



REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF PLANNING, MONITORING AND EVALUATION

# **Guideline for the implementation of Provincial Quarterly Performance Reports**

1 APRIL 2016

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## 1. INTRODUCTION

The guideline for the implementation of Quarterly Performance Reports provides instructions on the completion of quarterly reports (the QPR Model and the narrative reports). The guideline also outlines the requirements as per the Framework for Strategic and Annual Performance Plans and its alignment to the Quarterly Performance Reporting Model.

Performance information indicates how well an organisation is performing against its aims and objectives. Good performance information helps identify what policies and processes work and why they work. Making the best use of available data and knowledge is critical to improving the performance of government as a whole. Performance information is essential for effective management, including business planning, monitoring and evaluation. Externally, performance information allows effective accountability. With appropriate information; Parliament, members of the public and other stakeholders are able to exert pressure for improvements and can better understand the issues involved (UK NAO et al., 2001).

Performance information therefore plays a crucial role in:

- indicating progress against objectives;
- prompting an external focus by public institutions on transparency, accountability, and progress on service delivery;
- ensuring the best results for citizens;
- identifying gaps between policy formulation and policy implementation;
- enhancing Strategic Planning processes; and
- reflecting the level of institutional capacity to actually deliver services to citizens (PIW, 2004).

The importance of performance information is becoming increasingly recognised; playing a significant role in budget allocations and monitoring service delivery and value for money. In terms of the Framework for Strategic Plans and Annual Performance Plans, institutions are required to develop Strategic and Annual Performance Plans that reflect their goals, strategic objectives with five-year targets. Annual Performance Plans provide details of strategic objectives and indicators with targets for the current year and the medium term period. Targets for the current year should be broken down into quarterly targets. Progress should be reported on a quarterly basis against quarterly targets (as reflected in Annual Performance Plan) in a quarterly performance report.

Quarterly performance reports provide progress on the implementation of an institution's Annual Performance Plan. As with the Strategic Plan and Annual Performance Plan, consistency and alignment in performance information (strategic objectives, performance indicators and targets) should be ensured in the quarterly report. Institutions should therefore ensure that the actual achievements of targets set in the Annual Performance Plans are reported in the quarterly reports.

The legal requirements related to the development of quarterly performance reports are reflected in the Treasury Regulations. Section 5.3.1 which states that the accounting officer of an institution must establish procedures for quarterly reporting to the executive authority to facilitate effective performance monitoring, evaluation and corrective action. In addition, National Treasury issued Instruction Note 33/2011 which outlines the mandatory requirements as set out in the Framework for Strategic and Annual Performance Plans.

This guideline is applicable to all provincial departments.

## **2. OVERVIEW OF THE QUARTERLY PERFORMANCE REPORTING GUIDELINES**

The quarterly performance reporting guidelines provides comprehensive information on the reporting process. In addition, this document covers five distinct themes, namely:

- Quarterly Performance Reporting;
- Roles and Responsibilities;
- Standardised and non-standardised reporting formats;
- Reporting dates;
- Publication of 2016/17 performance information.

## **3. QUARTERLY PERFORMANCE REPORTING**

The purpose of quarterly performance reports is to provide information on the overall progress made on the implementation of an institution's Annual Performance Plan, on a quarterly and an annual basis. Quarterly performance reports are based on the quarterly targets set in the Annual Performance Plans. Therefore, institutions should ensure that the data that is submitted in the quarterly performance reports is as accurate as possible as the total for the four quarters should correspond with the information that will be reported in the Annual Report for a particular financial year.

### **3.1 Link to Strategic Plan and Annual Performance Plans**

The goals and objectives in the Strategic Plan informs the Annual Performance Plan, where programme performance indicators and targets are aligned to the strategic objectives. The five year targets for the strategic objectives in the Strategic Plan are reflected as annual targets in the Annual Performance Plan. The performance indicators in the Annual Performance Plan contribute to the realisation of strategic objectives in the Strategic Plan. The performance indicators have annual targets which are in some cases broken down into quarterly targets. Quarterly performance reports therefore tracks progress against quarterly targets as reflected in the Annual Performance Plan.

### 3.1.1 Performance information and targets as set out in the Annual Performance Plan

The following tables highlight the manner in which performance information should be reflected in the Annual Performance Plan.

### 3.1.2 Programme X (insert name of programme)

The programme purpose as stated in the budget documentation must be provided.

### 3.1.3 Strategic objective annual target for 20XX

List targets for the budget year and over the MTEF period for each strategic objective specified for this programme in the Strategic Plan.

Strategic objective		Audited/Actual performance			Estimated performance 20XX-1	Medium-term targets		
		20XX-4	20XX-3	20XX-2		20XX	20YY	20ZZ
1.1	Short name							
1.2	Short name							

### 3.1.4 Programme performance indicators and annual targets for 20XX

List the core programme performance indicators and any other chosen indicators. The targets for the budget year must be reflected in the Quarterly Performance Reporting Model under “Target for 2016/17 as per APP”

Programme performance indicator		Audited/Actual performance			Estimated performance 20XX-1	Medium-term targets		
		20XX-4	20XX-3	20XX-2		20XX	20YY	20ZZ
1.1	Short name							
1.2	Short name							

### 3.1.5 Quarterly targets for 20XX

Quarterly targets (if applicable) should be set for the programme performance indicators identified above. The quarterly targets for the budget year must be reflected in the Quarterly Performance Reporting Model under “1<sup>st</sup>/2<sup>nd</sup>/3<sup>rd</sup>/4<sup>th</sup> Quarter Planned output as per the APP”

The following table is used for programme and sub-programme performance indicators.

Performance indicator		Reporting period	Annual target 20XX	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
1.1	Short name	Quarterly					
1.2	Short name	Biannual					
1.3	Short name	Annual					

## 4. ROLES AND RESPONSIBILITIES

A number of institutions are involved in the quarterly performance reporting process, including:

- Provincial departments (line managers);
- Offices of the Premier;
- National Departments; and
- Department of Planning, Monitoring and Evaluation

### 4.1 Role of Provincial Departments (line managers)

Section 45 of the PFMA details the responsibilities of officials of departments, trading entities and constitutional institutions by stating that:

“An official in a department is responsible for the effective, efficient, economical and transparent use of financial and other resources within that official’s area of responsibility;

In effect, this implies that each line manager is responsible for the use of financial resources or inputs in a particular programme. Strategic objectives must be submitted for each main division (programme) within the department’s vote (section 27(4)) and therefore line managers may also be held accountable for the outputs generated within that programme.

An important issue for line managers arising from the above is that of reporting performance against predetermined objectives. This means that performance targets (objectives) should be set in conjunction with the budget. These should then be monitored during the implementation process and then reported after in the annual report. It is thus crucial to implement a system for monitoring performance on an ongoing basis. This system would include determining objectives, defining performance indicators, and monitoring progress against performance targets.

### 4.2 Role of Offices of the Premier (OTPs)

Offices of the Premier will be responsible for the Quarterly Performance Reporting Model for the 2016/17 financial year. Offices of the Premier need to fulfil a monitoring role within the performance reporting paradigm. Quarterly performance reporting can be viewed as an enabling mechanism that allows Accounting Officers to track

progress against what has been planned and what is actually achieved in the form of service delivery outputs.

Officials in Offices of the Premier need to reference the Strategic Plan, Annual Performance Plan, Quarterly Performance Report and Annual Report of a department in order to coordinate the quarterly performance reporting function.

The following checks need to be performed once departments have submitted quarterly performance plans:

- Ensure that the correct formats in the QPR model have been used, that is, the 2016/17 Quarterly Performance Reporting Model.
- Ensure that the annual targets and the quarterly targets as contained in the Annual Performance Plans are reflected in the model when reporting for the first quarter.
- Ensure that a hard copy of the sign off letter by the Head of Department has been submitted together with the data.
- Offices of the Premier must submit the final narrative reports, datasets and sign-off letters to the Department of Planning Monitoring and Evaluation.

### **4.3 Role of National Departments**

National Departments will receive the quarterly data via data files from the respective provincial departments. National Departments must interrogate the data (against targets in the Annual Performance Plans). Discrepancies need to be communicated directly to the provincial counterparts. Provincial departments will effect the necessary changes and the final data will be submitted to Offices of the Premier and national departments.

The status of the final datasets (incorporating changes/feedback from the national department) must be signed-off by the provincial HODs. This means that the final data file will be submitted together with the sign-off letter to the Office of the Premier. National departments which have nationally based electronic or manual non-financial information systems need to verify that the data submitted by provinces is correct. National departments that do not have nationally based information systems and who cannot execute a data check need to seek the expertise of programme experts in their departments.

Provincial departments need to submit copies of the final documents to Offices of the Premier which reflect the changes made to their original documents as a result of national guidance.

#### 4.4 Role of Department of Planning, Monitoring and Evaluation (DPME)

DPME will consolidate and use the data to draft a sectorial quarterly performance report and a government wide quarterly performance report.

The performance information of two sectors (Health and Agriculture) will be published on the website of the DPME in the 2016/17 financial year.

**Table 1: Conceptual view of the Quarterly Reporting Process**

PROCESS FLOW QUARTERLY PERFORMANCE REPORTING		
PROVINCIAL DEPARTMENTS	<ul style="list-style-type: none"> <li>• Capture programme performance information</li> <li>• Capture annual and quarterly targets (first quarter)</li> <li>• Update QPR model</li> <li>• Submit to Offices of the Premier and national departments</li> </ul>	HOD's Sign Off on final data
OFFICES OF THE PREMIER	<ul style="list-style-type: none"> <li>• Ensure the correct formats are used</li> <li>• Verify QPR annual and quarterly targets are the same as in the Annual Performance Plans</li> <li>• Ensure that a hard copy of the sign off letter by the Head of the Department has been submitted with the final datafile</li> <li>• Publish the data on the website of the respective Offices of the Premier sectors)</li> </ul>	Offices of the Premier assess the alignment to Annual Performance Plans and consolidate inputs for DPME
NATIONAL DEPARTMENTS	<ul style="list-style-type: none"> <li>• Ensure the correct formats are used</li> <li>• Verify QPR annual and quarterly targets are the same as in the Annual Performance Plans</li> <li>• Ensure correct interpretation of sectorial definitions</li> <li>• Check for anomalies in the reported data</li> <li>• Provide feedback to provincial counterparts</li> </ul>	National Departments assess the alignment to Annual Performance Plans and provide oversight on the quality of data
DEPARTMENT OF PLANNING, MONITORING AND EVALUATION	<ul style="list-style-type: none"> <li>• Use the Quarterly Performance Reporting model to consolidate non-financial data inputs</li> <li>• Publish the data on the DPME website (Agriculture and Health)</li> <li>• Circulate consolidated reports to DPME, National Treasury, HOD's of national counterparts, DGs for Offices of the Premier</li> </ul>	Consolidate performance reports from the submitted data

Table 1 gives an overview of the sequence of tasks which needs to be followed to implement quarterly performance reporting by all relevant role players.



## **5. STANDARDISED AND NON-STANDARDISED REPORTING FORMATS**

### **5.1 Departments with standardised performance indicators**

Standardised reporting formats and data units enhance data analysis because the data is comparable, easy to understand, verifiable and attributable. Standardised formats for quarterly reporting have been drafted based on the standardised performance indicators in the Annual Performance Plans for nine sectors, namely Basic Education, Health, Cooperative Governance, Agriculture, Public Works, Roads and Transport, Environmental Affairs, Sport and Recreation; and Safety and Liaison.

Standardised sectors must populate the Quarterly Performance Reporting Model at the end of the first quarter with annual and quarterly targets as per the tabled Annual Performance Plan of the department. Standardised and province specific indicators must be populated in the Quarterly Performance Reporting Model. Preliminary outputs must be populated at the end of each quarter. The actual output validated column for the first three quarters must be populated three months after the preliminary output was submitted. The fourth quarter actual output–validated data will be submitted together with the pre-audited output for 2016/17 as per Annual Report at the end of May 2017.

The 2016/17 Quarterly Performance Reporting Model makes provision for departments to capture comments against all core set of indicators. Departments must provide reasons for deviation against predetermined targets for all core performance indicators.

The comment column will not lock and will be updated per quarter. Departments will be given an option to save or clear previous quarter's comments. Both Offices of the Premier and provincial departments are advised to save each quarter's report on a separate file or folder.

In addition, a department may also submit a narrative report. The narrative report should provide an account of any other service delivery information that is over and above the core set of performance indicators reported in the Quarterly Performance Reporting Model.

#### **5.1.1 Database for departments with standardised performance indicators**

The following explanation provides guidance on the use of the Quarterly Performance Reporting Model by both provincial departments and Offices of the Premier.

**Table 2: Guidance on the use of the Quarterly Performance Reporting Model for standardised sectors**

Entity	
Department	Office of the Premier
Select the province	Select the province
Select the departments name	Select the department it wants to work with
Select the relevant quarter	Select the relevant quarter
Select the financial year	Select the financial year
Select the entity ( in this case will be department), and	Select entity (Office of the Premier)
Click on the relevant tab and capture the data for the respective quarter	Import the data from the data file received from the Department (OTP can only import data from one department at a time)
If the department has not achieved any output for the quarter, then this must be captured as the number 0. <b>NOTE:</b> Departments must refrain from using a dash (-) instead of the number 0. The QPR model reads the dash as a text. This will distort formulae in the model.	Update a consolidated data file with data from all sectors (one department at a time or all at once) and thereafter send to DPME
Once the data has been captured and saved, go back to the settings sheet and click the "Update data file" icon. Follow the instructions and update an NFR datafile.	<b>NOTE:</b> Only the final consolidated datafile must be sent to DPME
The updated data file should be sent to the Office of the Premier.	
Thereafter, click on "create a national form" icon. The model will automatically update the national data file which needs to be saved and sent to the National Department.	
<b>NOTE:</b> The Model also makes provision for departments to capture their non-standardised items for their own internal management processes. To access this functionality, the department must click on "report on non-standardised items" button on their reporting worksheet	
<b>NOTE:</b> It is important to note that Departments must capture their planned Annual Performance targets as well as Quarterly Performance targets for the 2016/17 financial year in the first quarter of 2016/17.	

## 5.2 Departments with non-standardised performance indicators

Non standardised sectors must populate the non-standardised section of the Quarterly Performance Reporting Model detailing the key service delivery achievements per sub-programme, as per the targets set out in the Annual Performance Plans.

The non-standardised sectors must populate the Quarterly Performance Reporting Model at the end of the first quarter with annual and quarterly targets as per the tabled Annual Performance Plan of the department. All performance indicators must be populated in the Quarterly Performance Reporting Model. Preliminary outputs must be populated at the end of each quarter. The actual output validated column for the first three quarters must be populated three months after the preliminary output was submitted. The fourth quarter actual output–validated data will be submitted together with the pre-audited output for 2016/17 as per Annual Report at the end of May 2017.

The 2016/17 Quarterly Performance Reporting Model makes provision for departments to capture comments against all core set of indicators. Departments must provide reasons for deviation against predetermined targets for all core performance indicators.

The comment column will not lock and will be updated per quarter. Departments will be given an option to save or clear previous quarter's comments. Both Offices of the Premier and provincial departments are advised to save each quarter's report on a separate file or folder.

In addition, a department may also submit a narrative report. The narrative report should provide an account of any other service delivery information that is in addition to the core set of performance indicators reported in the Quarterly Performance Reporting Model.

**Table 3: Guidance on the use of the Quarterly Performance Reporting Model for non-standardised sectors**

Entity	
Non-Standard Department	Office of the Premier
Select the province	<b>NOTE: Non-Standard Reports for Human Settlement, Arts and Culture, Social Development and Economic Development will not be reflected in consolidated report of standardized sectors. These must be submitted separately to DPME.</b>
Select the departments name	
Select the relevant quarter	
Select the financial year	
Select the entity ( in this case will be department), and	
Click on the relevant tab	<b>Provincial Treasuries and Offices of the Premier must still use a template for non-standardised sectors (Refer to Section 5.2.1 of the Guideline)</b>
Select the Non-Standard Report and capture the indicators as reflected in the APP and outputs for the relevant quarter	
If the department has not achieved any output for the quarter, then this must be captured as the number 0. <b>NOTE:</b> Departments must refrain from using a dash (-) instead of the number 0. The QPR model reads the dash as a text. This will distort formulae in the model.	
Once the data has been captured and saved, go back to the settings sheet and click the “Update data file” icon. Follow the instructions and update an NFR datafile.	
The updated data file should be sent to the Office of the Premier.	
<b>NOTE:</b> It is important to note that Departments must capture their planned Annual Performance targets as well as Quarterly Performance targets for the 2016/17 financial year in the first quarter of 2016/17.	

### 5.2.1 Reporting Template for non-standardised sectors

Table 4 below shows an example of a template for non-standardised sectors.

**Table 4: Non-standardised reporting template**

Province:																	
Department:																	
Programme, Sub-programme	Performance Indicator	Annual Target	1 <sup>st</sup> quarter planned output	1 <sup>st</sup> quarter preliminary output	1 <sup>st</sup> quarter actual output	2 <sup>nd</sup> quarter planned output	2 <sup>nd</sup> quarter preliminary output	2 <sup>nd</sup> quarter actual output	3 <sup>rd</sup> quarter planned output	3 <sup>rd</sup> quarter preliminary output	3 <sup>rd</sup> quarter actual output	4 <sup>th</sup> quarter planned output	4 <sup>th</sup> quarter preliminary output	4 <sup>th</sup> quarter actual output	Challenges	Responses	

### 5.3 Points to remember when completing the database

The following are points to remember when completing the database:

- a. All targets must be expressed as actual numbers rather than percentages (See Treasury Practise Note 7 of 2008/09 which deals with targets, baselines and the use of percentages).
- b. Ensure that the targets in the Quarterly Performance Reporting database are the same as the targets that are in the Annual Performance Plan 2016/17 as well as in the Estimates of Provincial Revenue and Expenditure. In other words, the targets for each of the performance indicators should be the same in all 3 documents.
- c. Ensure that your annual planned target columns and your quarterly planned targets for all four quarters are accurately completed when submitting the first quarter information in July 2016.
- d. Save the previous quarter's model before changing the quarters. This will ensure that the department has a record for comments of the previous quarter.
- e. Please note that the database will be **LOCKED** a day after the submission date and under no circumstances will late information be accepted. Therefore, if your information is not received timeously it will not be reflected in the national progress report for that particular quarter.

## 6. REPORTING DATES

### 6.1 2016/17 Financial Year

The following reporting dates apply for the 2016/17 financial year.

Please note the reporting dates follow a definite sequence starting with provincial departments submitting their first datasets jointly to Offices of the Premier and their respective National Departments. Once Offices of the Premier and National Departments have verified the data they should send it directly back to Provincial Departments to effect the changes with the objective of finalising the datasets for the signature of the Heads of Department. The final signed off datasets should be sent to Offices of the Premier. Offices of the Premier will submit to DPME for analysis and publishing.

**No extensions of the allocated dates will be granted.**

## SUBMISSION DATES 2016/17 QUARTERLY PERFORMANCE REPORTS (NON-FINANCIAL DATA)

Quarters 2016/17	Provincial Department to Office of the Premier	Provincial Departments to National Departments	National Departments to Provincial Departments to verify information	Provincial Departments final dataset to Office of the Premier and National Departments	Office of the Premier to DPME sign off data set	DPME Quarterly Publication	Office of the Premier Quarterly Publication
1st Q - June 2016	Mon, 11 July 2016	Mon, 11 July 2016	Fri, 15 July 2016	Wed, 20 July 2016	Mon, 25 July 2016	Mon, 08 August 2016	Fri, 12 August 2016
2nd Q - Sept 2016	Fri, 07 October 2016	Fri, 07 October 2016	Thur, 13 October 2016	Tue, 18 October 2016	Thur, 20 October 2016	Mon, 07 November 2016	Fri, 11 November 2016
3rd Q - Dec 2016	Thur, 12 January 2017	Thur, 12 January 2017	Wed, 18 January 2017	Mon, 23 January 2017	Thurs, 26 January 2017	Thurs, 9 February 2017	Wed, 15 February 2017
4th Q - March 2017	Mon, 10 April 2017	Mon, 10 April 2017	Fri, 14 April 2017	Wed, 19 April 2017	Monday, 24 April 2017	Mon, 8 May 2017	Fri, 12 May 2017

*\*The actual validated data for the fourth quarter must be submitted to DPME on the 31 May 2017 together with the pre-audited numbers for the 2016/17 financial year. The pre-audited numbers will be the same numbers that will be submitted to the Auditor General.*

## 7. PUBLICATION OF 2016/17 PERFORMANCE INFORMATION

### 7.1 Department of Planning, Monitoring and Evaluation

The performance information of the Agriculture and Health sectors will be published on the website of the Department of Planning Monitoring and Evaluation in the 2016/17 financial year.

The Director Generals of both the Offices of the Premier and the Heads of the relevant departments must sign-off on the performance information before it is published. This will ensure that the published data is verified and accurate.

### 7.2 Offices of the Premier

Offices of the Premier are required to publish the quarterly performance information of provincial departments on their websites in the 2016/17 financial year. This is being done in order to increase accountability and improve performance data.

Offices of the Premier must publish the performance information of the standardised sectors as a minimum requirement. The publication of province specific indicators and targets for non-customised sectors will be the prerogative of the Offices of the Premier and is therefore optional.

### **7.3 Verification of data**

The verification of data is pivotal in the publication of performance information. Offices of the Premier must ensure that the captured data is accurate and that targets are as reflected in the tabled Annual Performance Plans of each provincial department before the data is published on the website of the Office of the Premier. The performance information submitted to DPME as final must be the same information published by the Offices of the Premier.