



Vision

The Public Service Commission is an independent and impartial body created by the Constitution, 1996, to enhance excellence in governance within the Public Service by promoting a professional and ethical environment and adding value to a public administration that is accountable, equitable, efficient, effective, corruption-free and responsive to the needs of the people of South Africa.

Mission

The Public Service Commission aims to promote the constitutionally enshrined democratic principles and values in the Public Service by investigating, monitoring, evaluating, communicating and reporting on public administration. Through research processes, it will ensure the promotion of excellence in governance and the delivery of affordable and sustainable quality services.

Report on the Audit of Reporting Requirements and Departmental Monitoring and Evaluation Systems within Central and Provincial Government

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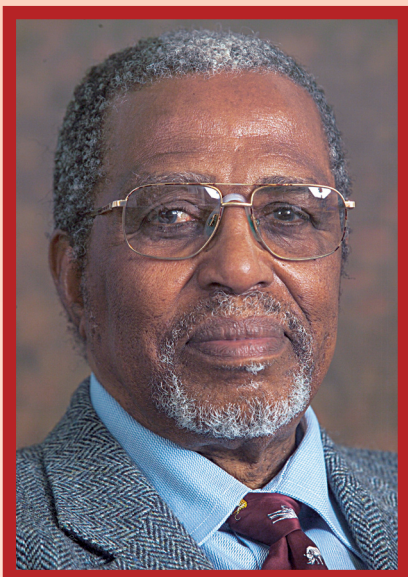
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Foreword

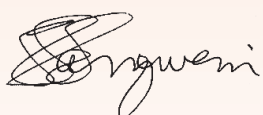
Over the past several years there has been vibrant debate on the role that monitoring and evaluation (M&E) can play in deepening our democracy and improving the performance of the South African Public Service. The strong interest shown in the performance of government by citizens, in particular, stems from citizens now exercising their new-found democratic right to engage with the performance of government. Informing this democratic right is the information that stems from the M&E and reporting systems of government. This serves to make government performance transparent and accountable. When citizens engage with performance results, they are able to bring pressure to bear upon government to be more efficient and effective, thus supporting the transformation efforts of government.

This study stems from a recognition that setting up any new system is a daunting task. It is necessary, therefore, at an early stage to reflect on progress and feed this back into the implementation process with a view to share best practices and revise strategies. This audit is a timely intervention in the process that has begun to institutionalise M&E in government, as it provides a status quo of what is currently in place and how well it works. As the study will show, progress in developing

these systems has been slow, with most systems in the early stages of development. These results should not be viewed as discouraging, given the fact that any new innovation takes time before it is accepted and used. However, it is encouraging to note that across the political and administrative spheres of government, there is a common resolve to produce sound M&E and reporting systems, and this is evident from the resources that are directed to this purpose.

Given that this has been the first base study on monitoring and evaluation and reporting systems, the report is fairly lengthy to ensure that it raises as many of the pertinent issues as possible. However, the report is by no means exhaustive and should be seen as largely providing a baseline from which future studies can be launched.

The comprehensive nature of this study has required the cooperation and commitment of many persons, who willingly gave their time to respond to questionnaires and participate in the interviews. It is hoped that through this report feedback will be provided which they will find helpful in their efforts to accelerate the development of the M&E systems for which they are responsible. The PSC is very appreciative of the support that it received in carrying out this research.



PROF STAN SANGWENI
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This study demanded much effort from the respective contact people in departments, who had to source the relevant respondents, ensure that they completed their part of the questionnaire and compile a comprehensive report for the institution. The PSC thanks them for their cooperation and endurance.

Acronyms

ACCESS	Microsoft programme
A-G	Auditor-General
BAS	Basic Accounting System
CFO	Chief Financial Officer
CBO	Community Based Organisation
DDG	Deputy Director-General
DG	Director-General
DJCD	Department of Justice and Constitutional Development
DORA	Division of Revenue Act, 2004
DPLG	Department of Provincial and Local Government
DPSA	Department of Public Service and Administration
DPTR&W	Department of Public Transport, Roads and Works
EMIS	Education Management Information System
EPWP	Expanded Public Works Programme
Exco	Executive Committee
FINEST	Data system programme
FOSAD	Forum of South African Director-General
G&A	Governance and Administration
GIS	Geographical Information System
GPG	Gauteng Provincial Government
HARDCAT	Data system programme
HIS	Health Information System
HOD	Head of Department
HR	Human Resource
HSS	Housing Subsidy Scheme
IDP	Integrated Development Programme

IMS	Information Management System
IT	Information Technology
LOGIS	Logistical Information System
MEC	Member of the Executive Council
M&E	Monitoring and Evaluation
ME&R	Monitoring, Evaluation and Reporting
MIS	Management Information System
MTEF	Medium Term Expenditure Framework
NGO	Non-Governmental Organisation
OPSC	Office of The Public Service Commission
Oracle.	Database System
PCF	Premier's Co-Coordinating Forum
PDGP	Provincial Development Growth Plan
PDMS	Performance Development Management System
PERSAL	Personnel Salary System
PFMA	Public Finance Management Act
PMDS	Performance Management and Development System
PO	Premier's Office
PSC	Public Service Commission
PSETA	Public Service Education and Training Authority
PWMES	Premier's Western Cape Government Monitoring and Evaluation System
SALGA	South African Local Government Association
SCOPA	Standing Committee on Public Accounts
SETA	Sector Education and Training Authority
SG	Superintendent-General
Sinjani	Information Database for the Western Cape Health Department
SOCPEN	Social Pensions Data Base
VUKUZAKHE	Emerging Contractors Development Programme
Walker	Information Database System

EXECUTIVE SUMMARY

1. Introduction

The South African Government has, since the advent of democratic rule, prioritised the improvement of the delivery of public services. In order to ensure that tangible results are achieved, there is an increasing recognition of the need for greater effectiveness in the way that government monitors, evaluates and reports on its policies, projects and programmes. Cabinet therefore mandated the Governance and Administration (G&A) cluster of the Forum of South African Director-General (FOSAD) to develop a plan for a monitoring and evaluation system that can be used across government. To contribute towards this initiative, the PSC undertook an audit of existing monitoring, evaluation, and reporting systems in government departments.

1.1 Terms of reference

The objectives of the audit were:

- 1) To obtain an overall understanding of the different reporting requirements at the national and provincial level with appropriate recommendations for streamlining and improving reporting within the Public Service; and
- 2) To document and evaluate departmental monitoring and evaluation systems and reporting requirements (ME&R) as accountability mechanisms for programme performance; and determine their usefulness in serving as management tools in guiding decision-making processes.

1.2 Methodology

1.2.1 Critical questions

A number of critical questions were addressed in the audit methodology, including those focusing on compliance with reporting requirements, alignment of reporting formats, utilisation of reports, and the types of monitoring and evaluation systems that are in place.

1.2.2 Audit design

The overall methodology was a fusion of both quantitative and qualitative methods. The study also took into account the experiences of interviewees, and emphasis was placed on dialogue and active listening as tools to elicit information.

1.2.3 Data collection and analysis

Data collection included a review of documents, structured site visit, questionnaires for face to face interviews (one for departments with established M&E and another for departments with nascent ME&R units/systems), and self-assessment questionnaires that were biased towards quantitative data.

Two databases were developed to warehouse the qualitative and quantitative data for both reporting requirements and M&E systems. The data was then organised and analysed according to the following thematic areas: reporting requirements, compliance, internal processes for completing reports, utilisation of reports, M&E systems, ME&R as a measure of accountability, indicators as accountability mechanisms, and demand for ME&R information.

A list of 30 basic (but not exhaustive) legislative reporting requirements, were compiled and clustered into four focus areas, namely accountability, governance, inter-sectoral requirements and policy. **Table I** below shows the focus areas, with examples of reports that apply to them:

Table I: Reporting requirements – Focus areas and example of reports per area

FOCUS AREA	EXAMPLE OF REPORTS
Accountability	Annual financial statements Annual Report
Governance	Employment equity report Labour relations report Work place skills plans and reports
Inter-sectoral matters	Provincial growth development plan report Social cluster report
Policy	Progress report on the implementation of Batho Pele HIV/AIDS report

1.2.4 Sampling framework

The selection of the sample followed the requirements outlined in the Terms of Reference:

- All national departments with a specific focus on National Treasury, Office of the Presidency, Public Service and Administration, Provincial and Local Government, Education, Health, Social Development, Housing, Water Affairs and Forestry, Public Works, Justice, Correctional Services, Foreign Affairs and Land Affairs.
- All provincial departments that carry the above national portfolios, including all nine Premiers' Offices.
- Other institutions: The Human Rights Commission, National Energy Regulator, Stats SA, the Auditor-General, the Public Service Commission, the Medical Research Council, and the South African Local Government Association.

Of the 32 national departments included in the sample the audit team targeted 18 departments for on-site interviews of which only 10 departments (55%) participated. Self-assessment questionnaires were sent out to the remaining 22 departments (69%) of which three (14%) responses were received.

Seven departments were targeted in each province to conduct on-site interviews. Seventy three percent of the targeted departments participated, with 100% participation in the Western Cape followed by Gauteng with 86% participation. The Free State, Limpopo, Mpumalanga and North West had 71% participation each, whilst the lowest participation of 57% each was in Eastern Cape, KwaZulu-Natal and the Northern Cape. There was a very low response rate on the self-assessment questionnaire. Of the 47 self-assessments questionnaires sent out, only five responses were received, i.e. from the Free State (1), Northern Cape (1), North West (1) and Western Cape (2).

1.2.5 Limitations

The main limitation of the audit was the poor response from departments at both national and provincial level which often resulted in inappropriate persons being interviewed, and the required data not being provided. A further limitation was the delays in responding to the self-assessment interview schedule resulting in much of this data not being included in the study. The research team was also unable to validate information received due to the non-responsiveness of departments.

2. Audit framework on the demand for and supply of ME&R

In establishing the broader parameters for the audit and the development of an audit framework it was essential to identify the overall relevance and purpose of the demand and supply of customary ME&R.

2.1 Audit framework on the demand for ME&R

The demand side audit of ME&R assesses the uses of ME&R information as determined through legislation, regulations, and through the power vested in particular stakeholders. To guide the analysis the following four functional categories were identified:

- **Governance:** ME&R information is required for the production of reports requested by governance institutions and stakeholders at a macro level. These reports tend to focus on outcomes and impact rather than outputs and activities.
- **Policy Change and Development:** An integral element of the governance and accountability process focuses



attention on utilizing ME&R information to adjust, change and develop policies and regulations.

- **Accountability:** ME&R information may be generated for the production of internal accountability reports which tend to focus on input utilisation and outputs generated.
- **Management:** Related to information for accountability purposes is the provision of information for ongoing management of the implementation and delivery process.

2.2 Audit framework on the supply of ME&R

The framework for the supply side of the Audit sought to establish the types of ME&R that exist to meet the demands reflected in 2.1 above. The following considerations were central to this framework:

- Ensuring the capturing of all initiatives that may be considered ME&R practices or systems.
- Facilitating the capturing of qualitative and quantitative information and data on ME&R initiatives.
- Facilitating the data collection process and generating a clear, simple and understandable 'map' of ME&R.
- Covering all elements of ME&R across the public service, including ME&R on the process of delivery, on the outputs/outcomes anticipated, and the targets and results intended.


To ensure full coverage of comprehensive and specific systems and practices, the framework on the supply of ME&R systems and processes is as follows:

- **Governance:** Any ME&R that is used to assess the governance of public service departments.
- **Resource Utilisation:** ME&R measures used to assess efficacy and efficiencies demonstrated in the utilisation of human, financial and other resources like skills, knowledge and time.
- **Programme/Projects and Activities:** ME&R that is used to track and assess focused programmes, projects and ongoing activities at all levels (from project to country).
- **Outputs, Results and Delivery:** ME&R used to track delivery, outputs and performance results.
- **Process:** ME&R that is used to show how things are done within an organisation, programme, project or policy.
- **Outcomes and impact:** Measures and initiatives established to monitor and evaluate the overall outcomes and impact of policies and service delivery.

2.3 Institutional areas of ME&R coverage

In order for the audit to provide a workable function and institutional map, it is necessary to ensure that this institutional map serves to cover all of the institutional areas within which M&E is established.





These are:

- **Crosscutting Government-Wide Initiatives:** Institutions that have established legislation; regulations and practices that require the collection and collation of ME&R related information (National Treasury, DPLG, DPSA etc).
- **Cluster based Initiatives:** Clusters have emerged as coordinative and reporting channels for certain priority programmes of government.
- **Sector ME&R Initiatives:** Sector specific systems and practices that cover the work of a number of departments.
- **Provincial ME&R Initiatives:** Provincial-wide systems for the monitoring and evaluation of strategies.
- **Departmental Initiatives:** Departmentally-established systems central to the overall map of ME&R initiatives.
- **Extra-Governmental Institutional Terrain:** Institutions outside of government engaged in direct evaluation and monitoring practices.

3. Key Findings

3.1 Reporting

3.1.1 Compliance with reporting requirements

- Of the thirty minimum reporting requirements that need to be met by departments, the Eastern Cape and Western Cape meet 50% of these. Limpopo meets 45%, whilst Kwa-Zulu Natal and Mpumalanga are substantially low at 36% and 27% respectively. Northern Cape meets 54% of the requirements, and the Free State is at 53%. The North West is significantly high at 71%. This finding means that many departments are still not coping with the demands for reports by different stakeholders and are therefore only able to submit some of the reports.
- With the exception of the Annual Reports, few of the provincial departments could provide a substantial overview of the reporting demands placed on them and the extent to which they are complied with.
- Provincial departments complained frequently about duplication of report demands from various departments and agencies, as well as from different sections within one department.
- Generally, departments do not have a tracking system for these reports, nor do they analyse the frequency or the type of data required.
- Reports are mainly driven by compliance demands, most often from the Provincial and National Treasury.

3.1.2 Internal Process and Clarity for Compiling Reports

- In general, and with the exception of Annual Reports, which are derived from the incremental monthly and quarterly reports, reports are not co-coordinated centrally, and the reliability and validation of information do not always get attention.

- Reports are not written to meet the different needs of different stakeholders – reports comprise a response to questions rather than an analysis of the motivation, the focus of the requesting department and an interrogation of how the information requested can be used internally.
- Even though reports form a crucial part of the feedback loop within the monitoring and evaluation system, departments do not often strategically link all the reporting requirements into a template to facilitate coordinated monitoring, data collection and finally reporting.
- All departments are inundated with ad hoc requests for reports over which they have no control.

3.1.3 Utilisation of reports

- The utilisation of reports (internally) centres mainly on budget, expenditure, policy, programme implementation, resource allocation, resource mobilisation, performance management and strategic planning. The tracking of results, outcomes and impact is rare amongst departments, and so is knowledge sharing.
- The utilisation of reports is often dependent on the purpose of the report.
- Provinces are often not aware of how their reports are utilised at national level, and they believe that such reports are primarily required for compliance purposes only.
- Some departments use reports for analyses that provide early warning signals for areas that require intervention.

3.2 M&E Systems

3.2.1 M&E Systems

- Amongst national departments, there is a growing awareness about the need and value of an M&E system to support evidence-based decision-making to ensure a more effective and efficient Public Service.
- Very few of the provincial departments have established M&E units that are fully capacitated with regard to policy, budget, staff, and systems.
- Some departments undertake monitoring and evaluation even in the absence of a formal unit, while there are cases where units exist but with no systems, resources and infrastructure in place to support them.
- In some of the departments, the processes of M&E are integrated across programmes and linked to the strategic plan.
- There are no clear patterns on how M&E systems are developing nationally and within the provinces. Pockets of systems and practices are emerging in different ways and at different paces.

3.2.2 M&E as an accountability mechanism

- Broadly, departments use reports, public outreach programmes, social partners, collaborative projects with other departments and donors, communication and media strategies, forums for peer review and responses to public requests as accountability mechanisms.

- Generally, the Management Information Systems (MIS) are not functioning optimally and the process of collecting data varies considerably. Some of the systems used presently are outdated and often require manual search for information and data. This impacts on the accessibility of the data and means that decisions do not always benefit from timely, accurate and up to date information.

3.2.3 Indicators as accountability mechanisms

- Most departments have output indicators within their strategic plans. Three of the departments surveyed, namely the Office of the Premier in the Free State, the Department of Health in the Eastern Cape and the Department of Social Development in the Western Cape, have the full range of indicators – input, output, outcome, process and impact.

4. Recommendations and Conclusion

4.1 Recommendations

4.1.1 Reports

4.1.1.1 Compliance with the submission of reports

- A central repository for reporting requirements should be developed within departments (national and provincial). The requirements should also clarify important matters such as the accountability for generating reports, how feedback on reports would be provided and processes for validating the integrity of data.
- Institutions that place reporting demands on departments (such as National Treasury, Public Service and Administration, and Labour) should coordinate and streamline their requirements.
- A system for tracking and recording the ad hoc requests for reports should be implemented by all government departments.

4.1.1.2 Internal processes and clarity for compiling reports

- More coordination and quality assurance of reports should be facilitated centrally within departments. This will ensure accountability for and the validity of the information provided in reports.
- The process of data collection, verification and analysis needs also to be improved within all government departments, including the capacity to undertake these processes.

4.1.1.3 Utilisation of reports

- Greater effort should be made by all government departments to ensure that reports also cover results, outcomes and impact since this would better address the primary aim of ME&R.
- National departments should ensure that provinces are informed as to the purpose of reports requested and also how these reports impact (or not) on the strategic objectives of the National agenda.

4.1.2 M&E Systems

4.1.2.1 M&E systems

- There is a need to strengthen, coordinate, streamline and connect the myriad of ME&R systems requirements presently developing across the country within a common framework.
- National Departments need to provide assistance to provinces to develop capacity for monitoring and evaluation. The development of a government-wide ME&R framework will ensure uniformity of purpose amongst Government Departments, and create a framework within which ME&R capacity can be established.

4.1.2.2 M&E as an accountability mechanism

- All government departments need to focus more consistently on both developing and using accountability mechanisms such as public outreach programmes, social partners, collaborative projects with departments and donors, communication and media strategies, forums for peer review, and responses to public requests.
- Management Information Systems for ME&R should be improved substantially within all government departments.

4.1.2.3 Indicators as an accountability mechanisms

- Given that very few departments have the full range of indicators it is recommended that all departments develop input, output, outcomes, process and impact indicators.

4.2 Conclusion

ME&R has the potential to become the tool through which the achievements, progress and challenges within the public sector are being addressed, and in so doing, build public confidence. It should therefore receive attention, support and resources, since the results of these processes provide evidence for decision-making that will improve service delivery, and ultimately contribute positively towards the quality of lives of ordinary people.

Chapter One

Introduction



1.1 Introduction

The South African Government has, over the past ten years, recognised the challenges arising from having to transform the state into a developmental one while simultaneously trying to deliver and redress the legacy of past social imbalances. To ensure that tangible results are achieved, there is an increasing recognition of the attendant and urgent need for greater effectiveness in the way that government monitors, evaluates and reports on its policies, projects and programmes.

In his 2004 State of the Nation address the President emphasised the importance of monitoring, evaluation and reporting in government. The Governance and Administration Cluster (G&A) was subsequently mandated with the overall responsibility of designing and implementing a government wide Monitoring, Evaluation and Reporting (ME&R) Framework. As part of its programme of action, the Cluster identified activities that need to be undertaken in the development of the ME&R Framework, with one such activity being an audit of government departments' monitoring, evaluation and reporting systems. The audit was carried out under the leadership of the PSC.

The report is divided into six chapters. This chapter provides an overview of the project, the rationale, objectives and the scope of the audit. Chapter two discusses the methodology used and an analysis of the responsiveness by the departments to this audit. Chapter one also forms the basis for the contextual analysis in chapter three; which in turn, lays the basis for the analysis of the national and provincial findings detailed in chapters four and five respectively. These chapters are further divided into two sections: namely, Reporting Requirements and Monitoring and evaluation systems including the extent to which Monitoring, Evaluation and Reporting (ME&R) exist and are used as an accountability mechanism. Chapter six presents a summary of the key findings, highlighting the trends with respect to the ME&R elements audited, whilst chapter seven presents the conclusions and recommendations.

1.2 Background


1.2.1 M&E systems in South Africa

While awareness about the value of M&E in South Africa has grown substantially over the past 10 years, reporting remains a reactive response to compliance needs and/or ad hoc demands. As a result, M&E is generally done in an isolated or vertical manner that is frequently not linked or triangulated with other sources. As a result, data that may be valuable in a broader context is not integrated into the system. A comprehensive M&E system therefore sets the foundation for a more efficient and effective use of data and resources, and attempts to ensure that data is collected through the most appropriate and relevant methodologies. In turn, an M&E system should increase public sector efficiency and effectiveness to reach, with the limited available resources, strategic objectives and outcomes. The M&E system should therefore provide key information about public sector performance with a focus on quality and impact of service delivery for accountability governance at all levels of government.

1.2.2 M&E systems and their role in development programmes

A government-wide monitoring and evaluation system should support an environment that is conducive (structurally and in terms of capacity) to development. The end result of such a system should promote and establish greater accountability and learning and reflect the performance of the public sector in relation to its contribution towards development within global, regional, national, and provincial contexts.

Within a development framework, the M&E system should show whether development goals (ensuring access to opportunities and resources for citizens, and enabling them to exercise their political, human and civil rights) have been reached. The processes of M&E should be participatory, and empower citizens to take ownership and hold government accountable for its actions. The results of M&E should have a formal, user-friendly channel of feedback which would enable decision-makers to integrate lessons learnt into their design and planning processes.



Based on this framework, an established monitoring and evaluation system incorporate the following elements:

- A political and administrative champion who can lead the advocacy for, and development and sustainability of an M&E system.
- Incentives and demands for designing and building a results-based M&E system.
- Roles, responsibilities and structures for assessing performance of government with clear lines of authority.
- Capacity-building requirements for an M&E system.
- Accountability against defined goals, objectives and strategies.
- A formalised link with other international, regional and national departments, appropriate line ministries, non-governmental organisations (NGOs), donors or research institutions, to enhance and align operations and efforts.
- Resource tracking for efficient resource allocation and mobilisation (financial and other resources).
- Policies, guidelines, processes and reviews for co-ordination, tracking and communication to various relevant and appropriate people within projects, and programmes as well as stakeholders and partners.
- Clear and consensual development of aligned inputs, processes, outputs, indicators, targets and outcomes should be consistently reviewed.
- Consistent processes of data collection, analysis and interpretation should incorporate a rigorous process of quality assurance.
- Data dissemination, information and knowledge sharing should be consistent with national and international plans and should meet the needs of different audiences.
- A centralised database or library should enable a high-level process of knowledge building and management.
- ME&R systems should incorporate mandatory legislative, policy and other reporting requirements.

An M&E system is thus an organisational process that enables the institutionalisation of ME&R within the day-to-day implementation that contributes towards the strategic drive and enables government to see progress or improvement and make decisions to enhance this.


1.3 Terms of reference

The audit focused primarily on two aspects, namely, reporting and M&E Systems:

1.3.1 Reporting

To obtain an overall understanding of the different reporting requirements at the national and provincial level

¹ Monitoring and Evaluation Toolkit: HIV/AIDS, Tuberculosis and Malaria, June 2004 & Ten steps towards results-based ME&R system, Kusek, Rist, 2004, World Bank, should



with appropriate recommendations for streamlining and improving reporting within the Public Service.

Specifically, the aim of the audit with regard to **Reporting** was to:

- Determine what applicable formal reporting requirements are currently in place for South African Public Service institutions (i.e. what are national and provincial demands – including legislative and international demands, requiring reports and for what purpose).
- Assess the usefulness, to various institutions and other departments, of Public Service departments' current reports.
- Establish, at a departmental level in both the National and Provincial spheres, how the reporting process is undertaken.
- Make recommendations, at a departmental level, on how the internal processes leading to the recommendation of the reports can be improved.
- Propose changes in the formal reporting requirements (presently set out in the national and provincial legislation) in order to improve the quality of information provided.

1.3.2 M&E Systems

To document and evaluate departmental M&E systems, and reporting requirements as accountability mechanisms for programme performance (output, outcomes and impact); and determine their usefulness in serving as management tools in guiding decision-making processes.

Specifically, the aim of the audit with regard to **M&E Systems** was to:

- Determine what formal M&E systems exist, including a report on the indicators that are currently utilised in national and provincial departments that serve as an accountability mechanism for programme performance.
- Identify and assess the usefulness of South African public service departments' current M&E systems as an accountability mechanism for programme performance (outputs, outcomes and impact).
- Assess the usefulness of information generated by public service departments' current M&E systems to various institutions, other departments and especially the Presidency with regard to –
 - guidance to policy-makers about options, and identifying successful and unsuccessful programmes;
 - communication with stakeholders, beneficiaries and the general public; and
 - transparency regarding how government spends its money.
- Advise on the possibility of linking such systems across government to a central system.

Chapter Two

Methodology

2.1 Introduction

This chapter gives a brief exposition of the methodology adopted for this audit by highlighting the audit design, the data collection and analysis process, the sample of departments included in the audit, their extent of participation, and lastly the limitations experienced during the audit.

2.2 Foundation for the methodology

The critical questions below formed the foundation for the methodology adopted for this audit:

- What systems are in place?
- What tools are used to measure performance and conformance, governance, accountability, and service delivery?
- To what extent has there been harmonization of indicators for thematic areas, programmes and projects that cut across the different line departments at national and provincial level?
- To what extent are the measures developed, consistently applied across the different spheres of government?
- To what extent are the reporting formats aligned to the M&E systems?
- Do the reports generated yield the information required for decision-making, assessment of institutional and individual performance?
- Do the M&E systems provide information about the extent to which programmes are able to produce their intended impacts – an approach that measures the outcomes of a programme intervention in isolation of other possible factors?

2.3 Audit design

Auditing, as a discipline, focuses on establishing the extent of compliance with specified requirements and processes. The recommendations of audits are therefore aimed at ensuring improved performance for greater compliance and efficacy of the audited public bodies.

This audit falls within the Public Service Commission's mandate, stated below:

"The Public Service Commission is constitutionally mandated to investigate, monitor and evaluate the organisation, administration and personnel practices of the Public Service and to advise national and provincial organs of the state, as well as promote a high standard of professional ethics."

The overall methodology for the study was a fusion of both quantitative and qualitative methods. The quantitative data has been complemented with insights drawn from insiders' perspectives derived from the qualitative data. A range of tools (outlined in data collection methods); as well as the accessing of data source documents, reports, plans and frameworks were used in the incorporation of qualitative and quantitative methods.

The study started from the premise that the participants arrived with their own experiences. It was important to acknowledge this and work with their common-sense theories based on interviewees and others' experiences and observations of processes and events. Emphasis was therefore placed on empowering the interviewees and making the invisible visible through dialogue and active listening.

2.4 Data collection methods

The data collection process included the following instruments:

(a) Review of documents: The documents reviewed formed the basis of the conceptual framework. The literature review was also used to determine the key elements for the audit instruments.

(b) Site visit questionnaire: A structured interview questionnaire was developed for the face-to-face interviews. This questionnaire utilised a combination of quantitative and qualitative data. After the initial pilot in two provinces, it was concluded that the questionnaire was too sophisticated for departments with nascent or emerging M&E systems. The second questionnaire developed was tailored to these departments. This meant that there were two questionnaires for face-to-face interviews: one for departments with relatively mature M&E systems where in-depth questions were tabled, and the second for departments with nascent or emerging M&E systems.

(c) Self-assessment Questionnaire: A third instrument was developed for the self-evaluation process. This questionnaire was biased towards quantitative data, with space for qualitative comments.

2.5 Data analysis

The data was analysed in accordance with the thematic areas detailed in the three instruments. The data analysis process was as follows:

- Two databases were developed to warehouse the qualitative and quantitative data. The access database was designed and structured on the first site visit questionnaire, and captured data collated from both the first and second site visit questionnaires. The excel database was developed to warehouse the synthesised data.
- The data was then organised and analysed according to the following thematic areas:
- *Reporting requirements:* A list of thirty basic (but not exhaustive) legislative reporting requirements, were compiled and clustered into four focus areas. **Table 2** below shows the focus areas, with examples of reports that apply to them:

Table 2: Reporting requirements – Focus areas and example of reports per area

FOCUS AREA	EXAMPLE OF REPORTS
Accountability	Annual financial statement Annual Report
Governance	Employment equity report Labour relations report Work place skills plans and reports
Inter-sectoral matters	Provincial growth development plan report Social cluster report
Policy	Progress report on the implementation of Batho Pele HIV/AIDS report

- *Departmental compliance with reporting requirements:* This thematic area provides an assessment of how departments are complying with the reporting requirements.

- *Internal processes for completion of reports:* Fieldworkers determined what processes (or combinations of processes) departments used in the completion of reports.
- *Utilisation of reports:* Fieldworkers determined what purpose(s) reports were used for.
- *ME&R as a mechanism for accountability:* This thematic area focused firstly, on the extent to which ME&R information is internally used as a mechanism of accountability for programme performance. Secondly, it was necessary to establish to what extent other institutions utilise ME&R to provide guidance to policymakers, communicate with stakeholders, beneficiaries and the general public, and promote transparency.
- *Indicators as Accountability Mechanisms:* This area focused on the development of indicators, across the departments, at two levels; namely departmental and programme or project.
- *M&E Systems:* For the purposes of this study, the basic elements of an M&E system; i.e. the structure and framework of the system, human resource capacity, policies and procedures, and budget; have been identified.
- *ME&R information demand:* This area focused on the demand for standardised ME&R information from various government institutions, (both political and legislative), **Chapter 9**³ institutions, and external agencies such as universities, or international organisations.

2.6 Sampling Framework

The selection of the sample followed the requirements outlined in the Terms of Reference. The departments and institutions that were included in the audit are as follows:

- *National departments:* All national departments, with a specific focus on National Treasury, Department of Public Service and Administration, Department of Provincial and Local Government, the Office of the Presidency, Education, Health, Social Development, Housing, Water Affairs and Forestry, Public Works, Justice, Correctional Services, Foreign Affairs, Land Affairs and Public Service Commission.
- *Provincial departments:* All provincial departments that carry the above national portfolios, as well as all nine Premiers' Offices.
- *Other institutions:* The Human Rights Commission, National Energy Regulator, Stats SA, the Auditor-General (A-G), the Public Service Commission (PSC), Medical Research Council, and the South African Local Government Association (SALGA).

2.7 Responses from national departments

Of the 32 national departments included in the sample the audit team targeted 18 departments for on-site interviews of which only 10 departments (55%) participated. Self-assessment questionnaires were sent out to the remaining 22 departments (69%) of which three responses were received (14%).

3 Republic of South Africa. "Chapter 9 – State Institutions Supporting Constitutional Democracy." The Constitution of the Republic of South Africa, 1996, (Act No. 108 of 1996). Pretoria. 1996

2.8 Responses from provincial departments

The audit team targeted seven departments in each province to conduct on-site interviews, and an average of 73% of the targeted departments was able to participate. As **Table 3** below shows, in the Western Cape all seven departments targeted for the on-site interviews participated, followed by the Gauteng province with six departments. In the Free State, Limpopo, Mpumalanga and North West only five of the seven departments targeted for site visits participated. The lowest participation rate was in the Eastern Cape, Kwa-Zulu Natal and Northern Cape where only four of the targeted departments participated.

Table 3: Number of Provincial Departments Targeted for and Participating in Site Visits

Province	Total Number Of Departments (Premier's Office included)	Number Of Departments Targeted For Site Visits	Number Of Departments Participating On Site Visits
Eastern Cape	12	7	4
Free State	11	7	5
Gauteng	12	7	6
Kwa-Zulu Natal	15	7	4
Limpopo	11	7	5
Mpumalanga	11	7	5
Northern Cape	12	7	4
North West	11	7	5
Western Cape	13	7	7
Total	108	63	46

There was a very low response rate on the self-assessment questionnaire. Of the 47 self-assessments questionnaires sent out, only five responses were received, and these were from the Free State (1), Northern Cape (1), North West (1) and Western Cape (2) – see **Table 4** below. No reasons were given for non-submission.

Table 4: Number of Responses from Provincial Departments to Self-Assessment Questionnaire

Province	Total Number Of Departments	Self Assessment Questionnaires Sent Out	Responses Received On Self-Assessment Questionnaire
Eastern Cape	10	6	0
Free State	8	4	1
Gauteng	10	4	0
Kwa-Zulu Natal	11	7	0
Limpopo	10	5	0
Mpumalanga	11	6	0
Northern Cape	9	5	1
North West	10	5	1
Western Cape	12	5	2
Total	91	47	5



2.9 Limitations

An audit of this scope and magnitude has a number of limitations. The main limitation was the lack of preparedness by the majority of departments at both national and provincial level to participate in the audit that, in many instances, resulted in inappropriate person/s, without the requisite information and background, being interviewed. Linked to this was the quality of the information provided. There was a high correlation between the level of the interviewee (within the hierarchy and also within the perceived status) and the quality of the information provided.

A further limitation was the delays in responding to the self-assessment questionnaire. The non-submission of this self-assessment questionnaire by the majority of national and provincial departments resulted in the data from this schedule not being included in the body of this report. Validation is a crucial and important step within the audit process. Although numerous attempts were made to validate information, the response by both national and provincial departments was very poor.

Notwithstanding these limitations, the report reflects a fairly informative picture of the ME&R landscape within the provincial and national government departments.

Chapter Three

Conceptual Framework



3.1 Introduction

This chapter presents the conceptual framework that was used to guide the audit. The chapter explains the key concepts which not only informed the development of the audit instruments for the study, but which also served as a basis for the data analyses and discussion that follow.

3.2 Background

Prior to 1994, many of the expenditure and human resource practices in the Public Service were centralised. This changed after the new democratic government came into office, with many of these functions being decentralised through the introduction of such frameworks as the New Public Management Framework which came into effect from 1 July 1999⁴. As a result of these policy changes, central departments and other monitoring and evaluation entities became increasingly reliant on information generated by departments with high levels of devolved and decentralised authority and responsibility. In keeping with this new framework, greater reliance was placed on coordinating departments and agencies to establish standards and reporting requirements for ME&R.

Within the framework of implementation, devolution and central policy responsibilities, departments experimented and established divergent ME&R across the spectrum of government. The limitations that emerged from the absence of a coordinated framework for ME&R prompted government to initiate policies for the establishment of standards for data collection and collation; as well as practices that would assist with coordination. These initial efforts were reflected in the work done by Statistics South Africa, the Presidency (through the Policy Unit), and through the establishment of the cluster system.

3.3 Audit framework

In establishing the broader parameters for the audit and the development of an audit framework it was essential to identify the overall relevance and purpose of the demand and supply of customary ME&R. The demand side for ME&R from a Public Service perspective comprises those requirements established through legislation, regulation and through the power vested in particular stakeholders.

The central focus on the demand side includes an understanding of:

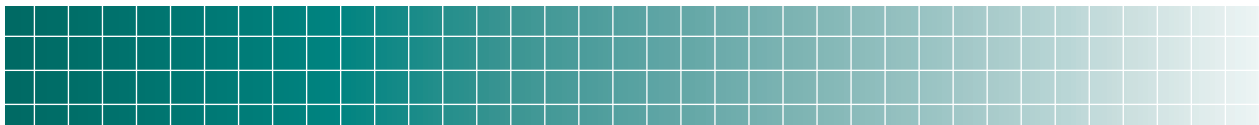
- What information is required?
- Who requires this information?
- Who is expected to provide the information?
- What is the purpose of the information required?
- What is the frequency of the information required?
- What is the format within which the information is required?
- What standards are established for the information requested?

The supply side of ME&R focuses on the institutional framework, skills, tools and technologies that are available to provide the required information. Such information is in connection with inputs, activities, outputs, results, outcomes and impact.

3.4 Audit framework on the demand for ME&R

Specific details on the expressed or perceived purpose and the relevance of a particular system and practice were ascertained during the survey and research process. However, to guide the analysis, four functional categories within which ME&R information is required were identified. These are governance, policy change and

⁴ Republic of South Africa. Department of Public Service and Administration. *Baseline Implementation Guide: The New Public Service Management Framework*. 1999..



development, accountability and management. Some of the ME&R are in response to particular countrywide legislative and regulatory requirements while others are in response to agreed-upon international and regional conventions or instruments, such as the Millennium Development Goals.

The specific stakeholders and the value they place on the information generated from the ME&R systems were also captured within each of the categories. This was done with the view that an audit of ME&R systems and practices should be able to identify both the functional relevance of each system and the needs of the particular stakeholders that will be served.

The broader analytical, functional categories and stakeholders served are as follows:

Governance: Within the overall Public Service governance process, ME&R information is required for the production of reports requested by established governance institutions and stakeholders. Stakeholders within this functional category include legislative bodies and various organs of civil society. Whilst legislative bodies and constitutional institutions have direct governance oversight authority, Civil Society organs have limited authority to command a response to a request for information.

Within the governance process, generic periodic reports or specific focused reports may be requested. Reporting requirements in this process tend to focus on outcomes and impact rather than specifically on outputs and activities. This, however, varies and depends on the requests of the stakeholders.

Policy Change and Development: As an integral element of the governance and accountability process, substantial attention is focused on utilizing ME&R information to adjust, change and develop policies. Such information is often on specific policies, such as Performance Management and Development.

Accountability: Within the Public Service, ME&R information may be generated for the production of internal accountability reports. Reports within this category tend to focus on input utilisation and outputs generated. The key stakeholders include Executive Authorities and other internal accountability bodies. Of particular relevance within this category are reports generated on the utilisation of financial and human resources. In addition to the Executive, other users include coordinating departments such as DPSA and National Treasury.

Management: Closely related to the generation of ME&R information for accountability purposes is the provision of information for ongoing management of the implementation and delivery process. Within this process, managers who are responsible for particular areas often require information that would be used for day-to-day interventions and adjustments. Information required within this category is much more detailed and relates to the ongoing monitoring responsibilities of managers. The emphasis in this category is often on online and on-time information that facilitates management interventions. Integrated into this process of management is the conscious process of learning that should occur on individual, programme and organisational levels.

These broad functional categories, which serve as the groundwork, rationale and purpose for MER practices and systems, demonstrate the need for a comprehensive approach to the audit. However, given the breadth of information that could be generated, it was essential to ensure that the audit captures the broad systems and practices, rather than every practice that has emerged within particular units in departments.

3.5 Audit framework on the supply of ME&R

As with the framework for the demand side of the audit, the framework for the supply side of ME&R and practices needed to provide the foundation for collecting and collating all relevant information on ME&R across the Public Service. In establishing a framework that would be manageable and ensure breadth and depth within the audit, the following considerations were central:

- The audit framework should serve to ensure that all initiatives that may be considered practices or systems of ME&R are captured from across the Public Service.
- The audit framework should facilitate the capture of qualitative and quantitative information and data on ME&R initiatives.
- The audit framework must facilitate the data collection process and ensure that the audit process is able to generate a clear, simple and understandable 'map' of ME&R in the Public Service.
- The audit framework and the resultant collated information should facilitate analysis, in terms of the problem statements identified.

In line with the guiding elements above, the framework used for the audit of the supply of ME&R covered the following:

Governance: This comprises any ME&R that is used to assess the governance of Public Service departments. This may include systems and practices used to assess the level of transparency and efficacy of the accountability frameworks and their operationalisation and may include measures to assess the performance of internal audit and anti-corruption units.

Resource Utilisation: This comprises ME&R measures used to assess the efficacy and efficiencies demonstrated in the utilisation of human, financial and other resources like skills, knowledge and time. Included within these measures is productivity and related performance measurement systems.

Programme/Projects and Activities: This comprises ME&R that is used to track and assess focused programmes, projects and ongoing activities at all levels (from project to country). This may apply to an established monitoring system as well as once-off or regular evaluations. Such ME&R practices are particularly useful to show how projects or programmes influence the organisation/institution and vice versa, and demonstrate what the impact or implications of these effects are. For example, a lack of proper resource planning on a project level may negatively impact on processes to unlock funding on a management level. At the same time, the lack of proper disbursement procedures at management level may impede the implementation and timing of a project. In turn, both of these weaknesses may negatively impact on the effect of the developmental goal.

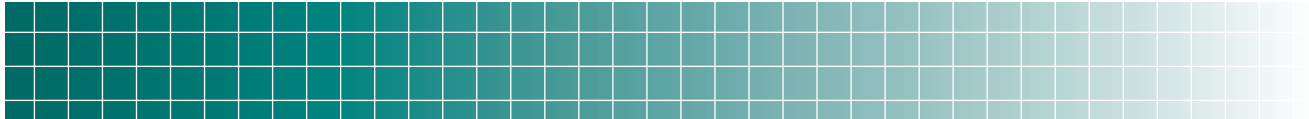
Outputs, Results and Delivery: This category comprises ME&R used to track delivery, outputs and performance results. These might be a collection of databases used to store output and delivery information. Where and as appropriate, this might also include information derived from external data sources.

Process: This comprises ME&R that is used to assess how things are done within an organisation, programme, project or policy. Much of this information often sits in the heads of people and fails to become formalized or made explicit. Yet, the information constitutes the practice of the processes followed, for example, to design and implement programmes or projects.

Outcomes and Impact: This comprises measures and initiatives established to monitor and evaluate the overall outcomes and impact of policies and programmes. This category usually involves a combination of information derived from third parties and specific studies conducted by line departments and/or partner agencies such as donors.

3.6 Institutional areas of ME&R coverage

In order to ensure full coverage of the Public Service it was necessary to recognise that at one level there are practices and systems that are government-wide and, at another level, there are systems and practices that are particular to provinces, sectors, departments and/or clusters. To ensure that the audit provides a workable functional and institutional map, it was necessary to cover all of the institutional areas within which M&E is established. In outlining the institutional landscape, the following categories were identified:



Crosscutting Government-Wide Initiatives: A number of institutions within Government have established legislation, regulations and practices that require the collection and collation of ME&R related information. At the centre of this process is National Treasury. Also included are DPLG, DPSA, the Auditor-General and Stats SA. At this level, a number of government-wide ME&R instruments have been constructed and practices have been established. This includes systems pertaining to the monitoring of expenditure and the utilisation of human and other resources in the Public Service.

Cluster Based Initiatives: Clusters at the centre of government have emerged as central coordinative and reporting channels. Whilst not establishing particular systems, the cluster approach embodies practices that can be considered essential to the monitoring and evaluation of government's delivery efforts. In particular, clusters have served to coordinate the implementation of priority programmes and cluster meetings serve as channels for monitoring progress and implementation.

Sector ME&R Initiatives: In many instances, systems and practices are sector specific and tend to cover the work of a number of departments. Sector initiatives often overlap with cluster-based initiatives, but may, at times, be focused on particular sectoral areas (for example Agriculture, Security, Urban Development, and Rural Development).

Provincial ME&R Initiatives: Many provinces have instituted province-wide systems for the monitoring and evaluation of their provincial-wide strategies. In some instances, these have been complemented by specific systems and practices to evaluate particular areas within the province. In addition, some practices on ME&R are often rooted in the reporting process to the Provincial Executive Committee.

Departmental Initiatives: Systems established by departments are central to the overall map of ME&R initiatives. In most instances, ME&R are particular to a department at the national or provincial level. In some cases, a single system is used across both national and provincial departments.

Extra-Governmental Institutional Terrain: A number of institutions outside of government are engaged in direct evaluation and monitoring practices. In some instances, practices are established by focused interest organisations. In the main, many external organisations engage in evaluation research and produce independent or government requested evaluation reports on particular programmes or policy interventions.

Chapter Four

Findings – National Departments

4.1 Introduction

This chapter outlines the findings from the data provided by National Departments. Firstly a list is provided of the departments that were visited. Secondly the findings on departments' compliance with reporting requirements are highlighted. This is lastly followed by a discussion on the presence and utilisation of ME&R in departments.

4.1.1 List of departments visited

Of the 32 national departments included in the sample the audit team targeted 18 departments for on-site interviews of which only 10 departments (55%) participated. The participating departments and the number of interviews conducted in each department appear in **Table 5** below:

Table 5: Participating national departments and number of interviews conducted per department

PARTICIPATING DEPARTMENT		NUMBER OF INTERVIEWS CONDUCTED
1.	Department of Education	1
2.	Department of Health	2
3.	Department of Housing	3
4.	Department of Justice and Constitutional Development (DJCD)	1
5.	Department of Land Affairs	1
6.	Department of Provincial and Local Government (DPLG)	1
7.	Department of Public Works	1
8.	Department of Social Development	1
9.	The Presidency	1
10.	Public Service Commission (PSC)	7

Though National Treasury and the Office of the Auditor-General (A-G) met with the researchers, they felt that since they do not implement specific service delivery programmes, the audit would not apply to them. While an interview was held with the Presidency, the information obtained provided an overview of M&E development and direction within the country rather than the development of an M&E system within the Presidency.

The Departments of Education and Social Development participated in the interview, but since their respondents could not provide a detailed overview of ME&R practices within the departments, they agreed to arrange follow-up interviews with the relevant individuals. In the event, such follow-up interviews could not materialize. However, inputs from the initial interviews have been included in this analysis.

The Departments of Foreign Affairs, Correctional Services, Water Affairs and Forestry, Stats SA and the South African Local Government Association were not interviewed.

4.1.2 Facilitative and limiting factors

Some of the officials interviewed were not the appropriate individuals to provide the information required – consequently the information obtained for these departments was limited.

In some cases, little useful information could be gathered since it was not possible to co-ordinate meetings where all appropriate officials could be present, or to schedule individual interviews.

4.2 Reports

4.2.1 Compliance with reporting requirements

Generally, all ten national departments were able to provide an overview of the types of reports submitted and the frequency with which the reports are submitted. In some cases (Education, DJCD, and Social Development), while officials provided insight into the reports they contributed to or were aware of, they could not include the entire range of reports that are required from their departments.

It is apparent that there is a strong drive towards compliance within departments – but this is mainly focused on National Treasury demands. However, the Chief Financial Officers (CFOs), who usually drive these, place emphasis on financial aspects rather than on outcomes (even though there has been a recent shift towards reporting on non-financial information as well). This means that reporting places more emphasis on expenditure rather than on what results or outcomes that expenditure has achieved.

Departments generally respond to ad hoc reports from other departments, portfolio committees and Cabinet. These reports are usually not tracked and analysed. Reports of this nature are generally used to account on project and programme progress, status or reviews, or topical and burning issues that have received substantial media coverage. The reports tend to place a lot of pressure on departments.

Provincial departments have complained constantly about duplication of reporting demands from various departments and agencies, as well as from different sections within one department. In this regard, the Department of Housing has compiled a survey of the reporting demands that the provincial Departments of Housing have to meet from various sources. Their intention is to streamline and co-ordinate their reporting demands in order to place less pressure on provincial departments. Within this context, there are sections within departments where reporting plans have been developed. Yet, the ad hoc reporting demands, over which departments have no control, remain a reality. As a result, it is often difficult to stick to the reporting plan.

The national focus on reporting within the Public Service aims to create a climate for accountability on Public Service performance. The collection, analysis and use of quality data provides a strategic foundation for reporting in order to better inform decision-making on policy and resource allocation. There is a pervasive view that there is a lack of quality data because data is often not validated or quality assured, which means that decisions are based on data that does not always reflect reality. Furthermore, since different departments use different data sources, a skewed perception of reality is often created and comparisons cannot be made. Finally, due to the uneven research and analytical skills within departments, the interpretation of data varies substantially. To some extent, the outcome is that departments ‘under’ report on essential information. Though officials complain that research outputs are not generally used within departments for decision-making, there is also very little evidence that departments are consistently using research and statistical information within reports as inputs to decision-making.

The value of high-quality statistical information is recognized within departments, yet there is a lack of capacity in terms of report writing skills, research, management and the use of such statistical information.

4.2.2 Internal processes for completion of reports

For eight of the departments (Housing, Health, DJCD, Land Affairs, DPLG, Public Works, PSC, and Social Development) there was general consensus about the internal process of compiling reports:

- The process of compiling reports is centralised.
- All staff members are aware of their roles and responsibilities for the development of reports.
- There is a mechanism to hold staff accountable for their contribution to the development of reports.
- The reporting framework has clear timeframes.
- There is a process to validate the information used in the reports.
- There is a feedback process for the completeness and integrity of information in reports.

For all departments, the process of validation of information contained in reports remains a challenge. This is because they depend on other sources of information for such validation to be done. In addition, departments do not always have the capacity to undertake such validation. This weakness has serious implications because it means that the information contained in reports provided to stakeholders may not always be accurate. This requires urgent attention especially given the fact that some of this information forms the basis on which certain key management and Executive decisions are made.

4.2.3 Utilisation of reports

Within seven departments (DPLG, Housing, Health, Land Affairs, Social Development, PSC, and Public Works),⁵ The utilisation of reports varies according to their purpose. Generally, reports are used for the following: budget accountability, expenditure monitoring, tracking policy implementation, monitoring programme implementation, resource allocation, resource mobilisation, performance management, strategic planning, measuring impact, knowledge sharing, conferences and publications. Provinces are generally not aware of how the reports they submit at national level are being utilised. In this regard, there is a pervasive view that reports are mainly used for compliance purposes since there is not much awareness of what the national departments actually use the reports for. In addition, the fact that provinces do not always receive any feedback on the reports fuels this view.

4.3 Monitoring and evaluation

4.3.1 M&E systems

There is a growing awareness about the need and value of an M&E system to support evidence-based decision-making to ensure a more effective and efficient Public Service. Senior officials have generally shown significant interest in creating a climate that is conducive to the assessment of Public Service performance. Such an interest should not come as a surprise given the importance the President attaches to M&E as evidenced by his pronouncements in the State of the Nation Address of 6 February 2006.⁶

5 The Departments of Education and DJCD did not provide substantive input.

6 Mbeki, T. M. President of the Republic of South Africa. State of the Nation Address. 6 February 2006.

4.3.1.1 M&E units within departments

The findings on M&E units within participating national departments are summarised in **Table 6** below:


Table 6: ME&R units within participating national departments

Department	Findings on M&E units
1. Department of Education	Has a Systemic Evaluation system that focuses on public and ordinary schools.
2. Department of Health	Does not have an M&E Unit. The roles are integrated across programmes and clusters, and linked to the strategic plan.
3. Department of Housing	In the process of re-structuring its organisational design, which will also elevate M&E to a Chief Directorate level. The Department has recently outsourced the development of an M&E system to speed up progress.
4. Department of Justice and Constitutional Development	Has a Policy Unit with a fully-fledged M&E System. However, the study could not confirm the status of the functionality of the system.
5. Department of Land Affairs	Has had a Structured M&E Unit since 1996, with nine officials at provincial level and fourteen at national level. The Unit operates with a budget of R24 million. The Director-General (D-G) has taken ownership of the Unit and provides on-going support and mentorship to the Unit. In addition, the Unit will soon be elevated to a Chief Directorate level.
6. Department of Provincial and Local Government	Has an M&E Unit at Deputy Director-General (DD-G) level. However, the M&E functions have been decentralised. With support from donors, they are in the process of developing an M&E system.
7. Department of Public Works	Newly established M&E Unit. In the process of appointing staff to this Unit.
8. Department of Social Development	Newly established M&E Unit. In the process of reviewing and designing the M&E system. Has, however, an established M&E system for Social Services.
9. Public Service Commission	Has an M&E branch at DDG level. Has established a centralised Information Knowledge Management (IKM) system to support the M&E work within the different sections.

4.3.1.2 Development of an M&E framework and strategy

The development of an M&E framework and strategy in departments has generally been fragmented. In the absence of a government-wide framework and strategy, departments have interpreted the technical aspects of M&E differently. For some, an M&E system speaks directly (and only) to an IT system, while for others an M&E system incorporates more than just elements. As outlined in the Conceptual Framework The definitions and terms used also vary. As a result, the locus of initiation for an M&E system also varies within departments.

7 As outlined in the Conceptual Framework



Other M&E systems are programme-based. For example, the Department of Social Development has an M&E Unit that is specifically for Social Services. The Unit is said to be fully functional, and has a newly appointed Chief Director. The Department is currently focused on moving beyond the Unit to ensure that M&E are integrated into the rest of its programmes.

The Department of Housing is reviewing its emerging system in order to develop a framework, policy and IT system. This would ensure that the M&E system is beefed up to meet the strategic information requirements of the Department and its stakeholders. The DJCD has a Policy Unit which has a fully-fledged M&E system. However, the study could not establish how far successful the Unit has been in meeting its objectives.

Departments spoke about some of the developments within the G&A cluster which seek to improve M&E within the country. They concurred that the cluster needs to provide direction about how M&E should be integrated, how to streamline reporting and the development of a centralised M&E IT system.

Within the ambit of the Public Finance Management Act (PFMA), where performance indicators are linked to reporting on budget and programme implementation targets, CFOs have been given a key M&E role. The PFMA obliges the Public Service to report on progress against planned targets. However, in the process of complying, not enough attention is being paid to reflecting on process, (establish from which lessons can be learnt), outcomes (to show what changes have occurred) and impact (to establish long-lasting effects).

There are some pockets of studies on impact within all departments, yet the use of these studies for decision-making is fragmented. Few cases have been cited where provinces and other departments use these studies for strategic planning or other purposes. In some cases, client satisfaction surveys⁸ have been conducted to provide insight into how the public sees Public Service performance. Generally, it seems that research outputs are not utilised adequately by decision-makers at national and provincial levels. In fact, one official stated that often research studies are so complex that it is a great challenge to understand the findings and recommendations, let alone utilise them.

Through interaction with departments, this study established that one of the key reasons for such inadequate M&E data is the capacity to undertake meaningful monitoring and evaluation and to integrate it with mainstream departmental programmes. Since M&E is fairly new within the departments, most departments do not have the necessary skills-base, the required number of staff for this function and a commensurate budget to effectively implement such activities.

4.3.2 ME&R as an accountability mechanism


There is general consensus that reports, *Izimbizo*, presentations to portfolio committees, media and placing the Annual Report on the website are mechanisms for accountability. While departments say that they are tracking performance indicators to show the success, efficiency and effectiveness of programmes and that this in turn informs policy, programme, and resource or budget decisions, very few real examples of this were shown. Mostly, the Annual Report is used as the main public accountability tool that shows transparency on government programmes and expenditure.

4.3.3 Utilisation of ME&R information for management purposes

Most departments pointed out that ME&R information is being used for management purposes. However, there were no real examples of how this occurs, except for the use of information contained in some of the reports submitted – and even here the validity of the information is not always ascertained. Reports are said to be used at management level for different purposes. However, the study has not been able to establish what the outcomes of this usage have been.

Chapter Five

Findings – Provincial Departments



This chapter contains the findings of the audit conducted in the nine Provinces. For each province the Chapter provides a brief overview of the departments visited, with an indication of the facilitating and limiting factors experienced during the audit. This is followed by a discussion of the findings on departments' compliance with reporting requirements, the internal processes for compilation of reports and the utilisation of reports. In all instances departments' reporting compliance was assessed against a list of thirty different reports that need to be submitted to various stakeholders such as National Treasury, the Department of Labour and the Department of Public Service and Administration. Lastly the findings on the existence of Monitoring and evaluation systems within the departments of each province are discussed, including the extent to which ME&R systems exist and are used as an accountability mechanism. A final summary of key findings for each province is then given.

5.1 Eastern Cape

5.1.1 Overview

5.1.1.1 Departments visited

Of the seven departments targeted for on-site interviews only four participated, namely the Office of the Premier, and the Departments of Education, Health and Public Works. The Department of Housing, Local Government and Traditional Affairs was available only for a short interview.

Provincial Treasury and the Department of Social Development were not available to be interviewed.

5.1.1.2 Facilitating and limiting factors

Officials, who provided support and responded to requests from the audit team, as well as those who completed the self-evaluation questionnaires, facilitated the work of the team.

Impediments in conducting the audit included delays in ascertaining the appropriate officials to be interviewed, interviews with officials who were not in a position to provide the required information, unavailability of key personnel, and difficulties with communication that resulted in late responses from officials.

In many instances, the self-evaluation questionnaires were not returned to the audit team.

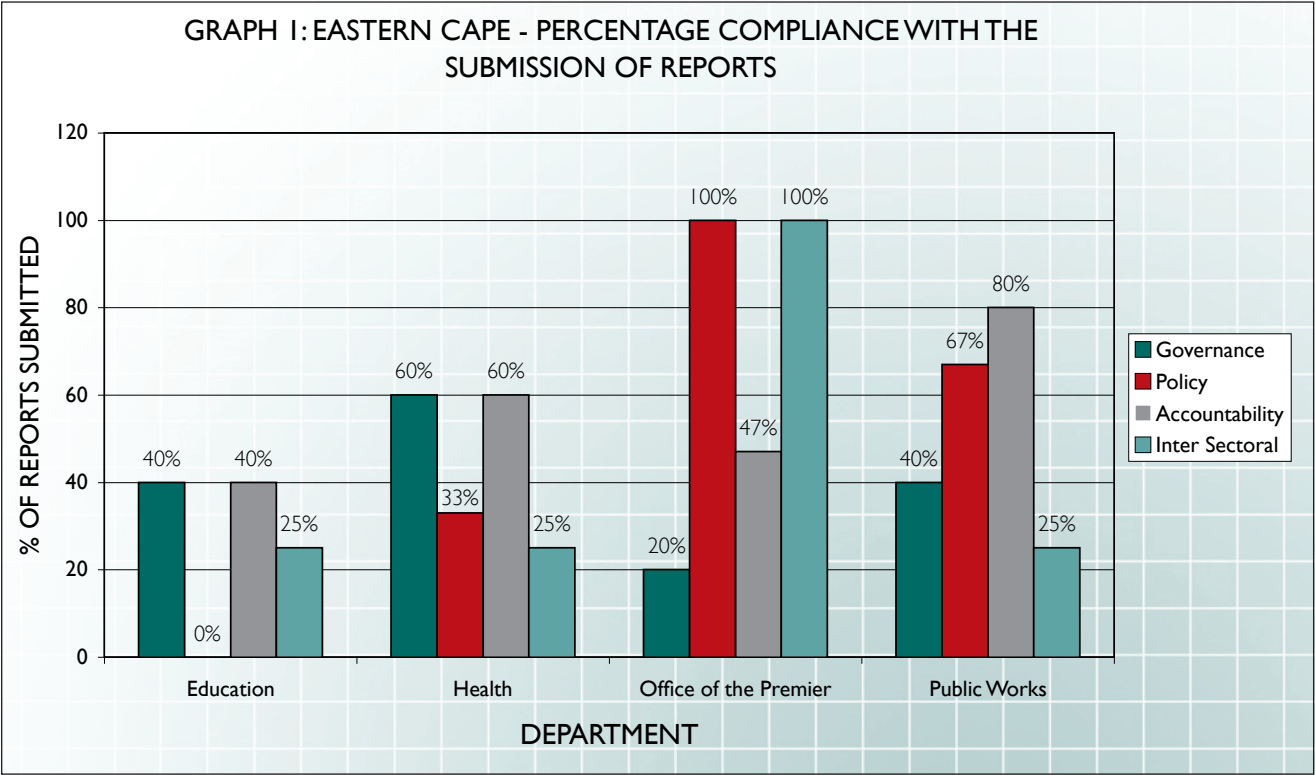
Because some departments were revising their governance and management frameworks, an incomplete picture of the state of ME&R was often obtained.

5.1.2 Reports

5.1.2.1 Compliance with reporting requirements

The study found that on average, the Province has submitted 50% of the thirty reports required by various stakeholders. A disaggregation of this information shows that the Office of the Premier and the Department of Public Works submitted 60% of the reports, followed by the Department of Health (50%) and the Department of Education (30%). This indicates that the province faces challenges in meeting these requirements and that some stakeholders do not always get the information they need from the provincial departments.

With regard to compliance with the four focus areas of accountability, governance, inter-sectoral requirements, and policy, the results are shown in **Graph I** below:

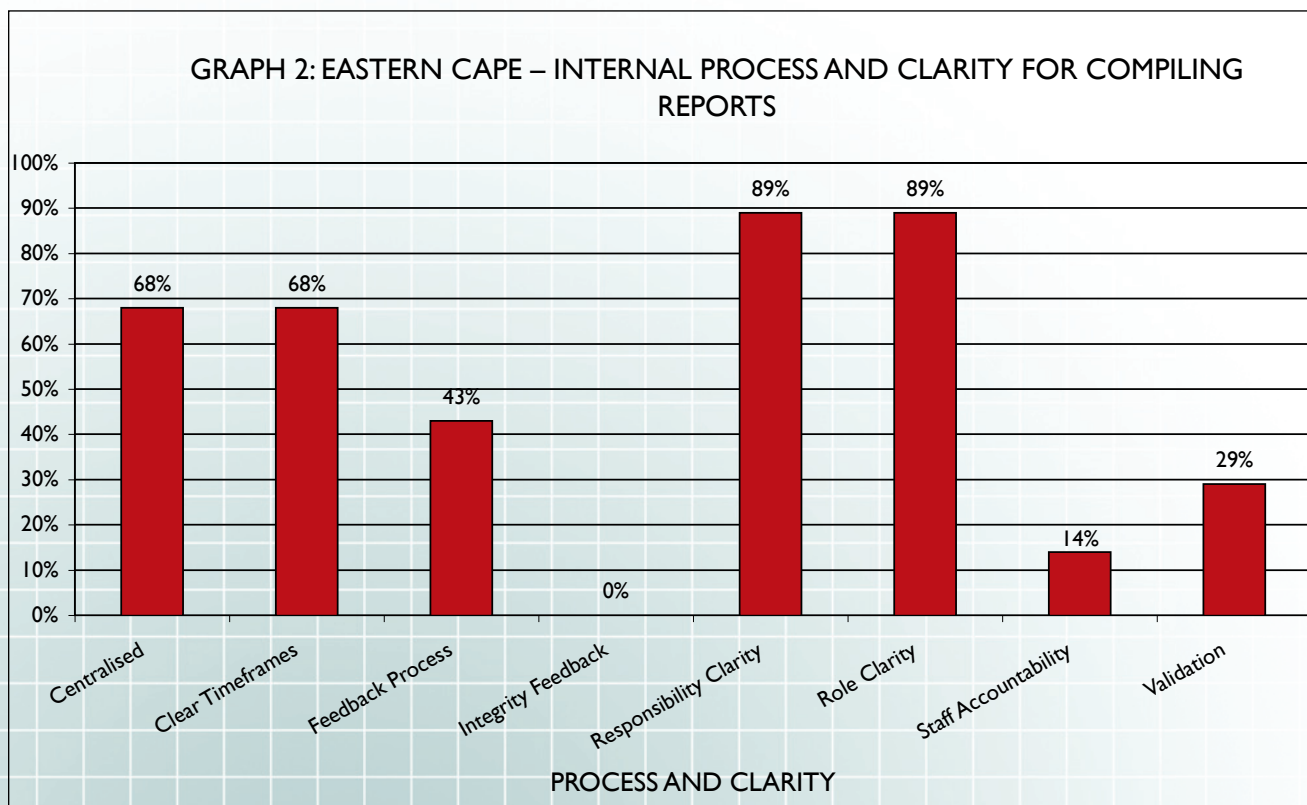


As the Graph shows, the Office of the Premier has been able to meet all the reporting requirements on policy and inter-sectoral matters, but has not been able to do the same for governance and accountability. The Department of Health provided 60% of the reports on governance and accountability, but only 33% of the reports on policy and 25% of the reports on inter-sectoral matters. The Department of Public Works provided 80% of the reports on accountability, 67% on policy followed by 40% on governance and a low 25% on inter-sectoral matters. The worst in terms of compliance is the Department of Education with 0% reports on policy, only 25% on inter-sectoral matters and 40% on both governance and accountability.

Although all interviewees were aware of some of the monthly, quarterly and annual reports that were submitted by their Departments, none of the interviewees were aware of the entire spectrum of reporting demands placed on their departments, nor were they aware of all reports submitted by departments.

5.1.2.2 Internal process and clarity for compiling reports

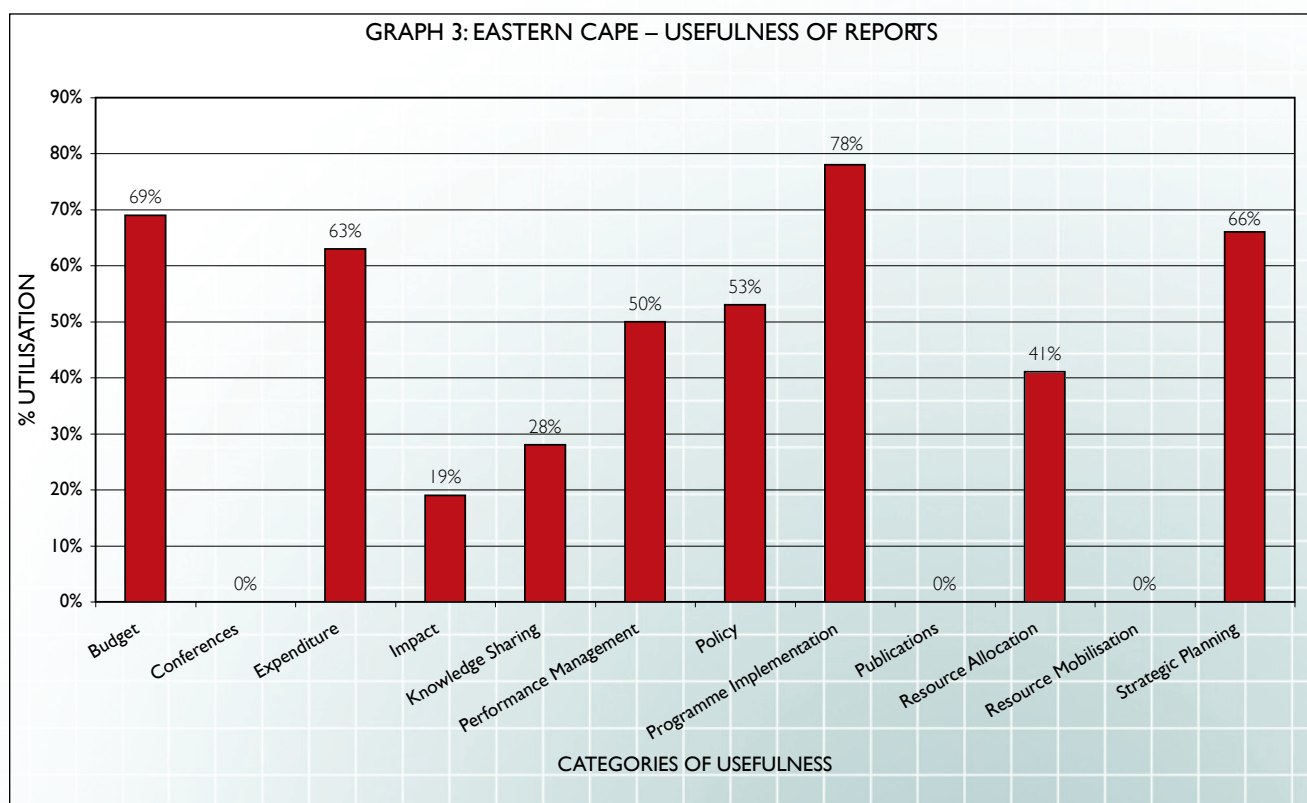
Graph 2 below details the average responses across the four participating departments to the processes utilised in the compilation of reports. Programme managers are responsible for ensuring that data is gathered, achievements are outlined, and corrective action is taken.



Departments are clear about their roles (89%), responsibilities (89%) and time frames (68) for reporting. However, the areas of staff accountability for generating reports (14%), validation and integrity of data (29%) and the provision of feedback on the reports (0%) are not adequately co-ordinated.

5.1.2.3 Utilisation of reports

Reports are generally used to monitor programme implementation (78%), review the departmental budget (69%), monitor expenditure (63%), and monitor the implementation of the strategic plan (66%) – see **Graph 3**. Reports are also used for tracking policy implementation (53%), but in only 50% of the cases are reports also used for performance management. While reports are apparently being used for resource allocation (41%) they are not used for resource mobilisation at all. When it comes to knowledge sharing reports are being used in 28% of the cases, but mainly within inter-sectoral forums. The utilisation of reports for purposes of monitoring impact is a low 19%.



5.1.3 Monitoring and evaluation systems

5.1.3.1 M&E systems

The findings on M&E units and systems within participating provincial departments in the EC are summarised in **Table 7** below:

Table 7: M&E units and systems within participating departments in the EC

Department	M&E Units and Systems	Comments
Department of Education	<p>Only a unit for Systemic Evaluation exists.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> Education Management Information System (EMIS) <p>General systems</p> <ul style="list-style-type: none"> Basic Accounting System (BAS) for financial management. Logistical Information System (LOGIS) Personnel Salary System (PERSAL) for personnel management. 	<p>The Department is in the process of reviewing its governance and management arrangements. According to the Director: Policy Planning, tools for monitoring and evaluation have been developed. However, the Department could not provide the information with which the researcher could verify this.</p> <p>According to the interviewees the out-datedness of the EMIS and the lack of capacity to analyse data limits its use.</p>

Department	M&E Units and Systems	Comments
Department of Health	<p>There is an emerging M&E Unit located in the Office of the Superintendent-General (established in September 2004), which has systems in place.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • Department of Health Information System(DHIS) • SA Health Review system • Stats SA for conducting surveys on health issues. • Demographic and Health Survey (to review health performance information, e.g. progress in respect of the treatment of HIV/AIDS, Tuberculosis prevalence. <p>General systems</p> <ul style="list-style-type: none"> • BAS • Government Information System (GIS) • Information Management System (IMS) • PERSAL 	<p>According to the interviewee there are no key personnel, capacity and skills to take M&E to the level where it is integrated across the Department consistently. However, its location in the Office of the SG ensures support from senior management, with the SG providing ongoing professional support, direction and input into its work.</p> <p>According to the Department the IMS is reliable, but since the necessary data needed for indicator tracking is often not available, analysis is not possible.</p>
Office of the Premier	<p>An established M&E Unit that is well staffed with a defined organisation structure.</p> <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	The main thrust of the unit is to develop systems, capacity and resources for M&E within the province. It is also responsible for standardising reporting formats through an electronic M&E system that brings together the various systems and methods of reporting.
Provincial Treasury		Not available to be interviewed.
Department of Public Works	<p>According to the Annual Report for March 2004/2005), the Department has an M&E sub-directorate.</p> <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	The Department has had, until recently, no dedicated staff but sources consultants to carry out the tasks as set out in the strategic plan. A comprehensive M&E system has not yet been set in place.
Department of Social Development	<p>No M&E Unit</p> <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	There is a Project Facilitation Unit within the Department and this manages and monitors flagship projects as well as those in which large sums of money have been invested. The monitoring looks at how the money is being spent in relation to the strategic objectives and the operational plans.

5.1.3.2 ME&R as a mechanism for accountability

Departments are at various stages of incorporating ME&R into the accountability value chain. For example, although there is no M&E system in the Department of Education, the Policy and Planning Branch is setting up systems to address issues such as the alignment of its mandate with operations, strategic plans, goals, targets and objectives, and monitoring office management processes, and personnel processes, linking the

Performance Management and Development System (PMDS) and Integrated Quality Management System (IQMS) with each other, tracking research projects, and evaluating policy and compliance with regulations.

The Department of Health undertakes the following events and processes which in the opinion of the interviewees indicates some levels of accountability through ME&R: an *Izimbizo* Outreach programme with the Member of the Executive Council (MEC); a six monthly internal ME&R newsletter to sensitise staff on objectives, intended projects and achievements, and reporting to the Standing Committee of the Legislature. There is also a committee on the Access to Information Act to filter public requests through to a designated manager.

The Department of Public Works reports quarterly to the Standing Committee on Public Accounts (SCOPA) and produces internal newsletters provide updates of its programmes. Through road shows and the MEC's *Izimbizo* Outreach programmes, the Department attempts to create an awareness of its mandate, and report to civil society on its performance and achievements.

The Office of the Premier is currently in the process of streamlining reporting demands and improving accountability by aligning the strategic plans, the Provincial Development Growth Plan (PDGP) and the operational plans. It intends to build capacity in this regard to ensure that the provincial capability is enhanced for ME&R. After an exercise to review the strategic plans and the PDGP, the Office developed a quality assurance checklist to assist departments to integrate and validate plans. The Office of the Premier has also incorporated other mechanisms of accountability such as reporting by clusters, the Premier's *Izimbizo*, forums, and reference groups.

5.1.3.3 Indicators as an accountability mechanism

Table 8 below shows the development of indicators within the province. Only the Departments of Health and Public Works already had indicators at the time of the study.

Table 8: Eastern Cape: Indicator development within the departments

Department	Indicators	Evidence	Comment
Education	In the process of defining its strategic plan.		
Health	Input, output, process and outcome indicators	Reports, plans and reviews	None
Public Works	Output indicators	Strategic plan	Follows national EPWP.
Office of the Premier	In the process of refining the indicators.		

5.1.4 Summary of the key findings

- On average the province meets half of its reporting requirements with regard to the thirty different reports that need to be submitted to various national departments.
- Reports are mainly used to monitor programme implementation, strategic planning and budgeting but not generally for resource allocation, resource mobilisation, impact, knowledge sharing, conferences and publications.
- There is an awareness of the need to institute an M&E system within the province, with two departments (Health and the Office of the Premier) having established M&E units although these units lack capacity.

- ME&R seems to be growing since the practice of review is integrated, the foundations are laid, technical support is present, support from senior management is apparent and information is readily available.
- Reports (written and verbal reporting to other departments, the legislature, public, and forums) are considered the main thrust of accountability.
- Indicators for accountability have been developed for Health and Public Works, while the Office of the Premier and the Department of Education are still in the process of refining its indicators.

5.2 Free State

5.2.1 Overview

5.2.1.1 Departments visited

Five of the seven departments targeted for site visits participated in the audit, i.e. the Office of the Premier, the Departments of Education, Health, Local Government and Housing and the Free State Provincial Treasury. Responses from the Departments of Public Works, Roads and Transport and Social Development were received outside the time frame for the study.

5.2.1.2 Facilitating and limiting factors in the audit process

The timeous responses from officials facilitated the work of the team. The delay in receiving input from the Departments of Public Works, Roads and Transport and Social Development did not allow for the team to be included in the results.

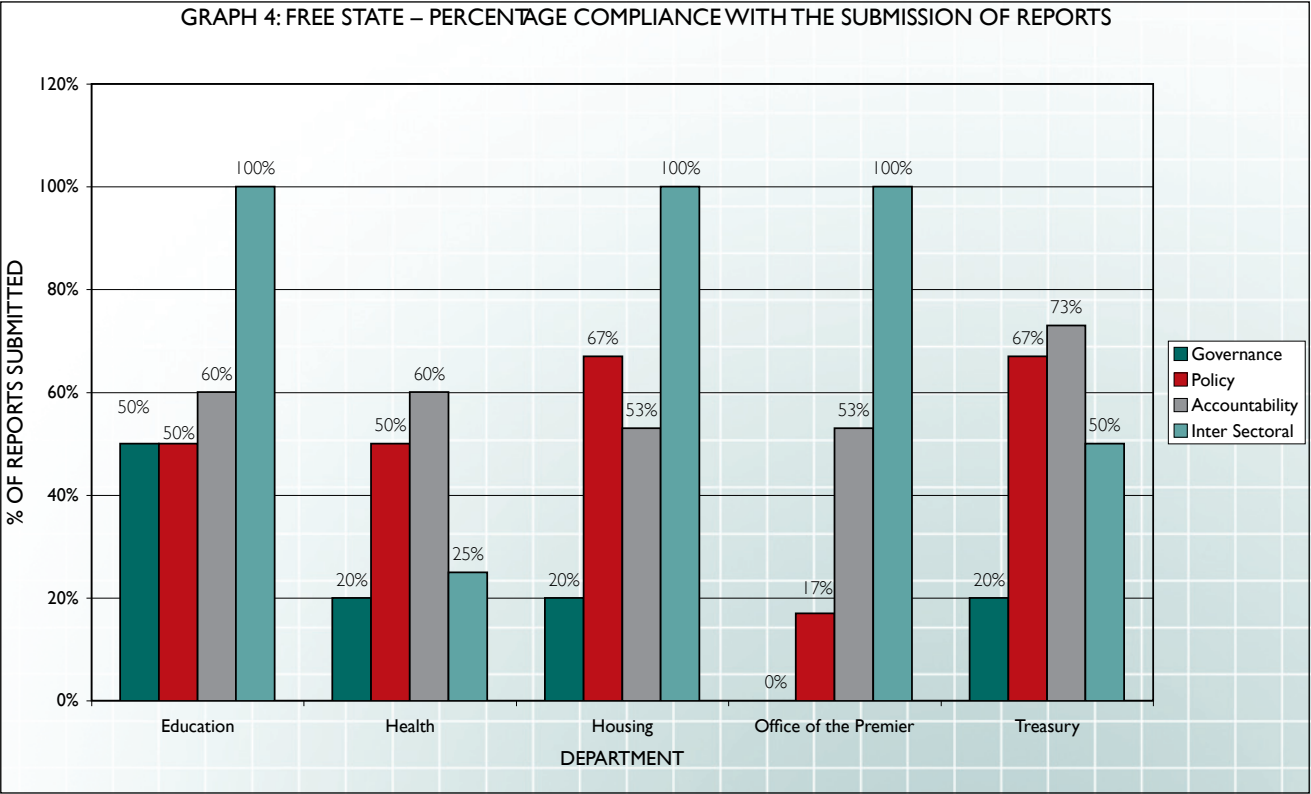
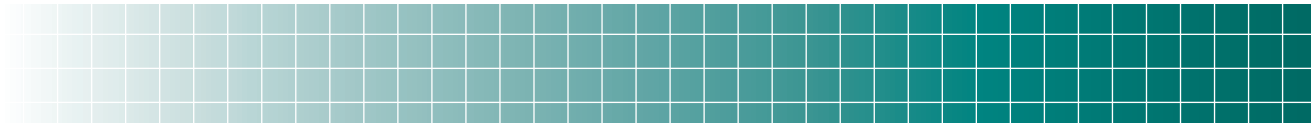
5.2.2 Reports

5.2.2.1 Compliance with reporting requirements

Overall, the Province has been able to submit 53% of the thirty identified reports required by various stakeholders. A disaggregation of this information shows that the Department of Education and the Free State Provincial Treasury submitted 60% of the reports, followed by the Department of Local Government and Housing (57%), the Office of the Premier (43%), and the Department of Health (47%).

Interviewees from the Departments of Education, Local Government and Housing, and the Office of the Premier stated that they submit all their reports on inter-sectoral matters followed by the Free State Provincial Treasury with 50% (**Graph 4**). All the departments submit at least 50% of the reports on policy, except the Office of the Premier which submits only 17%. With regard to reports on accountability, all departments submit 50% and above of the reports. The Department of Education submits 50% of the reports on governance with all other departments falling below this percentage.

Interviewees were most aware of National Treasury's reporting requirements for financial and non-financial progress reports on a monthly, quarterly and annual basis.

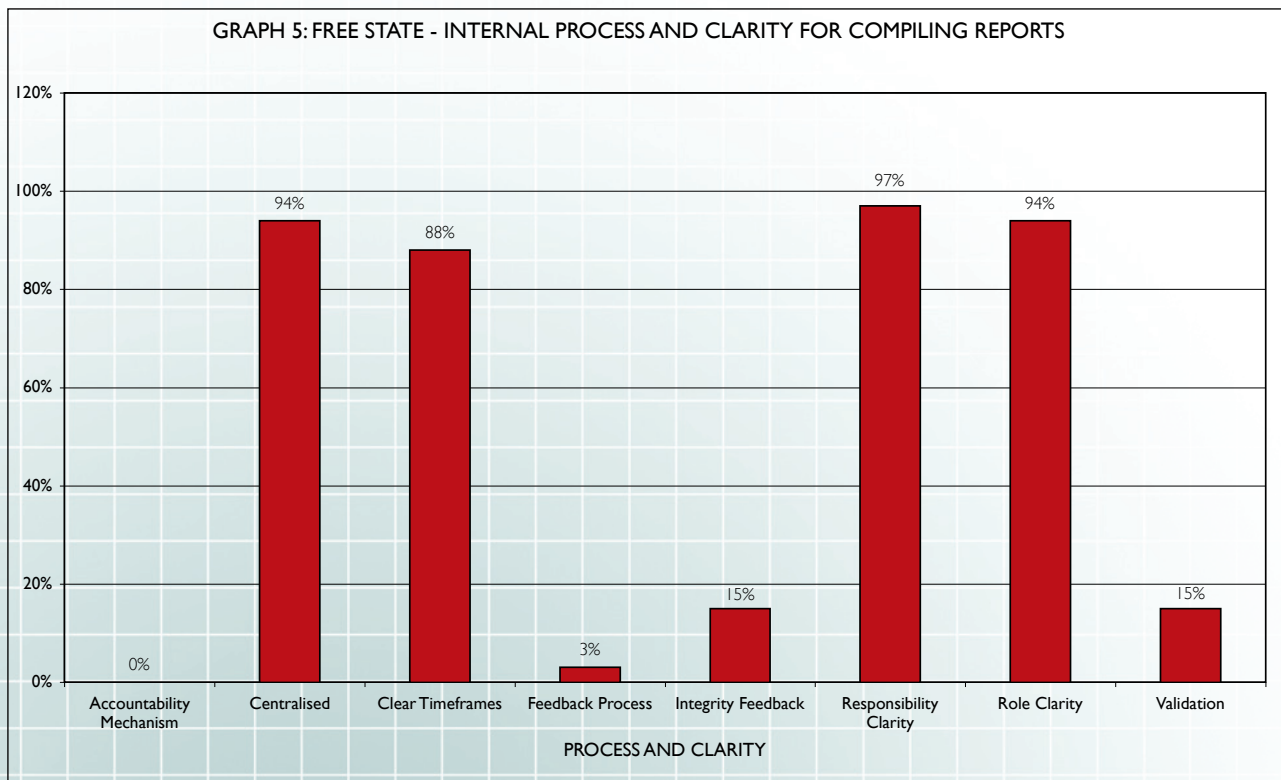


The Departments of Education and Health also report directly to donors with the Department of Education having the most comprehensive picture of reporting demands from other departments, external agencies (NGOs, media and donors) and inter-sectoral clusters.

5.2.2.2 Internal processes and clarity for compiling reports

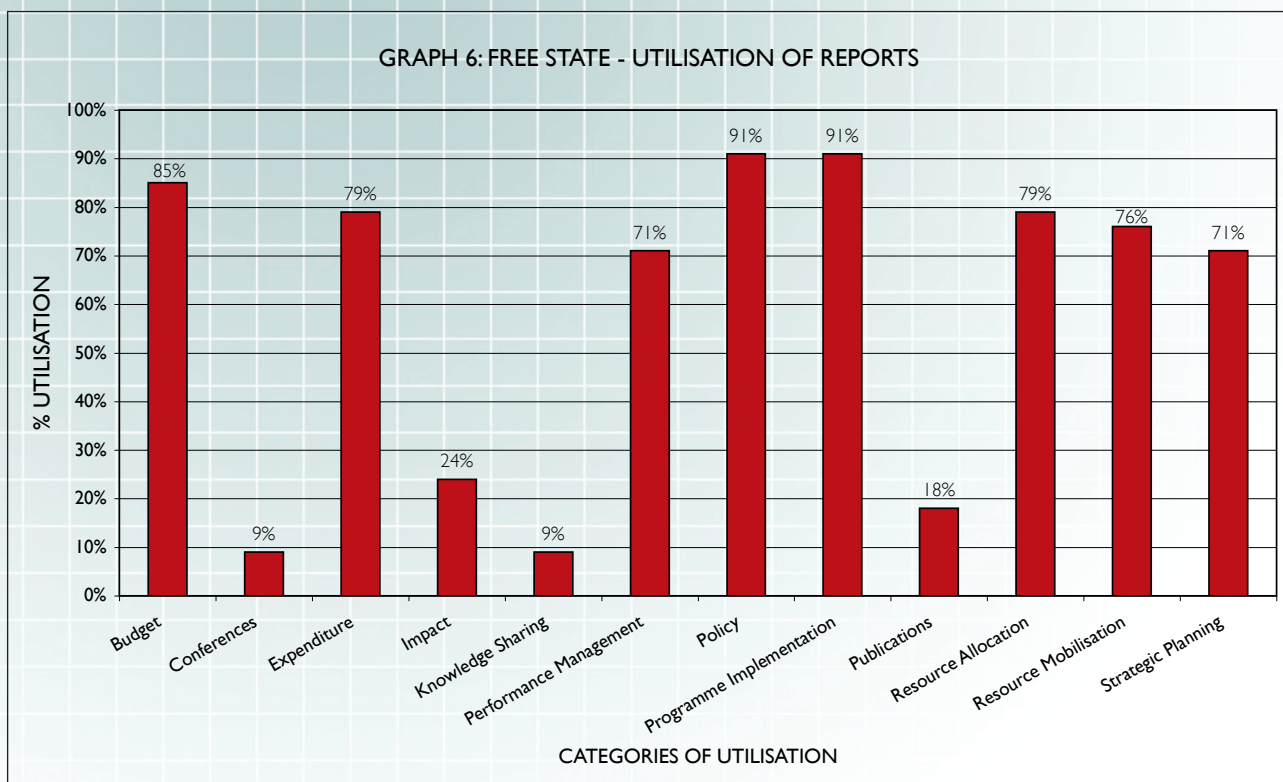
Since all departments use their monthly and quarterly reports for the Free State Provincial Treasury as a build-up towards the Annual Reports and the 3-and-5-year review processes, there is a high level (94%) of centralisation of reports.

As **Graph 5** shows, departments are clear about the internal process of compiling reports, with clarity of responsibilities (97%), roles (94%) and timeframes (88%). However, departments performed poorly with regard to accountability (0%), feedback on reports submitted (3%), ensuring the integrity of data contained in reports (15%), and validating such data (15%).



5.2.2.3 Utilisation of reports

Graph 6 below provides an overview of how reports are utilised within the Province. Reports are generally used for programme implementation and policy (91%), followed by tracking and reporting on performance or progress against the budget (85%), resource allocation (79%), resource mobilisation (76%), and performance management and strategic planning (71%).



The Department of Health uses the reports for comparative analyses against achievements that in turn provide early warning signals for areas that require intervention. For the Free State Provincial Treasury, the In-Year Monitoring report provides the basis for decision-making and supports the design of innovative models for revenue collection and generation. The Premier's Office has instigated proactive reporting mechanisms such as the "Traffic Light Report" and the "34 Junction Report", to serve as early warning signals for where intervention is necessary.

5.2.3 Monitoring and evaluation systems

5.2.3.1 M&E systems

The findings on M&E units and systems within participating provincial departments in the Free State are summarised in **Table 9** below:

Table 9: ME&R units and systems within participating departments in the Free State

DEPARTMENT	M&E UNITS AND SYSTEMS	COMMENTS
Department of Education	<p>No central M&E Unit exists.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • Education Management Information System (EMIS) • Other mechanisms of monitoring include snap surveys, stocktaking tools, and assessment of learning and teaching⁹ and monitoring of Independent Schools' Subsidies. <p>General systems</p> <ul style="list-style-type: none"> • BAS • LOGIS • Performance Development and Management System (PDMS) • PERSAL 	<p>Pockets of M&E occur within programmes, and reports are on progress achieved against the strategic plan. The Annual Performance Management Plan (APMP), which sets targets for three years and operates in alignment with the Medium Term Expenditure Framework (MTEF), provides a framework of M&E for service delivery. The APMP is also aligned to the Performance Development and Management System (PDMS) as required by the DPSA. The Department has a special intervention programme referred to as "Operation Jack", that attempts to provide focused, and to some extent integrated support to problem areas by fast-tracking solutions.</p>
Department of Health	<p>No formal M&E Unit</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • District Health System • Meditech <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	<p>The Department monitors its outputs, verifies data on indicators and conducts strategic research as well as opinion surveys. However, according to the interviewees the Department lacks the personnel and the capacity to successfully implement a department-wide M&E system.</p> <p>Two other units, the Health Systems Research Unit and the Information Management Division (which manages statistics within the Department) have a working relationship but do not have the mandate or protocols to develop a department-wide M&E system. This might be due to the location of the Research Unit at the University of the Free State.</p>

⁹ This is for Adult Basic Education and Training (ABET), ECD, ordinary schools (through the nationally driven Integrated Quality Management System (IQMS)

DEPARTMENT	M&E UNITS AND SYSTEMS	COMMENTS
Department of Local Government and Housing	<p>No formal M&E Unit</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> Monitors data generated through the Housing Subsidy System. <p>General systems</p> <ul style="list-style-type: none"> BAS PERSAL 	Monitoring has been integrated into the management functions at programme level. Monitoring is thus integrated into the line function and is reflected in monthly, quarterly and annual reports. Data is collected on specific areas such as the water quality, rezoning areas, and the supporting of municipalities with planning and the housing backlog.
Department of Public Works, Roads and Transport		Information received outside the time frame for the study.
Department of Social Development		Information received outside the time frame for the study.
Free State Provincial Treasury	<p>No formal M&E Unit exists.</p> <p>General systems</p> <ul style="list-style-type: none"> BAS LOGIS PDMS PERSAL Registry System 	Programmes are monitored through its branches, which have constituted inter-departmental meetings and bi-lateral internal branch reporting agreements, initiated by the CFO. Furthermore, the Department routinely conducts studies on customer care, service delivery, the performance of special projects like HIV/AIDS, and all training programmes that require evaluations. The Department intends to appoint a dedicated M&E official within the branch of the CFO.
Office of the Premier	<p>An M&E Unit exists.</p> <p>General systems</p> <ul style="list-style-type: none"> BAS PERSAL 	The focus of the unit is primarily on co-ordination, monitoring and reviewing of the Provincial Development Growth Plan (PDGP). M&E has therefore not yet been integrated across the Department. In addition, since focus is placed on quantitative rather than qualitative data, information about process, innovation, lessons learnt and impact within and across the departments is not reflected.

5.2.3.2 ME&R as a mechanism for accountability

The Departments of Education, Health, the Free State Provincial Treasury and the Office of the Premier mentioned “Exco meets the people” and the provincial legislature, as strategic mechanisms of accountability to the public. The Department of Health and the Office of the Premier saw the Annual Report as a mechanism of accounting for its budget against its plans while the former also regards the budget speech as a public accountability tool. The Departments of Education and Local Government and Housing view the cluster reporting as a means to spread information about progress and status. According to the Department of Education, the compliance reports to the Free State Provincial Treasury provide accountability against the strategic plan.

Since the Department of Education has not been consistently complying with the PFMA, it has established an internal audit unit that reports to the HOD, via an Audit Committee, which acts as an accountability mechanism. The Department of Health has established a Staff Indaba, co-ordinated by the HOD, where senior management accounts to district and local levels. Free State Provincial Treasury produces internal and external newsletters for communication of performance within and beyond the Department. The Department of Local Government and Housing utilises the Community Development Workers, where it is able to establish the impact of its performance, as an important interface with the communities it serves. The Office of the Premier

conducts collaboration forums for departments, clusters, mayors, municipality managers and inter-government relations, as vehicles for inter-government accountability.

5.2.3.3 Indicators as an accountability mechanism

The PO's strategy to perfect its ME&R on the PDGP has been fairly successful since it has allowed the Office of the Premier to examine what an ME&R system should comprise; set in place the frameworks for operation; and learns from this process in order to apply it to the entire Office of the Premier. In comparison to the other departments, it has the entire range of indicators (**Table 10** below), though collecting and validating quality data for all these indicators is a challenge.

Table 10 Free State: Indicator development within the departments

DEPARTMENT	INDICATORS	EVIDENCE	COMMENT
Education	Output indicators	Strategic plan	None
Health	Output indicators	Strategic plan & business plan	None
Treasury	Output indicators	Strategic plan	None
Local Government and Housing	Output indicators	Strategic plan	None
Office of the Premier	98 outcome indicators, 198 output indicators, 626 performance measures	PDGP	None

5.2.4 Summary of the key findings

- On average, the Province meets 53% of its reporting requirements.
- While departments are clear about the roles, responsibilities and time frames in the compilation of reports, the processes of staff accountability, validation, integrity of data, and feedback on reports are not practiced consistently across all departments.
- Reports are mainly used for policy, programme implementation, budgets, resource mobilisation and allocation, performance management and strategic planning.
- The Office of the Premier is the only department that has a formal M&E unit; all other departments have monitoring practices at programme level and conduct evaluation (and other) studies.
- Reports, public addresses (like the budget speech), internal committees, newsletters and collaborative forums are considered accountability mechanisms.
- The Office of the Premier has a range of indicators. The other four departments have output indicators.

5.3 Gauteng

5.3.1 Overview

5.3.1.1 Departments visited

Six of the seven departments targeted for site visits participated in the audit, namely the Office of the Premier, the Departments of Health, Housing, Treasury, Social Development, and Public Transport Roads and Works. The Department of Education did not participate.

5.3.1.2 Facilitating and limiting factors in the audit process

Officials, who provided support and responded to requests from the audit team, as well as those who completed the self-evaluation questionnaires, facilitated the work of the team.

An impediment in conducting the audit was the unavailability of some officials within the respective departments.

5.3.2 Reports

5.3.2.1 Compliance with reporting requirements

The Office of the Premier submitted the largest proportion of the thirty identified reports required by various stakeholders, followed by the Department of Public Transport, Roads and Works (DTR&W). Most of the reports focus on the requirements of National Treasury and the Legislature for financial and non-financial progress reports on a monthly, quarterly and annual basis. Generally, monthly reports are consolidated into quarterly reports, which in turn are consolidated into annual reports. Only the Department of Health stated that it gives reports to donors.

Most of the reports compiled are for accountability, and centre around progress on programmes in the MTEF Budget Schedule. Additional reporting occurs around the Premier's priorities. Other reports are compiled to comply with requirements from the Department of Labour, Public Service Education and Training Authority (PSETA) and the PSC.

With the exception of the Office of the Premier, none of the departments reported on policy-related issues. However, it cannot be assumed that these reports are not submitted at all. It is more likely reflective of the lack of a central repository for reporting or that the interviewees did not have a broad perspective of reporting within the departments.

5.3.2.2 Internal processes and clarity for compiling reports

The M&E Unit within the Office of the Premier compiles information received from all the other provincial departments and then reports to the Legislature. The Department of Health has systems in place at hospitals and clinics to gather information regarding such aspects as communicable diseases. This is the only department where the feedback loop for the process of reporting, validation and integrity of data occurs to some degree because of the demand placed for accurate statistics from national and international organisations.

DPTR&W has created the Directorate Research and Analysis in an attempt to centralise reporting and ME&R. The Department is in the process of commissioning the development of a departmental Information Management System. It also reports to the Office of the Premier through the IMS. The Department of Social Development relies on submissions by programme managers to compile its reports.

Role clarification and responsibility clarification for compiling reports does exist within all the departments.

With the exception of reporting on human resources and labour, clear timeframes exist for reporting. Areas that present the greatest challenge across the departments are validity and integrity of data, as well as consistent feedback.

5.3.2.3 Utilisation of reports

Internal usefulness, for tracking and reporting on performance or progress against the budget, is rated relatively high within the Province. However, the measurement of impact is relatively low. Public reporting is done through Annual Reports and *Izimbizo* where departments report to the public on service delivery.

Although the systems facilitate efficient reporting, the quality of interaction with the system is poor. In many cases, reporting is superficial and limited to ensuring compliance with policies and procedures. It is perceived that the underlying cause of this is a lack of capacity with regard to ME&R in most departments within the province.

Factors affecting improving the utilisation of reports include personnel capacity to maintain the ME&R system, technical assistance for capacity building and organisational development, the availability of information, weak performance orientation, fear of public criticism and a lack of linkages between budget resource allocations.

The main recommendation from the Province is essentially to have a streamlining of the reporting requirements of stakeholders such as national departments in order to reduce the time taken up for reporting.

5.3.3 Monitoring and evaluation systems

5.3.3.1 M&E systems

The findings on M&E units and systems within participating provincial departments in Gauteng are summarised in **Table 11** below:

Table 11: M&E units and systems within participating departments in Gauteng

DEPARTMENT	M&R UNITS AND SYSTEMS	COMMENTS
Department of Education		Did not participate.
Department of Health	M&R Unit in infancy state	The Department has systems in place to monitor against national and international health-specific indicators.
Department of Housing	M&R Unit in infancy state	


DEPARTMENT	M&R UNITS AND SYSTEMS	COMMENTS
Office of the Premier	<p>Departmental specific systems</p> <p>The departmental specific system monitors progress made on the following:</p> <ul style="list-style-type: none"> • Implementation of the strategic priorities of the province as reflected in the Gauteng Provincial Government (GPG) Five Year Strategic Programme; • Premier's commitments made in his annual Opening of Legislature speeches; • Implementation of key cross-cutting issues including job creation, gender, disability, youth, children, and HIV&AIDS; • An identified set of 53 indicators which measures key aspects of programmes and the impact of GPG programmes; (Under review); • Key commitments made by MEC's and the Premier at public meetings; and • Relevant commitments for GPG made by the President in his annual State of the Nation addresses. <p>General systems</p> <ul style="list-style-type: none"> • IMS 	An IMS of strategic indicators is used to monitor the progress of programmes. At a departmental level, a number of systems are used that are department-specific and assist in the monitoring of programmes.
Provincial Treasury	M&R Unit in infancy state	
Department of Public Transport Roads and Works	M&R Unit in infancy state	
Department of Social Development	M&R Unit in infancy state	

It is essential that the monitoring system of the Office of the Premier be aligned to the National ME&R system. Generally, a key challenge is to bring together systems across all three spheres of Government that will monitor the success of financial and non-financial data in improving service delivery. In some instances, programmes may cut across one department, requiring inter-departmental coordination for the monitoring of these programmes. Another challenge is to ensure the exchange of information in both directions – departments should report to the Office of the Premier, which in turn should be providing feedback to departments. Although systems for collecting data exist, the depth and quality of information provided is poor. This may be due to capacity constraints.

5.3.3.2 ME&R as a mechanism for accountability

All departments see the monthly *Izimbizo*, as well as the annual report-back to the communities, as a strategic mechanism of accountability to the public. A system is being set in place for the decisions made on the issues raised at the *Izimbizo* to be communicated to the public. In addition to the *Izimbizo*, stakeholders can access the 5-year plan and reports to the public on the provincial website. Reporting to NGOs, labour and business occurs annually at the Public Sector Summit.

Departments view the Annual Report as a manner of accounting for their budget. In addition, the Office of the Premier regards the budget speech within the Province as a public accountability tool. Internal and



external newsletters have been introduced by the Department of Health and the Office of the Premier to keep all stakeholders informed about the Departments' performance.

5.3.3.3 Indicators as an accountability mechanism

Indicators are predominantly output indicators of a quantitative nature and, without exception, exclude outcome indicators. As such, no measures exist that could be used to measure the success of programmes and projects in terms of their impact on the citizens.

Departments interviewed stated that the reason for the lack of outcome indicators is due to a number of factors, such as the lack of an ME&R culture within the public sector; the lack of capacity and budget; and the potential subjectivity that qualitative outcome indicators are prone to.

5.3.4 Summary of the key findings

- The level of meeting reporting requirements varies substantially within the Province.
- Although the systems facilitate efficient reporting, the quality of interaction (input) with the systems is poor. In many cases, reporting is superficial and pays scant regard to targets and measures. Reporting is limited to ensuring compliance with policies and procedures. It is perceived that the underlying cause of this is a lack of capacity with regards to ME&R in most departments within the Province.
- A quantitative assessment in terms of the number of reports submitted per department was not conducted due to the quantitative self-evaluation form not being returned timeously. However, information collected during the interview process does provide a qualitative indication of the status of M&E within the province.
- Across the six departments interviewed, all M&E units were in thhaving been established within the last six months. As such, reporting has not been consolidated and the directorates within a department still report separately. Even within the Office of the Premier, which is at a more advanced stage of development than the other departments, reporting is still done by each directorate.

5.4 Kwa-Zulu Natal

5.4.1 Overview

5.4.1.1 Departments visited

Four of the seven departments targeted for site visits participated in the audit, namely the Office of the Premier, Provincial Treasury, and the Departments of Education and Housing. The Departments of Health, Welfare and Population Development and Works were not available to be interviewed.

5.4.1.2 Facilitating and limiting factors in the audit process

In most departments, senior managers could provide a more overarching perspective with respect to monitoring, evaluation and reporting than that provided by middle managers.

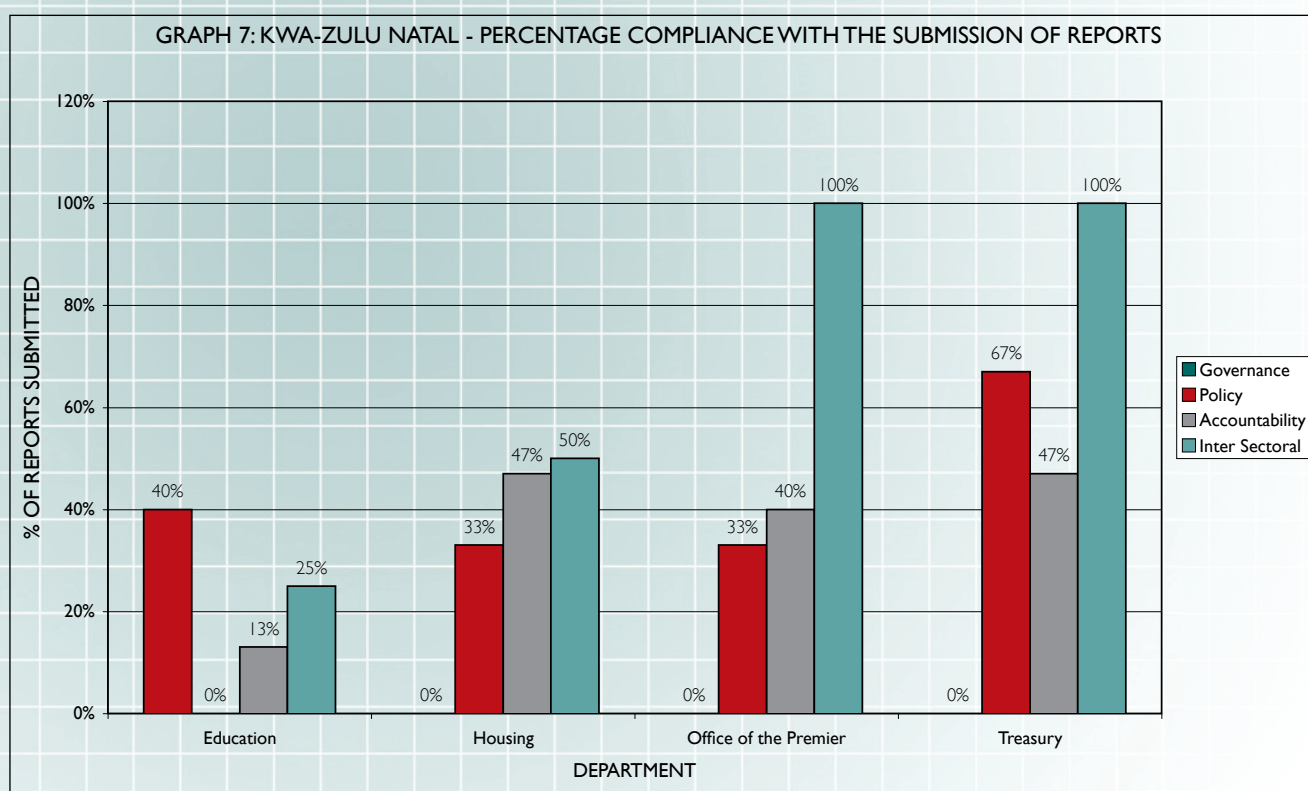
There was difficulty in securing appointments with key personnel in some departments. Where information was obtained, the depth and quality of the information often varied across the different departments.

5.4.2 Reports

5.4.2.1 Compliance with reporting requirements

Although all four departments participating in the site visit interviews undertake some form of reporting, the overall compliance with submitting reports is low. The study found that on average, the Province has submitted 36% of the thirty reports required by various stakeholders. A disaggregation of this information shows that the Provincial Treasury submitted approximately 50% of the reports, followed by the Office of the Premier (40%), the Department of Education (17%), and the Department of Housing (37%). It should be noted that these figures might be more reflective of the lack of overall knowledge by the interviewees of the reports that need to be submitted.

With regard to compliance in submitting reports on the four focus areas of accountability, governance, inter-sectoral matters, and policy, the result is as follows (see **Graph 7**): The Office of the Premier and Provincial Treasury submitted 100% of the reports on inter-sectoral matters, as opposed to the Department of Housing (50%), and the Department of Education (25%). The Department of Education is the only department which submitted reports on governance, and then only 40% of the required reports. The Provincial Treasury submitted 67% of the reports on policy, with both the Office of the Premier and the Department of Housing submitting 33%, and the Department of Education submitting none at all. All the departments fall below the 50% mark in submitting reports on accountability.

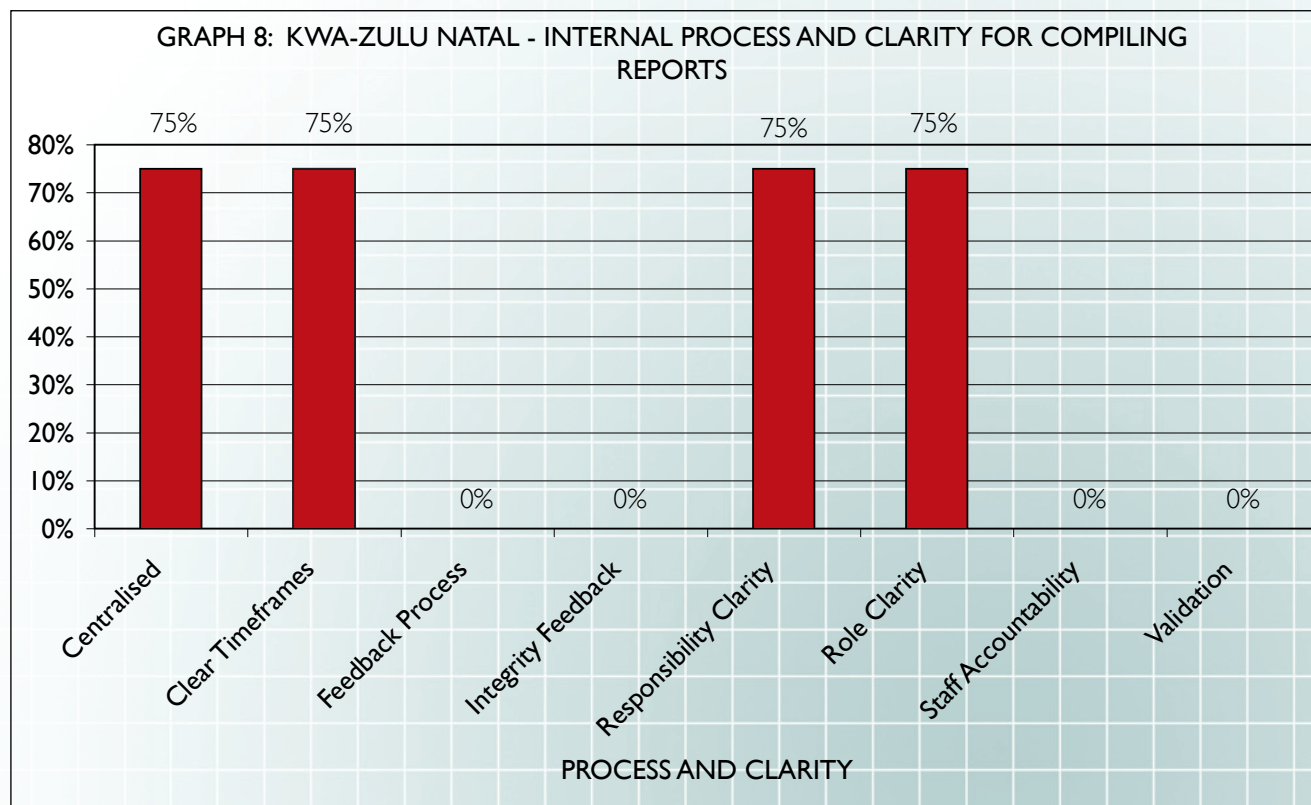


The frequency of reporting ranges from reporting on a monthly to quarterly to annual basis. Departments also report on an ad hoc basis; however, these reports are not collated and tracked.

The main challenge in reporting is the varying formats in which departments require information. In the absence of a database circumscribing the detailed fields, providing information in varying formats is cumbersome and time-consuming, resulting in high levels of frustration and reporting fatigue. Another major challenge is the lack of consistency in which data on the same indicators is reported. Depending on the unit that is providing information, the integrity of the data reported varies.

5.4.2.2 Internal process and clarity for compiling reports

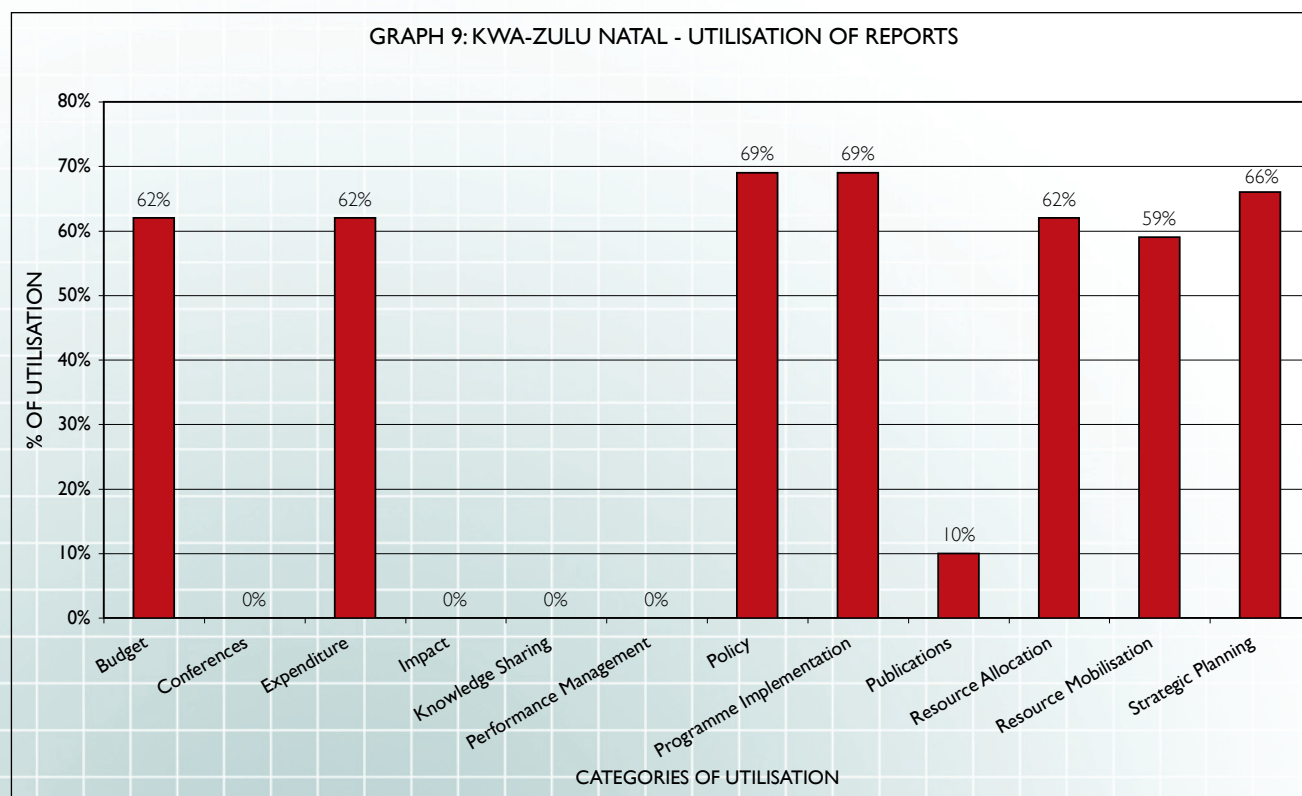
The departments prepare monthly reports on the agreed operational plans, which are aggregated towards quarterly reports, and the Annual Report. The Provincial Treasury prepares quarterly reports, which are used to monitor progress towards achieving the outputs as identified in the Annual Business plan.



Seventy five percent of the respondents stated that there is clarity of roles, responsibilities and time frames – **Graph 8** above. However, the processes of validating information and providing feedback on reports were not reported by any of the respondents.

5.4.2.3 Utilisation of reports

Reports are mainly used for policies, programme implementation and strategic planning (**Graph 9** overleaf). The majority (58%) of respondents stated that reports are used extensively for budget, expenditure, resource allocation and resource mobilisation. However, all the respondents stated that they were not aware of reports being used for performance management, impact, knowledge sharing and conferences.



5.4.3 Monitoring and evaluation systems

5.4.3.1 M&E systems

The findings on M&E Units and systems within participating provincial departments in KwaZulu-Natal are summarised in **Table 12** below:

Table 12: M&E Units and systems within participating departments in KwaZulu-Natal

Department	M&E Units and Systems	Comments
Department of Education	<p>Departmental specific systems</p> <ul style="list-style-type: none"> • EMIS <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL • HARDCAT 	
Department of Health		Not available to be interviewed.

Department	M&E Units and Systems	Comments
Department of Housing	<p>A Monitoring and Evaluation Unit exists.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • Web-based Housing Subsidy Scheme (HSS) • HARDCAT <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	<p>Following a review of the structure aimed at improving support services to the Department an M&E Unit was established as a sub-unit within the Project Management Branch, and still needs to be fully staffed.</p> <p>The newly appointed manager has begun identifying the role of the unit, the resources required for the unit to function and the drafting of an M&E strategy that takes cognizance of other M&E developments within the Province and at national level. Although there is political support for the development and implementation of an M&E system within the Department, managers are still unsure about the role of monitoring and evaluation.</p> <p>The web-based HSS is managed by the National Department of Housing to monitor housing delivery. The project management programme has dedicated personnel responsible for gathering data and populating the database, but a challenge in using the system is the high levels of down -time experienced by users.</p> <p>No functional MIS monitoring and evaluation system exists.</p>
Office of the Premier	<p>Newly established M&E Unit exists</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • Balanced Score Card • HARDCAT <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	<p>According to the interviewees the M&E Unit is under-staffed.</p> <p>This is the only department that is in the process of developing a strategy for the establishment of M&E systems.</p> <p>The Balanced Scorecard is used as a tool to monitor performance. The effectiveness of this tool, which focuses on individual performance with minimal emphasis on the service delivery component, has been hampered by a lack of understanding within the Department as to its importance. This is further worsened by the perception that the Balanced Scorecard is not a core function of the Department.</p> <p>No functional MIS monitoring and evaluation system exists.</p>

Department	M&E Units and Systems	Comments
Provincial Treasury	Departmental specific systems <ul style="list-style-type: none"> Balanced Score Card HARDCAT General systems <ul style="list-style-type: none"> BAS PERSAL 	<p>The Balanced Scorecard is used as a tool to monitor performance. The effectiveness of this tool, which focuses on individual performance with minimal emphasis on the service delivery component, has been hampered by a lack of understanding within the Department as to its importance. This is further worsened by the perception that the Balanced Scorecard is not a core function of the Department.</p> <p>No functional MIS monitoring and evaluation system exists.</p>
Department of Welfare and Population Development		Not available to be interviewed.
Department of Works		Not available to be interviewed.

5.4.3.2 ME&R as a mechanism for accountability

It is important that the form that reports take is appropriate to the information needed and the stakeholder group being catered for. The findings of the audit indicate that in all the departments interviewed, the key accountability mechanism is the Annual Report.

The information recorded during the audit indicates that the Department of Housing was the only department that engaged with social partners as an accountability mechanism. This took the form of the budget speech by the MEC, monthly bulletins, project launches, internal monthly newsletters, facilitators working with communities during the design and implementation of projects, Social Cluster meetings, Parliamentary committees, and websites providing information on projects.

5.4.3.3 Indicators as an accountability mechanism

Of the four departments that participated in the study, only the Department of Housing and the Provincial Treasury have output indicators in their strategic plans. See **Table 13** below.

Table 13: Kwa-Zulu Natal: Indicator development within the departments

DEPARTMENT	INDICATORS	EVIDENCE	COMMENT
Education	The Department has not yet developed its strategic plan 2005/10.		
Treasury	Output indicators	Strategic plan	None
Housing	Output indicators	Strategic plan	None
Office of the Premier	The PDGP is still in draft form.		

5.4.4 Summary of the key findings

- The level of compliance with reporting requirements is substantially low with just 36% of the thirty identified reporting requirements being met.

- Reporting is generally around programme responsibilities, with clear roles, responsibilities and time frames.
- The Office of the Premier and the Department of Housing are the only departments that are in the process of establishing M&E units.
- Annual Reports are the key accountability mechanism within the Province, with the Department of Housing also engaging social partners in various forums as a means of ensuring accountability.
- All departments have functional data systems utilised for monitoring in a focused manner, though they are not sufficient to evaluate performance.
- Only the Provincial Treasury and the Department of Housing have indicators at output levels within their strategic plans.

5.5 Limpopo

5.5.1 Overview

5.5.1.1 Departments visited

Of the seven departments targeted for site visit audit only five participated, namely the Office of the Premier, and the Departments of Education, Health, Local Government and Housing and the Provincial Treasury. The Departments of Social Development and Public Works did not participate.

5.5.1.2 Facilitating and Limiting factors in the audit process

Officials who provided support and responded to requests from the research team, as well as those who completed the self-evaluation questionnaires, facilitated the work of the team.

Though efforts were made to contact and set up interviews with the Departments of Social Development and Public Works, these did not materialise. Consequently the information collected in this province and the analysis that was done, do not include these departments.

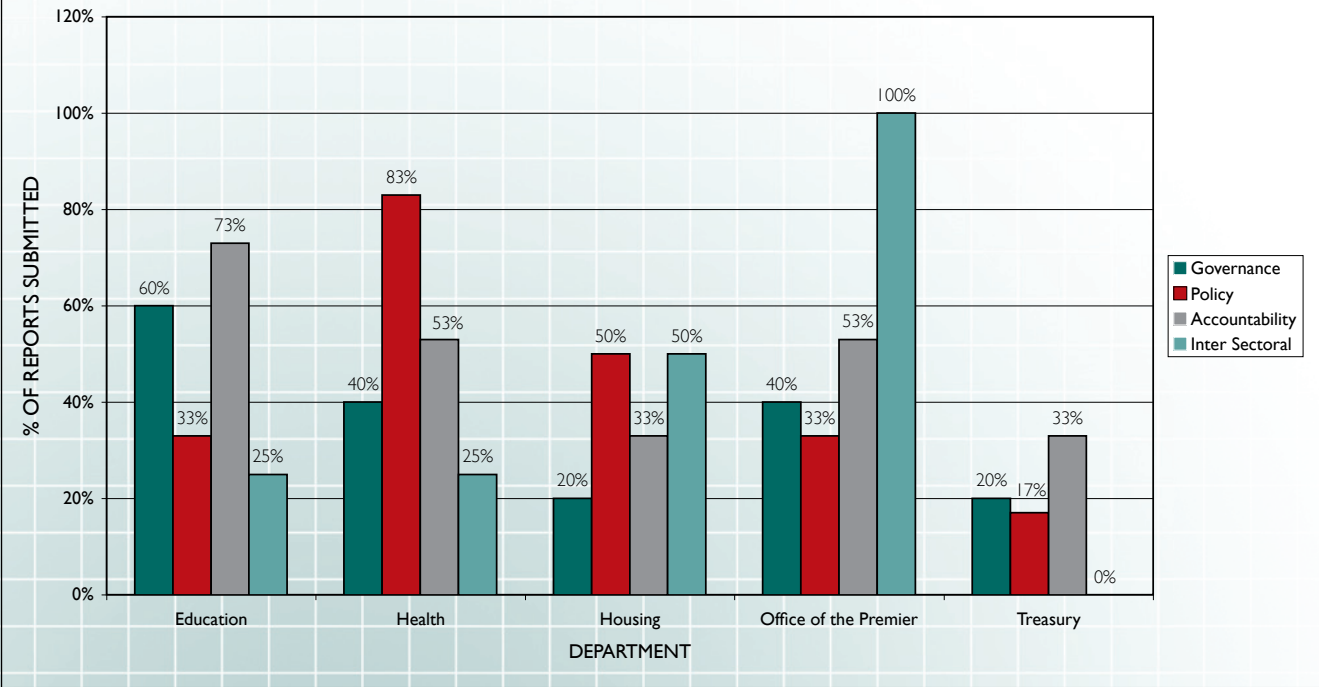
5.5.2 Reports

5.5.2.1 Compliance with reporting requirements

The study found that on average the Province has submitted 46% of the thirty reports required by various stakeholders. A disaggregation of this information shows that the Office of the Premier submitted 53% of the reports, followed by the Department of Education (57%), the Department of Local Government and Housing (37%), and the Provincial Treasury (23%). According to the Provincial Treasury, the main factor that has impeded their capacity to submit reports is the shortage of staff due to the process of redesigning their departmental structure.



GRAPH 10: LIMPOPO - PERCENTAGE OF COMPLIANCE WITH THE SUBMISSION OF REPORTS



With regard to compliance in submitting reports on the four focus areas of accountability, governance, inter-sectoral matters, and policy, the Department of Education is the only department that submitted more than 50% of the reports on governance (**Graph 10** above). As far as reporting on inter-sectoral matters is concerned the Office of the Premier submitted 100% of the reports, followed by the Department of Local Government and Housing (50%) and the Departments of Education and Health with 25% each. The majority of the reports submitted by the Department of Education are on accountability (73%), followed by the Office of the Premier and the Department of Health with 53%. The rest of the departments submitted less than 50% of the required reports. The majority of the reports submitted by the Department of Health are on policy.

All five departments focus on complying with legislative requirements as prescribed by National Treasury (quarterly, monthly and annually). Reports are generally focused on financial outputs against programme performance in combination with reasons for deviation.

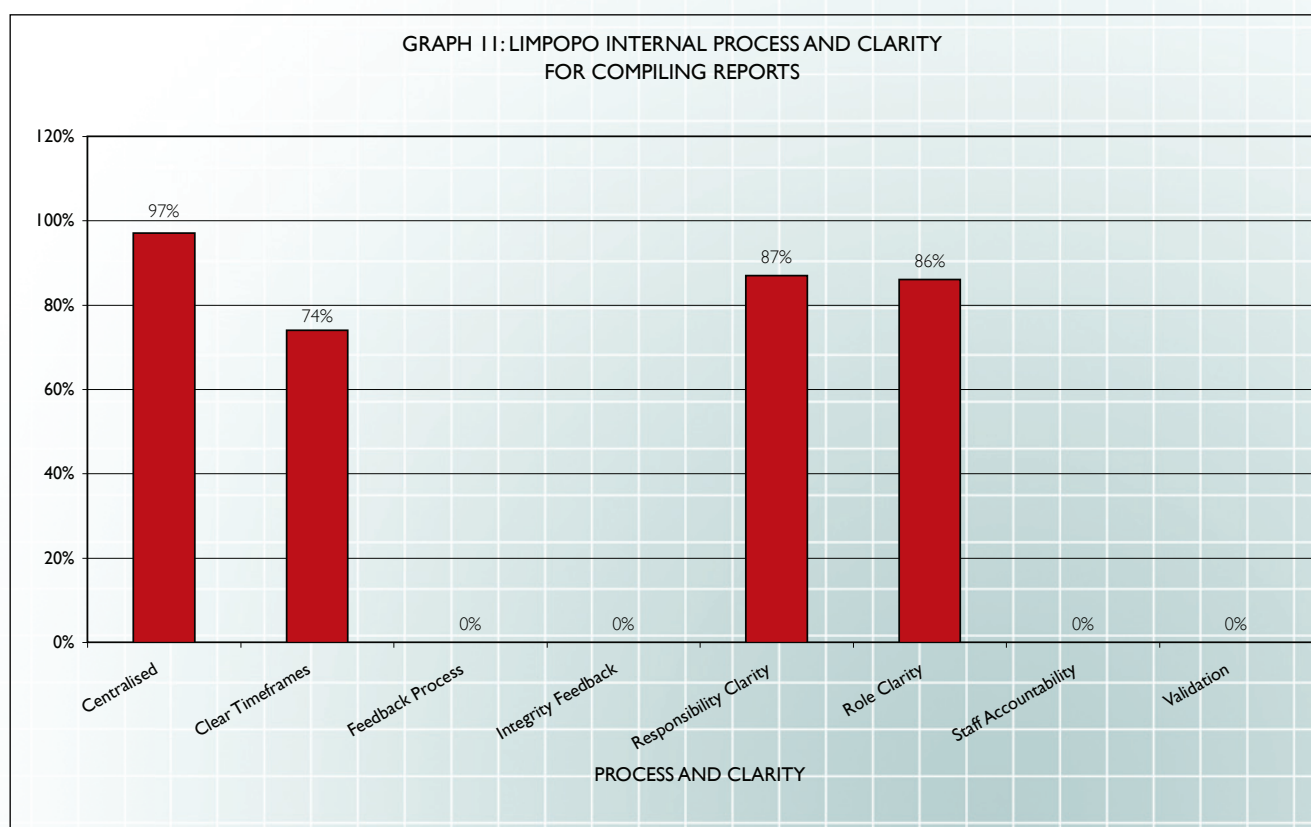
For all the departments, monthly reports generally contribute towards quarterly reports, which form the basis for annual reporting, except in the case of ad hoc reports where requests are intermittent (usually compiled for legislature, external agencies and inter-sectoral collaboration reports).

Some of the challenges encountered by departments in complying with the reporting requirements include the duplication of information requested; and the non-alignment between the structure and departmental operations which results in staff members being responsible for multiple functions without necessary administrative or financial support; and staff shortages.



5.5.2.2 Internal processes and clarity for compiling reports

Graph 11 provides the overall picture of the internal processes for compilation of reports.

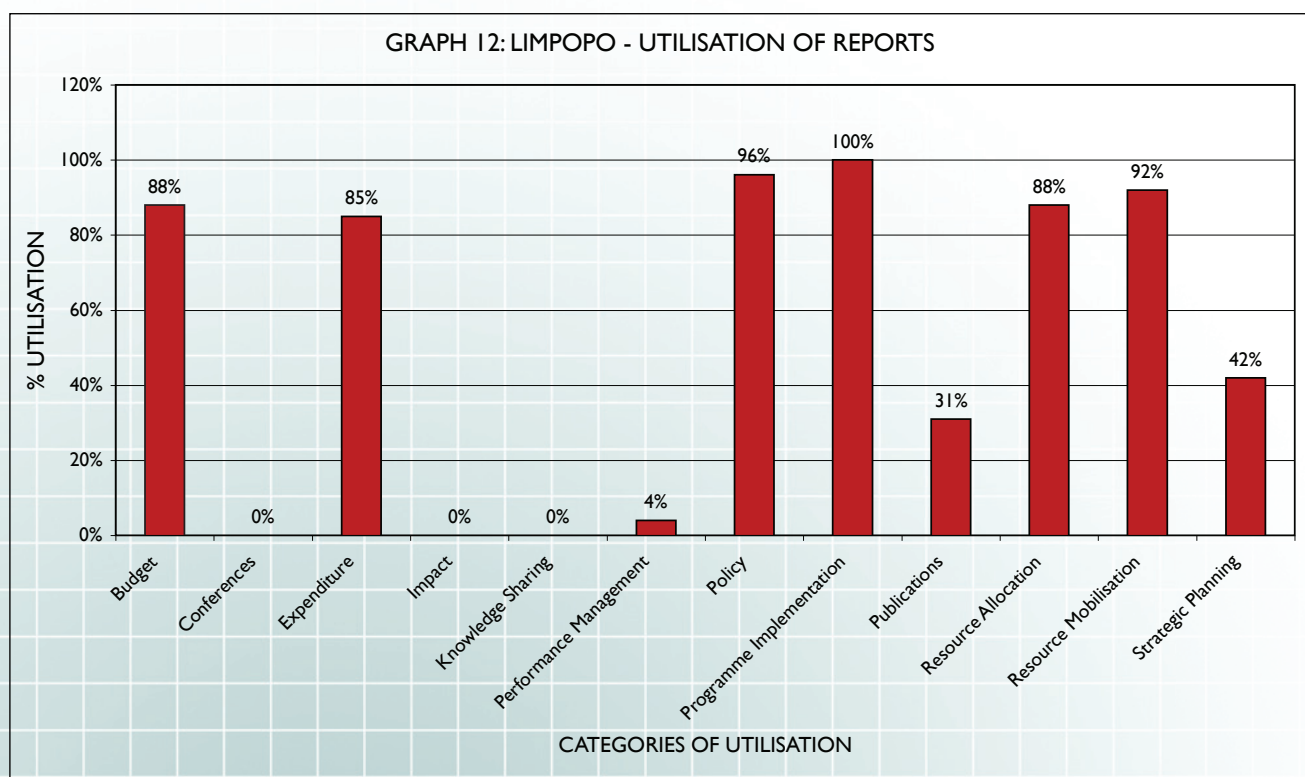


The process of reporting is influenced by the management style of the line managers, which often determines how reports are compiled and the schedule of meetings to report to.

For all the departments, there is generally clarity of roles (86%), responsibilities (87%) and time frames (74%). However, there is no feedback on the reports generated. Structured processes for validation and feedback on the integrity of information do not exist.

5.5.2.3 Utilisation of reports

Graph 12 details findings regarding the utilisation of reports within the province. All five departments use reports extensively for budget accountability (88%), expenditure tracking (85%), monitoring policy implementation (96%), monitoring programme implementation (100%), resource allocation (88%) and resource mobilisation (92%). However, reports are used intermittently for strategic planning (42%) and publications (31%). None of the departments use reports to measure impact or share knowledge, and the use of reports for performance management is low (4%).



5.5.3 Monitoring and evaluation systems

5.5.3.1 M&E systems

The findings on M&E Units and systems within participating provincial departments in Limpopo are summarised in **Table 14**:

Table 14: M&E Units and systems within participating departments in Limpopo

Department	M&E Units and systems	Comments
Department of Education	<p>Does have a formal M&E structure.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • EMIS • A system managed by the SAP to record information on Learner and Teacher support materials. <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	The Department developed an M&E system for the PDGP and IDPs). According to the interviewees, the Department has operational budgets, basic infrastructure support and adequate staff for the M&E system.
Department of Health	<p>Does have a formal M&E structure.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • Financial Data System Programme (FINEST) <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	FINEST is a transacting processing system.

Department	M&E Units and systems	Comments
Department of Local Government and Housing	<p>Does have a formal M&E structure.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • FINEST • Housing Subsidy System (HSS) • Geographical Information System (GIS) <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	<p>FINEST is a transacting processing system.</p> <p>HSS and GIS are utilised to measure performance in providing sustainable human settlements.</p>
Office of the Premier	<p>Does have a formal M&E structure.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • FINEST <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	<p>FINEST is a transacting processing system.</p> <p>The Department developed an M&E system for the PDGP and IDPs). According to the interviewees, the Department has operational budgets, basic infrastructure support and adequate staff for the M&E system.</p>
Provincial Treasury	<p>Planned to set up an M&E Unit in the 2005/2006 financial year.</p> <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	
Department of Public Works		Did not participate
Department of Social Development		Did not participate.

For the Department of Education, the focus is on providing support to the public school sector in terms of quality-assurance, performance management and whole school development. The responsible unit in the Department is not mandated to provide strategic support to other branches, or the Department as a whole. In comparison to the Office of the Premier and the Department of Education, the Department of Health appears to be under-resourced with limited infrastructure support. However, the functions of M&E are integrated across the Department with managers charged with monitoring their programmes. Similarly, the M&E Unit of the Department of Local Government and Housing, which is tasked with monitoring and evaluating the Housing Policy and developing its M&E strategy, has only one staff member for M&E, since monitoring is delegated to all programme managers.

Factors identified as constraints in the development of M&E systems include lack of staff, budget as well as infrastructure.

5.5.3.2 ME&R as a mechanism for accountability

Reporting on programme progress and status is utilised as a mechanism of accountability. Three departments (Education, Health and Provincial Treasury) emphasized the Citizen's Report, while all five departments highlighted the Annual Report as an important accountability and communication mechanism.

5.5.3.3 Indicators as an accountability mechanism

Table 15 below shows that of the five departments participating in the site visit audit only the Department of Education and the Office of the Premier have indicators, and that only at output level. This could be due to the fact that the province is in the nascent phase of ME&R where units exist, yet are still in the process of developing ME&R frameworks.

Table 15: Limpopo: Indicator development within the departments

DEPARTMENT	INDICATORS	EVIDENCE	COMMENT
Education	Output indicators	None	The 5-year strategic plan has output indicators against which it is measured.
Health	The ME&R is still developing its strategy.		
Local Government and Housing	None	None	None
Provincial Treasury	None	None	None
Office of the Premier	Output indicators	None	These indicators need to be reviewed because they are vague.

5.5.4 Summary of the key findings

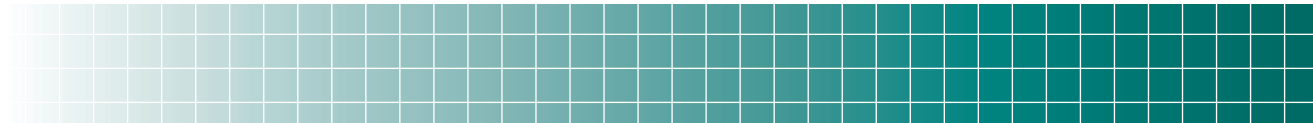
- The level of compliance in meeting reporting requirements across the Province is averaged at 45%.
- Clarity of roles, responsibilities and time frames on reporting varies between 74% and 87% across departments. However, the study could not establish if feedback on reports is provided, and if the integrity and quality of data is validated before it is used in reports.
- Departments use reports extensively for tracking budget expenditure, policy implementation, resource allocation and mobilisation.
- Although the Departments of Education, Health, the Office of the Premier and Local Government and Housing, all have M&E units, these face a number of challenges such as a lack of staff, budget and infrastructure.
- Reporting on programme progress and status is utilised as a mechanism for accountability.
- Only two departments, namely the Department of Education and the Office of the Premier, have indicators, and these are at the output levels.

5.6 Mpumalanga

5.6.1 Overview

5.6.1.1 Departments visited

Of the seven departments targeted for site visits, five participated in the audit, namely the Office of the Premier and the Departments of Education, Health, Local Government and Housing, and Public Works.



Although the team met with an official from the Department of Local Government and Housing (within the Sub-directorate: Infrastructure), the interviewee did not feel sufficiently competent to comment on the broader Housing ME&R functions.

Provincial Treasury and the Department of Social Development were not available to meet with the audit team.

5.6.1.2 Facilitating and limiting factors

Officials, who provided support and responded to requests from the research team, as well as those who completed the self-evaluation questionnaires, facilitated the work of the team.

Interviews with the inappropriate person meant that the collection of data was limited.

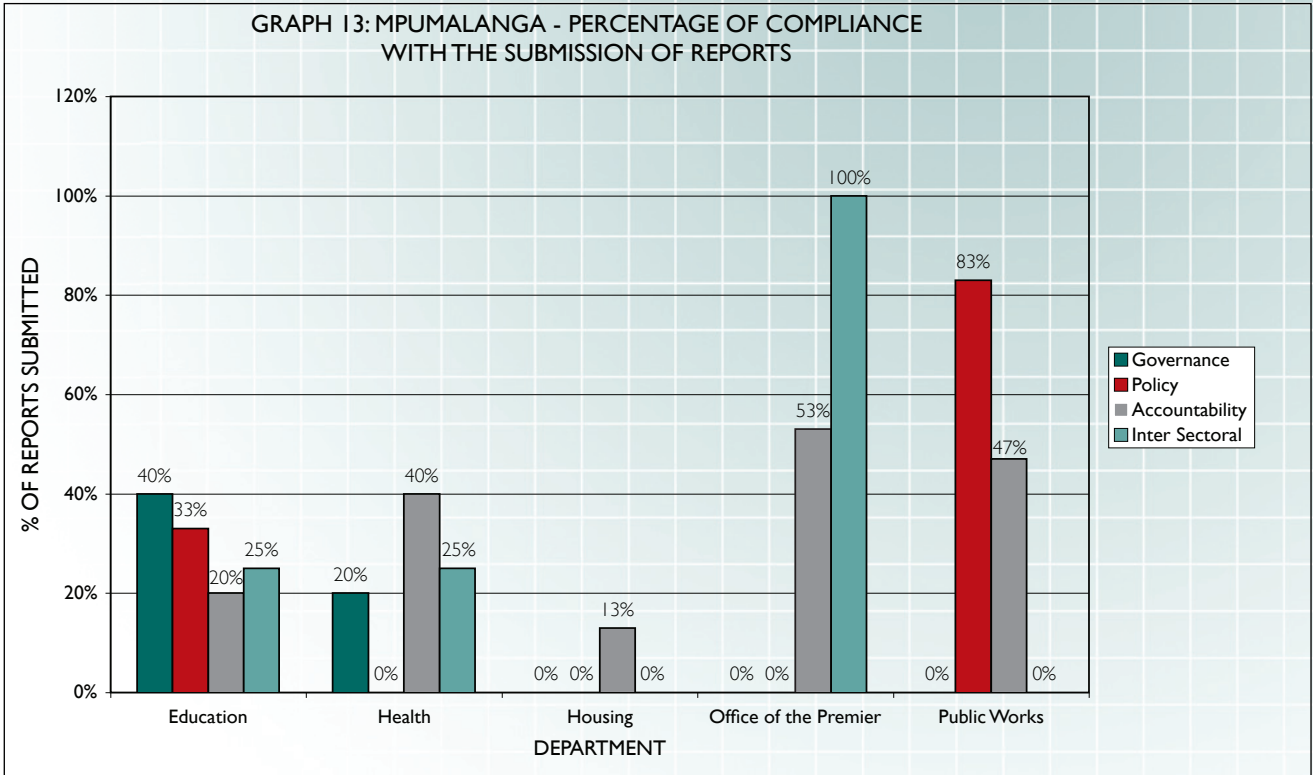
Difficulty in determining the correct person with whom to meet in the Provincial Treasury and the Department of Social Development excluded these Departments from the audit.

5.6.2 Reports

5.6.2.1 Compliance with reporting requirements

The study found that on average, the Province has submitted 27% of the thirty reports required by various stakeholders. A disaggregation of this information shows that the Office of the Premier and the Department of Public Works submitted 40% of the reports, followed by the Department of Education and Health (27%) and the Department of Local Government and Housing (7%).

With regard to compliance in submitting reports on the four focus areas of accountability, governance, inter-sectoral matters, and policy, the Office of the Premier submitted 100% of the reports on inter-sectoral matters and 53% on accountability (refer to **Graph 13**).



The Department of Public Works stated that they submitted 83% of the reports on policy and 47% on accountability. Besides these, all the other departments submitted less than 50% of the reports on all four

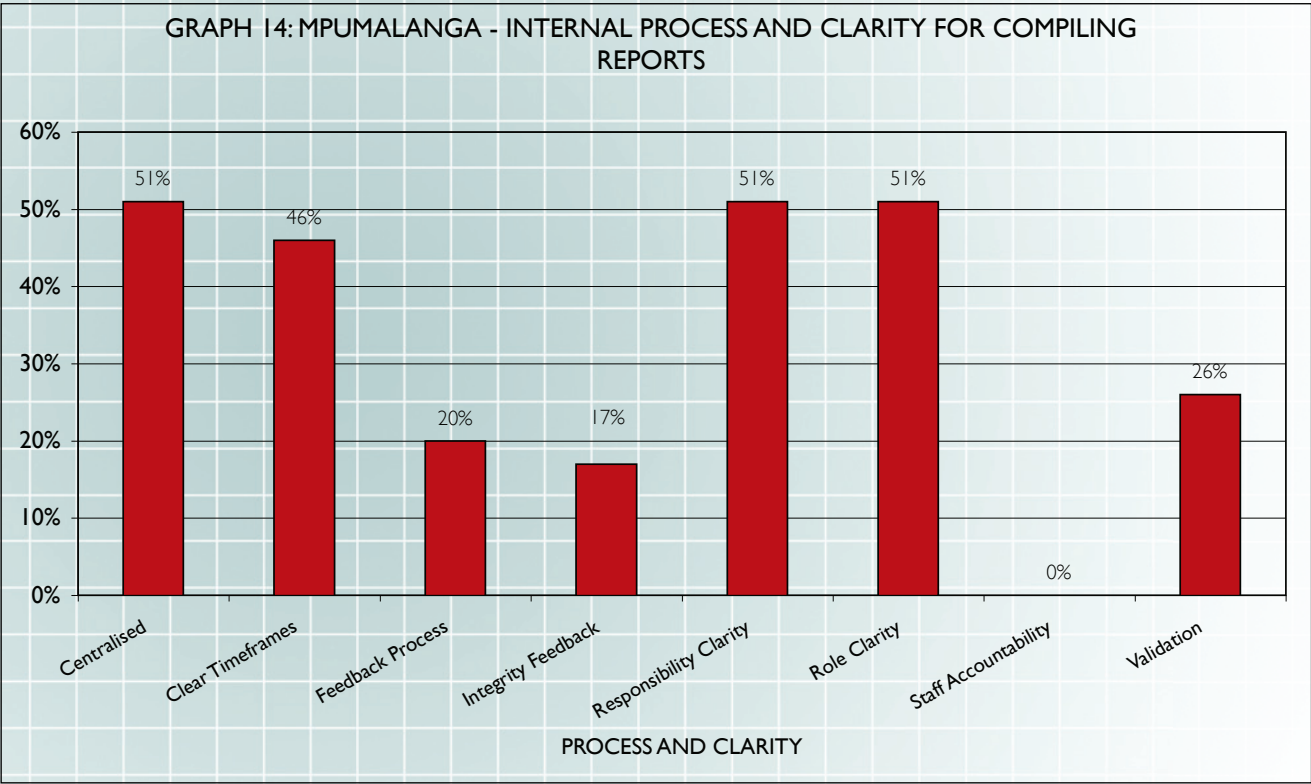
categories. The Department of Education submitted 40% on governance and 20% on accountability, while the Department of Health submitted 40% on accountability and 0% on policy.

The Department of Local Government and Housing submitted the least reports compared to the rest, with 13% of the reports on accountability. The Department was unable to provide information on the submission of other reports.

5.6.2.2 Internal process and clarity for compiling reports

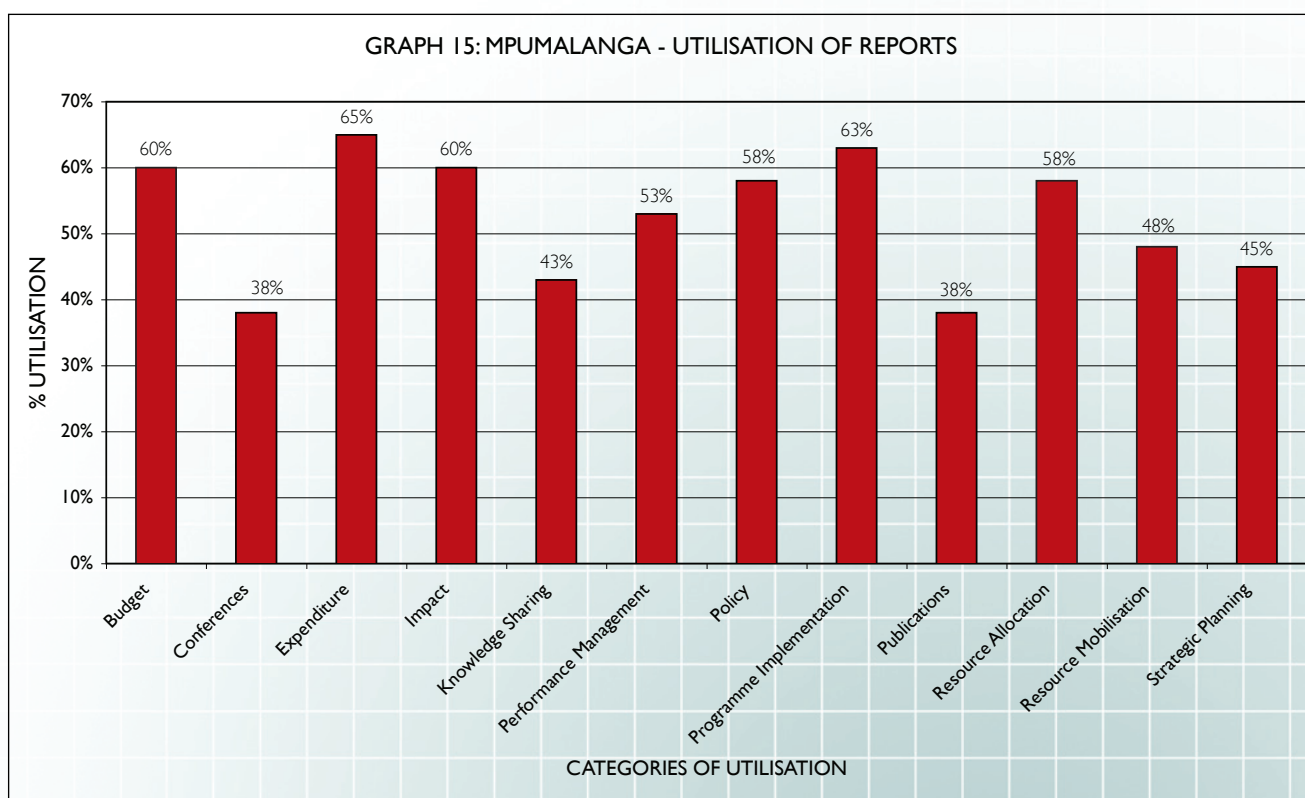
Graph 14 provides a full picture of the internal process for the compilation of reports.

In the case of programme reporting, some divisions within the Department of Education report directly to the National Department of Education. In the case of inter-sectoral reports, the Department of Local Government and Housing complies with the requirements for inter-sectoral committees on progress for particular projects. Across the departments, there is clarity about roles (51%), responsibilities (51%) and time frames (46%) for the compilation of reports. However, there is a low degree of validation of information (26%) and feedback provided (20%).



5.6.2.3 Utilisation of reports

Graph 15 below provides an overall picture on the utilisation of reports. Reports are used to a high degree for expenditure monitoring (65%), programme implementation (63%) and impact (60%). The use of reports for policy (58%), resource allocation (58%), and performance management (53%) is reasonable, with the Office of the Premier displaying a high degree of such use. The use of reports for resource mobilisation (48%), strategic planning (45%), and knowledge sharing (43%) is intermittent. The use of reports for conferences (38%) and publications (38%) purposes is inconsistent.



The Department of Education reports that cabinet committees and the provincial legislature have often requested presentations to use during report backs to constituencies. In addition, the National Council of Provinces regularly requests information from the Office of the Premier in order to monitor service delivery within the province. Previously, the Department of Public Works had distributed a newsletter that provided information on the Department's performance, but this has been replaced by a newsletter from the Office of the Premier which reports on the progress of all the departments. Even with this approach of a provincial newsletter, there is a view that stakeholders still do not have easy access to government information.

5.6.3 Monitoring and evaluation systems

5.6.3.1 M&E systems

The findings on M&E Units and systems within participating provincial departments in Mpumalanga are summarised in **Table 16** below:

Table 16: M&E Units and systems within participating departments in Mpumalanga

DEPARTMENT	M&E UNITS AND SYSTEMS	COMMENTS
Department of Education	No dedicated M&E Unit exists.	Monitoring occurs at programme level. Data is collected through the transversal human resource, logistical and financial systems.
Department of Health	No dedicated M&E Unit exists.	
Office of the Premier	No dedicated M&E Unit exists.	In the absence of a monitoring and evaluation strategy, and in association with the Provincial Treasury, the Office of the Premier is in the process of finalising draft monitoring and evaluation guidelines for the Province. Currently, all the Management Information Systems (MIS) are manual, with a plan to develop a web-based system in the future.

DEPARTMENT	M&E UNITS AND SYSTEMS	COMMENTS
The Department of Local Government and Housing	No dedicated M&E Unit exists.	The Department could not provide an overview of how M&E occurs, but the Department gave an indication of how infrastructure is monitored. In general, the system used for monitoring of infrastructure is seen to be useful and effective, although it lacks quality assurance of data, which means that data cannot be completely relied on to make evidence-based decisions.
Department of Public Works	No dedicated M&E Unit exists.	Without a formal structure, strategy, protocols, budget and personnel for M&E, the EPWP and CFO's office plays a coordinating role for M&E within the Department. For the EPWP, there are reporting plans, reporting protocols, indicators at various levels, targets for the EPWP in the province, a data collection system and an inter-departmental team. However, impact is not measured. Systems for data collection are manual and data is obtained from a wide variety of sources, including budget reports, GIS, programme/project reports, and HR systems. While the HOD signs off on most of the information supplied to external agencies, poor quality assurance of information is still a challenge.
Department of Social Development		The Department was not available to meet with the team.
Provincial Treasury		The Department was not available to meet with the team.

5.6.3.2 M&E as a mechanism for accountability

Reports, especially the Annual Report, are posted on the website, distributed to regional offices and tabled to the Legislature in an effort to promote accountability to citizens and stakeholders.

The Department of Education presents annual budgets to trade unions in an effort to ensure there is consultation with and accountability to the Department of Labour.

For the Department of Local Government and Housing, in terms of Infrastructure, reports on progress on programmes to municipalities, SALGA, and national and provincial departments provide an avenue for accountability on progress and expenditure. The Department of Public Works regards the inter-sectoral committee meetings, which deal for example with issues like gender, disability and development, as a central accountability mechanism.

The Office of the Premier publishes a Service Delivery Report for distribution to municipalities and all public offices. Media briefings in conjunction with inter-sectoral accountability meetings are held fortnightly with Cabinet Clusters.

5.6.3.3 Indicators as accountability mechanisms

Table 17 shows that four of the five departments participating in the site visit audit have developed output indicators, except the Department of Local Government and Housing.

Table 17: Mpumalanga: Indicator development within the departments

Department	Indicators	Evidence	Comment
Public Works	Output indicators	Strategic plan	The department works within the national framework of indicators for EPWP. There are deficiencies in quality indicators.
Health	Output indicators	Strategic plan	None
Local Government and Housing	None	None	None
Office of the Premier	Output indicators	Strategic plan	None
Education	Output indicators	Strategic plan	None

5.6.4 Summary of the key findings

- The Province submits an average of 27% of the thirty different reports required by stakeholders.
- Fifty one per cent of the respondents stated that there is clear roles, responsibilities, and time frames for reporting.
- Reports are used to a high degree for expenditure, programme implementation and impact.
- None of the departments had formalised M&E units although the Office of the Premier has a structure that operates as an M&E unit. Together with Treasury, the Office of the Premier is developing M&E guidelines for the Province.
- Reports are generally used as accountability mechanisms, in combination with media briefings and publications such as newsletters.
- All departments have historical data systems and some level of management information systems that are utilised for monitoring in a focused manner.
- All the departments have output indicators, except the Department of Local Government and Housing.

5.7 Northern Cape

5.7.1 Overview

5.7.1.1 Departments visited

Of the seven departments targeted for site visits, the following four departments participated in the audit: The Office of the Premier, and the Departments of Education, Health and Housing and Local Government. The Departments of Social Service and Population Development, Transport, Roads and Public Works and Provincial Treasury did not participate.

5.7.1.2 Facilitating and limiting factors

Officials who provided support and responded to requests from the research team, as well as those who completed the self-evaluation questionnaires, facilitated the work of the team.

There was a general feeling amongst the initial list of interviewees that they were not the appropriate officials to be interviewed. This necessitated additional time in ascertaining with whom the audit team should meet.

Officials also requested official notification from their respective HOD or SG's office before participating. The Department of Transport, Roads and Public Works and Provincial Treasury did not participate for this reason.

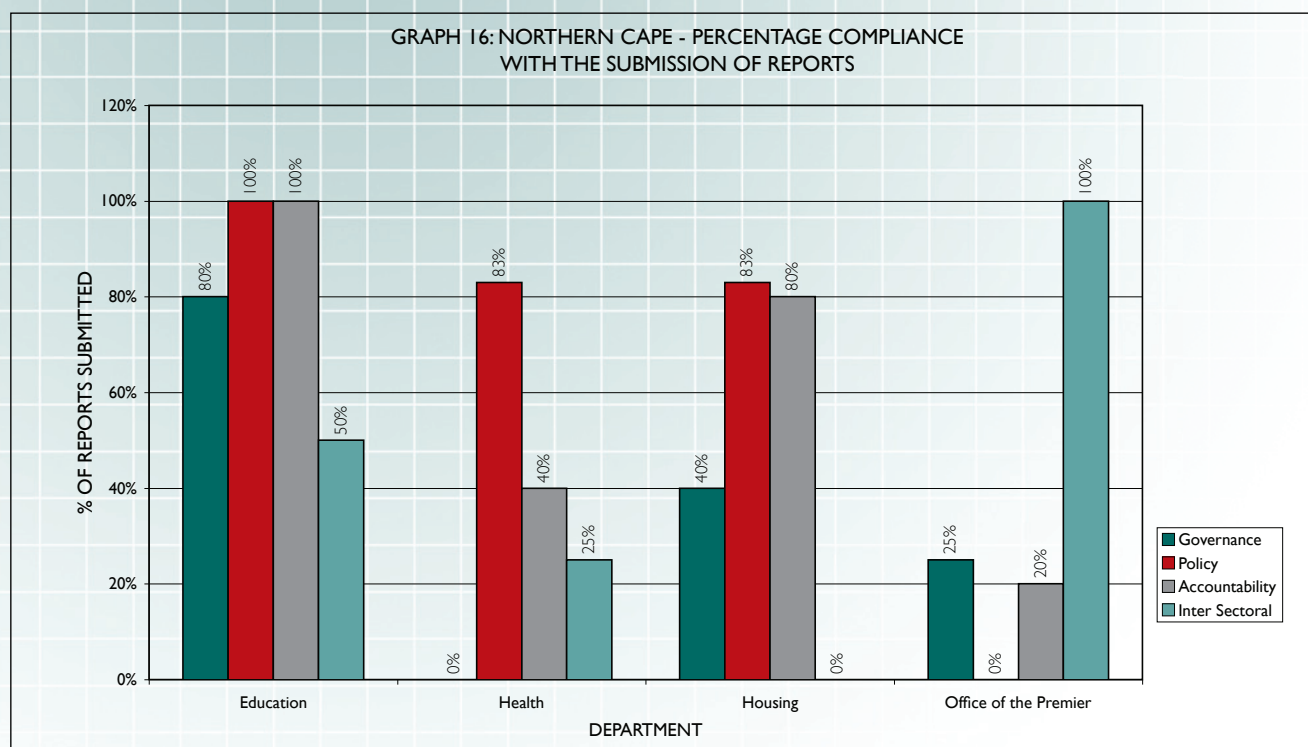
Some interviewees were new in their positions and were thus unable to provide the required information.

5.7.2 Reports

5.7.2.2 Compliance with reporting requirements

The study found that on average, the Province has submitted 54% of the thirty reports required by various stakeholders. A disaggregation of this information shows that the Department of Education submitted 90% of the reports, and was able to provide a substantial overview of its reporting requirements. This high level of reports submitted by the Department can be attributed to the compilation of reports being centralised within the Department. The Department of Housing and Local Government submitted 63% of the reports, followed by the Department of Health (40%), and the Office of the Premier (23%).

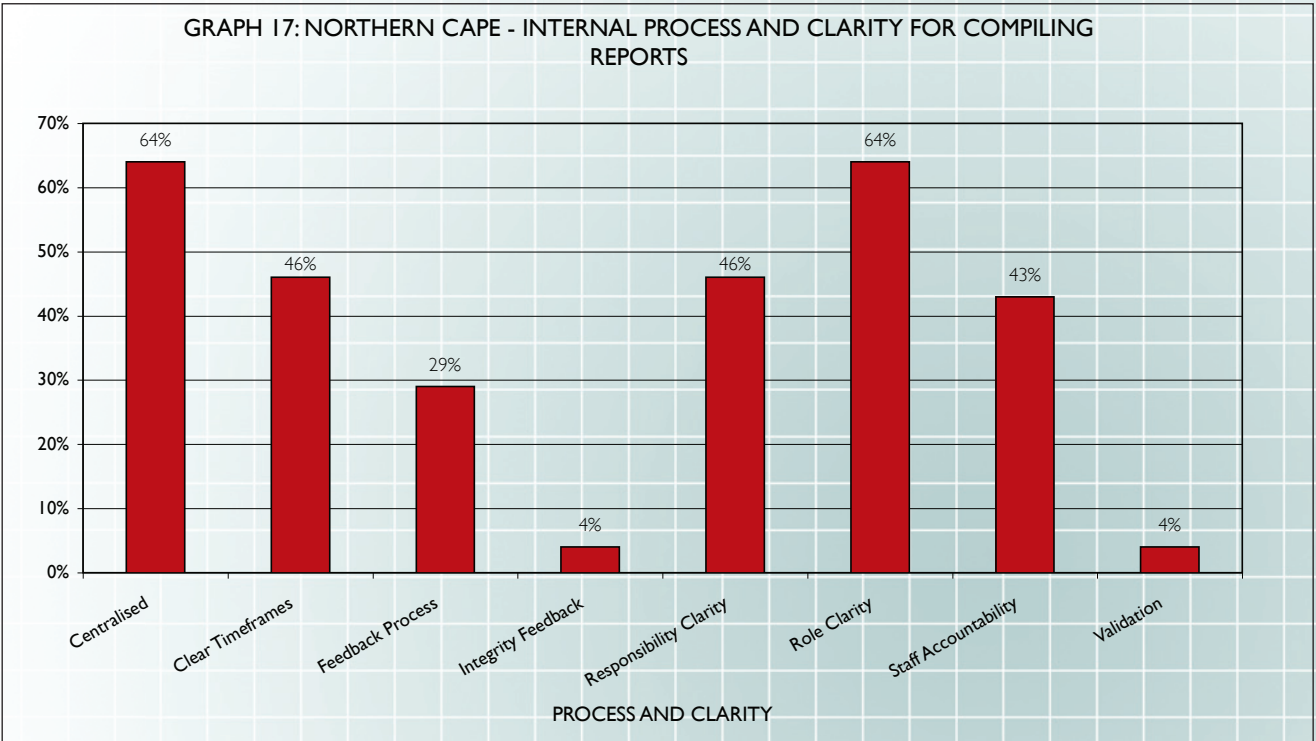
With regard to compliance in submitting reports on the four focus areas of accountability, governance, inter-sectoral matters, and policy, **Graph 16** shows that the Department of Education submitted 80% of the reports on governance, while the other three departments submitted less than 50% of the reports. The Department of Education submitted 50% of the reports on inter-sectoral matters, with the Office of the Premier submitting 100%.



Policy reporting is rated well with the Department of Education submitting 100% of the reports while the Departments of Health and Housing and Local Government submitting 83% each. The Departments of Education and Housing submitted respectively 100% and 80% of the reports on accountability.

5.7.2.3 Internal process and clarity for compiling reports

The internal process within the departments has a high degree of role clarity (64%) refer to **Graph 17** below. To some extent, there are clear responsibilities (46%), time frames (46%) and accountability for generating reports (43%). Feedback (29%), validation (4%) and integrity of data (4%) are substantially low within the Province, except for Education’s systemic evaluation, which includes a feedback loop.



The Policy and Planning Unit within the Department of Education coordinates all reporting in the Province. The result of this centralised reporting process is that the unit has a clear picture of what reports (and its frequency) need to be submitted and to whom.

The Department of Education manages its internal process of reporting through monthly meetings on strategy where the Policy and Planning Unit consolidates reports from sub-programmes. These meetings deal with finance, performance, activities, and deviations from plans and corrective action that needs to be taken.

For the Department of Health, the various programme directors, via the departmental channels, conduct reporting to the other departments, the Office of the Premier and the legislature. The Department does not have a reporting schedule. The internal process of reporting is through the weekly directorate and management meetings.

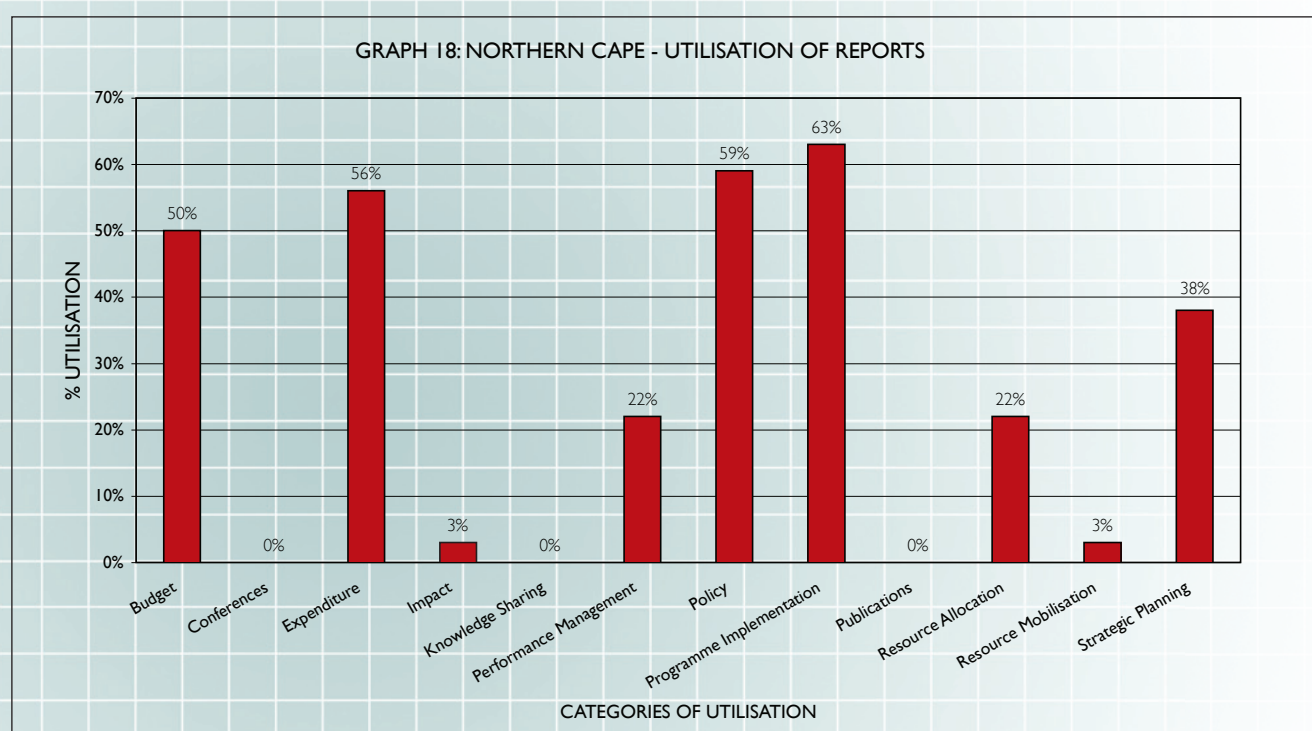
The Department of Housing and Local Government engages in a host of monthly, quarterly and annual reports. In addition, it submits status quo, needs assessment, financial and impact assessment reports. It also provides and complies with requests from the MEC, SCOPA and other departments. Reporting is done against the strategic plans, annual action plans, multi-year development plans, 3-year spending plan, PDGP, sector plans, EPWP plans and capacity building business plans.

The reports from the Office of the Premier focus on the National Programme of Action, the Cabinet Lekgotla and the Presidential Coordination Council. Reports are also made to stakeholders such as civil society, organised labour and private companies.

5.7.2.4 Utilisation of reports

Reports are generally used for budget accountability (50%), expenditure monitoring (56%), policy tracking (59%) and programme implementation (63%) – see **Graph 18** below. To varying degrees, reports are used for resource allocation (22%), performance management (22%) and strategic planning (38%). Resource mobilisation and impact features minimally on 3% each, while there is little evidence of the use of reports for knowledge sharing, conferences and publications.

The Province has a strong leaning towards compliance reporting focused on outputs rather than outcomes, impact or lessons learnt. Technical capacity is required in the development of measurable objectives and the collection of data to show outcomes of activities since reports should mirror achievements and reflect on consolidated decisions needed to improve service delivery. Analysis and feedback of reports does not occur.



A key challenge cited by the Department of Housing and Local Government is that both the DORA and HSS have the same reporting needs, and yet the reporting formats are different. The reporting formats or templates encourage under-reporting rather than expanding on pertinent issues that reflect the Province's diverse context.

5.7.3 Monitoring and evaluation systems

5.7.3.2 M&E systems

The findings on ME&R Units and systems within participating provincial departments in the Northern Cape are summarised in **Table 18** below:

Table 18: M&E Units and systems within participating departments in the Northern Cape

DEPARTMENT	M&E UNITS AND SYSTEMS	COMMENTS
Department of Education	<p>No M&E system exists.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • EMIS <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL • Vulindlela 	<p>The Department does have systemic evaluations that focus on schools.</p> <p>The conditional grants have made provision for enhancing the capacity of the Department to ensure that the EMIS system provides real and on-time data on schools.</p> <p>According to the interviewees the PERSAL system has a lack of staff to clean up data and ensure that the data is real-time.</p>
Department of Health	<p>No M&E system exists.</p> <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	<p>Respondents felt that the development of an M&E system would assist in ensuring transparency and accountability within and from the Department to other departments, institutions and civil society.</p>
Department of Housing and Local Government	<p>No M&E system exists.</p> <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	<p>While the Department does not have a dedicated section for monitoring and evaluation, it attempts to utilise staff in other positions to integrate monitoring into the daily tasks of management. The result of this is that there is a lack of uniformity in the quality of information from the regions.</p>
Office of the Premier	<p>Newly formed M&E Unit exists.</p> <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	<p>The M&E Unit has just two staff members who cannot cover all the M&E work in the Province. The focus is therefore on coordinating reports from other departments. The M&E Unit has targets at strategic, programme and project level, but does not have a framework or strategy. However, respondents felt that the strong support from DPSA, PSC and Presidential Offices provides a fertile environment in which the M&E Unit can grow.</p>
Provincial Treasury		The Department did not participate.
Department of Transport, Roads and Public Works		The Department did not participate.
Department of Social Services and Population Development		The Department did not participate.

5.7.3.3 ME&R as a mechanism for accountability

Within the Province, accountability occurs through *Izimbizo*, cluster meetings, the legislature's quarterly reports (and requests), and MEC meetings. Programme reports and reports on governance (like Batho Pele, PFMA) reflect a level of accountability to national oversight departments. At a provincial level, the progress reports on the PDGP strategies reflect accountability to the Office of the Premier.

One new development within the Department of Education has been the inclusion of organised labour in the development of the strategic plan for the Department. Respondents felt that this was one way of sharing information with stakeholders. For the Department of Housing and Local Government the following processes enable levels of accountability: HOD monthly meetings; the IDP forum (where political priorities

and development issues are interfaced) and Project Consolidate, which provides a platform for the sharing of information at different levels.

5.7.3.4 Indicators as an accountability mechanism

Table 19 below shows that two of the four departments participating in the study, have developed output indicators. The Department of Housing and Local Government has both output and outcome indicators.

Table 19: Northern Cape: Indicator development within the departments

DEPARTMENT	INDICATORS	EVIDENCE	COMMENT
Office of the Premier	Indicators have not yet been developed, since focus is on co-coordinating reports		
Housing and Local Government	Output and Outcome Indicators	Strategic Plan	The outcome indicators are those in.
Education	Output Indicators	Strategic Plan	None
Health	Output Indicators	Strategic Plan	None

5.7.4 Summary of the key findings

- On average the Province submits 54% of the 30 different reports that need to be submitted to various stakeholders.
- Clear roles and responsibilities on reporting exist.
- Reports are generally used for budget and expenditure monitoring, and policy and programme implementation.
- The Office of the Premier has a dedicated M&E Unit which focuses on co-coordinating reporting within the Province. For all departments, according to the interviewees the lack of staff and resources impedes uniformity of M&E.
- Accountability occurs through *Izimbizo*, cluster meetings, and quarterly reports for the legislature.
- All departments have historical data systems (like PERSAL). All departments have some level of MIS that is utilised for monitoring in a focused manner, though this is not sufficient to monitor or evaluate performance across the departments.
- The Departments of Education and Health have output indicators, while the Department of Housing and Local Government has output and outcome indicators. The Office of the Premier is in the process of developing these.

5.8 North West

5.8.1 Overview

5.8.1.1 Departments visited

Of the seven departments targeted for site visits, the following six departments participated in the audit: The

Office of the Premier, and the Departments of Education, Health, Public Works and Social Development.

The Department of Finance and Economic Development did not participate.

5.8.1.2 Facilitating and limiting factors

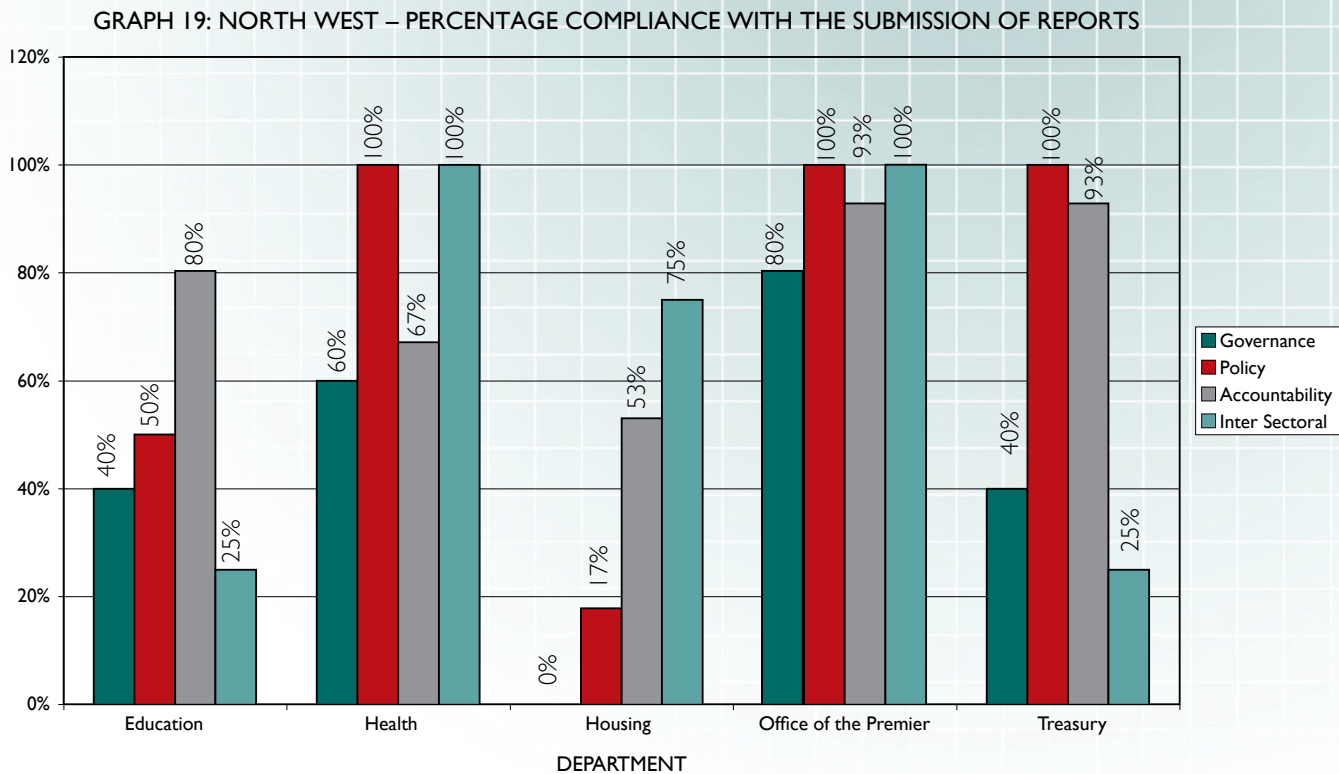
It was difficult to find an appropriate person to participate in the audit in some departments. In others, the level of participation varied in that the interviewees felt that they did not have sufficient knowledge to provide all the information required. Interviews with two departments (Developmental Local Government and Housing and Public Works) were interrupted and only the Department of Public Works completing the self-evaluation form. The Department of Developmental Local Government and Housing was therefore not included in the analysis due to insufficient data.

5.8.2 Reports

5.8.2.1 Compliance with reporting requirements

The study found that on average, the Province has submitted 71% of the thirty reports required by various stakeholders. A disaggregation of this information shows that the Office of the Premier submitted less than 40% of these reports. The Department with the best compliance was Public Works, which submitted 93% of the reports, followed by the Departments of Social Development (87%), Health (77%), and Education (57%). With regard to compliance in submitting reports on the four focus areas of accountability, governance, inter-sectoral matters, and policy, it was found that the Departments of Health, Public Works and Social Development submitted 100% of the reports on policy, whilst the Department of Education submitted 50% and the Office of the Premier only 17% – see **Graph 19**. The Departments of Health and Public Works also submitted 100% of the reports on inter-sectoral matters followed by the Office of the Premier (75%) and the Departments of Education and Social Development both with 25%.

The submission of reports on accountability by the Departments of Public Works and Social Development is substantially high at 93%, followed by the Departments of Education and Health and the Office of the Premier respectively with 80%, 67% and 43%. The Department of Public Works rated themselves at 80% for submitting reports on governance, followed by the Department of Health with 60%, whilst the Departments of Education and

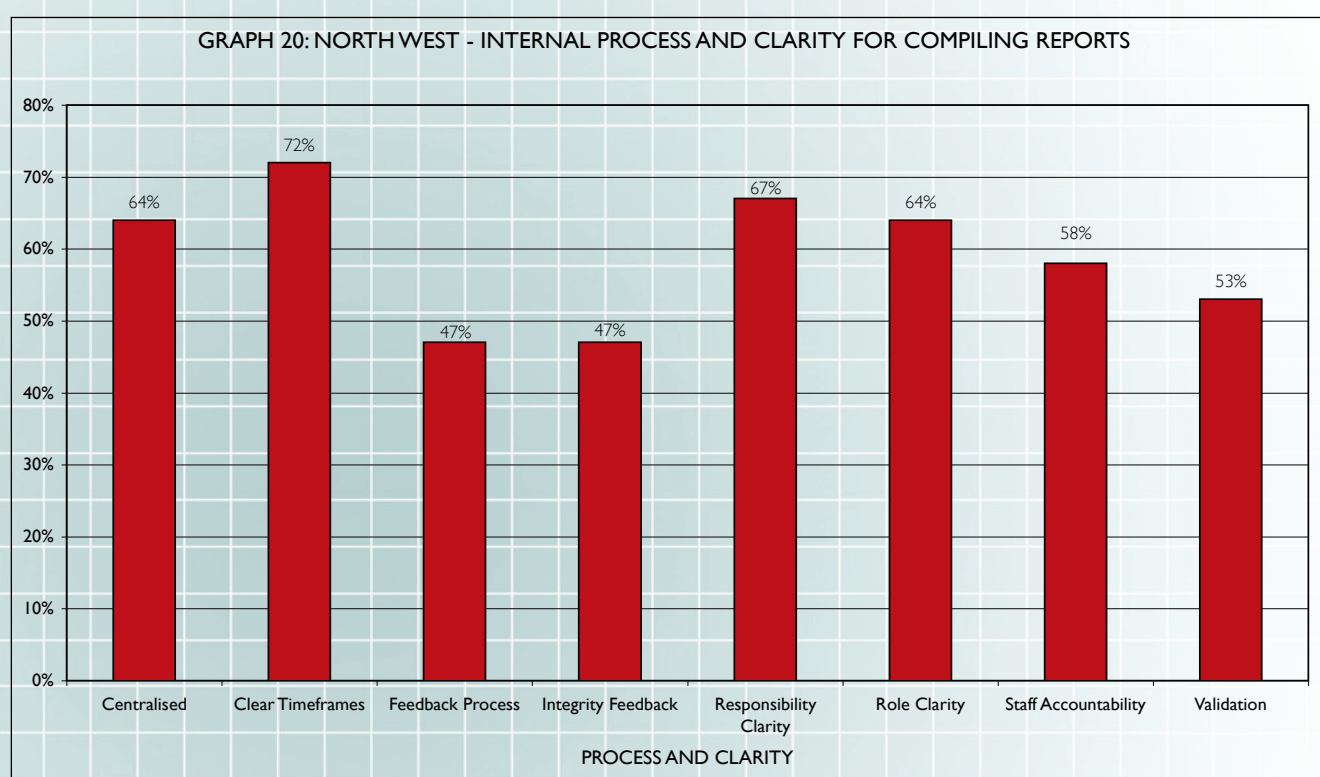


Social Development both rated themselves with 40%, and the Office of the Premier with 0%.

Over and above the standard reporting requirements, departments' ad hoc reports to other institutions such as Stats SA, Municipalities, Universities and the private sector. The Department of Social Development reports to two international bodies namely, the World Summit on Sustainable Development and the United Nations (Millennium Development Goals), for which they require reports from Community Based Organisations (CBO) and NGOs to which funding has been provided.

5.8.2.2 Internal process and clarity for compiling reports

Overall, the Province performed satisfactorily in terms of managing the compilation of reports, data validation (53%), provision of feedback on reports (47%) and integrity of data (47%) – **Graph 20** below. Incremental monthly reports contribute to quarterly reports which then form the basis for the annual reports.



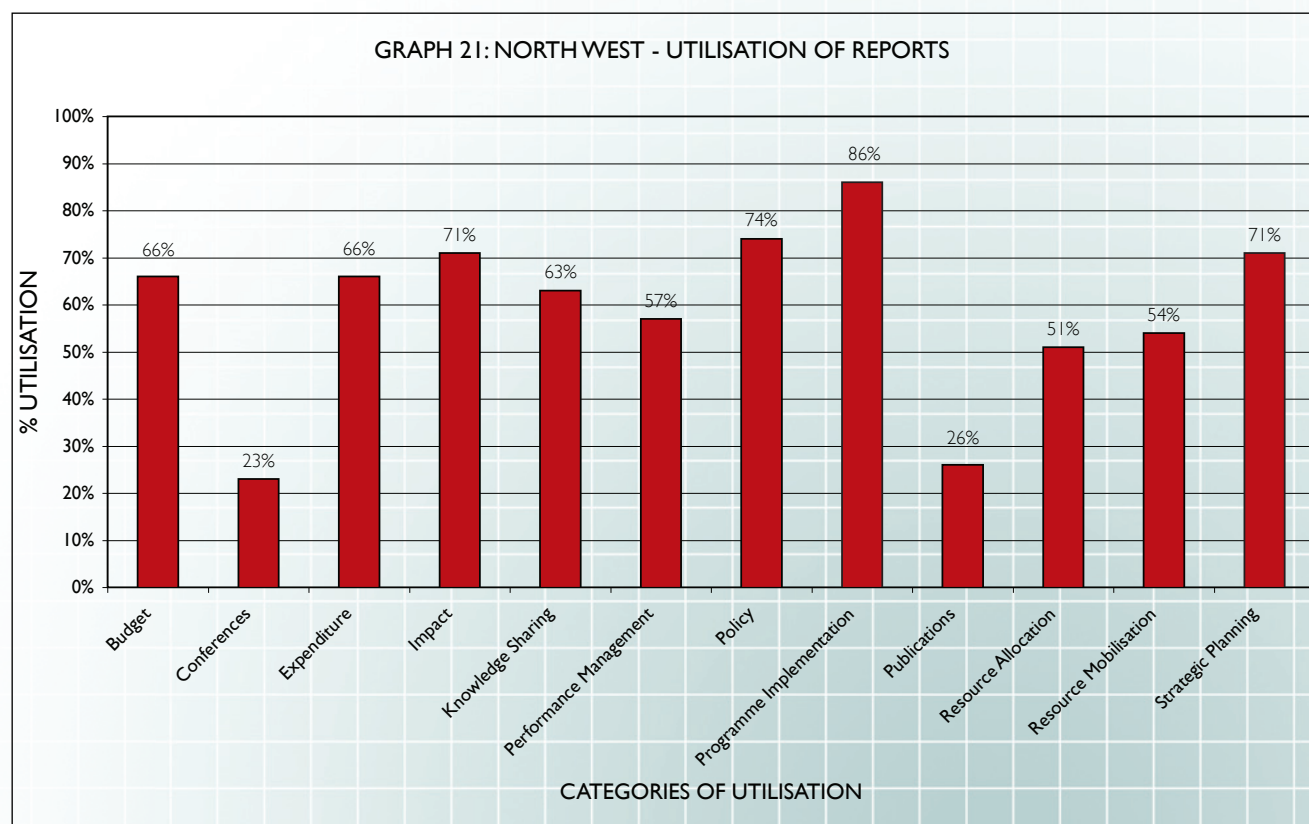
According to the Office of the Premier, as part of co-operative governance, departments generally generate reports in response to the requirements for compliance. The Office has developed and executed reporting frameworks for departments, provides support to departments by conducting workshops and training around reporting, and is in the process of developing a reporting framework for international mandates.

However, according to the interviewees the co-ordination of reporting within the Province has brought about many challenges, since there is apparently a lack of leadership with regard to information management, sharing of information across departments, and alignment amongst departments. In addition, there is apparently also a lack of capacity amongst officials to produce reports, as well as non-adherence to deadlines. There is consequently a strong recommendation for the development of capacity within departments to generate quality reports.

5.8.2.3 Utilisation of reports

Graph 21 below shows that reports are utilised extensively within the province. The bulk of reports are used for programme implementation (86%), policy tracking (74%), strategic planning (71%) and monitoring impact (71%).

For conferences (23%) and publications (26%), the utilisation of reports is reasonable. Even without formal ME&R systems, departments are conducting studies that seek to determine the impact of programmes.



For the Office of the Premier the focus of the feedback on the reports is on input and process rather than output and outcomes. The *Izimbizo*, where all departments participate, are considered a compliance function and are co-coordinated by the Office of the Premier. These are considered integral accountability mechanisms for citizens and stakeholders.

5.8.3 Monitoring and evaluation systems

5.8.3.1 M&E systems

The findings on ME&R Units and systems within participating provincial departments in the North West are summarised in **Table 20**:

Table 20: M&E Units and systems within participating departments in North West

DEPARTMENT	M&E UNITS AND SYSTEMS	COMMENTS
Department of Education		It is not clear what systems are been utilised by the Department.
Department of Finance and Economic Development		The Department did not participate.

DEPARTMENT	M&E UNITS AND SYSTEMS	COMMENTS
Department of Health	<p>A formal M&E Unit exists.</p> <p>Departmental specific system</p> <p>An M&E system exists</p>	<p>The M&E Unit is staffed and has been functioning for a year. It operates within a plan as well as established protocols.</p> <p>The M&E system is being utilised by all sections within the Department, with the Unit also providing support to senior management. The M&E system is directly linked to the strategic plan and informs planning, decision-making and the budget.</p>
Office of the Premier	A formal M&E Unit exists.	<p>The M&E Unit is staffed and has been functioning for between 1 and 2 years.</p> <p>A draft strategy exists that is aimed at aligning municipal and provincial deliverables. The strategy is, however, a reflection of the M&E Unit's understanding of M&E and is thus not representative of the entire department.</p> <p>It is not clear what systems are been utilised by the Department.</p>
Department of Public Works		It is not clear what systems are been utilised by the Department.
Department of Social Development	<p>No M&E Unit exists.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> Walker SOCPEN <p>General systems</p> <ul style="list-style-type: none"> PERSAL 	The Department conducts M&E informally since there is no specific unit or budget. However, the Department has intentions, following approval from the EXCO, of setting up an M&E Unit.

The Office of the Premier has instituted performance agreements (linked to the strategic plan) with departments as an accountability mechanism. For itself, it regards the Provincial Treasury reports as the ultimate accountability mechanism for expenditure against outputs. While all reporting is regarded as accountability mechanisms by the Department of Education, it is the reporting on whether and to what extent targets have been met that is considered the ultimate accountability mechanism.

5.8.3.2 Indicators as an accountability mechanism

Only the Premier's Office states clearly that it has indicators within its M&R system, but it is not clear at what level these indicators are developed – **Table 21** below.

Table 21: North West: Indicator development within the departments

Department	Indicators	Evidence	Comment
Office of the Premier	Sustainable development	None	Still in finalization phase.

5.8.4 Summary of the key findings

- The level of compliance with reporting requirements is fairly high within the Province, at an average of 71% of the identified reports required to be submitted to stakeholders.
- Reports are used extensively in the Province for programme implementation, policy, strategic planning and monitoring of impact.
- Both the Department of Health and the Office of the Premier have formal M&E Units, while the Department of Social Development conducts M&E informally without a budget specifically for ME&R.
- Within the Department of Health, cumulative accountability and reporting meetings support reporting. The Office of the Premier provides support to departments in developing M&E capacity and has developed and executed reporting frameworks for departments.
- Only the Office of the Premier states clearly that it has indicators (in its final developmental phase) within its M&E system. It is not clear at what level these indicators have been developed.

5.9 Western Cape

5.9.1 Overview

5.9.1.1 Departments visited

All seven departments targeted for site visits participated in the audit namely the Office of the Premier, the Provincial Treasury, and the Departments of Education, Health, Housing, Social Services and Poverty Alleviation, and Transport and Public Works.

5.9.1.2 Facilitating and limiting factors

Some Departments (Education, Social Services and Poverty Alleviation) and the Office of the Premier were able to provide substantially good overviews of the reporting requirements because the appropriate individuals met with the team.

In some instances, and because of time limitations, managers expressed a preference for completing the questionnaire rather than being interviewed. However, not all returned the completed questionnaire to the research team.

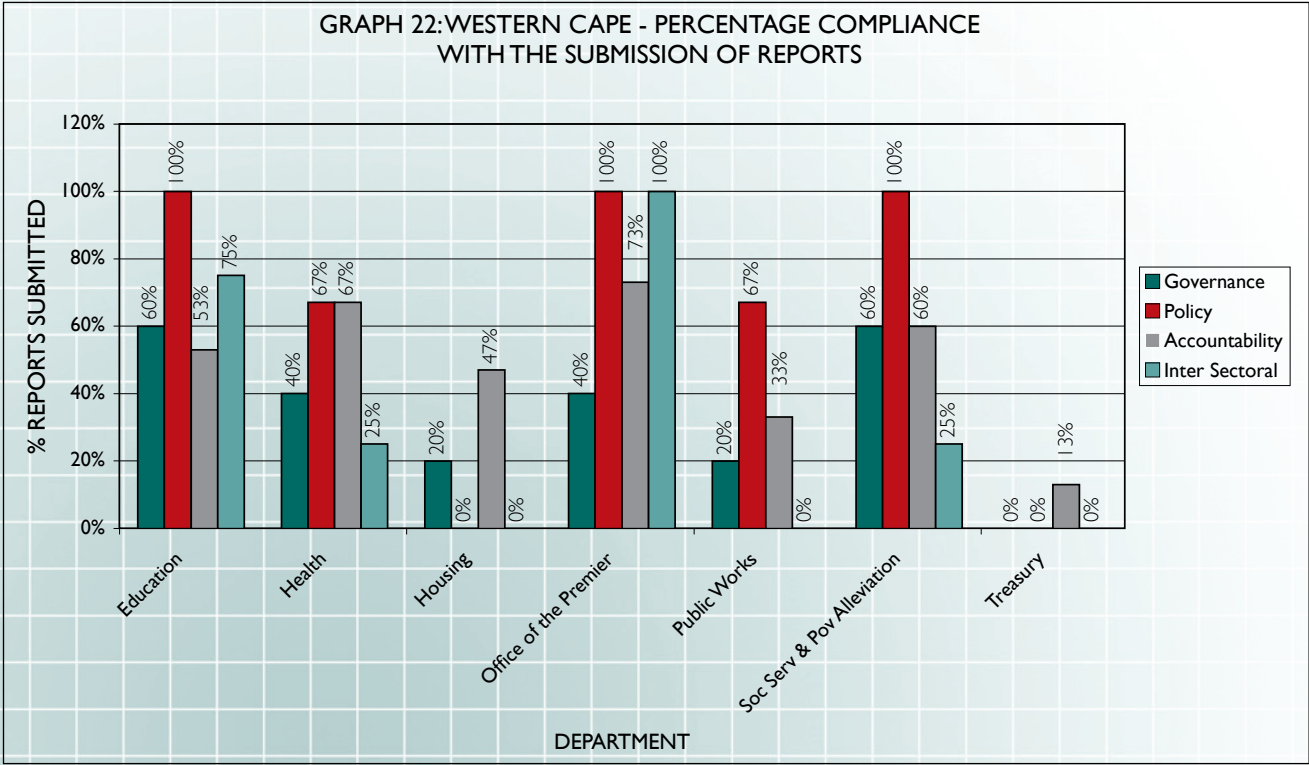
Because of the absence of a central repository of all reporting requirements, information provided by some of the Departments (in particular Health and the Provincial Treasury) reflected the individual interviewee's area of responsibility and not the entire department's, thus creating a skewed picture of the reports submitted.

5.9.2 Reports

5.9.2.1 Compliance with reporting requirements

The study found that on average, the Province has submitted 50% of the thirty reports required by various stakeholders. A disaggregation of this information shows that the Office of the Premier submitted 77% of the reports, followed by the Department of Education (67%), the Department of Social Services and Poverty Alleviation (63%), the Department of Health (57%), the Department of Housing (27%), and the Provincial Treasury (7%).

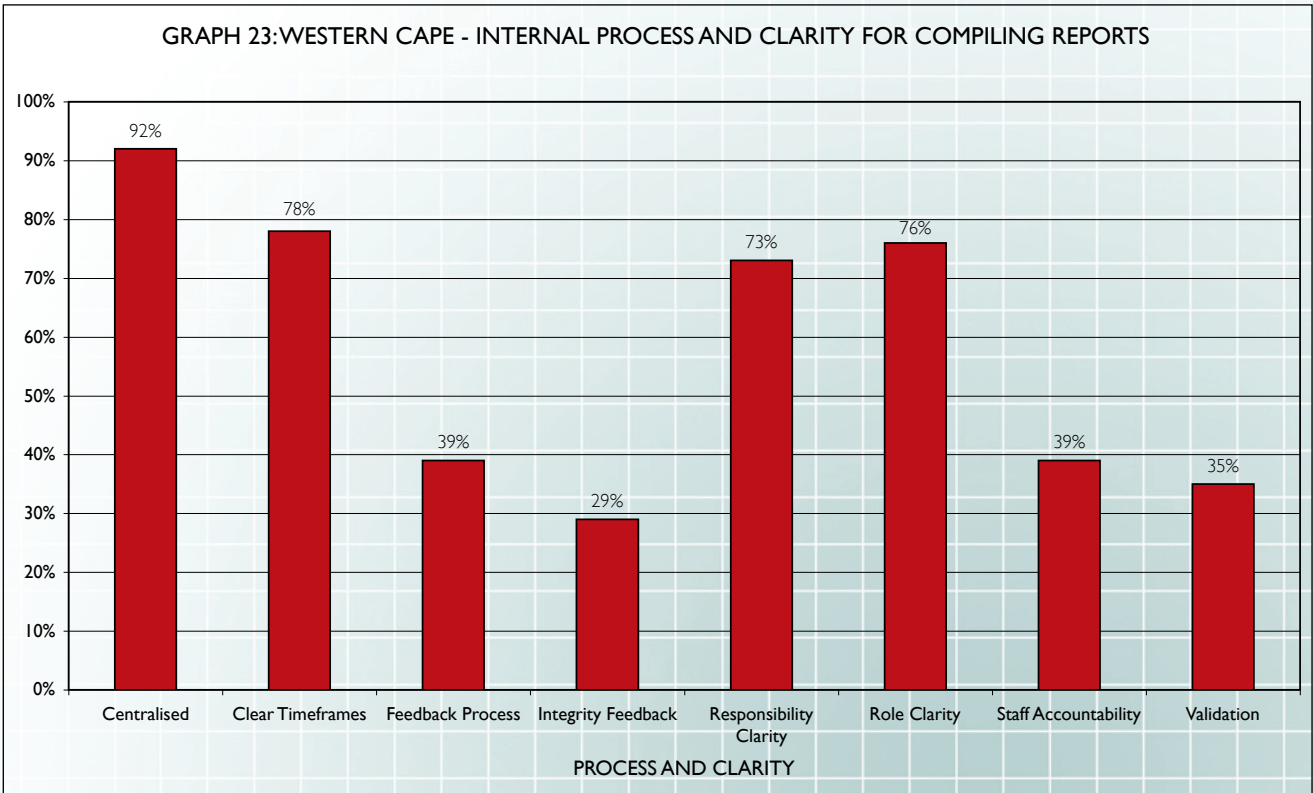
Graph 22 shows that compliance in submitting reports on the four focus areas of accountability, governance, inter-sectoral matters, and policy, leans mainly towards policy, with the Office of the Premier and the Departments of Education and Social Services and Poverty Alleviation submitting 100% of the reports in this focus area, followed by the Department of Health with 67% and the Provincial Treasury with 0%. The Submission of reports on inter-sectoral matters varies between 100% (Office of the Premier) and 0% (both the Provincial Treasury and the Department of Public Works).



The Departments of Education submitted 75% of the reports on inter-sectoral matters followed by the Departments of Health and Social Services and Poverty Alleviation both with 25%. Governance reporting, as the graph shows, is rather jagged within departments varying substantially, namely. 60% for both the Departments of Education and Social Services and Poverty Alleviation, 40% for both the Department of Health and the Office of the Premier, 20% for both the Departments of Housing and Public Works and 0% for the Provincial Treasury. Provincial Treasury focuses on its demands on departments, hence the low rating in submitting reports on the four focus areas. The Department of Housing could not provide information on its reporting.

5.9.2.2 Internal process and clarity for compiling reports

The Department of Health is the only department that is in the process of following through the entire process (as outlined in **Graph 23** below) of internal processes for compiling reports.



The Department has developed a template outlining all the reporting requirements, including the types of information required, the frequency of reporting and to whom the reports it must be submitted. Capacity amongst officials to understand the monitoring process is through in the monthly meetings where decisions are made on corrective action to be taken.

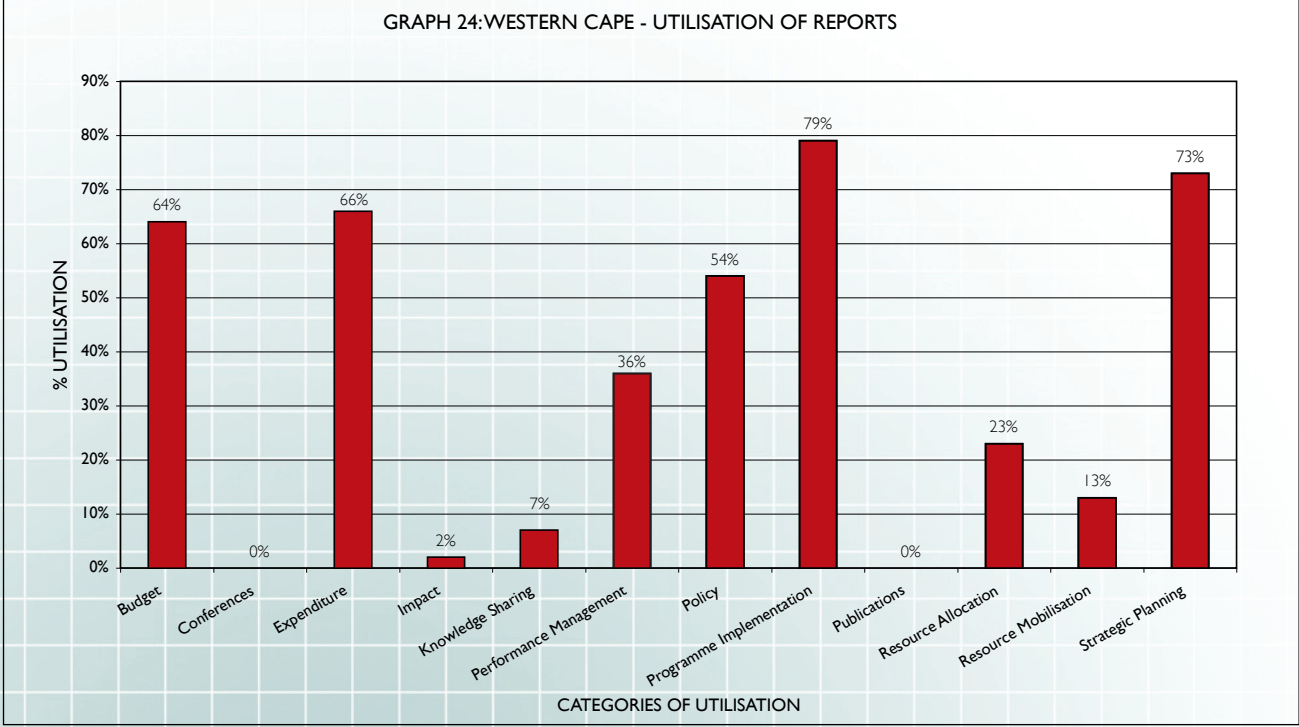
The compilation of reports (**Graph 23** above) is rated high by most departments with regard to clarity of roles (76%), responsibilities (76%) and time frames (78%). In comparison, accountability (39%), feedback (39%), and validation (35%) are low, with just Education and Social Development attempting to validate information.

Generally, the Provincial Treasury reports are compiled by the CFOs of line departments while programme reports are compiled by programme managers and tracked through weekly and monthly meetings. Centralisation is more often than not linked to purpose and access to information. The majority of reporting by the Provincial Treasury focuses on providing information to the Office of the Premier and National Treasury. The Department spends a lot of time and effort requesting, compiling and submitting reports, but does not have the capacity to validate the quality of the data it receives. Ad hoc reports are delegated to officials who may have the most knowledge about the particular topics. Authorisation for the release of such reports also varies depending on the nature of the request and the audience for whom it is intended.

Since there are no feedback loops from the various departments and institutions that request reports, there is a general sense that reports are not used but are merely compliance mechanisms.

5.9.2.3 Utilisation of reports

Graph 24 shows that reports in the Province are used mostly for programme implementation (75%) and strategic planning (73%). Following closely is utilisation in terms of expenditure monitoring (66%) and budget accountability (64%) – which is reflective of the Provincial Treasury’s requirements.



The results from respondents indicated that reports are also used for policy monitoring (54%), performance management (36%), resource allocation (23%), resource mobilisation (13%), knowledge sharing (7%) and impact assessment (2%). The findings reflect a trend that is common in all provinces in terms of the low level of utilisation of reports for knowledge sharing and impact assessment.

In addition to reports that are received from other departments, the ME&R Directorate within Social Services and Poverty Alleviation also utilises reports it receives from districts, CBOs and NGOs extensively, for risk management. These reports provide pertinent information on progress, performance, expenditure and the reaching of targets.

Officials from the Department of Education say that reports for the Legislature are used extensively. This view is held because reports are interrogated intensively, questions are raised about the content of the reports and feedback is provided to the Department on the reports. This approach seems to be linked to the need for members of the legislature to prepare themselves to respond to questions or queries from their constituencies.

The Department of Health has embarked on an initiative which aims to ensure that information within reports becomes more useful, thus changing the view that it is just an add-on or a compliance issue. As part of the initiative, reports are used for weekly directorate meetings and organisational monthly and quarterly meetings.

Within the Department of Housing, reports are used mainly for compliance. They are generally not used in an integrated way for analysis of impact.

Reports for the EPWP are used extensively within the Public Works Departments. There is a perception that the reports are simply completed as compliance measures and that they do not seem to serve any other purpose. In addition, the Department reports regularly to other departments on relevant public works matters given that risks, challenges and subsequent delays have the possibility of impacting on line departments.

For the Provincial Treasury, reports are used to track expenditure and link this to performance management of the provincial departments.

5.9.3 Monitoring and evaluation systems

5.9.3.1 M&E systems

The findings on M&E Units and systems within participating provincial departments in the WC are summarised in **Table 22** below

Table 22: M&E Units and systems within participating departments in the WC

Department	M&E Unit	Comments
Department of Education	<p>No M&E Unit exists.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • EMIS • Access (a Microsoft programme) • Oracle • Educ. <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	<p>The Department did appoint a director responsible for quality assurance, who will structure the M&E within a philosophy of whole school development. The Department is essentially at a nascent stage in the development of an M&E system. It utilises and sources budget, GIS, output, outcome and impact data, which sets a good foundation for monitoring through surveys.</p>
Department of Health	<p>No M&E Unit exists.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • Business Intelligence (BI) • HIS (patient information) • Sinjani <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	<p>The Department did set up an M&E Committee chaired by the HOD. At this initial stage, the function of the Committee is mainly around centralising reporting requirements and information management systems. The latter will form the basis for effective and efficient management of information that will in turn ensure reliable and quality data for monitoring and evaluation.</p>
Department of Housing	<p>No M&E Unit exists.</p> <p>Departmental specific systems</p> <ul style="list-style-type: none"> • Housing Subsidy database <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	<p>The Department did indicate that the organisation has the capacity and the political will to start and sustain M&E practice.</p>
Office of the Premier	<p>No M&E Unit exists.</p> <ul style="list-style-type: none"> • An M&E system called the Office of the Premier's Western Cape Government Monitoring and Evaluation System started in November 2004. <p>General systems</p> <ul style="list-style-type: none"> • BAS • PERSAL 	<p>The M&E system is intended as a transversal system across the Province. The aim of the system is to "monitor government performance via a set of measurable indicators in order to assess progress towards an agreed upon set of outcomes relating to strategic and policy objectives, and to enable remedial steps to be taken where necessary to ensure that implementation matches policy."</p>

Department	M&E Unit	Comments
Provincial Treasury,	No M&E Unit exists. General systems <ul style="list-style-type: none"> BAS PERSAL 	The department sees its mandate being about setting up processes and procedures to monitor financial expenditure against performance strategic plans as compliance measures rather than the measurement of outcomes and impact. Within its role as a monitoring 'watchdog', it has a reporting plan and reporting protocols.
Department of Transport and Public Works	No M&E Unit exists. General systems <ul style="list-style-type: none"> BAS PERSAL 	The Minister did set up a Ministerial M&E Committee whose task is to monitor (externally) and be the body of complaints for the public for the Preferential Procurement Implementation Plan of the Department. Public Works has a project management system specifically for the Expanded Works Programme, which acts as a monitoring tool and mechanism.
Department of Social Services and Poverty Alleviation	Formal structured M&E Unit exists. General systems BAS PERSAL MIS	The M&E Unit has personnel, a budget and physical resources. The M&E Unit was established in response to the need to optimally manage the disbursement of funds. It provides strategic direction, support and guidance through the development of an M&E framework. The framework includes a conceptual framework, an M&E strategy, M&E protocols, tools and mechanisms, skills development (for 6 weeks per annum), quality assurance, feedback of the process and outputs of the monitoring.

The information technology functions are centralised and managed by CEI (Centre for E-Innovation).

5.9.3.2 ME&R as an accountability mechanism

The Department of Social Services and Poverty Alleviation accounts formally through reports to Provincial Treasury, the Auditor-General; inter-sectoral forums such as the Social Cluster; and cross-cutting programmes such as the EPWP.

The Department of Health reports to stakeholders through the annual report, the Office of the Premier's *Izimbizo*, and the Budget Vote Speech.

The Department of Education accounts on its activities in reports to School Governing Body Associations, Provincial Education Labour Relations forums, the Public Service Commission and the DPSA. It also conducts a yearly road show where it shares information on trends and policies.

For the Department of Housing, reports to stakeholders occur through the partnerships with NGOs, Local Government, Legislature, *Izimbizo* and annual reports posted on the website.

For the Provincial Treasury, Annual Reports are distributed through public and university libraries.

The Office of the Premier is not at the level where the M&E system is utilised as an accountability mechanism, though it is in the process of setting this up.

5.9.3.3 Indicators as an accountability mechanism

Table 23 below shows that five of the seven departments participating in the study have developed output indicators. The Office of the Premier and the Department of Social Services and Poverty Alleviation are in the process of developing input, output and impact indicators.

Table 23 Western Cape: Indicator development within the departments

DEPARTMENT	INDICATORS	EVIDENCE	COMMENT
Social Services and Poverty Alleviation	Input, process, output and impact.	Strategies, reports.	None
Education	Output	Strategic Plan	None
Housing	Output	Strategic Plan	None
Public Works	Output	Strategic Plan	None
Treasury	Output	Strategic Plan	None
Office of the Premier	Input, process, output and impact.	None	In the process of refining this indicator at all levels.
Health	Output	Strategic Plan	None

5.9.4 Summary of the key findings

- On average the Province submits 50% of the identified reports required by stakeholders. The level of meeting reporting requirements varies substantially from one department to another.
- The Department of Social Services and Poverty Alleviation is the only one with a formal M&E unit.
- Reports form a major part of the accountability structure.
- Most of the departments have output indicators with only the Office of the Premier and the Department of Social Services and Poverty Alleviation developing input, output and impact indicators.

Chapter Six

Synthesis of the findings

6.1 Reporting

6.1.1 Compliance with reporting requirements

National departments were generally able to provide an overview of the reporting requirements that they have to meet. However, with the exception of the Annual Reports, few of the provincial departments could provide such an overview. This seeming lack of knowledge could be attributed to officials with inappropriate experience and knowledge. Where a province/department was prepared for the audit and made the suitable officials available for the interviews, a more comprehensive picture emerged.

None of the departments appear to satisfy all the reporting demands placed on them, with compliance levels ranging from 27% (Mpumalanga) to 71% (North West). In many, but not all instances, there was a high correlation between the level (management) and the depth of knowledge that the person carries about reporting. The more senior an individual the better able they were to provide a good overview of the reporting and compliance requirements within the departments.

Provincial departments complained frequently about duplication of reporting demands from various departments and agencies, as well as from different sections within one department. The burden this place on officials to fulfil these demands often creates reporting fatigue.

While all departments are inundated with ad hoc reports, over which they have no control, departments do not have a tracking system for these reports, nor do they analyse the frequency or the type of data required.

Reporting is mainly driven by the requirements of Provincial and National Treasury, and in these cases, reporting is managed by the CFO. Other reports for other demands are most often driven and compiled by programme managers or knowledgeable officials within departments. Since many people contribute to reports, the end result is often not shared with or seen by the officials.

6.1.2 Internal process and clarity for compiling reports

In all departments the view expressed was that Annual Reports are derived from incremental monthly and quarterly reports, and are most often compiled centrally. For most other reports, a central system does not exist. In the rare cases where reports are coordinated by one central section, officials are not in a position to analyse, validate or provide feedback because of the pressure of delivery and the lack of human resources or skills to do this.

Since reports are mainly driven by compliance demands, the process of compiling reports is identified as a priority by departments. However, with the shortage of (skilled) staff and resources, departments say that they are generally unable to establish the accuracy, reliability and validity of information they receive. In addition, reports are not always written to meet the different needs of different stakeholders. For example, a number of reports comprise a response to questions rather than an analysis to adequately address the needs of the requesting stakeholder, and an interrogation of how the information requested can also be used internally.

Reporting is a crucial part of the feedback loop within the monitoring and evaluation system, yet it is rare for departments to strategically link all reporting requirements to facilitate coordinated monitoring and data collection, and finally to streamline reporting.

The implication of the above is that departments do not have a comprehensive overview of all reporting requirements nor of the extent to which they comply with the reporting requirements. The audit findings do not therefore reflect a realistic picture of the demand and supply of reports, but rather the extent to which reporting is done albeit in isolated pockets.

6.1.3 Utilisation of Reports

The utilisation of reports within national departments varies according to the purpose of the reports. Generally, reports are used for the following: budget accountability, expenditure monitoring, tracking policy implementation, monitoring programme implementation, resource allocation, resource mobilisation, performance management, strategic planning, measuring impact, knowledge sharing, conferences and publications.

Within provincial departments reports are generally used for the following: budget accountability, expenditure monitoring, tracking policy implementation, monitoring programme implementation, resource allocation, resource mobilisation, performance management and strategic planning. Utilisation for results, outcomes and impact are rare amongst departments and so is knowledge sharing. Utilisation of reports for purposes of conferences and publications do not feature strongly.

Provinces are generally not aware of how the reports they submit at national level are being utilised. In this regard, there is a pervasive view that reports are mainly used for compliance purposes since there is not much awareness of what the national departments actually use the reports for. In addition, the fact that provinces do not always receive any feedback on the reports fuels this view.

Some departments utilise the reports for comparative analysis against achievements as a means to provide early warning signals for areas that require intervention. Timely intervention ensures improved performance and service delivery by departments.

6.2 Monitoring and evaluation systems

6.2.1 M&E Systems

The way the concepts of monitoring and evaluation are understood differs from department to department. These are separate, but distinctly linked functions and processes that are often initiated for different purposes, thus providing different types of results. In the Public Service it seems as though the two functions are linked to varying degrees. While monitoring remains a management function for programmes and projects, efforts are being made to coordinate evaluation since the results tend to contribute to showing the success, efficiency, and effectiveness of programmes and projects.

Most departments have existing M&E units or are in the process of establishing such units. In some cases, the roles of M&E are integrated across programmes and clusters and linked to the strategic plan. This latter aspect is also present in several provincial departments. However, there are no clear patterns about how M&E systems are developing nationally and within the provinces. It is clear that pockets of systems and practices are emerging in different ways and at different frequencies. Some departments undertake monitoring and evaluation even with the absence of a formal unit, while there are cases where units exist but no systems are in place to support them. Generally a unit, structure and status provide a good start, but political and senior management support is also required for it to be successful. It is important that the M&E strategy is integrated into the departments so that an M&E culture is developed.

Existing M&E systems or units often do not have adequate and skilled staff, resources, budget and infrastructure. They are challenged to integrate M&E and Management Information Systems (in themselves, inadequate for effective M&E), and at the same time, create an evaluation culture amongst diverse groups. Technical assistance, acknowledgement, support and collaborative efforts would be of use in assisting these units to become effective and efficient.

6.2.2 ME&R as an accountability mechanism

Amongst both national and provincial departments, there is general consensus that reports, public outreach programmes, social partners, and collaborative projects with departments and donors, communication and media strategies, forums for peer review and responses to public requests act as accountability mechanisms. Provinces also cite the budget speech as a mechanism for measuring progress.

For ME&R to serve as an effective accountability mechanism, the quality of information it provides should be good. Such quality seems to remain a challenge because of the competing reporting demands placed on departments, the inability to always validate data, and the less than optimal functioning of Management Information Systems.

6.2.3 Indicators as an accountability mechanism

Indicators serve as an important measurement tool to determine whether progress is being made on programmes/projects, and the success of these in terms of meeting the objectives. It was, however, found that departments generally do not have input, outcome, process and impact indicators. The implication of the absence of indicators is that departments will not be able to adequately measure their performance, and as a result will not be able to give an account of their achievements.

6.3 Reporting co-ordination by departments

Departments do not generally have a reporting repository, nor are all reports co-ordinated centrally within departments. What this means is that the knowledge of what information is gathered for different reports has been hard to establish. Generally, officials are aware of the reports they contribute to, rather than the reports submitted by the departments as a whole.

Reporting is largely not seen as an integral part of the work of departments. Instead it is more often than not considered as an 'add-on'. Reports are seen to meet the needs and requirements of other departments and stakeholders 'out there', an activity that diverts the focus of public servants away from the core of their work, namely to deliver services to the citizens.

The most frequent complaint about reporting from provincial departments has been that reporting demands are more often than not a duplication of information in varying forms, couched in different templates and required at different frequencies.

In some instances, officials provided templates of some of the reports, but since these focused mainly on the Treasury requirements, one could not establish the level of duplication of information demands, and the concentrated periods when the frequency of these demands is high. This is why it is absolutely essential that departments develop a comprehensive picture of the reporting requirements they need to fulfil in order to structure, co-ordinate and streamline their reporting.

10 An example is that different departments request the same information in different numerical formats; like decimals, ratio's, numbers or percentages.

Chapter Seven

Conclusions and Recommendations

7.1 Conclusion

Monitoring, reporting and evaluation are core functions of all public servants, with increasing responsibilities being placed on managers and political leaders to fulfill promises made to citizens. Increasingly, government departments are establishing units to coordinate monitoring and evaluation activities.

Beyond the technicalities of ME&R as a discipline, government is committed to developmental goals that, as enshrined in the South African Constitution, aim to ensure that the ordinary citizen has access to basic services. ME&R has the potential to become the tool through which the achievements, progress and challenges within the public sector are being tracked and improved on. In addition, ME&R provide an important basis for the Public Service to account to Parliament and the public, and by so doing build public confidence in its programmes and integrity.

There is no doubt therefore, that monitoring, evaluation and reporting should receive attention, support and resources, since the results of these processes provide evidence for decision-making that will improve service delivery and ultimately contribute positively towards the quality of lives of ordinary people.

7.2 Recommendations

7.2.1 Reports

7.2.1.1 Compliance with the submission of reports

The most frequent complaint about reporting from provincial departments has been that reporting demands are more often than not a duplication of information in varying forms. In curbing this situation it is recommended that:

- The DPSA and National Treasury as co-ordinating departments should lead a process of streamlining reporting requirements and formats to ensure that the departments are not burdened with too many requests for reporting data.
- Departments should put in place mechanisms to track and co-ordinate ad-hoc requests for information to ensure that these are dealt with efficiently. Such requests also need to be monitored to ensure that their magnitude and frequency do not end up overwhelming departments.

7.2.1.2 Internal processes and clarity for compiling reports

Within the Public Service, reporting is one of the main instruments of accountability on the utilisation of financial and human resources. It also serves as an accountability mechanism on the achievements of objectives. Reports are furthermore an important source to obtain feedback information for ongoing management of the implementation and delivery process, for day-to-day interventions and adjustments, and of learning that should occur on individual, programme and organisational levels. The writing of reports requires substantial skills in terms of understanding the hidden motivation for requests, collecting the necessary valid information and writing up the report.

The process of data collection, verification and analysis needs therefore to be improved since it is generally weak within departments. Thought should be given to how capacity for these processes could be enhanced.

Given the importance of reports in the feedback loop, the need to strategically link all reporting requirements to facilitate the process is also needed.

7.2.1.3 Utilisation of reports

Reports are generally used for compliance but an effort should be made to ensure that they are also integrated into the decision-making process of departments. For this to be achieved, ME&R should as far as possible address other aspects of performance such as outcomes and impact.

National departments should ensure that provinces are informed as to the purpose of reports requested and also how these reports impact (or not) on the strategic objectives of the National agenda. This would both assist in motivating provincial departments to respond to reporting demands, as well as complete the feedback loop.

7.2.2 M&E systems

Currently, a number of M&E systems are developing across the country. While a central M&E unit does go a long way to streamline access to data and information it does not solve all the problems that departments face such as lack of staff (skilled or trained), resources (finances, technology), and motivation (will to improve) and outdated MIS systems. Although it is unlikely that these systems can be centralised, there is a need to:

- Facilitate the formation of M&E units
- Strengthen, coordinate, streamline and connect these systems across themes, domains, demands and priority areas within a common framework.
- Develop M&E frameworks that will ensure uniformity of purpose amongst government departments.
- National Government needs to provide assistance to provinces to develop their capacity for monitoring and evaluation.

7.2.2.1 ME&R as an accountability mechanism

Although there is a general consensus that reports, public outreach programmes, social partners, and collaborative projects with departments and donors, communication and media strategies, forums for peer review and responses to public requests act as accountability mechanisms, not all departments use these mechanisms. Accountability systems used presently are outdated and often requires manual search for information and data. In order to address these departments need to consistently focus on both developing and using accountability mechanisms, and improve substantially on their Management Information Systems for ME&R.

7.2.2.2 Indicators as an accountability mechanisms

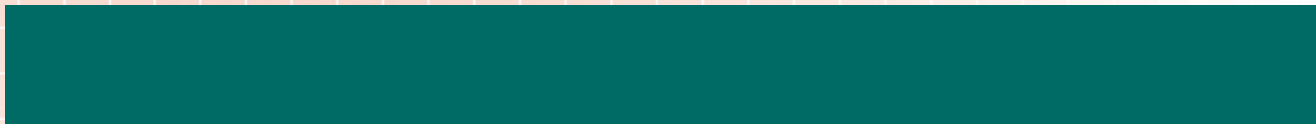
Very few of the departments have the full range of indicators as required by the Public Finance Management Act 1999, Act No. 1 of 1999 (as amended). As a result departments are unable to measure their performance and give account of their achievements.

It is therefore recommended that National Treasury develops a guideline on how to formulate indicators and provide the necessary training to officials in this regard.



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