



PROVINCIAL TREASURY  
2014/15 ANNUAL PERFORMANCE PLAN  
TECHNICAL INDICATORS

## PROGRAMME 1: ADMINISTRATION

1.1 OFFICE OF THE MEC												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
1.1.1	Interaction with constituency	Number of interactions with constituency	Indicates the level of interaction and effort to build relations and partnerships with citizens and to facilitate and enhance public participation	MEC's programme	Simple count	None	Output	Cumulative	Quarterly	No	A higher number of interactions is desirable	Head of MEC's office
1.1.2	Interaction with internal and external stakeholders	Number of interaction with internal and external stakeholders <ul style="list-style-type: none"> <li>Quarterly Infrastructure Expenditure Reviews</li> <li>Auditor General</li> </ul>	Tracks that infrastructure expenditure reviews and meetings with AGSA are conducted	Agenda/ notice/ invitation	Simple count	None	Output	Cumulative	Quarterly	No	Higher	Head of MEC's Office
1.1.3	Compliance to planning and reporting legislative requirements	Tabling of Provincial Budget, Budget Vote, Adjustment Budget, Annual Report, APPs in terms of the PFMA at the legislature and cabinet	The indicator serves to track compliance with planning and budget processes in line with legislative requirements	Agenda/ notices	Simple count	None	Output	Non-cumulative	Annually	No	The target represents the ideal performance	Head of MEC's Office

1.2 MANAGEMENT SERVICES (OFFICE OF THE CEO)												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
1.2.1	Review of departmental risks on an on-going process	Risk management framework reviewed	The indicator monitors that a policy framework is in place within which operational risks, affecting each directorate in the department, are identified (such as fraud, loss of confidential information, leaking of bid documents etc.) and mitigating plans and activities are put in place.	Risk Management Strategy Risk Management Policy Fraud Management Policy Fraud Management Strategy Risk Management Committee Charter	Simple count	None	Output	Non-cumulative	Annually	No	Annual review of the framework is on-target	Risk Manager
1.2.2	Compliance with MISS standards	Policy compliance reports on MISS produced on quarterly basis	To monitor the extent to which the department complies with the Minimum Information Security Standards (MISS).	Policy Compliance report	Simple count	None	Output	Cumulative	Quarterly	No	Higher	Security Manager
1.2.3	Senior Management Financial Disclosure	Percentage of Senior Managers who have disclosed their financial interests	To track the extent to which members of the Senior Management Service complies with the Financial Disclosure Framework, which is aimed at preventing conflict of interest - Public Service Regulation 3 C.1 and chapter 9 of the SMS handbook	Report on Financial Disclosure forms submitted to the Executing Authority and Public Service Commission	Number of Senior Manager who submitted financial disclosures as a percentage of the total number of SMS members as at 30 April	None	Output	Non-cumulative	Annually	No	On-target	Security Manager
1.2.4	Vetting reports	Management report on vetting of: <ul style="list-style-type: none"> <li>Individual shortlisted candidates before employment</li> <li>Coordination of the completion of Security Clearance forms (Z204) for all employees</li> <li>Service providers contracted to the department</li> </ul>	To provide management with a consolidated report based on the outcome of background checks performed on shortlisted candidates for a particular vacant position at the Department, coordination of security clearance processes and vetting of service providers when required.	Management report on vetting	Simple count	None	Output	Cumulative	Quarterly	No	Higher	Security Manager

1.3 CORPORATE SERVICES												
Indicator Title		Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility
1.3.1	Vacancy rates	Funded vacancy rate (average % of funded posts which are vacant)	To track and address unfilled funded posts in the department.	Employment Report as at end of the financial year	Number of funded vacancies as a percentage of the number of funded approved posts	None	Output	Non-cumulative	Annually	New	A lower vacancy rate	Senior Executive Manager Corporate Services
1.3.2	Recruitment and Selection	Average number of days taken to complete the Recruitment and Selection process	To monitor the effectiveness of recruitment and selection processes in ensuring timeous filling of vacancies	Analysis report	Average of the number of days from approval for a post to be advertised until appointment for all funded vacancies approved to be advertised during the financial year	None	Output	Non-cumulative	Quarterly	New	Shorter time	Senior Executive Manager Corporate Services
1.3.3	Exit interviews	Percentage of exit interviews conducted for recording of relevant information	To monitor the use of a questionnaire to determine reasons for staff turnover and inform strategies to reduce staff turnover.	Exit questionnaires and summary of transfers and resignations	Number of exit interview questionnaires completed as a % of the number of terminations of service	None	Output	Non-cumulative	Quarterly	New	On-target	Senior Executive Manager Corporate Services
1.3.4	Performance Management	Performance and Development Management system implemented	To monitor that: <ul style="list-style-type: none"> <li>• each sms member has a signed performance agreement</li> <li>• all performance plans for levels 1-12 have been captured on persal</li> <li>• all employee's performance has been assessed for the financial year based on the criteria set in the performance policy and the results used to reward good performance or putting plans in place to address under performance</li> </ul>	Consolidated summary of employees performance results	Number of performance agreements and assessments as a % of the total number of qualifying staff	None	Output	Cumulative	Bi-annually	No	On-target	Senior Executive Manager Corporate Services

1.3 CORPORATE SERVICES												
Indicator Title		Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility
1.3.5	Disciplinary cases	Average number of days taken to resolve disciplinary cases	To monitor that disciplinary cases instituted against employees are finalised within 90 days	Management report on disciplinary cases	Average (total number of days divided by total number of cases finalised) of the number of days from the date when a disciplinary case is <b>instituted</b> against an employee until it is <b>finalised</b> for all disciplinary cases finalised in the reporting period.	None	Output	Non-cumulative	Quarterly	No	Shorter period	Senior Executive Manager Corporate Services
1.3.6	Wellness activities	Number of wellness workshops/ empowerment or information sessions/ written articles or other empowerment activities	To ensure that awareness is raised on health matters that may affect the productivity of employees as well to ensure that wellness programs are offered by the department	Invitations to events/activities, articles circulated or published on intranet and attendance registers of workshop/empowerment programmes.	Simple count	NONE	Output	Cumulative	Quarterly	No	Higher number of activities	Senior Executive Manager Corporate Services
1.3.7	Communication	Communication Strategy approved and implemented	To ensure that Provincial Treasury strengthens its relations with various stakeholders (general public communities, business, media, municipalities, etc) and to effectively communicate the objectives of Provincial Treasury	Departmental communications strategy and implementation report	Simple count	Alignment of the strategy to the provincial strategy	Output	Non-cumulative	Quarterly	No	On-target	Senior Executive Manager Corporate Services
		Media liaison engagements	To ensure that Provincial Treasury strengthens its relations with various stakeholders (general public communities, business, media, municipalities, etc) and to effectively communicate the objectives of Provincial Treasury	Media releases and/or invitations to media briefings / meetings / events	Simple count	None	Output	Cumulative	Quarterly	No	Higher number of engagements	Senior Executive Manager Corporate Services

1.3 CORPORATE SERVICES												
Indicator Title		Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility
1.3.8	ICT	ICT Governance Policy and framework approved and implemented	To ensure compliance with government's Corporate Governance of ICT framework by establishing and implementing a departmental ICT Governance Framework.	Prescribed ICT governance framework documents and implementation report	Simple count of ICT Governance documents and implementation reports	None	Output	Non-cumulative	Quarterly	No	On-target	Senior Executive Manager Corporate Services
1.3.9	Skill Development and Service Delivery Improvement	Development and implementation of: <ul style="list-style-type: none"> <li>Workplace skills plan</li> <li>HRD plans</li> <li>SDIP</li> </ul>	To ensure compliance with requirements to develop HRD Plan and report on the Work Place Skills Plan (WSP) and Service Delivery Improvement Plan (SDIP)	HRD Plan, WSP reports in prescribed format, PSETA & FASSET Expenditure reports and SDIP reports	Simple count of reports on the implementation of WSP and SDIP and the HRD Plan	Quality of the reports depend on the accuracy of records	Output	Cumulative	Quarterly	No	On-target	Senior Executive Manager Corporate Services

1.4 FINANCIAL MANAGEMENT												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
1.4.1	Financial reporting	Legislative financial and prescribed provincial reports provided: <ul style="list-style-type: none"> <li>• 17 x Key Control Matrix (KCM)</li> <li>• 1 x Adjustment Budget</li> <li>• 3x Estimates of Provincial Revenue Expenditure (EPRE)</li> </ul>	The indicator measures the department's compliance with Provincial Treasury's reporting requirements with regard to KCM reports, Adjustment Budget and EPREs	KCM reports; Adjustment Budget; EPRE	Simple count	Accuracy of reporting and adherence to prescripts	Output	Cumulative	Monthly/ Quarterly/ Bi-annual	No	On-target	Departmental Accountant
1.4.2	Planning and reporting	Reports in line with National/ Provincial Guidelines: <ul style="list-style-type: none"> <li>• Annual Performance Plan</li> <li>• Annual Report</li> <li>• 5- year Strategic Plan</li> <li>• Quarterly Performance Reports</li> </ul>	To measure the department's compliance with legislative requirements to submit a Strategic Plan, an Annual Performance Plan, Quarterly Performance Reports and an Annual Report in line with national and provincial guidelines	Annual Performance Plan; Annual Report; Strategic Plan; Quarterly performance plan	Simple count of documents	None	Output	Non-cumulative	Quarterly & Annually	No	On-target	Senior Manager Strategic Planning and M&E
SUPPLY CHAIN MANAGEMENT												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
1.4.3	Asset management	Management of all Departmental Assets to meet minimum LOGIS asset register requirements	To monitor the extent to which all assets are accounted for through the LOGIS system and to ensure that the asset register is updated for any additions and disposal of assets that take place during the financial year	Asset Register	Simple count	The correctness of the asset register depends on accuracy in the recording of assets and misplacement of assets	Output	Non-cumulative	Quarterly	No	Higher	Senior Manager SCM
1.4.4	Annual Procurement Plan	Annual Procurement (Demand Management) Plan aligned with the APP / Budget	To develop an Annual Procurement Plan that will ensure that the goods and services procured are in line with the budgets as per the APP and annual budget.	Annual Demand Management plan	Simple Count	None	Output	Non-cumulative	Annually	No	On-target	Senior Manager SCM

SUPPLY CHAIN MANAGEMENT												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
1.4.5	Payment of creditors within 30 days	Percentage of creditors paid within 30 days of receipt of a legitimate invoice.	The indicator measures the extent to which all unopposed invoices (opposed invoices refers to invoices returned to suppliers as a result of errors or inconsistencies on them) are paid within 30 days.	Report based on BAS and LOGIS information	Number of unopposed invoices paid within 30 days as a % of total number of unopposed invoices received due for payment during the reporting period	Accuracy of the reports	Impact	Non-Cumulative	Quarterly	No	Higher	Senior Manager SCM



1.5 INTERNAL AUDIT												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
1.5.1	Internal Audit	Number of audits performed per year	To ensure that Internal Audit executes audits in terms of the approved risk based audit plan and provides value adding recommendations to improve the internal control system.	Internal Audit reports	Simple count	Quality of the audit report depends on the adequacy of supporting documentation for audit purposes	Output	Cumulative	Quarterly	No	Higher	Senior Manager Internal Audit
1.5.2	Audit workshops	Number of workshops conducted at service points for Internal controls	To measure the department's performance in capacitating officials on the importance of adequate and effective controls and their responsibility towards monitoring and implementation of controls.	Attendance registers	Simple count	None	Output	Cumulative	Bi-annually	No	Higher	Senior Manager Internal Audit
1.5.3	Audit plan	Audit plans developed and submitted to audit committee for approval	To compliance with Treasury Regulations to prepare annually a risk based three year rolling audit plan on the audits to be performed by the Internal Audit directorate and to ensure that Internal Audit prioritises audits of high-risk areas that may adversely affect achievement of departmental objectives.	Internal Audit Plan	Simple count	None	Output	Non-cumulative	Annually	No	On-target	Senior Manager Internal Audit
1.5.4	Audit charters	Audit charters reviewed and submitted to audit committee for approval	To ensure that the nature, role, responsibility, status and authority of the Internal Audit/Audit committee is properly set out.	Internal Audit charters	Simple count	None	Output	Non-cumulative	Annually	No	On-target	Senior Manager Internal Audit

## PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

2.2. ECONOMIC ANALYSIS												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
2.2.1	Research	Number of credible research papers produced	The indicator measures the contributions to the establishment of a research base for input into government policies and programmes aimed at supporting and enhancing economic growth and development of the province and its municipalities.	Research Reports/papers	Simple count	To a large extent, secondary data is used for research.	Output indicator	Cumulative	Quarterly	No	Higher	SM: Economic Analysis
2.2.1	Interaction with stakeholders	Number of workshops conducted with stakeholders regarding the Provincial Economic Review and Outlook and Socio-Economic Review Analysis	The indicator indicates the level and frequency of interaction with internal and external stakeholders to build relations, partnerships and promote widespread economic literacy.	Invitations to workshops / Attendance Registers / Presentations	Simple count	Accuracy of the information depends on the accuracy with which records are kept	Output Indicator	Cumulative	Quarterly	No	A higher number and an improved quality of interactions	SM: Economic Analysis
2.2.3	Labour Market Review	Quarterly Labour Market Review published	To provide an overview of the latest trends in the labour market in the FS province including for example employment and unemployment trends etc.	Quarterly Labour Market Reviews reports	Simple count	To a large extent, secondary data is used for compiling the report.	Output indicator	Cumulative	Quarterly	No	On-target	SM: Economic Analysis
2.2.4	Provincial Economic Review and Outlook	Publish the Provincial Economic Review and Outlook (PERO) annually	The publication provides an overview of the current global, national and provincial economic state of affairs and identifies a number of key industry and labour market trends that require focused attention.	Provincial Economic Review and Outlook Report	Simple count	To a large extent, secondary data is used for research.	Output indicator	Non-cumulative	Annually	No	On-target	SM: Economic Analysis
2.2.5	Medium Term Budget Policy Statement	Coordinate and publish Medium Term Budget Policy Statement (MTBS) document	The MTBPS provides the strategic direction and policy framework that informs the provincial budget.	Medium Term Budget Policy Statement (MTBS) document	Simple count	None	Output indicator	Non-cumulative	Annually	No	On-target	SM: Economic Analysis
2.2.6	Submission on Provincial Equitable Share	Annual submission on PES on the FFC's Division of Revenue recommendations	To provide provincial consolidated input, comments and recommendations to the FFC on the Division of Revenue recommendations	Consolidated report	Simple count	None	Output	Non-cumulative	Annually	No	On-target	SM: Economic Analysis

2.3 FISCAL POLICY												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
2.3.1	Revenue targets	Credible revenue base for 12 departments.	To determine the reasonableness of budgeted amounts for revenue of provincial departments in the Free State. The reasonableness is determined by analysing prior years revenue trends.	Revenue reports	Simple Count	Accuracy of IYM reports.	Output	Cumulative	Quarterly	No	Monitoring revenue performance of all 12 departments in the Free State	SM: Fiscal Policy
2.3.2	Revenue inspections	Conduct revenue inspections with regard to the monitoring of projects undertaken as part of the Revenue Enhancement Strategy as well as monitoring of other points/services where revenue is collected.	To monitor provincial departments to ensure that revenue is collected optimally and produce a report to management on findings and recommendations on how to improve revenue collection.	Inspection report	Simple Count	The quality of reports depends on responses and availability of departments	Output	Cumulative	Quarterly	No	Higher	SM: Fiscal Policy
2.3.3	Performance Monitoring – revenue and conditional grants	Monthly Analysis reports on: <ul style="list-style-type: none"> <li>• Own Revenue</li> <li>• Conditional Grants</li> <li>• REA Projects</li> </ul>	To monitor the effective collection of revenue by provincial departments. To analyse departments' spending of conditional grants and REA projects and provide departments with remedial action to be taken in instances where over/under spending or collection was identified.	Reports on: <ul style="list-style-type: none"> <li>• Own Revenue</li> <li>• Conditional Grants</li> <li>• REA Projects</li> </ul>	Simple Count	The accuracy of the reports depends on the correctness of BAS and IYM or IRM figures	Output	Cumulative	Monthly	No	On-target	SM: Fiscal Policy
2.3.4	Performance Monitoring of Public Entities.	Financial and non-financial performance of Public Entities evaluated on quarterly basis.	To monitor and evaluate spending performance against budgets and thus effective use of resources.	Quarterly spending performance reports	Simple Count	The quality of monitoring reports depends on the accuracy of reports received	Output	Cumulative	Quarterly	No	Higher	SM: Fiscal Policy
2.3.5	Evaluation of Annual Performance Plans of Public Entities.	Corporate Plans/ Annual Performance Plans of Public Entities evaluated.	To monitor that the budget and plans of public entities are aligned to and comply with the given framework for all departments and public entities in the FS province.	Evaluation report	N/A	None	Output	Non-cumulative	Annually	No	On-target	SM: Fiscal Policy
2.3.6	Research on fiscal matters	Research/study on fiscal matters conducted.	To identify new sources or enhance current streams of revenue for the province.	Research report	N/A	None	Output	Non-cumulative	Annually	No	Higher	SM: Fiscal Policy

2.4 BUDGET MANAGEMENT												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
2.4.1	Managing of provincial budget	Table appropriation and Provincial Budget in line with national prescripts.	To ensure compliance with legislation with regard to budgets.	Appropriation Act, 1 <sup>st</sup> and 2 <sup>nd</sup> draft budget submission, final submission and PMTEC Hearing (Report) inputs	Simple Count	None	Output	Non-cumulative	Annually	No	On-target	SM: Budget Management
2.4.2	Managing of Adjustment Budget	Table appropriation and Adjustment budget in line with national prescripts.	To ensure compliance with legislation.	Adjustment Appropriation, virements and Rollovers	Simple Count	None	Output	Non-cumulative	Annually	No	On-target	SM: Budget Management
2.4.3	Analysis report of budget and Annual Performance Plans	Report on alignment of budget, strategic and annual performance plans.	To provide all departments with an assessment of the alignment of their budget, strategic and annual performance plans in order to improve alignment with the mandatory requirements set out in the framework.	Evaluation Reports	Simple Count	Submission by Depts.	Output	Non-cumulative	Annually	No	On-target	SM: Budget Management
2.4.4	Analysis of departmental priorities	Produce quarterly reports on progress made against funded priorities.	To track expenditure as well as progress made on the implementation of sector specific priorities.	Report on expenditure and progress with priorities	Simple Count	The quality of the report depends on the accuracy of information from departments	Output	Cumulative	Quarterly	No	Higher	SMS: Budget Management

2.5: PUBLIC FINANCE												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
2.5.1	In-Year Monitoring Model assessment reports	Number of monthly assessment reports prepared in terms of the In-Year Monitoring Model.	To assess and monitor projected expenditure against actual expenditure and to identify early challenges as well as providing National Treasury with an Expenditure Analysis Report.	Provincial Preliminary Expenditure Analysis reports	Simple count	The quality of the report depends on the accuracy and availability of data from departments	Output	Cumulative	Quarterly	No	On-target	SM: Public Finance
2.5.2	Report on Assessment of Quarterly Performance Reports	Number of quarterly assessed reports prepared in terms of the quarterly performance model.	To comply with legislation and assess the performance of departments against set targets in Annual Performance Plans. The assessment assists in identifying the potential of departments to achieve annual targets for the financial year.	Data files submitted to National Treasury	Simple Count	None	Output	Cumulative	Quarterly	No	On-target	SM: Public Finance
2.5.3	Infrastructure expenditure assessment reports	Number of quarterly assessed reports prepared in terms of the infrastructure model	To assess and monitor projects against actual expenditure in line with project status to identify early challenges.	Data files submitted to National Treasury	Simple Count	None	Output	Cumulative	Quarterly	No	On-target	Senior Manager: Public Finance

## PROGRAMME 3: ASSET AND LIABILITY MANAGEMENT

3.2: ASSET MANAGEMENT												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
3.2.1	Infrastructure/IDP delivery meetings	Infrastructure/ IDMS delivery meetings and reviews conducted.	To monitor the progress made by relevant departments on infrastructure delivery and the institutionalisation of the IDIP within these departments.	Attendance Registers	Simple Count	None	Output	Cumulative	Quarterly	No	Higher	Manager Infrastructure
3.2.2	Infrastructure site visits	Number of infrastructure site visits conducted.	To monitor of progress made with the implementation of infrastructure projects with a specific focus on value for money and efficiency.	Infrastructure site visit reports	Simple Count	The accuracy of the report depends on the accuracy of reported information	Output	Cumulative	Quarterly	No	Higher	Manager Infrastructure
3.2.3	Infrastructure monitoring and review reports	Number of infrastructure monitoring & review reports produced	To monitoring the proper maintenance of Infrastructure within the province.	Reports	Simple Count	Proper review and monitoring of assets	Output	Cumulative	Quarterly	No	Higher	Manager Infrastructure
3.2.4	Reporting on PPP management	Number of consolidated reports produced on effective management of PPP projects	To determine the status of PPP projects in the province.	Consolidated reports	Simple Count	The accuracy of the report depends on the accuracy of data received	Output	Cumulative	Quarterly	No	Higher	Manager Infrastructure
3.2.5	PPP Forums	Number of PPP forums conducted	To improve skills within the PPP projects in the province	Agendas / Minutes / attendance registers / Presentations	Simple Count	None	Output	Cumulative	Quarterly	No	Higher performance is desirable	Manager Infrastructure
3.2.6	Monitoring of provincial banker	Monthly monitoring of provincial banker in line with the SLA through monthly meetings	To find solutions to banking challenges experienced by provincial departments and provincial treasury	Minutes of meetings	Simple count	None	Output indicator	Cumulative	Quarterly	No	Higher	Manager: Cash Management
3.2.7	Annual Financial Statements for the Revenue Fund	Timely submission of accurate Annual Financial Statements for the Provincial Revenue Fund	To report on the financial performance and financial position of the Provincial Revenue Fund, as well as net consolidated cash position of the fund	Annual Financial Statements	Simple count	None	Output indicator	Non-cumulative	Annually	No	On-target	Manager: Cash Management
3.2.8	Cash Reports	Monthly reports on cash allocations to departments	To report on the status of cash transfers from the Provincial Revenue Fund to the Provincial Departments in line with the Appropriation Act	Cash reports	Simple count	None	Output indicator	Cumulative	Quarterly	No	On-target	Manager: Cash Management

3.2: ASSET MANAGEMENT												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
3.2.9	Investment Reports	Monthly reporting on investments performance.	To report on the performance of investments and interest generated by the Provincial Revenue Fund.	Investment registers/	Simple count	Accuracy of the information depends on the accuracy with which the reconciliations are compiled	Output indicator	Cumulative	Quarterly	No	On-target	Manager: Cash Management
3.2.10	Review of Bridging Finance and Settlement Limits	Annual review of bridging finance.	To ensure that the Province has access to adequate temporary bridging finance.	MEC approval for the bridging finance	Simple count	No specific limitations	Output indicator	Non-cumulative	Annually	No	On-target	Manager: Cash Management
		Monthly implementation of settlement limits.	To ensure that electronic processing of payments by provincial departments is effected in line with the budget allocation for each department.	Schedule of limits	Simple count	No specific limitations	Output indicator	Cumulative	Quarterly	No	On-target	
3.2.11	Reconciliation of Provincial Revenue Fund and PMGs	Monthly reconciliation of financial information between Provincial Revenue Fund and Provincial Departments.	To reconcile the movement of funds between the Provincial Revenue Fund and Provincial Departments (payments and receipts).	Monthly recon	Simple count	No specific limitations	Output indicator	Non-cumulative	Quarterly	Yes	On-target	Manager: Cash Management
3.2.12	Review of Supply Chain Management Key Performance Indicators	Supply Chain Management Key Performance Indicators to ensure compliance with SCM prescripts.	To ensure compliance to the SCM prescripts and legislative requirements, addresses issues of procurement processes, and to enforce the PFMA and legislative requirements related to Supply Chain.	SCM KPIs/checklist	Simple count	None	Output	Non-cumulative	Quarterly	No	On-target	Manager and Assistant Directors: SCM
3.2.13	SCM Capacity building	Number of supply chain management forums and training sessions conducted.	The indicator measures efforts to ensure adequate skills and capacity in SCM in the Province and creating a platform for information sharing of best practices in SCM.	Invitations / Agendas / Attendance Registers	Simple count	None	Output	Non-cumulative	Quarterly	No	Higher	Manager and Assistant Director: SCM
3.2.14	Supplier Management system	Administer and maintain the centralized database system	To ensure that the centralised supplier database is effectively administered including the sourcing of suppliers for quotation management and ensuring rotation of suppliers in terms of fairness.	Supplier database system report	Administration of the system	None	Output	Cumulative	Quarterly	No	Effective system and higher number of suppliers	Manager and Assistant Director: SCM

**3.2: ASSET MANAGEMENT**

Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
3.2.15	Supply Chain Management monitoring reports	Number of SCM monitoring reports produced.	To assess compliance with SCM prescripts in order to ensure improvement in compliance to the SCM prescripts and legislative requirements, address issues of procurement processes, and enforce the PFMA and legislative requirements related to Supply Chain Management.	KCM Assessment Reports	Simple count	None	Output	Cumulative	Quarterly	No	On-target	Manager and Assistant Directors: SCM
3.2.16	Transversal contracts reports	Report on arranging of transversal contracts for goods and services for all departments.	To monitor progress with putting transversal contracts in place.	Status report	Simple count	None	Output	Cumulative	Annually	Yes	Higher	Manager and Assistant Directors: SCM
3.2.17	Payment of suppliers within 30 days	Report on number of legitimate invoices from suppliers reported as not paid within 30 days by departments and public entities.	To monitor compliance to TR 8.2.3 and Instruction Note 34/2012 to settle accounts within required timeframes.	Progress Report based on BAS and LOGIS payment reports and monthly reports from departments and entities.	Simple count	Accuracy of the report depends on the correctness of information on the systems and reported by departments and public entities	Output	Cumulative	Quarterly	Yes	Higher	Manager and Assistant Directors: SCM
3.2.18	Training and capacity building to improve asset management	Number of fora and training sessions held to improve physical asset management in departments and public entities.	To track assistance provided to departments and public entities to enhance and improve asset management through capacity building	Invitations / Agendas / Attendance Registers / presentations	Simple count	None	Output	Cumulative for the year	Quarterly & Semester	No	Higher	Manager PAM.
3.2.19	Monitoring of Physical Asset Management	PAM monitoring reports produced to promote effective PAM practices within the Province	To monitor and evaluate internal control systems of departments and public entities with regard to physical asset management to determine whether it is adequate and effective in ensuring compliance with policies, acts and regulations; that assets are adequately maintained and safeguarded against theft and damages and that asset registers exist and comply with minimum requirements	Monitoring reports	Simple Count	None	Output	Cumulative	Monthly	No	Higher	Manager: PAM

### 3.4: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS

Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility
3.4.1 Uptime of BAS terminal servers	The indicator refers to the availability and stability of the BAS terminal servers as a percentage of normal working hours.	To measure the extent to which the BAS terminal servers are available for Free State BAS users to logon to the BAS system.	Uptime register	The availability of the BAS terminal server is checked twice a day by logging on to verify that it is online. Up- and downtime is recorded in a register. These records form the basis from which uptime is calculated.  Uptime (x) is calculated by deducting the total no of hours downtime (y) for a month from the total number of normal working hours in the month (z) and dividing it by the total number of working hours (z) multiply by 100, i.e. $X = (z - y)/z * 100$	Downtime could be experienced in between verification logons	Impact	Cumulative	Monthly	No	Higher	Manager: SIFS
3.4.2 Technical and functional response time	Provide technical and functional support to Provincial Departments within 8 working hours	The indicator measures the extent to which the department is able to ensure that logged calls are responded to within acceptable timeframes	i-Request reports	The number of requests/calls dealt with within 8 working hours is calculated as a percentage of the total number of calls logged to determine the overall percentage for responses within 8 working hours	Accuracy depends on availability of the network and accuracy of logging calls	Output	Cumulative	Monthly/ Quarterly	No	Higher	Managers: SIFS

**3.4: SUPPORTING AND INTERLINKED FINANCIAL SYSTEMS**

Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
3.4.3	Turnaround time for online banking and hand written cheques	Processing of submissions from departments for online banking and/or hand written cheques.	To ensure that the department responds within 24 hours to requests from departments for urgent payments, submissions for payments other than EBT/BCT. For deviation from TR 15.12.3 and PERSAL related matters	Submissions/ Registers	Turn-around time is the average of the time between receipt of a request issuing of a cheque for all submissions received	Accuracy depends on the accuracy of registers	Output	Non-cumulative	Monthly/ Quarterly	No	Shorter time	Manager: BAS
3.4.4	Processing of entities	Turn-around time for processing credible and accurate entities.	To ensure that verifying the accuracy and credibility of Banking Details of suppliers, employees, etc. on systems are done within a standard of 10 working days.	Entity forms/registers. Manual and Electronic Registers and System reports.	Turn-around time is the average of the time between receipt of a request and the time it is processed for all credible entities	Accuracy depends on the accuracy of registers and system reports	Output	Non-cumulative	Monthly/ Quarterly	No	Shorter time	Managers: Logistics and BAS
3.4.5	Item codification and standardisation	Turn-around time for processing item-codification requests and items to be codified and standardised	To ensure that items are codified and standardised within 48 hours to enable system users in the province to have a standard reference to all items and services in use.  The process of creating items and services that LOGIS users need to transact is called codification and is done by Provincial Treasury for the entire province. This process leads to the creation of Item Control Number (ICN).	NATO Codification Standards and Data Submission for Codification Form  Manual and Electronic Registers and System reports	Turn-around time is the average of the time between receipt of a request for codification and the time it is codified and standardised	Accuracy depends on accuracy of registers and system reports	Output	Non-cumulative	Monthly/ Quarterly	No	Shorter time	Manager: Logistics
3.4.6	Transversal Systems training	Number of users trained on Transversal Systems (BAS, PERSAL and LOGIS)	To track the number of officials that have been trained in Transversal Systems in order to have competent Transversal Systems users, minimise risks and ensure effective utilization of the system	Attendance Registers/ Statistics report	Simple count	Accuracy depends on the accuracy of attendance registers	Output	Cumulative	Monthly/ Quarterly	No	The indicator is, to some extent, demand driven. If the skills level is insufficient, a higher number of sessions would be required.	Managers: BAS, PERSAL and LOGIS

## PROGRAMME 4: FINANCIAL GOVERNANCE

4.2 ACCOUNTING SERVICES												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
4.2.1	Accounting related Fora/work sessions/ bilaterals	Number of Accounting related Fora/work sessions/ bilaterals to provide a structure for forums/ work sessions/ bilaterals to build and maintain accounting capacity.	The indicator gives an indication of Provincial Treasury's efforts to improve the skill level of staff in order to comply with the latest accounting reforms through PMG, CFO and ASB forums/ sessions.	Attendance register	Simple count	None	Output	Cumulative	Quarterly	No	The indicator is, to some extent, demand driven. If the skills level is insufficient, a higher number of sessions would be required.	SM: Accounting Services
4.2.2	Formal training sessions conducted/ facilitated to build capacity	Provide structured training to build and maintain accounting capacity in Provincial Departments and Entities on:  <ul style="list-style-type: none"> <li>•Asset and liability accounts</li> <li>•Basic accounting handbook/<a href="#">Accounting manual for departments</a></li> <li>•Annual financial statements</li> </ul>	The indicator gives an indication of Provincial Treasury's effort to improve the level of skills with regard to the latest accounting reforms.	Attendance register and <a href="#">evaluation results</a>	Simple count	None	Output	Cumulative	Quarterly	No	The desired level of performance depends on the level of skills and competence available and the extent of reforms introduced. If the competence level is insufficient and reforms extensive a higher number of training sessions would be required.	SM: Accounting Services
4.2.3	Interim and draft annual financial statements assessments	Number of consolidated reports on interim and draft annual financial statements assessments produced to promote quality financial statements that should lead to unqualified audit opinions by the AGSA	The consolidated reports provide management with an overview of the status of submission and results of the assessment of financial statements.	IFS & <a href="#">Draft AFS Assessment reports</a>	Simple count	None	Output	Cumulative	Quarterly	No	<a href="#">higher</a>	SM: Accounting Services
4.2.4	Consolidated annual financial statements and Annual Report	Compilation and timely submission of the Annual Consolidated Financial Statements for the Province in respect of departments and entities. <ul style="list-style-type: none"> <li>•Draft CFS by 30 June</li> <li>•Final CFS by 31 August</li> <li>•Annual Report by 31 October</li> </ul>	This is an indication of compliance with the PFMA imperative to inform the Provincial Government and other users of the position and performance of the Province.	Annual Financial statements and <a href="#">Annual Report</a>	Simple count	None	Output	Cumulative	Annually	No	On-target	SM: Accounting Services

#### 4.2 ACCOUNTING SERVICES

Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility
4.2.5 Key Control Matrix	Number of consolidated Key Control Matrix (KCM) assessment reports produced for Departments and trading entities' to promote compliance with legislative requirements	The consolidated KCM reports provide management with an overview of departments and trading entities' performance against key controls identified by Provincial Treasury to assist departments to improve service delivery, enhance sound financial management and improve on future audit outcomes.	KCM reports	Simple count	None	Output	Cumulative	Monthly and Quarterly	No	<a href="#">higher</a>	SM: Accounting Services

4.8 PROVINCIAL RISK MANAGEMENT AND INTERNAL AUDIT												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
4.8.1	Bi-annual consolidated Risk Management Compliance Reports	Bi-annual consolidated assessments reports produced for Departments and Public Entities to promote compliance with Risk Management Framework	Consolidated reports provide an overview of the status of compliance with regard to the Risk Management Framework in the province.	Consolidated reports based on: - Bi-annual consolidated Risk Management KPI Reports. - Relevant evidence received from departments and entities. - KPIs Assessment tools	Simple count	None	Output	Cumulative	Bi-annually	No	On-target	SMS: RM & IA
4.8.2	Annual FMCMM Assessment Report	Annual consolidated Financial Management Capability Maturity (FMCMM) assessment report to determine performance level on financial management components for Departments and Entities	To provide an overview of identified internal control weaknesses which prohibits departments to reach level 3, in order to develop and monitor implementation of identified strategies to improve internal control systems in order for departments to reach the required level of maturity.	Consolidated report based on: - FMCMM Assessment Report - Completed FMCMM questionnaire template - FMCMM Action Plan	Simple count	None	Output	Non-Cumulative	Annually	No	On-target	SMS: RM & IA
4.8.3	Number of Risk Management / Internal Audit related forums/session	Number of Risk Management / Internal Audit related Forum/sessions held to build capacity in Provincial Departments and Entities	To build capacity and empower the CROs, CAEs, Audit Committee Members or Risk Management Committee Members of the departments and entities through interactive sessions	<u>Attendance registers.</u>	Simple count	None	Output	Cumulative	Per trimester	No	Higher	SMS: RM & IA
4.8.4	Formal Risk Management / Internal Audit formal training sessions	Formal Risk Management / Internal Audit training sessions conducted / facilitated to build capacity for Provincial Departments and Entities	To equip Provincial CROs (Risk Practitioners) and CAEs (Internal Auditors) of departments and entities with relevant skills and knowledge to improve risk management processes	<u>Attendance registers</u>	Simple count	None	Output	Non-Cumulative	Annually	No	The need for training depends on the level of skills and capacity in the province. If capacity is insufficient, a higher number of training sessions may be required	SMS: RM & IA
4.8.5	Bi-annual consolidated Internal Audit Activity and Audit Committee Compliance Reports	Bi-annual consolidated assessments reports produced for Departments and Public Entities to promote compliance with Internal Audit Framework	Consolidated reports provide management with an overview of the status of compliance with regard to the Internal Audit Framework in the province	Consolidated reports based on: - Bi-annual consolidated Internal Audit and Audit Committees KPI Reports - Relevant evidence received from departments and entities. - KPIs Assessment tools	Simple count	None	Output	Cumulative	Bi-annually	No	<u>On target</u>	SMS: RM & IA

4.8 PROVINCIAL RISK MANAGEMENT AND INTERNAL AUDIT												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
4.8.6	KCM assessment reports	Number of consolidated Key Control Matrix assessment reports produced for Public Entities to enhance compliance and effectiveness with legislative requirements	The consolidated KCM reports provides management with an overview of public entities' performance against key controls identified by Provincial Treasury to enhance compliance with legislative requirements	Consolidated Key Control Matrix assessment reports based on: - Assessment reports - Assessment reports from other components. - Evidence from public entities	Simple count	None	Output	Cumulative	Monthly, Quarterly, Bi-Annual	No	<a href="#">On target</a>	SMS: RM & IA
4.8.7	Fraud risk assessment compliance reports	Bi-annual consolidated assessments reports produced for Departments and Public Entities to promote compliance with Fraud Risk Assessment in line with the Risk Management framework	The consolidated reports provide an overview of the state of compliance with the Risk Management Framework in the province	- Fraud risk assessment compliance reports <a href="#">based on</a> : - Risk Registers from departments and entities	Simple count	None	Output	Non-Cumulative	Annually	Yes	<a href="#">On target</a>	SMS: RM & IA
4.8.8	Number of Fraud awareness sessions facilitated	Number of Fraud Awareness Sessions to be facilitated to promote continuous awareness / alertness in line with developments around fraud management in Provincial Departments and Entities	To raise awareness on fraud issues and promote effective implementation of Fraud management and anti-fraud environment within the province in support of the International Fraud Awareness Session	- Fraud awareness sessions report - Attendance registers	Simple count	None	Output	Non-Cumulative	Annually	No	<a href="#">On target</a>	SMS: RM & IA

**PROGRAMME 4: MFM**

4.3 MUNICIPAL BUDGET AND MONITORING (IYM)												
Indicator Title		Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility
4.3.1	Budget analysis	Credible Draft budgets, Final budgets and received Adjustment budgets.	The indicator assesses Municipalities' compliance to Treasury and Budgeting regulations.	Consolidated reports	Simple count	None	Output	Cumulative	Quarterly	No	On-target	SM: Mun Budget & IYM
4.3.2	Compliance with Section 71 reporting	% of municipalities complying with S71 reporting requirements.	To track the level of compliance in terms of implementation of municipal budgets.	Compliance Reports	Annual average of the number of municipal reports submitted by due dates as a percentage of total number of delegated municipalities	None	Outcome	Non-Cumulative	Annually	Yes	Higher	SM: Mun Budget & IYM
4.3.3	Capacity building	Capacity building initiatives to municipalities on budget preparation and in year reports.	To track the number of capacity building initiatives offered by Provincial Treasury to improve compliance and provide updates on new reforms to municipalities.	Attendance registers/ invitations	Simple count	None	Output	Non-Cumulative	Bi-annual	No	Higher	SM: Mun Budget & IYM
4.3.4	Joint Forum	Municipal Finance Management Joint Forum.	To improve functional areas in municipalities and have Stakeholders (Eskom, SARS, NERSA etc.) share best practices with municipalities.	Attendance register	Simple count	None	Output	Non-Cumulative	Annual	Yes	On-target	Senior Executive Managers
4.3.5	Linkage of SDBIP to municipal budgets	Report on SDBIPs linked to budgets.	The indicator tests targets set in the SDBIP to ensure alignment to adopted budgets of municipalities.	Consolidated report	Simple count	None	Output	Non-Cumulative	Annually	No	Ideal	SM: Mun Budget & IYM
4.3.6	Compliance to legislated budget time frames	Report on number of municipal councils that adopt and approve budgets within specified time-frames.	To track the number of municipalities that table their budgets according to the legislated timeframes.	Assessment report	Simple count	None	Output	Non-Cumulative	Annually	No	Ideal	SM: Mun Budget & IYM

4.3 MUNICIPAL REVENUE AND DEBT MANAGEMENT												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
4.4.1	Assessment reports on operating revenue & debt.	Monthly assessment on municipal revenue and debt management to improve management processes as per MFMA section 71.	To provide an overview of the state of municipal finances and to identify those municipalities whose finances are at risk so that support and intervention can be provided.	Consolidated reports	Simple count	None	Output	Cumulative	Monthly/ Quarterly	No	On-target	SM: Rev & Debt
4.4.2	Evaluation of revenue policies	Assessment of draft revenue policies in compliance to legislation, i.e. <ul style="list-style-type: none"> <li>Credit control and debt collection</li> <li>Property rates</li> <li>Tariff</li> <li>Indigent</li> <li>Debt write off</li> </ul>	To assess the extent to which municipalities comply to revenue related policies	Reports on adopted municipal policies	Simple count	None	Output	Non-Cumulative	Annually	No	On-target	SM: Rev & Debt
4.4.3	Intergovernmental work sessions	Number of intergovernmental work sessions conducted to resolve national and provincial debt owed to municipalities.	To enhance reduction of government debt and resolve disputes	Agenda Attendance Register Minutes/ report	Simple count	None	Output	Cumulative	Bi-annually/ Quarterly	No	Higher	SM: Rev & Debt
4.4.4	Joint Forum	MFJ Joint Fora.	To provide a platform to improve functional areas in municipalities and have Stakeholders (Eskom, SARS, NERSA etc.) share best practices with municipalities.	Attendance register	Simple count	None	Output	Non-Cumulative	Annually	Yes	Higher	SM: Rev & Debt
4.4.5	Revenue workshop	Revenue value chain workshop	To train municipal officials on revenue management.	Consolidated Report	Simple count	N/A	Output	Non-Cumulative	Annually	No	Ideal	SM: Rev & Debt
4.4.6	Indigent registers	Number of municipal indigent registers verified	To assess the updating and verification of indigent registers as per legislation	Consolidated Report	Simple count	None	Output	Non-Cumulative	Annually	Yes	Ideal	SM: Rev & Debt

4.5 MUNICIPAL ACCOUNTING SERVICES												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
4.5.1	Submission of GRAP Annual Financial Statements	Number of submitted AFS prepared in accordance with GRAP.	To assess the extent to which Annual Financial Statements comply with GRAP Standards and MFMA requirements.	Reports on: assessment of readiness to submit, submission to AG(SA) and on reviews done on financial statements submitted to Provincial Treasury  Guideline on the 2013/14 AFS	Simple count	None	Output	Cumulative	Quarterly	No	On-target	SM: Mun Acc Services
4.5.2	Improving Audit Outcomes	Promotion of improved audit outcomes in municipalities.	To support identified municipalities towards improving audit outcomes and monitor progress made on the implementation of audit action plans and assess performance of municipalities that submitted reports on 5 key controls.	Consolidated reports on municipalities supported and monitored and reports on assessment of submitted key controls	Simple count	None	Output	Cumulative	Quarterly	No	Higher	SM: Mun Acc Services
4.5.3	Improving Assets and Liability registers	Promotion of improved assets and liability registers	To monitor the safeguarding and maintenance of the assets and liabilities through monitoring and assessment of asset policies and asset registers as well as assessment of the management of liabilities of municipalities that submitted reports on 5 key controls.	Reports on evaluation of Asset Management policies, asset registers and liability registers  Draft Asset Management Policy	Simple count	None	Output	Cumulative	Quarterly	No	On-target	SM: Mun Acc Services
4.5.4	Submission and tabling of Annual Report	Monitor <ul style="list-style-type: none"> <li>the submission of Draft Annual Report</li> <li>Tabling of Annual Report</li> </ul>	To monitor compliance with the legislative framework regarding Annual Reports	Report on municipalities that submitted draft Annual Reports for audit  Report on municipalities that tabled the Annual Reports by 31 March 2015	Simple count	None	Output	Non-Cumulative	Bi-annually	No	On-target	SM: Mun Acc Services
4.5.5	Joint Forum	Municipal Finance Management Joint Forum	To improve functional areas in municipalities and have Stakeholders (Eskom, SARS, NERSA etc) share best practices with municipalities	Attendance register	Simple count	None	Output	Non-Cumulative	Annual	Yes	On-target	SM: Mun Acc Services

4.6 MUNICIPAL SUPPLY CHAIN MANAGEMENT AND COMPLIANCE												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
4.6.1	Compliance with SCM policies and prescripts	Number of Municipalities assessed and assisted with compliance to SCM prescripts.	To assess compliance of identified municipalities with SCM prescripts and provide support / advice to enable them to follow prescribed procurement processes	Assessment reports	Simple count	None	Output	Cumulative	Quarterly	No	Higher	SM: SCM/ Compliance
4.6.2	Measurement of overall compliance to MFMA	Number of municipalities assessed to improve compliance against the MFMA 30 Monitoring Indicators.	To identify gaps with MFMA compliance and afford MFMA the opportunity to incorporate identified gaps into monthly action plans.	Assessment reports	Simple count	None	Outputs	Cumulative	Quarterly	No	Higher	SM: SCM/ Compliance
4.6.3	Delegation of powers	Number of Municipalities assessed on annual review and implementation of MFMA system of delegations.	This indicator ensures that the municipalities align their MFMA delegations with the generic delegations from National Treasury	Status and progress reports	Simple count	None	Outputs	Non-cumulative	Quarterly	No	Higher	SM: SCM/ Compliance
4.6.4	Contract management	Number of municipalities assessed and assisted with contract management.	This indicator enables municipalities to monitor performance of contractors to ensure value for money.	Status reports	Simple count	None	Output	Cumulative	Quarterly	Yes	Higher	SM: SCM/ Compliance
4.6.5	Capacity building: <ul style="list-style-type: none"> <li>• MFM Joint Fora</li> <li>• Interns Fora</li> <li>• Minimum Competency Level Requirements</li> <li>• SCM training</li> </ul>	Strengthening the capacity of municipalities to comply with MFMA.	To assist with improving the skills levels of municipal officials in order to improve compliance with MFMA	Bi-annual and quarterly reports	Simple count	None	Output	Cumulative	Bi-annually and quarterly	No	Higher	SM: SCM/ Compliance

4.7 MUNICIPAL RISK AND INTERNAL AUDIT												
Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
4.7.1	Development / review of KPI's	Review KPIs to monitor Compliance to Applicable Legislations, IIA Standards and Frameworks.	To develop a measuring tool to monitor the level of compliance against prescribed legislation, norms and legislation.	Assessment <a href="#">Tool</a>	Simple count	None	<a href="#">Output</a>	Non – cumulative	Annually	No	On-target	SMS: Mun RM & IA
4.7.2	Compliance to applicable legislation	Municipalities Evaluated on functionality & capacity using predetermined Risk, Auditing, Committees and Fraud KPIs to improve Compliance to Applicable Legislations, IIA Standards and Frameworks.	To report non-compliance of prescribed legislation and to make recommendations to enhance efficiency, effectiveness and compliance to prescribed legislation.	Assessment report	Simple Count	Accuracy of the report depends on the availability and accuracy of information from municipalities	Output	Cumulative	Bi-annual	No	Higher	SMS: Mun RM & IA
4.7.3	Internal Audit report	Number of Municipalities monitored on Implementation of Internal Audit Recommendations.	To ensure implementation of recommendations made by Internal Audit.	Consolidated report	Simple Count	Quality and accuracy of the consolidated report depends on the availability of internal audit reports	Output	Cumulative	Bi-annual	<a href="#">No</a>	Higher	SMS: Mun RM & IA
4.7.4	Capacity Building	Capacity building: <ul style="list-style-type: none"> <li>Formal training (IA &amp; RM practices)</li> <li>MFM Joint Forum (RM&amp;IA)</li> <li>Annual Audit Committee chairperson's Fora</li> <li>Host forum – fraud awareness week</li> </ul>	To improve level of competency and to promote a networking platform to enhance effectiveness of IA and RM	Reports, Minutes and Resolution registers	Simple count	None	Output	Cumulative	Annually	No	Higher Municipalities Evaluated on functionality & capacity using predetermined Risk, Auditing, Committees and Fraud KPIs	SMS: Mun RM & IA