



Reference: T7/2/3 (2012/13)

## TREASURY CIRCULAR NO. 29/2012

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

THE ACCOUNTING OFFICER: VOTE 1: PREMIER (ADV B GERBER)  
THE ACCOUNTING OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MR R HINDLEY)  
THE ACCOUNTING OFFICER: VOTE 3: PROVINCIAL TREASURY (DR JC STEGMANN)  
THE ACCOUNTING OFFICER: VOTE 4: COMMUNITY SAFETY (DR GA LAWRENCE)  
THE ACCOUNTING OFFICER: VOTE 5: EDUCATION (MS P VINJEVOLD)  
THE ACCOUNTING OFFICER: VOTE 6: HEALTH (PROF KC HOUSEHAM)  
THE ACCOUNTING OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR M RICHARDSON)  
THE ACCOUNTING OFFICER: VOTE 8: HUMAN SETTLEMENTS (MR M TSHANGANA)  
THE ACCOUNTING OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR P VAN ZYL)  
THE ACCOUNTING OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR J FOURIE)  
THE ACCOUNTING OFFICER: VOTE 11: AGRICULTURE (MS J ISAACS)  
THE ACCOUNTING OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MR S FOURIE)  
THE ACCOUNTING OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MR B WALTERS)  
THE ACCOUNTING OFFICER: VOTE 14: LOCAL GOVERNMENT (DR H FAST)

THE CHIEF FINANCIAL OFFICER: VOTE 1: PREMIER (MR D BASSON)  
THE CHIEF FINANCIAL OFFICER: VOTE 2: PROVINCIAL PARLIAMENT (MS N PETERSEN)  
THE CHIEF FINANCIAL OFFICER: VOTE 3: PROVINCIAL TREASURY (MR A GILDENHUYS)  
THE CHIEF FINANCIAL OFFICER: VOTE 4: COMMUNITY SAFETY (MR M FRIZLAR)  
THE CHIEF FINANCIAL OFFICER: VOTE 5: EDUCATION (MR L ELY)  
THE CHIEF FINANCIAL OFFICER: VOTE 6: HEALTH (MR A VAN NIEKERK)  
THE CHIEF FINANCIAL OFFICER: VOTE 7: SOCIAL DEVELOPMENT (MR JO SMITH)  
THE CHIEF FINANCIAL OFFICER: VOTE 8: HUMAN SETTLEMENTS (MR F DE WET)  
THE CHIEF FINANCIAL OFFICER: VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING (MR AA GAFFOOR)  
THE CHIEF FINANCIAL OFFICER: VOTE 10: TRANSPORT AND PUBLIC WORKS (MR CR ISMAY)  
THE CHIEF FINANCIAL OFFICER: VOTE 11: AGRICULTURE (MR F HUYSAMER)  
THE CHIEF FINANCIAL OFFICER: VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM (MS M ABRAHAMS)  
THE CHIEF FINANCIAL OFFICER: VOTE 13: CULTURAL AFFAIRS AND SPORT (MS BG RUTGERS)  
THE CHIEF FINANCIAL OFFICER: VOTE 14: LOCAL GOVERNMENT (MS B SEWLALL-SINGH)

THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MR R BENNIT) (ACTING)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (MS M MOROKA)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR N FLAATTEN)  
THE CHIEF EXECUTIVE OFFICER: CAPE TOWN ROUTES UNLIMITED (DMO) (MR C GILFELLAN)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE CULTURAL COMMISSION (MS J MOLELEKI)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LANGUAGE COMMISSION (MS J MOLELEKI)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE HERITAGE COMMISSION (MS J MOLELEKI)  
THE CHIEF EXECUTIVE OFFICER: CASIDRA (MS T MLONYENI) (ACTING)  
THE CHIEF EXECUTIVE OFFICER: WESTERN CAPE LIQUOR BOARD (MR S FOURIE)

THE CHIEF FINANCIAL OFFICER: WESTERN CAPE GAMBLING AND RACING BOARD (MR P ABRAHAMS)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE NATURE CONSERVATION BOARD (MR A PRESTSON)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE INVESTMENTS AND TRADE PROMOTION AGENCY (MR I BLACKIE)  
 THE CHIEF FINANCIAL OFFICER: CAPE TOWN ROUTES UNLIMITED (DMO) (MR H BONESCHANS)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE CULTURAL COMMISSION (MS B RUTGERS)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LANGUAGE COMMISSION (MS B RUTGERS)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE HERITAGE COMMISSION (MS B RUTGERS)  
 THE CHIEF FINANCIAL OFFICER: CASIDRA (MR F VAN ZYL)  
 THE CHIEF FINANCIAL OFFICER: WESTERN CAPE LIQUOR BOARD (MS M ABRAHAMS)  
 THE HEAD OFFICIAL: PROVINCIAL TREASURY (DR JC STEGMANN)  
 THE HEAD: BRANCH FISCAL AND ECONOMIC SERVICES (MR H MALILA)  
 THE HEAD: BRANCH GOVERNANCE AND ASSET MANAGEMENT (VACANT)  
 THE HEAD: PUBLIC POLICY SERVICES (MR A PHILLIPS)  
 THE HEAD: PROVINCIAL GOVERNMENT PUBLIC FINANCE (MS JD GANTANA)  
 THE HEAD: LOCAL GOVERNMENT PUBLIC FINANCE (MR TC ARENDSE)  
 THE HEAD: ASSET MANAGEMENT (MR IG SMITH)  
 THE HEAD: FINANCIAL GOVERNANCE AND ACCOUNTING (MR A HARDIEN)  
 THE CHIEF FINANCIAL OFFICER (MR A GILDENHUYS)  
 THE HEAD: OFFICE OF THE FINANCE MINISTRY (MS T EVANS)  
 THE SENIOR MANAGER: BUSINESS INFORMATION AND DATA MANAGEMENT (MR PP PIENAAR)  
 THE SENIOR MANAGER: FINANCIAL GOVERNANCE (MR B VINK)  
 THE SENIOR MANAGER: FISCAL POLICY (MS C HORTON)  
 THE SENIOR MANAGER: INFRASTRUCTURE (MR NB LANGENHOVEN)  
 THE SENIOR MANAGER: LOCAL GOVERNMENT ACCOUNTING (MS L NGXONONO)  
 THE SENIOR MANAGER: LOCAL GOVERNMENT BUDGET OFFICE (MR ML BOOYSEN)  
 THE SENIOR MANAGER: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP ONE) (MR F SABBAT)  
 THE SENIOR MANAGER: LOCAL GOVERNMENT REVENUE AND EXPENDITURE (GROUP TWO) (MR M SIGABI)  
 THE SENIOR MANAGER: LOCAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (VACANT)  
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT ACCOUNTING (MR A REDDY)  
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT BUDGET OFFICE (MS M SHERATON-KORSTEN)  
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT FINANCE (EXPENDITURE MANAGEMENT) (MS A PICK)  
 THE SENIOR MANAGER: PROVINCIAL GOVERNMENT SUPPLY CHAIN MANAGEMENT (MS N EBRAHIM)  
 THE SENIOR MANAGER: STRATEGIC AND OPERATIONAL MANAGEMENT SUPPORT (MS A SMIT)  
 THE SENIOR MANAGER: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS (MR A BASTIAANSE)  
 THE PROVINCIAL AUDITOR  
 MASTER RECORDS OFFICIAL: FINANCIAL MANAGEMENT

## **2012/13 QUARTERLY PERFORMANCE REPORTING**

### **Purpose**

The purpose of the circular is to communicate the 2012/13 National Treasury Guide for the implementation of Provincial Quarterly Performance Reports (QPRs). The Guide is applicable to all votes and entities. The circular also discusses the process for the implementation of the Guide as well as the actions required from votes and entities. A list of relevant Budget Office officials per department and entity, who can be contacted for assistance throughout the year, is also included.

### **Background**

In terms of sections 215 and 216 of the Constitution, the National Treasury is responsible for prescribing the formats of budgets, and for measures to ensure transparency and expenditure control in each sphere of government. The National Treasury Guide for the implementation of Provincial Quarterly Performance Reports provides instructions on the completion of the QPR model and narrative reports. The guide also outlines the mandatory requirements for performance information as per the Framework for Strategic and Annual Performance Plans.

Provincial Treasuries have further been tasked to implement the formats and to fulfil a monitoring role from an accountability perspective within the performance reporting paradigm. The progress towards the implementation of the Strategic and Annual Performance Plans' predetermined objectives are monitored by the Provincial Treasury on a quarterly basis through the Quarterly Performance Reporting (QPR) process. Provincial Departments, Parliament and Entities are therefore required to submit Quarterly Performance Reports (QPRs) in a standardised format to the treasury to facilitate this process.

## **Discussion**

Since the 2010/11 financial year departments report on all performance indicator targets in the Annual Performance Plan on a quarterly basis. The Provincial Treasury is currently in the process of making revisions to the nationally prescribed model for 2012/13 to provide for the reporting on all the performance indicator targets (whereas the national model only allows for tracking of national sector targets and to a limited extent provincial targets), reasons for deviations and remedial steps, as well as for the reference to data sources.

### *Process*

The Guide for the implementation of Provincial Quarterly Performance Reports is attached to this circular. The Guide provides the purpose of the quarterly performance reporting process, roles and responsibilities, the reporting formats as well as the legislative reporting dates.

The pre-populated QPR models will be forwarded to all votes and entities before the end of June 2012.

A workshop will be arranged with departments and public entities on the Guide for the implementation of Quarterly Performance Reports and the QPR model. It is important that Accounting Officers nominate relevant staff members within departments and public entities who are responsible for the consolidation of the QPR information to attend this workshop. Workshop dates will be communicated to departments and entities shortly.

During the 2011/12 financial year, the National Treasury published on its website the Department of Health's performance information for each quarter.

Please note that during the 2012/13 financial year the departments of Health, Agriculture and Social Development's performance information will be published on the National Treasury website. The National Treasury will repackage the QPR data into tabular format, two weeks after the final QPR submission date to provincial treasury. Provincial Treasury will consolidate the respective sector departments' preliminary/validated performance information. The provincial treasury and the respective department will be required to verify and certify the data reflected in the table (to be signed-off by the respective Head of Department and Provincial Treasury). Provincial Treasury will submit the signed-off data to the National Treasury for publication on its website.

*Action required in terms of the normal QPR process*

It will be required from votes and entities to:

1. Submit nominations for participants to attend the workshop to Jonathan Hendricks, e-mail address: [Jonathan.Hendricks@pgwc.gov.za](mailto:Jonathan.Hendricks@pgwc.gov.za) by no later than Tuesday, 19 June 2012.
2. Ensure that the targets in the QPR model are correctly captured and corresponds to those taken up in the Annual Performance Plan 2012/13 for both annual planned and quarterly planned targets;
3. As practice, record the preliminary and validated actual output per quarter;
4. Apart from the outputs also record the reasons for deviations and remedial steps in the comments column;
5. Submit QPR information on the dates specified on page 10 of the guideline; and
6. Submit the fourth quarter output (validated data) together with the actual output for 2012/13 as per the Annual Report (pre-audited data) at the end of May 2013.

*Additional action required in terms of the MTEC 1 submissions*

The current fiscal framework and developments at the economic front internationally suggests a tighter fiscal framework and even harder choices amongst government priorities. It is anticipated that the Provincial Treasury, at a national level, would have to prove our efforts (within the three spheres) to achieve. This means that the provincial sphere would have to put a cogent case for funding and maintaining its current baseline. It is therefore proposed that our MTEC 1 (which is normally held during late September) be delayed to end October/first week in November 2012.

This will require a more tailored approach to assessing the current performance in relation to the allocations to departments and to inform recommendations on the MTEF. In this regard it is anticipated that the analysis would be based on previous expenditure and performance outcomes on the Annual Report 2011/12, the current year financial position (2nd quarter actual expenditure) as at 30 September and non-financial information as at end September 2012 (1st quarter validated and 2nd quarter preliminary and estimated data). In fact what the Provincial Treasury is requesting is that departments provide (QPR models with non-financial information for 5 months preliminary actual performance and one month of projected) as at end September 2012.

The details of MTEC engagements will follow in a separate Budget Circular by end July 2012.

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

Name	Departments	Contact Number
Ronel Slinger	Education, Provincial Treasury and Western Cape Gambling and Racing Board	483-5486
Nelía Orlandi	Transport and Public Works, GMT Trading Entity	483-6131
Thurston Marinus	Premier, Environmental Affairs and Development Planning and CapeNature	483-6075
Ammaarah Kamish	Provincial Parliament, Cultural Affairs and Sport, Cultural Commission, Language Committee, and Heritage Committee	483-9650
Esther Mohube	Community Safety, Agriculture, and Casidra	483-3062
Hisham Allie	Human Settlements, and Local Government	483-8692
Sihaam Nieftagodien	Health	483-8440
Philippus Prinsloo	Economic Development and Tourism, WESGRO and Destination Marketing Organisation	483-5900
Ludumo Sithuba	Social Development	483-5239

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



**N ORLANDI**  
**ACTING SENIOR MANAGER PROVINCIAL GOVERNMENT BUDGET MANAGEMENT**  
**DATE: 15 June 2012**



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

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

**1 APRIL 2012**

# Foreword

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

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

Performance information therefore plays a crucial role in:

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

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

Quarterly performance reports provide progress on the implementation of an institutions' Annual Performance Plan in the previous quarter (actual validated data) and in the current quarter (preliminary data), with particular reference to monitoring delivery against quarterly performance targets. As with the Strategic Plan and Annual Performance Plan, consistency and alignment in performance information (strategic objectives, performance indicators and targets) should be ensured in the quarterly report. Institutions should therefore ensure that the actual achievements of targets set in the Annual Performance Plans are reported in the quarterly reports.

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

This guideline is applicable to all provincial departments.

## **1. INTRODUCTION**

Performance information is integral to a range of processes across government that seek to manage and improve service delivery. The role of performance information is critical when it comes to the development of policies and planning, holding institutions and individuals in government accountable and for performance management.

Reporting on both financial and non financial performance is important in measuring the performance of government institutions. While financial information (expenditure and revenue) is critical for determining the costs and efficiencies of programmes, non-financial information is equally important for assessing progress towards predetermined service delivery and its associated targets. Performance information is embedded in the results - based approach where results can be measured in order to recognise success or failure and to adjust strategy accordingly.

In-year monitoring of non-financial performance (quarterly performance reporting) plays an important role in the entire planning and budgeting process. It allows for analysis of variance between initial plans and actual results thereby enabling a change of strategy in order to accelerate service delivery.

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

- Quarterly Performance Reporting;
- Roles and Responsibilities;
- Standardised and non-standardised reporting formats; and
- Reporting dates.

## **2. QUARTELY PERFORMANCE REPORTING**

The purpose of quarterly performance reports is to provide information on the overall progress made with the implementation of an institutions' performance plan, on a quarterly and an annual basis. Quarterly performance reports are based on the quarterly targets set in the Annual Performance Plans. Therefore, institutions should ensure that the data that is submitted 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.

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

The goals and objectives in the Strategic Plan informs the Annual Performance Plan, where programme performance indicators and targets are aligned to strategic objectives. The five year targets for objectives reflected in the Strategic Plan are represented as annual targets in the Annual Performance Plan towards the realisation of the five year target. The performance indicators in the Annual Performance Plan are formulated in a manner that enables the achievement of the strategic objectives. The performance indicators have annual targets which are in some cases broken down into quarterly targets. The quarterly performance reports therefore tracks progress against quarterly targets as reflected in the Annual Performance Plan.



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

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

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

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

### 2.2.2 Strategic objective annual target for 20XX

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

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

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

List the core programme performance indicators and any other chosen indicators. The targets for the budget year must be reflected in the Quarterly Performance Reporting Model under "Target for 2012/13 as per APP"

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

### 2.2.4 Quarterly targets for 20XX

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

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

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

### 3. ROLES AND RESPONSIBILITIES

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

- Provincial departments (line managers);
- Provincial Treasuries
- National Departments; and
- National Treasury

#### 3.1 Role of provincial departments (line managers)

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

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

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

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

Performance indicators define the relationship between inputs, activities, outputs, outcomes and impacts. Performance indicators measure how successfully outputs are produced by using various inputs. In effect they measure the productivity of resource use.

#### 3.2 Role of provincial treasuries

Provincial treasuries need to fulfil a monitoring role from an accountability perspective within the performance reporting paradigm. The implementation of strategic plans/objectives needs to be tracked. Quarterly performance reporting can be viewed as an enabling mechanism that allows Accounting Officers to track progress against what has been planned and what is actually achieved in the form of service delivery outputs.

Officers in provincial treasuries tasked with this responsibility need the following documents to execute the task at hand: Five Year Strategic Plans, Annual Performance Plans, Quarterly Performance Reports and the Annual Report.

**Once departments have submitted quarterly performance plans the relevant treasury official needs to perform the following checks:**

- Ensure that the correct formats in the QPR model have been used – (2012/13 Database)
- Ensure that the annual targets as well as the quarterly targets **as contained in the Annual Performance Plans** are reflected in the model when reporting for the first quarter.
- That a hard copy of the sign off letter by the Head of the Department has been submitted together with the data submission.

**3.3 Role of National Departments**

National Departments will receive the quarterly data via data files from the respective departments. National Departments must interrogate the data (against targets in the Annual Performance Plans) and if discrepancies are found this needs to be communicated directly with the provincial counterparts. Provincial departments will effect the necessary changes and the final data will be submitted to provincial treasury as well as the national department.

The status of the final datasets (incorporating changes/feedback from the national department) is “signed-off by the provincial HODs” .This means that the final data file will be submitted together with the sign-off letter to the provincial treasury. Provincial Treasuries must submit the final narrative reports, datasets and sign-off letters to National Treasury. National departments which have nationally based electronic or manual non-financial information systems need to verify if the data that has been submitted by provinces is correct.

National departments that do not have nationally based information systems and who cannot execute a data check need to ask programme experts in their departments if the data and narrative reports provided are sensible.

Provincial departments need to submit copies of the final documents to provincial treasuries which reflect the changes they have made to their original documents due to national intervention. These will subsequently be forwarded to National Treasury.

**3. 4 Role of National Treasury**

The data that is received by National Treasury has been reviewed and interrogated by provincial treasuries and national departments. National Treasury is responsible for using the performance information received from provincial treasuries to monitor, evaluate, and report on economy, efficiency, effectiveness and equity in the use of resources to deliver services.

National Treasury will consolidate and use the data to draft a sectoral quarterly performance report and a government wide quarterly performance report.

The data for certain sectors (Health, Agriculture and Social Development) may be published in the open domain depending on the comprehensiveness of the data.

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

PROCESS FLOW QUARTERLY PERFORMANCE REPORTING		
PROVINCIAL DEPARTMENTS	Capture Administrative Programme Performance Data Use Manual statistical sheets, or Update electronic systems if in existence, Populate QPR Database and submit to Prov Treasuries and National Counterparts	HOD's Sign Off by submission
PROVINCIAL TREASURIES	Verify QPR data against Annual Performance Plan Targets Return to Department if not correctly done If correct send data files and Sign off letters to National Treasury	Provincial Treasury quality assure data credibility
NATIONAL DEPARTMENTS	Verify against APP's for the use of correct targets and the correct interpretation of sectoral definitions Give feedback to provincial counterparts	National Departments are co-responsible
NATIONAL TREASURY	Use Quarterly Performance Reporting model to consolidate all non-financial data inputs. Circulate consolidated reports to Presidency, HOD's of national concurrent functions, HOD's of Provincial Treasuries.	Consolidate performance reports as a secondary user form submitted data

Figure 1: Conceptual view of the Quarterly Reporting Process

#### 4. STANDARDISED AND NON-STANDARDISED REPORTING FORMATS

##### 4.1 Departments with standardised annual performance plans

Standardised reporting formats and data units enhance data analysis because the data is comparable, easy to understand, verifiable and, attributable.

Standardised formats for quarterly reporting have been drafted based on the standardised objectives in strategic plans for twelve sectors, namely Basic Education, Health, Social Development, Human Settlement, Agriculture, Public Works, Cooperative Governance, Roads and Transport, Sport, Arts and Culture, Environmental Affairs, Economic Development and Community Safety.

Standardised sectors must populate the Performance Reporting Model at the end of the first quarter with annual and quarterly targets as per the tabled Annual Performance Plan of the department. Preliminary outputs must be populated at the end of each quarter. The actual output –validated column for the first three quarters must be populated three months after the preliminary output was submitted. The fourth quarter actual output –validated data will be submitted together with the actual output for 2012/13 as per Annual Report (pre-audited data) at the end of May 2013.

The 2012/13 Quarterly Performance Reporting Model makes provision for departments to capture comments against all core set of indicators. This will enable the departments to provide reasons for deviation against predetermined targets for all core performance indicators. This was previously done in the narrative report. The comment column will not lock and will be updated per quarter. Departments

will be given an option to save or clear previous quarter's comments. Both provincial treasuries and provincial departments are advised to save each quarter's report on a separate file or folder.

The narrative report must provide an account of any other service delivery information that is over and above the core set of performance indicators reported in the Quarterly Performance Reporting Model.

The narrative must also provide a synopsis on how the achievement of targets is contributing **towards achieving the department's outcomes**, which will invariably **impact on the strategic priorities** of government.

#### 4.1.1 Database for departments with standardised annual performance plans

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

Entity	
Department	Provincial Treasury
Select the province	Select the province
Select the departments name	Select the department(s) it wants to work with
Select the relevant quarter	Select the relevant quarter
Select the financial year	Select the financial year
Select the entity ( in this case will be department), and	Select entity (provincial treasury)
Click on the relevant tab and capture the data for the respective quarter	Import the data from the data file received from the Department(can only import data from one department at a time)
If the department has not achieved any output for the quarter, then this must be captured as the number 0. <b>NOTE:</b> Departments must refrain from using a dash (-) instead of the number 0. The QPR model reads the dash as a text. This will distort formulae in the model.	Update a consolidated data file with data from all sectors (one department at a time or all at once) and thereafter send to National Treasury
Once the data has been captured and saved, go back to the settings sheet and click the "Update data file" icon. Follow the instructions and update an NFR datafile.	<b>NOTE:</b> When working with combined departments like Sport, Arts and Culture the Model allows the provincial treasury to import data from one department at a time or both depending on the person working with the model
The updated data file should be sent to the provincial Treasury.	
Thereafter, click on "create a national form" icon. The model will automatically update the national data file which needs to be saved and sent to the National Department.	
<b>NOTE:</b> The Model also makes provision for departments to capture their non-standardised items for their own internal management processes. To access this functionality, the department must click on "report on non-standardised items" button on their reporting worksheet	

#### 4.1.2 Points to remember when completing the database

The following are points to remember when completing the database:

- a) All targets must be expressed as actual numbers rather than percentages (See Treasury Practise Note 7 of 2008/09 which deals with targets, baselines and the use of percentages)
- b) Ensure that the targets in the Quarterly Performance Reporting database are the same as the targets that are in the Annual Performance Plan 2012/13 as well as in the Estimates of Provincial Revenue and Expenditure. In other words, the targets for each of the performance measures should be the same in all 3 documents.
- c) Ensure that your annual planned target columns and your quarterly planned targets for all four quarters are accurately completed when submitting the first quarter information in July 2012.
- d) Save the previous quarter's model before changing the quarters. This will ensure that all the comments are saved.

- e) Please note that the database will be **LOCKED** a day after the submission date and under no circumstances will late information be accepted. Therefore, if your information is not received timely it will not be reflected in the national progress report for that particular quarter.

#### 4.1 3 Departments with non-standardised annual performance plans

Non customised sectors will provide a report detailing the key service delivery achievements per sub-programme, as per the targets set out in the annual performance plans. An example of such a report (figure 2) can be found below. In addition, the narrative report must provide an account of any other service delivery information that is over and above the core set of performance indicators reported in the table below (Figure 2).The narrative must also provide a synopsis on how the achievement of targets is contributing **towards achieving the department's outcomes**, which will invariably **impact on the strategic priorities** of government.

#### Reporting Template for non standardised sectors

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

Figure 2: example of a non-standardised report

## 5. REPORTING DATES

### 5.1 2012/13 Financial Year

The following reporting dates apply for the 2012/13 financial year.

Please note the reporting dates follow a definite sequence starting with provincial departments who have to submit their first datasets jointly to provincial treasuries and their respective national departments. Once provincial treasuries and national departments have verified the data they should send it directly back to provincial departments to rectify the changes with the objective of finalising the datasets for the signature of the Head of Department. The final signed off datasets should then be submitted to provincial treasuries who will send it to the National Treasury for analysis and publishing.

No extensions of the allocated dates can be granted due to the fact that the publishing dates are fixed in terms of the section 32 reports which is a legal requirement.

### SUBMISSION DATES 2012/13 QUARTERLY PERFORMANCE REPORTS (NON-FINANCIAL DATA)

Quarters 2012/2013	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	Proposed Quarterly Press Release
1st Q - June 2012	Tues, 10 July 2012	Tues, 10 July 2012	Fri, 13 Jul 2012	Wed, 18 Jul 2012	Fri, 20 July 2012	Thurs, 26 Jul 2012	Fri, 27 July 2012	Fri, 10 Aug 2012
2nd Q - Sept 2012	Tues, 16 Oct 2012	Tues, 16 Oct 2012	Fri, 19 Oct 2012	Wed, 24 Oct 2012	Fri, 26 Oct 2012	Thurs, 1 Nov 2012	Fri, 2 Nov 2012	Fri, 9 Nov 2012
3rd Q - Dec 2012	Fri, 11 Jan 2013	Fri, 11 Jan 2013	Wed, 16 Jan 2013	Mon, 21 Jan 2013	Wed, 23 Jan 2013	Tues, 29 Jan 2013	Thurs, 7 Feb 2013	Thurs, 14 Feb 2013
4th Q - March 2013	Thurs, 18 April 2013	Thurs, 18 April 2013	Tues, 23 Apr 2013	Fri, 26 April 2013	Thur, 2 May 2013	Tues, 7 May 2013	Wed, 8 May 2013	Tues, 21 May 2013

*\*The actual validated data for the fourth quarter must be submitted to National Treasury on the 31 May 2013 together with the pre-audited numbers for the 2012/13 financial year. The pre-audited numbers will be the same numbers that will be submitted to the Auditor General.*