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**Standard Operating Procedure for the Collection, Collation,
Verification and Validation of Subsidy Performance
Information**

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Purpose of this document

This document is part of a standardised system of managing programme performance information in the Department.

Revision History

Version	Date	Summary of Changes
Version 1	15/10/2020	Submitted for Approval by HOD

Signature

Date

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Contents

Part 1: Introduction	4
Part 2: Overview of Roles and Responsibilities	5
Chief Directors: Social Welfare and Restorative Service, and Children, Families and ECD, Community	5
Chief Directorate Office Manager or delegate	5
Programme Directors/Budget Holders	5
Programme Managers	5
Deputy Director: Monitoring and Reporting in the Directorate: Business Planning and Monitoring	5
Deputy Director: Management Accounting	5
Assistant Director: Management Accounting	5
Budget Coordinator/State Accountant	5
Part 3: Process for the collection, collation, verification and validation of subsidy performance information	6
Appendix A: Subsidy indicator Expenditure Grid	10

Part 1: Introduction

The preparation of the Department's Annual Performance Plan includes the identification and development of Strategic Objectives/Outcomes, Strategic Objective/Outcome Indicators, and Performance/Output Indicators. The Department's service delivery units (programmes, regions and facilities) commit themselves to targets to be achieved per indicator in their Operational Plans for the year. Funded NPOs deliver services that directly contribute towards target attainment. To this end, individual NPO targets are included in the Transfer Payment Agreements between the NPO and the Department.

Indicators reporting subsidies paid to NPO for services rendered were introduced in the 2020/21 Annual Performance Plan. These indicators are proxies for beds or persons subsidised. These indicators are listed below.

Ind No.	Output Indicator	Reporting period
2.2.1.1	Number of subsidised beds in residential care facilities for Older Persons.	Monthly
2.2.1.2	Number of subsidies transferred to community-based care and support services for Older Persons.	Monthly
2.2.1.3	Number of subsidised beds in assisted and independent living facilities for Older Persons.	Monthly
2.3.1.1	Number of subsidised beds in funded NPO residential care facilities for Persons with Disabilities.	Monthly
2.3.1.3	Number of subsidies transferred to protective workshops providing services to Persons with Disabilities.	Monthly
2.3.1.4	Number of subsidies transferred to community-based day care centres for Persons with Disabilities.	Monthly
3.2.1.2	Number of subsidised beds in shelters for homeless adults.	Monthly
3.4.1.1	Number of subsidies transferred to ECD facilities to provide ECD services to young children.	Monthly
3.4.1.3	Number of subsidies transferred to ASC facilities to provide services to children.	Monthly

Performance information for these indicators are verified utilising the Basic Accounting System. This document aims to provides an outline of the process for the collection, collation, verification and validation of subsidy performance indicators.

Scope of this document

The processes described in this document apply to the quarterly and annual reporting of subsidy indicators, where the data collected for subsidies paid to NPOs are verified utilising the Basic Accounting System.

It does not cover the selection of indicators or target setting per indicator and nor does not apply to other (operational) information collected and used within the Department.

Part 2: Overview of Roles and Responsibilities

Hereunder are the roles and responsibilities of officials within the DSD as it relates to the collection, collation, verification, validation and reporting of subsidy performance information.

Designation	Roles and Responsibilities
Chief Directors (CDs): Social Welfare and Restorative Service Children, Families and ECD	<ul style="list-style-type: none"> Assess the subsidy performance information, including the reasons for variance between planned and achieved targets certifies it as reliable once s/he has received comment on the reasons for variance and the accuracy and completeness of the performance information per indicator from the Director: Business Planning and Monitoring and/or her/his delegate, the Deputy Director: Monitoring and Reporting. Ensure that Reporting specifications and dates are adhered to.
Chief Directorate Office Manager or delegate	<ul style="list-style-type: none"> Submit the certified subsidy performance information to the Deputy Director: Business Planning and Monitoring and her/his delegate, the Deputy Director: Monitoring and Reporting Ensure that Reporting dates are adhered to.
Programme Directors/Budget Holders	<ul style="list-style-type: none"> Approve monthly subsidy indicator expenditure grid and submit to the Deputy Director: Monitoring and Reporting and Deputy Director: Finance. Submit quarterly programme non-financial performance information grid signed by Programme Manager and Programme Director to Chief Director and Chief Directorate Office Manager or delegate
Programme Managers	<ul style="list-style-type: none"> Validate monthly subsidy performance information. Submit monthly subsidy indicator expenditure grid to Programme Director for approval.
Deputy Director: Monitoring and Reporting in the Directorate: Business Planning and Monitoring (DD: M&R: BP&M)	<ul style="list-style-type: none"> Capture subsidy indicator performance information on eQPRS.
Deputy Director: Management Accounting (DD: MA)	<ul style="list-style-type: none"> Prepare a subsidy indicator expenditure grid for each subsidy-related indicator annually, revised in-year if required. Verify and approve monthly subsidy indicator expenditure grid. Certify and submit the completed monthly indicator expenditure grid to responsible PM for verification.
Assistant Director: Management Accounting (ASD:MA)	<ul style="list-style-type: none"> Verify information in subsidy indicator expenditure grid.
Budget Coordinator/State Accountant	<ul style="list-style-type: none"> Populate/compile subsidy indicator expenditure grid. Compile and submit monthly subsidy indicator expenditure grid to DD Finance.

Part 3: Process for the collection, collation, verification and validation of subsidy performance information

OUTPUT	ACTIVITIES	STANDARD	TIME FRAME	RESPONSIBILITY
Populated expenditure grids for all subsidy indicator performance information	Prepare a subsidy indicator expenditure grid for each subsidy indicator listed above	Each subsidy indicator expenditure grid must contain the following column headings: <ol style="list-style-type: none"> 1. Number list 2. Organisation/NPO name 3. C-Code 4. Allocation as per the appraisal grid 5. Target of subsidies to be paid as per the appraisal grid 6. Expenditure per month for the financial year 7. Total Expenditure for the quarter 8. Over/Under expenditure per quarter for the financial year 9. Comments/Reason(s) for over/under expenditure per quarter 10. Actual number of subsidies/bed spaces paid per month 	Annually	DD: MA
	Capture information in following columns in the subsidy indicator expenditure grid: <ol style="list-style-type: none"> 1. Number list 2. Organisation/NPO name 3. C-Code 4. Allocation as per the appraisal grid 5. Target of subsidies to be paid as per the appraisal grid 	Each subsidy indicator expenditure grid contains data consistent with the approved grid.	Within the first month of the financial year, and subsequent supplementary submissions approved by the Accounting Officer and MEC	Budget Coordinator/State Accountant: Populate/compile subsidy indicator expenditure grid

Standard Operating Procedures for the Collection, Collation, Verification and Validation of Subsidy Performance Information

OUTPUT	ACTIVITIES	STANDARD	TIME FRAME	RESPONSIBILITY
	Verify and approve information captured in the subsidy indicator expenditure grid.	Information captured is verified using approved funding grid		ASD: MA: Verify information in subsidy indicator expenditure grid
Populated subsidy indicator expenditure grid	<p>Populate the following columns, sign and submit the subsidy indicator expenditure grid to the DD Finance:</p> <ol style="list-style-type: none"> 6. Expenditure per month for the financial year 7. Total Expenditure for the quarter 8. Over/Under expenditure per quarter for the financial year 9. Comments/Reason(s) for over/under expenditure per quarter 10. Actual number of subsidies/bed spaces paid per month 	Data is captured using BAS report of the preceding month and payment activation sheet/list	Monthly, by no later than the 21 st of the month	Budget coordinator/State accountant: Compile, sign and submit monthly subsidy indicator expenditure grid to DD Finance
	Verify and approve expenditure data captured in the subsidy indicator expenditure grid and submit to responsible Programme Manager for validation.	<p>Information captured is verified using BAS report of preceding month and payment activation sheet/list.</p> <p>Each subsidy indicator expenditure grid contains the verified budget information and subsidies paid, identify variations.</p>	Monthly, by no later than the 21 st of the month	<p>DD: MA: Verify and approve monthly subsidy indicator expenditure grid.</p> <p>DD: MA: Submit monthly subsidy indicator expenditure grid and payment activation sheet/list to Programme Manager.</p>
Approved monthly subsidy indicator expenditure grid submitted to M&R and Finance.	Validate the information in the subsidy indicator expenditure grid, capture reason(s) for deviation and submit to Programme Director for approval	<p>Validation includes:</p> <ol style="list-style-type: none"> 1. Validating that all the NPOs contributing to the indicator have been included – the set of NPOs are complete 2. Verifying the allocations and number of subsidies per NPO 	By 23 rd of the month in which the subsidy indicator expenditure grid was provided to the Programme Manager	<p>Programme Manager/Budget Holder: Validation of information.</p> <p>Programme Manager/Budget</p>

Standard Operating Procedures for the Collection, Collation, Verification and Validation of Subsidy Performance Information

OUTPUT	ACTIVITIES	STANDARD	TIME FRAME	RESPONSIBILITY
		<p>and for the indicator – payments are aligned with the approved sub-programme submission, i.e. payment activation sheet/list.</p> <p>3. Reason(s) for variance per NPO and indicator in the subsidy indicator expenditure grid are logical and correctly interpreted.</p> <p>4. Reason(s) for over/under expenditure for the month.</p> <p>Information captured is verified using the payment activation sheet/list.</p>		Holder: Submit subsidy indicator expenditure grid to Programme Director for approval.
	Validated subsidy indicator expenditure grid approved by Programme Director	All data captured and validated.	By 25 th of the month	Programme Director/Budget Holder: Approve subsidy indicator expenditure grid and submit to M&R and Finance.
Approved NFD grid populated with verified and validated data submitted to M&R quarterly	Submit approved Programme NFD grid, including subsidy indicator performance information and approved subsidy indicator grid to Chief Director and Chief Directorate Office Manager or delegate	NFD grid is signed by the Programme Manager and Programme Director	Signed NFD grid provided to CD prior to submission to M&R	Programme Director/Budget Holder: Submits Programme NFD grid signed by Programme Manager and Programme Director to Chief Director and Chief Directorate Office Manager or delegate
	Chief Director approves NFD grid	Approved NFD grid is signed off by Programme manager, Programme Director and Chief Director	NFD grid signed off prior to submission to M&R	Chief Director: Approves NFD grid

Standard Operating Procedures for the Collection, Collation, Verification and Validation of Subsidy Performance Information

OUTPUT	ACTIVITIES	STANDARD	TIME FRAME	RESPONSIBILITY
	Chief Directorate Office Manager or delegate submits approved quarterly NFD grid to M&R sub-programme for inclusion in the quarterly eQPRS. The NFD grid must be accompanied by the subsidy indicator expenditure grid.	Submission of the approved NFD grid and approved subsidy indicator grid	Submission by date provided by M&R	Chief Directorate Office Manager or delegate
Capture of subsidy indicator performance information on eQPRS quarterly	First capture of subsidy indicator performance information for that quarter on eQPRS	Highest monthly figure of the first 2 months' subsidy indicator performance information captured on eQPRS. Information captured is consistent with approved monthly subsidy indicator expenditure grids submitted.	By the 10 th of the month following the end of the quarter	DD: M&R (BP&M): Capture subsidy indicator performance information on eQPRS
	Final capture subsidy indicator performance information for that quarter on eQPRS	Highest monthly figure for subsidy indicator for that quarter captured on eQPRS Subsidy indicator performance information contained in approved quarterly NFD grid is captured on eQPRS.	By the 26 th of the month following the end of the quarter	DD: M&R (BP&M): Capture subsidy indicator performance information on eQPRS

Appendix A: Subsidy Indicator Expenditure Grid Template