



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

TO : ALL ACCOUNTING OFFICERS

NATIONAL TREASURY PRACTICE NOTE 6 OF 2008/09

COMPLIANCE WITH THE DIVISION OF REVENUE ACT, 2007 (ACT NO. 1 OF 2007) – DORA: EVALUATION OF CONDITIONAL GRANT PROGRAMMES

1. PURPOSE

- 1.1 The purpose of this practice note is to give effect to:
- 1.1.1 Section 9(1)(c) - Duties of transferring national officer in respect of Schedule 4 allocation;
 - 1.1.2 Section 10 (6) - Duties of transferring national officer in respect of Schedule 5, 6 and 7 allocation;
 - 1.1.3 Section 11 (5) - Duties of receiving officer in respect of Schedule 4 allocation; and
 - 1.1.4 Section 12 (6) - Duties of receiving officer in respect of Schedule 5 and 6 allocation;
- 1.2 This practice note deals with Sections 9(1) (c), 10(6), 11(5) and 12(6) of the 2007 DORA which relate to the evaluation of conditional grant programmes.

2. PERFORMANCE EVALUATION OF CONDITIONAL GRANTS - SECTIONS 9(1)(C), 10(6), 11(5) AND 12(6) OF THE 2007 DORA

- 2.1 In term of Section 9 (1) (c) of DORA, the transferring national officer must evaluate the performance of Schedule 4 programmes funded or partially funded by the allocation and submit such evaluations to the National Treasury within four months in respect of a province and six months in respect of a municipality after the end of the financial year.
- 2.2 In term of Section 10 (6) of DORA, the transferring national officer must evaluate the performance of Schedule 5, 6 and 7 programmes funded or partially funded by the allocation and submit such evaluations to the National Treasury within four months in respect of a province and six months in respect of a municipality after the end of the financial year.

- 2.3 In term of Section 11(5) of DORA the receiving officer must annually, within two months after the end of the financial year, evaluate its performance in respect of Schedules 4 programmes funded or partially funded by an allocation and submit such evaluation to the transferring national officer.
- 2.4 In term of Section 12 (6) of DORA the receiving officer must annually, within two months after the end of the financial year, evaluate its performance in respect of programmes funded or partially funded by an allocation and submit such evaluation to the transferring national officer.

Objectives and Scope of the Evaluation

- 2.5 The main objective of this Practice Note is for departments to develop programme evaluation plans for all grant programmes implemented. Evaluation plans are the “blueprints” that lay out a plan for implementation of your evaluation according to your objectives. They describe what the performance evaluation will look like as well as what information will be collected. The Performance Evaluation Plans should consist of information from your objectives, including program activities, beneficiaries, results, instruments to be used, and standards for success which relate to grant framework objectives. They should also include specific information on when data will be collected, how often, and by whom, as well as who is responsible for aggregating data, analyzing data, and reporting the results.

The performance evaluation plan should comprise of:

Activity

Provide a description of the activity you will be evaluating. (Describe your who, what, when, how and where – the delivery structure you use to make your outcomes happen.)

Purpose of Evaluation

What do you want to be able to decide as a result of the evaluation? These could include for example be to:

- Understand, verify or increase impact of service delivery/programme (eg, outcomes evaluation)
- Improve delivery mechanisms to be more efficient and less costly (eg, process evaluation)
- Verify that we're doing what we think we're doing (eg, process evaluation)
- Clarify program goals, processes and outcomes for management planning

Audience(s) for the Evaluation

Who are the audiences for the information from the evaluation, for example:

- National Departments
- Provincial departments
- National Treasury
- SCOF
- Municipalities
- Other(s)

What Kind of Information is Needed

What kinds of information (indicators) are needed to make the decision you need to make and/or enlighten your intended audiences, for example, information to understand?

- Data source (could include what is indicated in the business plan)
- The process of service delivery (its inputs, activities and outputs)
- The beneficiaries of the service
- Strengths and weaknesses of the service delivery/programme
- Benefits beneficiaries (outcomes)
- How the programme has under-performed and why, what are risks of future performance etc.
- Other type(s) of information?

Type of Performance Evaluation

Based on the purpose of the evaluation and the kinds of information needed, what type of performance evaluation is being planned?

Data Collection

How will data be collected and verified?

Data Aggregation

Who will aggregate the data and how often will it be aggregated?

Data Analysis

Who will analyze the data and how often will it be done? Who will be responsible for writing the report and ensure that all audiences needs have been met?

Report Format

A description of the report format.

Reporting Loop

Who will receive this analysis and act upon the findings? What other mechanisms are there for progress reporting etc?

3. METHODOLOGY AND DELIVERABLES

EVALUATION METHODOLOGY

EVALUATION TEAM

- 3.1 Departments administering or implementing conditional grants are required to set up evaluation teams for each grant with a member from the Monitoring and Evaluation unit/directorate as the coordinator of the evaluation exercise. It is imperative that the programme and/or project manager for each grant is part of the team.
- 3.2 Prior to the commencement of the evaluation exercise national transferring departments should set up evaluation teams that prepare a methodology, clearly indicating how it plans to reach the objectives of the evaluation and how the overall exercise will be conducted. The evaluation team will also design a detailed work schedule identifying clearly the activities to be undertaken during the evaluation. The evaluation teams should be set in all provinces or municipalities and the National department playing a coordination role for the exercise.
- 3.3 Prior to the submission, the coordinating team should hold debriefing sessions at which all nine provincial departments or transferring national officers in terms of local governments grants are present to obtain feedback on information collected and to ensure that there are no factual errors prior to the submission of the completed consolidated report, with nine annexes.

DELIVERABLES AND TIMETABLE

- 3.4 The Evaluation Team will identify the key competencies required at the national and provincial levels for each grant administered by the national department. National or Provincial departments are to be provided evaluation concept document by **13 April 2008**.
- 3.5 National or Provincial departments implementing conditional grant programmes are to evaluate their programmes. Each evaluation report

should include specific recommendations for the future, focusing on how to improve performance to meet the grant objectives and how to improve future evaluation of the grant performance. It is recommended that provincial evaluation reports should be completed by **18 May 2008** in order to allow time for analysis of documentation, discussions and to enable the Evaluation Team to test, revise and refine its draft findings, conclusions and recommendations so that final reports can be submitted to the national departments by **31 May 2008**.

- 3.6 It is estimated that national administrating departments will require a total of up to two months, beginning on **1 June 2008** for the analysis of documentation, discussions with provincial departments to revise and refine findings and to consolidate the conclusions and recommendations for submission to National Treasury by **31 July 2008**. Each consolidated evaluation report should include specific recommendations for both the national and provincial levels of government, focusing on how to improve performance to meet the grant objectives.

4. EFFECTIVE DATE

- 4.1 The procedures contained in this practice note takes effect from 1 April 2008 and must be adhered to by all accounting officers.

5. AUTHORITY FOR THIS PRACTICE NOTE

- 5.1 This practice note is issued in terms of sections 76(1) to 76(4) of the PFMA which empowers the National Treasury to issue instructions applicable to all institutions to which this Act applies concerning any matter that may be prescribed for all institutions in terms of this Act.

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