

Reference: T7/2/3 (2013/14)

TREASURY CIRCULAR NO. 25/2013

THE PREMIER

THE MINISTER OF AGRICULTURE AND RURAL DEVELOPMENT
THE MINISTER OF COMMUNITY SAFETY
THE MINISTER OF CULTURAL AFFAIRS AND SPORT
THE MINISTER OF EDUCATION
THE MINISTER OF FINANCE, ECONOMIC DEVELOPMENT AND TOURISM
THE MINISTER OF HEALTH
THE MINISTER OF HUMAN SETTLEMENTS
THE MINISTER OF LOCAL GOVERNMENT, ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING
THE MINISTER OF SOCIAL DEVELOPMENT
THE MINISTER OF TRANSPORT AND PUBLIC WORKS
THE SPEAKER: PROVINCIAL PARLIAMENT
THE DEPUTY SPEAKER: PROVINCIAL PARLIAMENT

} For information

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THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR P VAN ZYL)
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THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR S FOURIE)
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 MASTER RECORDS OFFICIAL: BUSINESS INFORMATION AND DATA MANAGEMENT
 THE DEPUTY DIRECTOR-GENERAL: CORPORATE ASSURANCE, DEPARTMENT OF THE PREMIER (MS H ROBSON)

2013/14 QUARTERLY PERFORMANCE REPORTING

PURPOSE

The purpose of this circular is to communicate the 2013/14 Quarterly Performance Reporting process as well as the requirements of the Guide for the Implementation of Provincial Quarterly Performance Reports.

BACKGROUND

Performance information is integral to a range of processes across government that seeks to manage and improve service delivery. Performance information is further embedded in the results-based approach wherein results can be measured in order to recognise success or failure and to adjust strategy accordingly.

Quarterly targets set in the Annual Performance Plans inform the Quarterly Performance Reports (QPR). The QPR provides information on the overall progress made with the implementation of the Annual Performance Plan (APP), on a quarterly and an annual basis. Institutions should ensure that the data that is submitted via

quarterly performance reports is as accurate as possible, as the total for the four quarters should be similar to the information that will be reported in the Annual Report for a particular financial year. It further allows for analysis of variances between initial plans and actual results thereby enabling a change of strategy in order to accelerate service delivery.

The legal requirements related to the development of QPRs are reflected in the National Treasury Regulations (NTRs). According to section 5.3.1 of the NTRs an Accounting Officer of an institution must establish procedures for quarterly reporting to the executive authority to facilitate effective performance monitoring, evaluation and corrective action.

These QPRs also provide the basis for the performance information used for reporting on the in-year budget implementation to the Provincial Executive and the Provincial Parliament. In this regard the Provincial Treasury also as part of its oversight function conducts quarterly assessments of the performance reports and feeds it back to Accounting Officers.

National Treasury Guide for the Implementation of Provincial Quarterly Performance Reports

The National Treasury issues a Guide for the Implementation of Provincial Quarterly Performance Reports on an annual basis. The Guide was e-mailed to all votes on 6 June 2013 and is attached to this circular for reference purposes. The Guide provides instructions on the completion of the QPR model and also outlines the mandatory requirements for performance information as per the Framework for Strategic and Annual Performance Plans. The Guide covers five distinct themes, namely:

- Quarterly Performance Reporting;
- Roles and Responsibilities;
- Standardised and non-standardised reporting formats;
- Reporting dates; and
- Publication of 2013/14 performance information.

The only changes to the Guide for the 2013/14 reporting cycle are in respect of the requirements of the reporting formats as well as the publication of performance information for all customised sectors.

Reporting Formats

The Provincial Treasury is currently in the process of making revisions to the nationally prescribed model for 2013/14 to provide for the reporting on all performance indicator targets contained in the 2013/14 APPs. The revised model also makes provision for

departments and entities to indicate the level of performance (targets achieved, partially achieved and not achieved) per performance indicator as well as for reasons for deviation. This will simplify the process of performance assessment for both internal and external purposes.

Reporting dates

The reporting dates for quarterly performance follow a definite sequence starting with the provincial department's submission of the first dataset jointly to the Provincial Treasury and to their national department. Once the National Department has verified the data they should send it back to provincial departments to effect the changes with the objective of finalising the datasets for the signature of the Head of Department (HoD). The Provincial Treasury also conducts a cursory technical assessment before the sign-off by the HOD to ensure that the correct formats are used, the model has been completed correctly and to check for consistency between information included in the APP and QPR. The final signed-off datasets should then be submitted to the Provincial Treasury who will send it to the National Treasury for analysis and publishing.

No extensions of the allocated dates can be granted as the publishing dates are fixed in terms of the Section 32 reports, which is a legal requirement.

SUBMISSION DATES 2013/14 QUARTERLY PERFORMANCE REPORTS

Quarters 2013/2014	Provincial Department to Provincial Treasury	Provincial Departments to National Departments	National Departments to Provincial Departments to verify information	Provincial Departments final dataset to Provincial Treasuries and National Departments	Provincial Treasuries to National Treasury sign off data set	Section 32 Quarterly Publication to DG: NT for approval	Section 32 Quarterly Publication (National Treasury)	Proposed Quarterly Press Release (National Treasury)	Provincial Treasury Quarterly Publication
1st Q - June 2013	Wed, 10 July 2013	Wed, 10 July 2013	Mon, 15 Jul 2013	Thurs, 18 Jul 2013	Mon, 22 July 2013	Fri, 26 Jul 2013	Fri, 2 Aug 2013	Thurs, 8 Aug 2013	Wed, 21 Aug 2013
2nd Q - Sept 2013	Wed, 16 Oct 2013	Wed, 16 Oct 2013	Mon, 21 Oct 2013	Thurs, 24 Oct 2013	Mon, 28 Oct 2013	Fri, 1 Nov 2013	Fri, 15 Nov 2013	Tues, 19 Nov 2013	Fri, 29 Nov 2013
3rd Q - Dec 2013	Fri, 10 Jan 2014	Fri, 10 Jan 2014	Wed, 15 Jan 2014	Tues, 21 Jan 2014	Fri, 24 Jan 2014	Tues, 28 Jan 2014	Tues, 11 Feb 2014	Mon, 17 Feb 2014	Thurs, 27 Feb 2014
4th Q - March 2014	Fri, 18 April 2014	Fri, 18 April 2014	Wed, 23 Apr 2014	Mon, 28 April 2014	Fri, 2 May 2014	Tues, 6 May 2014	Tues, 20 May 2014	Mon, 26 May 2014	Fri, 6 June 2014

*Please Note: The actual validated data for the fourth quarter must be submitted to National Treasury on the **31 May 2014** together with the pre-audited numbers for the 2013/14 financial year. The pre-audited numbers will be the same numbers that will be submitted to the Auditor General.*

Publication of 2013/14 performance information

During the 2012/13 financial year, National Treasury published the quarterly performance information of the Agriculture, Health and Social Development sectors on the National Treasury website. This practice will continue in the 2013/14 financial year.

During 2013/14 financial year Provincial Treasuries are required to publish the quarterly performance information of provincial departments on their websites. This should be done to increase accountability and improve performance data. Provincial Treasury will publish the performance information of all departments on its website during the 2013/14 financial year (See dates in table above).

The verification of data by departments is therefore pivotal for the publication of performance information. The performance information submitted to National Treasury, as final, will be published by the Provincial Treasury. Provincial Treasury will however provide all departments with a copy of the final set of data for verification and confirmation of accuracy by the department 10 days after the Proposed Quarterly Press Release (National Treasury) dates.

Both the Head of Provincial Treasury and the relevant Head of Department must sign-off on the performance information before it is published. This will ensure that the published data is verified and accurate.

Training - Performance Information Management Forum

As part of Provincial Treasury's efforts to assist provincial departments and entities in building their capacity for efficient and transparent financial management, training on the Guide for the Implementation of Provincial Quarterly Performance Reports, the QPR model and the use of performance information will take place on **Tuesday, 18 June 2013** via the Performance Information Management Forum.

Actions required

Subsequent to the completion of the revisions to the QPR models by Provincial Treasury, departments and entities need to ensure:

- That the targets in the QPR model are correctly captured and correspond with those taken up in the Annual Performance Plan 2013/14 for both annual planned and quarterly planned targets;
- On a quarterly basis record the preliminary and validated actual outputs;
- Record the process followed to collect, report and verify data;
- Keep record of all source documentation;
- Record whether targets were achieved, partially achieved or not achieved;
- Record the reasons for deviations and remedial steps in the comments column;
- Submit QPR information on the dates specified on page 10 of the guideline; and
- Submit the fourth quarter output (validated data) together with the actual pre-audited data for 2013/14 as per the Annual Report at the end of May 2014.
- For all relevant officials to attend the training on the Guide for the implementation of Provincial Quarterly Performance Reports and the QPR model for 2013/14.

Additional action required in terms of the MTEC 1 submissions

- The 2013 Medium Term Expenditure Committee (MTEC) 1 process, as in 2012, will require a comprehensive approach to assessing current performance in relation to the allocations to departments and to inform recommendations on the 2014 MTEF. Analysis on MTEC submissions would be based on previous expenditure and performance outcomes as contained in the Annual Report 2012/13, actual expenditure as at 30 September and performance on targets set as at end September 2013 (1st quarter validated and 2nd quarter preliminary and estimated data). Departments will therefore be required to submit preliminary Quarterly Performance Reports for 6 months (first quarter validated, 2 months preliminary actual performance and one month of projected) as at end September 2013.
- The details of MTEC engagements will follow in a separate Budget Circular during the course of the year.

Contact details

The contact details of Budget Office officials responsible for the relevant Department/Entity are as follows:

Name	Departments	Contact Number
Nelia Orlandi	Transport and Public Works, GMT Trading Entity, Provincial Treasury and Social Development	483-6131
Thurston Marinus	Premier, Parliament and Environmental Affairs and Development Planning (including CapeNature)	483-6075
Gershon Oliver	Cultural Affairs and Sport, Cultural Commission, Language Committee, and Heritage Committee, Economic Development and Tourism, WESGRO and Liquor Authority	483-3062
Philippus Prinsloo	Community Safety, Agriculture, and Casidra	483-5900
Hisham Allie	Human Settlements, and Local Government	483-8692
Sihaam Nieftagodien	Health, Education and WCGRB	483-8440

Please do not hesitate to contact myself, or the relevant officials, for further information or queries regarding this circular.



M KORSTEN

SENIOR MANAGER: PROVINCIAL GOVERNMENT BUDGET OFFICE

DATE: 11 June 2013