



Government Technical Advisory Centre
ANNUAL PERFORMANCE PLAN 2019/20



GOVERNMENT TECHNICAL ADVISORY CENTRE (GTAC)

ANNUAL PERFORMANCE PLAN 2019/20

The GTAC Annual Performance Plan for 2019/20 has been compiled with the latest information available from departmental and other sources. Some of this information is unaudited or subject to revision.

For more information, please contact:

GTAC
Private Bag X115
Pretoria, 0001, South Africa
Tel: +27 12 315 5111
Fax: +27 12 315 5786

ISBN: 978-0-621-468887-8
RP: 425/2018

This report is also available on www.gtac.gov.za

CONTENTS

FOREWORD BY THE ACCOUNTING OFFICER	3
ACRONYMS AND ABBREVIATIONS	4
PART A: STRATEGIC OVERVIEW	6
1 VISION	6
2 MISSION	6
3 VALUES	6
4 LEGISLATIVE AND OTHER MANDATES	7
4.1 Legislative Mandate	7
4.2 GTAC Proclamation	7
4.3 Ministerial Guidance and Instructions	7
5 UPDATED SITUATION ANALYSIS	8
5.1 Performance Environment	8
5.2 Organisational Environment	9
5.3 Reporting Framework	12
6 GTAC BUDGET PROGRAMMES AND ACCOUNTS	12
6.1 Overview of 2019/20 Budget and MTEF Estimates	13
PART B: PROGRAMMES AND SUB-PROGRAMME PLANS	16
7 PROGRAMMES AND SUB-PROGRAMME PLANS	16
7.1 PROGRAMME 1: Management and Support Services	16
7.2 PROGRAMME 2: Transaction and Advisory Services	19
7.3 PROGRAMME 3: Programme Management Services	23
8 RESOURCE CONSIDERATIONS	25
PART C: LINKS TO OTHER PLANS	28
9 LINKS TO LONG TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS	28
10 CONDITIONAL GRANTS	28
11 PUBLIC PRIVATE PARTNERSHIPS	28
PART D: ANNEXURE	30
12 CONSOLIDATED RISKS	30
13 TECHNICAL INDICATOR DESCRIPTORS	32
14 CHANGES TO THE STRATEGIC PLAN	42
15 END NOTES	43



Official Sign-off

It is hereby certified that this Annual Performance Plan (APP) prepared by the management of GTAC under the guidance of Honourable Minister Tito Mboweni, in line with the current Strategic Plan for GTAC. This APP accurately reflects the performance targets which GTAC will endeavour to achieve given the resources made available in the budget for 2019/20.



Lindiwe Ndlela
Acting Head: GTAC



Foreword by the Accounting Officer

I am pleased to submit the Government Technical Advisory Centre's (GTAC) Annual Performance Plan for the 2019/20 Financial Year. To accord with the National Development Plan and Government's Medium-Term Strategic Framework, GTAC's primary contribution lies in building a capable state that helps in promoting socio-economic transformation and unity. Whilst Government's objective is focused on building a resilient economy and to channel resources equitably to where it is needed most, GTAC will through this Annual Performance Plan contribute to supporting an inclusive growth agenda that stimulates employment and income-generating opportunities. Through its interventions, GTAC will continue to support private sector participation in infrastructure investment and development financing. In promoting sound public administration, GTAC will contribute to strengthened financial management to achieve value for money, through its support for strong institutional governance, planning and resource management. In the coming year, GTAC will build on its reputation as an effective stakeholder in supporting local governments to deliver on their service delivery mandate; strengthening access to affordable and quality education; enhancing access to social services and promoting inclusive economic development. Through our knowledge products and partnerships, GTAC will continue to advance policy analysis, public economics and evidence-based public finance advice to help meet the needs of the National Treasury and Government and to promote broader public understanding.



LINDIWE NDLELA
Acting Head: GTAC



ACRONYMS AND ABBREVIATIONS

DBSA	Development Bank of Southern Africa
EU	European Union
GTAC	Government Technical Advisory Centre
GRAP	Generally Recognised Accounting Principles
MFIP	Municipal Finance Improvement Programme
MTSF	Medium Term Strategic Framework
PER	Performance/Personnel Expenditure Review
PFMA	Public Finance Management Act, No. 1 of 1999
PMU	Project/Programme Management Unit
PPP	Public-Private Partnerships
PEPA	Public Expenditure and Policy Analysis
CPA	Capital Projects Appraisal
TCS	Technical Consulting Services
JF	Jobs Fund
REDI	Research Project on Employment, Income Distribution and Inclusive Growth



PART A



STRATEGIC OVERVIEW

1 VISION

To serve as a creative centre of excellence for shared learning and quality advisory support in public policy, fiscal and financial analysis and management.

2 MISSION

The Government Technical Advisory Centre (GTAC) promotes transparency and the effective management of public finances by assisting organs of state in building capacity for efficient, effective and transparent financial management. Its operating model provides technical consulting services, specialised procurement support, infrastructure project advice, and associated knowledge management and shared learning opportunities to build public sector capacity. These functions are undertaken through active partnerships with development agencies, universities, research centres and others in the non-state sector. GTAC seeks to stimulate debate and promote public discourse and understanding of policy, public economics and public financial management through a range of communication methodologies. It also draws on a programme for young graduates to build and sustain capability within the organisation.

3 VALUES

Several guiding values underpin the organisation's approach to its programmes and activities:

- ⌚ Accountability
- ⌚ Transparency
- ⌚ Integrity
- ⌚ Partnership
- ⌚ Inclusive, broad-based growth and development

GTAC promotes evidence-based learning and policy advice, and supports sound and effective procurement and programme management processes. Partnerships form the basis of its development methodology, within government and with the private sector, the academic and research community, and civil society stakeholders.

Its approach to providing support and advisory services draws on three broad principles:

- ⌚ **Activities are client-focused and demand-driven:** Advisory and technical support responds to client needs and respects the ownership and accountability for services of responsible organs of state.
- ⌚ **Diagnostic and management tools are adapted to public sector needs:** GTAC advisors and staff are well-versed in South Africa's legal and institutional frameworks and in methodologies and procedures designed to strengthen public sector governance and service delivery.
- ⌚ **Capacity building is based on partnerships and learning by doing:** Better public finance management rests on pragmatic and problem-solving methods, learning through innovation, and transferring skills through collaboration and partnerships.



4 LEGISLATIVE AND OTHER MANDATES

4.1 Legislative Mandate

GTAC draws its mandate from the responsibility of the National Treasury to promote transparency and the effective management of public finances and to assist organs of state in building their capacity for efficient, effective and transparent financial management, as set out in section 6 of the Public Finance Management Act.

4.2 GTAC Proclamation

The formal establishment of GTAC was gazetted on 30 March 2012¹. The Government Notice states that its object is 'to assist Organs of State in building their capacity for efficient, effective and transparent financial management'. It lists GTAC's functions as:

- ⦿ To render technical consulting services to centre-of-government departments and organs of state;²
- ⦿ To provide specialised procurement support for high-impact government initiatives;
- ⦿ To render advice on the feasibility of infrastructure projects;
- ⦿ To provide knowledge management for projects undertaken; and
- ⦿ Anything ancillary to the functions listed³.

4.3 Ministerial Guidance and Instructions³

In the context of the National Development Plan (NDP) and government's Medium-Term Strategic Framework (MTSF), GTAC's primary contribution lies in building a capable state. According to the National Treasury's 2016 Annual Performance Plan, the National Development Plan 'charts a growth trajectory to reduce poverty and inequality, and envisages a country in which citizens have the capabilities to access available opportunities equitably. These capabilities include education and skills, decent accommodation, nutrition, safe communities, social security and transport, facilitated by a capable state and a growing, resilient economy.' The 2014–2019 MTSF 'directs government to invest in infrastructure development, create jobs, transform South Africa to a low-carbon economy and bring about social transformation and unity. In the current constrained fiscal environment, the National Treasury will continue to channel resources towards the critical outcomes of the NDP and the MTSF. The global economic crisis has caused a deceleration in economic growth, and South Africa's low growth continues to place the fiscus under considerable pressure. This compels the National Treasury to be vigilant in managing competing demands on public funds.'

In developing its strategic plan over the medium term, GTAC takes its direction from the Minister of Finance, in keeping with the provisions of its founding Notice.

GTAC coordinates the reporting requirements for National Treasury's Programme 8: Technical Support and Development Finance. A discussion is underway with National Treasury to consider whether this responsibility should remain with GTAC or be absorbed back into National Treasury.

¹ Government Notice 261, 30 March 2012.

² Centre-of-government departments are the National Treasury and the departments of Planning, Monitoring and Evaluation; Public Service and Administration; and Cooperative Governance.

³ Government Gazette, no. 25 of 2012, and GTAC Business Case, 2011.



5 UPDATED SITUATION ANALYSIS

5.1 Performance Environment

5.1.1 Macro-Environment

South Africa remains an important international and regional actor with latent growth potential. However, several geopolitical and domestic factors contribute to uncertainty and therefore bear consideration. At a global level, principal risks relate to the emergence of trade war rhetoric and protectionist policies between the United States, China and the European Union (EU). These dynamics have already been felt locally with the US imposition of tariffs on South African steel and aluminium commodities. By contrast, the Brexit referendum has energised the United Kingdom's non-EU trade policy and its re-engagement with Africa promises to create new opportunities. The global economic outlook is robust, but subject to a high degree of uncertainty.

South Africa's domestic environment has been impacted by significant recent shifts in its political economy. Poor economic performance and low business confidence has contributed to an increasing debt burden and significant job losses, particularly in labour-intensive sectors such as construction and mining. As the country emerges from a ten year cycle of political uncertainty driven by perceptions of corruption and poor governance, the election of President Ramaphosa in February 2018 has brought with it a renewed sense of hope. While the President has sought to drive government's focus on fiscal discipline, increasing potential foreign direct investment and strengthening good governance, the out of cycle nature of his election has been cautiously received by the markets. With national and provincial elections scheduled to be held in 2019, the expectation is that this fluid performance environment will continue in the short-term.

5.1.2 Current Context

The 2011 business case that provided the basis for GTAC's promulgation was premised on the macro economic challenges facing the public sector and the need for fiscal discipline, improved state competence and increased capability to alleviate these challenges. In 2018, the rationale for institutional strengthening of this nature is undiminished.

As GTAC begins to refine its thinking about its form and institutional positioning, the organisation has undertaken an extensive strategic review. The focus has been to critically reflect on organisational constraints, evaluate new approaches to consolidating its business model and building consensus over the desired target state for the organisation. In this regard, there has been an acknowledgement that in order to embed and sustain this organisational model, GTAC has to provide thought leadership in research and capacity building and use innovative methodologies through which to contribute to building state capability. A knowledge management strategy has been completed, a business model redesign programme is reaching its conclusion and significant effort has also been put into a partnering strategy to finalise GTAC's organisational design. At present, the proposed organisational structure discussed and will be submitted to the Department of Public Service and Administration for approval.



5.2 Organisational Environment

5.2.1 GTAC Value Proposition

GTAC provides advisory and knowledge management services to centre-of-government departments and other organs of state on capital expenditure and priority policy implementation programmes. The scope of services includes research, advisory and project development, appraisal and management functions, through which the organisation seeks to strengthen public sector capacity and improve decision making.

These functions are undertaken through GTAC's ability to convene active partnerships with international development agencies, universities, research centres and others in the non-state sector. The distinction in GTAC's model is that quality advisory work is considered the first step in delivering on a capacity building mandate. As important is translating and sharing the work done to stimulate debate and promote public discourse and understanding of policy, public economics and public financial management through a range of communication methodologies. GTAC also runs a programme for young graduates to stimulate and sustain public economics and policy capability within the state.

5.2.2 GTAC Business Model

GTAC's business model is to create value by supporting and enhancing the delivery of critical public investments identified by National Treasury or centre-of-government departments. This is achieved through a series of complementary service offerings research, advisory and project development, appraisal and management that can be employed collectively or individually in support of strategic priorities.

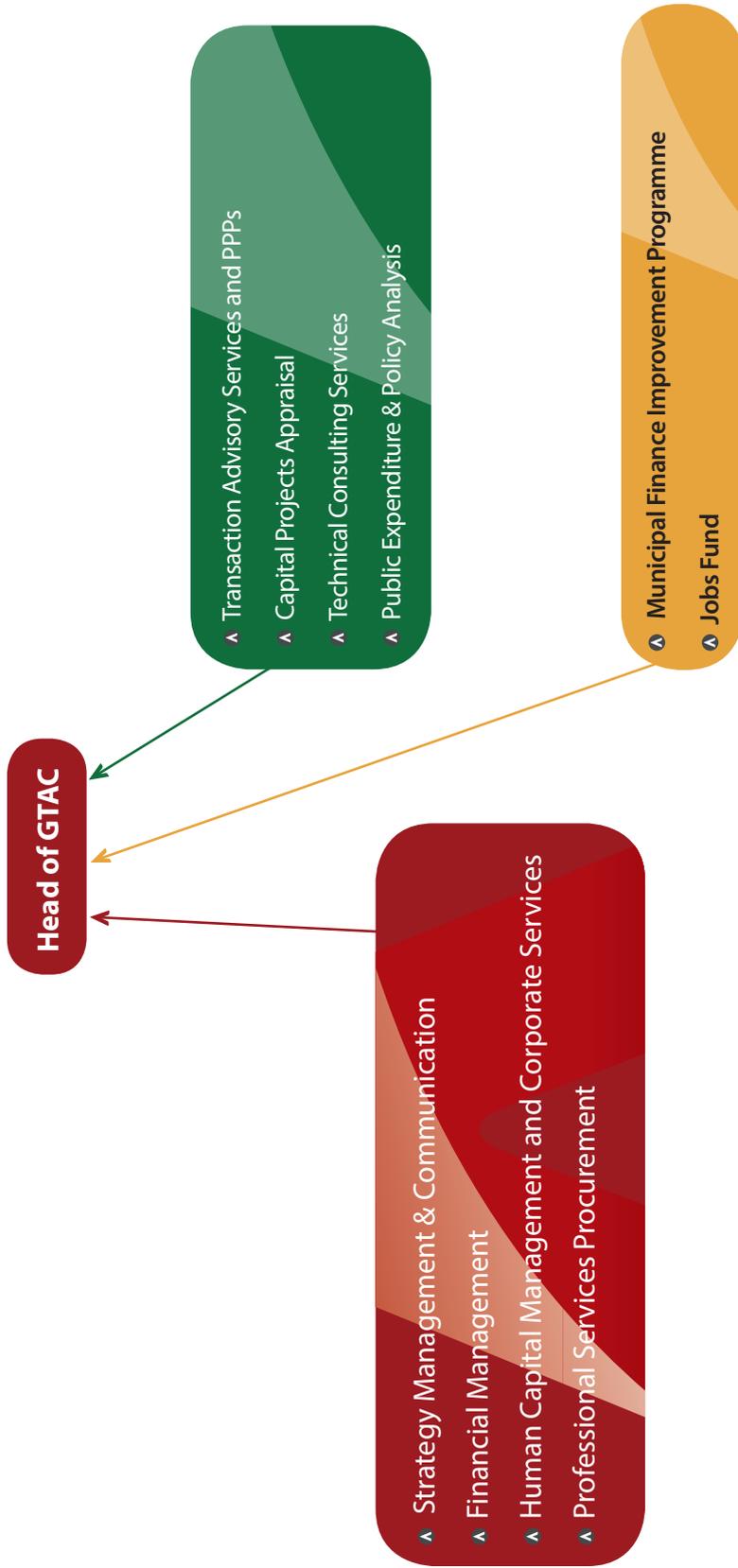
These services are differentiated by the organisation's independent advisory role and capacity building mandate, its scope to convene complex stakeholder groups, and its ability to access critical skills and best practice from outside the state as required. Key enablers of this differentiation are GTAC's panel based professional services procurement capability, a foundational focus on knowledge management and shared learning and a deliberate focus on partnering effectively.

GTAC's services are organised into the following business units:

- ④ **Transaction Advisory Services**, which includes project development and execution support for large infrastructure projects;
- ④ **Capital Projects Appraisal**, which provides regulatory assurance and decision-making support on infrastructure investment planning;
- ④ **Technical Consulting Services**, which includes advisory services on public management and organisational development, social services, economic development, infrastructure support and human settlements;
- ④ **Public Economics and Policy Analysis**, which includes public economics capacity building and performance, expenditure and personnel reviews;
- ④ **The Jobs Fund Project Management Unit**; and
- ④ **The Municipal Finance Improvement Programme Project Management Unit**.



Figure 1: GTAC's proposed structure (submitted to DPISA)



LEGEND

Programme 1: Management and Support Services

Programme 2: Transaction and Advisory Services

Programme 3: Programme Management Units (PMUs)

5.2.3 Operating Model

To deliver its value proposition and business model, GTAC's operating model has to respond flexibly, agilely and appropriately to requests from government clients. While GTAC business units operate with a high level of independence in delivering on requests, they also leverage off one another's expertise to deliver on projects which are more complex. GTAC therefore promotes independent working within the context of its business units adhering to common models, goals and interests in driving thought leadership.

This model is appropriate for an organisation such as GTAC, where a balance must be found between distinctive delivery units – all of which receive a specific mandate that is delivered by means of specialised technical services – and the need to improve efficiency and effectiveness by providing a series of common central functions.

This modus operandi is informed by two related features. Firstly, a strong, lean centre that is clear on its purpose and efficient in its delivery, and second, GTAC's different business units adopting a series of common models that drive consistency and clarity across the project cycle.

Two central organising capabilities are reflected in the operational framework:

- Ⓐ The first is a **project administration system** capable of responding promptly to client requests and mobilising appropriate resources for a wide range of activities. GTAC has adopted a flexible approach to developing its administrative capacity, with a strong emphasis on responsible governance, reporting, monitoring, evaluating and learning, and effective financial accountability.
- Ⓐ The second organising principle involves **knowledge development and capacity building** through partnerships with other organisations and centres of excellence, including development finance institutions, universities, research centres and international development agencies. A key pillar of this organising principle and GTAC's knowledge management role is a strong publications and strategic communication capability.

Key to achieving an effective project administration system are the management and administrative functions within GTAC. In addition to the Office of the Head of GTAC, the structure is as follows:

- Ⓐ **Strategy Management and Communication:** Governance, strategy development and implementation, planning, reporting, partnerships and publications and strategic communications activities.
- Ⓐ **Financial Management:** Effective management of funds, planning, organising, controlling and monitoring financial resources.
- Ⓐ **Human Capital Management and Corporate Services:** Human resource management and corporate support, including facilities administration and information systems.
- Ⓐ **Professional Service Procurement:** Sourcing and acquisition, contract management and governance and compliance of procured services.
- Ⓐ **Knowledge Management:** includes collaboration on publications and communication activities.

GTAC's primary resources are its people and the knowledge and tools associated with its principal service offerings. Its human capital comprises of three parts:

- Ⓐ Professional and administrative employees appointed in terms of the Public Service Act;
- Ⓐ Advisors contracted on a long-term basis, appointed for their specialised technical expertise and professional experience in public management and organisational development; and
- Ⓐ Short-term professional service providers appointed as supplementary skills for specific assignments and projects.



GTAC's ability to procure the appropriate competencies externally, is central to its business model. As such, ensuring that information on the approved panel of service providers is regularly updated, against a current view of demand is critical to the efficient functioning of the organisation.

With effect from 01 April 2017, GTAC has taken full responsibility for its human resource functions. The remaining shared services with National Treasury include support for facilities, security management, internal audit, enterprise risk management and ICT functions.

5.3 Reporting Framework

GTAC must submit monthly operational and quarterly performance reports to the Minister, as well as provide a copy to the DG and the Chairperson of a Technical Advisory Committee, once this has been established. The establishment of the Technical Advisory Committee may be agreed by the Minister and provides oversight and inputs into GTAC's strategic direction. This Committee is expected to be established as described in the legal Promulgation and will be constituted soon.

Further, GTAC must submit to the Minister:

- Ⓐ An annual report detailing Ministerial and GTAC delegations;
- Ⓐ GTAC's strategic plan and budget, annual performance plan, annual report and annual financial statement.

6 GTAC BUDGET PROGRAMMES AND ACCOUNTS

GTAC is an established government component, as defined in the Public Service Act, and its staff are appointed under the same Act. Notwithstanding this status, the Minister of Finance has determined that GTAC should prepare its financial statements in keeping with Generally Recognised Accounting Practice.

GTAC revenue streams consist of the following:

- Ⓐ **National Treasury transfer.** These transfers are received on a monthly basis as per the drawings schedule submitted to National Treasury during the budget process. These funds are administered in terms of TR 8.4.1. These monies are unconditional and used to fund GTAC operations e.g. compensation and goods and services excluding project related expenditure.
- Ⓐ **Cost recovery.** These funds are recovered from client departments as per a memorandum of agreement signed and are invoiced in line with the agreement on instruction from the relevant budget manager. Cost recovery per project is based on the agreed charge out rates and levels of effort for long-term consultants. These rates are determined at the beginning of each year.
- Ⓐ **Success fees.** These may be charged where GTAC has paid transactional advisors at the feasibility stage of a project. Should the process deliver an outcome which indicates the project is viable, and can achieve financial closure, the success fee is charged. However, should it be determined that the project is not viable, GTAC carries the transactional advisory cost.
- Ⓐ **Donor funds.** These funds are ring fenced for projects falling within the criteria for which the funding has been made available.
- Ⓐ **Administration fees.** These are received for financial administrative services rendered to the Neighbourhood Development Programme (NDP), The Jobs Fund and the Municipal Finance Improvement Programme (MFIP). These fees are charged monthly.
- Ⓐ **Interest received.** This is determined from funds invested in Call accounts as a result of monies received in advance, from principal or client departments and can be utilised to fund either strategic projects or operational cost not covered by the appropriated funding.



In addition, GTAC undertakes the management of programmes, and/or projects and/ or cash management on behalf of the National Treasury or other organs of state on a principal-agent basis. These programmes and projects or cash management results from binding agreements in which GTAC (the agent) acts on, and for the benefit of, the National Treasury or other organs of state (the principal), in undertaking transactions with third parties. In these programmes and projects, GTAC:

- Ⓐ Does not have the power to determine the significant terms and conditions of the transactions;
- Ⓐ Does not have the ability to use the resources that result from the transaction for its own benefit and;
- Ⓐ Is not exposed to variability in the results of the transaction.

The principal recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement. GTAC recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal.

6.1 Overview of 2019/20 Budget and MTEF Estimates

Table 1: Representing the expenditure estimates is presented below

Government Technical Advisory Centre	Audited outcome	Audited outcome	Revised estimates	Medium-term estimate		
				R thousand	2019/20	2020/21
Administration	40,587	55,490	94,598	88,872	82,474	87,308
Transaction and Advisory Services	131,695	173,125	151,284	189,060	192,504	209,469
Project Management Unit (Jobs fund, MFIP)	85,490	77,275	94,252	103,289	110,318	118,311
Total expense	257,773	305,890	340,135	381,221	385,296	415,088



Table 2: Statement of the comprehensive income over the MTEF period is presented below

Statement of comprehensive income	Audited Outcome	Audited Outcome	Revised estimate	Medium-term estimate		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand						
Revenue						
Tax revenue	-	-	-	-	-	-
Non-tax revenue	137,984	191,753	205,880	215,777	224,975	237,058
Sale of goods and services other than capital assets of which:	137,984	191,753	205,880	215,777	224,975	237,058
Administrative fees	-	77,576	94,612	105,018	108,151	113,873
Sales by market establishment	137,774	113,990	110,968	110,159	116,224	122,586
Other sales	210	187	300	600	600	600
Other non-tax revenue	154,075	142,543	134,255	125,782	106,189	112,139
Interest, dividends and rent on land	28,361	28,654	25,876	25,200	23,058	20,896
Transfers received	88,006	80,818	71,858	61,734	71,467	79,299
Transfers received: ECFF	21,853	2,405	12,000	4,850	5,100	5,380
Donor funds received	15,855	30,666	24,521	33,998	6,564	6,564
Total revenue	292,059	334,296	340,135	341,559	331,164	349,197
Expenses						
Current expenses	255,616	303,374	337,150	380,486	384,252	413,649
Compensation of employees	90,554	107,807	126,893	138,564	146,315	154,503
Goods and services	165,062	195,567	210,257	241,922	237,937	259,146
Depreciation	2,157	2,516	2,985	735	1,044	1,407
CAPEX	5,504	5,171	3,050	3,165	3,230	3,408
Total expenses	257,773	305,890	340,135	381,336	385,296	415,056
Surplus/(Deficit)	34,286	28,406	-	(39,662)	(54,132)	(65,859)



PART B



7 PROGRAMMES AND SUB-PROGRAMME PLANS

7.1 PROGRAMME 1: MANAGEMENT AND SUPPORT SERVICES

7.1.1 PURPOSE

GTAC's **Management and Support Services** aims to provide a responsive internal support system for delivering against the organisation's activities and business model. Ultimately, the target state can be defined as: "To provide a responsive, inter-related internal support system for delivering GTAC's business model." This requires the provision of central support services to deliver a coordinated management support function for an effective interface across the business units. These services include GTAC's Strategy Management and Communication, Human Capital Management and Corporate Services, Financial Management and Professional Services Procurement.

7.1.2 OVERVIEW

Strategic support functions managed within Programme 1 includes ongoing strategic management of partnerships with other centres of excellence; research and academic organisations and international development partners, in the interests of strengthening GTAC's delivery model. The Public Economics Capacity Building Initiative, (which includes the hosting of an annual winter school, a graduate bursary and internship programme), is an important flagship initiative for GTAC. Through this programme, GTAC proactively and intentionally identifies capacity strengthening opportunities to create a pipeline of young economists who may be interested in careers in the public sector. This programme has been funded with support from Global Affairs Canada, but as it becomes institutionalised, will need to be supported from GTAC's own funding. The Public Economics Capacity Building Programme is an important collaborative effort with the National Treasury.

GTAC's business units prioritise partnerships which have been identified to optimise their business priorities. The intention is to leverage opportunities for collaboration across business areas and identify terms of mutual benefit.

7.1.3 Table 3: Strategic Objectives

Strategic objective	Objective statement	Baseline	Justification	Links	Sub-programme
SO 1.1 Contribute to building a pipeline of professional public-sector talent ⁱ	To proactively contribute to building a pipeline of professional public-sector talent through flagship youth-oriented initiatives	Winter school events have been hosted and bursaries awarded to Public Economics graduates	The Public Economics Capacity Building Initiative, (which includes the hosting of an annual winter school, a graduate bursary and internship programme), is an important flagship initiative for GTAC. Through this programme, GTAC proactively and intentionally identifies capacity strengthening opportunities to create a pipeline of young economists who may be interested in careers in the public sector.	National Development Plan Public Service regulations GTAC Strategy	Strategy Management and Communication and Human Capital Management
SO 1.2 Strengthen operational coordination to effect good governance ⁱⁱ	To strengthen operational coordination to effect good governance	An unqualified audit opinion has been received from the Auditor General	To ensure good governance and compliance practice in GTAC's business and to ensure value for money spent in rendered services and support to centre of government departments and other organs of state	National Development Plan Public Service regulations GTAC Strategy PFMA Act	Office of the Head, Strategy Management and Communication, Human Capital Management, Financial Management and Professional Services Procurement
SO 1.3 Utilise strategic platforms to influence public policy engagements ⁱⁱⁱ	To utilise strategic platforms to influence public policy engagements	Learning events held to promote GTAC as a centre of excellence in public policy capacity building	GTAC promotes evidence-based learning and policy advice, and supports sound and effective programme management processes.	GTAC Strategy	Strategy Management and Communication



7.1.4 Table 4: Strategic Plan Objectives Annual and Medium Term Targets

STRATEGIC OBJECTIVE	AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	PLANNED PERFORMANCE CURRENT YEAR	MEDIUM TERM TARGETS (MTEF)			
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
Strategic Objective 1.1 Contribute to building a pipeline of professional public-sector talent									
1.1	Implement an annual Public Economics Winter School ^{iv}	n/a	n/a	Delivered one winter school annually	Delivered one winter school annually	1 winter school event	1 winter school event	1 winter school event	1 winter school event
Strategic Objective 1.2 Strengthen operational coordination to effect good governance									
1.2.	Improved audit outcome ^v	n/a	n/a	Unqualified audit report	Unqualified audit report	Clean audit report	Clean audit report	Clean audit report	Clean audit report
Strategic Objective 1.3 Utilise Strategic Platforms to influence Public Policy engagements									
1.3	Number of strategic knowledge management activities undertaken	n/a	n/a	Internal coordination planning activity to identify key partner activities through which to promote GTAC as a centre of excellence	Deliver two bi-annual learning events to promote GTAC as a centre of excellence in public policy capacity building	2 learning events	3 learning events	3 learning events	4 learning events

7.1.5 Table 5: Programme 1 Performance Indicators and Annual Targets

PERFORMANCE INDICATOR	AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	PLANNED PERFORMANCE CURRENT YEAR	MEDIUM TERM TARGETS (MTEF)			
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
Strategic Objective 1.1 Contribute to building a pipeline of professional public-sector talent									
1.1	Implement an annual Public Economics Winter School	n/a	n/a	Delivered one winter school annually	Delivered one winter school annually	1 winter school event			
1.1.1	Number of bursaries awarded annually ^{vi}	n/a	n/a	Bursary programme managed	6 bursaries	6 bursaries	6 bursaries	6 bursaries	n/a
1.1.2	Number of graduates placed on the internship programme ^{vii}	n/a	n/a	n/a	n/a	6 interns	6 interns	6 interns	n/a
Strategic Objective 1.2 Strengthen operational coordination to effect good governance									
1.2.1	Improved audit outcome	n/a	n/a	Unqualified audit opinion	Unqualified audit report	Clean audit report	Clean audit report	Clean audit report	Clean audit report
1.2.2	Employment Equity targets achieved ^{viii}	n/a	n/a	n/a	50% women employed				
					2% people with disabilities (PWD) employed				
					70% African people employed	70% African people employed	70% African people employed	73% African people employed	75% African people employed



PERFORMANCE INDICATOR	AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	PLANNED PERFORMANCE CURRENT YEAR	MEDIUM TERM TARGETS (MTEF)			
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
Strategic Objective 1.3 Utilise Strategic Platforms to influence Public Policy engagements									
1.3	Number of strategic knowledge management activities undertaken	n/a	n/a	Internal coordination planning activity to identify key partner activities through which to promote GTAC as a centre of excellence	Deliver two bi-annual learning events to promote GTAC as a centre of excellence in public policy capacity building	2 learning events	3 learning events	3 learning events	4 learning events
1.3.1	Number of customised technical knowledge products issued ^{ix}	n/a	n/a	n/a	n/a	2 Case studies published	2 Case studies published	2 Case studies published	2 Case studies published

7.1.6 Table 6: Programme 1 Performance Indicators Quarterly Targets for 2019/20

Performance Indicator		2019/2020 ANNUAL TARGETS	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Strategic Objective 1.1 Contribute to building a pipeline of professional public-sector talent						
1.1	Implement an annual Public Economics Winter School	1 winter school event	Planning phase	1 winter school event	n/a	Close out report
1.1.1	Number of bursaries awarded annually to post graduate economics students	6 bursaries	n/a	n/a	Identification of bursary recipients	6 bursaries awarded
1.1.2	Number of graduates placed on the internship programme	6 interns	n/a	n/a	Identification of internship recipients	6 interns
Strategic Objective 1.2 Strengthen operational coordination to effect good governance						
1.2.1	Improved audit outcome	Clean audit report	n/a	Clean audit report	n/a	n/a
1.2.2	Employment Equity targets achieved	50% women employed	50% women employed	50% women employed	50% women employed	50% women employed
		2% people with disabilities (PWD) employed	2%	2%	2%	2%
		70% African people employed	70%	70%	70%	70%
Strategic Objective 1.3 Utilise Strategic Platforms to influence Public Policy engagements						
1.3	Number of strategic knowledge management activities undertaken	2 learning events	1 learning event	n/a	1 learning event	n/a
1.3.1	Number of customised technical knowledge products issued	2 Case studies published	n/a	Draft case studies	n/a	2 Case studies published



7.1.7 Table 7: Programme 1 Expenditure Estimates

Programme 1: Management and Support Services						
Statement of Financial Performance	Audited Outcome		Adjusted estimates	Medium-term expenditure		
R thousand	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Office of the Head	4,619	3,825	3,925	4,014	4,229	4,707
Strategy Management and Communication	12,830	15,085	38,259	33,313	21,471	22,652
Financial Management	14,720	13,934	10,417	15,174	16,209	17,107
Corporate Services	4,590	16,178	28,611	26,837	30,683	32,396
Procurement Professional Services	3,828	6,468	13,386	9,533	9,881	10,445
Expenditure	40,587	55,490	94,598	88,872	82,474	87,308

7.2 PROGRAMME 2: TRANSACTION AND ADVISORY SERVICES

7.2.1 Purpose

To contribute to identified organisational and advisory needs in government to address the broader challenges of public sector governance, analyses and capacity building.

7.2.2 Overview

GTAC's Transaction and Advisory Services programme is the core business of the organisation. It supports the National Treasury's strategic priorities and undertakes initiatives as requested by other organs of state. Technical support is provided in the following functional areas:

- Ⓐ Transaction advisory services and PPPs
- Ⓐ Capital Projects Appraisal
- Ⓐ Technical consulting services and
- Ⓐ Public expenditure and policy analysis.

The portfolios of advisory and technical consulting projects draw on long and short-term advisory capacity and is supplemented by internal technical staff capacity.

These areas of work are supported by internal professional and administrative staff, long-term advisors and technical expertise contracted for specific assignments. Strategic partnerships with research institutions and other centres of expertise contribute to the development of advisory and support interventions and systematic management of knowledge and publications.

The strategic programme for technical and advisory services is to provide rigorous, targeted and informed advice, tools and methodologies to support centre-of-government departments and organs of state in improving delivery on government priorities. Specifically, this includes improved decision-making capability in pursuit of an inclusive growth agenda, with the requisite skills and capacity to conceptualise, plan and deliver successfully on mandates. The programme delivers long and short term support, utilising a mix of internal professional staff, long term advisors and specialised technical expertise as needed. It includes four strategic priorities for providing analysis and insights with a view to improving the cost-effectiveness of government expenditure, with a focus on improving value for money and efficiency in the system.

GTAC will support approximately 96 projects over the MTEF period, these 96 projects will be made up of projects supported by Transaction advisory services and PPPs, Capital Projects Appraisal, Technical consulting services and Public expenditure and policy analysis.



7.2.3 Table 8: Strategic Objectives

Strategic objective	Objective statement	Baseline	Justification	Links	Sub-programme
SO 2.1 Provide advisory services to organs of state to plan, contract and execute PPPs in large or complex infrastructure transactions	To provide advisory services to organs of state to plan, contract and execute PPPs in large or complex infrastructure transactions	The PPP Unit and later GTAC have provided such services since the inception of the PPP process	Most client departments will implement only one or a few large, complex PPP and infrastructure projects, which implies that few have the required experience and expertise. GTAC augments their capabilities and facilitates compliance and the development and sharing of best practice to ensure the successful planning, procurement and execution of such projects	National Development Plan, National Treasury Strategic Plan, Public Service Act, PFMA, Treasury Regulations and Public Service Regulations	Transaction Advisory Services and PPPs
SO 2.2 Assist the National Treasury in its review and assessment of infrastructure investment proposals and feasibility studies	Assist the National Treasury in its review and assessment of infrastructure investment proposals and feasibility studies	Capital appraisals in network industries	To assess value-for-money prospects, affordability, and efficiency to inform decision-making in infrastructure investments and the development of major capital projects	National Development Plan, National Treasury Strategic Plan, Public Service Act, PFMA, Treasury Regulations and Public Service Regulations	Capital Projects Appraisal Services
SO 2.3 Provide advice and support to centre-of-government departments and organs of state to strengthen capacity	To provide advice and support to centre-of-government departments and organs of state to strengthen capacity	Suite of projects supported that provides public sector advisory and technical assistance support	Human development, poverty reduction and social progress depend on improving the quality and effectiveness of social service delivery	National Development Plan, National Treasury Strategic Plan, Public Service Act, PFMA, Treasury Regulations and Public Service Regulations; transaction advisory services, performance expenditure reviews, policy analysis, partnerships, and knowledge management	Technical Consulting Services
SO 2.4 Provide analysis and insights into the performance, cost-effectiveness and expenditure trends of selected government programmes	To provide analysis and insights into the performance, cost-effectiveness and expenditure trends of selected government programmes	Methodologies and tools have been developed and refined in the past years and the resulting analyses have been made available to relevant authorities. Further areas for analysis have been identified	To assist responsible authorities and stakeholders in assessing the financing and service delivery implications of policies and programme design, for both current and new areas of service delivery	National Development Plan, National Treasury Strategic Plan, Public Service Act, PFMA, Treasury Regulations and Public Service Regulations	Public Expenditure and Policy Analysis



7.2.4 Table 9: Programme 2 Performance Indicators and Annual Targets

PERFORMANCE INDICATOR		AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	PLANNED PERFORMANCE CURRENT YEAR	MEDIUM TERM TARGETS (MTEF)		
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Strategic objective 2.1: Provide advisory services to organs of state to plan, contract and execute PPPs in large or complex infrastructure transactions									
2.1.1	Number of transaction advisory projects registered	n/a	n/a	12	15	17	17	17	17
2.1.2	Number of PPP foundation capacity building events held	n/a	4	4	4	4	4	4	4
2.1.3	Number of PPP municipal capacity building events biannually held	n/a	2	2	2	2	2	2	2
Strategic objective 2.2: Assist the National Treasury in its review and assessment of infrastructure investment proposals and feasibility studies									
2.2.1	Number of capital projects appraisal reports completed	n/a	n/a	10	5	5	5	5	5
2.2.2	Number of research reports completed ^{xi}	n/a	n/a	n/a	n/a	2	2	2	2
Strategic objective 2.3: Provide advice and support to centre-of-government departments and organs of state to strengthen capacity									
2.3.1	Number of technical advisory projects supported ^{xii}	n/a	84	120	80	70	70	70	70
2.3.2	Percentage of clients evaluated, satisfied with TCS support ^{xiii}	n/a	n/a	n/a	n/a	80%	80%	80%	80%
Strategic objective 2.4: Provide analysis and insights into the performance, cost-effectiveness and expenditure trends of selected government programmes									
2.4.1	Number of Performance and Expenditure Reviews supported	n/a	n/a	n/a	5	4	4	4	4
2.4.2	Number of remuneration analysis reports reported	n/a	n/a	n/a	n/a	4	4	4	4
2.4.3	Number of capacity building interventions delivered	n/a	n/a	n/a	n/a	2	2	2	2



7.2.5 Table 10: Programme 2 Performance Indicators Quarterly Targets For 2019/20

INDICATOR		PLANNED PERFORMANCE 2019/2020	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Strategic objective 2.1: Provide advisory services to organs of state to plan, contract and execute PPPs in large or complex infrastructure transactions						
2.1.1	Number of transaction advisory projects registered	17	2	5	5	5
2.1.2	Number of PPP foundation capacity building events held	4	1	1	1	1
2.1.3	Numbers of PPP municipal capacity building events biannually held	2	1	n/a	n/a	1
Strategic objective 2.2: Assist the National Treasury in its review and assessment of infrastructure investment proposals and feasibility studies						
2.2.1	Number of capital projects appraisal reports completed	5	1	1	1	2
2.2.2	Number of research reports completed	2	n/a	1	n/a	1
Strategic objective 2.3: Provide advice and support to centre-of-government departments and organs of state to strengthen capacity						
2.3.1	Number of technical advisory projects supported	70	55	60	65	70
2.3.2	Percentage of clients evaluated, satisfied with overall TCS support	80%	80%	80%	80%	80%
Strategic objective 2.4: Provide analysis and insights into the performance, cost-effectiveness and expenditure trends of selected government programmes						
2.4.1	Number of Performance and Expenditure Reviews supported	4	n/a	2	n/a	2
2.4.2	Number of remuneration analysis reports reported ^{xiv}	4	1	1	1	1
2.4.3	Number of capacity building interventions delivered ^{xv}	2	1	n/a	n/a	1

7.2.6 Table 11: Programme 2 Expenditure Estimates

Programme 2: Transaction and Advisory Services						
Statement of Financial Performance	Audited Outcome		Adjusted estimates	Medium-term expenditure		
R thousand	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Technical Consulting Services	90,014	107,206	104,387	29,809	35,347	39,687
Transaction Advisory Services and PPPs	23,294	31,861	24,545	22,344	27,750	33,179
Capital Projects Appraisal	6,727	6,953	7,515	115,118	121,144	127,881
Public Expenditure & Policy Analysis	11,660	27,105	14,837	21,789	8,263	8,721
Expenditure	131,695	173,125	151,284	189,060	192,504	209,469



7.3 PROGRAMME 3: PROGRAMME MANAGEMENT SERVICES

7.3.1 Purpose

To improve the efficiency of Treasury PMUs through effective and efficient operational and procurement support.

7.3.2 Overview

GTAC support comprises programme and project management, administrative, technical advisory and resourcing support. An important component of this support is the facilitation of the shared learning opportunities across PMUs, other GTAC business units, and government more broadly. The PMUs have very specific governance and financial accountability arrangements through which programmatic decisions are made. Administration costs are reflected in GTAC's accounts and are recovered from the National Treasury.

On behalf of National Treasury, GTAC established a project management unit for the Employment Creation Facilitation Programme (the Jobs Fund), which was initiated in 2011 as a multi-year, R9 billion partnership programme to support innovative employment initiatives. While the unit was initially set up at the DBSA, GTAC has managed it since August 2014. This PMU oversees a portfolio of grant-funded employment facilitation projects, undertaken by a range of private and public sector implementing partners. The Jobs Fund Investment Committee has the responsibility for and authority over the content of the programme, including investment decisions and performance oversight. The Jobs Fund Project Management Unit awards grants through a competitive project application process that rewards the best ideas for meeting national job creation targets. Funding allocations are transparent, open and competitive, and are made by an independent investment committee.

This PMU supports the national and provincial treasuries and targeted municipalities in strengthening municipal financial management. These programmes form part of Programme 8 on the Treasury vote. The Office of the Accountant-General has the responsibility for and authority over the content of the programme and its performance.

On behalf of the Office of the Accountant-General, GTAC has established a Project Management Unit for the Municipal Finance Improvement Programme, and contracts advisors to municipalities and the national and provincial treasuries as part of this initiative. The programme supports reforms in municipal financial reporting and the implementation of sound financial management in municipalities. The programme reports to a Steering Committee chaired by the Accountant-General. GTAC recovers administrative costs the Office of the Accountant General for the disbursement support provided.

MFIP is a demand-driven programme of technical assistance designed to build the financial management capacity of municipalities through the placement of technical advisors within their budget and treasury offices.

7.3.3 Table 12: Strategic Objectives

Strategic objective	Objective statement	Baseline	Justification	Links	Sub-programme
SO 3.1 Provide administrative support to PMUs to meet their objectives	To provide administrative support to PMUs to meet their objectives	GTAC provides administrative support to the Jobs Fund and MFIP PMUs	GTAC's model provides the administrative capability necessary for the operational functioning of PMU.	National Treasury Strategy and APP	Financial Management Professional Service Procurement, Jobs Fund and Municipal Financial Improvement Programme



7.3.4 Table 13 Programme 3 Performance Indicators and Annual Targets

PERFORMANCE INDICATOR	AUDITED/ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	PLANNED PERFORMANCE CURRENT YEAR	MEDIUM TERM TARGETS (MTEF)			
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
Strategic Objective 3.1: Provide administrative support to PMUs to meet their objectives									
3.1.1	Percentage of PMU procurement completed in 90 days ^{xvi}	n/a	n/a	n/a	100%	100%	100%	100%	100%
3.1.2	Percentage of PMU payments made in 30 days ^{4xvii}	n/a	n/a	n/a	100% of payments made within 30 days	100% of payments made within 30 days	100%	100%	100%

7.3.5 Table 14: Programme 3 Performance Indicators Quarterly Targets For 2019/20

PERFORMANCE INDICATOR		PLANNED PERFORMANCE 2019/2020	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Strategic objective 3.1: Provide administrative support to PMUs to meet their objectives						
3.1.1	Percentage of PMU procurement completed in 90 days	100%	100%	100%	100%	100%
3.1.2	Percentage of PMU payments made in 30 days ⁵	100%	100%	100%	100%	100%

7.3.6 Table 15: Programme 3 Expenditure Estimates

Programme 3: Programme Management Services						
Statement of Financial Performance	Audited Outcome		Adjusted estimates	Medium-term expenditure		
R thousand	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Jobs Fund	85,490	69,285	84,000	91,368	97,957	105,198
Municipal Finance Improvement Programme	-	7,990	10,252	11,971	12,361	13,113
Expenditure	85,490	77,275	94,252	103,289	110,318	118,311



8 RESOURCE CONSIDERATIONS

The 2019 MTEF period indicates limited resources, as a result of a budget cut on the appropriated funds from National Treasury over the 2019 MTEF period. In the interim, other revenue streams such as interest earned and reserves will be used to supplement the other operating costs shortfall. GTAC will continue to apply efficiency and cost containment measures to its operations to minimise the impact of these resource constraints.

In addition, GTAC will review its costing model to consider options to allow for 100% cost recovery of project costs from departments (as opposed to the current recovery rate of 80%).

The compensation of employees shows a percentage growth of 7% from 2018/19 to 2021/22. The increase is linked to the cost of living adjustment and small increase on the establishment. Total establishment for GTAC has 156 employees, with the total budget of R138,56 million. However 41% of the staff establishment is for the two PMUs.

Goods and services for GTAC is expected to increase with 7% during the 2019 MTEF period with a total budget of R241,92 million in 2019/20. However, 27% of the total budget is for the two PMUs. Of the remaining budget of R198,36 million on GTAC's goods and services, 83% of the costs will be cost recovered in the form of Donor Funds, Cost recovery from government departments and transfers from treasury.

This plan is consistent with the strategic plan of the organisation. The CAPEX budget is primarily as a result of new computer equipment to be purchased for new staff in GTAC and for the two PMUs.

In view of 2019 MTEF budget that shows a deficit. GTAC is planning to cover the deficits with the reserves from the prior year's profits. GTAC is well aware that similar fiscal constraints faced by GTAC will also affect its clients and the government departments. As such, it is imperative that GTAC review its resourcing framework, including its cost recovery model. These fiscal risks will be closely monitored and appropriate strategies developed to best manage them.

The 2019 MTEF period projects are subject to considerable uncertainty, as it depends on the demand for services and the availability of resources, among other considerations. All projects will be evaluated in the project committee before it can be allowed with the clear indication of how it should be funded. The table below, provides the outcomes of the Advisory and Programme Management Services and its projected revenue and expenditure for the planning period. GTAC is expecting to meet all its targets despite the reflected deficits.



Table 16: Statement of Financial Performance

Statement of Financial Performance	Audited Outcome		Adjusted estimates	Medium-term expenditure		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand						
Revenue for (GTAC)	292,059	334,296	340,135	341,559	331,164	349,197
Appropriated Funds- Programme 8	88,006	80,818	71,858	46,734	51,467	54,299
Appropriated Funds-Support on Infrastructure Planning	-	-	-	15,000	20,000	25,000
Appropriated Funds- ECFF Projects	21,853	2,405	12,000	4,850	5,100	5,380
Cost Recovery from Departments	65,138	113,990	110,968	110,159	116,224	122,586
Cost Recovery from PMUs	72,636	77,216	94,252	105,018	108,151	113,873
Donor Funding	15,855	30,666	24,521	33,998	6,564	6,564
Interest received	28,361	28,654	25,876	25,200	23,058	20,896
Royalties & Admin Fees	210	547	660	600	600	600
Total Revenue	292,059	334,296	340,135	341,559	331,164	349,197
Expenditure for (GTAC)	257,772	305,891	340,135	381,336	385,526	415,299
Programme 1: Management and Support Services	40,587	55,491	94,598	88,872	82,474	87,308
Programme 2: Transaction and Advisory Services	131,695	173,125	151,284	189,060	192,504	209,469
Programme 3: Programme Management Services	85,490	77,275	94,252	103,404	110,548	118,522
Expenditure	257,772	305,891	340,135	381,336	385,526	415,299
Total Expenditure	263,698	305,642	314,259	316,359	308,106	328,301
Total Revenue	257,772	305,891	340,135	381,336	385,526	415,299
Total Surplus (before interest)	5,926	(249)	(25,876)	(64,977)	(77,420)	(86,998)
Interest revenue	28,361	28,654	25,876	25,200	23,058	20,896
Surplus (deficit)	34,287	28,405	-	(39,777)	(54,362)	(66,102)
Net Assets (end of period)	215,503	243,910	243,910	204,133	149,771	83,669
Memo: Cash and cash equivalents (end of period)	554,517	855,231	221,921	403,265	351,487	238,778



PART C



LINKS TO OTHER PLANS

9. LINKS TO LONG TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

GTAC does not have any long term infrastructure or capital projects or plans.

10. CONDITIONAL GRANTS

GTAC does not receive conditional grants.

11. PUBLIC PRIVATE PARTNERSHIPS

GTAC does not have any Public Private Partnerships.



PART D



ANNEXURES

12. Table 17: Consolidated Risks

Strategic Objective	Risk	Risk description	Mitigation strategy
SO 1.1 Contribute to building a pipeline of professional public sector talent.	Poor management of the programme	Lack of awareness about GTAC Poor relationships with universities to identify possible candidates	Bursary programme is in place. Awareness about the GTAC is done at various events and forums. Relationships with universities to identify possible candidates done through HR processes.
SO 1.2 Strengthen operational coordination to effect good governance	Inadequate governance arrangements.	Ineffective leadership due to uncertainty with respect to the appointment of a permanent head of GTAC. Inability to make informed strategic decisions resulting in failure to adequately identify and respond to the operational needs of GTAC. Non-adherence to the applicable laws, regulations and other prescripts	Ongoing engagements with the Minister of Finance, to prioritise filling of the vacant position. Prioritisation and phasing of reforms to strengthen programme and project management. Implement and monitor the relevant policies, processes and procedures
SO 1.3 Utilise strategic platforms to influence public policy engagements	Lack of adequate knowledge management process	Unevenly managed knowledge products resulting in failure to effectively influence public policy engagements.	Strengthening effective implementation of the knowledge management strategy. Proactively identify key themes for Public Policy engagements which will be used to develop new knowledge products.
SO 2.1 Provide advisory services to organs of state to plan, contract and execute PPPs in large or complex infrastructure transactions	Failure to deliver quality advisory services	Inadequate HR capacity in government departments and the Unit, compromising the management of Public Private Partnership contracts, as per best practise. Delays of projects during project preparation stages as well as defaults by government and private parties. Corruption in Public Private Partnership procurement, impacting on service delivery. This could lead to reputational damage for the PPP Unit.	Provision of training quarterly for all external stakeholders and improved communication through one on one engagements with senior management. Various staff retention initiatives, depending on reasons for resignation Allocation of an internal advisor to monitor the preparation of projects. Contract management and monitoring function established to retain and improve contract management and monitoring. Separation of duties in respect of decision making processes. Improved anti-corruption clauses are captured in Public Private Partnership contracts.
SO 2.2 Assist the National Treasury in its review and assessment of infrastructure investment proposals and feasibility studies	Possibility of poor quality and inadequate technical rigour and advisory support.	Inability to keep abreast of industry developments and knowledge of methodologies. Loss of capacity in the unit for an extended period	Staff development through a variety of initiatives to ensure continuous learning. Project prioritisation process in place to manage high demands from clients



Strategic Objective	Risk	Risk description	Mitigation strategy
SO 2.3 Provide advice and support to centre-of-government departments and organs of state to strengthen capacity	Inadequate processes for selection of projects and inefficient project implementation.	<p>Lack of agreement on project selection criteria.</p> <p>Inadequate clarity on the support to be provided to clients.</p> <p>Inadequate capacity and specialist skills for specific projects.</p> <p>Limited uptake and implementation of the advice provided to clients.</p> <p>Poor acceptability of the TCS cost recovery model by clients</p>	<p>New project requests tabled for selection at the GTAC Project Committee for a decision.</p> <p>Project monitoring and review processes put in place (monthly project progress reports by project managers, and GTAC quarterly project review committee).</p> <p>Appropriate resourcing of projects informed by the professional time tracking system (Ixsha).</p> <p>Ongoing client relationship management.</p> <p>Engagements with individual clients to resolve queries and explaining the cost recovery model with reference to the GTAC Proclamation</p>
SO 2.4 Provide analysis and insights into the performance, cost-effectiveness and expenditure trends of selected government programmes	Limited capacity and competency to produce the quality of and scope of PERs.	<p>Inadequate skills and competence of service providers to conduct Performance and Public Expenditure Reviews and experience in big data analysis.</p> <p>Lengthy communication processes and red tape for obtaining information from Government programmes.</p> <p>Unsustainable funding for PERs.</p> <p>Contestation of the analyses and results, and their limited use in policy and programme design and implementation.</p>	<p>Training of inexperienced service providers and capacity building initiatives e.g. expenditure and performance manual, on boarding workshops for the service providers.</p> <p>Panel of LTAs readily available on the GTAC SCM database as a recruitment pool.</p> <p>Steering Committees for the PERs comprising of Long Term Advisors (LTAs), NT staff and Provincial Treasuries are formed to conduct oversight and track progress of projects.</p> <p>Escalation of issues not resolved by Steering Committees are escalated</p> <p>Co-funding by stakeholder Departments to conduct reviews. Use of a proven methodology and deep stakeholder engagements throughout the process, with peer reviews of the results.</p> <p>Head of PEPA presenting in platforms like Technical Committee for Finance and Budget Council Forums comprising of NT Heads, Provincial and National Departments Heads</p>
SO 3.1 Provide administrative support to PMUs to meet their objectives	Misalignment of operational and procurement processes leading to inadequate support of PMUs	GTAC processes not in line with the PMU processes resulting in lack of adequate administrative management of the PMUs	Procurement policy manual and delegations are in place.



13 TECHNICAL INDICATOR DESCRIPTORS

13.1 PROGRAMME 1: Management and Support Service

Strategic Objective 1.1 Contribute to building a pipeline of professional public-sector talent	
Objective Indicator 1.1	
Indicator Title	Implement an annual Public Economics Winter School
Short Definition	This indicator measures the activity conducted under the Public Economics Capacity Building Programme
Purpose/importance	To determine the degree to which GTAC contributes to securing interest in public sector policy issues and talent through a Winter school initiative
Source	Winter school attendance register
Method of calculation	A simple count of a winter school event
Data limitations	None
Type of Objective	Output objective
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Successful implementation of Public Economics Capacity Building Programme
Objective Responsibility	Chief Director: Strategy Management and Communication

Strategic Objective 1.1 Contribute to building a pipeline of professional public-sector talent	
Performance Indicator 1.1.1	
Indicator Title	Number of bursaries awarded annually
Short Definition	This indicator measures the activity conducted under the Public Economics Capacity Building Programme through bursaries awarded to Public Economics graduates
Purpose/importance	To determine the degree to which GTAC contributes to securing interest in public sector policy issues and talent through an initiative such as awarding of bursaries
Source	Bursary award letters and contracts signed
Method of calculation	A simple count of bursary contracts awarded
Data limitations	None
Type of Objective	Output objective
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Successful implementation of Public Economics Capacity Building Programme
Objective Responsibility	Chief Director: Strategy Management and Communication



Strategic Objective 1.1
Contribute to building a pipeline of professional public-sector talent

Performance Indicator 1.1.2

Indicator Title	Number of graduates placed on the internship programme
Short Definition	This indicator measures GTAC's contribution towards building capacity in the public sector
Purpose/importance	To determine the degree to which GTAC contributes to employment creation in the public sector and securing interest in the public sector environment by attracting a number of professionals in the public economic stream
Source	Internship appointment letters and acceptance or contracts
Method of calculation	A simple count of internship contracts accepted
Data limitations	None
Type of Objective	Output objective
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Successful placements of selected graduates on the internship programme
Objective Responsibility	Chief Director: Strategy Management and Communication

Strategic Objective 1.2
Strengthen operational coordination to effect good governance

Performance Indicator 1.2.1

Indicator Title	Improved audit outcome
Short Definition	Ensure good governance and internal controls
Purpose/importance	Ensure effective administration of funds where funds paid to eligible applicants and recipients are accurate, punctual and cost effective as required by the applicable legislation
Source	Auditor-General's report
Method of calculation	Peruse the AG report to determine if there are no repeat findings in comparison to the previous findings
Data limitations	None
Type of Objective	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No-revised
Desired performance	Good governance and internal controls and systems in place and maintained
Objective Responsibility	Chief Director: Financial Management



Strategic Objective 1.2
Strengthen operational coordination to effect good governance

Performance Indicator 1.2.2

Indicator Title	Employment Equity targets achieved
Short Definition	This indicator measures GTAC compliance in meeting Employment equity targets
Purpose/importance	To ensure transformed socio economic participation
Source	GTAC Human Resource Plan
Method of calculation	<u>Number of employees appointed in line with EE targets</u> Total number of employees x100
Data limitations	None
Type of indicator	Output Indicator
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Adhere and contribute to successful implementation of employment equity act by providing employment opportunities to people with disabilities, Africans and women
Indicator Responsibility	Chief Director: Human Capital Management

Strategic Objective 1.3
Utilise Strategic Platforms to influence Public Policy engagements

Objective Indicator 1.3

Indicator Title	Number of strategic knowledge management activities undertaken
Short Definition	This indicator measures the activities conducted to improve the reach of GTAC's business through strategic knowledge management activities
Purpose/importance	To improve and influence the quality and reach of public policy and advocacy efforts delivered through Knowledge Management activities
Source	Attendance register and programme/agenda
Method of calculation	A simple count of learning events undertaken
Data limitations	None
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Successful deliver two learning events to promote GTAC as a centre of excellence in public policy capacity building
Indicator Responsibility	Chief Director: Strategy Management and Communication



Strategic Objective 1.3
Utilise Strategic Platforms to influence Public Policy engagements

Performance Indicator 1.3.1

Indicator Title	Number of customised technical knowledge products issued
Short Definition	This indicator measures the number of knowledge products published that contributes to building the centre of excellence
Purpose/importance	To share knowledge gained through different initiatives of GTAC's business to the internal and external environment and impart knowledge in the workspace
Source	Knowledge products published i.e. case studies, technical knowledge exchanges
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Inform and create a knowledgeable organisation through issuing technical knowledge resources
Indicator Responsibility	Chief Director: Strategy Management and Communication

13.2 PROGRAMME 2: Transaction and Advisory Services

Strategic Objective 2.1
Provide advisory services to organs of state to plan, contract and execute PPPs in large or complex infrastructure transactions

Performance Indicator 2.1.1

Indicator Title	Number of transaction advisory projects registered
Short Definition	This indicator measures the degree to which GTAC provide transactional support to organs of state, on a demand-driven basis, with advisory services. The number of projects registered in a defined period. A transaction advisory project is considered registered if it is registered at national treasury and a letter has been sent through to PPP unit to initiate the project.
Purpose/importance	To give an indication of the number of transaction advisory projects registered as required by Regulation 16
Source	List of technical advisory projects registered
Method of calculation	Simple count of technical advisory projects registered
Data limitations	None
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Increase the number of projects registered with GTAC for transaction advisory services
Indicator Responsibility	Chief Director: Transaction Advisory Services and PPPs



Strategic Objective 2.1
Provide advisory services to organs of state to plan, contract and execute PPPs in large or complex infrastructure transactions

Performance Indicator 2.1.2

Indicator Title	Number of PPP foundation capacity building events held
Short Definition	This indicator measures the number of PPP foundation capacity building events delivered by GTAC
Purpose/importance	Provide capacity building initiatives such as training to PPP through GTAC's PPP unit
Source	Programme agenda, attendance register
Method of calculation	A simple count of PPP foundation capacity building events executed
Data limitations	None
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Deliver four capacity building events per annum
Indicator Responsibility	Chief-Director: Transaction Advisory Services and PPPs

Strategic Objective 2.1
Provide advisory services to organs of state to plan, contract and execute PPPs in large or complex infrastructure transactions

Performance Indicator 2.1.3

Indicator Title	Number of PPP municipal capacity building events biannually held
Short Definition	This indicator measures the number of PPP municipal capacity building events delivered by GTAC
Purpose/importance	To provide capacity building to Municipalities through GTAC's PPP unit
Source	Programme/agenda, attendance register
Method of calculation	A simple count of PPP Municipal capacity building events executed
Data limitations	None
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Deliver two capacity building events to municipalities biannually
Indicator Responsibility	Chief-Director: Transaction Advisory Services and PPPs



Strategic Objective 2.2**Assist the National Treasury in its review and assessment of infrastructure investment proposals and feasibility studies****Performance Indicator 2.2.1**

Indicator Title	Number of capital projects advisory reports completed
Short Definition	Provide advice on capital projects as agreed with relevant stakeholders in the National Treasury. Advisory reports relate to large multi-year infrastructure projects, such as infrastructure required for provision of water, transport, telecommunications and energy to citizens.
Purpose/importance	To review and assess infrastructure investment proposals and feasibility studies. The indicator measures the degree to which the unit is advising on the value for money prospects, affordability and efficiency in infrastructure expenditure. Large capital projects require a coherent and systematic approach to adequately resolve infrastructure delivery challenges cost effectively, timeously and appropriately. Key decisions on these matters have strategic impact which could involve significant monetary value and influence service delivery with long term financial implications.
Source	Approved appraisal reports
Method of calculation	Simple count of capital projects advisory reports completed
Data limitations	None
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Provide advice on capital projects appraisals
Indicator Responsibility	Chief Director: Capital Projects Appraisal

Strategic Objective 2.2**Assist to the National Treasury in its review and assessment of infrastructure investment proposals and feasibility studies****Performance Indicator 2.2.2**

Indicator Title	Number of research reports completed
Short Definition	Conduct research on tools, methodologies and guiding principles that support good practice in project appraisals.
Purpose/importance	The indicator measures the degree to which the unit is promoting good practice in project appraisals and appropriate methodologies for assessing costs, benefits, and value for money prospects of infrastructure investments. The aim is to strengthen capacity across government to undertake project appraisals. This is done through studies that contribute to appropriate, practical approaches; guiding principles; and tools and methodologies grounded in the South African context.
Source	Approved research reports
Method of calculation	Simple count of research reports completed
Data limitations	None
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Contribute to meaning dialogues and good practice in project appraisals
Indicator Responsibility	Chief Director: Capital Projects Appraisal



Strategic Objective 2.3
Provide advice and support to centre-of-government departments and organs of state

Performance Indicator 2.3.1

Indicator Title	Number of technical advisory projects supported
Short Definition	To measure the Technical Advisory Project support rendered through Technical Consulting services to strengthen the capacity of client Departments and Entities. The number of projects supported during a defined period. <ul style="list-style-type: none"> • A project is considered supported once it has been approved by the project committee. • These projects are categorised as ongoing or completed. • Ongoing means that the project is being implemented. • Completed means that the project is closed and all related documentation has been uploaded on the Intranet.
Purpose/importance	To strengthen the capacity of client Departments and Entities through rendering of Technical Consulting services
Source	Project list available on the Intranet.
Method of calculation	A simple count of Technical Consulting Services projects approved/selected by the Project Committee, according to the project status (ongoing and completed)
Data limitations	The projects status is, by nature, variable. Therefore, the numbers reported reflect the status of projects on the reporting date
Type of indicator	Output indicator
Calculation type	Cumulative across the project duration
Reporting cycle	Annually
New indicator	No
Desired performance	Increase the number of Technical Advisory projects supported within acceptable service parameters
Indicator Responsibility	Chief Director: Technical Consulting Services

Strategic Objective 2.3
Provide advice and support to centre-of-government departments and organs of state to strengthen capacity

Performance Indicator 2.3.2

Indicator Title	Percentage of clients evaluated, satisfied with the Technical Consulting Services support
Short Definition	To measure the percentage of clients that are at least satisfied with TCS support, after conclusion of a project
Purpose/importance	To inform performance management of Technical Consulting Services teams To improve the quality of Technical Consulting Services support to clients
Source	TCS annual client survey report
Method of calculation	On completion of a project, a semi-structured interview is held with the client counterparts. The rate of overall satisfaction with TCS support is measured on a scale of 1 to 5, with 1 being dissatisfied and 5 being extremely satisfied. An average is calculated on the number of clients that rate overall TCS support between 3 and 5. $\frac{\text{Number of satisfied clients}}{\text{Number of completed projects}} \times 100$
Data limitations	Subjectivity of the survey responses, and the availability of clients to participate in the interview.
Type of indicator	Outcome indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	80% clients satisfied over a period of 3 years
Indicator Responsibility	Chief Director: Technical Consulting Services



Strategic Objective 2.4
Provide analysis and insights into the performance, cost-effectiveness and expenditure trends of selected government programmes

Performance Indicator 2.4.1	
Indicator Title	Number of Performance and Expenditure Reviews supported
Short Definition	Public Expenditure and Policy Analysis reviews seek to investigate the resourcing and performance of government operations, in relation to the applicable policy.
Purpose/importance	Public Expenditure and Policy Analysis offers government the ability to re-calibrate, where necessary, the extent of resources to deliver on selected policies of government. The policy custodian is engaged in the review and involved in the development of scenarios to achieve objectives most efficiently.
Source	Public Expenditure and Policy Analysis project register of the PER's, attendance register or progress reports where applicable.
Method of calculation	A simple count (assessment of quarterly milestones achieved and signed off)
Data limitations	None
Type of Objective	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	Revised
Desired performance	Improve efficiency in policy implementation and spending in government through the Public Expenditure Reviews conducted
Indicator Responsibility	Deputy Director General: Public Expenditure and Policy Analysis

Strategic Objective 2.4
Provide analysis and insights into the performance, cost-effectiveness and expenditure trends of selected government programmes

Performance Indicator 2.4.2	
Indicator Title	Number of remuneration analysis reports reported
Short Definition	Remuneration analysis investigates the key drivers of compensation expenditure and personnel trends in government using PERSAL data.
Purpose/importance	Compensation of employees is a large share of government's total expenditure (35% in 2018) and it is growing fast. GTAC supports the National Treasury Budget Office and Public Finance by providing advice on the implications of remuneration policy options on total expenditure and growth. The advice is based on a detailed analysis of personnel trends and costs – the rate of appointments and terminations, the cost of promotions and progression, the cost of allowances and benefits on different salary groups (Educators, SAPS, Nurses, etc.)
Source	Public Expenditure and Policy Analysis supported project registers, reports or presentations
Method of calculation	A simple count of the presentations or reports
Data limitations	None
Type of Objective	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	New
Desired performance	Annexure in MTBPS, recommendations used to inform wage negotiations
Indicator Responsibility	Deputy Director General: Public Expenditure and Policy Analysis



Strategic Objective 2.4**Provide analysis and insights into the performance, cost-effectiveness and expenditure trends of selected government programmes****Performance Indicator 2.4.3**

Indicator Title	Number of capacity building interventions delivered
Short Definition	A conceptual approach to improve the skills and knowledge of officials to a greater capacity.
Purpose/importance	To enhance knowledge, skills and self-efficacy in government and/or other target groups to initiate changes in practice or policies. The capacity building intervention provides training on understanding new and developed policies and programmes in government, as well as how to adapt and measure effectiveness of their interventions.
Source	Public Expenditure and Policy Analysis supported project register, attendance registers and presentations/modules
Method of calculation	A simple count of number of training programmes offered to government officials and/or other target groups.
Data limitations	None
Type of Objective	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Contribute to the increase of officials obtaining a mark higher than 50 per cent in submitted mini PER reports.
Indicator Responsibility	Deputy Director General: Public Expenditure and Policy Analysis

13.3 PROGRAMME 3: Programme Management Services**Strategic Objective 3.1****Provide administrative support to PMUs to meet their objectives****Performance Indicator 3.1.1**

Indicator Title	Percentage of PMU procurement completed in 90 days
Short Definition	This indicator measures GTAC's compliance to 90 days turnaround time when processing procurement requests as set in the PSP operational guide
Purpose/importance	To determine GTAC's efficiency in processing procurement requests
Source	Register of procurement received and finalised
Method of calculation	$\frac{\text{Total number of procurement requests completed in 90 days from the date received}}{\text{Total number of procurement requests received}} \times 100$
Data limitations	None
Type of indicator	Activity indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	Revised
Desired performance	Process and finalised all procurement requests within 90 days
Indicator Responsibility	Chief Director: Professional Services Procurement



Strategic Objective 3.1
Provide administrative support to PMUs to meet their objectives

Performance Indicator 3.1.2

Indicator Title	Percentage of PMU payments made in 30 days.
Short Definition	This indicator measures GTAC's compliance to 30 days turnaround time when processing payments to creditors
Purpose/importance	To determine GTAC's efficiency in processing payments and to improve payments turnaround time and comply to legislation
Source	PASTEL datasheet and register
Method of calculation	$\frac{\text{Number of invoices paid in 30 days}}{\text{Total number of invoices paid}} \times 100$
Data limitations	None
Type of indicator	Activity indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Finalise all payments within the prescribed norm of 30 days
Indicator Responsibility	Chief Director: Financial Management

14. CHANGES TO THE STRATEGIC PLAN

It is hereby certified that the below strategic objectives as it was published in the 1st GTAC strategic plan (2017/18-2019/20), have been revised and new strategic objectives have been added as detailed below:

Programme 1: Management and Support Services strategic objective below has been reviewed and revised as follows:

Strategic Plan 2017/18-2019/20	Annual Performance Plan 2019/20
Strengthen partnerships to influence the quality and reach of public policy advocacy efforts delivered through GTAC	Contribute to building a pipeline of professional public-sector talent

The strategic objectives below are new and have been added to the Programme 1: Management and Support Services strategic plan

Strengthen operational coordination to effect good governance
Utilise strategic platforms to influence public policy engagements



Lindiwe Ndlela
Acting Head: GTAC



15. END NOTES

Applicable to all programmes

In order to strengthen monitoring of performance information, GTAC has developed new indicators or revised its indicators or targets to strengthen compliance with the framework of strategic plans. Please refer to this end notes for the detail information on actual amendments made and the annual report that will be published at the end of the financial year for the actual performance reported on similar indicators.

ⁱ Strategic Objective 1. Contribute to building a pipeline of professional public-sector talent has been revised, previously Strengthen partnership to influence the quality and reach of public policy advocacy efforts delivered through GTAC.

ⁱⁱ To address issues of alignment, a new strategic objective 1.1.2 Strengthen operational coordination to effect good governance has been developed.

ⁱⁱⁱ A new strategic objective has been developed 1.3 to Utilise strategic platforms to influence public policy engagements.

^{iv} 1.1.2 Number of activities implemented through the Public Economics Capacity Building Programme- deliver one annual Winter school revised to strategic objective indicator 1.1 Implement an annual public economics winter school.

^v Performance indicator 1.2.1 Improved audit outcome has been revised, previously 1.3 Management support delivers unqualified audit opinion with a new target being a clean audit report.

^{vi} 1.1.2 Number of activities implemented through the Public Economics Capacity Building Programme – award a number bursaries annually revised to 1.1.1 Number of bursaries awarded annually to post graduate economics students.

^{vii} A performance indicator under strategic objective 1 has been included 1.1.2 Number of graduates placed on the internship programme.

^{viii} Indicator on Percentage of Employment Equity targets achieved has been revised to Employment Equity targets achieved and migrated from strategic objective 1.1 Strengthen partnerships to influence the quality and reach of public policy advocacy efforts delivered through GTAC to strategic objective 1.2 Strengthen operational coordination to effect good governance.

^{ix} A new performance indicator under strategic objective 1.3 has been included 1.3.1 Number of customised technical knowledge products issued.

^{xi} A performance indicator under strategic objective 2.2 has been included 2.2.2 Number of research reports completed.

^{xii} Indicator 2.3.1 the annual target has been reduced due to decrease in demand on the technical advisory services.

^{xiii} A performance indicator under strategic objective 2.3 has been included 2.3.2. Percentage of clients evaluated, satisfied with TCS support.

^{xiv} A performance indicator under strategic objective 2.4 has been included 2.4.2 Number of remuneration analysis reports reported.



^{xv}A performance indicator under strategic objective 2.4 has been included 2.4.3 Number of capacity building interventions delivered.

^{xvi} Performance indicator 3.1.1 Percentage of procurement requests successfully finalised as per the PSP operational guidance has been revised to Percentage of PMU's procurement request completed in 90 days.

^{xvii} Performance indicator 3.1.2 Percentage of PMU payments made within the prescribed norm of 30 days has been revised to Percentage of PMU payments made in 30 days.

Performance Indicator 2.1.2 Number of requests for transaction advisory services received (cumulative) that was monitored in the previous financial year has been reassigned to operational planning.

The baseline for these new indicators is being established during this financial year which will inform future planning.





Contact us

Tel: +27 12 315 5111 Fax: +27 12 315 5786
Info@gtac.gov.za www.gtac.gov.za

Postal Address

GTAC, Government Technical Advisory Centre, Private Bag X115, Pretoria, 0001

Physical Address

GTAC, Government Technical Advisory Centre, 240 Madiba Street, Pretoria, 0002

Designed and printed by Milk Brown Design and Communications

