PERFORMANCE INDICATOR 7.1.3

Indicator title	To consistently improve client data integrity
Short definition	To consistently improve client data integrity, to the extent that the quality of client information is consistently accurate and difficult to compromise
Purpose/importance	In order to ensure that the right person (i.e. the lawful member or beneficiary) is paid every time, client data of high integrity is critical. For this purpose the GPAA has resolved to ensure that client data integrity is increased substantially over the medium-term.
Source/collection of data	<ul style="list-style-type: none"> • Evidence of progress against workplans • Evidence of improved client data integrity, as specified in the Annual Performance Plan
Method of calculation	<ul style="list-style-type: none"> • Extent of progress against work plans; and • Extent of improvement of client data integrity
Data limitations	Delays by Employer in submitting original awards from Compensation Fund, delays by applicants in submission of banking details. No MIS for reporting
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	Yes
Desired performance	Aim is to exceed targeted performance
Indicator responsibility	GENERAL MANAGER: PROGRAMME 7 (GPAA)

PERFORMANCE INDICATOR 7.2.1

Indicator title	100 % 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 within defined timeframes
Indicator responsibility	General Manager: Programme 7 (GPAA)

TECHNICAL **INDICATOR DESCRIPTORS** 2015/16

PROGRAMME 8:
**TECHNICAL AND MANAGEMENT
SUPPORT AND
DEVELOPMENT FINANCE**



national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

PERFORMANCE INDICATOR 8.1.1:

Indicator title	Set-up a Programme 8 management office
Short definition	Overseeing operationalisation of the Government Technical Advisory Centre as a government component
Purpose/importance	<p>Development of a Programme 8 management office for GTAC oversight, to be monitored through reports to the DG and Minister</p> <p>Establishing the institutional relationship to ensure that GTAC efforts are aligned with the priorities of government and the Ministry of Finance:</p> <ul style="list-style-type: none"> • Ensuring compliance with governance and reporting requirements • Establishing the oversight and engagement relationship with GTAC • Establishing report formats and frequency for submission to the DG and Minister • Ensuring continued monitoring and evaluation of programme implementation
Source/collection of data	<ul style="list-style-type: none"> • Evidence of establishment of a programme 8 management office • Evidence of appropriate governance and reporting compliance • Evidence of capability and activity related to monitoring and evaluation of programme implementation
Method of calculation	Extent of progress against planned achievements
Data limitations	None
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Establishment of the Programme 8 management office, as envisaged by management
Indicator responsibility	Programme Manager

PERFORMANCE INDICATOR 8.1.2

Indicator title	Number of technical assistance and transaction advisory projects supported.
Short definition	<p>The number of projects supported during a defined period.</p> <ul style="list-style-type: none"> • A technical assistance project is considered supported once it has been registered as a project on the Business Management Information System. • A transaction advisory project is considered supported if there is approval to conduct a feasibility study, and the project is listed on the transaction register
Purpose/importance	To give an indication of the number of projects supported by GTAC
Source/collection of data	Business Management Information System (BMIS) and transaction register of projects
Method of calculation	<p>Count the number of projects in the project lists that have the following status - pipeline, current, or completed.</p> <p>The projects are counted on the last day of each quarter (i.e. 30 June, 30 September, 31 December, and 31 March).</p>
Data limitations	<p>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.</p> <p>A spread sheet is issued, dated and signed by the persons responsible for the data and for the management of the projects.</p>
Type of indicator	Activity
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Amended to include transaction advisory projects supported
Desired performance	Support to targeted number of projects afforded, as intended and within acceptable service parameters
Indicator responsibility	Director: TASS and Head: Transaction Advisory Services

PERFORMANCE INDICATOR 8.1.3

Indicator title	Capital project advice and expenditure reviews on behalf of the National Treasury
Short definition	<p>Provide advice on capital projects and conduct expenditure reviews, as agreed with relevant stakeholders in the National Treasury and line departments.</p> <p>Expenditure (and performance) reviews seek to unearth insights into resourcing and performance of government operations, in relation to the applicable legislation and policy.</p> <p>Capital projects relate to large multi-year projects relating to key government infrastructure, such as infrastructure required for provision of water and energy to all citizens.</p>
Purpose/importance	<p>Expenditure (and performance) reviews offers government the ability to re-calibrate, where necessary, the extent of financial and human resources to deliver on selected policies of government. In certain instances, where it is found that the applicable policy is not aligned with the aspirations of the National Development Plan, or applicable government priorities, then the policy custodian will be engaged to reconsider such.</p> <p>Large capital projects require a focused and concerted approach to resolve challenges proactively and appropriately, where necessary. Key decisions on these matters have strategic impact which could involve several billions of rands and influence service delivery for several years in the future.</p>
Source/collection of data	Plans and records from the EPR and Capital Projects units respectively.
Method of calculation	Number of projects undertaken, as expressed in the Annual Performance Plan
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Number of projects supported, in relation to the intended number (specified in the APP)
Indicator responsibility	Head: EPR and Head: Capital Projects respectively

PERFORMANCE INDICATOR 8.2.1:

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 8.2.2:

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 Programme Management Unit

PERFORMANCE INDICATOR 8.2.3:

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 8.2.4:

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 8.3.1:

Indicator title	Long-term urban regeneration programmes registered
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 documented 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	The purpose of long-term urban regeneration programmes are to: <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	Developed and submitted by Municipalities to the Neighbourhood Partnership Development Programme (NDPP); with the support of Professional Service Providers through funding from the NDPG Technical Assistance allocation. Long-term urban regeneration programmes (as represented in urban network plans) are collected, reviewed by the NDPP and status of reflected on the Management Information System. Deliverables are stored as records within NDPP Unit file plan structure.
Method of calculation	Count of Municipal Urban Network Plans with NDP Unit Letters of Acceptance / No Objection approved and issued
Data limitations	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: <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 • 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	Head: Neighbourhood Development Partnership Programme

PERFORMANCE INDICATOR 8.3.2:

Indicator title	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	Head: Neighbourhood Development Partnership Programme

PERFORMANCE INDICATOR 8.3.3:

Indicator title	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 NDPP's management information systems and formats (i.e. monthly web, progress and close-out reports) 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 NDPP 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	<p>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. 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	Head: Neighbourhood Development Partnership Programme

PERFORMANCE INDICATOR 8.3.4:

Indicator title	Estimated third-party investment leveraged (cumulative)
Short definition	The NDPP's strategy is aimed at leveraging third-party investment in order to transform targeted locations in townships, referred to as Urban Hubs. The NDPP 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 increase of the reported 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 investments 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. 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 NDPP 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

PERFORMANCE INDICATOR 8.3.5:

Indicator title	Number of projects confirmed for planning within identified integration / spatial transformation zones (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 2015/16
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 8.3.6:

Indicator title	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 regards to financing and sustainability 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	The number of integrated city development projects 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 2015/16
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 8.4.1:

Indicator title	Number of Jobs Fund 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 8.4.2

Indicator title	Grant funding approved (cumulative). Matched funding committed (Cumulative)
Short definition	Denotes the quantum (in Rand value terms): <ul style="list-style-type: none"> • of Grant funds that has been allocated (Committed) for the implementation of approved portfolio projects, and • matched funding committed
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; and the amount of matched funding committed by project applicants.
Source/collection of data	Data are collected from Investment Committee Decision Records and meeting Minutes; as well as grant agreements where the amount of matched funding committed can be seen.
Method of calculation	A count of the: <ul style="list-style-type: none"> • total approved grant amount to be used for the implementation of approved projects, and • total committed matched funding as reflected in grant agreements and related documentation
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly.
New indicator	Amended to include matched funding committed
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 8.4.3:

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 8.4.3.1:

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 8.4.3.2:

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 8.4.4:

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 8.4.5

Indicator title	Jobs Fund evaluation reports documented and learning 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 8.4.6

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	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 8.5.1

Indicator title	Technical assistants deployed in participating departments to support the development of capacity in infrastructure delivery
Short definition	Supporting the improvement of planning capacity for purposes of improved infrastructure delivery
Purpose/importance	Improved planning capacity is envisaged to assist in improving the quality and efficiency of infrastructure delivery, as well as more effective utilisation of financial resources for this purpose
Source/collection of data	Evidence of technical assistants deployed to participating departments
Method of calculation	Number of technical assistants deployed to participating departments
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	The intended number of technical assistants are deployed to participating departments and improvements are being made over time
Indicator responsibility	Chief Director: Provincial and Local Government Infrastructure

PERFORMANCE INDICATOR 8.5.2

Indicator title	Officials trained on the infrastructure delivery management (IDM) toolkit to support improved infrastructure delivery in provinces
Short definition	The 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 improve provincial government capacity to plan, deliver, maintain, manage and report on infrastructure. Ultimately this will contribute to improving the government's ability to deliver on infrastructure improvement plans.
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: Provincial and Local Government Infrastructure

PERFORMANCE INDICATOR 8.5.3:

Indicator title	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	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	The number of participating graduates being higher than the planned number is desirable
Indicator responsibility	Chief Director: Provincial and Local Government Infrastructure

TECHNICAL INDICATOR DESCRIPTORS 2015/16

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national treasury

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National Treasury
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