

# **FROM POLICY VISION TO OPERATIONAL REALITY 2007**

**Annual implementation update in support  
GWME policy framework**

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# **GOVERNMENTWIDE MONITORING AND EVALUATION FRAMEWORK: GETTING FROM POLICY VISION TO OPERATIONAL REALITY**

## **1 Background**

The Government-wide Monitoring and Evaluation (GWM&E) Policy Framework will apply to national, provincial and local spheres of government and cover three data terrains: (1) programme performance, (2) evaluations and (3) social, economic and demographic data.

These 3 frameworks are spearheaded by different departments which will, in all probability, issue further regulation to give more substance to the policy framework. These leading departments must have a clear understanding of their counter-parts activities and objectives in order to coordinate their activities. Similarly, an accounting officer (be it a head of national or provincial department, or a municipal manager) will have to comply with all three frameworks simultaneously. It is vital that the Accounting Officers understand the overall implementation plan for the GWM&E system within the relevant sphere of government, and can locate their detailed departmental/municipal rollout plan within that overall framework.

The current M&E initiatives currently under way will be described, as well as future intentions by the main stakeholders in national and provincial spheres. This is important since this implementation framework aims to consolidate and build upon existing initiatives. Principles which should guide the stakeholders in the future development of their detailed individual implementation plans are outlined in Appendix 1. Appendix 2 contains a delineation of the legal mandates underpinning the assignment of roles and responsibilities.

## **2 Description of existing and planned initiatives at national and provincial level**

Because GWM&E is by its very definition multi-disciplinary and multi-sectoral, the emerging system has involved consistent and sustained participation with a variety of stakeholders. Following the Cabinet memorandum in 2005, most departments recognised that developing M&E capability was central to their ability to discharge their mandates. Accordingly, many departments started developing mechanisms for improved monitoring, and over time various systems evolved with differing degrees of complexity.

Working groups were established to concentrate on formalising the following dimensions of M&E: (1) policy and standards, (2) databases and reporting as well as (3) capacity building. The foundational work required

in the initial phase has been completed, and the next phase will be the constitution of an M&E Coordinating Forum. This will allow for the closer cooperation and alignment of M&E functions.

## *2.1 The Presidency*

### **Existing initiatives**

GWM&E is pivotal to effective executive decision-making at the centre of government in support of implementation, for informing evidence-based resource allocation and ongoing policy refinement. To this end, the Presidency has created a system of web-based system of bi-monthly report cards for each of the 278 activities in government's Programme of Action (PoA). This forms the basis for bi-monthly reporting to Cabinet which is accessible by the broader public on the Presidency website.

The Presidency has also initiated the annual publication of Development Indicators. Departments will report on the indicators which are applicable to their sectors. It is envisaged that the core set of indicators may be slightly enlarged in future and that data will be developed for community assets, health, education and safety and security on a district level. Furthermore, it is anticipated that these indicators will also be reported on a geographical basis in future.

The Presidency also compiles functional indicators for each national department biannually. These comprise service delivery outputs and outcomes information, public opinion surveys, financial information, human resources as well as other internal governance arrangements (e.g. strategic planning, etc).

The Presidency leads the GWM&E Coordinating Forum and provides leadership on GWM&E Policy Framework. To promote the dissemination of information and best practices to all M&E practitioners, the Presidency is also supporting the M&E Learning Network.

### **Planned initiatives**

No implementation plan, no matter how thorough, can cater for all the contingencies which may arise in the course of implementing the GWM&E Policy Framework. This is because the policy and implementation landscape is dynamic, and technologies are constantly improving creating new, affordable possibilities. A leadership and coordination function will therefore always be required, and this responsibility falls on the Presidency.

The Presidency will continue to refine the PoA functionality by including indicators on impact and the outcomes of government's priority programmes.

Together with DPSA, the Presidency will make available a comprehensive GIS based system of reporting on government services to the public. This will entail the availability of pre-determined data categories per ward and municipal district and is envisaged to encompass roughly 500 data levels. This will constitute a resource for whole of government, as well as civil society organisations and M&E practitioners.

## *2.2 National Treasury*

### **Existing initiatives**

The initially thrust of National Treasury monitoring was financial in nature, manifesting itself as an Early Warning System for national departments, and provincial governments. This gave rise to the In Year Management system which remains a cornerstone of M&E in South Africa. With the enactment of the PFMA, this focus was gradually expanded to include efficiency and effectiveness analysis which therefore require non-financial service delivery information. This broad approach was replicated in the local sphere through the promulgation of the Municipal Finance Management Act of 2003.

Together with the tabling of annual budgets in Parliament and the provincial Legislatures, Ministers and MECs have to table strategic plans and/or annual performance plans for scrutiny and approval. The linking of output measures (in measurable objectives) to the resource allocation in budget programmes and sub-programmes is crucial for creating an orientation towards value for money. These plans and budgets lay the foundation for in-year monthly financial reporting and quarterly performance reporting, as well as year-end annual reports and audited financial statements.

Since 2003, the National Treasury has engaged extensively with the provincial government departments to put in place a system of standardised five year strategic plans, annual performance plans and quarterly performance reports which monitor progress of actual service delivery achievement and spending against plans. In May 2007, the Treasury published its *Framework for Managing Programme Performance Information* which, inter alia, aimed to clarify the standards and definitions for performance information in support of audits of non-financial information.

Progress within national non-concurrent function departments has, however, been more muted. There are currently still no agreed formats for strategic plans for national departments. Currently processes are under way to refine indicators for the Estimates of National Expenditure for a small pilot subset of the national non-concurrent departments

(Departments of Correctional Services, Public Service and Administration, Public Works and the South African Police).

While all national Departments will be required to reflect output measures and outcome indicators (at programme and sub-programme level) in their Estimate of National Expenditure, the focus of the pilot departments initially will be on trendable and quantitative indicators. This will be applied to certain key programmes within the pilot departments, but the approach will later be extended to all programmes. The past three years (where available) will serve as benchmarks, the current appropriation will be accompanied by targets, as well as indicative targets over the MTEF period. The pilot Departments will also be required to provide metadata for their indicators: indicator title, importance, source, calculation methods, data limitations, standards etc.

While initially National Treasury systematised the process of defining non-financial information requirements, national concurrent departments, like the Departments of Education, Social Development and Health, have however also taken the initiative. In conjunction with their provincial counterparts, they have developed extensive indicators for service delivery monitoring. These are described in detail below. There is an ongoing convergence between the initiative of these concurrent national departments and the National Treasury processes, which has resulted in streamlining reporting requirements.

### **Planned initiatives**

One of the aims of the pilot project for the enhancement of ENE formats would be to learn lessons which can assist in the rollout to the other national Departments. There would also be an increased emphasis on the in-year monitoring of national Departments, rather than just year-end review exercises. Holding of regular budget forums for CFOs would also be important, especially by cluster. This will ensure that National Department's performance management information systems are adequate to support the audit of non-financial information by the Auditor-General in 1009/10 when he will commence expressing audit opinions in this regard.

It may also be necessary to review the budget structures of certain national departments to ensure that they are reflective of the services which are delivered.

## 2.3 Statistics SA

### Existing initiatives

Through setting common standards (e.g. concepts, definitions, classifications, methodologies and sampling frames), the South African Statistics Quality Assessment Framework (SASQAF) promotes quality assurance systems within a decentralised system of statistics production. Within the National Statistics System (NSS), SASQAF distinguishes between “national statistics” and “official statistics”.

*National statistics* are those in the public domain, but which the Statistician General has not certified as “official” in terms of section 14.7(s) of the Statistics Act. These include surveys, registers and administrative data sets emanating from the three spheres of government and other organs of state. The private sector, research institutions and NGOs also generate statistics which are in the public domain and which could exert an influence on policy development or monitoring. These can also be evaluated against SASQAF and the NSS.

Statistics are eligible for designation as “*official statistics*” subject to periodic reviews by the Statistician General in consultation of the head of the producing agency. SASQAF requires that three criteria need to be met prior to assessment of the data: (1) the producing agency should be a member of the NSS; (2) the statistics should meet user needs beyond those specific and internal to the producing agency, and (3) the statistics produced should be part of a sustainable series, not a once off collection.”

The assessment is conducted by a Data Quality Assessment team established by the Statistician-General. This team evaluates the statistics under review against (1) the pre-requisites and (2) the eight dimensions of quality. The pre-requisites would include factors such as the legal and institutional environment, privacy and confidentiality. The eight quality dimensions include: relevance, accuracy, timeliness, accessibility, interpretability, coherence, methodological soundness and integrity. On the basis of these criteria, the statistic is classified as: (1) quality statistics, (2) acceptable statistics, (3) questionable statistics or (4) poor statistics. Once assessed as quality statistics, these qualify as official statistics.

Presently Stats SA is collaborating with the Departments of Education, Home Affairs and Environmental Affairs and Tourism in improving the quality of their datasets, with the ultimate aim of designation as official statistics.

## **Planned initiatives**

Stats SA is entering into Memoranda of Understandings with various government departments to facilitate the implementation of SASQAF. Given the stringent requirements of SASQAF, the prioritisation of datasets must be part of this process.

Stats SA has also been researching the design of qualifications for M&E practitioners, as part of its capacity building strategy.

## *2.4 DPSA*

### **Existing initiatives**

The DPSA has set in place a quarterly Public Management Watch, consisting primarily of personnel and payroll data. The thirteen categories of personnel data drawn from PERSAL (such as turnover rates, replacement rates, vacancy rates, leave trends etc) are augmented by two categories of in-year expenditure data (i.e. compensation of employees and expenditure on goods and services), as well as indications of the audit outcomes of national and provincial departments obtained from the National Treasury.

DPSA regulations require that departmental annual reports contain detail information regarding posts filled, vacancies, training and other human resource related issues. In addition to the Public Management Watch data, the human resource section of national and provincial departmental annual reports are also analysed to assess human resources performance in the public service. For instance, promotions and merit awards might be analysed in order to understand retention, and this could be correlated with vacancy rates, overtime rates, annual and sick leave taken and use of consultants.

National and provincial departments are also required to submit Service Delivery Improvement Plans (SDIP) to DPSA on selected key services. DPSA has developed indicators for monitoring compliance to the Batho Pele principles.

DPSA also conducts capacity assessments guided by Cabinet priorities. In the past year they have reviewed the Departments of Transport, Agriculture and Minerals and Energy, and have produced performance review reports.

### **Planned initiatives**

DPSA is exploring ways in which the strategic plans of departments can be monitored and aggregated in order to assess progress against the

achievement of national objectives. Here the Department will continue to collaborating with the National Treasury to obtain information.

The feasibility of a more modern HR system than PERSAL is being investigated. This new system could be an enhanced source of human resources information. A rollout strategy would have to be developed illustrating pilot implementations and phasing in of modules. The business processes around human resource management will continue to be monitored and enforced.

## *2.5 Concurrent national departments and subnational counterparts*

In order to illustrate the typical situation of national departments in concurrent functions, a small sample of such departments are examined in greater detail below.

### **2.5.1 Department of Education**

#### *Existing initiatives*

Over the years, the Department of Education has employed a number of M&E mechanisms at various levels: learner assessment, institutional evaluation, provincial education department performance, programme and policy level, Ministerial and other periodic reviews and compliance and statistical reports.

The recently formulated *Framework for the Monitoring and Evaluation of the Education System* (2007) prescribes an indicator framework and provides a list of indicators for provinces. These indicators are, by and large, not new but derive from Treasury requirements, the Millenium Development Goals and other international commitments. This important development prescribes a set of 130 performance measures which will permit comprehensive monitoring of the provincial education sector against uniform standards.

The *Framework* also noted that while all provincial education departments have some form of M&E in place, these tended to vary in the purpose, scope, form and frequency. This made it difficult, in the past, to aggregate, synthesise and compare provincial data on policy implementation, school functionality and the quality of teaching and learning. The implementation of common, standardised monitoring instruments across provinces thus became critical.

At this stage the *Framework* does not prescribe other M&E mechanisms and operations at provincial level, standardised monitoring procedures nor the roles of specific units at provincial or district level. Given the importance of districts in coordinating the flow of information from institutional level to provincial level, it may be appropriate in future to consider a uniform country-wide M&E system at district level.

Education is the largest budget spend in government with over 300 000 teachers and 27 000 schools across the nine provinces. The *Framework* identifies the need for greater cross-pollination of M&E initiatives in the education sector. Operational and programmatic M&E exercises need to be more closely integrated with system level M&E analysis.

In response to these issues, a national transversal M&E team has been established to coordinate, support, set standards for and advance the effective practice of monitoring and evaluation in all components of the education system (e.g. Early Childhood Development, Adult Basic Education and Training, Primary and Secondary Schooling, Further Education and Training Colleges, Special Education and Higher Education).

The majority of provincial education departments do not have specific M&E units. M&E of policies, programmes and projects is conducted within programme specific units. It is envisaged that national programme units will cooperate with their provincial counterparts to ensure vertical articulation. Provincial Departments could adopt a similar transversal team approach to promote horizontal articulation within the provincial sphere.

The national Department of Education M&E Directorate's role is, in consultation with the transversal M&E team and other role players, to:

- develop and maintain a "Master List" of indicators that would serve as a frame for the monitoring and evaluation of the education system.
- develop standards and build capacity in monitoring and evaluation in the system.
- monitor and evaluate the achievement of education goals by reporting on agreed-upon indicators;
- monitor and evaluate special issues, projects, programmes and policies as determined by the Department.

### *Planned initiatives*

Within the national Department of Education, a transversal M&E team will be established to coordinate, support, set standards for and advance the

effective practice of monitoring and evaluation in all components of the education system (e.g. Early Childhood Development, Adult Basic Education and Training, Primary and Secondary Schooling, Further Education and Training Colleges, Special Education and Higher Education. Provincial Departments could adopt a similar approach to promote horizontal articulation within the provincial sphere.

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The *Framework* currently prescribes an indicator framework and a list of indicators for provinces. These indicators are, by and large, not new but derive from Treasury requirements, the Millenium Development Goals etc. At the stage the Framework does not prescribe other M&E mechanisms and operations at provincial level, standardised monitoring procedures nor the roles of specific units at provincial or district level. Given the importance of districts in coordinating the flow of information from institutional level to provincial level, it may be appropriate in future to consider a country-wide uniform system for monitoring school functionality, education quality and policy implementation at district level.

The M&E Directorate's role is, in consultation with the transversal M&E team and other role players, to:

- develop and maintain a "Master List" of indicators that would serve as a frame for the monitoring and evaluation of the education system.
- develop standards and build capacity in monitoring and evaluation in the system.
- monitor and evaluate the achievement of education goals by reporting on agreed-upon indicators;
- monitor and evaluate special issues, projects, programmes and policies as determined by the Department.

## **2.5.2 Department of Social Development**

### *Existing initiatives*

In the past the Department of Social Development had developed quite a substantial system of indicators for social security. This component of the M&E function has been shifted to the South African Social Security

Agency. The next challenge was to develop a monitoring framework and indicators for other social development services, which are the delivery responsibility of the provincial governments. This set of indicators was developed by the Department in conjunction with its provincial counterparts and incorporate performance indicators required by the National Treasury. These indicators were identified through a consultative process and linked with statutory budget structure and annual performance plan formats. A manual on this reporting system is being produced which will specify the definitions of indicators. The Department has also set in place an electronic system for the capture of non-financial information at the lowest (district) level.

The Department's M&E system produces key annual statistics on the main facts and figures for the sector. In 2005, the Department has also initiated a panel study on the impact of social development policy. The future of this study is under discussion. The Department has furthermore developed a system for M&E for NGOs, who are important service delivery partners.

### *Planned initiatives*

To date the Department has concentrated mainly on the monitoring dimensions, and to a lesser extent on outcomes. One of the next steps would be to develop and implement a system for tracking and assessing impact.

## *2.6 Office of the Public Service Commission*

### **Existing initiatives**

<Insert existing activities>

### **Planned initiatives**

<Insert existing activities>

## *2.7 Auditor-General*

### **Existing initiatives**

In the past, the Auditor General has focused primarily on financial and compliance audit. The Auditor General expressed an opinion as to whether the financial statements prepared by the departments fairly reflected their financial position and activities. Ideally audit opinions should be unqualified, but can range from unqualified with emphases of matter, qualified, adverse opinion and disclaimer. The Public Finance Management Act of 1999 requires that financial statements be produced no later than

three months following the end of the financial year, and that these be audited by no later than seven months after year end. These audited financial statements are published in departmental annual reports.

Internationally, public sector reforms have placed increasing emphasis on the reporting of both financial and non-financial service delivery information to Parliament and Legislatures. Treasury Regulations now require that annual reports of national and provincial government department include both the audited financial statements and statements of programme performance.

Section 20(1)(c) of the Public Audit Act of 2004 requires that the Auditor General express an opinion or conclusion on "reported information of the auditee against pre-determined objectives. The Auditor General thus fulfils a verification function and an assurance to Parliament that the non-financial information reported reflects the service delivery achievements of departments. The Auditor General's focus will therefore be on the sub-set of non-financial information included in the annual report for accountability purposes. Furthermore, the emphasis will be almost exclusively on output related non-financial data rather than outcome and impact data, since it is the former, which constitutes the locus of accountability for accounting officers.

A major focus will be on whether departments have put in systems for managing performance information and implemented robust internal controls to ensure their integrity.

### **Planned initiatives**

The Auditor General had begun to engage with national and provincial departments in relation to audits of non-financial performance for the 2005/06 financial year. Since this was the phase-in period, any instances of material weaknesses or non-compliance were reflected as emphases of matter.

For the 2006/07 financial year the focus will be on: (1) obtaining an understanding of internal controls relating to performance information, (2) documenting system descriptions for systems relevant to reporting on performance information verified by means of walk-through tests, (3) determining the stage of performance reporting, (4) comparing the reported achievement of performance against objectives to information sources and (5) conducting limited substantive procedures on the information. Any material shortcomings would be reflected under "other reporting responsibilities" in the audit report.

It is anticipated that for the 2007/08 and 2008/09 years that this will remain the case while departments roll out their performance information

management systems. More substantive procedures and the testing of the operating effectiveness of controls will be instituted for these years as departmental performance information management systems mature. By 2009/10 it is envisaged that the Auditor-General will issue audit opinions in terms of **ISAE 3000**.

## *2.8 SAMDI*

### **Existing initiatives**

SAMDI has been liaising with Stats SA on researching the design of qualifications for M&E practitioners, as part of the capacity building strategy. In its 2007/08-2009/10 strategic plan, SAMDI has committed itself to include completing the GWM&E system training and development needs; developing appropriate capacity building interventions and materials; and rolling out capacity-building programmes.

SAMDI is currently rolling out capacity-building initiatives around Monitoring and Evaluation for national, provincial and local government. An introductory course on Monitoring and Evaluation is being launched in November 2007 in order to raise awareness around Monitoring and Evaluation related issues. A higher-level course, comprising 6 modules will be rolled out specifically for Monitoring and Evaluation practitioners. Various service providers will provide these courses in order to prevent duplication of effort. SAMDI has furthermore conducted a capacity needs analysis, through focus groups at provincial level in order to determine what further capacity-building programmes might be needed.

### **Planned initiatives**

SAMDI have conducted a Baseline Survey of the particular training needs that exist regarding M&E. As such, SAMDI is emphasising the need for any future activities to be aligned with the Government-Wide Monitoring and Evaluation Framework, the National Treasury Programme Performance Information Framework and the DPLG Learning Network. Further discussions around the development of a Unit Standard for SAQA accredited training is also planned. Due to differing needs in regards to capacity development for M&E, SAMDI is approaching the discussion by distinguishing between 3 levels of engagement, namely capacity development for Monitoring and Evaluation practitioners, line managers and those responsible for setting up Monitoring and Evaluation Units.

The SAMDI-StatsSA capacity building initiatives aim to ensure that: (1) the users of M&E data have an understanding of the ways in which these tools can be used effectively for informed decision-making and for introducing improvements into future policies, strategic and operational plans in the public sector; (2) M&E managers in the public sector are able

to set up an M&E system, manage that system, and produce the results required for M&E from it; (3) the users of M&E data have an understanding of the ways in which these tools can be used effectively for informed decision-making and for introducing improvements into future strategic and operational plans.

An M&E user should be able to assess information collected through the M&E process, and use this information as a tool for taking managerial action and to improve future interventions through the planning process. An M&E manager should be able to link various related components of M&E work together (for example, the inputs, processes, activities, outputs, outcomes, and impacts that constitute projects, programmes, and services), so that they form an integrated whole or system. The M&E manager should also be able to manage such a system and enable M&E practitioners to produce data from it for decision-making. An M&E practitioner within government should be able to apply an evidence-based approach to gather and analyse data on the government activities. Data gathering should be based on scientific methods, using indicators and other reliable measurements. Such data should give a clear indication of how well government is doing regarding particular interventions, as well as its overall services, projects and programmes

## *2.9 Offices of the Premier within the provincial sphere*

### **Existing initiatives**

Hitherto, not much guidance has been given on the Premier's Office role in monitoring and evaluation. As a result, there is a wide variety of systems employed in the provinces, some of which are electronic (web-based) and others spreadsheet or manual. A number of best practices have, however, evolved which could be extended to the entire provincial sector.

All Premiers Offices are involved in setting up province-wide M&E systems which track progress in relation to provincial growth and development strategies. In some provinces performance of municipal Integrated Development Plans are also tracked. Some provinces have only recently established formal M&E capability, whereas others are more advanced. While there are broad similarities in their approaches to M&E, there are also significant differences in emphasis.

### *Clusters*

The North West Results-Based Management Approach adopted by the Province in 2004 is greatly facilitated by the Cluster Reporting System. Free State also uses the cluster-based approach, which is also being cascaded down to district level. The Western Cape and Gauteng also employs a cluster-based approach.

### *Social Accounting matrices*

Many provinces are employing, or are in the process of establishing, social accounting matrices to gauge the impact of policies on the provincial economy. These include the Eastern Cape, KwaZulu-Natal and the North West, Western Cape.

### *Provincial indicators*

North West also intends supporting development planning in the province by publishing a *Sustainable Development Indicators Matrix* – a synchronization of reporting indicators in relation to international, national and provincial mandates, which is also to be used to aid development planning and decision-making.

### *Electronic systems*

While most of the provincial monitoring and evaluation systems are manual or spreadsheet based, a few of the provinces have implemented electronic M&E systems.

The Eastern Cape uses a web-based, open source, electronic M&E system. The electronic system monitors the strategic and annual performance plans of the provincial departments and the Provincial Growth and Development Plan. The system loads the performance plans of departments, which includes their strategic goals, strategic objectives, measurable objectives, performance measure indicators and targets as well as the performance agreements of their departmental heads. The quarterly performance of the departments and the Provincial Growth and Development Plan are then tracked through the system and used to monitor the performance of the provincial government. The information captured by the provincial departments runs in parallel to their reporting to the concurrent sector departments and the National Treasury performance information system.

The North West province also uses a web-based Provincial Project Management Information System (NW ProMIS). Plans are in place to facilitate the possible interfacing of the NW ProMIS with the IDP nerve centre and other national systems (HSS/MIG), thereby further enhancing government integration and planning.

The Free State M&E system is a web-based, accessible through the Internet. The system captures data on each outcome (priority level), output (strategy level), and performance measure (project level). In addition the system also captures numerous cross cutting issues such as labour, training, funding, gender, etc. as well as Key Performance Indicators for each category of projects. Data is collected from all provincial and municipal projects. The data are captured by the relevant departments and municipalities, which validates them before they are

dumped on the server. Several up-to-date reports for M&E purposes can be drawn. It also provides a tracking facility, which indicates the flow / non-flow of information. The information captured by the provincial departments runs in parallel to their reporting to the concurrent sector departments and the National Treasury performance information system.

**Mpumalanga/Limpopo** has also developed an extensive monitoring system based on a SAS platform, located within the Premier's Office. This system extracts data from existing electronic monitoring source systems in departments, and is linked to the provincial growth and development strategy.

### *Principles*

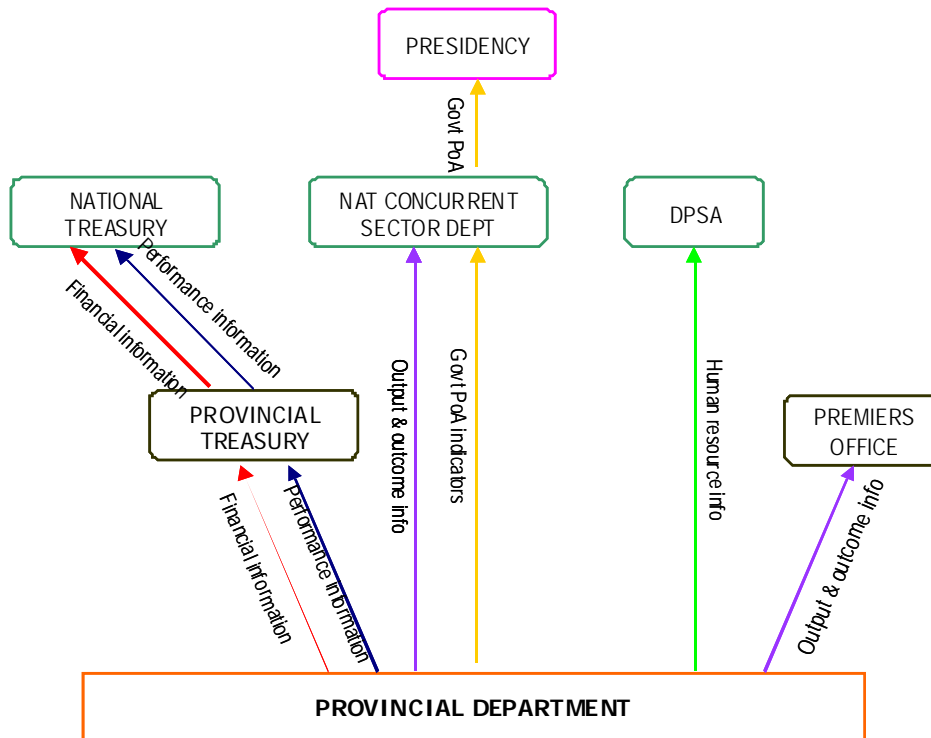
The Results Based Monitoring and Evaluation in the Western Cape is based on a number of principles:

- First, to understand the context of data for measurement and that good data are required for effective project design, monitoring and evaluation;
- Secondly, to establish the most commonly used data sets within the province and to critique the data set in terms of its usability, the frequency of data users and producers, the limitations and strengths of the design of the data set;
- Thirdly, to understand the different baselines used and then to execute the process of choosing baseline indicators and gather data for the compendium of indicators;
- Fourthly, to understand the context of the National Statistical System co-coordinated by Statistics South Africa;
- Fifthly, to collate, analyse and interpret data for the PGDS through the framework of the National Statistical System, thus strengthening the research capacity within the province.

The Northern Cape has also developed principles which underlie its framework.

Currently, reporting lines are complex, and there is a fair amount to parallel reporting of essentially the same information, as captured in the diagram below.

**Figure 1: Multiple reporting lines for provincial departments**



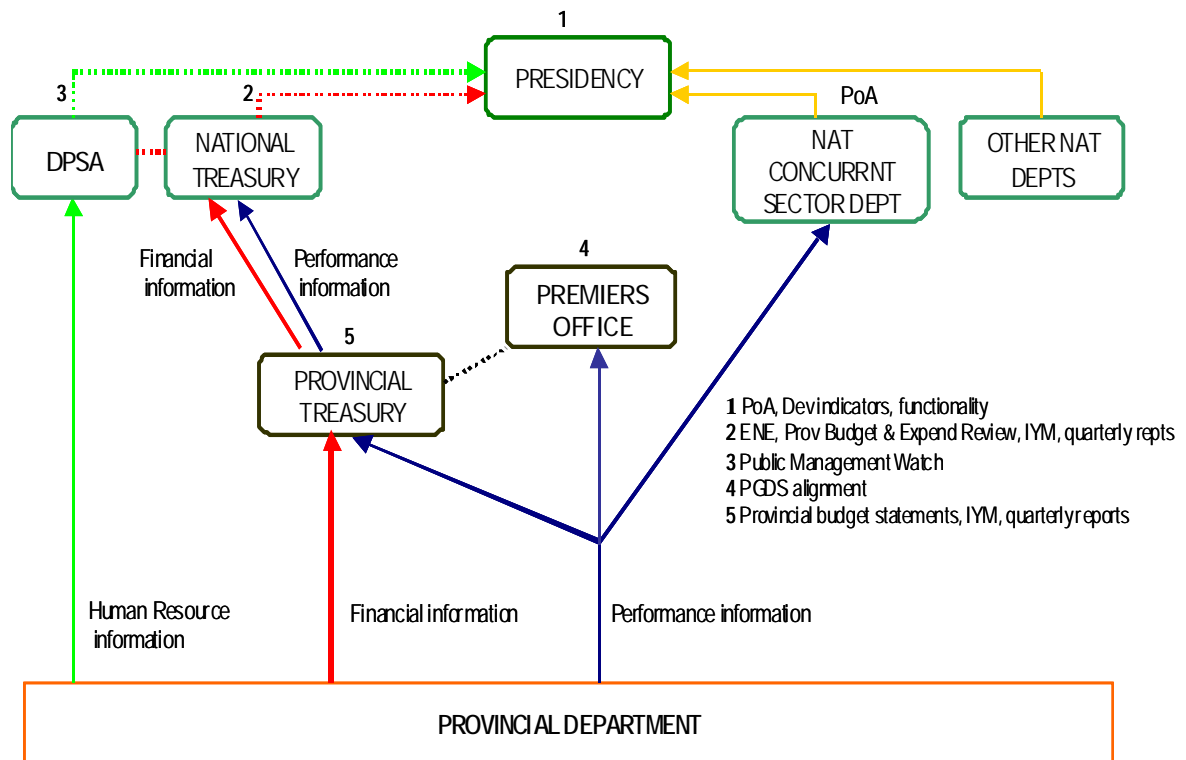
Existing situation: multiple reporting lines at provincial level

**Planned initiatives**

It is fairly clear that the Premier’s Offices need to play a critical coordination role, both between national government and the province, but also vis-à-vis the district and local municipalities in the province.

The province needs to take into consideration the priorities emerging from municipal IDPs. At the same time provincial growth and development strategies need to be aligned to national government initiatives eg the National Spatial Development Plan.

**Figure 2: Reduced reporting duplication**



**Ideal situation: Reduced duplication**

Whereas the Presidency would be concerned with developmental outcomes and government PoA targets for the country as a whole, the focus of the Premier’s Office would be on assessing the provincial impact of policies and the spatial impacts of budgets and service delivery.

The Premier’s Office needs to monitor the long term impacts delineated in the PGDS, such as poverty eradication. These typically manifest after a lag of 10 to 15 years. Sector outcomes arising from the clusters are instrumental in achieve these long term impacts (eg the building of social capital). Various individual provincial departments will generate direct or immediate outcomes which will contribute to the attainment of the sector/cluster intermediate outcomes. Each of the direct/immediate outcomes will be achieved through the delivery of specific service delivery outputs from various programmes across various departments (for social capital this could be the social development, health and education departments). These would be outlined in departmental strategic and annual performance plans, as well as in their budgets.

In monitoring outputs, direct/immediate outcomes, intermediate outcomes and impact, Premier’s office could duplicate functional indicators and development indicators for their jurisdictions.

It is important that the Premier's Offices avoid running parallel data-gathering systems. Instead they need to be able access the information already being collected, and concentrate on the analysis of this information.

Premier's Offices will have to devise a provincial GWM&E implementation plan and coordinate across the various departments and municipalities.

### 3 Description of existing and planned initiatives at local government level

#### 3.1 DPLG

##### **Existing initiatives**

The Department of Provincial and Local Government derives its mandate from the South African Constitution (Chapter 3 & 7, Act No. 108 of 1996). As such, the department is tasked with the development and monitoring of legislation in regards to provinces and local government. The implementation of the constitutional and legislative responsibilities of the provincial and local government spheres are furthermore monitored and supported DPLG, specifically in regards to service delivery. A 5-Year Local Government Strategic Agenda has been developed for municipalities in order to ensure that local sphere delivers on its mandates, The 5 strategic objectives that are linked to the Strategic Agenda are:

- Build and enhance the governance system in order to enable sustainable development and service delivery;
- Oversee the implementation of intergovernmental programme of support to the institution of Traditional Leadership to perform their constitutional mandate;
- Monitor, evaluate and communicate the impact of government programmes in municipal areas in order to enhance performance, accountability and public confidence;
- Strengthen the DPLG's organisational capacity and performance to deliver on its mandate

Data for the reporting against the 5 strategic objectives are obtained from various national departments, the various provinces (provincial processes coordinated by the Office of the Premier) and the various municipalities.

As part of its mandate the DPLG has refined the number of local government indicators it monitors, and reduced its number to 108. The department has developed templates against which reporting on the

indicators can be done. This will form part of the Monitoring, Reporting and Evaluation Framework that the department is currently developing for local government monitoring and evaluation. The department is working closely with both the National Treasury and the Presidency in order to ensure alignment with the Programme Performance Information Framework and The Government-Wide Monitoring and Evaluation Framework currently being developed. In order to accomplish alignment, the department has released the Logic Model for Local Government.

### **Planned initiatives**

The Department of Provincial and Local Government is in the process of developing a Monitoring and Evaluation Policy for local government, a Monitoring, Evaluation and Reporting Framework as well as finalising discussions with STATS SA regarding SASQAF in order to certify particular datasets. These initiatives will clarify the monitoring and evaluation processes of local government. The department furthermore envisages that the 5-Year Strategic Plan, along with the 108 set indicators will be adopted by provincial MECs as the basis for the IDP Review process that will take place in 2008. This will ensure that all municipalities report against a core set of indicators that will enable better monitoring practices. The department is also investigating the possibility of an automated, web-based system for the purposes of monitoring. The alignment of DPLG monitoring processes and systems with the initiatives of both the National Treasury and the Presidency has been emphasised.

The provincial Departments of Local Government, along with the Offices of the Premier play an important role in coordinating, analysing and consolidating the information and reports flowing from the various municipalities to provincial government and onwards to national departments.

## *3.2 National Treasury*

### **Existing initiatives**

In relation to local government, National Treasury fulfils a pivotal role in ensuring sound and sustainable financial management. Central to these reforms are the Municipal Finance Management Act No. 56 of 2003 (MFMA), which is aligned with other local government legislation.

The National Treasury takes responsibility for the administration of the MFMA in its totality and ensure that:

- All responsibilities in terms of the MFMA are discharged in an effective and efficient manner;
- Policy advice is provided to all municipalities;

- Those municipalities not delegated to provincial treasuries will continue to implement the Act; and
- where there is inadequate capacity in the provinces the National Treasury will continue to provide a supporting and monitoring role to municipalities.

Provincial Treasuries assume responsibility for:

- The quarterly review of MFMA implementation plans;
- Ensuring ongoing MFMA compliance;
- Consultations and visits to municipalities;
- The evaluation of budget reporting by municipalities in terms of content and quality;
- Monitoring the integrating of budgets, performance management and strategic planning;
- Monitoring municipal website publications;
- Ensuring that budget return forms are submitted timeously and accurately;
- The consolidation and publishing of in-year reporting;
- Receiving the copies of municipal annual financial statements (AFS) to be submitted to the AG for auditing;
- Consulting with municipalities on the quality and content of the AFS and annual reports;
- Monitoring and assisting with training and support to municipalities; and
- Other related activities in terms of the MFMA.

### **Planned initiatives**

### *3.3 Auditor-General*

#### **Existing initiatives**

Municipalities must submit their Annual Financial Statements to the Auditor-General within three months of the end of their financial year. The

Auditor-General is responsible for the auditing and reporting of all financial and non-financial systems and processes within local government. As such, audit reports (in accordance with the Public Audit Act No. 25 of 2004) must,

- Determine whether the Annual Financial Statements fairly represents the financial position of the particular municipality;
- Determine whether legislative compliance relating to financial matters, financial management and other related matters are being observed; and
- Reflect an opinion on the performance of the particular municipality against predetermined objectives.

The Auditor-General must audit the results of municipalities' performance measurements, in accordance with the Municipal Systems Act No. 32 of 2000 (Section 45).

### **Existing initiatives**

#### *3.4 Provincial Departments of Local Government*

#### *3.5 Concurrent Departments*

##### **3.5.1 Department of Water Affairs and Forestry**

## **4 References**

Department of Education (2007) A Framework for the Monitoring and Evaluation of the Education system

National Treasury (2007) Framework for the Management of Performance Information

## Appendix 1: Principles underpinning this implementation plan

A number of critical principles should be embodied in an effective implementation plan. These are listed below:

***1. The implementation plan should be clearly linked with prior public sector reform initiatives***

The public service has been in the throws of constant reform since 1994. One of the major complaints of sub-national spheres of government is that there are new reforms every year emanating from different national departments. These reforms are often not integrated with previous reforms which were lead by other departments. It is important that the three components of the GWM&E be understood to be integrated with other reforms such as the MTEF, In-Year-Management, Human Resource Planning, Annual Reporting and Monitoring such as the Public Management Watch Programme (at national and provincial level) and IDPs and institutional performance management systems (at municipal level).

***2. As far as possible, the GWM&E framework should incorporate and consolidate existing M&E initiatives in the three spheres, aligning them to the overall aims of government.***

Many national departments have taken the lead in fostering a culture of monitoring and intervention in sub-national spheres. The implementation of the GWM&E framework therefore does not start with a clean slate, but should recognise and build upon these initiatives. The implementation plan should thus be evolutionary.

***3. Roles and responsibilities of each stakeholder should be clearly defined and related to their mandate.***

Monitoring and evaluation resources are extremely limited across the South African public service. It is very important that the scarce resources available are harnessed for optimal impact, avoiding both unnecessary duplication as well as omissions of key interventions. Effective coordination of efforts is of paramount importance.

***4. The implementation plan should adopt a differentiated approach across spheres and sectors.***

Although all spheres of government have a common interest and objective in contributing whole-of-government performance, it must be borne in mind that the operating context of each sphere is very different. In order

to be feasible, any implementation plan has to be sensitive to these nuances.

**5. *The administrative burden of compliance across government should be minimised. Implementation milestones must be linked to existing capacity and the ability to build capacity over the medium term***

Overlapping responsibilities (for example in respect of concurrent functions) tend to result in multiple reporting lines. Provincial government departments and especially municipalities incur substantial compliance costs in reporting essentially the same information in many different formats to different stakeholders. To this end the streamlining of reporting lines and sharing of information is vital, although each data source should have a clearly designated owner.

While the GWM&E framework sketches the ultimate destination at which all public sector departments will converge, it must always be borne in mind that capacity varies markedly across spheres and geographic jurisdictions. While capacity should not dictate the normative long term ideal for government, it must be factored into implementation plans and risk managed accordingly.

**6. *The GWM&E framework will not result in a single automated IT system but will provide the policy framework within which electronic IT-based systems could operate.***

The GWM&E framework seeks to embed a management system within public sector organisations which articulates with other internal management systems. The term system, in this context refers to the policies, strategies, structures, processes, information flows and accountability relationships which underpin the practice of monitoring and evaluation across government. This may or may not be supported by IT software and other tools. If this is the case, the emphasis is on systems integration and inter-operability.

**7. *Monitoring and the development and enforcement of statistical standards are important pre-conditions for effective evaluation.***

The sequence of implementation will focus firstly on creating a culture of monitoring service delivery and then feeding back into managerial action. Simultaneously the definition of statistical standards will be concluded with interventions to enable departmental data to be converted into official data. This will then lay the foundations for effective evaluation, given greater emphasis in the later implementation phases.

**8. *Regular review of the implementation plan against milestones***

Implementing the GWM&E framework will no doubt be a learning process. Doubtlessly implementation challenges unforeseeable at this time will arise. There needs to be mechanisms to respond to these challenges, engage with relevant stakeholders and modify the implementation plan if required.

## Appendix 2: Legal framework for mandates and broad responsibility areas

### *The Presidency*

Section 85 of the Constitution requires that the President, together with other Cabinet Members, should, inter alia, exercise executive authority through the development and implementation of national policy and the coordination of the functions of state departments and administrations. The Constitution requires that all three spheres of government work together and participate in development programmes to redress poverty, under-development, marginalisation of people and communities. The Presidency plays a crucial role in the coordination, monitoring, evaluation and communication of government policies and programmes, and accelerating integrated service delivery. The Presidency also aims to evaluate the implementation of government strategy, including its impact as measured against desired outcomes.

### *National Treasury*

The National Treasury's mandate is informed by sections 215 and 216 of the Constitution, and other legislation such as the Public Finance Management Act (PFMA) of 1999 and the Municipal Finance Management Act (MFMA) of 2003. The Treasury's engagement with the GWM&E framework revolves around ensuring that information on inputs, outputs and outcomes underpins planning, budgeting, implementation management and accountability reporting to promote transparency and expenditure control.

### *Stats SA*

The mandate of Stats Sa is informed, inter alia, by the Statistics Act (No. 6 of 1999), the 2002 January Cabinet Legkotla and State of the Nation Addresses 2004 and 2005. Section 14.6 (a), (b) and (c) of the Statistics Act makes provision for the Statistician-General to advise an organ of state on the application of quality criteria and standards. Section 14. 7 (a) and (b) confers upon the Statistician-General power to designate statistics produced by other organs of state as official statistics. Section 14.8 clauses (a) and (b) authorises the Statistician-General to comment on the quality of national statistics produced by another organ of state; and to publish such other department's statistics

### ***Department of Provincial and Local Government***

DPLG derives its mandate from the Constitution, Chapters 3 and 7 as well as other legislation such as the Municipal Systems Act and Municipal Structure's Act. Its core function is to develop national policies and legislation with regards to provinces and local government, to monitor their implementation and to support them in fulfilling their constitutional and legal mandate

### ***Department of Public Service Administration***

DPSA's mandate is framed by the Public Service Act. This department is responsible for public service transformation to increase public service effectiveness and improve governance. It acts as the custodian of public management frameworks, Performance and knowledge management and service delivery improvement. It co-chairs the Governance and Administration Cluster and the GWM&E Working Group.

### ***South African Management Development Institute***

SAMDI's mandate is informed by the Public Service Act, 1994, Chapter II Section 4 (2). The institute: (a) shall provide such training or cause such training to be provided or conduct such examinations or tests or cause such examinations or tests to be conducted as the Head: South African Management and Development Institute may with the approval of the Minister decide or as may be prescribed as a qualification for the appointment, promotion or transfer of persons in or to the public service; (b) may issue diplomas or certificates or cause diplomas or certificates to be issued to persons who have passed such examinations. It is envisaged that SAMDI will play an important capacity building role in rolling out the GWM&E framework.

### ***Office of the Public Service Commission (OPSC)***

The OPSC derives its mandate from sections 195 and 196 of the Constitution, 1996. It has been tasked with investigating, monitoring, and evaluating the organisation and administration of the public service. This mandate also entails the evaluation of achievements, or lack thereof of Government programmes. The PSC also has an obligation to promote measures that would ensure effective and efficient performance within the Public Service and to promote values and principles of public administration as set out in the Constitution, throughout the Public Service. (e.g. professional ethics, efficient, economic and effective use of resources, impartial, fair and equitable service provision, transparency and accountability etc).

### ***Auditor-General***

The annual reports of provincial government department need to include, inter alia, audited financial statements and statements of programme

performance. Section 20(1)(c) of the Public Audit Act (25 of 2004) requires that the Auditor General express an opinion or conclusion on “reported information of the auditee against pre-determined objectives”. Similar provisions exist in terms of the Municipal Systems Act and the Municipal Finance Management Act at local level.

### *Provincial Offices of the Premier*

Section 125 (1) vests the executive authority of a province in the Premier, who – together with the provincial executive council, exercises this authority through the development and implementation of provincial policy, the implementation of national policies in concurrent function areas, and the coordination of the functions of the provincial departments. The Premier as the political head of the Provincial Government is also responsible for the implementation of Chapter 3 of the Constitution on cooperative government. The Premier’s Offices play a critical leadership role in the development and implementation of Provincial Growth and Development Plans.