

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