

2020

**Department of Performance Monitoring
& Evaluation Spending Review**

***Rationalisation of the Planning
Functions***

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CLUSTER: ADMINISTRATIVE SERVICES

NATIONAL TREASURY

Policy Summary

The main finding from the review is that there is duplication in government planning, monitoring and evaluation functions, particularly between the DPME, Presidency and National Treasury.

- The main area of savings would be in respect of Programme 1 administration costs which cost R 608.3 million over the 2019 MTEF.
- The rationalisation of the National Planning Commission (which cost R 157.7 million over the 2020 MTEF) into the new Research and Policy Unit within the Presidency would bring about further savings.

The **recommendations proposed** are:

- Transfer of the planning function and the NPC to the Presidency Research and Policy Unit.
- Transfer of the monitoring and evaluation functions from the DPME back to the National Treasury.
- Close DPME, with administrative positions functions absorbed other government departments in need of capacity.
- Individual departments should continue with their internal planning, monitoring and evaluation initiatives to report to Parliament, however, the size of these units should be regulated.

The impact of the applying the recommendations above will be challenging administratively however, savings can be realised.

Executive Summary

The Minister of Finance in his February 2020 budget speech announced that the National Treasury will be conducting spending reviews on selected areas of spending to identify efficiency savings. The Minister also indicated during the tabling of the Supplementary Budget, that the fiscus is currently experiencing some pressures and that the pandemic has exacerbated this to a level that could not have been anticipated a few months ago. As a result, government has had to make difficult decisions around the fiscal framework, particularly around the composition and possible reconfiguration of government spending by, amongst others, identifying inefficiencies in government, closing redundant and non-performing government programmes and introducing new reforms to curb inefficiencies.

The previous budget multilaterals with departments within the General Public Services function raised concerns around the perceived duplication of functions among departments in central government. Particularly the National Treasury, the Department of Planning, Monitoring and Evaluation, the Department of Public Service and Administration and the Presidency. These forums also discussed the possibility of reviewing legislations and mandates of departments to ensure costs effectiveness and collaboration. The National Treasury has previously been advised to set up a structure to facilitate discussions and decisions to ensure effective cooperation and collaboration among departments.

This spending review aimed to look at the mandate of the Department of Planning, Monitoring and Evaluation (DPME) and the perceived duplication of functions within the planning, monitoring and evaluation sector within government. The main finding that the review made was that the perceived duplication in government planning, monitoring and evaluation functions does exist, particularly between the DPME, Presidency and National Treasury. The recommendations proposed are the transfer of functions from the DPME, specifically the National Planning Commission to the Presidency, shifting back the functions of monitoring and evaluation to the National Treasury as well as closing the DPME.

The impact of applying the proposed recommendations will be an administrative burden, however, savings can be realised. The negative implication of not addressing these duplications is that government with scarce resources will still need to fund programmes which serve the same purpose. This will continue to put pressure on the fiscus and require government to invest more resources.

This document is not for quoting or circulation. It was done as part of the NT training exercise on the spending review methodology and is intended for discussion purposes. Further, there were some data limitations and both the appropriate level of information, and its correctness could not be independently verified.

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Abbreviations and Acronyms

APP	Annual Performance Plan
COE	Compensation of Employees
DPME	Department of Planning Monitoring & Evaluation
DPWI	Department of Public Works and Infrastructure
ENE	Estimates of National Expenditure
G&S	Goods and Services
GCIS	Government Communication and Information System
M&E	Monitoring and Evaluation
MTEC	Medium Term Expenditure Committee
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NPC	National Planning Commission
NT	National Treasury
PCAS	Policy Coordination Advisory Services
Stats SA	Statistics South Africa

1 Introduction

1.1 Overview

This spending review aims to look at the mandate of the Department of Planning, Monitoring and Evaluation (DPME) and the perceived duplication of functions within the planning, monitoring and evaluation sector within government.

The review discusses the policy and institutional information, the programme chain delivery, performance analysis, expenditure observations, options, recommendations and actions.

1.2 Problem Statement

The available evidence suggests that there is a duplication of functions within the planning, monitoring and evaluation sector within government, specifically in respect of the mandate of the DPME. Areas of duplication include planning within the National Planning Coordination programme of the DPME and related functions in the Presidency (noting the recent establishment of a new planning and coordination unit), as well as the monitoring and evaluation section within both the DPME and the National Treasury.

2 Policy and Institutional Information

2.1 History of DPME

Monitoring and Evaluation (M&E) was a new field in the newly elected democratic South Africa. Through already existing institutions, government attempted to implement M&E initiatives. The National Treasury and the Auditor General through the Public Finance Management Act of 1999 tried to regulate financial management in national government and provincial governments to ensure that all revenue, expenditure, assets and liabilities of those governments were managed efficiently and effectively. However, there was a gap in non-financial information, specifically linking expenditure to budgets.¹

The DPME was established under Proclamation No. 103 in the Government Gazette of 28 December 2009 and was proclaimed to be a department with effect from 1 January 2010, in order to address service delivery challenges by the Ministries. The functions of this department were initially housed under the Presidency's Policy Coordination Advisory Services (PCAS) unit. PCAS' core mandate to facilitate integrated strategic policy formulation and implementation across government. In achieving its mandate, PCAS had the key functions to monitor and evaluate the interpretation of policies and the implementation of programmes,

¹ Goldman et al. 2014 cited in Abrahams, 2015

and to advise the President, Deputy President and Minister on any interventions necessary to ensure more efficient and effective service delivery across government. The DPME was expected to assume this role, over and above, address other service delivery related challenges.²

Two main challenges were identified which the department was targeted to address: (1) a lack of accountability at the ministerial and the upper managerial level; poor planning at some ministries, including a failure to link activities to a departmental plan; and (2) ineffective coordination between ministries in producing and implementing policies.

Therefore, the DPME was established to:

- support the National Planning Commission (Whose main objective is to support and give advice on the implementation of the national objectives and priorities to drive long term development)
- facilitate the implementation of the National Development Plan (NDP) through the development of sector specific and outcome-specific medium-term plans and delivery agreements
- monitor and evaluate the implementation of these plans ensure the alignment of departmental strategic and annual plans and budget allocations with government's medium-term strategic framework monitor the performance of individual national and provincial government departments and municipalities
- facilitate targeted intervention programmes monitor frontline service delivery and manage the presidential hotline develop and implement the annual national evaluations plan and support the national evaluations system
- promote good planning, monitoring and evaluation practices in government

Since its inception, the DPME has established a National Evaluation System, including standards, competencies, training and the conducting of evaluations at national and provincial levels, as well as part-funding of evaluations with government institutions. In implementing its functions, the department cites challenges such as: inadequate systems, lack of remedial actions on poor performance, lack of consequence management, inadequate culture of evidence-based policy making and programme development, etc.³

² Abrahams, M.A., 2015, 'A review of the growth of monitoring and evaluation in South Africa: Monitoring and evaluation as a profession, an industry and a governance tool', African Evaluation Journal 3(1), Art. #142, 8 pages. <http://dx.doi.org/10.4102/aej.v3i1.142>

³ <https://static.pmg.org.za/1/181031DPME.pdf>

The department has also faced several challenges, which include inadequate information management skills, lack of coordination, focus on activities rather than outcomes, functioning outside a legal framework as well as duplication of work with other departments (Abrahams. 2015)-²

More specific to the topic of this review, there is a perceived duplication between the DPME and the Policy and Research unit within the Presidency. In 2019, the Presidency created a research a policy unit based on the principles of PCAS and those similar to the already existing functions of the DPME. Specifically, the aim of the policy and research unit within the Presidency is to provide policy and research support to the political principals in the Presidency in the exercise of their Constitutional mandate and within the context of government priorities.

In the 2020 MTEC meeting, the Presidency presented resource and capacity challenges within the policy unit, which prompted the National Treasury (for resource efficiency and policy direction) to probe the similarities in the functions of the unit and the National Planning Commission. In addition, the NT also wanted to review the monitoring and evaluation function within central government departments.

2.2 Policy framework

The purpose of the Department of Planning, Monitoring and Evaluation (DPME) is to improve government service delivery through integrated planning, monitoring and evaluation. The impact that DPME seeks to achieve through its mandate of planning, monitoring and evaluation, is improved government performance and the implementation of government priority programmes.

Figure 1: Key policies and frameworks



Source: Data extracted from DPME 2020-2025 strategic plan

1. **The Constitution of the Republic of South Africa, 1996:**

Section 85(2) of the Constitution of the Republic of South Africa empowers the President to exercise executive authority, together with other members of Cabinet, by:

- a) Implementing national legislation;
- b) Developing and implementing national policy;
- c) **Co-coordinating the functions of state departments and administrations;**
- d) Preparing and initiating legislation; and
- e) Performing any other executive function provided for in the Constitution or in national legislation.”

Section 97 of the constitution empowers the President transfer functions amongst members of cabinet. **The function of planning, monitoring and evaluation have been assigned to the Minister in the Presidency. The fact that there is no explicit mention of the role of the DPME in the Constitution can be interpreted to mean that this function can be executed at any level and form, or by any Ministry.** In addition, the coordination and planning, monitoring and evaluation of policies is part of the functions given to President according to section 85 of the Constitution. Accordingly, the President has the authority to elect a Ministry or a department which may be used as a vehicle to deliver on this mandate. Currently, the functions lie in the Department of Planning, Monitoring and Evaluation in line with the President’s prerogative.

2. **Presidential Proclamation No.47 of 2014**

Section 3.3 of Proclamation 47, July 2014, establishes and entrusts the functions of Planning, Monitoring and Evaluation to the Minister in The Presidency responsible for Planning, Monitoring and Evaluation in terms of Section 97 of the Constitution. There is no legislation that later followed this proclamation in forming the department.

3. **National Development Plan 2030-Our future make it work (2012)**

The DPME is the custodian of the National Development Plan (NDP) and oversees and monitors its implementation, evaluates the impact of programmes in meeting the targets in the NDP and coordinates planning.

The NDP 2030 is a vision for the country’s development produced by the National Planning Commission (NPC). It is a product of the outputs envisaged in the Green Paper on National Strategic Planning (2009). The President appointed the National Planning Commission in May 2010 to draft a vision and National Development Plan. The Commission is an advisory body

consisting of people drawn largely from outside government, chosen for their expertise in key areas. The commission is supported by the secretariat currently located in the DPME.

The NDP is an overall framework for government plans on development. It is however a measurable output of the Planning Commission within the DPME. The NDP places an emphasis on the importance of planning, monitoring and evaluation in order to achieve the objectives set.

4. *Green Paper on National Strategic Planning (2009)*

Sections 6 and 7 of the National Strategic Planning Green Paper 2009, outlines the need for long term planning and coordination amongst spheres of government to ensure coherence in policy making and implementation. The paper outlines an institutional framework for development and long-term planning and describes the outputs of planning. The paper further proposes the establishment of the National Planning Commission and defines its functions which includes the development of the NDP and the Medium-Term Strategic Framework (MTSF) under the leadership of the Minister in the Presidency responsible for planning. The Green Paper is therefore instructive on the mandate of DPME and the NPC in regard to national development planning.

5. *Framework for Strategic Plans and Annual Performance Plan*

The mandate of DPME is amongst others to coordinate and facilitate planning and the monitoring and evaluation of government programmes. The framework emphasises the planning logic and institutionalised planning to better enable the delivery of government policies, programmes and projects. It also helps to standardise concepts used across short- and medium-term planning instruments, streamline planning, monitoring and evaluation processes, and improve the use of evidence, and monitoring and evaluation findings to better inform improvement, learning and innovation.

The DPME oversees the implementation of the Framework to ensure that departments Strategic Plans and Annual Performance Plan (APPs) account and are alignment to the MTSF.

6. *Policy framework Government-wide Monitoring and Evaluation Systems 2007*

The DPME is a custodian of the Framework for Government-wide Monitoring and Evaluation Systems (GWMES) and supports its implementation across spheres of government and public entities. The GWMES is applicable to all entities in the national, provincial and local spheres of government and is the overarching policy framework for monitoring and evaluation in the South African Government. It sets out the policy context for supporting frameworks, such as

National Treasury's Framework for Managing Programme Performance information and Statistics South Africa's South African Statistics Quality Assurance Framework.

7. Improving Government Performance: Our Approach (2009)

This document outlines the DPME's and/or the Presidency's approach to Performance Management Monitoring and Evaluation. It emphasises the need to improve performance outcomes of government by introducing Result Based Approach to Planning, Monitoring and Evaluation of Government Programmes. The documents also outline institutional arrangements for performance monitoring and evaluation which is informed by the NDP and MTSF imperatives. DPME sets out expectations of improved outcomes across government through the development of the prioritisation plan which is the MTSF. It also ensures that Strategic and Annual Performance Plans of Departments are aligned to the NDP and MTSF imperatives.

8. *Cabinet policy decisions such as the implementation of the District Development Model (DDM)*

From time to time, Cabinet makes decisions that require DPME to implement. The DDM is the latest cabinet decision assigned to DPME to implement. Other decisions are as follows:

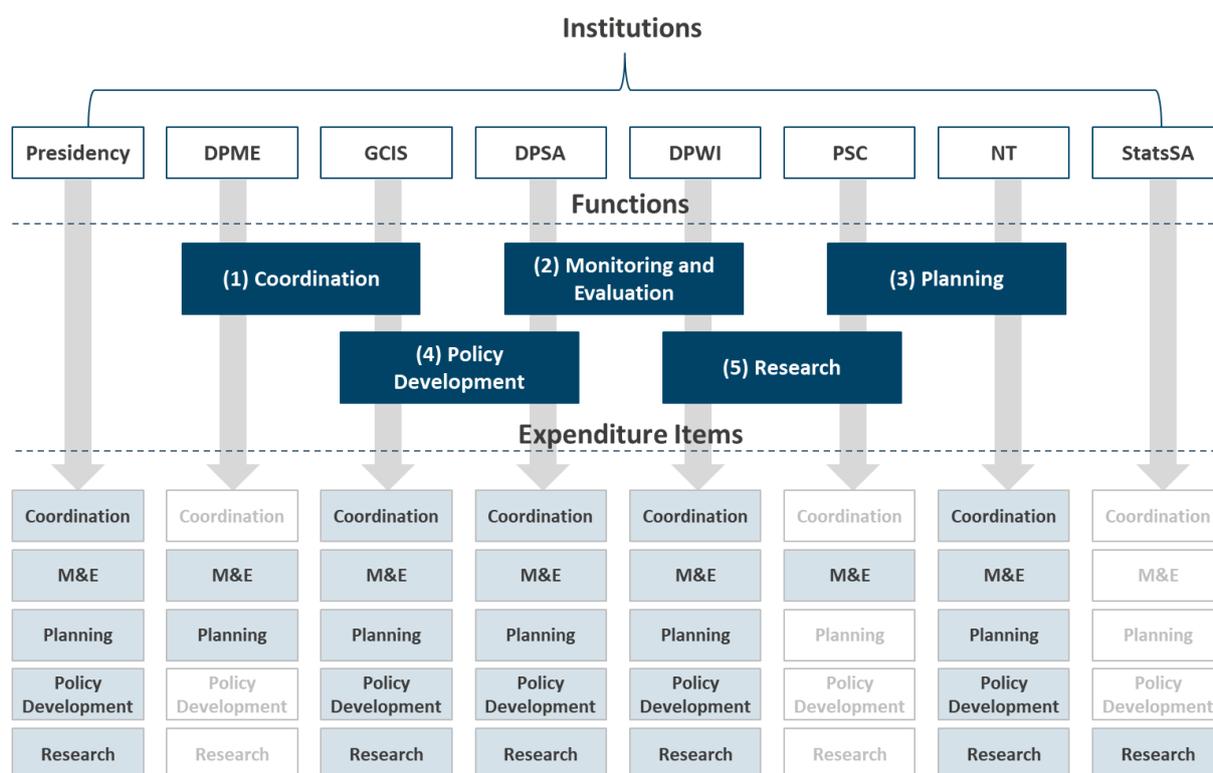
- Monitoring of 30 days' payments
- Monitor implementation of section 100 interventions in North West
- Monitor Interventions in distressed mining communities
- Facilitation and monitoring of implementation of Operation Phakisa

Contrasting departments such as the National Treasury or the DPSA, the **DPME, similar to the Department of Women, Youth and Persons with Disabilities does not have founding legislation**. The formal documentation used to rationalise the existence of the DPME is a Government Gazette, which formally communicates Presidential Proclamation No. 47 of 2014. In any environment, a department which functions without a clear legislative mandate will be faced with challenges when it comes to enforcing its mandate. This also creates room for duplication and does not prevent other departments from doing the same work. Before the establishment of the DPME, institutions such as the National Treasury and the Public Service Commission always reached a stumbling block with M&E initiatives because of lack of a legislative framework within which to operate.

2.3 Institutional framework

The function of planning, monitoring and evaluation is a common function amongst central government departments. The table below shows similarities in coordination, M&E, Policy Development and Research (with budgets allocated) amongst different departments.

Figure 2: Mandates and Institutions



Source: Data extracted from BAS

Table 1: Comparison of functions

Department	Function	Objective
GCIS	Policy and Research	Conducts research to assess the information needs of the public and how government should address these needs; monitors media coverage of issues affecting government and the country; provides analyses on how the media interprets and reports on government policies and programmes; formulates policy proposals where they are required; assesses public perception in relation to government performance; and oversees the process of reviewing the government communication policy by monitoring its implementation and facilitating workshops.
DPWI	M&E and Reporting	Promotes good governance by supporting provinces in strengthening their governance and coordination capabilities.
	Intergovernmental Relations and Co-ordination	Improves the coordination and alignment of public works sector policies and programmes by providing

Department	Function	Objective
		oversight, intervention and support services to provinces
PSC	Governance Monitoring	Provides institutional assessments and programme evaluations that support policy and management decisions.
	Service Delivery and Compliance Evaluations	Provides participative evaluations, including evaluations of service delivery models, and processes to support policy and management decisions
StatsSA	Policy, Research and Analysis	Provides integrated statistical advice and support for policy planners and development practitioners and participates in knowledge research and innovation on key development themes.
	Methodology and Evaluation	Provides technical expertise on methodologies for producing official statistics and reviewing surveys.

Source: Data extracted from the ENE 2020

Evident is that numerous departments play a coordination, Planning, M&E, Policy and research functions. Departments such as the DPSA, DPWI, PSC and Stats SA perform all these functions within their mandates and regulative prescripts.

These departments' performance functions for their respective departments and do not necessarily have duplicate functions to that of the DPME. The review is mainly concerned with functions related to planning, monitoring and evaluations.

Therefore, this leaves the review with possible pursuing three departments with possible duplications, namely, the DPME, National Treasury and the Presidency.⁴

⁴ **Note:** The PSC will not be included in the analysis as it is a Chapter 9 institution and is expected to function separately and independently, as such, its functions cannot be duplicated.

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Table 2: Linking departments' mandates to planning, M&E

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Presidency	Planning, Monitoring and Evaluation	Parliament	Government Communication & Information System	Public Service and Administration	Public Works and Infrastructure	Centre for Public Service and Innovation	Public Service Commission	National Treasury	Home Affairs	National School Government of	Statistics South Africa	International Relations and Cooperation
	PRES	DPME	PARL	GCIS	DPSA	DPWI	CPSI	PSC	NT	DHA	NSG	StatsSA	DIRCO
NT Functional Cluster Classification	Executive and Legislative Organs	Executive and Legislative Organs	Executive and Legislative Organs	Executive and Legislative Organs	Public Administration and Fiscal Affairs	Public Administration and Fiscal Affairs	Public Administration and Fiscal Affairs	Public Administration and Fiscal Affairs	Public Administration and Fiscal Affairs	Public Administration and Fiscal Affairs	Public Administration and Fiscal Affairs	Public Administration and Fiscal Affairs	External Affairs
									External Affairs (for Prog 6)				
Derived from ENE	Executive	Planning	Legislative	Policy development	Policy	Accommodation management	Innovation	Regulation	Policy development	Civic services	Training programme design	Development of official statistics	Foreign policy
	Coordination	NPC		Coordination	Human resource management	Infrastructure delivery		Monitoring & Evaluation	Coordination	International migration	Training programme delivery	Census	International relations
	Planning	Coordination		Planning	Labours relations	Public employment programmes		Research	Budget management	Refugee protection			
	Social cohesion	Monitoring and Evaluation		Social cohesion	eGovernment	Regulation			Financial management	Population register			
									Regulation				
Derived from Programme Structure	Administration	Administration	Administration	Administration	Administration	Administration	Administration	Administration	Administration	Administration	Administration	Administration	Administration
	Cabinet (Executive Support)	National Planning Coordination	National Assembly	Content processing and dissemination	Policy development, research and analysis	Intergovernmental coordination	Research and development	Leadership and management practices	Economic policy, tax, financial regulation and research	Citizen affairs	Training management and delivery	Economic statistics	International relations
	Policy & Research Services	Sector Monitoring Services	NCOP	Intergovernmental coordination and stakeholder management	Public service employment and conditions of service	Expanded Public Works programme	Solution support and incubation	Monitoring and evaluation	Public finance and budget management	Immigration affairs	Training policy and planning	Population and social statistics	international cooperation
		Public Sector Monitoring and capacity Development			Government Chief Information Officer	Property and construction industry policy and research		Integrity and Anti-corruption	Asset and liability management		Specialised Services	Methodology and statistical infrastructure	Public diplomacy and state protocol and consular services

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	1	2	3	4	5	6	7	8	9	10	11	12	13
	Presidency	Planning, Monitoring and Evaluation	Parliament	Government Communication & Information System	Public Service and Administration	Public Works and Infrastructure	Centre for Public Service and Innovation	Public Service Commission	National Treasury	Home Affairs	National School of Government	Statistics South Africa	International Relations and Cooperation
	PRES	DPME	PARL	GCIS	DPSA	DPWI	CPSI	PSC	NT	DHA	NSG	StatsSA	DIRCO
		Evidence and Knowledge Systems			Service delivery support	Prestige property			Financial accounting and Supply chain management systems			Statistical support and informatics	International Transfers
					Governance of public administration				International financial relations			Statistical operations and provincial coordination	
									Civil and military pensions, Contributions to funds and other benefits			South African National Statistics System	
									Technical and management support and development finance				
									Revenue administration				
									Financial intelligence and state security				
REVISED MANDATE (partially derived from BAS)	Executive	Planning	Legislative	Policy	Policy	Accommodation management	Research	Regulation	Policy development	Civic services	Training programme design	Development of official statistics	Foreign policy
	Coordination	Coordination		Coordination	HR and IR management	Infrastructure delivery	Incubation	Monitoring and Evaluation	Coordination	International migration	Training programme delivery	Census	International relations
	Planning	Monitoring and Evaluation		Planning	Research	Public employment programmes		Research	Budget management	Refugee protection			International Transfers
	Social cohesion	Research		Social cohesion	Regulation	Regulation			Financial management	Population register			

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	1	2	3	4	5	6	7	8	9	10	11	12	13
	Presidency	Planning, Monitoring and Evaluation	Parliament	Government Communication & Information System	Public Service and Administration	Public Works and Infrastructure	Centre for Public Service and Innovation	Public Service Commission	National Treasury	Home Affairs	National School of Government	Statistics South Africa	International Relations and Cooperation
	PRES	DPME	PARL	G CIS	DPSA	DPWI	CPSI	PSC	NT	DHA	NSG	StatsSA	DIRCO
	Policy			Communications	GCIO	Sector development			Regulation				
	Research				eGovernment				International financial relations				
									Pensions and Contributions to funds				
									Technical and management support				
									Revenue administration				
									Financial intelligence				
									Development finance				
									State security				
									Research				

Source: data extracted from BAS

3 M&E Functions Expenditure Analysis

Table 3: Expenditure by Mandate

R'000	DPME	GCIS	DPWI	PSC	NT	TOTAL	%
Monitoring and Evaluation	554,866	14,775	14,585	56,943	67,204	708,373	87%
Planning	103,301	-	-	-	-	103,301	13%
Total	658,166	14,775	14,585	56,943	67,204	811,673	100%
% of Total	81%	2%	2%	7%	8%	100%	

Source: data extracted from BAS

The total budget spent on planning, M&E initiatives between 2017/18 to 2019/20 between the DPME, GCIS, DPWI and the National Treasury amounted to R 812 million. Of this some 87% (R 708 million) was for monitoring and evaluation activities. DPME contributed some 78% to this M&E expenditure over the three years.

3.1 DPME Expenditure

Table 4: DPME Expenditure

Row Labels	Sum of 2017/2018	Sum of 2018/2019	Sum of 2019/2020
Monitoring and Evaluation	210 946	169 474	174 445
COMPENSATION OF EMPLOYEES	106 697	125 242	134 156
GOODS AND SERVICES	102 934	43 253	38 439
HOUSEHOLDS (HH)	171	298	568
MACHINERY AND EQUIPMENT	276	205	1 012
PAYMENTS FOR FINANCIAL ASSET	18	0	1
SOFTWARE & INTANGIBLE ASSETS	850	476	270
Planning	19 598	37 518	46 184
COMPENSATION OF EMPLOYEES	10 415	22 521	27 095
GOODS AND SERVICES	9 103	14 916	18 909
HOUSEHOLDS (HH)	18	8	153
MACHINERY AND EQUIPMENT	37	74	27
NON PROFIT INSTITUTIONS (NPI)	25	-	-
Grand Total	230 544	206 992	220 630

Source: data extracted from BAS

In the 2017/18 financial year, the DPME spent R230.5 million on planning, monitoring and evaluation with compensation of employees accounting for the most expenditure. Spending on goods and services is higher than normal in 2017/18, it decreases by more than 50 per cent in 2018/19. The department's cost drivers on goods and services are computer services, consultants, audit fees, travel and subsistence as well as operating payments/office leases.

3.2 GCIS Expenditure

Table 5: GCIS Expenditure

Row Labels	Sum of 2017/2018	Sum of 2018/2019	Sum of 2019/2020
Monitoring and Evaluation	4 656	5 096	5 023
COMPENSATION OF EMPLOYEES	4 304	4 911	4 850
GOODS AND SERVICES	271	145	160
HOUSEHOLDS (HH)	-	-	12
MACHINERY AND EQUIPMENT	77	40	-
PAYMENTS FOR FINANCIAL ASSET	3	-	-
Grand Total	4 656	5 096	5 023

Source: data extracted from BAS

The budget for M&E initiatives in the GCIS constitute a small portion of the total budget. Compared to the total budget of R15.006 million in 2017/18, the GCIS spent R4.656 million on monitoring and evaluation initiatives. In 2018/19 the total budget was R155.341 million, the department spent R5.096 on monitoring and evaluation initiatives. Lastly, in 2019/20, the department had a total budget of R164.623 million, the department spent R5.023 million on M&E. The expenditure from 2017/18 to 2019/20 is based on an old budget programme structure, in the latest approved structure, the subprogramme linked to monitoring and evaluation is called “policy and research” and has a budget of R122.5 million over the 2020 MTEF (R38.2 million in 2020/21, R40.9 million in 2021/22 and R43.4 million in 2022/23). This subprogramme has other functions outside M&E.

The aim of the subprogramme is to assess the information needs of the public and how government should address these needs; monitors media coverage of issues affecting government and the country; provides analyses on how the media interprets and reports on government policies and programmes formulates policy proposals where they are required; assesses public perception in relation to government performance; and oversees the process of reviewing the government communication policy by monitoring its implementation and facilitating workshops. Essentially, the monitoring and evaluation aspect pertain to the departmental mandate.

3.3 DPWI Expenditure

Table 6: DPWI Expenditure

Row Labels	Sum of 2017/2018	Sum of 2018/2019	Sum of 2019/2020
Monitoring and Evaluation	3 594	5 302	5 690
COMPENSATION OF EMPLOYEES	2 427	4 636	5 315
GOODS AND SERVICES	982	321	137
HOUSEHOLDS (HH)	-	212	51
INTEREST AND RENT ON LAND	-	-	107
MACHINERY AND EQUIPMENT	185	133	79
Grand Total	3 594	5 302	5 690

Source: data extracted from BAS

The budget for M&E initiatives in the DPWI constitutes a small portion of the total budget. Compared to the total budget of R6 942.287 billion in 2017/18, the DPWI spent R3.594 million on monitoring and evaluation initiatives. In 2018/19 the total budget was R7 463.549 billion, the department spent R5.302 million on monitoring and evaluation initiatives. Lastly, in 2019/20, the department had a budget of R7 967.045 million, the department spent R5.690 million. The expenditure from 2017/18 to 2019/20 is based on an old budget programme structure, in the latest approved structure, the subprogramme linked to monitoring and evaluation is called Monitoring, Evaluation and Reporting, it promotes good governance by supporting provinces in strengthening their governance and coordination capabilities. The budget of the subprogramme over the 2020 MTEF is R22.6 million (R8.2 million in 2020/21, R6.9 million in 2021/2022 and R7.5 million in 2022/23). The monitoring and evaluation aspect pertain to the departmental mandate.

3.4 National Treasury Expenditure

Table 7: NT Expenditure

Row Labels	Sum of 2019/2020	Sum of 2018/2019	Sum of 2017/2018
Monitoring and Evaluation	23 135	21 585	22 483
COMPENSATION OF EMPLOYEES	17 953	17 180	17 907
DEPARTMENTAL AGENCIES & ACCOUNTS	2 217	2 060	2 038
GOODS AND SERVICES	569	575	861
HOUSEHOLDS (HH)	2 397	1 771	1 656
MACHINERY AND EQUIPMENT	-	-	16
PAYMENTS FOR FINANCIAL ASSET	-	-	5

Source: data extracted from BAS

The budget for M&E initiatives in the National Treasury constitutes a small portion of the total budget. Compared to the total budget of R 656 139. 856 billion in 2017/18, the NT spent

R23.251 on monitoring and evaluation initiatives. In 2018/19 the total budget was R693 418.045 billion, the department spending R21.585 on monitoring and evaluation initiatives. Lastly, in 2019/20, the department had a budget of R753 502.551 billion, the department spent R22.483 million. In the latest approved programme budget structure, the NT does not have a subprogramme dedicated to M&E.

In terms of Section 40 (1)(d) of the PFMA which regulates that accounting officers must after five months of the end of a financial year submit an annual report, financial statements and auditor general reports on those statements to the relevant treasury has the responsibility to monitoring non-financial performance of departments. In this role, the budget unit within the National Treasury is required to make assessments and produce reports on links between budget, performance and overall objectives and outputs of government institutions. The budget reform unit within the National Treasury budget group initiated the performance management process followed by a Framework for Strategic Planning and Annual Performance Plans which formalised reporting and monitoring of Non – Financial information in government. This paved a way for showing links between planning and budgeting. the budget group therefore continues in terms of Treasury Regulation 5 planning to monitor institutional spending against allocated budgets.

4 Programme Chain of Delivery

4.1 Programme governance and accountability

Programme beneficiaries

The beneficiaries of the programmes implemented by the DPME include government, citizens, and the general public. In terms of government, this pertains to the different spheres of government and government institutions. The function of planning, monitoring and evaluation is targeted at government institutions at all levels, ensuring that there is proper planning to inform government plans, as well as that government plans, activities and overall performance in monitored and evaluated to ensure effective service delivered. The citizens of the country are the main beneficiaries of the service delivery, resource allocation, planning, monitoring and evaluation are important elements for service delivery. The public includes, civil society members, academics, etc. who may have an interest in accessing information to assess government performance.

Who is involved in the design and delivery of the programme?

Political leadership is involved in terms of determining the policy direction. This, in terms of the governance system in South Africa, which requires that legislation be tabled and passed in Parliament, and that policies be approved by Cabinet. The delivery of the DPME's programme mainly involves Cabinet, its executive authority and its accounting officer who is involved in setting the tone and providing direction for delivery of the DPME's mandate, and the development and endorsement of the policies and frameworks that guide the work of the department. As the DPME only has national offices, it is responsible for the design and delivery of its programmes through the accounting officer and programme managers.

Decision rights or authority of different role players

The department's executive authority lies within its political leadership, through the Minister of Planning, Monitoring and Evaluation. The Minister reports directly to the President. The administrative authority lies with the accounting officer/ Director General who reports directly to the Minister. The implementation of the department's programmes lies with programme managers who report to the accounting officer/Director General. The facilitation of departmental objectives is done through performance agreements.

Governance and reporting practices within and between spheres

The DPME only has national departments, but does also work with provincial departments (at provincial level, the department interacts with provincial departments through Offices of the Premier and the provincial departments of Cooperative Governance) while at national level it engages directly with departments mainly through the Sector Monitoring Services and the Public Sector Monitoring and Capacity Development Branches. An important question to enquire is what influence the DPME has over provincial officers. Although government institutions are promoted to work together collaboratively, the Constitution is very clear that one sphere does not have powers to control over the other and should not infringe on the powers and privileges of another institution.

4.2 Programme overview

The DPME's mandate is delivered in terms of programmes. The department has 5 programmes which assist in the delivery:

Programme 1: Administration

The programme provides strategic leadership, management and support services to the department. It functions with four subprogrammes namely; Ministerial Support; Departmental management as well as corporate and financial services. The programme is driven by a total

programme budget of R608.3 million over the 2020 MTEF (of which compensation of employees, is allocated - R360.3 million, goods and services - R227.3 million). The top 3 spending items of goods and services are: operating payments, travel and subsistence as well as computer services. The budget for payments for capital assets accounts for R20.7 million over the 2020 MTEF period. The programme has a staff complement of 590 over the same period.

Programme 2: *National Planning Coordination*

The programme is responsible for facilitating and coordinating macro and transversal planning functions across government and coordinating planning functions in the department. The program's objectives are to;

- a) ensure the achievement of the NDP's objectives by 2030 by developing an annual budget prioritisation framework. embedding the national spatial development framework in the strategic and annual performance plans of national and provincial departments over the medium term,
- b) coordinate planning functions across government by: assessing the alignment of the strategic and annual performance plans of national and provincial departments and public entities with government's 2019-2024 medium-term strategic framework annually, and
- c) assessing the alignment of provincial growth and development plans with local government's integrated development plans and, in turn, with government's 2019-24 medium-term strategic framework annually.

The programme is driven by a total programme budget of R257.6 million over the 2020 MTEF period, of which R188.8 million is allocated to compensation of employees and R68.9 million for goods and services (with the top 3 spending items consultants, travel and subsistence, training and development/computer services). The programme has a staff complement of 199 over the 2020 MTEF.

Programme 3: *Sector Monitoring Services*

This programme is responsible for ensuring government policy coherence. Developing, facilitating, supporting and monitoring the implementation of sector plans and intervention strategies. The objectives of the programme are to: ensure the effective implementation of government's 2019-2024 medium-term strategic framework by:

- a) monitoring the achievement of targets in priorities 1 to 5 and priority 7, and reporting on progress to Cabinet twice annually

- b) monitoring and reporting on the achievement of targets in the performance agreements between the president and ministers annually-supporting, where and when required, the development and implementation of special intervention programmes.

The programme is driven by a total budget of R256.3 million over the 2020 MTEF (of which COE accounts for R205.5 million and goods and services accounting for R50.8 million). The top 3 spending items on goods and services are consultants, travel and subsistence, communication. The programme has a staff compliment of 230 over the 2020 MTEF.

Programme 4: *Public Sector Monitoring and Capacity Development*

This programme is responsible for supporting the implementation of the medium-term strategic framework by monitoring and improving the capacity of state institutions to develop and implement plans and provide services. The programme objectives are to:

- a) strengthen state governance, efficiency, effectiveness and equity through:
 - i. monitoring the achievement of targets related to priority 6 of government's 2019-2024 medium-term strategic framework, and reporting on progress to Cabinet twice annually,
 - ii. developing and implementing the new performance and capabilities analytical framework by March 2021,
 - iii. ensuring the alignment of the performance agreements of heads of departments with government's 2019-2024 medium-term strategic framework and supporting assessments conducted on heads of department annually,
 - iv. monitoring service delivery through regular frontline monitoring visits, citizen-based monitoring and the presidential hotline, and reporting to Cabinet, annually.

The programme is driven by a total budget of R279.8 million over the 2020 MTEF period, of which compensation of employees is allocated R211 million, and goods and services is allocated R68,6 million. The programme has a staff complement of 243 over the 2020 MTEF period.

Programme 5: *Evidence and Knowledge Systems*

The programme is responsible for coordinating and supporting the generation, collation, accessibility and timely use of quality evidence to support planning, monitoring and evaluation across government. The programme has these objectives:

- a) support the planning and monitoring roles of the department by: – developing and implementing the national evaluation plan annually,
- b) conducting research and evaluations in key policy areas as identified annually, and producing relevant evidence reports, and

- c) improving knowledge management in the department through the development and implementation of a departmental knowledge and evidence hub by March 2021.

The programme is driven by a total programme budget of R165.6 million over the 2020 MTEF period, of which compensation of employees is allocated R106.8 million, and goods and services R58.4 million. The programme has a staff compliment of 126 over the 2020 MTEF period.

4.3 Discussion on COE

Table 8: DPME compensation of employees

R'000 Programme	2018/19			2019/20			2020/21			2021/22			2022/23					
	Head count	Unit Cost	Expenditure	ENE 2019	Head count	Unit Cost	Expenditure	ENE 2019	Head count	Unit Cost	Expenditure	ENE 2019	Head count	Unit Cost	Expenditure	Head count	Unit Cost	Expenditure
Administration	174	492	85,636	39,115	193	524	101,042	76,711	199	581	115,575	82,681	196	610	119,655	195	641	125,014
National Planning Coordination	57	727	41,452	31,461	63	811	51,106	60,394	66	894	59,028	64,494	67	940	62,952	66	1,012	66,810
Sector Monitoring Services	72	696	50,116	6,401	76	775	58,880	31,083	78	847	66,086	33,205	78	902	70,340	74	933	69,073
Public Sector Monitoring and Capacity Development	79	695	54,940	-	81	766	62,016	6,903	81	815	66,006	7,370	81	867	70,257	81	922	74,687
Evidence and Knowledge Systems	40	630	25,211	-	41	724	29,666	-	42	791	33,207	-	42	842	35,353	42	910	38,239
Total	422		257,355	76,977	454		302,710	175,091	466		339,902	187,750	464		358,557	458		373,823

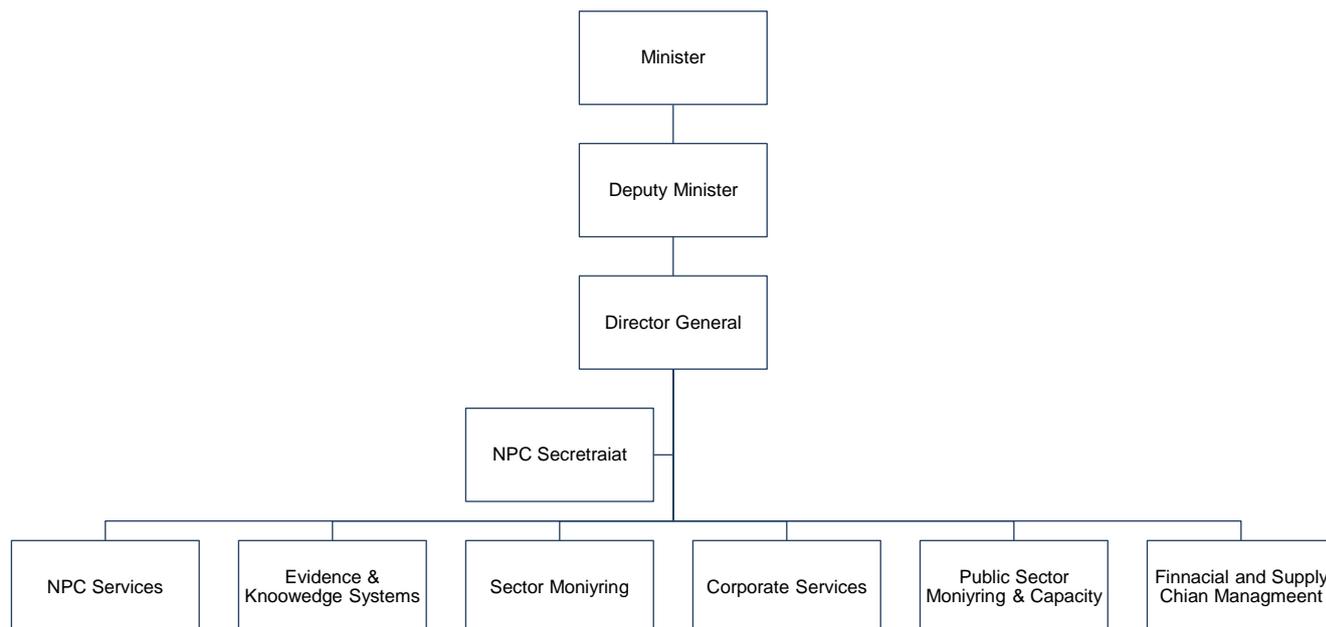
Source: Data extracted from BAS, ENE and PERSAL

The DPME as at the end of 2018/19 had a staff complement of 422 which cost the department R 257.4 million. In 2019/20 the department had an establishment of 454 which cost R 302.7 million. In 2020/21 the department anticipated a total headcount of 466, at a cost of R 339 million. In 2021/22 the department projects a headcount of 464 at a total cost of R 358.6 million, and in 2022/23, it is anticipated that the DPME will have a staff compliment of 458 at a cost of R 373.8 million. Programme 1 accounts for an estimated 40 per cent of the total staff complement.

4.4 Programme delivery

Politically, the department is headed by the Minister in the Presidency. In terms of organisational leadership and management the department is led by the Director General, followed by the Deputy Director Generals of each programme. The National Planning Commission is accommodated within the National Planning and Coordination Services programmes. However, there also exists a structure of a secretariat.

Figure 2: DPME programme delivery



Source: data sourced from the DPME’s 2020-2025 strategic plan

The departmental outputs are produced through lower level staff who report to senior management, in the name of directors and Chief Directors. The normal reporting protocol of technical staff: Assistance Director--> Deputy Director--> Director--> Chief Director--> Deputy Director General--> Director General.

The implementation of programmes is done through planning, monitoring, evaluations and interventions.

Table 9: DPME outputs

Planning	Monitoring	Evaluation
The Medium-Term Strategic Framework	Development and periodic reviews of the guidelines for the functioning of Outcomes Implementation Forums	Evaluation reports of critical government programmes
The Framework for Strategic Plans and Annual Performance Plans	MTSF monitoring framework	Guidelines and templates to support planning, M&E
The Guidelines for the implementation of strategic plans and APPS	Monitoring reports	Research Reports
The Budget Prioritisation Framework	Programme of actions report	Data reports to supports planning, M&E
Geo-spatial referencing guidelines in the support of the MTSF	Policy briefs and Briefing notes for Principals Midterm Review	
	25-year review	
	Providing an objective and independent assessment to Cabinet-based on the best available evidence	

Source: data sourced from the DPME’s 2020-2025 strategic plan

The planning aspect of the DPME involves the development of the MTSF, the Framework for Strategic Plans and Annual Performance Plans; Guidelines for the implementation of strategic plans and APPs; The Budget Prioritisation Framework; Geo-spatial referencing guidelines in support of the MTSF. This is done by the employees of the DPME and consultancy services.

Monitoring the achievement of the NDP and MTSF priorities is also a key functions/outputs of the DPME. In terms of monitoring the implementation of the NDP and MTSF, the department does this through an Integrated Monitoring and Reporting System which is an integral component of the MTSF 2019 – 2024. In doing this, the department uses M&E evidence to conduct interventions and remedial actions to use participatory mechanisms to engage stakeholders in society and with citizens at community level, hence high spending on travel and subsistence. This is done by the employees of the DPME and consultancy services.

In terms of evaluations, critical government programmes are developed with the intention to inform policy, planning, monitoring and interventions (this function is like that of the research and policy unit within the Presidency). The evaluations are also used to inform budget prioritisation (a function related to the work of the National Treasury). In terms of development of interventions, the department coordinates special programmes and interventions such as Operation Phakisa, Constitution Section 100 interventions and remedial actions based on M&E improvement plans. Some of these interventions are carried out in support of the work of Inter-Ministerial Committees (the ministerial task team can decide which department within the Presidency carries out some of these functions, some are given to the GCIS, it can cause blurred lines). This is done by the employees of the DPME and consultancy services. *information sourced from the DPME

Activity breakdown:

- Development of a monitoring and evaluation framework based on government priorities as articulated in the MTSF.
- Develop Performance Agreements and score cards of Ministers
- Monitoring is done through both desktop exercise, site visits and the use of data collection and analysis tools such as the Presidential Hotline, Stats SA data and other administrative data systems. **Desktop involves research**, read studies and collate information and knowledge, keeping abreast of all scientific evidence (local and international publications) about each sector that contributes to outcomes of a sector and progress towards outcomes. Triangulating this evidence with administrative data reported by coordinating departments on various government

implementation priorities always with the aim of identifying blockages and inefficiencies and proposing possible new innovations. **Site visits** conducted collect data from the source and to record and analyse citizen experiences when receiving public services.

- Tracking the outcomes and impacts of government policy and programmes
- Providing advice to principals on legislation policies and programmes brought before cabinet
- Tracking performance and management practices of local government
- Tracking performance and management practices of state-owned companies
- Producing comprehensive analytic reviews of progress towards the NDP 2030 covering priority government outcomes.
- Periodic reviews of government performance over the medium to long term by
 - Facilitation of Midterm Reviews of government performance
 - Documentation and publication of such reviews
 - Facilitation of 5-year; 10-year and 20-years Reviews of government performance
 - Documentation and publication of such reviews sector that contributes to outcomes of a sector and progress towards outcomes
 - Triangulating this evidence with administrative data reported by Coordinating Departments

Source: Information sourced from the DPME

4.5 Performance Analysis

The DPME changes its performance information constantly, therefore, making it difficult to track. Based on the ENE indicators that have been consistent since 2016/17, the DPME achieves its targets. The remaining indicators are new and only will be measures from 2020/21. In its 2018/19 Annual performance plan the department achieved roughly 90 per cent of the performance target. The main indicators are as follows:

- Administrative- Unqualified audit opinions.
- Core - Institutionalised Planning into a functional integrated system.
 - Percentage of government plans reflecting alignment to the Revised Planning Framework, NDP, 2019-24 MTSF and geo-spatially referenced including the District Model assessed.
 - Number of reports on stakeholder engagement activities, Number of M&E analysis reports on implementation of government priorities articulated in the NDP/ MTSF.

- Number of research and evaluations reports produced to support the country's developmental agenda. 2020 ENE indicators- Number of annual reports produced per year by the National Planning Commission on the review of the NDP.
- Number of assessment reports produced on the strategic plans and annual performance plans of national institutions per year.
- Number of reports produced on the implementation of government's medium-term strategic framework per year.
- Number of mid-year and annual public service delivery reports produced per year. Number of overview reports produced on the status of frontline performance and citizen engagement per year.
- Number of evidence reports produced on evaluations, research and development indicators per year.

Table 10: DPME performance indicators

Performance indicators by programme and related outcome									
Indicator	Programme	Outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Annual budget mandate paper developed by 30 April each year	National Planning Coordination	outcome 12: an efficient, effective and development oriented public service	-1	-1	1	1	1	1	1
Number of assessment reports on Annual Performance Plans provided to national departments annually	National Planning Coordination	outcome 12: an efficient, effective and development oriented public service	43	4 4	44	40	40	40	40
Number of progress reports submitted to Cabinet on the 14 priority outcomes per year	Sector Planning and Monitoring		42 ²	42 ²	42 ²	28	28	28	28
Number of local government management improvement model scorecards completed per year	Sector Monitoring Services	outcome 12: an efficient, effective and development oriented public service	30	41	33	30	30	30	30
Number of consolidated management performance assessment tool reports submitted to Cabinet per year	Public Sector Monitoring and Capacity Development	outcome 12: an efficient, effective and development oriented public service	1	1	1	1	1	1	1
An overview report on the status of frontline performance and service delivery. ³	Public Sector Monitoring and Capacity Development	outcome 12: an efficient, effective and development oriented public service	217	250	480 –	400 –	1	1	1
Number of National Evaluation Plan (NEP) evaluation reports approved by evaluation steering committees per year	Evidence and Knowledge Systems	outcome 12: an efficient, effective and development oriented public service	12	7	7	8	8	8	8

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of annual reports produced per year by the National Planning Commission on the review of the NDP	National Planning Coordination	All	1	1	1	1	1	1	1
Number of assessment reports produced on the strategic plans and annual performance plans of national institutions per year	National Planning Coordination	Priority 6: A capable, ethical and developmental state	44	44	45	45	47	47	47
Number of reports produced on the implementation of government's medium-term strategic framework per year	Sector Monitoring Services	All	2	2	2	1	2	2	2
Number of mid-year and annual public service delivery reports produced per year	Public Sector Monitoring and Capacity Development	Priority 6: A capable, ethical and developmental state	-1	-1	-1	1	2	2	2
Number of overview reports produced on the status of frontline performance and citizen engagement per year	Public Sector Monitoring and Capacity Development		250	480	400	2	2	2	2
Number of evidence reports produced on evaluations, research and development indicators per year	Evidence and Knowledge Systems	All	-1	-1	-1	-1	10	10	10

Source: ENE

For the past two years (2018-2019) the DPME developed an annual mandate paper which spelled out government priorities over the MTEF. This paper was the basis of the budget process where specifically, budgets were linked to government priorities. This performance objective was to be implemented from 2017/18 and 2018/19, in this year the department did achieve its objectives for producing an annual mandate paper. However, in the 2020 budget process, the DPME no longer reported on this, the indicator was discontinued.

The department was consistent over the three years assessing all national department' annual performance plans and strategic plans. When it comes to reporting to Cabinet on the MTSF outcomes, the department used different ways to report on this indicator each year of the period under review, therefore showing no constancy in the achievement. The department changed the wording/methodology of its indicator which deals with monitoring frontline performance and service delivery. Where is used to produce over 400 reports, it now targets to produce on 2 reports per year. The department also managed to produce reports on evaluation over the period under review.

In terms of its core indicators, the DPME does achieve performance against its set targets, however, as previously stated, the performance and methodology used for to measure the performance changes frequently. It is also difficult to link performance to outputs as the department's expenditure is driven by compensation of employees.

4.6 Spending trends

In 2016/17, the department underspent its budget by R 15.889 million, of which compensation of employees consisted R 13.451 million of the underspending. In 2017/18, the department underspent its budget by R 28.072 million, of which compensation of employees consisted R 8.713 million of the underspending. Goods and services underspending amounted to R 14.244 million in the same year. Generally, the department has a slow spending trend on COE which has led to budget reductions on this item.

A comparison cannot be made of performance with the research and policy unit, the unit was only established in the 2019 ENE and the annual report for the year is not yet available.

The National Treasury annual report also does not quantify planning, monitoring and evaluation made by the budget unit as this is just one of the many functions the unit performs.

4.7 Spending on goods and services

We have observed over the years is that the core work within the DPME is done by consultants and another spending item is travel and subsistence. In a department where COE is the main cost driver, it is expected that the staff will drive the key programmes. Also, it is not a norm that a strategic and policy department's spending to be driven by travel and subsistence.

Table 11: DPME spending on goods and services

DPME ('000)	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Total Goods and Services budget	161 842	190 327	146 666	149 515	151 876	157 115	165 143
Consultants: Business and advisory services	61 591	85 984	37 099	35 525	46 752	49 097	55 737
Travel and subsistence	33 925	33 835	30 580	21 646	28 553	27 293	30 363

Source: data sourced from the 2020 ENE

The main assumption underpinning resourcing is that the department needs to function on a large scale to achieve its objectives. Outreach and/or interventions are done on large scale as well, which includes travel and hiring of venues. In addition, the use of us consultancy services to deliver on outputs instead of using capacity that already exists within the department. In 2017/18 the department made use of 73 consultants at the cost of R 14.9 million. In 2018/19 the department hired a total of 65 consultants at a cost of R 10.2 million.

Table 12: DPME spending on consultants

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Situational Analysis Diagnostic of M&E Capacities in 4 Metros	9	229	246 670,00
Peer Review: Older Persons Act	1	395	10 000,00
Implementation Evaluation of the Environmental Impact Assessment	8	327	2 072 000,00
Developing models and pathways for low-carbon economy and climate resilient society	10	389	4 032 961,00
Implementation Evaluation of the Learner Transport Programme	9	283	1 877 949,36
Diagnostic Evaluation of the implementation of community based worker systems	12	233	1 999 275,00
Implementation evaluation of the integrated social crime prevention strategy	7	383	1 551 055,50
National Anti-corruption strategy drafting team	6	129	2 115 500,00
Research on local content procurement and analysis of blockages	5	163	491 910,00
Evidence Mapping: Education interventions mathematics	4	143	406 410,00
Evidence mapping for early grade mathematics: Education Specialist	1	97	90 000,00
Peer Review: Implementation Evaluation of the Environmental Impact Assessment	1	84	10 000,00
TOTALS	73	2855	14 903 730.86

Source: table extracted from DPME 2017/18 annual report

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Maintenance and support of web-enabled application for LGMIM	4	109	872 725
Project Specific Agreement w.r.t. North West Project Coordinator and Admin Support	1	164	1 417 144
Peer Review Implementation: Evaluation of the integrated Social Crime Preventions Strategy	1	261	10 000
Maintenance of server room and cabling	2	434	167 308
Peer review: Integrated National Water Security Framework	1	116	10 000
Peer review: Integrated National Water Security Framework	1	116	10 000
Research on delays and non-payment of small, micro and medium enterprises	5	127	891 000
Supply, configuration and maintenance of Archiving Solution	2	782	1 457 556
Implementation Evaluation of the SA Police Service Detective Service: CIS	15	354	2 004 600

Project title	Total number of consultants that worked on project	Duration (work days)	Contract value in Rand
Resources to support SharePoint Upgrade	5	79	391 780
Implementation Evaluation on Inter-Ministerial Committees	2	150	470 652
Evaluation Guideline: Sectoral Reviews	2	193	254 150

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
12	41	2 885	7 956 915

Source: table extracted from DPME 2018/19 annual report

In future it seems more sustainable for the DPME to utilise capacity within the department, as such, the proposal that the planning commission merge with the research and policy unit seems plausible as it will address resource and capacity challenge in the Presidency and assist in sourcing the skills required in planning

5 Expenditure Observations

5.1 The National Planning Commission

The NPC is situated under the National Planning coordination programme within the DPME, it falls under the subprogramme Management: National Planning Coordination. The NPC is a commission. The main aim of the commission to assist the country in achieving a set of long-term common objectives, goals and priorities to drive development. It is made up of 24 part-time external commissioners, a chair person and a deputy chairperson appointed by the President based on their specialist skills and expertise. The mandate of the Commission is to through consultation and drawing skill and expertise of different stakeholders, analyse and consensus and find concrete solutions to key challenges faced in South Africa. The National Planning Commission is supported by a secretariat located within the planning branch of the DPME.⁵

Table 13: DPME spending on the planning function

DPME ('000)	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Management: National Planning Commission	18 770	19 597	37 519	45 106	49 681	52 467	55 571
<i>Of which</i>							
Compensation of employees	9 497	10 415	22 521	24 800	33 846	36 187	38 344
Goods and Services	9193	9 102	14 916	20 166	15 760	16 201	17 145
Transfers and Subsidies	0	43	8	60	0	0	0
Payments for Capital Assets	80	37	74	80	75	79	82
Total	18 770	19 597	37 519	45 106	49 681	52 467	55 571

Source: data sourced from the 2020 ENE

The NPC is appointed by President for a five-year tenure. The mandate of the NPC is mainly drawn from the *Green Paper on National Strategic Planning (2009)*- and include to:

- Promote and advance the implementation of the National Development Plan across different sectors of society;
- Undertake detailed planning in a selected number of sectors to be determined from time to time;
- Conduct regular engagements with various sectors of society on all matters pertaining to the long-term development of the country;
- Facilitate stakeholder engagements aimed at forging a social compact towards more effective implementation of the National Development Plan;
- Take a cross-cutting view, undertake research into long-term trends, analyse implementation of short to medium-term plans with a view to recommend

⁵ (<https://nationalplanningcommission.wordpress.com/>)

improvements to Government as well as produce reports to inform policy and planning;
and

- Contribute to development of international partnerships and networks on national planning.

The NPC Secretariat supports the Coordinating mechanism for sustainable development adopted by Cabinet in 2019 to ensure alignment of SDGs, Agenda 2063, NDP and SADC Development Planning tools. The NPC reviews the implementation of the NDP and advises government and social partners on long term planning. The work of the NPC mainly involves research work, the research in the NPC is conceptualised by the officials and NPC commissioners. The research is conducted through commissioned work and by the experts and Commissioners in the NPC.

5.2 Research and Policy Unit within the Presidency

Before 2009, the Presidency had a unit called PCAS, which had the core mandate to facilitate integrated strategic policy formulation and implementation across government. In achieving its mandate, PCAS had the key functions to monitor and evaluate the interpretation of policies and the implementation of programmes, and to advise the President, Deputy President and Minister on any interventions necessary to ensure more efficient and effective service delivery across government (functions similar to the DPME). The unit was involved in the evolution of the strategic planning function across government, and the development of scenarios, as well as the strengthening of the government-wide monitoring and evaluation system (functions similar to the DPME). As a result of the creation of the DPME and the National Planning Commission, the Presidency lost the functions of PCAS, to focus more on supporting the role of its principals.

In 2019, the Presidency created a research a policy unit based on the principles of PCAS and those like the already existing functions of the DPME (new unit in the Presidency). In the 2020 MTEC meeting, the Presidency presented resource and capacity challenges within the policy unit, which promoted he National Treasury (for resource efficiency and policy direction) to probe the similarities in the functions of the unit and the National Planning Commission.

There are obvious similarities between the functions of the DPME and the research and policy unit within the Presidency. The most obvious one being that the when the Presidency discontinued the PCAS. PCAS had the core mandate to facilitate integrated strategic policy formulation and implementation across government. In achieving its mandate, PCAS had the

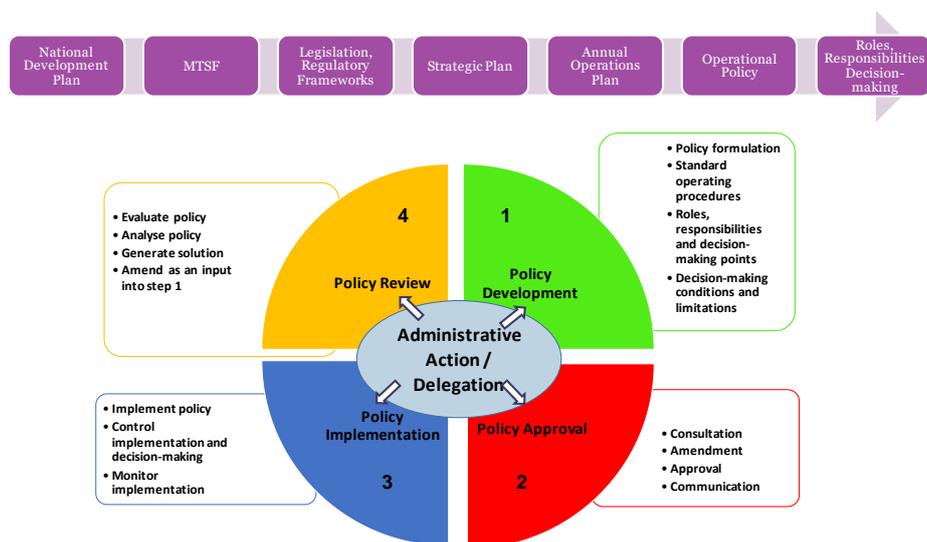
key functions to monitor and evaluate the interpretation of policies and the implementation of programmes, and to advise the President, Deputy President and Minister on any interventions necessary to ensure more efficient and effective service delivery across government (functions similar to the DPME).

As a result of the creation of the DPME and the National Planning Commission, the Presidency lost the functions of PCAS, to focus more on supporting the role of its principals. In 2019, the Presidency created a research a policy unit based on the principles of PCAS and those similar to the already existing functions of the DPME (new unit in the Presidency). However, when looking some elements of the mandate of the DPME, there are clear similarities with the functions of the research and policy unit within the Presidency.

Different departments were responsible for different aspects of the function, with the PCAS being responsible for facilitating integrated strategic policy formulation and implementation across government and the National Treasury being responsible for monitoring spending in relation to performance. It is only recently where greater emphasis has been made on coordinating these functions and in a way trying to account by linking spending to performance in the early stages of planning, so as to make the monitoring of spending in relation to performance much more effective.

The mandate objective of the DPME is to develop and implement the annual national evaluations plan and support the national evaluations system is similar to the research and policy unit within the Presidency. Also, the promotion of good planning, monitoring and evaluation practices in government (functions similar to the research and policy unit within the Presidency).

Figure 3: Research and Policy unit within the Presidency



Source: *Operational Policy Life Cycle, extracted from the Presidency's submission*

The figure above depicts functions of the research and policy unit within the Presidency which shares similar functions of the NPC. The cycle is based on main functions of the DPME namely: NDP, MTSF, Strategic Planning, annual report. The DPME aims develop and implement the annual national evaluations plan and support the national evaluations system, which is also a function of the research and policy unit with the Presidency. We have also found a similarity between the two in terms of promoting good planning, monitoring and evaluation practices in government.

As part of the data collection process for this project, the National Treasury initiated a meeting with the DPME and the Presidency to gather more information on the perceived duplication between the two. Both departments agree that there is a possibility of a duplication, as such, the Presidency has established a task team to identify the duplications and produce a report to their principals. The task team is expected to report back in January 2021.

5.3 Potential savings

Possible savings exist in Programme 1 administration costs. This programme cost R608.3 million over the 2019 MTEF. Potential savings on Administrative functions, the support programme. Also, reduced cost in the execution of core programmes (cost would still need to be determined). The Administration programme is driven by a total programme budget of R608.3 million over the 2020 MTEF (of which COE- R360.3 million. G&S- R227.3 million and Payments for capital assets at R20.7 million. The programme has a staff compliment of 590 over the MTEF.

The National Planning Commission is estimated to cost R157.7 million over the 2020 MTEF, however, it is proposed that funds related to the National Planning Coordination Programme be reprioritised to the Research and policy Unit within the Presidency (moving together with the function). The total budget for the National Planning Coordination Programme amounts to R 259.5 million over the medium term.

Table 14: *Potential savings within the planning function*

DPME ('000)	2020/21	2021/22	2022/23	Total MTEF
National Planning Coordination Programme	81 694	86 344	91 476	259 514
Total	81 694	86 344	91 476	259 514

Source: data sourced from the 2020 ENE

It is also proposed that functions related to M&E be transferred to the National Treasury with a budget allocation on R 652 million over the 2020 MTEF.

Table 15: Potential savings within the monitoring and evaluation function

DPME ('000)	2020/21	2021/22	2022/23	Total MTEF
Sector Monitoring Services Programme	81 593	86 320	91 130	259 043
Public Sector Monitoring and Capacity Development Programme	90 291	95 484	94 028	279 803
Evidence and Knowledge Systems Programme	52 109	55 166	58 255	113 421
Total	223 993	236 970	243 413	652 267

Source: data sourced from the 2020 ENE

6 Findings and Recommendations

The main finding from the review is that there is duplication in government planning, monitoring and evaluation functions, particularly between the DPME, Presidency and National Treasury.

- The main area of savings would be in respect of Programme 1 administration costs which cost R 608.3 million over the 2019 MTEF.
- The rationalisation of the National Planning Commission (which cost R 157.7 million over the 2020 MTEF) into the new Research and Policy Unit within the Presidency would bring about further savings.

The **recommendations proposed** are:

- Transfer of the planning function and the NPC to the Presidency Research and Policy Unit.
- Transfer of the monitoring and evaluation functions from the DPME back to the National Treasury.
- Close DPME, with administrative positions functions absorbed other government departments in need of capacity.
- Individual departments should continue with their internal planning, monitoring and evaluation initiatives to report to Parliament, however, the size of these units should be regulated.