



**EASTERN CAPE PROVINCE
DEPARTMENT OF AND RURAL DEVELOPMENT AGRARIAN
REFORM**

**INTEGRATED PLANNING, MONITORING AND REPORTING & EVALUATION
POLICY FRAMEWORK 2014-2019.**

(For the period 2014-2019)

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ACRONYMS

APP-Annual Performance Plan

DORA-Division of Revenue Act

M&E- Monitoring and Evaluation

MTSF- Medium Term Strategic Framework

POE-Portfolio of Evidence

PFMA- Public Finance Management Act

DEFINITION OF TERMS

Monitoring - is a continuous process of collecting and analyzing of information to compare how well a project, program or policy is performing against expected results.

Evaluation- is an assessment of a planned, ongoing or completed intervention to determine its relevance, efficiency, effectiveness, impact and sustainability. The intent is to incorporate lessons learned into the decision making process.

Annual Performance Plan- is a plan with defined annual targets derived from the five year Strategic Plan.

Operational Plan- is a plan describing the activities and resources to achieve planned performance indicators

1. INTRODUCTION

The government through various departments has to deliver its mandate to the people of South Africa. This is achieved through a process which ensures that the mandate is translated into meaningful outcomes. The delivery outcomes should not only encompass quality, access, equity and timeliness but financial dimensions of performance namely, effectiveness, efficiency and economy. The performance of the Department is measured by the resulting outcomes (via monitoring the supporting chain of inputs, activities and outputs). The outcome based performance system provides a way to guide policy direction and implementation as well as assess the effectiveness of an institution and the validity of a policy. A performance management system only functions if there are credible, validated, timely information on outcomes and related aspects of the results chain. In addition, information used for performance monitoring should be accurate and credible

Performance monitoring and evaluation is not an end in itself, but the results must be used to inform future planning. The Department has eight major programmes through which it delivers services to communities. In order to know if the Department has performed and delivered, a performance management, monitoring and evaluation plan based on the identified deliverables must be established.

The inputs and activities must be monitored on daily, monthly and quarterly basis; the outputs thereof must be compiled, analyzed and reported annually. The evaluation must be conducted periodically to establish outcomes and impacts of our intervention programmes on communities.

Problem statement:

The department has received a qualified audit opinion of the management of predetermined objectives in the 2012/13 audit period. Subsequently, in 2013/14 to 2016/17 the opinion improved to unqualified audit opinion. Evidence based planning and reporting (with supporting evidence) continues to experience challenges of unrealistic target setting and inconsistencies in providing evidence that are useful, reliable and valid. This policy is meant to guide the planning, monitoring and reporting and evaluation systems in the department.

2. OBJECTIVES

- 2.1. To provide guidance to all managers and employees on matters concerning planning processes in the Department.
- 2.2. To ensure that all those entrusted with the planning function have a common understanding of the processes, procedures and the content of planning.
- 2.3. To ensure that there is proper monitoring and evaluation process that is consistent with the regulatory framework and government policy.
- 2.4. To ensure that supervisors and managers understand the reporting processes and timeframes.
- 2.5. To undertake periodic evaluations to establish outcomes and impacts.

3. REGULATORY FRAMEWORK

- 3.1. The Constitution of the Republic of South Africa,
- 3.2. Public Service Regulations,
- 3.3. National Treasury Regulation,
- 3.4. Public Finance Management Act (PFMA)
- 3.5. Division of Revenue Act – (DORA)
- 3.6. Framework For Strategic Plans and Annual Performance Plans
- 3.7. Framework for Managing Performance Information

4. VALUES

- 4.1. **Innovation:** Committed to keeping abreast with new developments in relevant fields of expertise and be innovative in carrying out the mandate of the Department.
- 4.2. **Excellence:** Committed to exceeding our customer's expectations for quality, responsiveness, efficiency and service excellence.
- 4.3. **"Bambisanani":** Believe that the sum of our collective efforts is greater than the total of our individual efforts.
- 4.4. **Mutual respect:** Value each other's contribution in order to realise the vision and goals of the Department.
- 4.5. **Honesty and Integrity:** Committed to transparency with all stakeholders.
- 4.6. **Inclusivity:** "Bonke abantu esisebenza nabo, siya kusebenzisana nabo ngokufanelekileyo nangokulinganayo".

5. SCOPE OF APPLICABILITY

This policy framework serves as the departmental planning, performance monitoring and evaluation guide and it applies to all employees of the Department, the programmes and sub-programmes and their operations and processes. The framework is linked to the current strategic plan cycle (2014 - 2019).

IMPLEMENTATION PROCEDURES

6.1 Strategic Planning Processes

- 6.1.1 The Department must develop a 5 year strategic plan which must be aligned to the electoral cycle, that is, it must be developed during the course of the first budget cycle following a national general election.
- 6.1.2 As part of this process, an End Term Performance Review Report which evaluates the performance of the Department in the Medium Term Strategic Framework (MTSF) must be presented and discussed by management and other external stakeholders. This report and the outcomes of its discussions should result in a situational analysis of the Department's service delivery and organizational environment.
- 6.1.3. The executing authority must outline the policies and priorities of government for the MTSF which the Department must pursue. These must inform the vision and mission statements, and strategic goals which are equivalent to outcomes of the Department. Thereafter, strategic objectives corresponding to the strategic goals must be identified for each of the Department's budget programmes.
- 6.1.4 The priorities of the Department must be in sync with priorities that are pronounce at national as well as provincial level and the needs of people of the province. To this effect, MTSF priorities and recommendations from Makgotlas must be considered during the annual performance planning processes.

- 6.1.5 An analysis of the Department's key risks that may impact on the realization of the strategic objectives for each of the programmes must be conducted and plans to mitigate these must be articulated in the strategic plan.
- 6.1.6 The accounting officer, in consultation with the executive authority may revise the strategic plan when there are significant policy changes in the service delivery environment by either preparing an annexure to the existing strategic plan or by publishing a new strategic plan that replaces the preceding plan.
- 6.1.7 The service delivery model and the organizational structure must be reviewed concurrently to the process of developing the strategic plan.
- 6.1.8 Capital projects that the Department wishes to pursue in the new MTSF must be discussed and outlined in the Strategic Plan.
- 6.1.9 On an annual basis a planning and budgeting task team must be established to develop a process plan for the development and approval of the strategic plan before the end of the first quarter of the last financial year of the MTSF. This process plan must comply with the deadlines and requirements of the PFMA and Treasury Regulations and other circulars from National Treasury and the Provincial Planning and Treasury Department.
- 6.1.10 The Strategic Plan must be published on the Department's website after it has been tabled to the Provincial Legislature to allow the wider public to have access this document.
- 6.1.11 The Strategic Plan must be submitted to the Provincial Legislature no later than the date determined by the Provincial Legislature or 10 working days before consideration of the Budget Vote by the Portfolio Committee.

6.2 Annual Performance Planning Process

- 6.2.1 With the exception of the first financial year of the MTSF, all annual performance planning processes must commence with the reviewal of the Department's past performance which will inform annual plans. These discussions must result in an update of the service delivery and organisational environment of the APP.
- 6.2.2 The executing authority must outline policy priorities that the Department must pursue in the respective financial year as well as any significant changes to the legislation and related mandates.
- 6.2.3 The priorities of the Department must be in sync with priorities that are pronounce at national as well as provincial level and the needs of people of the province. To this effect, MTEF priorities and recommendations from Makgotlas must be considered during the annual performance planning processes.
- 6.2.4 Expenditure outcomes must be reviewed annually and estimates of expenditure for the current and subsequent two financial years must be linked with the Department's expected impacts.
- 6.2.5 Programme and sub-programme managers must identify key performance indicators and set targets that are linked to the key policy priorities spelt out by the executing authority. Performance indicators of the Department must be:
- i) *Reliable* - it should be accurate and must respond to changes in level of performance;
 - ii) *Well-defined* - clear, unambiguous to allow for common understanding and easy collection of data;
 - iii) *Verifiable* - it must be possible to validate the process and systems that produce the indicator;
 - iv) *Cost-effective* - the usefulness of the indicator must justify the cost of collecting the data;
 - v) *Appropriate* - the indicator must avoid unintended consequences and encourage service delivery improvements, and not give managers incentives to carry out activities simply to meet a particular target; and
 - vi) *Relevant* - the indicator must relate logically and directly to aspects of the Department's mandate, and the realization of strategic goals and objectives.

To assist in obtaining clarity of the Department's indicators, a technical indicator descriptor must be compiled for each indicator in the APP.

- a) The performance indicators must be SMART, that is:
 - i) *Specific* - the nature and the required level of performance can be clearly identified;
 - ii) *Measurable* - the required performance can be measured;
 - iii) *Attainable* - target is realistic given the existing capacity;

- iv) *Relevant* - the required performance is linked to identified performance indicators; and
- v) *Time bound* - the specific dates when delivery is expected.

Performance targets must be set after a careful consideration of baselines and historical trends in relation to the respective indicator.

- b) The internal audit unit must evaluate the APP to give assurance on the adequacy of the plan before it is presented to management for approval.
- c) The Annual Performance Plan must be submitted to the Provincial Legislature no later than the date determined by the Provincial Legislature, or 10 working days before consideration of the Budget Vote by the Portfolio Committee.
- d) After the tabling of the APP to the Provincial Legislature, a copy of the APP and the Technical Indicator Descriptor documents must be published on the Departmental website to allow the wider public to have access to these documents.
- e) Targets in the APP may not be changed except in instances where resources are redirected to emerging priorities which were not anticipated during the time of planning. Any change of target in the APP must be motivated by the Programme Manager and a submission made to the Accounting Officer for recommendation for approval by the Executing Authority.
- f) On an annual basis a planning and budgeting task team must be established to outline the annual performance planning process which leads to the approval of Annual Performance Plan, Operational Plans, Human Resource Plan and the Recruitment Plan. This process plan must comply with the deadlines and requirements of the PFMA and Treasury Regulations and other circulars from National Treasury and the Provincial Planning and Treasury Department.

6.3 Operational Planning

- a) Operational plans must be developed for each of the Department's programmes. These must identify key planned projects as well as resources to these.
- b) As a means of demonstrating the link between the Strategic Plan and the APP to the Operational Plan, all strategic objectives and key performance indicators that the project addresses must be included in the Operational Plan;
- c) As part of the operational planning process, recruitment plans, training plans, procurement plans, monthly cash flow projections, and risk management plans must be developed for the Department;

6.4 .Performance Monitoring and Management of Performance Information

6.4.1 Quarterly Performance Monitoring

- a) At the end of each quarter, the Department must compile quarterly performance reports which are submitted to the office of the MEC on or before the 30th of the month after the end of the quarter under review.
- b) The report must, in a narrative form, outline key achievements per programme for the quarter under review and actual outputs against planned targets.
- c) Where there is a deviation of performance from the planned target, the reason for deviation must be explained.

For areas of under performance remedial or corrective measures must be identified and declared to address continued under performance. .

- d) An expenditure report for the Department and of each of the programmes of the Department must be presented for the quarter under review.
- e) A narrative linking budget with performance must be provided where there would be a link between actual expenditure and the actual performance for the quarter concerned.
- f) All reported actuals against targets must contain portfolios of evidence in documentary form. Each portfolio of evidence must comply with the following standard:
 - i) **Validity** - This refers to the logical link between the essence of the key performance indicator and the evidence provided to substantiate the occurrence of performance. In other words, the evidence should be relevant and appropriate to the key performance indicator and targets set against it. As a matter of principle, draft documents are not valid indications of performance, and therefore will not be valid.
 - ii) **Accuracy** - This refers to the correctness of a report. Figures on actual performance and other performance reported qualitatively (that is in narrative form) should be correct and should be proved by way of evidence.
 - iii) **Completeness** - In many instances a single piece of evidence is not adequate as a portfolio of evidence for an indicator. A portfolio of evidence is more effective if it is collaborated by other pieces of evidence that are valid and accurate. Completeness is also about ensuring that all actual results that should have been recorded have been included in the report.
- g) Portfolios of evidence must be made available within the required timeframes after the end of the quarter. Non-submission of this evidence will result in targets shown as “not achieved” and will only be reported as

achieved in the subsequent quarter provided acceptable evidence is provided.

- h) Branch: Head must submit the branch report with a certificate of assurance providing assurance that information has been reviewed and is accurate.
- i) The M&E Unit must review all quarterly reports and their associated portfolios of evidence submitted and compile a validated report for submission to management.
- j) Quarterly reports must be tabled and discussed in a Top Management meeting to identify achievements as well as challenges that may need the intervention of management.
- k) The actual dates of management meetings where these reports will be discussed will be outlined in the Departmental Corporate Calendar.

6.4.2 Half Yearly Financial Oversight and Performance Report

- a) The Department is expected to submit a half yearly financial oversight and performance report to the Provincial parliament by 31 October of each year.
- b) The standards that apply to quarterly reports described above, also apply to this report.
- c) During the tabling of this report to the Portfolio Committee, the Department may make a formal submission on the revision of targets in the APP. The submission must clearly explain the motive for changing of the performance target.

6.4.3 Annual Performance Report

- a) The Annual Reports of the Department must be compiled in accordance with the guidelines issued annually by the National Treasury.
- b) This report must be based on a summation or aggregation of the reported performance from the Department's four quarterly performance reports.
- c) The internal audit unit must evaluate the APR to give assurance on the accuracy and credibility of the AR before it is submitted to management for discussion and before it is submitted to the Office Auditor General of South Africa (AGSA) for auditing by 31 May of each year.
- d) The report, together with the annual financial statements, must be discussed by management before they are signed off and submitted to the AGSA for auditing by 31 May of each year.
- e) The actual dates of management meetings where these reports will be discussed will be outlined in the Departmental Corporate Calendar.

- f) On 31 August of each year the Accounting Officer must submit the report, which by then should contain the Auditor General's report, to the Executive Authority and the Department of Provincial Planning and Treasury.
- g) The report must be submitted to the Department of Provincial Planning and Treasury on or before 30 September of each year.
- h) A proof of these submission must be kept by M&E section as a proof of compliance with both PFMA and TRs.

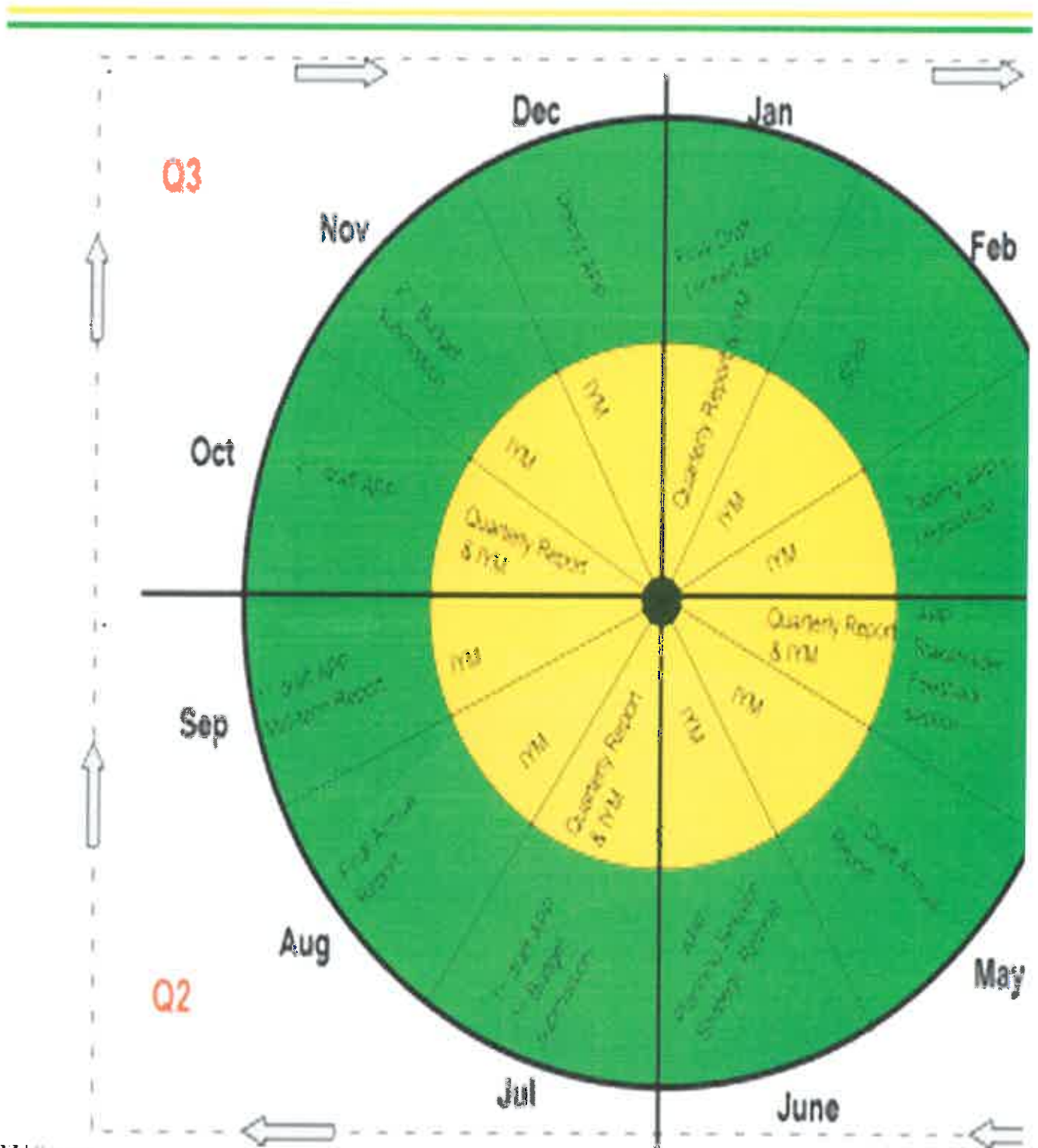
6.4.4 End of Term Performance Evaluation

In the last financial year of the MTSF the Department must commission an end of term performance review process that will result in the publication of the end of term performance report. This report must be used to inform planning for the next MTSF.

6.4.5 Audit of Performance Information

- a) The Internal Audit function of the department must undertake audits of performance information. The purpose of these audits is to assist management in identifying weaknesses in the management and controls associated with performance reporting.
- b) Audits must be performed on quarterly reports. These must be conducted in accordance with international standards of internal auditing.
- c) The audit of the Annual Performance Plan must be conducted before this plan is approved by management to allow time for the findings of this process to be implemented.

Planning and Reporting Cycle



7. ROLES AND RESPONSIBILITIES

7.1. *The Member of the Executive Council (MEC)*

- 7.1.1. The MEC provides political direction aligned to the mandate of the running electoral cycle (5 year Term).
- 7.1.2. The MEC provides the Legislature with full and regular reports concerning matters under his/her control.
- 7.1.3. He/she has to ensure that the Department has an appropriate performance information system so that he/she can fulfil his/her accountability responsibilities.

7.2. *Accounting Officer*

- 7.2.1. Foster a culture of integrated planning and performance monitoring and evaluation that includes financial management. Part of this role entails convening management meetings to conduct strategic planning and platforms to monitor and evaluate performance of the Department;
- 7.2.2. Present plans and reports to the Executing Authority, Portfolio Committee on Rural Development, Provincial Treasury and the Office of the Premier
- 7.2.3. Evaluate and approve the quarterly and annual reports.
- 7.2.4. Must establish and maintain the systems in order to manage performance information.
- 7.2.5. Must ensure that the mandate of the Department is interpreted correctly and facilitate the crafting of the strategic plan with members of Top Management, Directors, managers, supervisors, employees, social partners, and stakeholders.
- 7.2.6. Ensures that Departmental programmes are allocated with resources to achieve Strategic Plan objectives.
- 7.2.7. The Accounting Officer must determine the actual dates for the submission of the quarterly reports.
- 7.2.8. Assess whether the report is addressing the strategic issues and priorities as stated in the Strategic Plan.
- 7.2.9. Must submit reports on time to the Executing Authority, Portfolio Committee on Rural Development, Provincial Treasury and the Office of the Premier.
- 7.2.10. Must ensure that that department has and maintains system for properly evaluating all major capital projects prior to a final decision on the project as per PFMA S 38 (iv);

- 7.2.11. Must submit those financial statements within two months after the end of the financial year to the Auditor-General for auditing; and the relevant treasury
- 7.2.12. Must submit within five months of the end of a financial year to the relevant treasury and also to the executive authority responsible for that department an annual report on the activities of that department, during that financial year
- 7.2.13. Must sign-off all the reports.

7.3. Deputy-Directors General

- 7.3.1. Must support and advise the Accounting Officer or Head of Department on matters concerning planning, implementation and monitoring and evaluation of the Strategic Plan.
- 7.3.2. Must analyze national sector strategies on rural development and agrarian reform to ensure that they are factored into DRDAR's planning processes.
- 7.3.3. Must interpret the National Outcomes 7 and 10 as well as the relevant Delivery Agreements to ensure that the outputs, sub-outputs, performance indicators and targets are understood and form part of the strategic plan, annual performance plan, and the operational plan of the Department.
- 7.3.4. Must endorse plans of their Branches, and ensure that they are linked and aligned to cluster priorities and the MEC's priorities.
- 7.3.5. Must ensure that each Programme has an approved Standard Operating Procedure for identifying, collecting, collating, storing information, coordinating and compiling performance information.
- 7.3.6. Must verify and compare the report to the Annual Performance Plan.
- 7.3.7. After the end of each quarter, Branches must hold their performance reporting meetings with M&E providing support.
- 7.3.8. Must submit all final quarterly reports accompanied by signed off certificates to the Directorate of M and E in the Head office, by the end of each quarter.

7.4. Chief Financial Officer

- 7.4.1. Must advise the Accounting Officer on financial matters of the Department.
- 7.4.2. Must establish synergy in financial planning and ensure that Budget Planning and Management are aligned with the Department's strategic plan, annual performance plan and the operational plan.

7.5. Programme Managers(PMs)

- 7.5.1. Must facilitate development of the targets for performance or service delivery to be achieved both annually and for the Medium Term Expenditure Framework period.
- 7.5.2. Are responsible for the performance and delivery of services.
- 7.5.3. Must ensure that the Strategic Objectives are contributing and aligned to the policy direction, vision, Provincial Growth Strategy, National Sector Strategy, EC Agricultural Economic Transformation Strategy and Program of Action.
- 7.5.4. Must report and provide performance information and progress towards achieving measurable objectives as written in the Annual Performance Plan.
- 7.5.5. Must ensure that the information collected from the Line Managers is accurate, verifiable and valid.
- 7.5.6. Must assess the alignment of reports to the Strategic Plan and the Annual Performance Plan.
- 7.5.7. Must report on the Programme performance at the end of each quarter.
- 7.5.8. Must provide a report accompanied by evidence supporting that report to increase its credibility.
- 7.5.9. PMs working with M&E must ensure that monthly validation of performance information is conducted to increase credibility.

7.6. Monitoring and Evaluation Directorate

- 7.6.1. Must track performance through performance indicators of the district Annual Performance Plan as a monitoring and evaluation tool to feed into the overall departmental report.
- 7.6.2. Must put together processes involved in M&E into comprehensive reports for the department at district level.
- 7.6.3. Must compile and analyze the departmental Quarterly and Annual Reports.
- 7.6.4. Must provide detailed project report status and documentation in order to conduct verification of projects undertaken in the district.
- 7.6.5. Must promote quality assurance of information received in order to account for development interventions.
- 7.6.6. Must provide effective liaison communication and consultation with relevant stakeholders.
- 7.6.7. Assess the report for reliability, completeness and accuracy.
- 7.6.8. Must verify the targets reported as achieved against the Portfolio of Evidence (POE).
- 7.6.9. Support quarterly review sessions with District Directors who sign-off quarterly reports with Portfolio of Evidence (POE) before submission to the respective Programme Managers.

- 7.6.10 Conduct periodic evaluations to establish outcomes and impacts of departmental programmes.
- 7.6.11 Must develop and maintain reporting templates according to Treasury Regulations.
- 7.6.12 Must conduct monthly validation of performance information to increase credibility.

7.7. Chief Director District Coordination:

The Chief Director District Coordination must:

- 7.7.1. Account for service delivery in all the districts.
- 7.7.2. Manage the district operations and report directly to the Deputy Director General.
- 7.7.3. Link up with the Programme Managers to ensure services rendered in the districts directly contribute to the strategic plan and the annual performance plan of the Department.
- 7.7.4. Manage predetermined objectives in all districts, and ensure that measures are in place to plan, monitor implementation and report according to performance indicator targets.
- 7.7.5. Ensure that policies and standard operating procedures are followed and districts keep records of quarterly reports.
- 7.7.6. Must ensure that District Directors account for the performance of their districts
- 7.7.7. Must ensure that District Directors produce credible reports that are a true account of the operations of the district.

7.8. District Director:

- 7.8.1. Must ensure that information collected from the local municipalities is aggregated to reflect progress.
- 7.8.2. Must report performance against the District Annual Performance Plan.
- 7.8.3. Must ensure that Managers and Project Managers prepare reports in the right format and are submitted on time.
- 7.8.4. Must ensure that the monthly validation of performance information is conducted to increase credibility
- 7.8.5. Must ensure that validated PoE files is under lock for safekeeping and monitor their accessibility.

8. RESOURCE IMPLICATIONS

The Department must provide resources for the implementation of this policy.

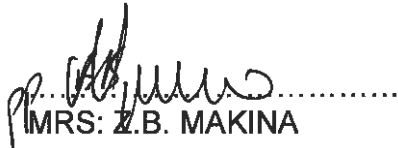
9. MONITORING

The Chief Director Strategy Development and Management must ensure the implementation and monitoring of this policy framework.

10. POLICY REVIEW

The policy will be reviewed and updated after 5 years from the date of approval, if necessary.

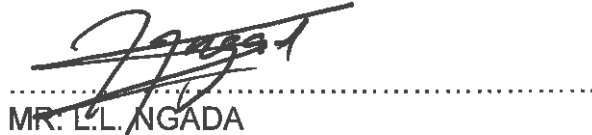
11. RECOMMENDATION AND APPROVAL


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MRS: Z.B. MAKINA

DEPUTY DIRECTOR- GENERAL: ADMINISTRATION

Date: 27/03/2018

Approved / ~~Not approved~~


.....
MR: L.L. NGADA

SUPERINTENDENT GENERAL

Date: 27/03/2018