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Implementation Evaluation of the Framework for Strategic and Annual Performance Plans
Final Evaluation Report

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pdg
Committed to Development

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Acronyms

AG	Auditor-General
AO	Accounting Officer
AOPO	Audit of Pre-determined Objectives
APP	Annual Performance Plan
AR	Annual Report
COG	Centre of Government
COGTA	Department of Cooperative Governance and Traditional Affairs
DAC	Development Assistance Committee
DCoG	Department of Cooperative Governance
DG	Director-General
DPME	Department of Planning, Monitoring and Evaluation
DPSA	Department of Public Service and Administration
EA	Executive Authority
GWMES	Government-Wide Monitoring and Evaluation System
HOD	Head of Department
HR	Human Resources
KPA	Key Performance Areas
MAF	Management Accountability Framework
MOU	Memorandum of Understanding
MPAT	Management Performance Assessment Tool
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NEPF	National Evaluations Policy Framework
ND	National Department
NDP	National Development Plan
NPM	New Public Management
NT	National Treasury
OECD	Organisation for Economic Cooperation and Development
OtP	Office of the Premier
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PALAMA	Public Administration Leadership and Management Academy
PAA	Public Audit Act
PFMA	Public Finance Management Act
PIF	Performance Informative Framework
PITT	Performance Information Task Team
POA	Programme of Action
PSA	Public Service Act
OPSC	Office of the Public Service Commission
SASQAF	South African Statistics Quality Assessment Framework
SP	Strategic Plan
SPLUMA	Spatial Planning and Land Use Management Act
SSC	State Services Commission
TBCS	Treasury Board of Canada Secretariat
TOR	Terms of Reference

Executive Summary

1   INTRODUCTION

1.1   Background to the Intervention

The Framework for Strategic and Annual Performance Plans (FSAPP) was introduced in 2010 by National Treasury to align, standardise and inform departmental medium-term strategic planning and annual performance planning. The FSAPP was written to be read in conjunction with the Framework for Management of Programme Performance Information (FMPPI). It applies to national and provincial departments as well as public entities.

1.2   Background to the Evaluation

PDG was appointed by the Department of Planning, Monitoring & Evaluation (DPME) to undertake an evaluation of the FSAPP as part of the National Evaluation Plan of 2014/2015. The purpose of the evaluation was to "determine how effective the Framework for Strategic and Annual Performance Plans has been at guiding departments in their service delivery, particularly responding to government's priority outcomes, and in holding departments accountable for performance" (DPME, 2014a: 5). The following evaluation criteria were applied: relevance and appropriateness, effectiveness, and sustainability.

1.3   Approach and methodology

This was an implementation evaluation, with a significant clarificatory design component. The evaluation adopted a participatory approach, including continuous consultation with and inputs from the Project Steering Committee.

The methodology featured, firstly, a literature review, introductory interviews, and the development of logic models and data collection instruments. Next, interviews and focus groups were conducted with a purposive sample of 12 national and 19 provincial departments (across four provinces), as well as three parliamentary committee chairpersons. An electronic survey of departments was also conducted, and 105 out of South Africa's 155 national and provincial departments submitted responses. The evaluation also included a structured analysis of the annual performance plans (APPs) and annual reports (ARs) of 2014/2015 of 32 sampled departments. Further secondary documents analysed included DPME's review reports on departments' draft Strategic Plans and APPs for 2016/2017; management performance assessment tool (MPAT) scores for 2012 to 2015 and Auditor-General reports. These data sources were then analysed and integrated to produce findings in relation to the evaluation questions and criteria. Finally, the

emerging findings and recommendations were consulted upon before being finalised.

2 KEY FINDINGS FROM THE LITERATURE/DOCUMENT REVIEW

The literature review covered South African and international literature on strategy, management and planning, and also compared planning systems between four countries. The review made the following key points:

- There are various "strategy schools of thought". Three of particular relevance to South Africa are the "planning school" (with an emphasis on formal, top-down control), "learning school" (which emphasises that successful strategies are dynamic), and the "configuration school" (which is concerned with designing the strategic planning process to serve broader intended organisational processes) (Bryson, Berry & Yang, 2010; Mintzberg, Ahlstrand & Lampel, 1998; Steurer & Martinuzzi, 2005). In practice, the South African environment features a hybrid of these approaches.

- The public sector has historically been characterised by a "custodial management" culture which is not optimally conducive to strategic management (Llewellyn & Tappin, 2003). To build cultures of effective strategic management, decision-makers should have access to relevant information and tools; plans should be the product of broad organisational participation; the plans should be adaptable rather than formal and static; and increased managerial autonomy should accompany a decentralised fluidity (Brown, 2010: 213).

- In the country case studies, Mexico's planning approach which moves straight from an overarching plan to "programming" at a sector, regional and special-purpose level, (Mexican Ministry of Finance and Public Credit, 2001) was found to be instructive.

3 THE FRAMEWORK FOR STRATEGIC AND ANNUAL PERFORMANCE PLANS

The South African national planning framework has its foundation in four early pieces of legislation: The Constitution (Republic of South Africa, 1996), the Public Finance Management Act of 1999 (PFMA) and the Treasury Regulations Chapter 5 (2005, revised 2007) which were issued in terms of the PFMA, the Public Service Act of 1994 and related Public Service Regulations (PSR) (2001); and the Inter-Governmental Relations Framework Act of 2005. There was however no set of legislation dedicated to planning, and there was not yet a coherent intergovernmental strategy for establishing a planning, monitoring and evaluation

system. National Treasury provided guidelines, including the FSAPP, to help consolidate the planning components within an overall government-wide monitoring and evaluation system (GWMES).

The FSAPP expects departments to:

- Produce and table a 5-year Strategic Plan (SP), including sequencing of projects and programme implementation and resource implications;
- Produce and table an Annual Performance Plan (APP) including forward projections for a further two years, in line with the MTEF period, including annual and quarterly performance targets;
- Identify core indicators to monitor institutional performance;
- Adopt a quarterly reporting system including submission of agreed information to the Presidency, Premier's Offices, the relevant treasury and the Parliamentary portfolio committees; and
- Ensure alignment between Strategic Plans, APPs, budget documents, and annual and quarterly reports (National Treasury, 2010). (Annual reports have been subjected to the Audit of Predetermined Objectives (AOPO) by the Auditor-General (AG)).

FSAPP's immediate policy purpose is twofold: to improve the quality of strategic and annual performance planning and to strengthen accountability for the performance results of the relevant public institutions. Its Theory of Change explains how the introduction of the Framework and associated activities and reforms were intended to achieve this purpose and ultimately contribute to the achievement of long-term national strategic outcomes.

5   KEY EVALUATION FINDINGS

5.1. Relevance and appropriateness

In relation to the question, "Is the current design of the Framework for Strategic and Annual Performance Plans (FSAPPs) coherent, internally consistent, and aligned with relevant legislation and policy?" the evaluation found that the FSAPP was largely relevant and appropriate as a policy reform to the South African planning system, within GWMES, over the medium term, but that its design does have some gaps and it is not entirely aligned, coherent or consistent with all of the related policies and legislation.

The FSAPP's alignment with other applicable *regulations* was hampered by the fact that the PSR (2001, re-issued 2016) are not fully aligned to the PFMA regulations (2005, with Chapter 5 re-issued in 2007). The re-issuing of the Public Service Regulations in 2016 has partly addressed this. In terms of *policy alignment,* the FSAPP and FMPPI are generally well aligned and complementary

to the GWMES, South African Statistical Quality Assessment Framework (SASQAF), and National Evaluation Policy Framework (NEPF). There is however a degree of misalignment and conceptual inconsistency between the FSAPP and the Medium Term Strategic Frameworks (MTSF) (2009-2014 and 2014-2019), the National Outcomes Approach (2009) and the National Development Plan (2011). The inconsistencies between the documents have reduced over subsequent iterations, but there are still some important conceptual and language differences between the documents. For instance, the use of the following concepts across the documents is inconsistent: goals; strategic outcome-oriented goals; strategic objectives; and objective statements. Another source of alignment challenge is with Division of Revenue Act (DORA), whose grant allocations are usually linked to "implementation programmes" with distinct intervention logics, and introduce other monitoring requirements and set goals and objectives which do not always coincide with the planning of departments.

The FMPPI and FSAPP are largely *coherent,* with a clear rationale and positioning in the broader environment, and explain concepts as well as offering preliminary guidance on how to apply them, with timeframes and templates to support implementation. Arguably, the FSAPP's weakest section is where it explains the conceptual link between plans and budgets. Furthermore, the frameworks are clear about "budget programmes" but do not discuss the kind of "implementation programmes" which serve as outcome-drivers, such as those referenced in the DORA (see DPME, 2013).

In terms of addressing different *users* appropriately, departments critique the FSAPP for its implicit focus on service delivery departments, with some requirements less meaningful or useful for Centre of Government (CoG) departments, and national policy departments. There is also limited clarity about how the FSAPP should be used by legislatures to support the type of accountability that it seeks to enable. The role of the AG is arguably the most contested because of the emphasis placed on assessing compliance with financial and non-financial codes of accounting practice in the context of public interventions.

The framework is deliberately not prescriptive about *processes,* allowing for sufficient agency amongst departments across mandates. This may be appropriate, but has left the intergovernmental level of planning coordination reliant on the role and strength of coordinating departments. In terms of *templates,* too, the tension is between offering a guide or a compliance framework. In fact, in specific passages the FSAPP seems to contradict itself, wanting to be a guide but also a compliance template. The oversight and *quality assurance,* which the framework makes provision for, has tended towards

emphasising compliance rather than the quality of strategic planning and management.

5.2 Effectiveness

The first key evaluation question addressed under this heading is: "What is the current practice with regards to the utilisation and reporting on the Framework(s)?". In terms of *current practice,* departments can broadly be categorised into three groups: (1) Critical "experts", which attempt to innovate through strategic and annual planning, often calling for more flexibility; (2) Eager "FSAPP planners" that see FSAPP as The Standard and have typically experienced growth in capacity and practice since the framework's introduction; and (3) Compliant critics, which view the FSAPP as technical instructions, and may have limited willingness to engage with the framework's underlying principles.

FSAPP has contributed to a good level of standardisation for strategic and annual performance planning, creating a shared point of departure for intergovernmental planning and coordination. However, especially among the departments with more mature strategic management practices, this standardisation is now viewed as inhibiting the kind of strategic thinking and expression necessary for more significant advances.

"Alignment" between departments' plans and the MTSF and Outcomes Approach tends to consist of (1) clear reference to the relevant medium-term outcomes in Section A of the department's plan, but with (2) part B structured by budget programme (which is not necessarily aligned to the initiatives that drive the achievement of these outcomes) and (3) indicators pitched at the activity or output level, and not always meaningful for understanding the link to outcomes.

There has been a huge effort and significant improvements in applying "SMART"[1] principles to indicators. However, there is still tension around being able to both control and administratively verify the measurements of all the indicators included within the APPs. Departments with concurrent functions must also define sector-specific indicators consultatively, and some sectors are doing so more constructively than others. Many departments have since the introduction of FSAPP committed considerable resources to management information systems, and are now much better able to substantiate their performance reports with

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[1] Specific, measurable, achievable, realistic and time-bound.

evidence. The AG's reports show improvement: by 2014/2015, nearly 6 in 10 departments had no material findings on the performance information in their annual performance reports.

Plans are not necessarily *operationalised* as hoped. Operational plans appear often to be neglected while emphasis is placed on the APP, which gets audited; and planning for "implementation programmes" is mostly lacking. However, the introduction of FSAPP has clearly supported better integration of *budgeting and planning.* Officials are also very aware of the extent to which these processes are still separate. This is attributable to an extent to the historical sequencing and time frames for submission and approval of planning and budgeting (including DORA allocations), but departments' own management practices in this regard also leave much to be desired.

There is considerable data indicating that the various forms of *support and responsiveness* from oversight bodies (DPME, provincial treasuries, OtPs and policy departments, and the AG) has supported improvements in applying the framework. Still, the sheer number of oversight bodies can be a concern, especially because of the impact of multiple rounds of review on time frames, and because oversight bodies' inputs and expectations are sometimes contradictory. Furthermore, there appears to be room for legislators and oversight committees to use reports to better effect for accountability. These bodies' feedback sometimes overemphasises the achievement of (mostly) operational targets.

The second key evaluation question addressed under this heading is: "Did compliance with the FSAPP improve departmental performance management processes? To what extent? Can the efficiency of compliance with the Framework (FSAPPs) be improved?" In terms of supporting effective *departmental performance management processes,* it was discussed above that indicators are not always optimally meaningful. The extent to which this data is then accessed and engaged with varies, depending on the management approach within the department, as well as the "capacity" of the oversight body. The appropriateness of the responses to performance data (i.e. a positive or negative response / consequence to the department's or section's reported performance) is often in question: despite most senior managers' individual performance agreements being linked to all or most of the indicators in APPs, the prevailing sentiment is one of insufficient consequences for underperformance. This speaks to enduring challenges of "institutionalising a performance orientation … [and] linking service delivery progress (or lack thereof) to personal accountability" (Engela & Ajam, 2010: 30).

Against these mixed findings, not many respondents claim that departments' performance had actually improved as a result of improved awareness of

performance data, the response from political actors, or the way performance information is used in performance reviews. There is sometimes an effort to improve performance as a result of these processes, but often there is rather a change in the indicators, or a more conservative target is set to ensure it can be met.

In all, despite improvements, there are deep and widespread concerns as to whether the FSAPP is facilitating better decision-making and ultimately contributing to better service delivery. The potential value of the FSAPP in this regard has not been fully realised – both because of the manner in which it has been applied, and because of shortcomings in the framework. But improvements in management performance are also contingent upon a broader set of externalities beyond the scope of the FSAPP.

5.3 Sustainability

Finally, the evaluation considered the key evaluation question: "What are the main gaps and/or needs in the current planning framework (FSAPP and FMPPI)?". This section also includes broader considerations around the sustainability of the improvements introduced by the frameworks. The evaluation found a need to better align the development of FSAPP-related plans with *other planning elements,* especially intergovernmental planning with local government, and spatial planning. Many departments' planning processes also fit uneasily with political initiatives and priorities as expressed at the State of the Nation Address (SONA) and State of the Province Addresses (SOPA), or at other times during the year. Where accounting officers and executive authorities are closely involved in strategic planning processes, there appears to be better integration of political priorities in the planning process, and less disruption from unexpected new priorities or initiatives. Departments still find it difficult to respond to multiple priorities from multiple spheres and processes. There is a tendency to add more priorities onto plans instead of making the difficult trade-offs inherent in a robust planning process. The inevitable result is that communication and coherence around priorities gets diluted.

The evaluation also identified some *unintended consequences.* The combination of FSAPP and the many other planning and reporting requirements creates a large compliance burden, requiring resources of time, energy, and expertise. This compliance burden is partly driven not by the FSAPP itself but by the way it is being used in the AOPO. The greater emphasis on selecting indicators within departmental control (at a lower level of the results-chain), and substantiating their measurement, appears to preoccupy State capacity to an extent that is not commensurate with the value it derives from this information. Two common trade-offs are made in response: (1) diverting resources (time, energy and expertise)

to compliance and away from implementation of the department's mandate; and (2) to select indicators not for their usefulness in understanding performance, but for the ease with which they can be reported on.

6   CONCLUSIONS

The evaluation concludes that the current planning framework is imperfect but represents a clear advance for public sector strategic planning as embedded within the GWMES. The introduction of the FSAPP was an important step at the time, albeit not without some challenges of alignment, coherence, and terminology. The FSAPP is particularly relevant because of how it elevated strategic planning and forged the link between planning and budgeting processes. Even as departments continue to grapple with effective integration, the value of this link should not be overlooked.

Utilisation of the FSAPP in practice has led to the standardisation of Strategic Plans and APPs and provided a common planning vocabulary and format in practice, even as new terms were introduced and refinements made along the way. The prescribed timeframes have been utilised to provide support and feedback to departments on draft plans. Although there is evidence that departments have been guided by the FSAPP in terms of nominally aligning to the NDP, MTSF and the national outcomes approach, this does not yet appear to have resulted in the kind of performance indicator monitoring and reporting necessary to inform more strategic decision-making.

Instead of providing meaningful measures of performance results, programme performance indicators are crafted with a control and accountability orientation which limits their value for performance improvement. The emphasis on compliance with the FSAPP has been driven by external accountability to oversight bodies, particularly the incorporation of the FSAPP and FMPPI into the AOPO. This has led to some improvements in the management of monitoring data and performance information, but it tends to be performance information of the wrong kind, either at an operational level or with a dubious logical link to the outcomes it purports to be advancing.

After more than a full term of government since its introduction, various gaps and challenges have been identified in the implementation of the FSAPP. Government needs to strike a more appropriate balance between the demands of performance and administrative accountability. At the same time, a revised framework on its own cannot and should not be expected to solve all the challenges identified in this evaluation. Revising the framework is an output that can be relatively easily achieved, whereas the change that a new framework must

help facilitate is the institutionalisation of a result-based approach and more genuinely strategic planning processes.

7   RECOMMENDATIONS

The following recommendations are the product of consultations with stakeholders and the Evaluation Steering Committee.

Revisions to the FSAPP

1. DPME should revise the FSAPP in consultation with National Treasury and the Department of Public Service and Administration (DPSA) to produce a concise, integrated planning framework with differentiated guidance documents and tools.

    a. The revised FSAPP should specify which parts of the framework are prescribed.

    b. The revised FSAPP should clarify what parts of the framework serve as a guide.

    c. The revised FSAPP should reflect more closely synchronised steps in the planning and budgeting cycle.

    d. The FSAPP should specify the process for revising Strategic Plans and APPs.

    e. Introduce a differentiated FSAPP toolkit including case studies.

Improvements to other planning elements

2. DPME should establish a task team with the DPSA and National Treasury to investigate revisions to the PFMA Regulations, Chapter 5, and the PSA Regulations to ensure alignment and consistency between regulations.

3. DPME should, in consultation with National Treasury, DPSA and the Department of Cooperative Governance and Traditional Affairs (CoGTA), revise the FMPPI as part of broader planning, monitoring and evaluation reform.

4. DPME, in consultation DPSA, National Treasury, and CoGTA, should involve the National School of Government, in the development of a capacity building support programme for planning according to differentiated user needs.

5. National Treasury should, in consultation with DPME, adjust the MTEC process to make explicit the accommodation of revisions to the FSAPP so that any prescribed planning steps better synchronise budgeting and planning.

6. DPME, in collaboration with StatsSA and sector departments, should introduce a centralised, national system for the sourcing, capture and distribution of outcome and impact level indicators using survey data in addition to programme performance information.

Addressing perverse incentives arising from the audit of performance information

7. The Auditor-General should consult via the PITT on the contents of the *Performance Management Reporting Framework* to agree on the criteria applied in the audit process.

8. The Auditor-General should continue to raise awareness of the audit approach applied in the audit of performance information and ensure auditors are trained in line with the revised planning framework.

9. DPME's revisions to the FSAPP should exclude prescribing the setting of annual targets for outcome indicators.

Institutionalising lessons from compliance to the FSAPP

10. DPME, National Treasury, CoGTA and DPSA should collectively ensure planning processes are better coordinated, integrated and consolidated as part of the government policy cycles.

11. DPME, National Treasury, Offices of the Premier, Provincial Treasuries, DPSA and CoGTA should leverage existing intergovernmental platforms to improve the coordination of planning within and across spheres of government.

12. DPME should support Offices of the Premier to coordinate planning in provincial spheres and provide targeted support

Implementation programmes

13. Departments should strengthen the linkage and cascading of a medium-term strategic planning process with implementation programme planning and design.

14. Departments should ensure their Strategic Plans and APPs identify, relate and explain the relationship between their budget programme structure and key implementation programmes as part of their planning narratives.

Institutionalisation of planning revisions

15. DPME should stagger the roll-out of revisions to the FSAPP to allow for a pilot.

16. DPME, with the support of National Treasury, DPSA, and the National School of Government, should make available ad hoc training and support for roll-out.

17. DPME should, in consultation with DPSA, National Treasury and CoGTA, develop a change management strategy for the public service.

Other recommendations

18. DPME should coordinate involvement of the DPSA, National Treasury and CoGTA to revise and agree upon a Theory of Change (or theories) for planning, monitoring and evaluation across the state for the 2019/20-2024/25 planning cycle.

1. Introduction and background

In September of 2015 PDG was appointed by the Department of Planning, Monitoring & Evaluation to undertake an evaluation of the Framework for Strategic and Annual Performance Plans (FSAPP) as part of the National Evaluation Plan of 2014/2015. This evaluation was planned and commissioned by the Department of Planning, Monitoring and Evaluation as an **Implementation Evaluation of the Framework for Strategic and Annual Performance Plans.** This document constitutes the full evaluation report.

1.1 Background to the evaluation

South Africa is a young democracy still in the process of building and consolidating government systems. The planning system is a strategic component of these government systems, setting out government's implementation intentions. Adoption of the National Planning Framework in 2001 formalised and made explicit the cycles for government-wide planning. These included the five-year electoral cycle informing the Medium-Term Strategic Framework (MTSF), the three-year rolling budget cycle of the Medium-Term Expenditure Framework (MTEF), and the annual performance planning and reporting cycle. The Public Finance Management Act (PFMA) (1999) linked departmental budgeting to planning and mandated National Treasury to prescribe the format of plans and budgets. Subsequently Chapter 5 of the Treasury Regulations (2005, amended 2007) were issued in terms of the PFMA. This requires the accounting officer to submit strategic plans, and prescribes their content. It also introduces quarterly reporting. (See more detail later in this report.)

Against this background, during the 2004-2009 term of government, guidelines (2007 and 2010) were developed to provide a common point of reference for government planning. These guidelines were based on the practical experience of setting up structures and coordinating planning across spheres of government since 2001. The first of these guidelines was the Framework for Managing Programme Performance Information (FMPPI) which was introduced by National Treasury in 2007. The FMPPI provides a conceptual foundation for defining and selecting performance measures. Then in 2010, National Treasury produced the Framework for Strategic and Annual Performance Plans (FSAPPs) to align, standardise and inform departmental strategic planning for a period of five years (coinciding with the MTSF) as well as annual performance planning on a yearly basis.

In addition to the FSAPP and FMPPI, the planning system is governed by multiple frameworks and regulations that are meant to inform and guide the formulation of departmental plans and how they're reported against. The shift to an outcomes-based approach in 2010 formalised the demand for outcome-oriented

monitoring and evaluation. This approach gave substance to government's intent to improve government performance through a better understanding of the results and evidence of whether implementation is occurring as intended.

The current suite of legislation, frameworks and policies has been progressively adopted, setting out the parameters of the state's planning system. These documents are all meant to jointly regulate and guide State planning to support an environment conducive to the realisation of priority outcomes. The suite of legislation and policies inform the formulation of developmental goals and the distribution of scarce public resources, providing a mix of top-down and bottom-up planning. By design, these frameworks rely upon intergovernmental cooperation and coordination. The products of these planning processes are expected to be periodically reported upon, monitored and annually verified as a part of an audit process.

Despite the good intentions of government, a dynamic statutory environment, differentiated powers and functions, and a still maturing public service, have all meant that in some instances the governing frameworks are incongruous and at odds with each other (DPME, 2015: 1). As a result, this evaluation was commissioned to specifically assess the Framework for Strategic and Annual Performance Plans as the key policy framework of government's planning system for all Public Finance Management Act governed national and provincial departments.

1.2   Purpose and scope of the evaluation

The Terms of Reference (ToR) concisely set out the purpose of the evaluation to "determine how effective the Framework for Strategic and Annual Performance Plans has been at guiding departments in their service delivery, particularly responding to government's priority outcomes, and in holding departments accountable for performance" (DPME, 2015: 5).

The evaluation was therefore intended to guide improvements in the planning system based on a comprehensive assessment of its implementation. The evaluation was guided by the following Key Evaluation Questions (KEQs) set out in the ToR which informed the evaluation and framed how the evaluation was conducted:

- Is the current design of the Framework for Strategic and Annual Performance Plans (FSAPPs) coherent, internally consistent, and aligned with relevant legislation and policy?
- What is the current practice with regards to the utilisation and reporting using the Framework(s)? Is there evidence that national and provincial departments have improved making strategic choices and implementation (service delivery) as a result of using the Framework for Strategic and Annual Performance Plans and the Framework for Managing Programme

Performance Information? If so, what aspects of each of the frameworks are achieving the desired results? If not, which aspects of each of the frameworks should be amended?

- Did the compliance with the Framework for Strategic and Annual Performance Plans improve departmental performance management processes? To what extent? Can the efficiency of compliance with the Framework (FSAPP) be improved?
- What are the main gaps and/or needs in the current planning framework (FSAPP and FMPPI)?
- How can the current planning system be improved?

Each of these questions has been un-packed in a set of sub-questions and assessment areas which are discussed further in the methodology section.

In terms of scope, the evaluation looked at the time period of 2007 to date (although as required by the ToR, the documentary review included the period of 2000 to date, so as to consider the original thinking and intent of the planning system).

Geographically, the evaluation scope included both national and provincial government, including National Treasury and DPME as well as departments with concurrent functions as well as national departments without concurrent departments. The scope of qualitative data collection covered 12 national departments and 19 provincial departments in four provinces: Western Cape, Northern Cape, Eastern Cape and Free State. However, for the electronic survey of departments as well as various other existing data sources used in the evaluation, the scope extended to all national and provincial departments (see methodology section).

It is important to note that the scope of the evaluation did not include public entities and constitutional institutions, even though the FSAPP applies to them. The findings in this evaluation may apply to varying degrees to them given their different mandates, institutional structures and stakeholder configurations.

1.3   Structure of the report

The evaluation report is structured to support the reader's comprehension of both the methodological process followed for the evaluation and how the results have been analysed. The conclusions are derived from the findings and a set of preliminary recommendations have been made based on the findings. The evaluation report is therefore structured to concisely set out the evaluation design and methodology, before explaining the FSAPP Theory of Change and logic model which informed the evaluation. Then a brief literature review and comparative analysis is undertaken to help frame the findings and analysis. The findings are presented in relation to the KEQs, which are themselves aligned to

the overarching evaluation criteria. After a synthesised analysis for each of the KEQs, a conclusion is put forward and a set of recommendations are made.

2. Evaluation approach and methodology

The evaluation is conceptualised as an implementation evaluation with a significant clarificatory design component intended to guide a theory-driven approach to the evaluation. In line with government's normative orientation towards partnership, ownership and utilisation of the evaluation results[2], the evaluation adopted a mixed-methods participatory approach. This has included continuous in-process consultation and dialogue with the Project Steering Committee, integration of stakeholder inputs on the methodology and data collection, sharing of preliminary findings, and dedicated capacity building sessions.

The evaluation was broken into two distinct phases: a review phase focusing on development of a theory of change, logical framework and data collection instruments; and a data collection and analysis phase.

2.1 Review phase

The review phase was primarily concerned with clarifying the nature of the intervention through an extensive document review, interviews with key stakeholders, and a literature review. As part of this phase interviews were conducted with 11 stakeholders from DPME (4), National Treasury (4), the Public Service Commission (1) and the Auditor-General of South Africa (AG) (2). Only the Department of Public Service and Administration (DPSA) declined interview requests.

After a preliminary review of official government documents and policies related to the FSAPP, a comparative analysis of planning systems in Canada, Uganda and Mexico was undertaken. A literature review focusing upon strategic management and planning in the public sector was also undertaken to inform the evaluation's analytical framework.

A workshop was conducted with representatives from key stakeholder organisations to present a draft theory of change and literature review, and to validate the description of the intervention. Following feedback and engagement with the Project Steering Committee this clarificatory component was finalised and is presented in section 3 of the report. Data collection instruments were also developed and shared with the Project Steering Committee. For more detail on this phase, including an explanation of the evaluation criteria employed, please refer to the Evaluation Matrix appendix to the report.

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[2] As set out in DPME's Standards for evaluation in government (DPME, 2014).

2.2   Data collection and analysis phase

Primary data collection occurred between July and October 2016 and collection can be distinguished between primary (qualitative and quantitative methods) and secondary (structured review and analysis of existing datasets). For all primary data collection undertaken, basic ethical protocols were observed, including informed consent. For all data presented in the report anonymity has been introduced to limit the risk of attributing statements to specific individuals.

2.2.1   Qualitative data sampling and methods

In consultation with the Project Steering Committee, 32 departments (12 national departments and 20 provincial departments, five in each of the four sampled provinces) were sampled for primary qualitative data collection (see Table 1). These departments were purposively selected on the basis of MPAT scores and a spread of both 'good' and 'poor' performers at national and provincial level. All but one[3] of the 32 sampled departments was reached in the qualitative data collection process which in most cases included both an interview and focus group session. Where Offices of the Premier were not among those sampled in a given province an additional interview was conducted[4] to secure input from a transversal planning perspective.

Table 1. Departments sampled for qualitative engagements

Sphere / Province	Department
National departments	DPME National Treasury Home Affairs Arts and Culture Water and Sanitation Public Works Women Trade and Industry Public Enterprises Economic Development Health Basic Education
Northern Cape	Office of the Premier Agriculture, Land Reform and Rural Development Cooperative Governance, Housing and Traditional Affairs

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[3] Eastern Cape CoGTA cancelled their engagements at the last minute.
[4] This included in the Eastern Cape and Free State.

Sphere / Province	Department
	Health Transport, Safety and Liaison
Eastern Cape	Health Human Settlements Sports, Recreation, Arts and Culture Education Cooperative Governance & Traditional Affairs (sampled; did not participate)
Western Cape	Department of the Premier Health Human Settlements Treasury Social Development
Free State	Human Settlements Health Public Works and Infrastructure Economic, Small Business Development, Tourism & Environmental Affairs Police, Roads and Transport

In total, 111 individuals participated in the interview and focus group sessions at provincial department level and 97 participated at the national department level, all of whom held planning-specific or planning-related responsibilities. For more detail please refer to the Methodology section of the appendices to the report.

Additional qualitative engagements

Additional qualitative data was collected beyond the originally proposed scope of work, in consultation with the Project Steering Committee. These additional interviews were done to satisfy identified gaps in the purposive sampling approach emerging from the review phase. Firstly, requests were made to the Chairpersons of five parliamentary committees in the National Assembly, and ultimately interviews were conducted with the chairpersons of the following three committees:

- National Council of Provinces Select Committee on Finance
- Portfolio Committee on Health
- Portfolio Committee on Public Enterprises

Secondly, four additional interviews were conducted with DPME officials. For more information on this please refer to the Methodology section of the appendix to the report.

2.2.2 Departmental electronic survey

A departmental electronic survey administered via the online platform SurveyMonkey was aimed at all national and provincial departments – 155 in total (Figure 1). The electronic survey was then piloted with a set of key stakeholders prior to electronic distribution and the pilot process resulted in minor changes to the electronic questionnaire. The relatively small and defined population size (N=155) combined with guiding considerations of participation and buy-in resulted in all national and provincial departments being included in the sample.
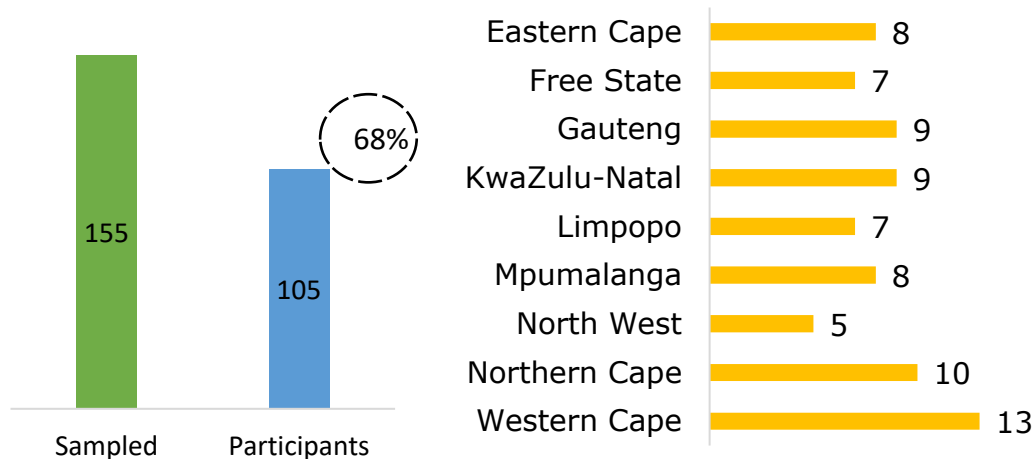
Figure 1: Response rate of sampled departments across provinces

In total, 105 departments responded to the electronic questionnaire across all nine provinces. The overall departmental response rate of 68% was considered acceptable and represents a marked increase compared to a similar historical online government survey for the MPAT evaluation.[5] Responses across provinces and types of departments are considered sufficiently representative[6] for the purpose of this evaluation and provide a solid basis for undertaking a descriptive analysis of departmental practices in this regard.

2.2.3 Documentary and secondary data collected

In addition to primary data collection PDG has made use of available secondary data that provide information on the implementation of the FSAPP. Foremost among this data are the APPs and Annual Reports (ARs) themselves, which have been subjected to a structured review. For the sake of consistency, the same 32

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[5] The MPAT evaluation only received responses from 71 departments (45.81%) of the total sample.

[6] It is worthwhile noting that the intention was never to obtain a statistically representative sample but to employ an inclusive sampling approach that provided all national and provincial departments, especially those outside the qualitative sample, an opportunity to provide information on their experience of applying the framework. With all nine provinces participating in the survey and the survey covering the spread of different 'types' of departments, this is considered sufficiently representative for the purpose of this study.

national and provincial departments that formed the qualitative data sample were included in this structured review. APPs and ARs for 2014/15 were reviewed as the latest complete, publicly available documents.

DPME also made available its review reports on draft Strategic Plans and APPs for all provincial departments and some national departments for 2016/17. These reports are produced by the Government Performance Information unit of DPME after a review of the first and second draft planning documents. The review reports aim to provide guidance on improving departmental Strategic Plans and APPs. A structured review was conducted of DPME's feedback to 112 provincial departments on their second draft APP submissions for 2016/17.

Recent AG reports such as *Consolidated general report on national and provincial audit outcomes* from 2012/13-2014/15 were also reviewed, specifically with a focus upon the Audit of Predetermined Objectives. These reports included appraisals of material misstatements in performance information and the usefulness and reliability of Annual Performance Reports applying the *Performance Management Reporting Framework* as set out in the annual AG Directive.

Departmental respondents in the interviews, focus groups and electronic survey also volunteered some additional documentation: presentations, correspondence with their concurrent departments around indicator development, and longer written inputs than what the electronic survey had allowed. Lastly, a key source of historical data taken into account in the evaluation is the Management Performance Assessment Tool (MPAT) scores for Key Performance Area (KPA) 1- Strategic Management which includes standards for the Strategic Plan, APP and performance reporting. Further details about this data can be found in the appendix on Methodology.

2.3 Data analysis and synthesis phase

All interview and focus group transcripts were subjected to thematic analysis using NVivo software package. The evaluation team initially created codes corresponding with the evaluation questions and sub-questions and conducted an initial round of coding using these codes. The first cycle of coding was done based on these predetermined codes, with sub-codes added as necessary. The coding commenced while data collection was still underway, allowing the team to identify areas for further exploration, clarification and triangulation through the remaining interviews and focus groups. The open-ended survey data, and the additional documents shared by respondent departments were also imported into NVivo and coded. Coding reliability was periodically checked by involving different team members in the coding process, thereby strengthening inter-coder reliability. The steering committee's comments on the draft findings, as well as

the need for further triangulation and deeper analysis of the draft findings, informed the second coding cycle. Overall the process of qualitative analysis enabled for systematically identifying key themes, weighing their relative strength/frequency, identifying nuances and differences between sources within themes, and easily pulling out illustrative quotes from the data.

Quantitative data obtained from the departmental electronic survey using SurveyMonkey was analysed using Microsoft Excel. Descriptive statistical analysis of this data was undertaken (e.g. mostly frequencies; some cross-tabulations by sphere of department) to provide some measures of implementation practice.

A structured review was conducted of the 32 sampled departments' APPs and ARs for the 2014/2015 financial year. This entailed reviewing both documents and populating a table with 16 fields, including analysis of content (e.g. extent to which the APP clearly states outcome-orientated goals and identifies them as such); enumeration (e.g. number of targets achieved or exceeded); consistency checks (e.g. whether there is a noticeable change in the structure and formulation of goals between the APP and AR) and completeness checks (e.g. whether the APP includes a complete table of technical indicator descriptions).

A second structured review was conducted of the DPME's assessment reports of provincial departments' 2016/2017 second draft APPs. The review entailed recording the key types of recommendations made by DPME in each of the 112 assessment reports (one per provincial department). These were then quantified and analysed by type of department (centre of government, service delivery, and faciliatory / regulatory departments).

Lastly, an analysis of MPAT scores was conducted. The annual Key Performance Area 1 (Strategic Management) scores for the period 2012 to 2015 were compiled for all 42 national and 120 provincial departments. The analysis entailed determining the frequency of high, medium and low scores on each standard, and the change in scores on each standard over time.

The mixed-methods approach employed a deliberate attempt to triangulate qualitative and quantitative methods and drew from the primary and secondary data collected to enrich and illustrate the findings. The findings presented vary between complementing and competing findings based on the available data, before being synthesised and critically analysed in line with a theory-driven approach at the conclusion of each findings section. In line with a theory-driven approach, the findings were synthesised in relation to each evaluation criterion and then their implications for the validity of the intervention logic were discussed.

2.4 Limitations of the study

Limitations of scope

As discussed earlier, the evaluation's scope as per the Terms of Reference excludes public entities and constitutional institutions, even though the FSAPP applies to them. The findings in this evaluation may apply to varying degrees to them given their different mandates, institutional structures and stakeholder configurations.

Limitations of the data

The primary qualitative data (interviews and focus groups) was collected from only 4 provinces. It should be noted that this qualitative data does not cover Gauteng, KwaZulu-Natal, Mpumalanga, North West and Limpopo. However, the 4 provinces were selected in order to be representative of the provinces' variance in capacity, provincial realities and performance. The specific departments were also chosen with this variance in mind. At an aggregate level therefore, the qualitative data should adequately describe the common issues of most provincial departments. Furthermore, the survey and secondary data sources covered all provinces.

In terms of the qualitative responses collected, the fact that M&E/planning officials were better represented in the focus group than programme officials, may have led to some overrepresentation of their inputs in the qualitative data. The survey was also completed by a single official in each department and was focused on the experience of each department as a whole. Programme officials' unique modalities in applying the frameworks to their areas of work, may not be as apparent in the data, nor are they as generalisable. The evaluation considered the entire country and its emphasis was on highlighting the most significant realities; it should not be taken as definitive of individual departments' or sectors' experience.

The qualitative data sufficiently covered the key national Centre of Government departments responsible for supporting, reviewing and providing oversight over the application of the frameworks, excepting the Department of Public Service and Administration. Several interviews were conducted with different role players in DPME and Treasury, and as well as interviews with key officials in the AG, who was also on the project steering committee. However, DPSA declined the interview request and the evaluation therefore does not benefit from detailed inputs from this department across the areas of analysis. The DPSA nevertheless provided feedback and their inputs on draft outputs and recommendations were therefore taken into account.

As noted before, the survey response rate was 68% of all national and provincial departments. This is a high response rate, but the results derived from it should not be taken as statistically representative. The intention was never to obtain a statistically representative sample but to employ an inclusive sampling approach that provided all national and provincial departments, especially those outside the qualitative sample, an opportunity to provide information on their experience of applying the framework. With all nine provinces participating in the survey and the survey covering the spread of different 'types' of departments, this is considered sufficiently representative for the purpose of this study.

Limitations of process

The evaluation experienced significant delays which affects the currency of the findings. The evaluation Terms of Reference were published in May 2015 and the evaluation started in September 2015, but data collection and analysis took place only in the latter half of 2016, and the report is being finalised in 2018. Parallel to the evaluation, the FSAPP was being reviewed and revisions tabled concurrent to this report. Therefore, some findings may be somewhat outdated by the time the report is tabled in Cabinet and eventually made available for public consumption. In particular, the analysis of MPAT scores (2012-2015) and structured review of 2014/2015 APPs and ARs should not be taken as the status quo in 2018. However, the key findings and recommendations are sufficiently current to serve as a basis for further action and improvement.

3. Literature review and background

3.1 Introduction

Public sector strategic planning combines three distinct conceptual elements important for the purpose of this evaluation. Firstly, the 'public sector' focus distinguishes it from private sector strategic planning in that the purpose is not about competitive advantage in relation to private actors but about crafting better responses to developmental problems. These problems include a set of often "inconsistent demands" from the public for what are "frequently insoluble problems" and for which government usually has a monopoly over the provision of related services (Boyne and Walker, 2004; Llewellyn and Tappin, 2003: 957). There is a public policy dimension to the planning, usually conducted by a government with vested decision-making power in the hands of elected officials who oversee a civil service tasked with realising multiple concurrent mandates (Boyne & Walker, 2004; Pablo, Reay, Dewald & Casebeer, 2007; Steurer & Martinuzzi, 2005; Young, 2003).

Secondly, the 'strategic' component is a conceptually distinct element meant as a simplifying device, a set of decision-making heuristics to simplify choices in complex and dynamic environments. Put plainly, strategy is designed to help focus on the essential factors operating inside (e.g. capabilities, resources, etc) and outside an organisation (e.g. opportunities, threats, broader socio-economic forces, etc) that affect and inform what it intends to do and how it does it (Boyne & Walker, 2004; Brown, 2010).

Thirdly, the 'planning' element speaks to the process of stating the intentions of an organisation over a period of time (Young, 2003) which typically results in the output of a plan. Plans are more commonly expressed in terms of a vision, mission, goals and objectives. These elements may be supported by further detail on the intended activities, requisite resources, institutional and reporting arrangements as they give expression to those intentions over a defined period. Plans are an extension of public policy essentially concerned with bridging the gap between *what is to be done* (i.e. policy) and *how it should be done* (i.e. administration) (Llewellyn & Tappin, 2003). However, as Mintzberg, Ahlstrand and Lampel (1998) have explained, there are various schools of thought and approaches to strategic planning which shape the content and nature of both the process and output(s) which are explained in more detail in the following section.

3.1.1 Strategic management and planning

Public sector strategic planning, considered within the ambit of strategic management, is an increasingly relevant area of academic research and investigation (Llewellyn & Tappin, 2003; Pablo *et al.*, 2007). Strategic management is defined as "the appropriate and reasonable integration of

strategic planning and implementation across an organisation in an on-going way to enhance the fulfilment of its mission, meeting mandates, continuous learning, and sustained creation of public value" (Bryson, Berry & Yang, 2010: 1–2). It is also described as "the central integrative process that gives the organisation a sense of direction and ensures a concerted effort to achieve strategic goals and objectives" (Poister and Streib, 1999 in Steurer & Martinuzzi, 2005).

The study of strategic management has evolved considerably. It was initially conceived as providing a kind of management framework focused on strategic planning, but it has since moved towards a more comprehensive framework in which strategic planning guides and influences budgeting, performance, and improvement initiatives. Strategic management theory now places greater emphasis on the processes of developing and aligning an organisation's mission, mandates, strategies and operations to the policy environment, demands of its stakeholders, available resources and required outputs (Bryson, 2004a and Poister & Streib, 1999 in Bryson *et al.*, 2010). In this sense the FSAPP as an intervention, with its specific emphasis on framing strategic planning as part of a broader results-based management approach linked to the Government-Wide Monitoring and Evaluation System (GWMES), is situated squarely within the realm of public sector strategic management theory.

The outcomes-driven approach of GWMES also reflects elements of New Public Management (NPM) in the South African public sector. NPM is the introduction, since the 1980s, of private sector practices and tools in the public sector, with the aim to improve effectiveness and efficiency of public services. Among others, NPM adopts a more customer-centred approach to performance (Walther, 2015), and therefore frames public sector performance in terms of citizen-level outcomes, as opposed to service outputs only. Structures and payment incentives are designed to reward performance instead of relying on a "diffuse public service ethos with no incentives for increasing customer service quality" (Dunleavy and Hood, 1993, quoted in Walther, 2015) – for instance, shifting from permanent to contract-based senior management appointments. In this school of thought, the monitoring and evaluation of government performance becomes a "higher-order management function" (Abrahams, 2015: 2), which forms an essential basis for strategic planning. However, NPM also promotes decentralisation of management functions, giving line managers greater managerial authority and responsibility, which is in tension with the developmental state emphasis on centrally coordinated planning (Franks, 2015: 239). In South Africa, the purported move toward decentralisation and delegation of authority (founded in NPM principles) has in practice been coupled with moves towards a stronger central state (Cameron, 2009). Latib (2014) argues that the centralised articulation of the outcomes, the associated M&E and reporting requirements to the centre of government, and the introduction of centralised

structures and officials to coordinate this, in fact risks redirecting energy away from intelligent evaluative debate and accountability among the multiple levels of administrators who are closer to implementation.

Mintzberg et al (1998) distinguish between ten "strategy schools of thought" relevant to strategic management and planning. Amongst these, the "planning school", "learning school" and "configurative" school are most relevant theoretically for this context. The "planning school" asserts that public sector organisations must plan so as to: formally coordinate their activities; ensure that today's actions consider future implications; ensure rational actions; and control the use of resources (Steurer & Martinuzzi, 2005: 455). The planning school relies on a formal, systematic and predictable approach which allows for control and oversight in line with traditional policy planning (Mintzberg *et al.*, 1998; Steurer & Martinuzzi, 2005). In the context of the South African public sector, the formality, top-down control and cyclical systematisation of such an approach resonates as the current planning system clearly contains elements of this approach.

However, the literature includes numerous critiques of the planning school. Its limitations are linked to the very rigidities which may give it appeal within the South African public sector (Bryson *et al.*, 2010; Steurer & Martinuzzi, 2005). The planning school is counter-posed by the learning school which Mintzberg et al (1998) describe as entailing more informal and emergent strategy formation. To the learning school, planning need not necessarily imply the standard formulation of a strategic plan but instead lends itself to Lindblom's (1959) notion of "incrementalism" (in Steurer & Martinuzzi, 2005: 456). Lindblom and Mintzberg both advocate that successful strategies are dynamic and evolve through informal and mutual adjustments among a variety of actors rather than through prescribed planning procedures conducted by planning specialists (Steurer & Martinuzzi, 2005).

This is further contrasted with the "configuration school" which seeks to be integrative, and cluster the various strategic planning elements including the process, content, structures and contexts into distinct stages or episodes. Integration between organisational units and partners necessitates continuous collaboration which, in turn, relies on defined structures and platforms for engagement (Steurer & Martinuzzi, 2005: 460). The arrangements of structures, their positioning within a given context and their sequencing in terms of process are intended to fit the life-cycle of an organisation or characterise progress from one state of being to another. In this way the configuration school is concerned with processes of transformation, or "strategic change" (Mintzberg *et al.*, 1998: 6–7). Given the historical context of the South African public sector there is a clear transformational intent which strategic planning is expected to contribute to. This is informed by legislation governing electoral "life-cycles" as well as the existence of mandated structures which have a bearing on strategic planning.

Considering the various schools of thought and their degrees of relevance and application in the South African context, it should be no surprise that national strategies and approaches to planning systems often reflect some degree of hybrid or "third-way mixtures" which go beyond formal planning, incrementalism and configuration approaches. They are instead intended to be systematic yet flexible, with a close integration of multiple policy areas (Steurer & Martinuzzi, 2005: 456).

Strategic management scholars have sought to amalgamate elements of the different schools of thought into a hybrid strategic management theory. Steurer and Martinuzzi (2005: 468) have set out six common assumptions that define a hybrid approach:

(1) *Strategic management "involves purposeful thought, choice, and action that is designed to enable the organization to achieve its desired future state" (Wechsler, 1989: 355).*

(2) *Strategic management is not restricted to a planning unit, but involves the entire organisation.*

(3) *The implementation of a strategy is regarded as an integral part of the strategy process. This implies that a strategy is not finished with the formulation of an `intended strategy', that is, a strategy document, but is seen as an open, circular process: "Formulation... may precede implementation. But even so, there has to be `implementation as evolution'... because prior thought can never specify all subsequent action"* (Mintzberg, 1994: 289)

(4) *Such an open strategy process is flexible with regard to changing circumstances and objectives (many of which may be a result of implementation efforts). That is, it turns intended strategies into a subject of learning.*

(5) *The understanding of the strategy process as an adaptive learning process implies that the outcome, that is, the `realised strategy', depends not only on intended strategies, but also on `emerging strategies' as the flexible counterpart.*

(6) *Despite this emphasis on flexibility and learning, formal plans are not rejected as outdated, but they are embraced as valuable strategic devices. "Thus, strategy is not the consequence of planning but the opposite: its starting point. Planning helps to translate intended strategies into realized ones, by taking the first step that can lead to effective implementation"' (Mintzberg, 1994).*

Understanding public sector strategic planning in South Africa in terms of strategic management theory, it is clear that the six framing assumptions of the above hybrid approach are useful informants to the analysis of the FSAPP implementation taking into account those particular public sector and South

African conditions. However, it is useful to unpack strategic public management and what distinguishes it in terms of strategic management theory before zooming in to national strategies and planning systems.

3.1.2 Strategic public management and public sector strategy

Llewellyn and Tappin (2003) argue that the public sector faces a unique challenge in terms of strategic management because "public sector cultures are uncultivated ground for strategic thinking". Historically, formal plans in the public sector were "…shopping lists… that did not eliminate any possibilities, make any difficult choices, or establish any consistent patterns… [this] did not provide a very clear guide for future action" (Langley, 1986 as quoted in Llewellyn & Tappin, 2003: 957). They describe a common "custodial management" approach that characterizes a public sector in which customary ways of implementing and delivering services are preserved and perpetuated in the interest of stability, "…conformity, reliability and basic standards of service" (Llewellyn & Tappin, 2003).

Such a custodial management approach fosters organisational environments that tend towards simplistic and perfunctory forms of 'planning' rather than 'strategising'. Mintzberg et al (1998: 19) explain that government planning in particular tends toward discrete phases of formulation, implementation and control in sequence, which may actually limit space for strategic thought. Brown (2010: 212) expands on this and highlights how the complex policy and programmatic challenges, politicised institutional environments, and legislation-bound administrative systems limit the discretion of public sector managers to develop and execute strategy.

Whatever the historic and enduring challenges, it is recognised that developments in strategic public management have also created space for what Brown (2010) refers to as "public sector strategy". He identifies the following building blocks for public sector strategising:

1. Decision-makers should have access to information about the variety of factors that may affect the formulation and achievement of organisational goals and objectives and planning should be based on that information. Evolving information tools and innovations provide sophisticated advances in this regard.
2. Plans of action should be the shared product of participants from multiple levels of the organisation rather than that of centralised managers.
3. These plans should be malleable and adaptable rather than formal and static.
4. Increased managerial autonomy should accompany a decentralised fluidity which allows decision-makers to reevaluate strategies and

undertake corrective actions as new information becomes available (Brown, 2010: 213).

The importance of information is paramount as change and improvements in public management become contingent upon its access and flow (Brown, 2010; Plaatjies & Porter, 2011). In contexts where public sector reform efforts have tended toward strategising "governed by information rather than rules," public sector managers now have more opportunities to use information to develop and execute strategy (Brown, 2010: 212–213). This is contrasted with public management environments characterised by the concentration of power, centralisation of authority and strict application of rules.

Llewellyn and Tappin (2003: 956) argue that giving strategic control to managers has lagged other public sector reforms (Whittington et al, 1994 in Llewellyn & Tappin, 2003) no doubt in part because of the complex policy and politicised institutional environments referenced earlier by Brown (2010). However, such changes and managerial autonomy appear better suited to more mature public sector environments where a balance is struck between central oversight and control, managerial autonomy and a professional agency for civil servants at the service delivery coal-face (Llewellyn and Tappin, 2003). In environments that are not mature or that fail to strike the necessary balance, evidence suggests that unintended consequences and perverse behaviours may arise that detract from the value of public sector strategy (Brown, 2010: 213). These perverse behaviours may take any range of forms, including what Engela and Ajam (2010: 30) have described in the South African context as "malicious compliance" – an adherence to the "letter of the law, regulation or reporting format, but the spirit of the law or regulation is deliberately undermined".

A particular risk for managers is that planning tools, introduced with the goal of supporting strategic planning, may be misapplied or templates used as a substitute for genuine strategy development. The introduction of logic models and other templates that often accompany strategic planning guidelines are a case in point. Simply applying these tools is not indicative of improved strategy development and decision-making. They are tools that may assist in decision-making, but they are not in themselves guides to strategy development (Brown, 2010: 213).

In their study of national parks in the UK and USA, Llewellyn and Tappin (2003) note that the parks have been obliged to develop strategic documents to guide their work and for external consumption, but found that the national parks had neither relied upon nor implemented their contents. They referred to these plans as "dormant documentation" or that which resides on shelves, gathering dust rather than being owned and used as a basis for implementation. Strategic planning processes were described as a "triumph of form over substance. Once the documentation was completed, 'plans' were ignored and policy developed

independently, sometimes in ways that directly conflicted with the 'plan'" (Llewellyn and Tappin, 2003: 969).

Steurer and Martinuzzi (2005) also note the detachment of strategy formulation and implementation, separating thinking and action, as a common fallacy and pitfall of traditional planning approaches. A lack of vertical policy integration suggests there is not a common point of departure for embarking on the strategy planning across multiple levels of the organisation (Brown, 2010) or that resources and activities are not systematically synchronised with policy goals as part of the process. In this regard, Mintzberg (1994) emphasises the value of enhancing communication and coordination in process as part of the very reasons to undertake strategic planning (in Steurer & Martinuzzi, 2005: 461). If strategic planning is done appropriately, it has the potential to strengthen the chain of accountability, support vertical and horizontal coordination, and lay the foundation for the fulfilment of the organisational mission and continuous learning and improvement.

3.1.3 Government strategic planning and planning systems

Government strategic planning could arguably be traced back to ancient military strategies which predate the nation-state; however, a more contemporary reference for this evaluation would be the United States Department of Defence in the 1950s and 1960s. The Department of Defence began to look for ways to plan for its long-term needs and achieve cost savings, leading to the advent of the Planning-Programming-Budgeting-System (PPBS). The PPBS was expected to allow for establishing long range planning goals and objectives, examining the costs and benefits of expected ends, comparing and contrasting alternative activities to achieve agency goals and objectives and establishing multi-year projections for executive and legislative consideration when considering annual budgets (Young, 2003).

Although the exact nature and scope of government strategic planning varies, there is a general agreement that it is a process of developing a long-term plan to guide a state, sector, sphere of government or department toward a clearly articulated vision, mission, goals and objectives. It is a process of assessing where it is presently, ascertaining the challenges and opportunities that present themselves, and determining what destination is most desirable and how to get there (Steurer & Martinuzzi, 2005; Young, 2003). The work of the National Planning Commission and the National Development Plan (The Presidency, 2011) is an example of a long-term national strategic plan in the South African context, albeit one whose scope and purpose placed less emphasis on the 'how'.

Such plans are considered public policy and tend to serve as an informant for further devolved strategic planning across the state. Among the numerous

benefits of government strategic planning, the following are identified in the literature:

- The establishment of a long-range, unified and broad direction (a "plan") for state government across all policy areas;
- The facilitation of the executive and legislature in being more responsive and accountable to the current and emerging needs of their state;
- The allocation of limited resources, via the state's budgetary process, in a more rational and "results-producing" way;
- The improvement of communication among all state leaders and better coordination of the omnibus of the policy and fiscal decision-making process; and
- The measurement of the progress of the state-wide strategic efforts by planning participants, and the updating or revision of these efforts as warranted (Llewellyn & Tappin, 2003; Steurer & Martinuzzi, 2005; Young, 2003).

At the national and sub-national level, organisational strategic planning forms part and parcel of a government planning system. The government planning system serves a clear national purpose, is comprised of interrelated and interdependent planning sub-components, follows a distinct sequencing or arrangement of those sub-components, and is reliant on feedback for the return of information in relation to its original purpose (Kim, 1999). Departmental strategic plans are key outputs of inter-related sub-component processes in a national planning system and form the basis upon which feedback reporting occurs, which is a requisite for optimal functioning of the system.

Across contexts, strategic plans tend to have certain commonalities supportive of their purpose to contribute to national development. Although strategic plans may occur at various levels and scope, the common elements of good strategic plans are:

1. An environmental scan or situational analysis of the organisational context, as well as its strengths and weaknesses. This usually includes an analysis of external threats and opportunities and a stakeholder analysis;
2. A vision for the future and an accompanying mission statement which sets out the fundamental purpose of an organisation, its values, and its boundaries;
3. A set of goals, objectives and targets, and performance measurements intended to gauge and monitor organisational progress;
4. A set of "action" strategies to indicate what will be done to accomplish its goals and objectives;

5. Provision for the implementation of detailed operational or tactical plans that provide for staff assignments and schedules; and finally

6. A monitoring and evaluation component with provision to revise the overall strategic approach as it unfolds (Bryson, 1995; Young, 2003).

How government planning systems function and how strategic planning unfolds in practice varies considerably from country to country. Prior to presenting evaluation findings from South Africa, the following provides an international comparative analysis of country planning systems at a high level.

3.1.4 International comparative analysis in global development

As part of the literature review, research on the planning systems of Uganda, Mexico and Canada was undertaken. For an introduction to each of these respective countries, please refer to the literature review attached as an appendix. The following presents a summarised analysis arising from a comparative review of the three countries and South Africa.

South Africa shares a similarity with Uganda in that both have a longer term national plan to inform medium and short term strategic planning while Mexico has a medium term plan of six years (Table 2). Although Canada does not have a long-term plan, Canada's planning is vested in the Whole-of-Government Framework (Treasury Board of Canada Secretariat, 2015) which compels government to outline a set of outcomes (currently 16) across each of the spending areas (4) over the medium term, which is similar to South Africa's Medium-Term Strategic Framework. In Uganda, Mexico and South Africa the countries each have medium to long-term planning documents at the apex of their planning system that set broad developmental goals, albeit with different planning horizons. This arrangement provides a common national point of departure from which other strategic planning should be informed.

Governments produce medium-term national strategic planning documents that span an electoral cycle of government in all four countries. In Uganda and Mexico, these are known as National Development Plans, whereas in South Africa and Canada these medium term documents take the form of broader policy frameworks, which in turn inform another level of strategic planning at departmental level. In Uganda, the 5-Year NDP informs strategic plans that are developed on a sectoral basis, known as Sector Development Plans. These in turn inform departmental annual plans, whereas in South Africa departments produce 5-year plans that inform departmental annual performance plans. This contrasts with Mexico where the NDP informs the development of programmes at a sector, regional and special purpose (e.g. disaster mitigation) level. This is distinctly different from the other countries because Mexico moves directly to developing programmes including tactical implementation strategies, structures

and action planning at sector and regional level from the national plan. This distinct step in the planning process is reflected in Figure 2 below.
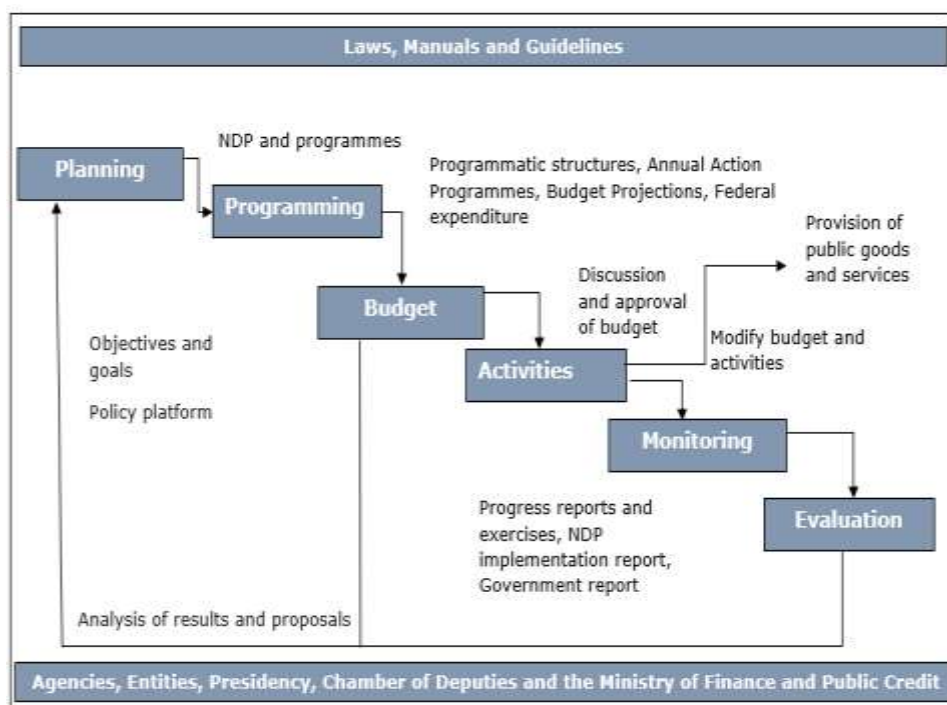
 Figure 2: Mexican government planning and management process (Source[7]: Mexican Ministry of Finance and Public Credit, 2001)

Mexico is also unique in that it possesses a National Development Financing Programme Strategy which complements its NDP and guides the formulation of programmes and the critical step of budgeting for them (not reflected above). This contrasts with Canada and Uganda which compare well with South Africa in that they budget over a rolling 3-year cycle as a key sub-component within their national planning systems. Additionally, South Africa and Canada share a common fiscal transfer and configuration dynamic in that both have provinces with a concurrent sharing of functions; however, the latter has provinces that have revenue-raising powers due to a federal system of government. Provinces in South Africa rely on national grants for their budgets with no powers to impose and collect taxes and are subject to nationally coordinated budgeting processes in terms of the MTEF. This also has implications for the discretion they have in setting goals, objectives and targets to which major funding initiatives are tied. While the provinces in Canada are able to raise their own revenues, they also receive transfers from the federal government for specific services such as health

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[7] Reproduced and translated from Spanish to English.

and education as well as 'equalisation transfers' for poorer provinces to enable them to complement their reduced revenues from taxes.

Both Mexico and Uganda explicitly provide for raising funds through public-private partnerships to complement public investment to finance the delivery of services and the achievement of outcomes. Uganda is still reliant on donor funding for its budget and project support and its sector plans are intended to be broadly inclusive to allow for the contribution of non-governmental organisations and international development programmes, allowing for a broader variety of both strategy and implementation approaches in the realisation of its goals and objectives.

Table 2: Planning system comparisons by country

	Canada	Uganda	Mexico	South Africa
Planning horizon	Unbounded time	Long term (30 years)	Medium term (6 years)	Long term (15 years)
Planning Instruments	MRRS, Strat. Plans and Annual Plans	NDP, Sector Master Plans, Annual Plans	NDP Programme plans	NDP, MTSF, SPs, APPs
Budget process	Three year expenditure plans	LTEF & MTEF	National Dev. Financing Programme	MTEF
Monitoring and Evaluation	Government Evaluation Policy	Strategy outlined in NDP and updated	Performance Evaluation System	Government-wide M&E system
Key role-players	Treasury Board Secretariat	NPA, Office of the Prime Minister	Ministry of Finance	National Treasury DPME

In all the countries reviewed here the planning systems are themselves part and parcel of national monitoring and evaluation systems. Table 2 provides a concise summary of the various components of the country planning systems, including the M&E policies in this regard. Only Uganda lacks a distinct policy document to this effect.

These national planning, monitoring & evaluation systems exist to integrate the monitoring of government's performance against their intended outcome areas, and to periodically evaluate them to inform future policy and planning. As such, the planning systems are embedded within these systems. Established in 1977, Canada's M&E system is arguably the most mature of the three countries. It has informed South Africa's results-based GWMES, with FSAPP situated squarely within it. It is therefore no surprise South Africa shares the most similarities with Canada's planning system excepting the absence of an NDP on Canada's part.

With regard to role-players, Canada's Treasury Board Secretariat plays the lead role in budgeting, planning, supporting performance reporting and monitoring and evaluation, roles that are now split in South Africa between National Treasury and the Department for Planning, Monitoring and Evaluation. In Mexico, the process is coordinated by the Ministry of Finance, while in Uganda the National Planning Authority was established by the President (much like the National Planning

Commission in South Africa), but responsibility for implementation rests with the Office of the Prime Minister.

This comparative analysis has highlighted some of the similarities and differences in these national planning systems without pre-judging their merit. These differences and their variations are useful for informing implementation analysis and so key insights and lessons learnt are interwoven into findings and syntheses in the evaluation report.

4. Context and design of the FSAPP

4.1 Introduction to the policy and legislative context

The South African national planning framework has evolved considerably since its introduction in 2001 amidst a dynamic and complex policy and legislative context. It has its foundation in four early pieces of legislation. The first is the Constitution (Republic of South Africa, 1996). It sets out the distribution of powers and functions between the spheres of government (defined in the Public Service Act of 1994), and weaves intergovernmental interdependence and cooperation into the fabric of the State. This necessitates planning coordination vertically between spheres and horizontally between departments. The Constitution (section 216) further mandates National Treasury to introduce and enforce compliance with uniform treasury norms and standards.

Secondly, the Public Finance Management Act of 1999 (PFMA) provided a legislative foundation in terms of the financial regulatory environment. Chapter 4 (Section 27) of the PFMA linked departmental budget and expenditure mandates with planning by requiring that when the accounting officer of each department submits the department's annual budget to Parliament or the provincial legislature, it must be accompanied by measurable objectives for each main division within the department's vote. Chapter 5 elaborates on the responsibilities of accounting officers regarding budgetary control and reporting. Section 52 also linked planning and budgeting functions for public entities and government business enterprises by requiring them to submit both an annual budget and corporate plan.

The PFMA has laid the basis for, and subsequently revised the provisions for, strategic and annual performance planning in terms of the Treasury Regulations Chapter 5 (2005, revised 2007). The PFMA and its associated regulations thereby set out the prescripts which the FSAPP has framed to guide planning and the allocation of funds over the medium term, to ensure alignment and integration between planning and budgeting, along with annual performance planning, monitoring and reporting.

Before the regulations of the PFMA were issued and revised, the Public Service Regulations (2001) issued in terms of the PSA, set out requirements for strategic planning, service delivery improvement and annual reporting. Issues of alignment, overlap and inconsistencies between the Public Service Regulations and the provisions of the Treasury Regulations have been one source of frustration within the public service and this regulatory disjuncture is something that will be returned to in the findings of the evaluation. It is another regulation within a suite of related regulation and policies which reinforces the strategic planning mandate of departments, while also setting out planning-related prescripts in relation to service delivery improvement.

Legislation such as the Inter-Governmental Relations Framework Act of 2005 (IGRFA) has further focused on giving some definition to intergovernmental structures and the nature of intergovernmental relations which have a bearing on the planning system.

In the absence of a set of legislation dedicated to the planning framework, and before a coherent intergovernmental strategy for establishing a planning, monitoring and evaluation system was in place, National Treasury took the initiative in linking the legal requirements for planning and reporting with guidelines, support initiatives and templates for departmental planning, monitoring and reporting according to Engela and Ajam (2010: 30). Although this was the first step, a common framework for relating the planning, monitoring and evaluation functions was only pursued later.

Government's move towards a government-wide monitoring and evaluation system (GWMES) was formalised in 2007 (The Presidency, 2007) and later a results-based approach was confirmed in 2009 (The Presidency, 2009a). These two policies were indicative of a systemic shift toward managing government performance for outcomes. However, these policies[8] also introduced new concepts and a guiding logic with implications for government planning. Despite its intentions, in practice GWMES has been more accurately described as a series of competing, partially integrated, at times complementary but disparate, M&E sub-systems and performance information systems (PDG, 2014).

The FSAPP was introduced during this legislative and policy evolution by National Treasury (2010) to help consolidate the planning components within this overall GWME system. It should be acknowledged that this introduction occurred prior to the finalisation of the National Development Plan as a macro-planning framework. The FSAPP aimed to assist government in its approach to improving performance, obtain more reliable performance information and support learning and improvement within the public service. In line with this intention, DPSA piloted and DPME has since implemented a set of related management performance standards in the Management Performance Assessment Tool (MPAT) that looks at planning and asks departments to self-assess themselves with a view to identifying and resolving shortcomings in terms of planning and strategic management.

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[8] *The Government-Wide Monitoring & Evaluation System (2007)* and *Improving Government Performance: Our Approach (2009)* are referred to here.

4.2 The Framework for Strategic Plans and Annual Performance Plans

The following section provides a brief descriptive introduction to the FSAPP. The FSAPP is framework intended to align strategic and annual performance planning practices with government's results-based approach. It is intended to provide a broad guide for institutions when developing Strategic Plans and Annual Performance Plans, while acknowledging that government institutions vary greatly in terms of roles and responsibilities. The framework is applicable to national departments, provincial departments and public entities (including constitutional institutions) (National Treasury, 2010).

The framework is to be read in conjunction with the *Framework for Managing Programme Performance Information* (FMPPI) (National Treasury, 2007) and supports the operationalisation of the revised Treasury Regulations, issued in terms of Chapters 5 and 30 of the PFMA. The FSAPP expects departments to:

- Produce and table a 5-year Strategic Plan (SP), including sequencing of projects and programme implementation and resource implications;
- Produce and table an Annual Performance Plan (APP) including forward projections for a further two years, in line with the MTEF period, including annual and quarterly performance targets;
- Identify core indicators to monitor institutional performance;
- Adopt a quarterly reporting system including submission of agreed information to the Presidency, Premier's Offices, the relevant treasury and the Parliamentary portfolio committees; and
- Ensure alignment between Strategic Plans, APPs, budget documents, and annual and quarterly reports (National Treasury, 2010).

The framework outlines that each departments' activities must be founded in its legislative mandate which it must implement, manage or oversee (National Treasury, 2010). Thus, the Strategic Plans and APPs are intended to give effect to departments' and agencies' statutory responsibilities, while also reflecting the intended outcomes of government.

The FSAPP also outlines the intended link between plans and departmental budgets. Strategic Plans should take a medium-term view of five years, but annual budgets are produced as part of the MTEF three-year horizon linked to a budget programme structure. This structure is intended to create a stable framework that links "successive plans and strategic priorities to budget allocations and performance indicators that track key delivery over the medium to long term" (National Treasury, 2010). This means that sudden changes and shifts to budget programmes are meant to be limited and managed to avoid the frivolous moving of funding between programmes. Implicit in this is that

institutions should not change their budget structures to reflect goals that are only a high priority in a particular year or for a short-term period, but instead maintain a medium to long term outlook in the interest of structural stability and reliable delivery.
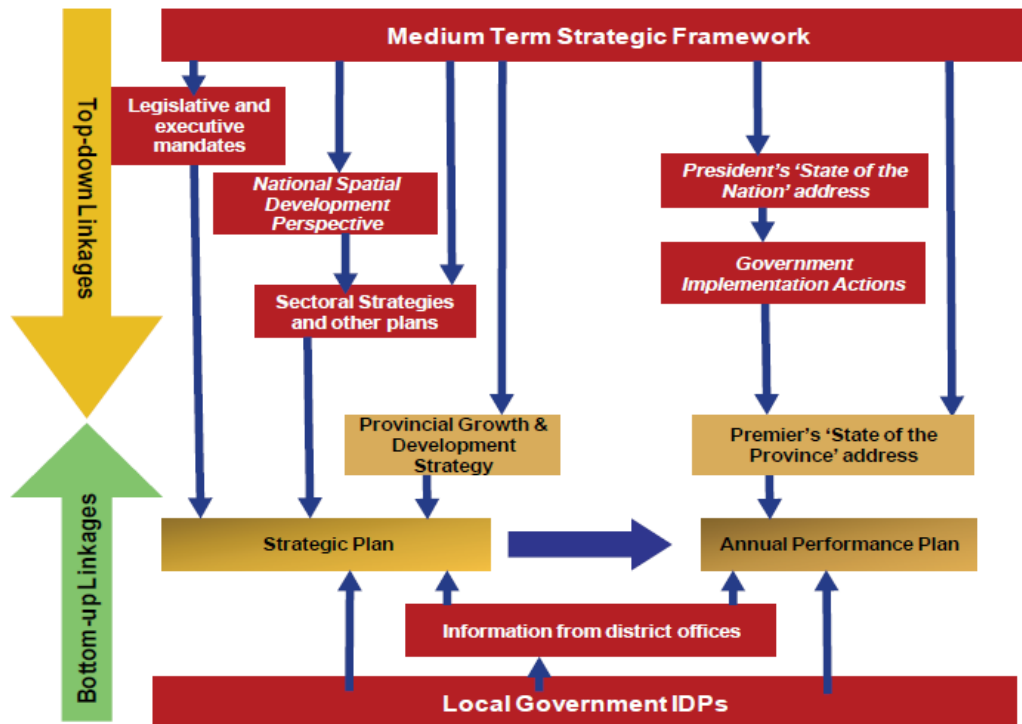
Figure 3: Links to planning frameworks and other plans (Source: National Treasury, 2010)

The FSAPP concisely explains the relationship between the SP, APP and other government planning as per Figure 3 above which displays the top-down and bottom-up linkages in the government planning system. The FSAPP also explains where planning sits in relation to the electoral, budgeting and reporting cycles of government as shown in Figure 4 below. It creates direct reporting expectations for APPs in the Quarterly Performance Reports (QPRs) and Annual Reports (ARs) (National Treasury, 2010).
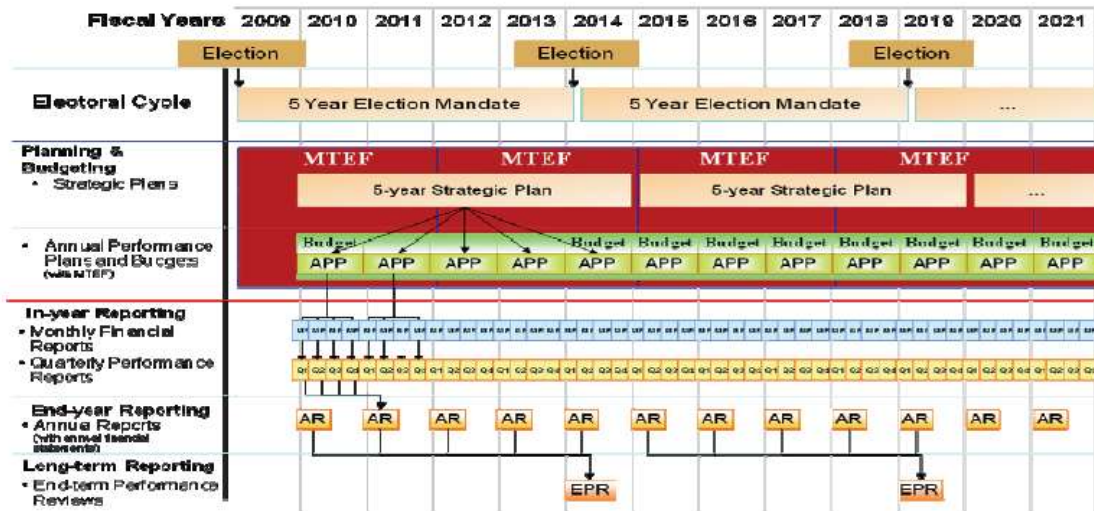
Figure 4: FSAPP Timeframes (Source: National Treasury)

As Figure 4 shows, FSAPP frames political elections as preceding the planning cycle, with the strategic plan being finalised after (and by implication, as a product of) the 5-year election mandate. The political party translates its manifesto into an MTSF with strategic priorities and outcomes, which are not typically aligned with the "administrative barriers of silo service delivery between administrations, including ministries". The realisation of strategic priorities and outcomes, by their very nature intersectoral, then relies upon intensive intergovernmental cooperation, both within and across spheres of government, between, at times, competing political interests. As Plaatjies and Porter (2011: 296) point out, "a performance-oriented state" is one in which the administration works effectively in the service of constitutional and political mandates. This necessitates that the administration's capacity and organisation must be periodically reviewed and changed in the service of those mandates as they shift.

The flow from political planning to administrative implementation is demonstrated in Figure 5.
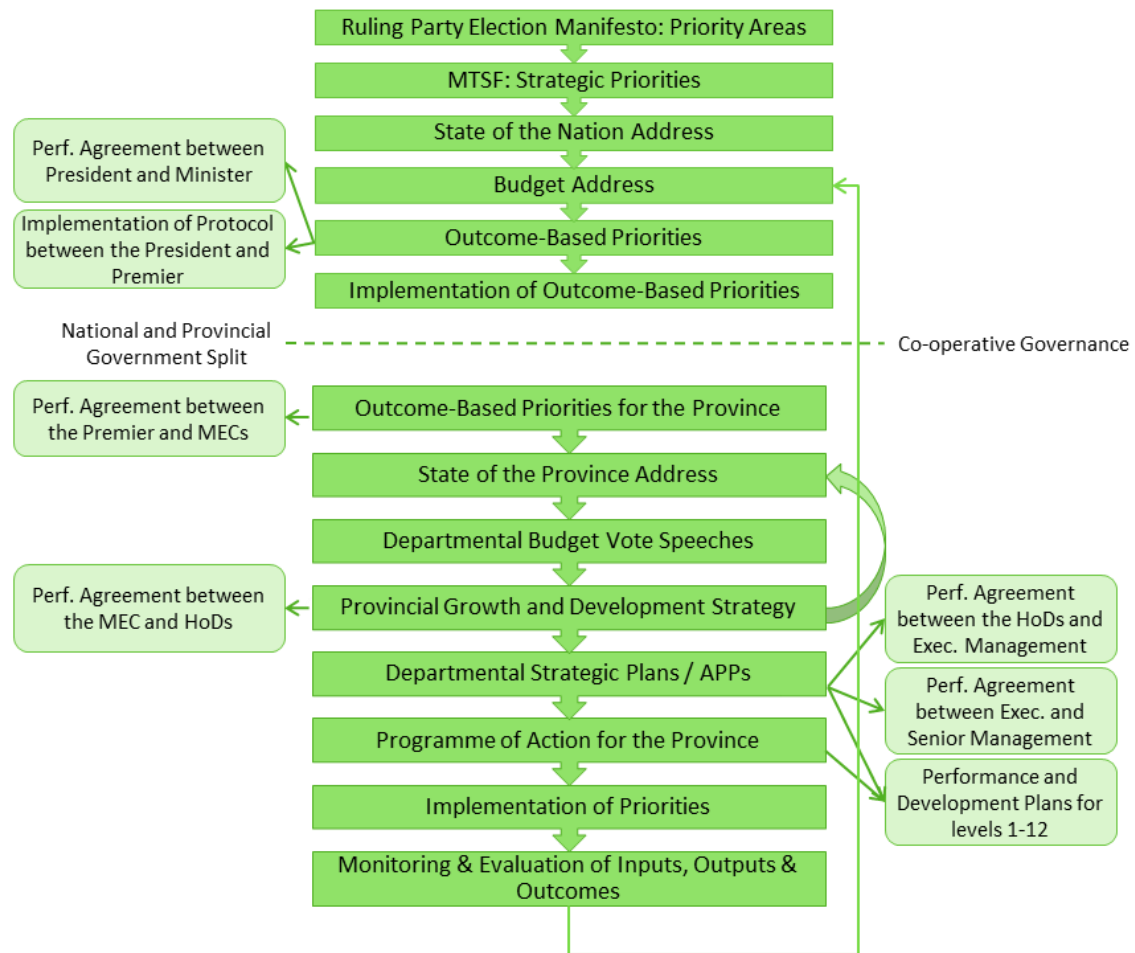
Figure 5: Performance management structure, showing flow of information (adapted from Porter and Plaatjies, 2011)

The framework is clear in terms of explaining the suite of planning, budgeting and reporting documents that are expected to be produced in 5-year cycles. It also explains some of the accountability arrangements associated with these plans and reports, including that performance information in ARs will be subjected to audit. The link between departmental performance management and individual performance management via Accounting Officer (AO) performance agreements is another accountability arrangement (National Treasury, 2010). Although this predated the Outcomes Approach, the subsequent signing of performance agreements between the President and executive authorities of ministries sought to ensure performance was politically managed (Plaatjies & Porter, 2011: 297) and by extension of performance contracts that the political priorities and policies of the governing party would flow from the President to Cabinet Ministers to Accounting Officers at the individual level, and from the Manifesto to the MTSF to Strategic Plan at an institutional level.

In addition to setting a clear set of timeframes for strategic and annual performance planning processes, the FSAPP provides a set of annexures which

include templates for Strategic Plans, APPs and Technical Indicator Descriptions. These templates standardise the structure and content areas of the Strategic Plans and APPs as well as introduce concepts to express the department's strategic intentions in a standardise way that will lend itself to measuring (National Treasury, 2010).

Aside from passing references to the roles and responsibilities of actors such as DPME, National Treasury, DPSA, Offices of the Premier and Provincial Treasuries, the framework does not address how it was intended to be rolled-out, implemented and utilised by the public service. There is no indication of what kind of support services or assistance was available in relation to the application of the FSAPP. The introduction of the framework also needs to be understood against the institutional dynamics of the time, which include the recent establishment of DPME and the National Planning Commission. The evaluation therefore contributes to an unpacking of the concepts, planning, and roll-out of the FSAPP while interrogating the implicit assumptions and documenting the support initiatives undertaken in this process.

4.3 Theory of Change for the FSAPP

4.3.1 Policy purpose and key results

The Theory of Change and logic model were developed in consultation with the Project Steering Committee for the purpose of this evaluation. Table 3 shows an extract from the logic model as applied for this evaluation. *Note that adjustments to this Theory of Change are recommended as this evaluation has highlighted shortcomings in the current formulation as presented here, while noting that the following model served its evaluative purpose. Revisions should be considered against the overarching recommendation to coordinate a broader Theory of Change process between centre of government departments (see Recommendations).*

As the Theory of Change used for the purpose of this evaluation states, FSAPP's immediate policy purpose is to improve the quality of strategic and annual performance planning and strengthen accountability for the performance results of the relevant public institutions[9].

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[9] After quoting directly from the FSAPP that the stated policy intent of the framework was to "align strategic and annual performance planning within an outcomes-based framework", the project steering committee reiterated two distinct intentions of the FSAPP as relating to the quality of planning and accountability, which was reinforced in subsequent feedback. Public institutions are defined in the

The **quality** of strategic and annual performance planning is understood to be a function of the integration, alignment and consistency with related policy (e.g. the MTSF, Outcomes approach, the NDP (since 2011), etc), strategies (e.g. sectoral and provincial), budgets, programmes and plans. Strengthened **accountability** is achieved when Strategic Plans and APPs are subsequently reported against and those reports are then utilised by different role-players, both within the State and outside of it, to hold public institutions to account in terms of their resource utilisation and performance. This is the purpose of the FSAPP as expressed in the Theory of Change and the summary intervention logic below which works backward from the intended impact down to the policy purpose.

Table 3: Goal and Purpose statements for the FSAPP

Summary intervention logic
Long-term goal (Impact)- Long-term goal of the Theory of Change
Improved coordination, policy delivery (implementation) and accountability of the public sector
Goal (Intermediate Outcome)- Medium term goal of the Theory of Change
A more unified, coherent and accountable public service, with improved strategic planning and management arrangements within the GWMES
Purpose (Objective for being, or Immediate Outcome)- Short-term goal in the Theory of Change
To improve the quality of strategic and annual performance planning (R1) and strengthen the accountability of relevant public institutions (R2)

If the purpose is achieved in terms of both quality planning and strengthened accountability, then the public service will become more coherent and focused in terms of its implementation. The institutionalisation of better planning practice, along with strengthened accountability for performance, will yield **a more coherent, unified and accountable public service** (the medium-term goal). This public service will have improved strategic planning and results-based management arrangements within the GWMES, including better coordination for policy delivery, more appropriate resource allocations and functional institutional structure arrangements. This means a planning system (as embedded within the

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FSAPP as national and provincial departments and public entities, including constitutional institutions. Note that the scope of this work only entails national and provincial departments.

GWMES) aligned to long and medium-term policy trajectories and which allocates resources accordingly.

4.3.2 High level outputs (primary results)

To achieve the purpose of the FSAPP in the short term, there are two key primary results which must be produced for the respective public sector institutions as high-level outputs. Table 4 below illustrates these.

Table 4: FSAPP primary results areas

Primary results (High-Level Outputs) to be achieved by implementing the *Framework for Strategic and Annual Performance Plans*
r1a. Aligned, standardised and appropriate strategic and annual performance plans
r1b. Appropriate and meaningful reports of performance results
r2. A shared and transparent basis for accountability

The first primary result has two components: the first is related to plans and the second to reports. The first component (r1a) refers to plans that are both conceptually aligned and practically uniform in terms of structure, including budgetary integration. Alignment is understood as inclusive of medium and short term policies, plans and strategies, as well as between departments' plans. This result is then a pre-condition for the production of reports (r1b) that are an appropriate reflection of actual performance, are produced over periodic intervals with a degree of certainty, and are meaningful in the sense that they report against a stated intention or in relation to implementation commitments. The two components of the primary result are distinguished because better planning requires better performance information about the right things in terms of current and past performance. However, producing better quality performance information on implementation requires an entirely distinct set of activities to planning, although they are interdependent. Improved performance reports (r1b) are therefore an interdependent pre-requisite (with r1a) for improved strategic planning practices (R1). Put differently, the first results area (R1) occurs as an immediate outcome in which r1a directly informs r1b and jointly results in better strategic planning.

The second primary result (r2) has a logical interlinkage with both plans and reports. These plans and reports are expected to be utilised and applied by external oversight actors and role-players (including DPME, OTPs, National Treasury, provincial treasuries, DPSA, the AG, parliament and provincial legislatures) as a basis for acknowledgement, reward, consequence management and responsiveness. The platform created from the production of both the plan and report on shared terms is therefore understood as a product of

this process. If the plans and reports are used in tandem by stakeholders with a common understanding, they become a shared and transparent basis for holding public institutions to account (r2). This is expected to facilitate the strengthening of accountability (R2). These results and their underlying logic are expanded upon in a visual representation of the Theory of Change in Figure 6.
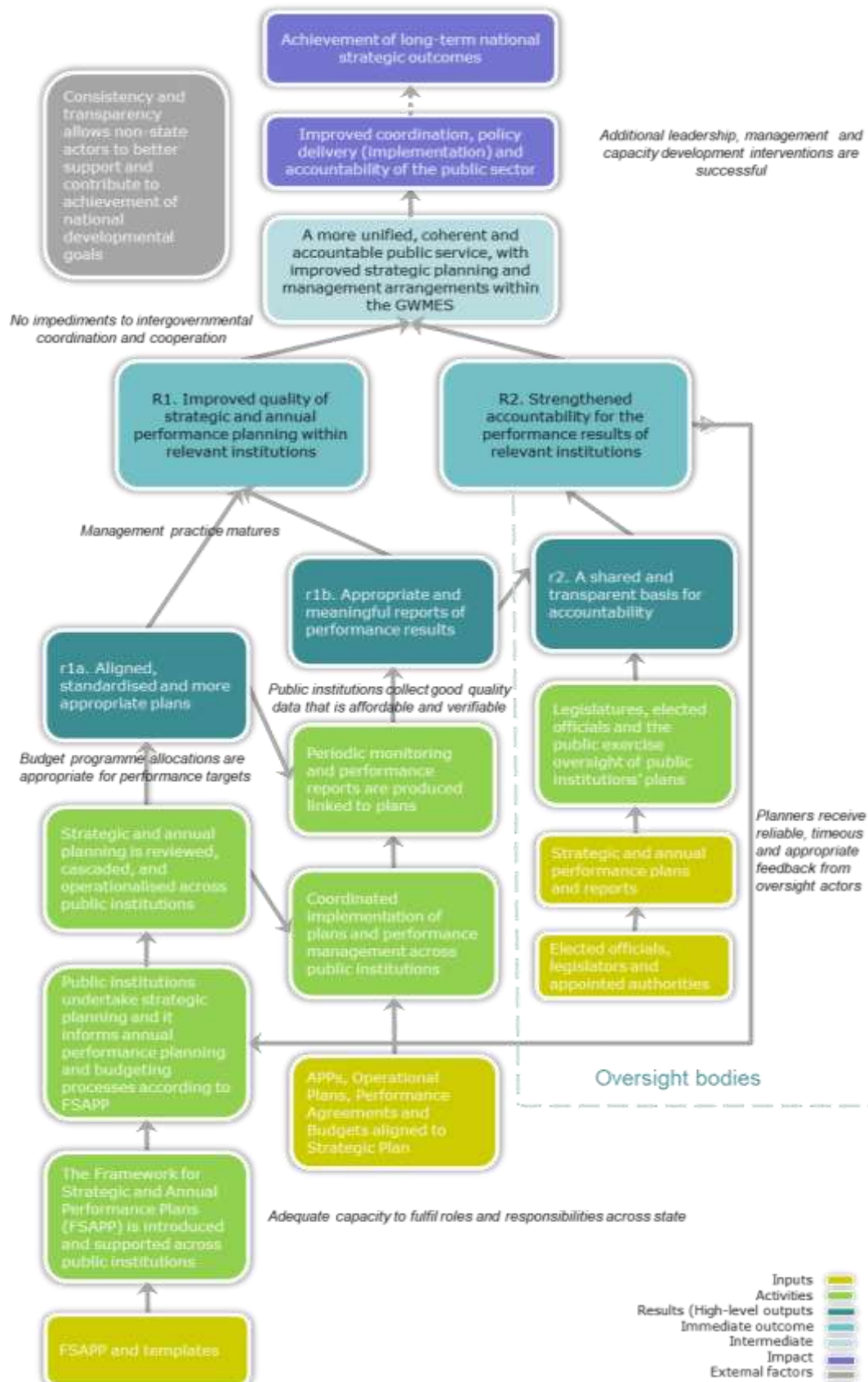
Figure 6: FSAPP Theory of Change

4.3.3 Explanation of the Theory of Change

The Theory of Change logic model is a hybrid approach that includes some basic elements of the Aspen Institute's (2005) depiction in that a set of activities which are a form of precondition build up to the achievement of a key set of results. These results exist at the level of high-level outputs (r1a + r1b + r2). The overall logic of the vertical, linear sequencing generally follows an "if…., then…." pathway culminating in the primary results, while multiple causal pathways and a cyclical iteration are denoted by arrows generally moving from left-to-right and bottom-to-top before looping around to re-start the cycle between accountability and planning. This arrow is intended to denote a responsiveness from the accountability that has management implications.

There is also a sequential logic that applies laterally between results r1a +r1b and r2. In terms of structural responsibility, r1a + r1b would fall within the ambit of Centre of Government department's responsibility for implementation, while the causal chain culminating in r2 is partly the preserve of oversight bodies including elected officials, legislatures, Chapter 9 institutions such as the AG and even the public. There is a relationship and interdependence that is beyond the ambit of these departments because the FSAPP's Theory of Change entails a broader set of actors who exercise oversight.

The Theory of Change begins with the introduction of the FSAPP (input at the lower left corner of the figure). It builds on the input that if this document is introduced to public institutions and it is supported (staff are introduced and trained on how to apply it), then departments will apply it during strategic and annual performance planning and budgeting processes. If these initial drafting processes are successfully executed according to the framework, then there is a common basis for cascading and operationalising strategic and annual planning within and between departments. Departments with oversight responsibilities (e.g. DPME, National and Provincial Treasuries, Offices of the Premier, etc.) also have a common basis for reviewing these draft plans, they can provide support and ensure good quality products. If this occurs, then the primary result (r1a) of aligned, standardised and more appropriate plans will be achieved across public institutions.

Moving to the parallel, but inter-related, causal pathway that builds on these plans as inputs to reporting: if there is coordinated implementation of these plans and performance management across public institutions, then departments will produce periodic monitoring and performance reports that track achievements toward their strategic intentions. Once this occurs, the result of more appropriate and meaningful reports of performance (r1b) by public institutions will follow. The reports are considered appropriate in the sense that they address the performance results aligned to the policy directives and strategic outcomes of

government. If aligned, standardised and more appropriate plans inform more appropriate and meaningful reports of performance results, the application of this information and learning will result in an improved quality of strategic and annual performance planning practice as an immediate outcome (R1).

Strengthened accountability for performance results (R2) is the outcome of better plans and reports that provide a shared and transparent understanding of what an institution should account for. These instruments are applied through a parallel, but interdependent causal pathway involving oversight bodies (starting on the lower right corner of the figure). The pathway's point of departure begins with elected officials, legislators and appointed authorities (oversight actors) accessing the plans and reports as actors that have a bearing on accountability. If oversight actors engage appropriately with the content of these reports (which it is assumed they do, and this assumption may not hold), then these reports become the shared and transparent basis for holding public institutions to account for their expenditure and performance against their commitments (r2). If there is a shared and transparent understanding of what was planned compared to what has been done, accountability for departmental performance will be strengthened as public servants will answer for their performance (R2) and there will be recognition, reward and consequence management.

The if-then causality is of course contingent upon several key assumptions being met. The first of which is that there is adequate State capacity to fulfil the associated roles and responsibilities across the state- from planning, budgeting, programme design, monitoring and evaluation to legislative oversight and scrutiny. Only if this assumption is met will the intended planning, reporting and oversight occur. Once this does occur, there is then an assumption that the budget programme allocations are appropriate for meeting the medium term and annual policy targets (e.g. MTSF targets) to which the short and medium term plans of public institutions need to be aligned. However, this, and the associated reporting, is itself founded on the assumption that departments are able to collect and obtain decent quality data in relation to the policy targets that are affordable and verifiable in line with government legislative provisions.[10]

Linked to the production and consumption of performance information in the form of reports is an assumption about the maturity of management practices. The result of better strategic planning assumes that plans and reports and outputs are effectively used for strategic management purposes. However, if these outputs are "dormant documents" in that management neither uses them nor learns from

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[10] This may include data collection from the source, existing administration or conducting period surveys, but is the foundation of the indicators, baseline information and targets set out in the plans.

them, the likelihood of better strategic and annual performance planning is diminished. Similarly, another other key assumption in order for this cycle to be continuous and spiral up towards a more effective planning system (within GWMES), is that it assumes that planners (i.e. departments that plan) receive reliable, timeous and appropriate feedback through oversight and serves as an input to re-start planning processes. If feedback is inappropriate in that it does not speak to the department's mandate or is driven by ulterior motives, this positive linkage to planning may have unintended consequences. This assumption is then part of the on-going responsiveness and change in how decisions are taken in the planning process.

Beyond the initial results, if better plans are produced, feeding in to better reports, and with the appropriate actors exercising oversight of these high-level outputs, then this will prompt a change in behaviour across planning over the medium term. This will drive accountability and feed into an iterative process for a more unified, coherent and accountable public service. This assumes there are no impediments to intergovernmental coordination and cooperation which could disrupt or limit different spheres of government, departments and directorates from working closely together in terms of coordination and shared intergovernmental structures and platforms.

Ultimately, this should lead to the realisation of improved coordination, policy delivery (implementation) and accountability of the public sector in general. This also assumes that additional leadership, management and capacity development interventions are successful in creating the other necessary conditions for this result. As an impact, this also relates back to an implicit intention communicated in the Terms of Reference (ToR) which asks, "Is there evidence that national and provincial departments have improved making strategic choices and implementation (service delivery) as a result of using the Framework for Strategic and Annual Performance Plans and the Framework for Managing Programme Performance Information?"

An external factor that will influence this is the consistency and transparency of this process, as it will have a bearing on whether non-state actors can better support and contribute to the achievement of national developmental goals, whether through economic growth, employment creation, innovation, social cohesion or other means. Lastly, and only plausible if all the preceding results, assumptions and external factors hold, is the achievement of long-term national strategic outcomes.

5. Findings and analysis

This section of the report outlines the major evaluation findings based on a triangulated analysis of the literature, documents, primary and secondary data collected for the evaluation. The findings are presented in order of the overarching questions and the sub-assessment areas which serve as an assessment framework for analysis as derived from the ToR.

The Key Evaluation Questions (KEQs) are structured and informed by the OECD-DAC criteria (OECD, 1991) of relevance and appropriateness, effectiveness and sustainability. The table below presents the first four KEQs as aligned to these criteria. The findings are presented according to these criteria. KEQ5 and its sub-questions on recommendations are addressed in the section on recommendations.

For more detail on how the OECD DAC criteria, KEQs and sub-assessment areas fit together, please refer to the evaluation matrix in the appendix which sets out the 16 sub-assessment areas and 44 corresponding evaluation sub-questions.

Table 5: KEQs aligned to OECD-DAC Criteria

DAC Criteria	Key Evaluation Questions
Relevance & Appropriateness	**KEQ1. Is the current** design **of the Framework for Strategic and Annual Performance Plans (FSAPPs) coherent, internally consistent, and aligned with relevant legislation and policy?**
Effectiveness	**KEQ2a. What is the** current practice **with regards to the utilisation and reporting on the Framework(s)?** **KEQ2b. Is there evidence that national and provincial departments have improved making strategic choices and implementation (service delivery) as a result of using the Framework for Strategic and Annual Performance Plans and the Framework for Managing Programme Performance Information? If so, what aspects of each of the frameworks are achieving the desired results?** **KEQ3. Did compliance with the Framework for Strategic and Annual Performance Plans improve departmental** performance management processes**? To what extent? Can the efficiency of compliance with the Framework (FSAPPs) be improved?**
Sustainability	**KEQ4. What are the main gaps and/or needs in the current planning framework (FSAPPs and FMPPI)?**

The evaluation of the FSAPP's implementation is also conceptually framed in terms of the key results set out in the FSAPP Theory of Change. These results

are not circumscribed within individual evaluation questions and cut across and intersect with multiple sub-assessment areas. The key primary results as per the Theory of Change are therefore acknowledged within the existing structure but dealt with in the synthesis sub-sections of the report.

5.1 Relevance and appropriateness

The findings in this section address the relevance and appropriateness of the FSAPP as it is currently designed. It specifically responds to KEQ1 from the ToR, "Is the current design of the Framework for Strategic and Annual Performance Plans (FSAPPs) coherent, internally consistent, and aligned with relevant legislation and policy?" This question is unpacked over a series of findings in the sub-assessment areas.

The achievement of the first key result- R1. "Improved quality of strategic and annual performance planning within relevant institutions" is dependent on a framework that is well designed, plausible and feasible to implement. If the framework is incoherent and incompatible with related legislation and policy or if it sets inappropriate goals for the public service, a design flaw emerges with implications for the desired result. As such, the synthesis at the end of the section combines and integrates the data to arrive at some observations on the plausibility of this aspect of the Theory of Change.

5.1.1 Alignment

The extent to which the FSAPP is aligned to, and consistent with, other frameworks, legislation and regulations is central to the appropriateness of its design. Understanding and appraising the FSAPP in terms of the policy context in which it was introduced, something summarised briefly in the earlier sections, is an important point of departure.

Regulatory alignment

Well before either the FSAPP of the FMPPI were established, there were a set of regulatory prescripts that existed for strategic planning and reporting. The first of these regulations is the Public Service Regulations of 2001, replaced with the Public Service Regulations of 2016 (during the course of this evaluation), issued in terms of the Public Service Act of 1994, under the auspices of the DPSA. Section 41 of the PSA (1994) provides for the Public Service Regulations which make specific provisions for strategic planning, human resources, and service delivery improvement, amongst others.

Chapter 3, Part 1 of the Public Service Regulations (2016) set out core requirements for a strategic plan and annual report. The strategic plan should express the department's core objectives (as informed by the constitution, relevant legislation and functional mandates). This plan must include goals and targets for the medium term, a description of key support activities, as well as a

programme for attaining those goals and targets. An information system that enables the monitoring of progress by the executive authority is also required.

Importantly, the Public Service Regulations (2016) also indicate that an executing authority shall, based on the strategic plan of the department, determine the department's organisational structure in terms of its core mandated and support functions. This means that the department's legislated mandate, as informed by its strategic intentions in executing those functions, should play a formative role in the structure and definition of posts necessary for the execution of its functions. The revised regulations of 2016 also refer to a "Service Delivery Improvement Plan" (formerly a service delivery improvement programme) which is intended to specify the main services provided by the department. It sets out the consultation arrangements with customers; considers access and barriers to service and specifies how to progressively remove barriers to access; sets standards for the main services; contains arrangements for how information on services are provided; and stipulates a systems or mechanisms for complaints. Unlike in the 2001 version of the regulations, the 2016 version of the regulations relocates the reference to the service delivery improvement plan (SDIP) and makes it clearly subservient to the strategic plan.

All of these provisions sit at a high-level in terms of the regulations with limited detail or guidance on how they should be applied in practice. These prescripts would ostensibly need to be addressed during planning, and therefore the implications for alignment between this regulation and subsequent regulations is potentially significant.

Four years after the initial introduction of the Public Service Regulations, National Treasury issued the PFMA Regulations in 2005 (and re-issued them again in 2007) which went further in terms of regulating strategic planning through prescribing the annual preparation and submission of plans and reports, particularly as it relates to the submission to legislatures. This regulation sought to ensure the linkage between planning, the resourcing considerations and the allocation of votes. The regulations also prescribe key content for strategic plans and require a quarterly reporting regime to support effective performance monitoring, evaluation and corrective action.

However, within two years of this regulation, National Treasury re-issued Chapter 5 of the Regulations with clarifications intended to help distinguish between Strategic Plans and APPs. The Regulations also clarify that strategic plans must cover a period of at least three years, inform spending plans over the medium term and be supplied to legislatures well in advance of a department's budget vote to allow for the necessary oversight and review.

Although the issuing and re-issuing of the National Treasury Regulations presented an opportunity to ensure sufficient alignment, consistency and clarity

between the two sets of regulations pertaining to strategic planning, this opportunity was missed not once, but twice. Some of the inconsistencies and gaps arising from this lack of alignment in regulations were sought to be addressed in subsequent policy. However, as the findings show, challenges of alignment and coherence between these documents have persisted, particularly as they relate to the FMPPI and the FSAPP.

Policy alignment

From a policy perspective, the FSAPP was introduced in 2010 following three years of related policy development aimed at shifting government's approach in terms of how it planned for, managed and accounted for performance. The introduction of GWMES (The Presidency, 2007) sketched out the government-wide planning, monitoring and evaluation system environment and paved the way for other related national policies which have had a direct bearing on the FSAPP and its alignment to other policies. Table 6 summarises policies related to the FSAPP.

Table 6: Summary of FSAPP related policies

Date	Policy	Description of Implications
2007	*Policy Framework for the GWMES* - Presidency	Defines GWMES system and intended outcomes, sets out the relationship between Programme Performance Information (PPI), Socio-Economic Statistics and Evaluations. Provides a system framework for subsequent policies and proposes a results-based management approach.
2007	*FMPPI* - National Treasury	Conceptual anchor for PPI, explains importance of planning and encourages developing performance indicators as one data terrain within GWMES.
2008	*South African Statistical Quality Assessment Framework* (SASQAF) - StatsSA	Provides a structure for assessing statistical products in terms of quality and gives a protocol for designating official statistics as the second data terrain of GWMES.
2009	*Medium-Term Strategic Framework 2009-2014* - Presidency	Translates the ANC election manifesto into 10 priorities of government to inform all government planning. Indicates national and provincial departments should develop strategic plans and budgets based on these priorities.
2009	*Improving Government Performance - Our Approach* - Presidency	Serves as a mechanism to guide the direction of policy implementation toward outcome achievement. Proposes outcomes-based performance management with a results-based approach to shift political and managerial accountability and motivates for the strategic value of the M&E function.
2009	*Green Paper: National Strategic Planning* - Presidency	Introduces the concept of long-term national strategic planning to inform medium and short-term plans throughout government and sets out NPC's planning function.
2010	*FSAPP* - National Treasury	Provides an overview of strategic and annual performance planning cycles, conceptual guidance and supporting templates. Situates strategic planning within the public service and frames the development of

Date	Policy	Description of Implications
		programme performance indicators as a distinct GWMES data terrain.
2010	*Guide to the Outcomes Approach* - Presidency	Introduces 12 national outcomes derived from MTSF and explains that GWMES exists to support their achievement. Introduces performance and delivery agreements designed to ensure accountability for policy coherence and coordination across government.
2011	*National Evaluation Policy Framework* - DPME	Sets out distinct purpose, principles, value and types of evaluation within government. Situates evaluations as the third data terrain within the GWMES.
2011	*National Development Plan: Vision for 2030* - NPC	First long-term national strategic plan produced applying Green Paper principles. Becomes a key informant to future MTSF 2014-2019, Strategic Plans and APPs.

At the time of introducing the FSAPP its position and location within GWMES was clear and there is a sub-section (1.4) of the FSAPP dedicated exclusively to this. The FSAPP was contextualised against the backdrop of GWMES, and the establishment of the DPME and the NPC as a structure tasked with ensuring effective long-term planning and coordination.

The FSAPP was explained as complementary to the previously issued FMPPI, providing a set of parameters for strategic and annual performance planning. This understanding resonated across the interviews and focus groups held for the evaluation. Whereas the FMPPI made the case for the development and conceptualisation of performance information as vital to effective management, the FSAPP provided guidance in relation to the statutory planning parameters around which strategic decisions should be taken and programme performance indicators developed. The FMPPI explained programme performance indicators' importance in terms of GWMES and provided the conceptual foundation for choosing and crafting indicators.

When considering the legislative context, conceptual frame, and roles and responsibilities, the FMPPI and FSAPP are very similar and generally well aligned. However, they begin to deviate when it comes to the instruments available and what the FMPPI identifies as "accountability documents". In addition to "strategic plans", "corporate plans" are referenced as part of the strategic planning cycle but find no subsequent reference in the FSAPP. This contrasts with "operational plans" which the FMPPI references as part of an annual operational planning and budgeting cycle. In contrast, the APP is clearly situated between the strategic plan and the operational plan in the FSAPP. The FMPPI makes no reference to an "annual performance plan" as per the National Treasury Regulations and it appears to be the conceptual equivalent of the "corporate plan" identified as an accountability document associated with the strategic plan in the FMPPI. Similarly, when it comes to reporting, the FSAPP introduces the idea of end-term reviews at the end of a five-year election cycle for departments to appraise "the extent to which it has succeed in achieving each of the strategic outcome oriented goals and objectives set at the beginning of the

five year period" (National Treasury, 2010: 9). One other source of misalignment between the FMPPI and the FSAPP is the notable terminology differences (discussed later). Other than these relatively minor points, the FSAPP is generally found to be consistent with, and aligned to, the FMPPI, with the former clearly building on the conceptual foundation of the latter. However, these documents are not necessarily aligned and coherent in terms of how they relate to the Public Service Regulations of 2001 and the National Treasury Regulations of 2005 (as amended 2007), a finding returned to in the section on coherence.

The FSAPP can also be understood in relation to the SASQAF which it recognises as defining and improving the quality of official government statistics. These statistics have a clear significance in terms of situational analyses informing strategic planning, as they provide objective measures of the external performance environment to which government is expected to respond. The FSAPP makes clear mention of these as "background statistics" and "essential contextual and developmental information in support of both programme and service delivery monitoring and programme evaluation" (National Treasury, 2010). However, the FMPPI (National Treasury, 2007) made provision for "Statistical Annual" accountability documents that were proposed as potentially sector specific overviews of service delivery in relation to the functional responsibilities.

Further, the FSAPP sets out the role of DPME with regard to evaluations as "defining standards, processes and techniques for planning and conducting evaluations" (National Treasury, 2010: 2). Although the NEPF (Presidency, 2011) did not yet exist at the time, the FSAPP was clearly conscious that the policy space would be imminently filled. Similarly, the NEPF makes direct reference to the GWMES, FMPPI and SASQAF, and claims that the "NEPF completes this picture" in terms of a set of interdependent policies "required for them to be fully functional" (Presidency, 2011: 2). Figure 7 below provides an illustration of this relationship which was originally presented in the FMPPI.
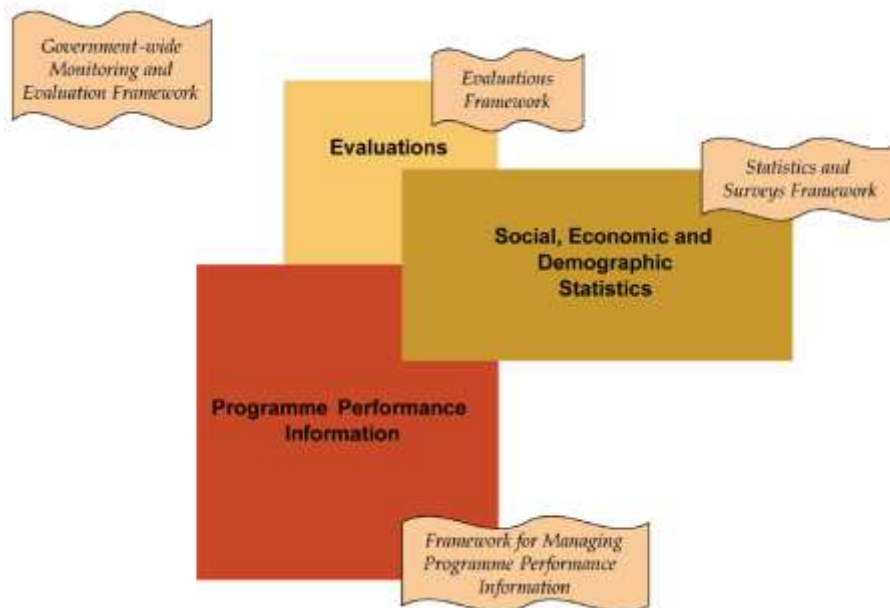
Figure 7: Data terrains of the GWMES and their policy frameworks (Source: FMPPI, 2007)

Between the various frameworks and data terrains within the GWMES it is of note that SASQAF and the NEPF were envisioned at the time of the FMPPI, even though the NEPF was only developed some four years later. The inter-relationships between these frameworks and the overlap of their respective data terrains was thus recognised and provided for. These frameworks are generally complementary.

Where there is a degree of misalignment and inconsistency between the FSAPP and other policy frameworks, it is between the conceptual framing and terminology between the *Medium Term Strategic Frameworks* (The Presidency, 2009b, 2014)*,* the *National Outcomes Approach* (The Presidency, 2009a) and, to a lesser extent, the *National Development Plan* (National Planning Commission, 2011 (NPC)). These inconsistencies, addressed in more detail throughout the findings, appear to be more a product of the sequential processes rather than significant policy disjuncture in the documents themselves.

In terms of sequencing, consider that the *MTSF 2009-2014* (The Presidency, 2009b) was released a year before the *National Outcomes Approach* (The Presidency, 2010) which was released shortly before the FSAPP (National Treasury, 2010), which came out a year before the *National Development Plan* (NPC, 2011)*.* Although there were reported discussions to better coordinate and sequence the release of some of these documents at the time, they were released in an order and timing that was less than ideal.

Thus, the NDP (2011) as the apex plan, was released last of these and therefore Strategic Plans and APPs were already being produced according to the FSAPP format requirements which sought to accommodate the introduction of the National Outcomes Approach subsequent to the roll-out of the planning

framework for the 2009-2014 term of office. The sequencing during the previous term of 2009-2014, was therefore in reverse, and with this came the associated challenges of working back from the planning product to reverse align it to the policy imperatives and strategic intentions set at the top. Fortunately, the MTSF and NDP identified a very similar set of priorities/outcomes over the medium-long term and so reverse engineering the required alignment could be achieved.

The inconsistencies between the documents have further reduced over subsequent iterations, although they still persist to an extent. The MTSF 2009-2014 identified 10 national priorities, which were then translated into 12 outcomes the following financial year. These 12 outcomes were then unpacked into a set of outputs and sub-outputs for which delivery responsibility was designated to different departments. These delivery agreements could only come to inform Strategic Plans and APPs from the 2011/12 financial year onwards.

Subsequently, the MTSF and the National Outcomes Approach have effectively fused so that the MTSF 2014-2019 is one and the same with 14 cross-cutting outcomes. The MTSF, the National Outcomes Approach, FMPPI, FSAPP and NEPF now all apply a similar results-chain logic which was derived from the FMPPI and is now ubiquitous across the GWMES.

However, there are also important conceptual and language differences between the documents. For instance, the use of some of the following concepts across the four documents is inconsistent: goals; strategic outcome-oriented goals; strategic objectives; objectives; objective statements; targets; impacts; outcomes; sub-outcomes; outputs; and sub-outputs. All are used in slightly different ways and sometimes in one document and not at all in another. A similar point was raised by a qualitative respondent:

"The MTSF and outcomes approach… operate from a slightly different conceptual base of results-based management to departmental strategic planning processes. This has led to some tensions with different terminology. For example, the strategic planning process refers to strategic-outcome oriented goals, while the outcomes' delivery agreements refer to outcomes."

The alignment and consistency challenges of these policy and planning frameworks should be viewed in the context of the time period, different perspectives of the policy drafters, and the varied and parallel processes through which they were produced by different role-players in the state. Despite these challenges, the documents provide a mostly consistent conceptual framework. One of the enduring contributions that now informs all planning, monitoring, reporting and evaluation in the state is the following figure which finds some form of expression, either as a visual aid or in terms of a logical framework, in the MTSF, FSAPP and NEPF:

Figure 8: Key performance information concepts (National Treasury, 2007)

As stated previously, the FMPPI and FSAPP are mostly consistent documents, but with some challenges around sequencing and terminology in relation to the other policy documents. This finding was also reflected in the responses of departments that participated in the survey, interviews and focus groups. Some interview respondents indicated that the new electoral term of government (2014-2019) provided the first opportunity for the NDP to inform the MTSF which then informed Strategic Plans and the APPs, as per the intended underlying sequencing logic between them. However, even in this instance, respondents expressed a frustration that the MTSF 2014-2019 introduced the entirely new concept of "sub-outcomes" without defining it. This is the latest example of what has been an enduring challenge of terminology and conceptual application according to respondents.

When departmental staff responsible for the Strategic Plans and APPs were asked about the experience of aligning their plans and ensuring consistency between the provisions and prescripts of the FSAPP with the multiple legislative, regulatory and policy mandates, many specified the particular documents they encountered as challenging in terms of aligning their plans. In the survey, when asked whether they experienced challenges aligning and ensuring the consistency of their Strategic Plans, just under half (44%) of the 105 departmental respondents surveyed indicated they did not experience any alignment challenges at all (Figure 9). Amongst those that did experience challenges aligning their Strategic Plans specifically, the most often cited document that respondents struggled with was the FMPPI (26%). This is interesting because the document is largely a conceptual foundation for performance information which is not particularly prescriptive in terms of alignment between planning documents. Insights from the qualitative interviews suggest this may have more to do with a

lack of familiarity with the detail of the FMPPI itself, because of the manner in which its key provisions have been effectively integrated into subsequent policy frameworks. However, the medium term focus and higher strategic value of the Strategic Plan does put greater emphasis on goal and objective statements that speak to outcomes and impacts, and indicators of effectiveness and equity, and so qualitative data also suggested that these challenges of "alignment" may be in terms of giving appropriate expression to this level of indicators in the Strategic Plans and APPs. Formulating performance indicators at this level remains a challenge for departments according to the qualitative data.

Which, if any, of the following frameworks, legislation and regulations poses the biggest challenge to your department at present in terms of aligning and ensuring consistency with your Strategic Plan?

Framework for Managing Programme Performance Information	26%
MTEF Technical Guidelines	15%
Division of Revenue Act	13%
National Treasury Regulation 5 issued in terms of the PFMA	13%
National Treasury Regulation 30 issued in terms of the PFMA	10%
Provincial Growth and Development Strategy	15%
Government's outcomes-base system	17%
Medium Term Strategic Framework	20%
National Development Plan	13%
None of the above are a challenge.	44%
Other legislation or policies: (Specify)	14%

Figure 9. Survey results: Strategic plan alignment challenges (all departments)

Aside from the FMPPI, 20% of surveyed departments indicated a challenge of alignment between their Strategic Plans and the MTSF, while this dropped to 17% for the alignment between their Strategic Plans and the National Outcome Approach. And among provincial departments only (a subset of those featured in Figure 9), 21% indicated they experienced challenges aligning their Strategic Plans to their PGDS. Provincial departments in the interviews and focus groups also expressed concerns about this, but in the interviews in two provinces where OtPs played a lead role in coordinating strategic planning processes, respondents indicated that where there was strong central coordination of the process, there was a likelihood of greater alignment between these documents because of the manner in which recurring issues and conceptual interpretations

could be handled from a common point of departure. One major issue of alignment raised by several provinces is the alignment and relationship between strategic plans and municipal planning in the local government sphere, namely to IDPs. This proved to be a common alignment concern raised across provinces, even where OtPs play a strong role.

When the same question of alignment to policies was asked about APPs, 37% of all departmental respondents indicated they had no challenges of aligning or ensuring the consistency of their planning output with various legislative, regulatory and policy prescripts. That means nearly two thirds of all departments claimed to experience some form of alignment challenge between policies, plans and regulations in drafting their APPs, a slightly larger proportion than for Strategic Plans. However, on balance, and with the benefit of the qualitative data, these challenges were not expressed as more acute than those for the Strategic Plan and they were less about conceptual or policy alignment and more about the practicalities of how to integrate and reflect so many prescripts within documents that are intended to be a reflection of the strategic intentions of the department.

Among the departmental survey respondents, 17% identified mandate-specific legislation or policies as posing the biggest challenge for them in terms of ensuring that the strategic intentions set out in their APPs were consistent and aligned to the provisions of their legislated mandates. When considered with the qualitative data, the kind of alignment challenges identified were associated with departments where concurrent functions existed and there were some challenges between what could and could not be reported at which level, and who owned and controlled the related data.

In terms of the broader legislative and regulatory context, both the FMPPI and FSAPP were issued by National Treasury in terms of Sections 215 and 216 of the Constitution. Regulation 5 of National Treasury's PFMA (amended in 2007) requires the "annual preparation of strategic plans" covering a period of "at least three years" consistent with the MTEF. Interviewed stakeholders expressed some confusion between this and the FSAPP which indicates Strategic Plans should apply over a period of five years, while APPs must be prepared each year with targets set over the MTEF. The National Treasury Regulations (as amended) are somewhat ambiguous as they prescribe only a singular "annual preparation of strategic plans" and reference the "institution's medium-term strategic plan, and where applicable, with its annual performance plan" suggesting that APPs may not always apply. Furthermore, both the National Treasury Regulations and the Public Service Regulations refer to the "strategic plan" in the singular and the National Treasury Regulations specifically prescribe that an annual report should be prepared of which "the strategic plan must form the basis for annual reports of accounting officers".

These regulatory prescripts are at odds with the FSAPP where the Strategic Plan is clearly indicated to cover a five-year planning horizon which informs an APP with rolling targets over the MTEF. A revised set of National Treasury Regulations were prepared and circulated for comment in 2012 with the intention to clearly distinguish between Strategic Plans and APPs and provide clarity between the regulations and the policy frameworks. They also sought to prescribe the development of Operational Plans. However, these proposed amendments were never introduced, in part because the institutional shifting of the planning function within an evolving context. This was a missed opportunity to provide some clarity between these regulations and the FSAPP. Although it could be argued that it would have been inappropriate to use regulations to address a conceptual matter and impose further requirements on the still nascent strategic and annual performance planning processes of departments, the reality is that by allowing this ambiguity to persist this contributed to enduring confusion. Either the National Treasury Regulations should have been revised or the FSAPP should have acknowledged and tackled this ambiguity directly so as to close the window on conflicting interpretations.

The Public Service Act (PSA) regulations (as amended 2016) also prescribes strategic planning and places the responsibility for developing a Strategic Plan with the Executive Authority (EA). However, it makes no mention of APPs. The only reference it includes in relation to Operational Plans is in relation to prescribed "information planning", which is ostensibly inclusive of performance information but broader in scope, and again without conceptual consistency between the regulations. There is also distinct planning requirements in the PSA regulations related to a human resource plan, an employment equity plan, etc. In particular, there was also some historical confusion about the status of "service delivery improvement programmes" (now referred to as 'service delivery improvement plans' (SDIP)) in terms of the PSA regulations (2016). These are also required to be included in the strategic plan according to the PSA regulations but there was a lack of clarity over their status. The SDIPs are intended to target areas of service delivery shortcoming in the rendering of core services to citizens and make provisions for improving access, consultation, and arrangements for sharing information and resolving grievances. It would appear that in the latest changes to the PSA regulations the SDIPs are clearly distinct from the Strategic Plans and, by extension, APPs. The provision that the SDIP must be "aligned to the strategic plan" allows for some interpretation in that the services targeted for improvement, should be consistent with the developmental goals set out in the Strategic Plan.

The FMPPI was produced at the same time the PFMA Regulations were amended and at that time "strategic planning" was broadly regulated without a distinction between APPs and Strategic Plans. The FMPPI puts an emphasis on developing programme performance indicators in relation to strategic plans and is almost silent on APPs. In fact, there is only one reference to APPs in the entire

document, and it is with regards to the responsibilities of treasuries to "develop formats for accountability reports". The FMPPI however does indicate a hierarchy of plans including "strategic plans", "corporate plans" (at strategic planning level) and "operational plans" (at operational planning level) without mentioning APPs in this hierarchy, or referencing any 'implementation programme' distinct planning.

The following Table 7 provides a concise summary of how the documents align (or don't) on key components of strategic and annual performance planning and reporting.

Table 7: Areas of (mis)alignment between key planning regulations and policies

Areas of (mis)alignment	PS Regs. 2016	NT Regs. 2005 (2007)	FMPPI (2007)	FSAPP (2010)
Rationale & principles	Not provided	Not provided, implicit for 2007 revisions	Introduction	Foreword and introduction
Strategic plans	Yes, clear	Yes, ambiguous	Yes, clear	Yes, clear
APPs	No reference	Once, passing reference "where applicable"	Once, passing reference in relation to "developing formats"	Yes, clear with examples
Linking budgets and plans	Yes, in relation to posts and department functions over MTEF	Yes, in relation to budget votes, MTEF plans, capital expenditure, assets, income etc	Yes, part of the context for the concepts	Yes
Operational plans	Yes, but in relation to information technology.	No	Yes	No
Timeframes	Indirect, via a NT regulation cross-reference	Yes, but ambiguous for strategic plans (3-5 years)	Not specified for Strategic Plans	Five-year planning horizon for Strategic Plans, annual for APPs with three-year 'projections'
Service Delivery Improvement Plans	Yes, clearly	Yes, with details under the Strategic Plan	Indirectly, under the DPSA roles and responsibilities	No, reference to the service delivery environment but no provision for SDIP explicitly
Human resource implications	Yes	No	Yes, as it relates to management capacity	Yes, via budget and plan templates
Quarterly reports	No	Yes	Yes	Yes
Annual reports	Yes	Yes	Yes	Yes
End of term reviews	No	No	No	Yes

Another source of alignment challenge is the Division of Revenue Act (DORA), issued annually. The challenge arising from DORA is linked to the grant allocations which are accompanied by additional monitoring and reporting requirements with a set of prescribed outcomes and outputs which the institution must account for. These grant allocations are usually linked to 'implementation programmes'. 'Implementation programmes' tend to have distinct intervention logics and programmatic arrangements as in the Comprehensive Agricultural Support Grant (CASP); some even have a range of sub-programmes as in the case of the Human Settlements Development Grant. Depending on what is prescribed, these grants introduce other performance information monitoring requirements and set goals and objectives which do not always coincide with the planning of departments. In the departmental survey, 13% and 10% of respondents identified some form of alignment and consistency challenges between their Strategic Plans and APPs, respectively, and DORA. The implication is that these regulations impose additional monitoring and reporting burdens that operate distinct from the strategic planning and management processes associated with departmental performance, even though they may be programmes and funds at the heart of a department's mandate.

5.1.2 Coherence

Coherence speaks to the extent to which both the FMPPI and FSAPP are logical, easily understandable and unified documents internally and respectively. How they structure and present their content is central to users' ability to understand and apply them. Table 8 below sets out the structure of the respective documents as a basis for framing this appraisal of coherence.

Table 8: Table of the FMPPI and FSAPP structure

Sect.	FMPPI	FSAPP
Preface	*What you should know*	*What you should know* Foreword on outcomes oriented planning
1.	Introduction	Introduction
2.	Planning, budgeting reporting	Relationship between plans and budgets
3.	Key performance information concepts	Relationship between legislation, plans and budgets
4.	Developing performance indicators	Documents of the planning, budgeting and reporting cycle
5.	Managing performance information	Core elements of planning documents
6.	Publishing performance information	Planning processes and timeframes
7.	Roles and responsibilities	
8.	Conclusion	
Append.	Glossary	Annexures A-E including templates

When considering the coherence of the FMPPI, the document follows a clear logic in terms of providing a rationale for its existence, before highlighting key

legislation and policy imperatives of public sector management reform as part of the introduction. The document then concisely dives into planning, budgeting and reporting to provide a context for the planning cycle and the supporting instruments of accountability.

The situating of the FMPPI in this context then provides the space for the introduction of key concepts, most importantly that of the results-chain and performance indicators. The conceptual focus of section 3 of the FMPPI then delves a little too deep in terms of the types and variety of indicators it explores, overloading this new, high-level conceptual space with considerable detail for 11 different types of indicators that could provide some additional value in terms of what they are used to measure in the results-chain.

The document then provides concise practical guidance on how to develop performance indicators, set targets, report and facilitate corrective action. This then informs a description of the institutional arrangements, publishing protocols and roles and responsibilities before concluding with a glossary of key concepts. The document is coherent and strikes a balance between the conceptual overview and preliminary guidance on how to apply the concepts in practice. It follows a clear logic in its structure and other than being rather dated in terms of its reference to certain organisations and appearance, the FMPPI has held up well as a document in its own right.

The FSAPP is similar in both its approach and structure to the FMPPI. It also begins with a high-level summary of what the document expects to facilitate in terms of learning outcomes, and why it is important. Importantly, the FSAPP is clearly written with the expectation that government is shifting to an outcomes-based approach and that Strategic Plans and APPs should be instruments for support this approach.

The FSAPP's Introduction provides a clear rationale, setting the context for the framework and locating it within the GWMES. This is clear and useful, but then the FSAPP seeks to establish a conceptual link between plans and budgets and relate the documents to budget programme structures. This is an important operational linkage, and one that is dealt with concisely, but without much practical guidance, particularly as it relates to punting the idea of activity-based costing in relation to performance targets. This is arguably the weakest or least coherent section of the document.

The FSAPP then locates itself clearly within the broader planning environment and gives both conceptual and practical guidance with regards to the relationship between its plans and those other policy and planning frameworks. This then logically flows into a discussion of the planning cycles and how they are interrelated and derived from the electoral cycle.

The FSAPP then jumps to explaining the structure and content of the SP and APPs respectively before providing a high-level overview of their content. The document concludes with a very shallow mention of the timeframes and

processes for planning, before providing a series of practical annexures and templates to support users. The FSAPP annexures provide detailed timeframes and then templates to support the plans, strategic intentions and indicators.

One important issue of coherence and logic in both the FMPPI and the FSAPP is clarifying what is meant by "programmes". The FMPPI refers to programmes in general as well as "expenditure programmes" specifically when developing programme performance information. These expenditure programmes are consistent with what the FSAPP refers to as "budget programmes" which are the budget structures intended to link the objectives of an organisation with its operational level work (National Treasury, 2010: 3). However, neither of these documents adequately acknowledges or provides any insight into what the performance information or accountability expectations are for the kind of "implementation programmes" which serve as outcome-drivers, such as those referenced in the Division of Revenue Act (DORA) (e.g. CASP, Housing Programme, etc). This has proven confusing for national and provincial departments and was identified as lacking coherence by Office of the Premier respondents especially. However, it is also important to reiterate the dynamic context of the time and the fact that "implementation programmes" came to be distinguished and recognise as distinct to "expenditure programmes" and "budget programmes" only after the fact.

Because of programme design shortcomings identified in the course of government evaluations conducted by DPME, it became apparent that budget programmes, as defined in National Treasury's *Guideline on Budget Programme Structures* (2010) and the FSAPP, are not equivalent to implementation programmes. Goldman et al (Goldman, Engela, Akhalwaya, Gasa, Leon, Mohamed & Phillips, 2012: 4–5) explain that this "conceptual misalignment between budget reform based on expenditure programmes and M&E reform based on implementation programmes" has resulted in distinctly different programme categories for implementation management. This disjuncture meant that "performance information reforms will not proceed appropriately until this problem is resolved".

Although there is no common definition of what constitutes an "implementation programme" (or even a reference to the term in the FMPPI or FSAPP) in government, DPME (2013) made an attempt with the introduction of *Guideline 2.2.3: Guideline for the planning of new implementation programmes* and explains:

"[Implementation programmes] cover programmes addressing coherent areas of work which are usually at a much lower level than the high level budget programmes or sub-programmes (for example at the sub sub-programme level). These may focus on delivering services to the public (e.g. the Expanded Public Works Programme, Integrated Nutrition Programme, National Integrated Plan for Early Childhood Development, Maternal Health Programme), or be more

internally focused (e.g. improving supply chain management in local government). Budget programmes are high level, and too high for planning practical implementation. Implementation programmes need to be planned at a lower level in order to guide implementation in a practical way.

The following definition was therefore put forth:

"an implementation programme is a set of organized but often varied activities directed towards the achievement of specific policy aims. An implementation programme may encompass several different projects, activities and processes and may cross departments or spheres. Implementation programmes usually have plans, clear delivery milestones and ideally there is an indicative budget (possibly across spheres)." (DPME, 2013: 4)

It is important to note that this guideline was a response to the absence of any regulations, policy or practical guidance and tools (or content in the FSAPP) related to good programme design. Other directives, for instances DPSA's *Directive on Changes to Organisational Structures by Departments* (DPSA, 2016) should also be informing this. The emphasis placed on the structure, format and process for strategic and annual performance planning and the underlying results-based programme monitoring and evaluation approach, has been at odds with the reality of how interventions, not just regular services, are actually designed and implemented in practice. In order for budget programme structures to be effective and efficient in line with the policy and statutory mandates, both technically and from a cost perspective, there must be a clear understanding of how enduring mandates and functions can be re-organised, combined and applied to make implementation programmes a vehicle of the state's developmental agenda. The respective relationship between budget programmes, delivery agreements and implementation programmes therefore also needs to be better clarified (DPME, 2013: 5), particularly as part of the strategic and annual performance planning process.

Beyond the absence of coherence in relation to programmes, the alignment between the FMPPI, FSAPP and the budget and implementation programme guidelines is lacking. The need for a set of guidelines for implementation programmes separately highlights a disjuncture. The design implication of this is that government strategic and annual performance planning lacks subsequent implementation programming that speaks to tactical and operational arrangements. This includes project management procedures and business processes that fit within an overall intervention logic, which supports programmatic interventions that drive the results, and for which it crafts programme performance indicators during the strategic and annual performance planning process.

One other design shortcoming of the FSAPP is that it was not explicit in terms of its own intervention logic. There did not appear to be any consideration around how the implementation of the FSAPP would itself be monitored or judged,

although this should again be seen against a shifting institutional dynamic, particularly the establishment of DPME. MPAT was the first attempt to provide a shared understanding for assessing the strategic planning process but with a lens of compliance. There was not an explanation of the causal mechanisms of the FSAPP or how departments would manage themselves better now that there was a new planning framework in place. The absence of this information has omitted much of the 'soft' side of what this intervention has needed to entail with regards to its introduction, roll-out, change management and skills development. This evaluation's design has been geared towards a descriptive and clarificatory emphasis up front exactly because what the FSAPP sought to accomplish was not easily understandable or well defined for the nature of such an intervention. This is a design shortcoming of the FSAPP that, in retrospect, was a threat to its effectiveness. The benefit of hindsight provides ample opportunity to identify all the elements of what the FSAPP's design 'should have' entailed. Clearly articulating what FSAPP was intended to achieve, how it sought to achieve it, and what the underlying assumptions were and how this would all have been monitored would have made for a more coherent, logical and easily understood policy intervention.

5.1.3 Users

The extent to which the FSAPP is an appropriate framework in relation to its purpose can also be differentiated by its respective users. There are a variety of users of the FSAPP and so its approach is purposely designed as a general one, allowing different users to infer their roles within the framework where they are not set out explicitly in the FMPPI or the FSAPP.

National and provincial departments

All national and provincial departments, constitutional institutions and public entities (those that fall under PFMA 3A & 3C) are compelled to be users of the framework[11] in their planning processes. As such, the framework by its design is meant to inform and be utilised by EAs, AOs, CFOs, senior managers, planning and M&E staff, and programme managers within departments. However, the framework, and related regulations, only distinguish between the roles of EAs and AOs in terms of the AO's responsibility to plan under the directive of the EA and produce quarterly and annual reports for submission to the EA. AOs also have the responsibility of submitting the strategic and annual plans and annual reports to their legislatures.

As to what roles the CFOs, senior managers, planning and M&E staff, and programme managers have in the planning process, there is not adequate

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[11] Only national and provincial departments were included within the scope of this evaluation.

information or guidance. Departments vary as to who is the custodian of the strategic plan and the APP within the department. They also differ in structure, mainly in whether or not there is a separation between the planning units and the M&E unit. It is certainly implied that departmental staff responsible for planning would use the FSAPP and the suite of related policies to inform the department's planning processes. Although not explicit, it is implied this would entail consultation with the CFO and accounting officer. Similarly, programme managers would have responsibility for specific indicators for which they manage the implementation. Other senior managers may be responsible for coordinating a collection of projects and programmes or providing corporate services critical for departmental functioning. However, information to this end is not expressed within the FSAPP.

The Centre of Government (CoG) departments (e.g. Treasury, DPME, DPSA, OtPs, CoGTAs, etc) also have transversal uses for the FSAPP in terms of exercising oversight to ensure that strategic and annual performance planning observe the cross-cutting and intergovernmental, financial, public service, and performance monitoring & evaluation statutory and policy mandates. The roles of DPME, Treasury and OtPs are addressed to an extent in the FSAPP, but those of other CoG departments are not. Further, the document fails to acknowledge how the FSAPP should itself be utilised by transversal departments.

Departments critique the FSAPP for its implicit focus on service delivery departments, with some requirements less meaningful or useful for CoG departments, and national policy departments (with provincial concurrent functions). This manifests primarily around the determination of programme performance indicators and target setting for those indicators. This is, at least in part, because of the difficulty in setting tangible targets for departments whose mandates do not involve quantifiable service delivery, a finding addressed in more detail under the section on Current Practice.

One other area related to department specific mandates is departments with a concurrency of functions. The FSAPP does briefly address this and indicate that national and provincial departments "should work together to standardise the kinds of information presented". Furthermore, the FSAPP is clear that it envisages the FSAPP to be a starting point to "customise this generic guide under the leadership of the relevant national department" where there are provincial and municipal functions involved. However, respondents from across national and provincial departments indicated it was not always clear who was supposed to do the customisation or what process it should follow. In this respect the FSAPP also did not provide much in the way of guidance for departments that share a functional mandate. The practical effect of this vagueness is discussed in the section on Current Practice.

Legislatures and oversight bodies

Externally, the framework is also used by members of the various legislative bodies and external oversight bodies. Because the outputs associated with the FSAPP are intended to be used as instruments for accountability between the department and elected representatives and oversight bodies (e.g. AG, PSC, etc), an understanding of their views and how they use the FSAPP, or do not, is important. Both the FMPPI and the FSAPP make regular reference to the value of reporting performance information for accountability purposes which in this context have both internal departmental dimensions, as well as external dimensions. The FSAPP indicates that all annual reports should be submitted to "the executive authority, the Public Accounts Committee and the relevant parliamentary portfolio committee or provincial legislature" (National Treasury, 2010: 10). However, the FSAPP neglects to mention the public access and transparency requirements set out in Public Service Regulation 31 (2):

> *An executive authority shall immediately after he or she has tabled the annual report in the relevant legislature in terms of section 65(1) of the Public Finance Management Act, submit it to the relevant treasury and the Minister, make it available on its website and, on request, make it available free of charge to any member of the media or the public.*

The extent to which the public and legislatures make use of the FSAPP to inform their oversight is a different story, something that is addressed in the latter sections of the report. However, both departmental staff and the few parliamentary committee chairpersons interviewed revealed that there was not much in the way of clarity as to how the FSAPP could or should be used in this regard. The following quote from a committee chairperson reflects the lack of information in terms of their own understanding of their role and expresses a hope for more information to support them in their tasks:

> *…If there was any new framework, and it would empower the committee to, understand more deeply their role in terms of the framework itself through the department… (Legislator)*

Outside of legislatures, the FSAPP states clearly that the AG has responsibility[12] for auditing the performance information submitted within departmental annual performance reports and expressing an audit opinion in this regard (National Treasury, 2010: 20). Dates and timeframes for this process to be undertaken are also provided. To stress the emphasis placed on this process, planning templates also reference "audited performance" for all historical performance measures

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[12] Section 20(2)(c) and 28(1)(c) of the Public Audit Act no. 25 of 2004

showing that past reported performance will only be considered insofar as it has passed an audit and can be verified.

Subsequent to the issuing of the FSAPP the DPME, DPSA, CoGTA, AG and National Treasury formed a task team to specifically agree on the contents of a *Performance Management and Reporting Framework* to inform the audit of predetermined objectives (Auditor-General of South Africa, 2016). This framework entails the following:

- *Applicable legislation [by department].*

- *The Framework for the managing of programme performance information, issued by the National Treasury.*

- *The Framework for strategic plans and annual performance plans, issued by the National Treasury. This framework is applicable to all national and provincial departments, constitutional institutions and those public entities listed in parts A and C of schedule 3 of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (PFMA).*

- *Circulars and guidance issued by the National Treasury and Department of Planning Monitoring and Evaluation regarding the planning, management, monitoring and reporting of performance against predetermined objectives* (Government Gazette, 2016).

This is indicative of how the AG seeks to make use of the FMPPI, the FSAPP and other related circulars and guidance notes to inform the audit of pre-determined objectives. The AG's role is therefore clear in terms of an external oversight body to which departments account for their administrative practices in terms of the policy framework, guidelines and related legislation. Among users, the role of the AG is arguably the most contested because of the emphasis placed on assessing compliance with financial and non-financial codes of accounting practice in the context of public interventions. This is against a backdrop where a measured change in outcomes is sought by government, stretching for verifiable measurements of social constructs and shifts human behaviour.

5.1.4 Processes

Whether the actual processes to be followed for strategic and annual performance planning are clear, make sense and are easily understood is central to assessing the FSAPP's design. However, the FSAPP does not prescribe planning processes in terms of their content, but sets out the framing cycles, concepts and templates which are expected to inform government planning processes. It is explicit in this regard that "This Framework does not prescribe how institutions should conduct their policy and planning processes, but provides guidance on good practice and budget-related information requirements" (National Treasury, 2010: 1-2).

In terms of process, the FSAPP notes that "the process of producing and revising plans has to take into account electoral, budgetary and annual reporting and planning deadlines to facilitate timely, integrated oversight" (National Treasury, 2010: 16). The timeframes provided in Annexure A of the FSAPP are indicative in this regard. The policy and planning processes are at the discretion of departments and according to respondents involved in the original drafting of the FSAPP, this is intentionally the case to allow for different mandates and various strategic planning approaches.

Figure 10: Planning, budgeting and reporting timeframes for national departments
(Source: National Treasury, 2010: 17)

The timeframes proposed for national departments above are also consistent with a holistic management approach beyond strategic planning that seeks to integrate planning, budgeting, monitoring and reporting and coordination (of changes to indicators, funding and budget) for both the Strategic Plans and APPs. It identifies some key milestones that involve National Treasury and DPME assessments of drafts which circumscribe any processes followed by departments. Of note here is the submission of the draft budget for the next year some four months into the new financial year (8 months in advance of the start of the financial year it covers). Only then is this followed by the first draft Strategic Plan the following month, which is expected to coincide with the first draft APP.

Distinct from the submissions there are "propose performance indicators" and "agree on core performance indicators" (under Coordination) milestones in June and August respectively. The setting of "performance indicators and targets" is only expected in January before tabling in February. The provincial timeframes are more or less identical to Figure 10 for provincial departments except that they are shifted forward one month to stagger the process and coordination between

spheres, although respondents indicated that this has been deviated from in practice (National Treasury, 2010: 17-18).

Annexure A provides for three iterations of the Strategic Plan and APP prior to tabling and adoption in the legislature by February of each year. It also indicates a parallel and leading budget development process addressed through MTEC engagements, ostensibly in parallel to the strategic planning. Thus, from the FSAPP it is clear what the submission timeframes are for the respective processes. However, it is not clear which steps departments should take to fulfil this process. The prescribed content for both the strategic and annual performance plans give some insight of what processes may be expected (Table 9).

Table 9: Prescribed content of Strategic Plans and APPs

Strategic plans	*Annual performance plans*
Part A • A Vision, Mission and Values; • Legislative and other mandates; • A situational analysis including the external performance environment, the organisational environment and a description of planning processes followed; • Strategic goals of the institutions Part B • Strategic objectives and programme descriptions including the resource considerations and risk management Part C • Links to other plans, including infrastructure, capital plans conditional grants, public entities and public-private partnerships	Part A • An updated situational analysis including the performance and organisational environments • Any revisions to the legislative and other mandates • Overview of the budget and MTEF estimates including expenditure trends in relation to goals Part B • Programme and sub-programme plans with strategic objectives and targets; and programme performance indicators and targets Part C • Links to infrastructure and capital plans, conditional grants, public entities and public-private partnerships

From the above, it is clear that there are certain defining parts to any strategic and annual performance planning process as per the content of the FSAPP. However, it is not clear what processes should be followed in relation to the above.

Where the FSAPP does give a little more process guidance is with regards to revising budget programme structures and programme performance indicators. In both instances, these revisions should be submitted to National Treasury nine

months before the start of the financial year and national departments have a coordinating responsibility in this regard. This appears designed to allow the changes to be processed before the start of strategic and annual performance planning.

In all instances, the initial preparatory planning and budgeting work is more than a half-year in advance and this was an area of questionable value in the eyes of many interviewed respondents. Departments raise concerns about the timing and rationale for such long lead times and for three iterations. This is particularly the case for the first draft of the APP each year, as is discussed in more detail in section 5.2.3 Planning and budgeting.

Among interview respondents, clarity on the process for revising the Strategic Plans and APPs is needed. Although the FSAPP indicates this can happen at any time so long at it adheres to the Treasury regulations, it is unclear what exactly this means in terms of how it should happen. Several departments have identified a need for clarity on the process of changing or updating plans mid-stream: Should an entirely new plan be adopted? Can a few isolated amendments go through the legislature without submitting a whole plan? Can a Strategic Plan be revised by acknowledgment in the APP? These were some of the kinds of questions that respondents raised in relation to this process. Based on the qualitative data, this was the biggest concern for departments about process but it was also borne out in the feedback given by DPME to departments on their 2nd draft APP 2016/17: over 60% were asked to correctly use the Annexures of the FSAPP in their APP to make amendment to their strategic plans according to PDG's review of these recommendations.

This becomes the source of the biggest critique and challenge to the FSAPP's design as it relates to processes: it deliberately avoids providing practical guidance on how departmental planning processes should be undertaken. The lack of process prescription (other than timeframe implications) allows for sufficient agency amongst departments across mandates. But at an intergovernmental level, this then becomes reliant on the role and strength of coordinating departments.

To address this issue of process in the FSAPP design and to claim a role in terms of coordination, some Provincial Treasuries and Offices of the Premier have issued their own guidelines to both "customise" and give more guidance on process. For example, one Provincial Treasury has issued a customised provincial APP template that includes the following two annexures: 1) Performance Management Process (Timeframes and processes for APPs, QPRs and ARs); and 2) Step-by-step guide for Programme Performance Indicator (PI) Development (Western Cape Provincial Treasury, 2014).

The first annexure includes a 33-point step-by-step process guide for an entire strategic and annual performance planning cycle and covers budgeting, implementation and PMS, processing and reporting, performance assessments

and submission of the final report. Respondents within the province acknowledge the value of this customised guide.

The latter annexure (2) is simply an adaptation from the *Performance Information Handbook* (National Treasury, 2011)*. This handbook was issued as a follow-up to the FSAPP to provide practical guidance on the crafting and selection of programme performance indicators but has found limited application in practice. Engagements with respondents suggested the handbook was not widely used and considered technically inaccessible. The rationale and potential value of the handbook is clear, however the environment in which it was introduced created incentives for the crafting of indicators in a more practical and simplistic way. The handbook received limited mention beyond acknowledgement of its existence in the interviews and focus groups, and stakeholder input suggested a need to revisit the handbook if it is to be applied in practice.

5.1.5 Templates

The user-friendliness and compatibility of FSAPP templates is an important indication of whether the instruments provided are designed appropriately for strategic and annual performance planning. The FSAPP includes five annexures: Annexure A provides the timeframes for strategic planning; Annexure D provides examples of key strategic planning concepts (e.g. vision, mission, etc); and Annexures B, C and E are all templates. Annexures B is a guide for Strategic Plans, Annexure C is a guide for APPs and Annexure E is a Technical Indicator Description (TID) template.

Figure 11 below provides an indication of how useful the respective templates are in the eyes of departments. From below, it is clear that an overwhelming 93% of all respondents (on behalf of departments) think the Strategic Plan template is "somewhat useful" or better, while 88% think this for the APP guide. The TID template is also considered "somewhat useful" or better by 83% of respondents. Over 80% of all respondent departments indicated all the templates as at least "somewhat useful" or better.
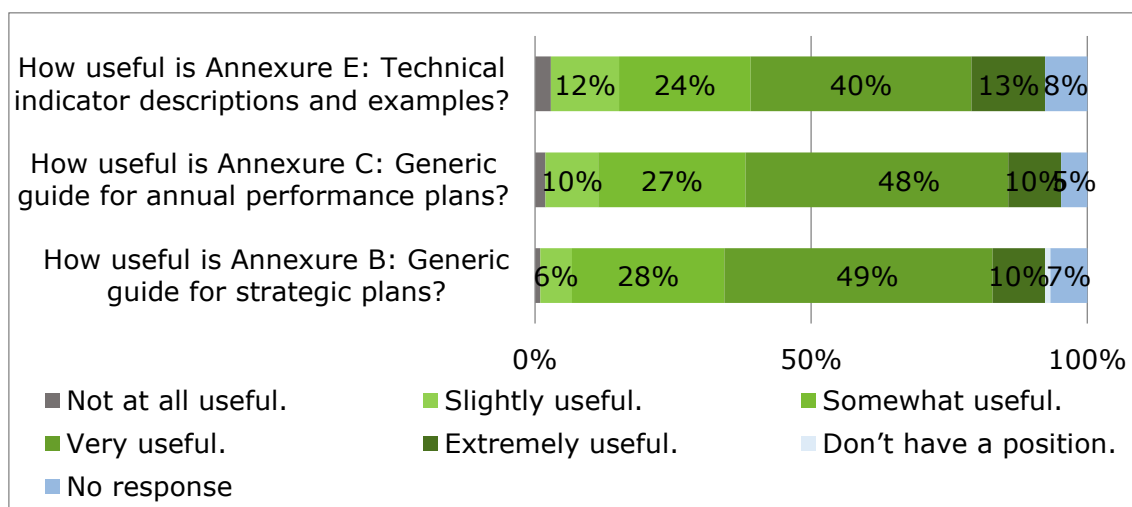
Among interview and focus group respondents there was widespread familiarity with these templates and it was clear that these templates had been widely applied. However, it was also the templates where respondents repeatedly expressed frustration and concern over the manner in which they've been applied. At the heart of this frustration is the tension between two statements in the FSAPP, demonstrated in Table 10.

Table 10: Contrasting the FSAPP's guidance and compliance imperatives
(Source: National Treasury)

The FSAPP outlines key concepts that **should guide institutions when developing Strategic Plans and APPs**. It recognises that government institutions vary greatly in terms of their roles and responsibilities, and therefore develop their plans, policies and programmes in varied ways and over differing timelines….This **Framework does not prescribe how institutions should conduct their policy and planning processes,** but **provides guidance on good practice** and budget-related information requirements (2010: i-ii)	The planning processes outlined in this Framework are an integral part of normal budgetary processes, while the Framework itself, including the generic formats for Strategic Plans and Annual Performance Plans set out in Annexures A, B and C, fall within the broad ambit of uniform treasury norms and standards, and **compliance is therefore critical**. Consequently, while institutions are encouraged to adapt these formats to their own requirements, **such adaptations should not deviate materially** from what is set out in the Framework (2010: 1-2)

These two quotes highlight a source of tension that arose when discussing the FSAPP in many interviews and focus groups. Departments have expressed frustration that the FSAPP is presented as a guide with the intention to inform, assist and serve as a planning tool for departments. And yet, the scrutiny applied to the use of the templates expects a dogmatic adherence. The FSAPP seems to contradict itself as per the example above where it wants to be both a guide but also a compliance template. The oversight exercised with regards to the FSAPP templates has tended toward the latter and the inclusion of the FSAPP in the *Performance Management Reporting Framework* of the AGSA has reinforced this.

Despite the tendency towards compliance, some departments have taken up the instruction in the FSAPP that "...templates should be used and customised in drafting" (National Treasury, 2010: ii). Two good examples include the National Department of Health which has been providing an accompanying guidance template for provincial Strategic Plans and APPs since the introduction of the FSAPP. Another example is the Provincial Treasury of the Western Cape, which

in the aforementioned example, has also provided customised templates for Strategic Plans and APPs that are consistent with the FSAPP but address some of the questions around their application.

One shortcoming of the templates which respondents often mentioned, is the strategic objectives annual targets table in Annexure C (National Treasury, 2010: 36). The FSAPP introduced the expectation of SMART objective statements which translate well into measurements. Given that strategic objectives are usually sentences, not all strategic objectives translate well into tables inclined towards numeric indicators of past and future performance. The framework does not specify its expectation of indicators for Strategic Objectives nor do any of the templates adequately explain how the indicator should be crafted from the objective. According to respondents, DPME and National Treasury have reiterated that strategic objectives should be formulated in a clearly measurable way with indicator targets set for them over a five-year horizon. However, this is clearly still a stumbling block among departments as DPME's feedback on draft plans, discussed under the sub-assessment area Support and Responsiveness, shows that 4 out of 10 provincial departments are provided with recommendations addressing this issue specifically. Clearer guidance is clearly required here.

Many respondents indicated that the templates tend to be brief in their provisions for narratives around plans. The brief and formulaic presentation of budget programmes does not specify mentioning programmes (other than the budget programme structure) guiding implementation. In a similar respect, the templates were also criticised for not assisting in showing logical links between the strategic intentions from goals, objectives and indicators. They were included as statements of strategic intent and indicator measures and targets were assigned to them along with organisational structures aligned to the budget programme. However, the templates assume harmonised planning and budgeting within the budget programmes and sub-programmes without an indication or guidance on how to go about translating the objectives into the coordinated activities, actions and role-players. This is not something templates can do on their own, but reference and acknowledgement of this in the templates and/or related documents may disabuse users of the belief that populating the templates is equivalent to good strategic planning.

There was also a concern that the application of the templates limited the flexibility to deal with unanticipated events, demand-based services, and unanticipated political imperatives. However, it was understood that this has gone some way to standardisation and creating a common means for reviewing and understanding departmental plans.

5.1.6 Quality assurance

The extent to which the framework provides for quality assurance of the strategic and annual performance planning processes and their outputs is an important

indication of whether the planning system by design assures some minimum degree of quality. This does occur to some extent, albeit unevenly and with differing foci.

The framework makes provision for quality assurance through set timeframes and providing multiple submissions to DPME and National Treasury for review prior to tabling. In addition to submissions to DPME and National Treasury, national policy departments, OtPs and provincial treasuries also have quality assurance roles, although these are not specifically provided for in the FSAPP but more closely fit the role descriptions in the FMPPI.

According to the departmental survey, 90% of the responding departments received feedback on their most recent Strategic Plan prior to tabling and 92% receive feedback on their most recent APP from DPME and Treasury. Over 30% of provincial departments received feedback on APPs from national departments before tabling in legislatures. The quality and value of this feedback was not clear, but certainly the processes are in place for review and it is occurring well as intended at the national level.

For the 2016/17 financial year, 112 provincial departments received feedback from DPME on their 2nd draft APPs alone. This is indicative of a quality assurance element built into the strategic and annual performance planning system. However, whether this is quality assuring good strategic planning and management is different from whether it is assuring good compliance. Considering the earlier findings on the application of the templates, it can be inferred that there is a tendency for quality to be assured in relation to 'compliance' to the framework rather than for 'performance'. This is the subject of later findings related to feedback and so will be addressed in more detail in the section on Effectiveness.

Although they are a relatively recent platform, the rationale provided for the introduction of 'Performance Dialogues' suggests a quality assurance agenda with regards to the selection and inclusion of performance indicators. The Performance Dialogues are intended to "serve as a mechanism to improve APPs for the next financial year complemented by processes to ensure that the targets in the MTSF are appropriately budgeted for by departments" (DPME, 2016: 1). The sessions are reportedly used to initiate reflective informal discussions about performance information. While this is not solely for the purpose of quality assurance as it has peer learning and knowledge management value as well, this is one way through which issues of performance management and the selection of performance indicators can contribute to improving the quality of planning and measurement yardsticks without a strict compliance approach.

One concern raised by departments is that the range and number of "assurers" (departments and entities providing feedback) is extensive and potentially conflicting as different assurers have potentially competing expectations. The sheer number can therefore result in conflicting feedback from different assurers,

something discussed later under the Support and Responsiveness section findings.

5.1.7 Synthesis (KEQ 1)

Based on the findings presented here it is clear that the current design of the FSAPP does have some gaps and it is not entirely aligned, coherent or consistent with all of the related policies and legislation. The findings identify some framework misalignment linked to the issues of timing and sequencing of its introduction as well as some conceptual inconsistencies, internal incoherence and template shortcomings. This has implications for the different users and how they choose to utilise the FSAPP, or not. Nevertheless, the FMPPI and FSAPP are the first documents to articulate and differentiate the roles and responsibilities associated with strategic planning, programme performance information, management, reporting and accountability across government. This was nothing short of a significant policy advance in the way of alignment and coordination. The FSAPP is part and parcel of a broader public sector reform that has the potential, and design intent, to be greater than the sum of its parts.

In terms of the Theory of Change, the design flaws found here have negative implications for the FSAPP's implementation as they pose a threat to the feasibility of the intervention achieving its intended results. The FSAPP's uptake and successful application is linked to the extent to which it appropriately frames and guides what can and should be done for strategic and annual performance planning. As these findings have highlighted, there are design flaws in this regard, particularly the conflicting prescripts contributing to a lack of standardisation. But there is also a failure to articulate its own intervention logic and speak to the causal mechanisms through which change in the public service would occur if there is to be better planning and strengthened accountability. Furthermore, in the absence of a framework for monitoring FSAPP's implementation, very little monitoring information was collected as a ground to assess the intervention.

Nevertheless, on balance the FMPPI and FSAPP are fairly coherent and complementary policy frameworks in their own right, excepting some of their conceptual lapses, notably around implementation programmes. The introduction of the FMPPI and FSAPP were closely conceived and introduced as part of a suite of policy reforms intended to bring an outcomes-based approach to government strategic planning and results-based management. In this regard, they were and still are highly relevant and appropriate within the broader context of the state. Unfortunately, opportunities to revisit the Public Service Regulations (as the 2016 revisions provided, but were missed) and the National Treasury Regulations (2007, with a subsequent draft developed in 2012 but never adopted) and/or use the FMPPI and FSAPP to bring greater clarity on their inconsistencies have not been seized.

Nevertheless, the FSAPP in particular was an advance for planning that resonates with good-practice literature. The approach of having both a 5-year

strategic plan with a 1-year annual performance plan and a rolling MTEF fits well in terms of the hybrid approach advocated by Steurer & Martinuzzi (2005) that straddles both the planning and learning schools of thought about strategy. Furthermore, the areas covered by the FSAPP are consistent with the good practice content areas articulated by Young (2003) and Bryson (1995) as discussed in the literature review.

Inconsistent terminology is not uncommon given the confluence of different disciplines in the public sector and competing definitions across government. When considering that the FSAPP comes from the Treasury space with its finance orientation and that it was an advance into the functional space of planning which had not yet been adequately addressed in the public service, it is quite an impressive policy reform.

The integration of budgeting with strategic and annual performance planning through the MTEF and MTEC processes is another design feature intended to ensure continuity in government action and budgeting so as to avoid erratic or sudden shifts in the resourcing of government interventions and initiatives. By design, this has also provided for a continuous cycle for coordination and alignment of planning and budgeting priorities, but the complexity and cooperation required between spheres, tiers and parastatals in this process is significant. The system of intergovernmental relations provides its own planning lexicon and there are long and overlapping lead times that can be easily disrupted or delayed with the introduction of a new policy or as a result of changes at the level of executive authority and senior management.

In summary, the FSAPP does have design flaws but this does not significantly detract from its relevance and appropriateness as a policy reform to the South African planning system, within GWMES, over the medium term. The extent to which this intervention has proven effective based on that design is the subject of the next set of findings.

5.2 Effectiveness

The findings on effectiveness are organised in relation to the KEQ and sub-assessment areas to which this criterion was aligned. In this instance, there are two KEQs which have been split to fall under this section. The first is KEQ2a. "What is the current practice with regards to the utilisation and reporting on the Framework(s)?" The first set of findings are structured and ordered in response to this question and the sub-assessment areas which flow from it.

The effectiveness of the FSAPP as an intervention is determined by the extent to which its two key results have been achieved. At the level of outputs in the Theory of Change, better plans, improved reports and accounting for departmental performance are all considered within the scope of this first question. The second question KEQ2b. "Is there evidence that national and provincial departments have improved making strategic choices and implementation (service delivery) as a result of using the FSAPP and the FMPPI? If so, what aspects of each of

the frameworks are achieving the desired results?" speaks a higher order of results and evidence of outcomes emerging from the application of the FSAPP. As such, the synthesis drawn at the end of this section will specifically addresses the two key results (R1 + R2) arrive at some key findings related to whether the quality of strategic and annual performance planning has improved, as well as whether accountability has been strengthened. Findings in this area are reliant on the full suite of methodological approaches employed for this evaluation, including secondary data analysis from MPAT and other sources.

5.2.1 Current practice

How the FSAPP is applied in practice and how it is utilised for reporting purposes determines whether the planning-reporting linkage is made that allows for a continuous cycle of learning and performance management to enhance the quality of strategic and annual performance planning.

Based on the interviews and focus groups, departments can be broadly categorised into three groups: critical "experts", eager "FSAPP planners" and compliant critics (Figure 12). Of course, not all officials in a department respond to the framework in the same way, but from qualitative discussions it was often possible to discern an overall departmental approach in dealing with the framework. A distinction can be drawn between departments that are embracing the FSAPP and adopting it strategically, those that are embracing it and learning from it and those that are seeking mostly just to comply with its requirements.

Critical "experts" Attempt to innovate through strategic & annual planning	**Eager "FSAPP planners"** See FSAPP as The Standard	**Compliant critics** See FSAPP as technical instructions
• Grasp the intent of FSAPP but consider the department mature enough to interpret them for itself • Often had existing approaches or planning frameworks • Call for more flexibility • Most critical of the framework	• Grasp the principles • See FSAPP as valuable guidance, helping to raise the bar • Planning staff especially appreciative – has given their work legitimacy • Often had limited formal planning processes before FSAPP • Less questioning of misalignments • Want to comply but there is a long road to compliance – building systems, populating planning directorates etc.	• Limited willingness to engage with the underlying principles • Often see FSAPP compliance as a necessary evil • Willing to comply – but may prioritise processes over "real" engagement with mandate • Seek absolute clarity • Respond to challenges by seeking further instructions

Figure 12. Three types of departmental practices regarding the FSAPP

In provinces with lower planning capacity, a higher proportion of departments seem to fall into the "eager FSAPP planners" category – although there were some strong critics among them as well. Possibly, with fewer human resources, the planning function was not previously well capacitated. FSAPP, as well as FMPPI, served as important learning tools for planning staff (and sometimes, senior management) and increased the legitimacy of the planning function. In some cases, new appointments were also reportedly made to deal with the increased planning workload. These units have experienced growth in staff in part because of this, but it should be questioned as to why this is the case since the FSAPP is meant to support planning, rather than justify the specialisation of planning capacity within departments.

In interviews and focus groups, when asked what they understand the purpose of FSAPP to be, respondents most often highlighted the intention of standardisation. Although different departments or provinces did have pre-existing guidelines in some cases, prior to the FSAPP there was serious inconsistencies within the public service and an overreliance on the narrative at the expense of clear commitments and reporting on results. The introduction of the FSAPP has changed this practice according to departments, in line with its standardising purpose.

There is a widespread view that a good level of standardisation for strategic and annual performance planning has been achieved. Departmental survey respondents report that they have standardised strategic planning processes (82% of departments) (see Figure 13 below) and APP processes (85% of departments agreed with this statement in the survey). This is also clear from the descriptions of the APP and Strategic planning processes given in the survey, several of which appear to be summaries of a standard operating procedure (SOP) or a similar procedural document (a description of what these planning processes typically consist of is given in section 5.2.3.).
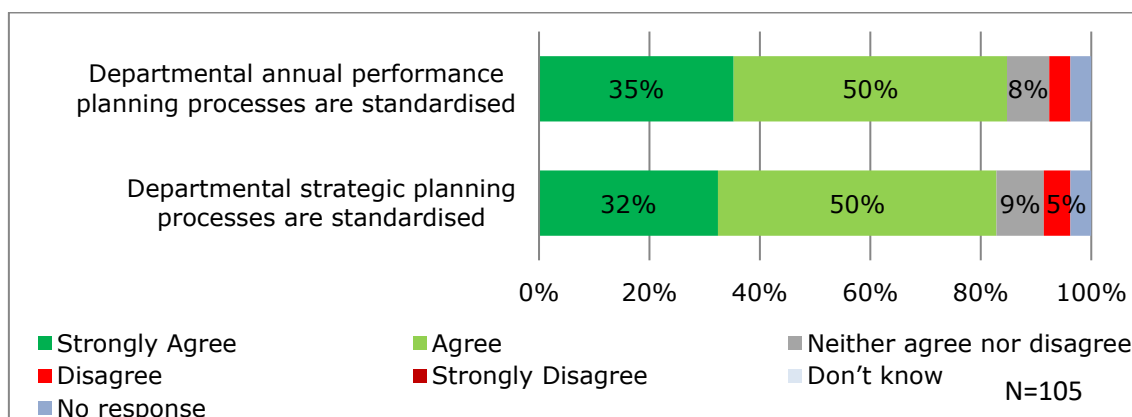
Figure 13: Departmental agreement on questions of planning standardisation

Standardisation of these plans and reports across national and provincial government has reportedly brought considerable benefits. The FSAPP and

FMPPI effectively set some common norms and standards, giving departments a clear understanding of the direction in which they were expected to grow. This is discussed further in the section on Views and Feedback.

Departments are also better able to engage with other departments' plans and reports because of their standardised format. This has resulted in a shared point of departure that assists with the complex task of undertaking intergovernmental planning and coordination. A common structure, timeframes and set of reference points (even with terminology challenges) has provided a certainty that some departments found very enabling. This has empowered those that engage with multiple departments and play a coordination role especially: "It is very easy to use other plans from other departments" (N09) as anyone familiar with the Frameworks is "able to understand what other departments mean" (N64). This benefits especially CoG and Policy departments but also supports all departments if they engage in intergovernmental planning and benchmarking.

Although standardisation has provided a common basis on which to judge improvements in the quality of plans, there are potential risks and limitations to standardisation, particularly in light of the different mandates and responsibilities of departments. Standardisation provides a foundation from which to demonstrate that departments are improving from year to year, and it does assist to identify matters of time, experience, or capacity in understanding these improvements. However, in others, particularly where departments view themselves as 'Critical "experts"', this standardisation is perceived as particularly limiting. They claim that improvement is restrained by the design of FSAPP itself, or the way it has been applied, or other competing influences and contradictions. In these cases respondents suggest that time alone will not bring improvement because the FSAPP's standardisation is now inhibiting the kind of strategic thinking and expression necessary for more significant advances.

In terms of the current practice of how departments align their Strategic Plans and APPs to the MTSF, findings are indicative that departments regularly consider the MTSF in their planning and seek to align their Strategic Plans and APPs to it, albeit with varying degrees of success at different levels. The matter of aligning the outcomes of the MTSF with the strategic plans and APPs has experienced challenges. As Goldman et al (2012: 4) explains in their description of the GWMES, "The APP system tends to be at quite a low level and could be strengthened by improving the outcome focus in the strategic plans. A challenge is that terminology used in not the same as in the outcomes, but there is room for streamlining and making the outcomes and APP systems integrate better" (Goldman et al, 2012: 4). Thus, the implication of the design challenge explained in the earlier section is described as negatively affecting planning practice.

In interviews and focus groups departments described how their annual planning process includes considering the most recent written plans including the MTSF; and in the survey departments expressed high levels of confidence that the

performance targets in their most recent plans are aligned to the "priorities and outcomes" set out in the MTSF. As shown in Figure 14, 53% of departments "strongly agreed", which is among the highest rates of "strong agreement" received on all statements in the survey. Over 90% expressed agreement to each statement.
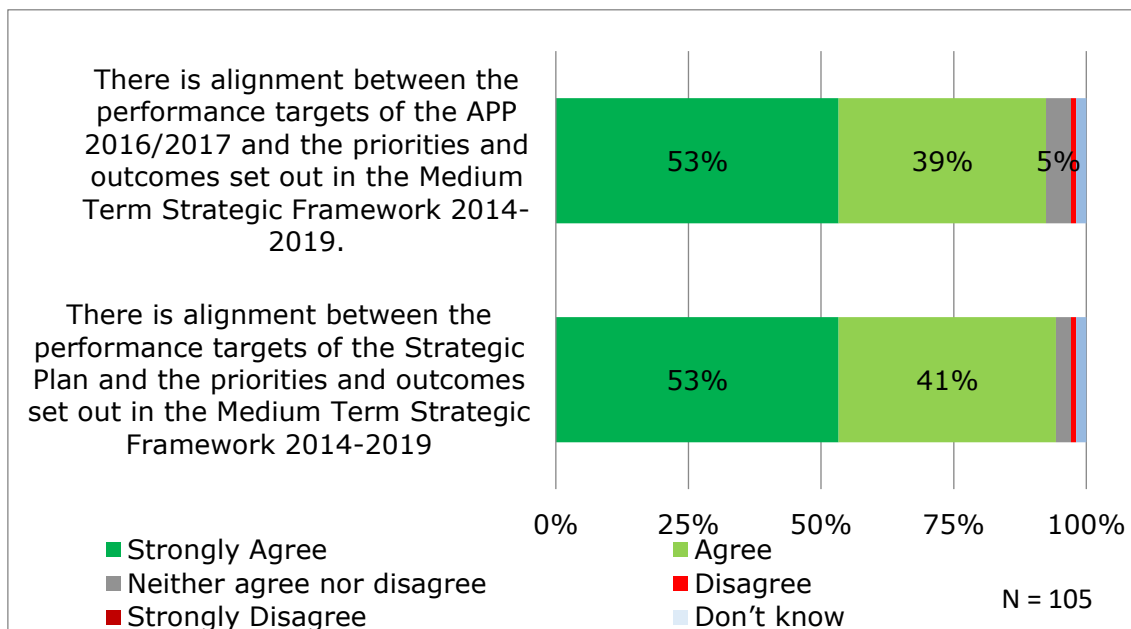
Figure 14: Departmental agreement on questions of MTSF alignment with the Strategic Plans and APPs

However, it is important to realise what this "alignment" consists of in practice. In describing their planning processes, departments tend to elaborate on how they review the most recent written overarching plans of government, including the MTSF, and associated delivery agreements on each outcome. Two departments explained that from these plans they "pick those that refer to us" (P19) and "put it into the mix" (P34). Quite commonly this means the alignment of indicators and targets with those in the MTSF delivery agreements.

Considering the intent behind the MTSF, the achievement of key overarching outcomes can easily be obscured. An interesting pattern emerged in the qualitative focus groups: when facilitators asked about the degree of alignment between the MTSF and the department's Strategic Plan and APP, the first response would be an expression of confidence that these are indeed aligned. But then the discussion would shift to discuss difficulties aligning to the MTSF's emphasis on planning for outcomes. Departments can and do consistently refer to the MTSF in Section A of their Strategic Plan and APP (see further discussion below). But when it comes to Part B where indicators and targets are presented, these are often pitched at the activity or output level so that they can be within the control of the department. Furthermore budget programme structures are not necessarily aligned to the initiatives that drive the achievement of these medium-

term outcomes, and Part B of the Strategic Plan as well as APP is organised by budget programme.

As discussed earlier, this means that the way FSAPP is designed and applied can obscure the implicit intervention logic that should be informing the activities through to the ultimate intended outcomes. This difficulty was discussed frankly in a provincial focus group:

[Participant 1]: "It's more a compliance issue with the NDP, and the Expenditure and Strategic Framework. It comes through very clear if you look at the document, you'll see columns with NDP, Framework… We're honestly trying to fit things in. We say 'hmm okay ja, those words seem to fit in here somewhere, let's just put these words in here'. Alignment is not supposed to be lining up words and I feel like it's almost going towards that."

[Participant 2]: "Yes, the intervention logic is not interlinked. The words are aligned, but not the interventions." (P44)

One national policy department placed emphasis on clarifying the link between the MTSF and a departmental strategy to better bridge the gap between sector outcomes and departmental outcomes, explaining:

APPs of provincial and national departments [are] structured by budget structure programmes, not by outcomes. MTSF is by outcome and sub-outcome, and the MTSF is a sector plan and not [a plan for our department]. And so for you to implement a sector plan, you must understand how a sector plan then gets broken into what provinces and national will do collectively. (N68)

Based on a structured review of 32 sampled departments, the following findings are indicative attempts to align or use these higher level strategic documents to inform planning in the APP.

Planning references in APP 2014/15

	Yes	No	Kind of	NA
Does the APP make explicit reference to the NDP?	28			4
Does the APP make explicit reference to Medium Term Strategic Framework?	22	5	1	4
Does the APP make explicit reference to the National Outcomes System?	26	2		4
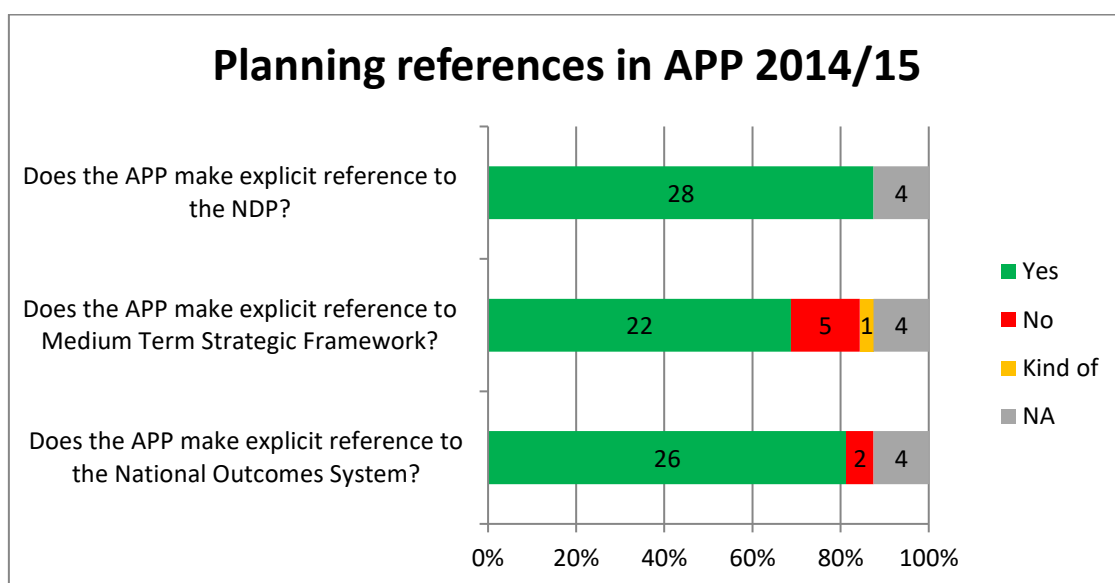
Figure 15: Planning references in APP 2015/16

As Figure 15 suggests, in most departments the APPs are attempting to align to the NDP, MTSF and Outcomes Approach. The latest MTSF 2014-2019 has effectively absorbed the National Outcomes Approach into its formulation, unlike in the previous cycle of government. This may account for the discrepancy between the number of APPs that have included references to the National Outcomes System and the MTSF specifically.

When it comes to whether these references and inputs into the APPs then reflect in terms of departmental performance reporting, some challenges do arise. Although reporting is largely standardised at quarterly and annual performance report level in line with the FSAPP (see departmental self-reporting in Figure 16 below), the substance of this consistency is something of a dispute, particularly in relation to the MTSF and outcomes approach.
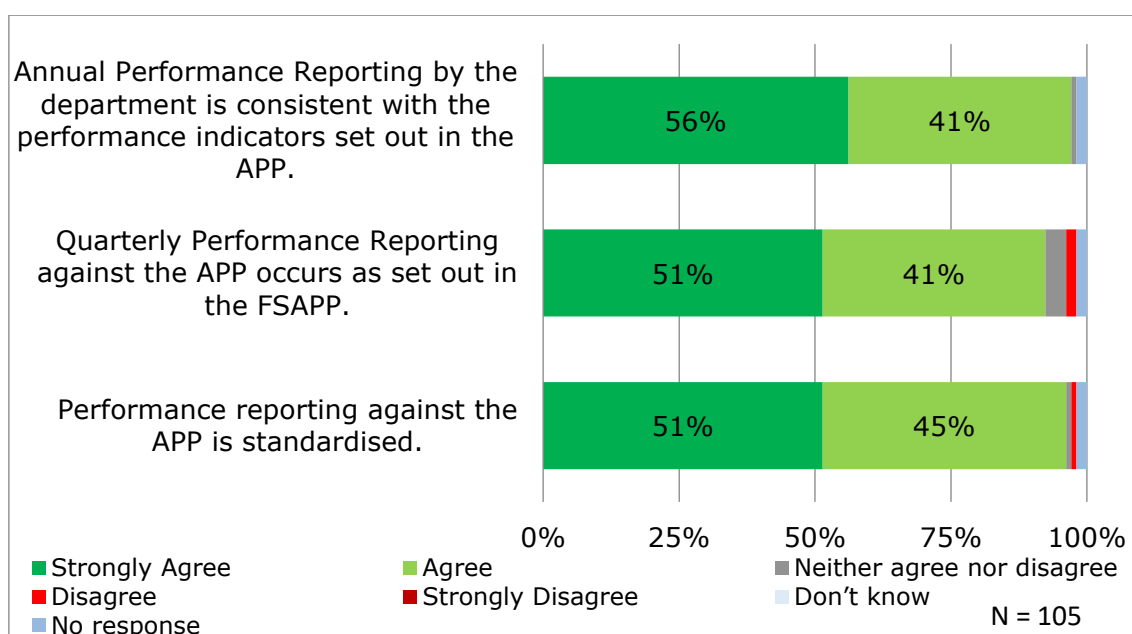
Figure 16: Departmental agreement with standardisation of reporting statements

The main issue of alignment in reporting is at what levels and to what extent all of the intended performance indicators from the delivery agreements find expression within the annual reports. Qualitative data and structured review of the annual reports show that where this does occur at output level, it is rarely presented in terms of a broader outcome related logic and simply as one indicator amongst many others.

Alignment between APPs and Annual Reports is an issue in its own right, distinct from just the relationship between MTSF performance and annual reporting

performance. The structured review[13] highlights the inconsistences in this regard. The review indicates that among the sample of APPs and Annual Reports that only half (14/28) of all Annual Reports reported on the same number of indicators, across all programmes, as they appeared in the APPs. Around one-fifth (6/28) of all Annual Reports had a variance of 3 indicators or less between the APP and the Annual Report. However, just more than a quarter (8/28) had more than three indicators in variance between the APPs and Annual Reports with the greatest disparity in a department that reported on 32 fewer indicators in its Annual Report than it had included in its APP. Despite these disparities, more of the departments that had a variance actually reported *more* indicators in their Annual Reports than in their APPs. Only about one-sixth (5/28) reported on fewer indicators in their Annual Report than were included in their original APP.

This highlights a challenge of consistency between the APP and the Annual Report at a very basic level. Maintaining indicator consistency between plans and reports is fundamental if there is to be consistency in performance reporting alignment in relation to the outcomes particularly. This limits the extent to which there is alignment in the tracking of performance information between the MTSF and Annual Reports. However, this is further challenged by the disincentive to include performance indicators at outcome level that departments experience in practice because of the associated accountability implications, a matter dealt with in more detail later in the findings.

r1a. Aligned, standardised and more appropriate plans

When considering the overall "quality" of Strategic Plans and APPs a range of factors can be considered as this also depends on the perspective of the user. In terms of whether the Strategic Plans and APPs produced as a result of the FSAPP are themselves better indications of aligned, standardised and appropriate plans, a number of indicators provide conflicting findings in this regard. MPAT scores, the extent of the use of TIDS (including the crafting of customised sector indicators), the quality of information reported against in relation to the APPs according to the AG, and the quality of plans as reflected in DPME's reviews of draft APPs will be discussed here.

Taking the MPAT scores for the Strategic Plans and APPs graphs below, there is a trend of improvement in the MPAT scores demonstrating departments' increasing comfort with producing strategic plans, trending upwards from 2012 to 2015, though the high point for national departments was 2013. The ratings between 3-4 are indicative of Strategic Plans that are considered to meet the

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[13] This paragraph reports only on the 28 out of 32 departments for which both APPs and Annual Reports could be sourced for 2014/15.

standard set with regard to strategic planning, which is directly informed by the FSAPP; that is, a strategic plan that express clear linkages between the MTSF and departmental priorities; and for which TIDs exist (Figure 17). Thus, based on DPME's own moderated self-assessments, departmental Strategic Plans tend to meet most of the associated strategic management practice standards and are improving over time. That said, the MPAT scores have their own serious limitations as was acknowledged in the previous evaluation of the MPAT (PDG, 2015) which indicated the tool as a "sophisticated, nuanced, compliance assessment of management practice" which puts "an emphasis on the purpose of assessment rather than the purpose of improvement" and is insufficient to "fully address the contemporary public management challenge". Furthermore, a possible explanation for the particular jump in national scores between 2012-13 is informed by feedback that the annual review of the MPAT standards resulted in an adjusted formulation of the standards that were easier to achieve in that particular year. With this in mind, these scores should not be considered in isolation, but as part of the variety of data available on Strategic Plans and APPs providing an indication of strategic planning practice, albeit one that is concerned primarily with compliance.

Average MPAT Scores on Strat Plans 2012-2015
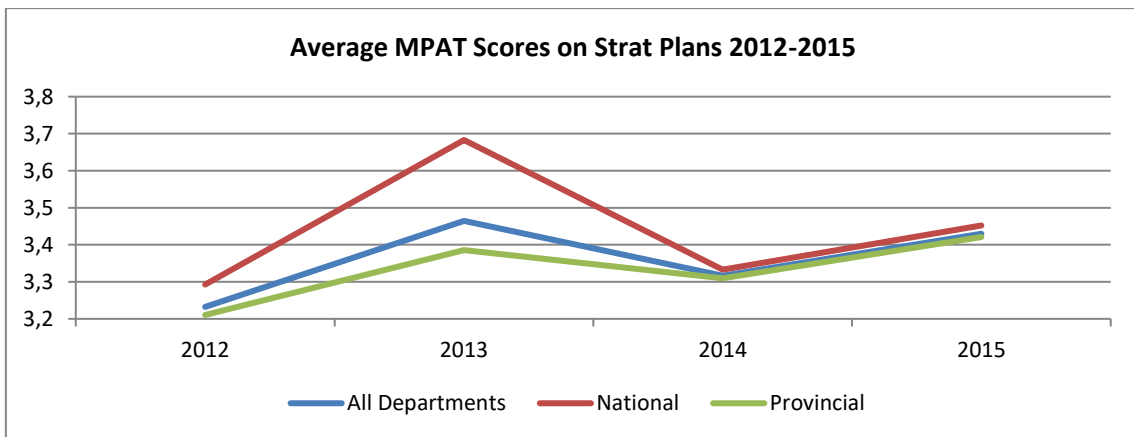
Figure 17: Average MPAT scores for Strategic Management standard 1.1.1 Strategic Plans from 2012-2015

For APPs the results have been less encouraging (Figure 18). Departmental MPAT scores show a downward trend from 2012 to 2015 sitting below level 3 achievement. This positions departments somewhere between 'partial compliance' with the provisions of FSAPP as expressed in MPAT standard and 'full compliance' with clear strategic linkages between the Strategic Plan and APP. However, the scores appear to be regressing in this regard.
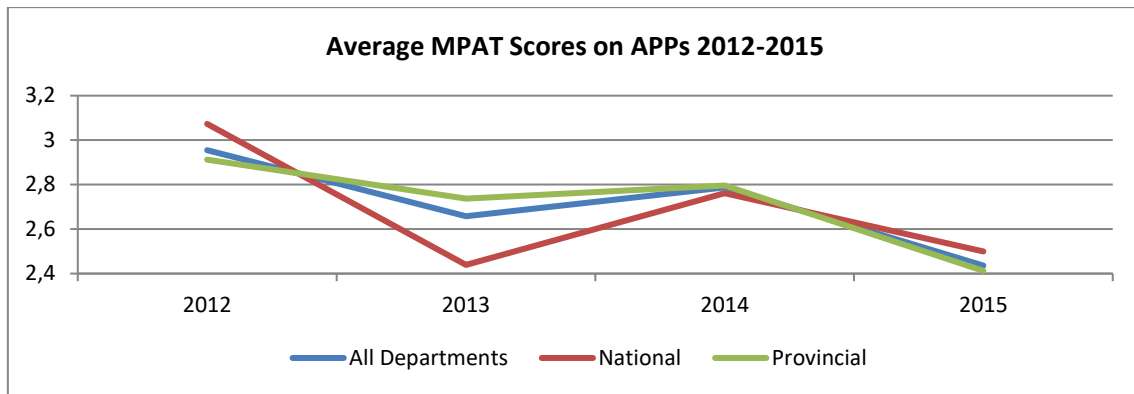
Figure 18: Average MPAT scores for Strategic Management standard 1.1.2 Annual Performance Plans from 2012-2015

In discussions with stakeholders and informed by PDG's own historical work, it was revealed that this is likely to have more to do with greater scrutiny and a progressively higher standard applied for what constitutes FSAPP 'full compliance', rather than a national collective decline in planning itself. Nevertheless, this is but one indication of challenges to the improvements in the plans themselves. Whether this is because planning is actually getting worse, or scrutiny of 'full compliance' is growing, it is critical to understanding whether the FSAPP's policy intent will be realised.

With the introduction of FSAPP and FMPPI many departments started for the first time to craft SMART performance indicators as part of their planning process. The interviews and focus group discussions suggest that by 2016 departments have a good understanding of this principle and are often applying it to their plans to the satisfaction of oversight bodies. But it has taken huge effort in the years since the introduction of the frameworks and there is still tension around this issue, with some lasting and valid concerns raised.

A key issue is with the emphasis on being able to both control and administratively verify the measurements of all of the indicators included within the APPs.

The majority of departments sampled in the structured review 82% (23/28) are now producing TIDs for their performance indicators, adding to the transparency of their plans and reports. Furthermore, the TIDs serve as an indication that thought is going into defining the indicator and applying the SMART principle as set out in the FMPPI and FSAPP. That is not to say that these departments are choosing the right indicators for performance, but it is indicative that they are giving more technical consideration to how they formulate indicators. Despite this, our structured review of APPs demonstrated that in only 18% (5/28) of all cases was there an exact match between the number of TIDs included in the APP and the indicators in the APP. This means that some indicators still aren't being adequately defined as per the FSAPP's annexure. It is unclear as to why this may be the case, but the documentary review suggests that the degree of face validity

between the title of the indicator and its definition and details in the TID may make that metadata seem superfluous and redundant rather than valuable to custodians of the indicators.

Another challenge of crafting indicators has been that departments need to have the management processes (and information systems) in place to collect the information required to track performance against each indicator. This is a logical and reasonable requirement without which no monitoring system can be useful. Many departments credit the FSAPP for fostering an appreciation of the value of those management information systems at a departmental level. Since then many departments have committed considerable effort and resources into building such systems, including creation of new positions, development of departmental frameworks and investment in technology, and are now much better able to substantiate their performance reports with evidence. Section 5.3.2 speaks in more detail about the benefits of this. Naturally though, it also restricts what departments can choose as indicators of performance which as the FSAPP indicates, are expected to have long lead times of three quarters of a year prior to actual introduction. Sectors and provinces with highly dispersed services are particularly dependent on the reach and quality of their IT systems, and the record keeping capacity of officials at the front lines of service delivery.

Because of the requirements mentioned above, national departments with concurrent functions have been dissuaded from including indicators related to their policy mandate but based on the implementation of services provided by provincial departments since (1) national departments have limited to no control over achievement of such targets due to the implementation responsibilities of their provincial counterparts and (2) information to track performance would need to come from another institution "outside their control".

Instead, in order for national departments to track implementation of concurrent functions by the other two spheres, national departments must engage these spheres and agree on customised indicators for their sector. As per FSAPP, "National Treasury, provincial treasuries and the relevant national departments need to work with provincial departments in each sector to define core indicators" (National Treasury, 2010: 15). Some sectors (e.g. Education and Health) have aligned the sector indicators with the MTSF which streamlines plans and reporting requirements. National departments then set their own indicators to be within their control (related to performance in policymaking, support etc., depending on the sector)[14].

The perspective of provincial departments is that some national departments (e.g. Health) are seen as providing strong sector leadership to provinces, but

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[14] See the case studies for further discussions of this as pertains to Health and Education.

others are viewed as "imposing" on their counterparts. The perception that some national departments impose priorities and indicators on their provincial counters has two underlying causes:

1. Some national departments seem to communicate poorly, are less consultative, and/or insist on uniformity (at the expense of context). Provincial departments give examples where they feel the indicators and targets set by national policy departments do not take provincial needs and realities into account. The risk is that they may divert resources from issues that are higher priority in that context.

2. Some provinces are less receptive to tight management from national departments whether due to posture, capacity or other reasons.

In two sectors the national policy departments were also critiqued by provincial respondents for having set sector indicators that are actually not SMART or were not accompanied by TIDs explaining how to measure them, causing problems with provincial departments in the AOPO, but this appears to be receiving attention now.

In some sectors the sheer number of customised indicators that provinces choose to report on is also an issue. In the structured review, the highest number of indicators tracked for a provincial department was 236 in the APP. However, the average was 87 indicators, with 64 indicators per APP on average at national level and 102 indicators on average at a provincial level. The FSAPP states that provincial departments "are free to include additional indicators" but given the resource burden of keeping a portfolio of evidence they weigh any additional indicators up very carefully. This can skew planning emphasis away from provincial needs but also highlight differences in the information management burden which has a bearing on which indicators get crafted.

Regarding Strategic Objectives indicators, the clarity given by DPME assists (and also an expectation introduced via the MPAT standards) but this has also influenced which indicators find expression in the APPs in particular. This is stated in the FSAPP but appears not to have enjoyed so much scrutiny by oversight bodies until it was included in MPAT. These indicators may not overlap with the programme performance indicators and should also be "SMART". Many departments raised this as something they are struggling with because of the level strategic objectives sit at, as either high-level outputs or immediate outcomes. The view was frequently expressed that this change to the MPAT standards was too abrupt, and in some departments the discussion suggested that this has damaged the relationship with DPME.

Based on the above combination of factors departments have sought to formulate lower-order indicators which measure activities, products or services more directly within their control (i.e. without interdependencies with other institutions). The more strategic indicators reflective of cross-sector and institutional

interdependencies are not (yet) supported by adequate information systems[15] more generally; there is also a reluctance to include provincial indicators if a large set of customised sector indicators already have to be accommodated. The cumulative effect can be that plans do not meaningfully express the intent of departments, but rather select indicators and set targets in relation to the degree of confidence that the measurement of the execution of a function and mandate will continue to provide justification for the allocation of resources. If the quality of Strategic Plans and APPs is evaluated based on this, then the situation at present leaves much to be desired.

As part of its quality assurance function, DPME also does assessments of second draft Strategic Plans and APPs. Although these are only draft plans and therefore do not reflect the quality of the final products, they do give some insight into what the common challenges identified with the products themselves. Of interest in this regard is that the most common recommendation was that amendments to the Strategic Plan (66%) should be undertaken, followed by recommendations to utilise and complete the TIDs (54%) and better define the TIDs (50%) (see section 5.2.5 for more on these findings). If the most common recommendation for APPs is how to amend the SP, this suggests that there are clearly deficiencies in the Strategic Plan which affect the APP, or that the policy and performance environment has somehow shifted and this does not reflect appropriately in the selection of indicators and targets. Alternatively, it could be reflective of capacity limitations on the part of the reviewers or provide a selective emphasis on what they consider important in a given round of review. When considered with the emphasis placed on better defining the strategic objective indicators and programme performance indicators, this suggests that what is being selected to be measured and reported on is still not adequately defined or justified in terms of what the department is expected to achieve.

Also within departments, the "quality" of plans (especially Strategic Plans) is related to whether the formulation of strategic outcome oriented goals and strategic objectives are crafted in such a way as to express the intent of the department coherently. The issue of choosing a strategic objective for which a measurable 5-year target can be set has already been mentioned. Another important factor shaping the selection of these goals and objectives is the fact that the Strategic Plan and APP templates are structured according to budget programmes. The FSAPP explains that "the activities funded by a particular programme may not be high on the institution's strategic priority list in a particular planning cycle" and does not require the budget programme structure to be justified in terms of strategic outcome oriented goals (National Treasury, 2010:

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[15] This is discussed further in the sections on performance management and unintended consequences.

3). However, when it comes to strategic objectives which should be logically derived from and informed by the outcome oriented goals, only 25% (7/28) of all APPs sampled in the structured review presented a strategic logic showing the linkage between their goals and strategic objectives. Instead, 75% (21/28) of all APPs provided strategic objectives for the budget programmes. This finding is in keeping with some qualitative data where a few respondents were of the view that their department sets its goals and objectives less based on its key priorities for the medium term and more based on reaffirming legitimising its existing budget programme structure. The following quote, while pitched at the goal level, is nevertheless indicative of this point:

For now I think the programmes are formulating the Strategic goals with the programme structure in mind. And not the goals then going to the structure. And maybe that's the wrong [way]... and maybe we should break away from having a strategic goal… having a strategic goal that's more integrated cutting across more programmes. (P47)

Additionally, for reasons that will be discussed in the section on performance management, there is evidence to suggest that many departments set targets that are easy to demonstrate success for, instead of being challenged to fulfil their mandates to the best value with the available resources. This also means that achieving targets is not necessarily a good indication of whether the department is effectively fulfilling its mandate.

r1b. Appropriate and meaningful reports of performance results

Acknowledging the aforementioned challenges in the formulation of strategic objective indicators, programme performance indicators and their throughput ratios into the annual reports, there are certainly indications that the Annual Reports are not as appropriate or meaningful as the FSAPP intended them to be. They are certainly not as appropriate in the sense that the variance in indicators alone is indicative of a lack of consistency between what was said would be done, and what was actually done. They are also not as appropriate in the sense that the available evidence suggests the reports are not as accurate as they should be. Nevertheless, this does not mean they are not useful or that they have not been utilised for the purpose of oversight, accountability or arriving at some conclusions about the indicators themselves. This utility will be addressed more expansively later under section 5.4.2 addressing the unintended consequences arising from it.

Using the AG's AOPO findings for 161 departments or constitutional entities governed by the PFMA over the 2012/13-2014/15 period, it is clear that departments without any material findings on the performance information in their annual performance reports are now in the majority, having increased from 49% in 2012/13 to 58% in 2014/15 (see Figure 19). The significance of this finding is that in terms of compliance the AG has applied its *Performance Management*

Reporting Framework (PMRF) to audit departments and therefore found that in nearly 6 out of 10 cases that departments are complying with their legislative mandate, the FMPPI, FSAPP and other DPME and National Treasury circulars and guidelines.
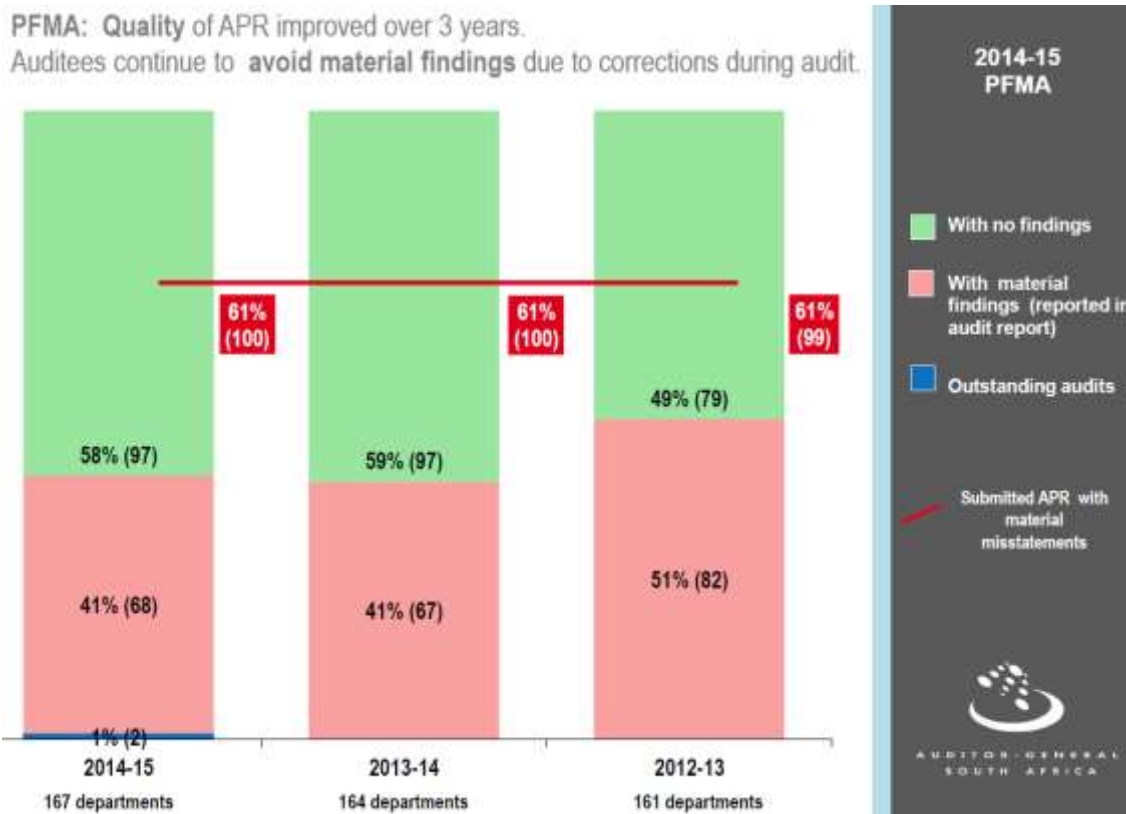
Figure 19: AG Quality of Annual Report findings 2012/13-2014/15 (Auditor-General of South Africa, 2016)

This is not a sufficient indicator of appropriateness on its own but it is useful when considered with the other available data. The AG also tests performance information to check whether the information meets standards of usefulness (applying sub-criteria of presentation, measurability, relevance and consistency) and reliability (applying sub-criteria of validity, accuracy and completeness). There are shortcomings in applying these criteria through a compliance lens, but they are nevertheless helpful in providing some indication of whether Annual Reports are reflecting performance appropriately. As Figure 20 below illustrates there are still worrying findings indicative of 22% of departments that produce performance information which fail to meet standards for usefulness in the most

recent year of Annual Reports available (2014/15)[16]. This finding rises to 38% for reliability, indicating that the consistency with which the measurement reported would be reported again if subjected to re-measurement is called into question in nearly 2 out of 5 cases.

What is encouraging about these findings though is that they are part of an overall trend that is witnessing a reduction in findings on usefulness and reliability over time. However, the exact reasons for that are the subject of some dispute and will be addressed further in later findings.
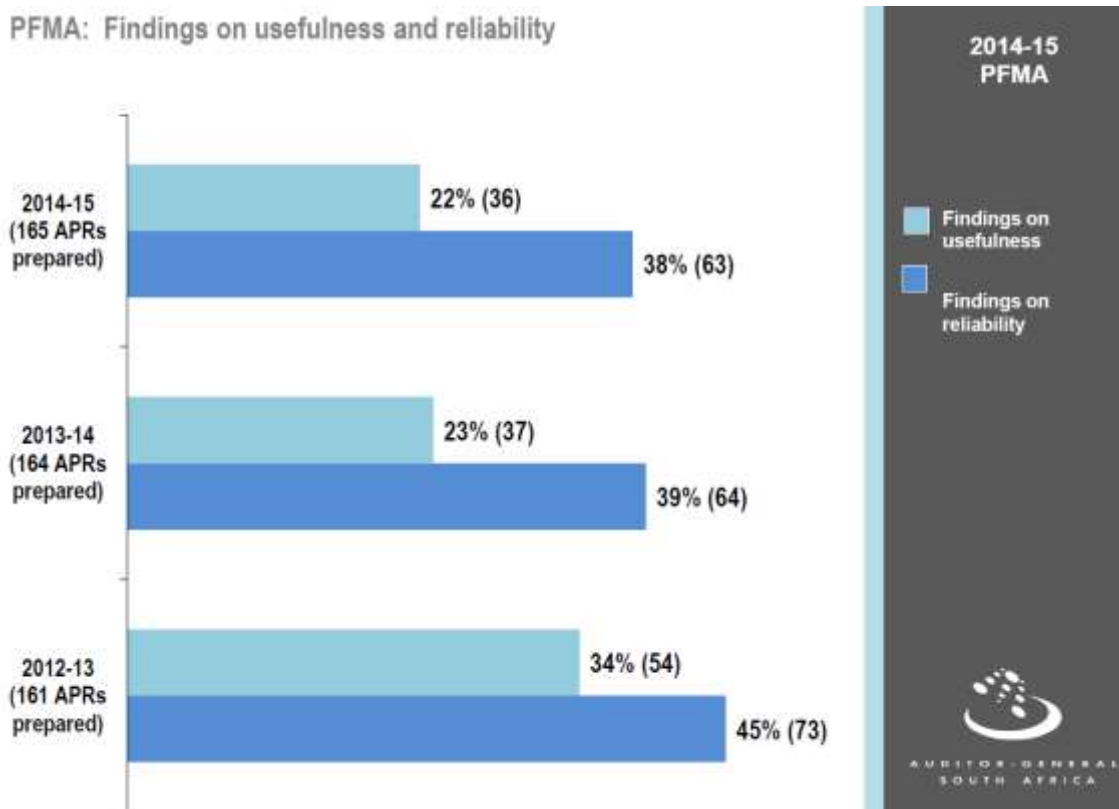
Figure 20: AG findings on usefulness and reliability of 2012/13-2014/15
(Source: AG South Africa, 2016)

The AG's findings are also in line with the responses shared by departmental survey respondents related to performance reporting. Figure 21 below shows high levels of agreement from departments that their performance reports are credible (86%) and that performance reporting has improved since the introduction of FSAPP (82%). This is countered by low levels of disagreement over these statements and reinforced by other survey responses (not pictured)

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[16] Among PDG's structured review, 63% had material findings and 28% did not have material findings. 53% had findings on reliability and 28% had findings on usefulness, higher in all instances. Our sampled departments tend to be reflective of the more challenged departments for PPI.

that 77% disagree that performance reports are inaccurate and 82% disagree that performance reporting has not improved.
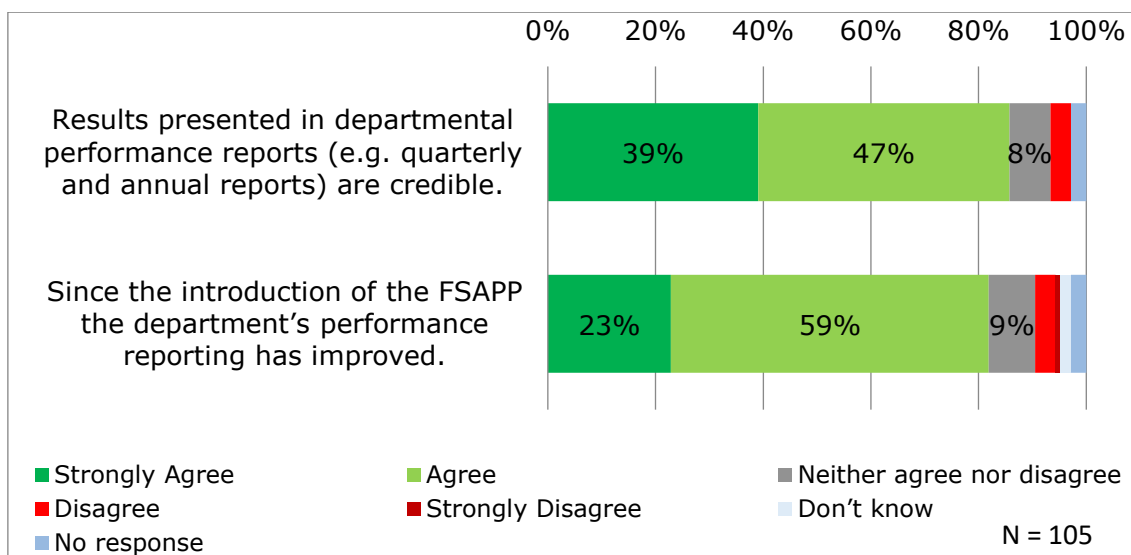
Figure 21: Departmental agreement with statements on performance reporting

With regards to meaningfulness of the performance results presented in Annual Reports, this is intrinsically linked to: 1) alignment with the goals and outcomes of the MTSF; 2) the extent to which it is considered the basis for future planning. The first of these matters has been addressed stemming from the Strategic Plan and APP relationship to the Annual Report while the latter is addressed in more detail later in the findings.

5.2.2 Operationalisation

The qualitative data suggests high variability in the development and use of operational plans which "cascade" the APP down and through the department.

Operational Plans sit at the coalface between the APP and actual implementation and they are clearly situated as important operational accountability documents in the FMPPI. However, they are not subjected to the AOPO and are not reviewed by oversight departments, and many departments mentioned that they use these to reflect indicators of importance that are not suitable for the APP (for the reasons discussed above e.g. not being entirely within the department's control). Operational Plans are also used to unpack planning to a level that can be integrated into the performance agreements of middle- and lower-ranking management.

A respondent in a Centre of Government department observed that the lines are somewhat blurred between the APP and Operational Plan at times, and this impression is supported by the statements of other respondents. There was mention of:

- The APP being the main focus of the planning department, with planning units as well as programme managers neglecting effective OP [operational] planning (P51)

- Staff not "seeing the point" of having an Operational Plan to support the APP (P28; P42)

- A respondent calling for an Operational Plan "but a good one" that helps them plan the costing of indicators – implying that Operational Plans are not always of good quality in their experience (P30)

The fact that Implementation Programme plans will now be included in an MPAT standard (DPME, 2016a) but find no mention in other frameworks or regulations beyond DPME's guideline was strongly objected to by a few respondents (P28, P46). Respondents implied that this was another way of tightening the rules for planning to ensure a narrow form of compliance. Across government in interviews, focus groups and the survey, there are calls for further guidance around Operational Plans as well as what is expected in terms of Implementation Programme documentation.

In the interviews and focus groups, when asked about Implementation Programmes, most respondents were unfamiliar with the term. CoG departments, particularly Offices of the Premier, tend to be aware of them and recognise that it is a new term but despite Guideline 2.2.3 being in existence for a few years, the concept has not necessarily become "embedded" in planning circles yet. Interestingly, for the 2015 MPAT assessment period this standard received the lowest score of all strategic management standards: 1.27 out of 4 for MPAT standard 1.3.3 on Implementation Programmes. This means that in most departments these guidelines are not implemented at all and indicative of vast room for improvement.

Nevertheless, according to the departmental survey, 28% of departments claim they have developed a Theory of Change for an Implementation Programmes in their largest budget programme, and a further 10% claim they have developed a Theory of Change for an Implementation Programme in a different budget programme. This implies that these departments are engaging with programme design beyond the strictures and limitations of the FSAPP template and the budget programme structure. Survey respondent data suggests 38% of all responding departments have some basic familiarity with implementation programmes. While this is encouraging when viewed against the MPAT self-rated score of 1.27 for 2015, it is also indicative of a lack of integration of Implementation Programme planning with the Strategic and Annual Performance planning processes. There is clearly some variability in how implementation programmes are handled, and there is a lack of a common 'programming' approach in this regard. The heavy emphasis on complying with FSAPP means that the highest priority is to plan according to budget programmes (since this is how Strategic Plan and APPs are structured). However, the awareness of the

need for programmatic planning for implementation is set to grow considering the MPAT scores against what is now a management practice standard, as well as departmental survey responses and according to qualitative data. That said, there is still a lack of guidance of how this planning should be undertaken because there is very little in common in terms of the nature of interventions that are entailed. Although some programme performance indicators do find expression within Strategic Plans and APPs, it does not yet appear clear how budget programmes and implementation programmes should be optimally integrated into departmental planning processes among any of the respondents.

5.2.3 Planning and budgeting

Part of the original intention of the FSAPP was to better integrate budgeting and planning, and move towards an institutionalised process of critical decision-making when undertaking resource allocations. Strategising the best course of action to achieve a given goal or objective is only a useful exercise insofar as there are funds (allocation of resources) and warm, capacitated bodies (the appropriate, filled organisational structure) to do it.

The introduction of FSAPP, requiring departments to reflect their medium-term and annual plans in relation to each budget programme, appears to have had the effect of bringing the planning and budgeting functions much closer together than they were in the past. The FSAPP has also specifically sought to ask departments to link expenditure trends directly to performance to provide some justification for budget allocations. The following illustrative quotes speak to how this has occurred in practice: the first quote is from a department that is arguably operating with lower human and financial capacity while the second is from a national department that plays an important strategic role nationally and whose managers appear to have high levels of expertise. Their message is similar even though it is clear how different their contexts are:

You used to do planning and budgeting in separate corners of the building and monitor each separately. So it doesn't matter if you overspent and didn't achieve your targets… but now it's elevated planning, we're more aware now that planning and budgeting must go hand in hand and if we don't achieve that there's something wrong with the plan. Not always, but usually… Before 2010 we were planning in the dark. We kind of knew you need the plan and budget to speak to each other. But having a framework just solidified the fact that it needs to run hand in glove with each other. (P32)

But I think when the framework work was introduced it was good because at that point in time when we presented our annual report, we only reported on financial results. Nothing on performance. And as a government, performance reporting is key, you cannot have money being appropriated to you without there being some level of performance reporting. But I think we are at a point where we have outgrown this one and need a better one. (N16)

The strong sense that there has been improvement in the approach to planning and budgeting on account of FSAPP is also reflected in the overwhelming agreement (94%) with the statement "Over the medium-term the department has improved its strategic and annual performance planning and budgeting processes" in the departmental survey. 29% of respondents "strongly agree" while 65% of respondents indicated they "agree" with the statement.

Despite these views indicating improvements, the challenging relationship between planning and budgeting was one of the most-discussed themes in the qualitative engagements as well as in the open-ended survey questions. Perhaps *because* FSAPP has led to an increase in the level of awareness that planning and budgeting should be integrated, officials are concerned with the extent to which they are still separate.

Many departments describe an internal lack of integration between budgeting and planning, with budgeting often leading planning. The source of tension between budget and planning is portrayed by many as a matter of misalignment of time frames, and therefore the departmental survey collected data on this.

N = 105
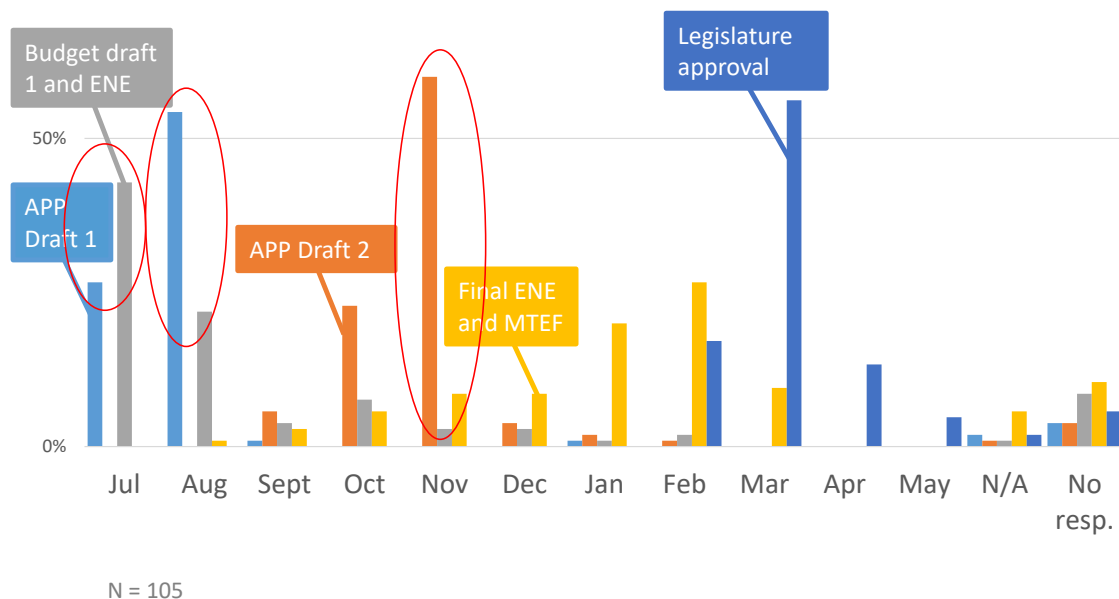
Figure 22: Distribution of national and provincial departmental submissions for draft plans and budgets with approval

The survey reveals (Figure 22) that for most departments both the APP process and the budget process start in July (27%) or August (54%) and overlap and align with the timeframes indicated in the FSAPP. Most departments finish their second drafts in November (60%), with most of the rest completing them in October (23%). First draft budgets and ENE are prepared in July (43%) and August (22%) while final ENEs and MTEFs, are however, finalised from September to March, with the finalisations peaking in January (20%) and February (27%).

Most APPs are approved by legislatures in March (56%), and most of the rest are approved in either February (17%) or April (13% of departments were late). There is a close alignment of the dates for preparing draft and final budgets and draft and final APPs. Although the first draft APP is submitted around the same time as the draft budget, national and provincial departments alike commonly critique the first draft APP as being purely for compliance. In many instances this draft is little more than a copied and pasted version of the previous year's indicators, with adjusted targets. The argument is that departments have far too little experience and data of the current year's performance and other factors by the time the first draft is required to be submitted. The first draft budget does not even consider the first draft APP and is a perpetuation of the existing budget programme structure status quo. There is a perception that this ends up further restricting the extent to which the draft APP can later be adjusted once departmental planning is done in earnest; this is probably where the claim comes from that budgeting ends up leading planning. The overwhelming recommendation from respondents is simply to eliminate the first draft altogether, saving the resources and time burden of compliance, and to have only two rounds of drafts.

Near the end of the annual cycle is another major tension point. The survey results shown above suggest that most departments finalise their budgets before their plans. Yet the qualitative data suggests that significant adjustments are often made in the finalisation of the budget. Although the APP might not be finalised and approved yet when departments are confronted with these changes, it tends to leave them with extremely tight deadlines (in some cases a matter of weeks or only a few days) to factor the changes to the budget into the final draft APP. Deadline pressures can prevent proper strategic consideration being given to these changes and result in poor quality plans.

Some further structural factors also make it hard for departments to bring closer alignment between planning and budgeting as the Division of Revenue Act introduces another set of budgeting and planning considerations that must be taken into account and reflected in planning.

We only know by end of Mar/Apr whether the projects we want to implement in the new year are funded because we get conditional grants. They have to be presented to the national projects in the fourth quarter. The first draft of APP now, I assume without any basis whatsoever that I will have 25 projects, but the truth is we only know in Jan-Mar which can be funded. 60% [of our budget is] conditional grants. This is a massive influence on funding. (P30)

As planners we need to have a holistic view on everything that is called a plan in the department. When you look at the business plans, they have a substantial amount of money and often don't speak to what needs to happen i.t.o. the Strategic Plan or APP. You find you funded something through Equitable Share that you could have funded from a Conditional Grant. And there's quite a duplication. (P31)

And because there's these managers who sit with programme-based grants. Whenever there's a problem with their indicators, they will want to appoint a person and put it in their business plan. You find inefficient use of staff, we are not planning integrated… an indicator for equitable share might be struggling, but ask does this business plan speak to our priorities in the SP? Are they funding the priorities that are in the SP. We need to force that integration. (P31)

At a time that a political principal at a central level wants to steer things in a certain direction, can manipulate DORA to steer things in a certain direction. It is amended on a yearly basis. This Act needs to be reviewed to say if we have MTSF plan we should also have a five-year DORA. Not where people manipulate us every year because they want to push things into a certain direction. Makes Treasury into a super God. Maybe first year you limp, second year doing a bit better and third year you are running. DORA can make you miss the mark because of the mood of the politicians. (P54)

Finally, it is often pointed out that the NDP and MTSF are not-costed plans or even broadly indicative, meaning that there is a lack of even basic budgeting or costing to inform the targets in high-level national development planning around outcomes. This also influences the appropriateness of funding allocations and the expectations with regards to target setting in certain sectors.

The above constraints are arguably not entirely in departments' control. However departments are also aware that their own management practices around planning and budgeting leave much to be desired.

Commonly, respondents describe poor communication and lack of shared decision making between planning staff and budgeting staff:

When we do our plans our finance people are away from us. During a period where there is cost containment, certain things will just be cut and they would not know how critical the item that is being cut is. It is our own finance that are not releasing the funds. (P50)

There is no integration between planning and budget, official planning and budgeting, they don't interface much... Frustrates people. Whatever target we are developing should be dependent on the budget, but planning people don't see the budgeting process. Only the finance people see that. (P66)

Programme managers tell me… they submit their budget and plan, but then the finance [department] tells them their money's been cut regardless. So they don't want to put a lot of effort into that costing process. (P22)

Many describe recent improvements in management practices which they hope will go further, but the overall impression is that departments are still grappling with this and are not sure how to improve.

We have the thing [question] of: does function follow budget or vice versa? The perennial debate between number crunchers and us pie in the sky lot. (P44)

There is no full workshop where planning and budgeting has been linked. When we plan for ENE and inputs around that, you plan by yourself and think about what is needed and come up with some figures. This area is a challenge - not just for us. (N03)

What comes first? Is it budget? Is it plan? But when you listen to what my colleague was articulating, the money comes first before we plan. So as a department we need to find a way to make that shift. (N16)

Considering the tremendous amount of discussion about this topic it is surprising that more than half of departments still expressed agreement that budgeting and planning processes are well-integrated (53%) and aligned (63%) (see Figure 23). However, the fact that agreement is lower and with 27% and 19% respectively who disagree, is indicative that planning and budgeting needs to be improved and executive management needs to ensure that there is closer coordination and integration between planning and budgeting. Perhaps this reflects a recognition that there has been improvement (as discussed earlier) while the disagreement and relatively large proportion of "neither agree nor disagree" responses (17% and 15% respectively) reflect a recognition that much still needs to improve. Notice also that there is more agreement that processes are aligned (a design/structural issue) than about integration of these processes "within departments". This reinforces the notion, also put forth in the qualitative engagements, that what is most needed is capacity building / training / guidance for executive management on how to facilitate and ensure this process unfolds rather than undertake changes to planning and budgeting frameworks.
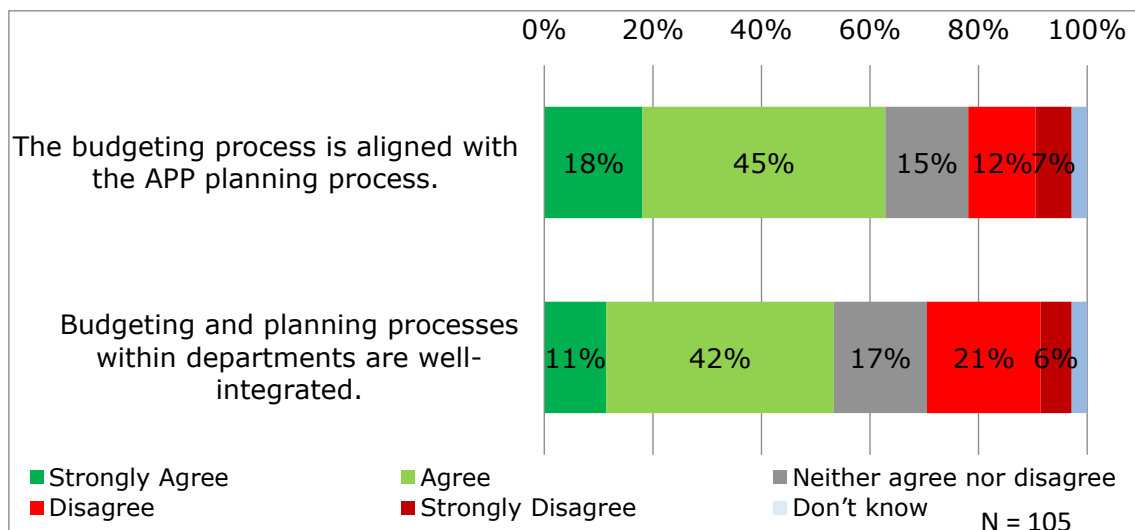
Figure 23: Departmental agreement with statements on planning and budgeting

The awareness of discussions on planning and budgeting end with respondents saying that they would appreciate more guidance (whether in a revised FSAPP, or capacity building, or some other means). Specifically, two issues are raised as gaps/uncertainties: how to improve the interface between planning and budgeting

both horizontally and vertically (including consultation with provincial and National Treasury); and how to cost plans and indicators.

In recent years it has become all the more urgent to have a realistic picture of what a constrained budget means for the achievement of targets. Over 53% of departments felt that their budget allocations were inappropriate for their targets they had set themselves (although this response could also be interpreted as a means of motivating for more budget). In the discussions with respondents, views were expressed that it is not only budgets that need to align to plans, but also human resources and infrastructural/technical/material resources such as facilities, IT systems and professional equipment. There is no standardised practice on how to integrate these aspects into planning and budgeting. Some examples were shared where overlooking these aspects ultimately hindered service delivery. As a result there are calls for closer collaboration between DPME, Treasury, DPSA and COGTA in providing guidance on planning and budgeting.

KEQ 2b. Is there evidence that national and provincial departments have improved making strategic choices and implementation (service delivery) as a result of using the Framework for Strategic and Annual Performance Plans and the Framework for Managing Programme Performance Information? If so, what aspects of each of the frameworks are achieving the desired results?

The following sub-assessment areas are presented in relation to the other KEQ related to the overarching criteria of effectiveness.

5.2.4 Views and feedback

Understanding how departments view the framework and its purpose is a pre-requisite to understanding why it has or has not achieved its intended purpose. This sub-assessment area is concerned with what evidence exists to suggest departments are now better making strategic choices or implementing their plans as a result.

In terms of the perceived purpose of FSAPP, as already mentioned departments most commonly mentioned standardisation. Many also mentioned closer integration of planning and budgeting, and improved accountability for performance and expenditure – all of which are also stated purposes in the Framework. There was also generally clarity on how the FMPPI links to FSAPP (although there was lower awareness of FMPPI among officials not focused on planning and monitoring). However, in both the qualitative data and the departmental survey data, the FSAPP is clearly the more practical and applicable of the two documents, while the FMPPI is considered more conceptual and

abstract. In other words, departments' perception of the purpose of FSAPP is generally in line with its own stated purpose.

Not many respondents in the interviews and focus groups went on to discuss whether the FSAPP meant ultimately to improve performance and service delivery as it was something of a results-leap for them. While there was a broad understanding that improved performance and better implementation in relation to service delivery is a stated intention of government more generally, it was not foremost among respondents that the FSAPP could be the causal source of such a wide-impact national result, despite it being implied in the document, the ToR and among some stakeholders. Arguably, departments are aware that this is the overall purpose of all frameworks and guides, within a suite of policy reforms provided in relation to the GWMES. The FSAPP can therefore contribute to this alongside many other interventions, multiple assumptions and external factors.

In their views and feedback, departments question the purpose of FSAPP based on how it is applied and perceive that with the introduction of AOPO, a document that was originally intended as a guide became a compliance requirement. This was discussed earlier in relation to Table 10 but the findings here seek to expand upon what effect it has had.

In 2010 when the framework was introduced we were told that it's a guide and can be customised. In 2013 we're told certain areas can be customised and others are compliance. (N07)

This framework was written as a guideline and deliberately so. But when the audit of predetermined objectives came on board, it saw it as a regulation. What the audit of predetermined objectives has perversely incentivised is malicious compliance. (N68)

My take is that it is a framework… Framework was being deliberately broad without being specific and articulating exactly what needs to be done… It does not tell us exactly what we must do. You may, but can choose as a department whether to do it. Problem comes in when there is an audit. The language says 'you may' and gives you a choice. The problem comes in because the auditor requires us to have done these things. (P29).

In the framework, it is not indicated if it is a law. When it gets audited it is done as if it is a regulation. (N11)

The effect of this misunderstanding has been some disagreement and perceived tensions between National Treasury, DPME and the AG on how to deal with this matter. Nevertheless, the directives are clear that the FSAPP forms part of the AOPO and there is a structure available that has been used in the past to engage on this.

Many departmental respondents report that the greatest contribution of the FSAPP is it that has standardised planning in government, and has driven some improvements in the integration of planning and budgeting. Furthermore, the way

in which the Frameworks were introduced – their status in terms of the Treasury Regulations; the cycles of feedback by oversight departments and the AG; the associated MPAT standards – also elevated the planning, monitoring and reporting functions. It brought monitoring and evidence-based reporting more strongly into the mainstream of government's strategic management work and coincided with the broader shift to an outcomes approach. As a result there have been considerable improvements in these functions claimed by departments that would not, it can be argued, otherwise have seen this growth. Many respondents in qualitative engagements told "before and after" stories by which they sought to attribute this growth to the introduction of the FSAPP and related policy frameworks, even if they felt the growth was still in progress or was now being hampered by the framework as it is "enforced". A few examples of the growth attributed to the Frameworks are provided below.

The FSAPP helped departments to conceptualise a standard (for planning, monitoring, and/or reporting) that they could grow towards:

But definitely has provided us with guidance, and the vision of how the plans should be and look like. (P32)

There wasn't even M&E units. There was not even proper monitoring. When you decide 'let's start with M&E' then this is one of the tools to say how you do it. (NP33)

FSAPP had an important role to play and it started to introduce a particular narrative around planning terms, language and that was probably quite beneficial. (P43)

The AG, Treasury and DPME is making us think beyond a certain level which is good. There is a level of thinking that we do when they ask us which we will not do if they did not ask us. And because of that you begin to understand clearer and clearer what it is you have to do. (N08)

FSAPP raised the importance of planning, monitoring and reporting, including getting programme managers more involved:

I can remember it was a real "cut and paste" exercise, our office was doing the whole Plan for the department alone and it was just circulated, there was no interaction. It was a closed office exercise. Since the introduction of the Framework, we have started introducing the programme managers and having planning teams. Our whole approach in planning has improved. (P25)

It helped to be able to say to programme managers, and it kind of dealt with some of the hierarchical issues and then you had a document to leverage better planning performance. (P43)

It is helpful and from a trial perspective and it gives us an opportunity to interact with the manager vigorously and if you don't satisfy National Treasury then you have problems and it's a very useful thing. (N17)

FSAPP also raised the importance of the monitoring and reporting functions in particular:

Everyone is now being forced to take responsibility in their own objectives and indicators and reporting on them… The responsible people are setting the targets, and expected to report. (P62)

If there was no framework of planning, M&E there would be chaos and you would not have a point at which you sit down and report. It forces you to have a planning session and have time to reflect and report monthly. If there were no statutory obligations to follow maybe some these would be a total disorientation. (P48)

The reporting and monitoring has been taken very serious now. We are going as far as following up to understand why we have underachieved… So it has pushed everyone to plan properly and set realistic targets. (P62)

FSAPP has also helped to ensure a thoroughness and consistency:

I found it useful as a guide as it allows to see that all required information is attended to… there is no way that you will leave critical information when using the provided templates. (N09)

However, views on the effect of FSAPP are not only positive. It is possible to distinguish two messages in the qualitative data when it comes to the overall value of the framework. Among departments that arguably started out in 2010 with weaker strategic management practices and/or lower planning capacity, the message can be summarised as: "It has significantly improved our planning. But we are not there yet." Most of the departments quoted above fall into this category.

Among departments that arguably were already improving their strategic planning practices and/or had pre-existing planning capacity, the message can be summarised as "It was a good, necessary intervention at the time, but now we are maturing beyond it. It is holding us back." These departments tend to emphasise the rigid and compliance-driven application of the framework. They also cite examples where compliance with the framework is considered sufficient in terms of planning instead of simply being a starting point.

It's okay if you have nothing in place. You have to start somewhere with building blocks. But… we've moved ahead of that, looking at performance management, how do you manage your stats, the value creation, benefit delivery, what do you get out of planning? Then you have to look further than that. Have to be more tactical, manoeuvring from indicators down. (P42)

We have found a disjuncture from those processes vs what is meaningful for the department. That disjuncture is growing and is more and more acutely felt within the department. (P69)

But also people doing parallel processes because of the issues raised. They want to do proper strat planning, very good… they've invited us to sit in… and

sometimes what gets discussed there people struggle to put it into this APP because of these compliance requirements people struggle to fit this beautiful strategic intent into this prescribed format. (P46)

The Theory of Change hypothesises that if departments apply FSAPP with the requisite support and understanding, that they'll come to a better understanding of their own performance, make better decisions and this will lead to a better public service which ultimately, with a number of concurrent interventions and assumptions met, delivers a better service.

There are deep concerns when it comes to whether FSAPP is facilitating better decision-making and ultimately contributing to better service delivery. This is especially a concern in departments (such as those quoted above) that have sufficient expertise and leadership impetus to develop more sophisticated approaches. However, virtually all departments raised this concern in one way or another.

Respondents explain that planning has become very compliance-driven which does not necessarily translate into a supply of improved management information and better decision-making. This is partly an unintended consequence of the way the AOPO has been applied, which will be discussed further in the section on unintended consequences. But there are also other reasons cited why the emphasis has shifted towards compliance.

The FSAPP has played a positive role in ensuring that Departments comply with the relevant legislation pertaining to performance information. Departments have improved over the years in as far as governance of performance information is concerned and in recording outputs. However, there is limited evidence that FSAPP has contributed to improved performance. (P27)

This quote is reinforced with the AG outcomes presented earlier in Figure 19 and Figure 20. However, a key concern from respondents is the lack of a focus on outcomes:

We have taken a very difficult journey because we think that planning must deliver… outcomes and it must have utility value for management. If it does not have utility value for management then we should not do planning and monitoring. So we are hoping to take planning beyond templates and frameworks, because it is not what planning is. There is a strong qualitative aspect to it which is being overlooked and we are focusing on the wrong stuff. (N68)

It forces us to think about new ways to monitor and new ways to use the information that we get. However, it does not improve how children read and write which is [this department's] core business. (An education department respondent)

[The] most important questions have not been asked - does the FSAPP encourage departments to plan for outcomes and impact? - and the resounding response will be no - departments have the option of planning by quantitative

targets or getting negative performance audit findings. The FSAPP does not serve the interests of service delivery only counting activities. (Survey respondent)

Notwithstanding the last comment, it is also useful to consider how well departments are performing against their own targets. Acknowledging that this is not a finding that all performance indicators are measuring the right things, the logic nevertheless follows that how departments perform against their own targets is some indication of whether they are managing for performance achievement. Using the structured review of the annual reports of the 32 departments sampled for this evaluation shows a low overall target achievement rate of 64.5% in total (Table 11). When disaggregating achievement between that of CoG departments, policy departments, facilitation and regulation departments (e.g. Sports, Recreation, Arts and Culture, Environmental Affairs, etc) and service delivery departments, then service delivery departments tend to have the lowest levels of achievement against target. This would suggest, and is supported by qualitative discussions, that it is easier to set and achieve targets where departments have administrative and policy output responsibilities as opposed to client-facing targets where there is a greater organisational distance between the planners and the implementers. Service delivery departments underachieve on their targets compared to other types of departments.

Table 11: Percentage of 2014/15 APP targets met according to the Annual Report 2014/15

% of 2014/15 APP Targets met	
All departments	64.5%
National	61.9%
All provinces	65.5%
Average CoG	78.5%
Average Policy Depts	64.2%
Average Service Delivery Depts	54.1%
Average Facilitation and Regulation Departments	76.1%

N=32

Taking a step back and situating the FSAPP within the broader GWMES policy framework, it is also clear that this is not the objective of planning alone and it is not plausible to believe that planning alone, or the FSAPP as a policy framework, could change this. FSAPP is part of the overarching GWMES and the ongoing shift to entrenching a results-based performance management culture within the public service, something beyond the scope of this evaluation alone. As Engela and Ajam (2010: 30) explain, "The crucial criterion by which the effectiveness of the emerging South African GWM&E system will be judged is to see if it actually has impacts on managerial behaviour and executive decision-making." The FSAPP is speaking to only one part of this system and findings should be seen in this context.

5.2.5 Support and responsiveness

A key determinant of whether the FSAPP contributes to improved decision-making and implementation is based on the extent to which support is provided to departments in proactively addressing and resolving their planning challenges.

At the time of the FSAPP's introduction there was a roll-out programme that distinguished between national and provincial spheres. National Treasury reportedly coordinated visits to every province and undertook 2-3 training programmes for all departments, and then trained Provincial Treasuries as well. Where Provincial Treasuries faced capacity challenges, technical assistance was provided to supplement their on-going work with provincial departments. Institutional structures such as the Technical Planning Forum were introduced and courses to support newly designated specialist "planners" were also rolled out. Both non-accredited and accredited training material has been developed for roll-out to all departments and public entities (DPME, 2016b). However, there was no mention of the possible role of the National School of Government in this regard.

Multiple policy and oversight bodies give inputs on the draft Strategic Plans and APPs. These bodies include DPME, provincial treasuries, OtPs and policy departments, in addition to other internal stakeholders such as internal audit. Despite this wealth of "support" departments do not always find it worthwhile to receive inputs from so many departments because of potentially conflicting expectations. The following quote illustrates this point.

Although a guideline is always an excellent tool to have at hand, in [this sector] it has resulted in the addition of at least three layers of additional compliance testing and checking in addition to Internal Audit, the AGSA and the Provincial Treasury. Now the [national policy department], OTP and the DPME all want to check on exactly the same issues. The compliance audits of the last three mentioned entities do not add any value as they are all checking on exactly the same thing. By doing this, they have actually decreased the time that is required to meet the statutory deadlines for the strategic plan and annual performance plan as they all take at least a month to provide feedback of marginal value and quality. (Departmental survey response)

Inputs and expectations from these departments may be contradictory, or may overlap with other reporting requirements, especially for provincial departments.

But what is lacking, is [the policy department] will tell us we are doing well, but DPME tells us we are doing badly on the same point! But now OTP is consolidating feedback for us, from [the policy department] and DPME. DPME and OTP sit in one room. But [the policy department] does not sit in that room, and there is not yet integration at that level. But we discussed it at national [level] and agreed that [the policy department] will speak to DPME so that they share their analysis and there will be consistency. (P31)

This issue also plays out when dealing with back-office and corporate reporting in relation to the APP as the following quote explains:

HR when I ask them what is an output, they have a different interpretation from what the FSAPP says. They have their own way. DPME and DPSA should be meeting somewhere and interpreting these things. You can take one performance indicator, you will never see indicators as they are in the APP. They summarise or put it differently in there. (P21)

DPSA and DPME are not talking. National Treasury called us to take us through their guidelines. Some parts are within the auspices of DPSA and being done by National Treasury. (N06)

Frameworks come for National Treasury but not aligned. Also institutions such as DPSA also touch on some of these frameworks – compliance fatigue – creates layers of administrators and departments report to all of them. Need to aggregate these into one to draw maximum value for the disciplines. (N10)

The matter is a sticking point in relation to the crafting of indicators specifically as the following quotes explain:

It is a problem with the drafting of KPIs, because we will be crafting and service providers will come and say we need to do it a different way. Then the AG will also come and say the things are not smart. So there is a lot of confusion. The DPME has also come in to say our Strategic objectives and our 5-year targets have not passed the smartness criteria when we spent so many sleepless nights referring to all these planning documents. We are disillusioned. (N64)

The risk of contradictory feedback is that departmental plans become unfocused and muddled, that resources and energy is directed towards satisfying these expectations for the output of the SP, rather than having a department that is clear on what it wants to achieve, how it will achieve it, and what each directorate's/public servant's role and relationship is in the process.

Despite these challenges arising from this review "support," there is considerable data indicating that the various forms of support are helpful. For instance, in the 2016/2017 financial year DPME reviewed the second draft APPs of 112 provincial departments, and provided structured feedback in relation to five distinct sections of the APP. These sections are: the situational analysis; the strategic objectives; the programmes performance indicators; links to other plans; and technical indicator descriptions.

DPME provided each department with a review of between one and six pages of their second draft APP. The review checked that the APPs of the departments adhere to the FSAPP, align with their Strategic Plans and other related plans and targets, and planned adequately for service delivery.

Analysis of the recommendations given by DPME to the provincial departments (Figure 24) showed that there were a number of departments receiving the same, or very similar recommendations, suggesting certain similar shortcomings in

APPs across departments. Alternatively, this may also reflect a limitation in the kind of support provided by DPME.

The most common recommendation made by DPME was that 66% of provincial departments should amend their Strategic Plans through an annexure to the APP (Annexure D). This is a fairly generic recommendation, but clearly indicative of common inconsistency or challenge experienced between plans. A common reason to propose this amendment is to facilitate better alignment between the strategic objectives and strategic objective targets and indicators in the APP and Strategic Plan. The recommendation to ensure alignment between strategic objectives in Strategic Plans and APPs is also made to 49% of departments. This rises to 55% when only service delivery departments are considered.
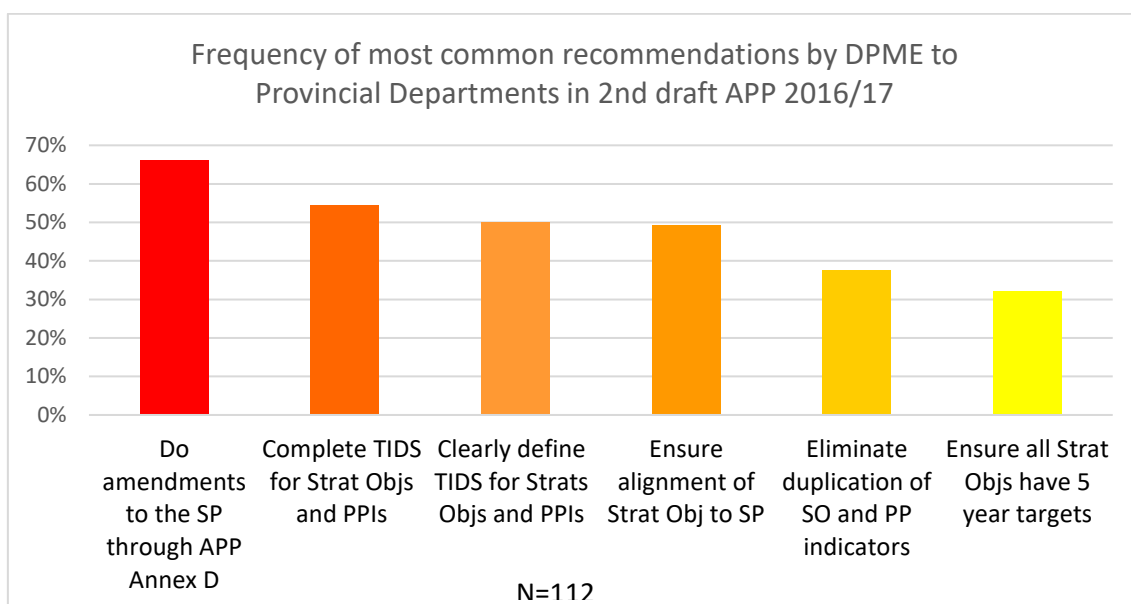
Figure 24: Distribution of categories of DPME recommendations to provincial departments based on 2nd draft APP 2016/17 submissions

After properly documenting amendments, the most common recommendations made by DPME are to ensure that the Technical Indicator Description (TID) list is complete (54%,) and to ensure that TIDs are clearly defined (50%). Given that TIDs should be developed at the start of a term of government and be consistent with the SP, it is problematic that half of all departments still need to define and ensure a complete list of TIDs at this stage in the strategic planning process.
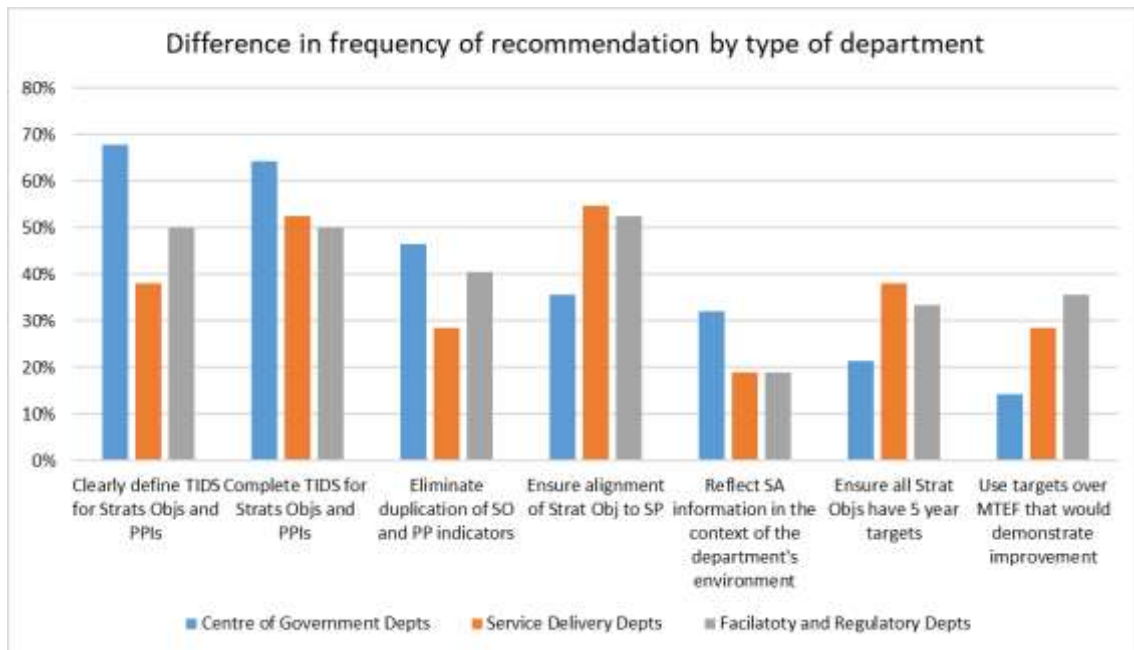
Figure 25: Frequency of DPME recommendation by type of department

When disaggregating findings by department, CoG departments appear to find it disproportionately difficult to define TIDs, as these numbers raise to 64% and 68% respectively (Figure 25).

The guidance from DPME to introduce strategic objective indicators in the FSAPP, to clarify the basis on which targets are set in tabular form for strategic objectives has also contributed to a range of recommendations. The recommendation to eliminate the duplication of strategic objective indicators and programme performance indicators (38%) was fairly widespread. This was particularly the case for CoG departments, of whom 46% were given this recommendation, while only 29% of Service Delivery Departments were given this recommendation. This suggests that it may be more difficult for CoG departments to set programme performance indicators within their control at different levels of the results- chain that are distinct from their strategic objectives.

Other common recommendations included ensuring that the department's internal and external environments are reflected in the situational analysis, making sure that the most recently available statistical data is used in the situational analysis, ensuring that all strategic objectives have 5-year targets, and that all target percentages are accompanied by the numerator and denominator used for the calculations.

When departments in the survey were asked about any feedback they received from DPME or National Treasury, most departments (90% for the Strategic Planand 92% for the APP) indicated they received feedback prior to final approval in the Legislature. Figure 26 and Figure 27 illustrate that for both the Strategic Plan and APP, departments find this feedback "somewhat helpful" to "extremely helpful" in 80% and 85% of all cases. Very few found it not at all helpful.
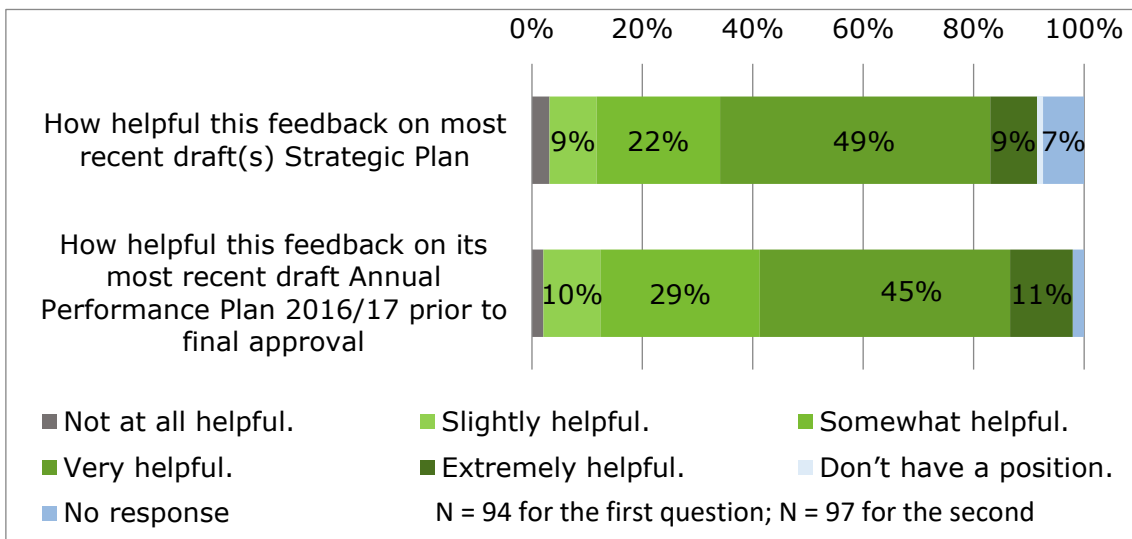
Figure 26. Departmental indication of the helpfulness of feedback on draft plans from DPME/Treasury

Another area of support is with regards to customised guidelines and templates. For provincial departments responding to the departmental survey (N=76) the implications of concurrent functions and intergovernmental relationships involved here has meant that they have received a different kind of support: 33% of all provincial departments indicated that they use a guide provided by a national (policy) department to prepare their SP; 34% for their APP; and 54% for defining indicators in relation to their TIDs.
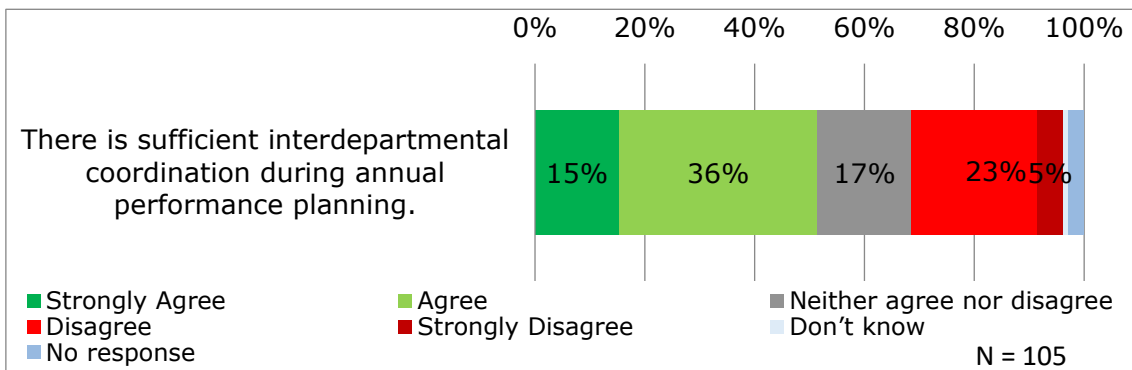
Figure 27: Departmental agreement with interdepartmental coordination of planning

Despite one third (1/3) of all departments applying customised guides and supplementary documents to support departments, there are still concerns about whether they are sufficiently integrating their annual performance planning with other departments. Only just over 50% of all departments agree there is sufficient interdepartmental coordination (Figure 27). Dissatisfaction with intergovernmental planning coordination is not necessarily a problem with the Framework itself and what it does or does not say, but rather suggests a management shortcoming in some national and provincial departments whereby

both lateral and vertical coordination and cooperation is insufficient. Put differently, there is insufficient integration in planning across the state. This is one area of support provincial departments indicated they expect national departments to provide additional guidance and resources for. However, the fact that all legislative accountability for plans and performance reports is still on a department by department, rather than on sector or outcome basis, disincentivises intergovernmental planning and cooperation in favour of narrow departmental accountability approach, despite the intentions of the delivery agreements.

r2. A shared and transparent basis for accountability

As a high-level output, institutions accounting to oversight bodies for performance against plans is one of the key results for the FSAPP. While much has already been said about accounting to the AG using the *Performance Management Reporting Framework* and AOPO, it is also useful to contextualise this accountability in terms of support and responsiveness between organs of state intended to build departmental capability. It is part of a Performance Information Task Team (PITT) with centre of government departments to address issues of transparency and consult in relation to the AOPO. Of note here is that the AG conducts the AOPO on 161 PFMA governed organs of state on an annual basis. This in itself is indicative of a transparency and accounting for performance indicators that has in part been enabled, or at the very least regularised, by the FSAPP.

When it comes to feedback from the AG, a number of departments reported that their working relationship with the AG has improved over the last few years. However, an enduring concern is that the AG's advice and findings can be contradictory to other actors, including legislatures and those of DPME and National Treasury. The qualitative data gives a strong impression that the AG's approach does not result in a uniform application which hampers responsiveness on the part of the departments.

One of the shortcomings is that it is a contentious issue to be in qualitative indicators. When we give these to the AG, they find that it is correct in the interim review but at the end another team comes in and questions the smartness. (N02)

The AG team that was here before did not have a lot of problems. And the APP as it is has not changed that much, but it was clean with zero finding. And the team changes, and there are lot of findings. (N05)

The AG changes every year, each and every year the AG is changing and you have to train them, and they work differently from each other. It is not consistent. (P58)

You get an auditor who is not with the department and you get a bad result then you get another auditor and it is different. There is no consistency. (P29)

Based on numerous experiences such as those listed above, and the seriousness with which audit findings are regarded, many departments called for the AG (in consultation with the other oversight bodies) to publish clearly documented principles for undertaking the AOPO. By implication these departments are unaware of, or taking issue with the application of, the International Standard on Assurance Engagements (ISAE) 3000- *Assurance engagements other than audits or reviews of historical financial information* which is basis for the audit in terms of the AG's directive (Government Gazette, 2016). This appears to be a matter best placed for the AG, DPME, CoGTA, DPSA and National Treasury task team.

Legislatures

Legislatures are intended as the key external oversight body for departments and play a critical role in terms of giving substance to departmental performance accountability. The standardisation of strategic and annual performance planning timeframes and related reporting has had the benefit of providing a shared basis for all departments to account in terms of their Strategic Plans, APPs and Annual Reports, in line with legislative prescripts.

When departments were asked about the status of their Strategic Plans and APPs in the departmental survey, 91% of all departments indicated that they had an approved Strategic Planning place, while 8% indicated they were in the process of updating their SP. For APPs, this increased to 99% of all responding departments had an approved APP in place. In the case of Annual Reports, all departments must submit completed Annual Reports to the legislature within 5 months of the financial year end, including an AG audit opinion on the AOPO. This sets the tone and the basis for accounting for performance from a shared understanding between departments and overseers with regards to performance. However, the effect of accounting ultimately depends on the Legislature itself functioning effectively. Legislatures have the power to enforce or assent. As Plaatjies and Porter (2011: 308) explain about South African legislatures:

"Enforcement rests with the legislature. This means that, while reports can be submitted, if the legislature is weak or politically ineffective in following up on its oversight function then the reports will go nowhere. For example, the legislature might not take accountability reports seriously, or fail to censure state institutions for poor delivery because of political expediency."

From the few interviews with parliamentarians and the general discussions with others, some tentative findings confirmed the view that the standardisation of Strategic Plans, APPs, QPRs and ARs has benefited the legislative oversight function. It is now possible for oversight committees to initially familiarise themselves with the format of these documents and then to be able to engage with the plans and reports of any national or provincial department. The regularity of quarterly reviews of QPRs is also believed to have "forced that conversation"

(N38) about performance to take place on a regular basis. While this finding is based on only a handful of qualitative data points, no respondents volunteered an opinion to the contrary (i.e. that the oversight function is being executed worse since the time when FSAPP was introduced). That said, it is worth remembering that the assumption must hold that "appropriate feedback" is provided in response to departments accounting to oversight actors for their plans and reports. If, for whatever reason, oversight actors are not motivated by the public interest, do not understand their role or give feedback at odds with constitutional and legal prescripts, this may disrupt the accountability cycle or lead to distortions in it.

According to departmental respondents (Figure 28), APPs are certainly, almost universally used by the Legislature as evidenced by the uncontroversial response evoked by this statement in the survey (93% agreement with 49% strongly agreeing), and supported by the qualitative data.
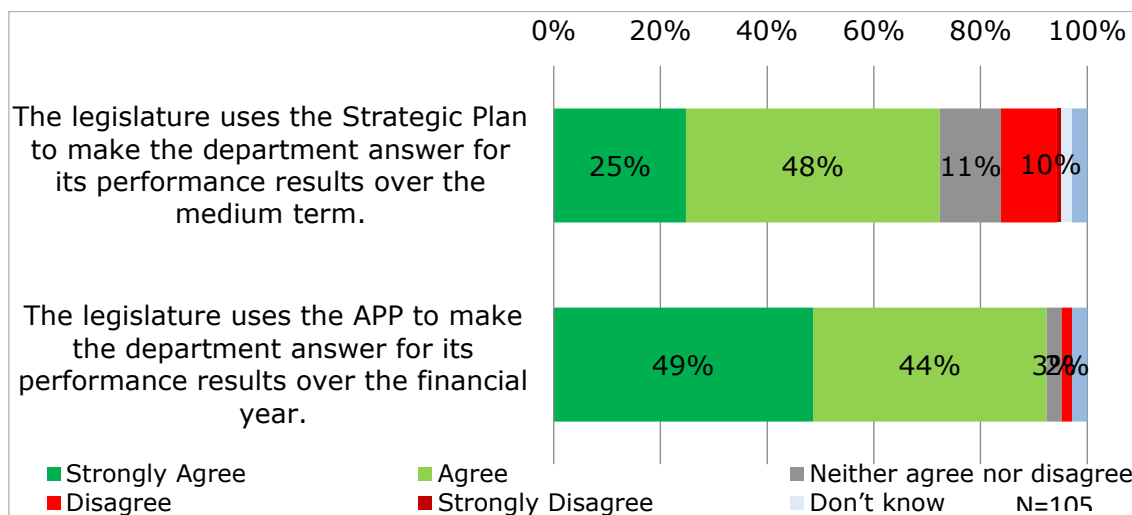
Figure 28: Departmental agreement on accounting to the legislatures for performance results in relation to Strategic Plans and APPs

What is also telling is that the level of agreement with this statement for Strategic Plans is somewhat lower with only 73% agreement (and 25% strongly agreeing) and 11% disagreeing that Strategic Plans are not used to this end.

Most officials discussing this however, believe that there is room for oversight committees to better understand the Framework and associated compliance requirements. For instance, in two provinces members had reportedly approved the APP but then queried the choice of performance indicators at AR stage. There were also some discussions of how the templates can be made more user-friendly for the sake of the oversight committees, such as more clearly showing the link between budgets and performance indicators. One provincial official claimed that the department can "run rings around our political principals because indicators are not aligned to budgets" – and yet "we know we have to go and account annually to the Standing Committee and that has improved accountability" (P42). There is also a difference of agreement between some

members and officials about preliminary QPR results; some members are dissatisfied with receiving preliminary results while officials believe that is all that can be reasonably produced within the time frames. Yet, some departments have been able to get their performance data closer to final by the same date, by introducing monthly internal performance reviews.

A related issue that appears to arise frequently is that performance indicators are at the output level while oversight committees are concerned with outcomes and performance results. Committee members for instance want to know the number of road deaths (asked of a provincial department responsible for transport) and measures of gross domestic product (asked of a department responsible for economic development) but these are outcomes with complex causes that are by no means solely within the "control" of the department. This leads to some disagreement as to whether these demands are a misunderstanding of the requirements of the planning framework by the Legislature or a failure of the department to present its performance in a meaningful way in relation to the outcomes it seeks to achieve.

On the other hand, oversight committees (especially in provinces) are sometimes experienced as over-emphasising the achievement of targets even when these targets are not (for reasons discussed previously) meaningful indicators of performance. The few interviews that were conducted with parliamentarians indicated that some do accept the format and type of indicators uncritically and make the precise achievement of targets their central focus, almost a kind of 'target compliance' rather than a performance accountability. Some respondents link this issue to committees' "capacity" and the degree to which they understand the department's business or the intended relationship between the indicators and the department's goals.

There does not appear to have been any deliberate training or capacity building with oversight committees around the FSAPP that could be recalled in recent memory by interviewed respondents and this seems to be a need. A chair of a parliamentary committee also expressed the need to have better insight into the planning process so that there is a shared and transparent understanding from the start.

5.2.6 Synthesis (KEQ 2a + 2b)

The findings demonstrate that the FSAPP has been mostly effective in guiding and informing strategic and annual performance planning processes according to a common set of concepts, timeframes and templates. There is evidence that high-level outputs are being achieved, albeit unevenly. There is near universal application of the framework among sampled departments. The document is the key reference for departments in terms of their planning calendar, it informs the language and formulation of their statements of strategic intent, it is used (in conjunction with the FMPPI) to develop performance indicators and to organise and frame reporting. The FSAPP has most certainly given impetus to better

planning and budgeting integration, even while there is still much to be achieved in this regard.

Across actors both internal to departments and external to them, the FSAPP is being utilised (with minor 'adjustments') to structure feedback for support and improvements to planning, to customise planning guidance for specific sectors and provinces, and to assist in the defining of indicators. It has been utilised by oversight bodies, most notably the AG, to inform its work and to provide a basis for scrutinising performance reporting in terms of the *Performance Management Reporting Framework*. And while there was little evidence to suggest that the FSAPP is of instrumental use to Portfolio Committees in the way it appears to be for departments, much of what seems to be considered "normal" in the way that Strategic Plans and APPs are structured and presented to the Legislatures are directly informed by it.

And yet based on the findings the FSAPP has not been fully effective in terms of the high-level outputs of its Theory of Change. Some design shortcomings in the sequencing and process of the policy and legislative framework, along with terminology inconsistencies, have led to practices that are geared toward compliance with planning and reporting templates, rather than ensuring that the national outcomes advanced in the MTSF are planned for appropriately and strategically advanced.

It is clear that the tension between the planning guidance offered by the FSAPP and FMPPI and the drive for compliance with planning standards (especially the templates) has detracted from the extent to which plans and reports have improved in terms of best supporting performance. Strategic Plans and APPs have certainly become more standardised and departments and legislatures now apply a more common lens to how they approach the structure and content of departmental performance monitoring and reporting, even if there is still some conceptual contestation. However, as Llewellyn and Tappin (2003) cautioned, this tendency towards standardisation and conformity may breed institutional environments that detract from the very strategic thought that such interventions are meant to encourage. This poses a risk to the public service in terms of emphasising the products of these planning and reporting processes, rather than utilising them as instruments to achieve the performance outcomes they are meant to support.

The experience of cascading and operationalising strategic planning is another area where findings on current practice have exposed that assumptions are not holding in practice. The practice of "programming", as Mexico (2001) refers to it, is largely absent in terms of strategic planning in South Africa, in part because of nominal confusion between "budget programmes" and "implementation programmes" and the structural implications of this. Although operational planning does tend to follow or coincide with departments' annual planning processes where it occurs, these tend to focus on crafting lower level

accountability measures rather than critically interpreting the strategic intent of the department and elaborating on the vehicles through which those goals and objectives will be achieved, a critical step in strategy formulation according to Mintzberg (1994) and a prerequisite for implementing policy and strategic intent in South Africa according to Porter and Plaatjies (2011). This need for greater tactical elaboration of how strategic intentions and resource allocations are configured at an operational level is evidenced by the introduction of Guideline 2.2.3. The lack of familiarity with the language and substance of 'Implementation Programmes,' as captured in the departmental survey, highlights a deficiency in the planning system that will need to be resolved if policy implementation and service delivery is to follow.

There is now an established and embraced quarterly monitoring and annual reporting regimen for departmental performance indicators. However, the findings from the structured review and the AG indicate continued material inconsistencies and deviance between what gets planned to be measured and what gets reported. Despite this, departments enjoy a high level of confidence in the credibility of their own reporting, no doubt in part because of the resources they claim to apply to withstand the scrutiny of the AOPO process. Nevertheless, departments are not yet at the point where they are consistently producing reports that are meaningful in terms of furnishing management and decision-makers with the requisite information to be confident of whether they are progressing toward outcome achievement. Brown (2010) emphasises access to information as one of the key building blocks of good public sector strategy. Yet it is increasingly clear from the manner in which departments are being held accountable for performance reporting administration that this approach is having the undesirable effect of focusing attention on crafting indicators and setting targets within the control of the department, rather than what outcomes they are changing for the better.

The experience and feedback from departments highlights that there has been a net value in the introduction of the FSAPP as it has served to support both guidance and standardisation, contributing directly to aligned, standardised and more appropriate strategic and annual performance plans. However, that standardisation (in the compliance sense) is also the source of much frustration. The FSAPP provides potentially valuable guidance as it relates to strategic thinking, results-based management and improved decision-making, but this value has not been fully realised because of the manner in which it has been applied, starting with the templates and the quality assurance approach. Multiple oversight actors have used the Framework, with competing agendas and approaches to the respective purposes of the FSAPP. The tendency to apply the Framework rigidly has resulted in the attention, resources and energies being invested in standardising planning, rather than improving how it is managed and executed.

Relating this back to the Theory of Change and the FSAPP's intention to strengthen accountability (R2) there is evidence that this has been achieved externally in relation to oversight bodies such as Parliament, Legislatures and the AG. However, the nature of this accountability appears to be rather narrow and administrative in emphasis rather than related to performance. The Theory of Change included the assumption that the planners (the departments producing plans, inclusive of managers and implementers) "receive reliable, timeous and appropriate feedback from oversight actors". If these bodies' feedback overemphasises achievement of operational targets, it is perhaps not as "appropriate" as was assumed. Furthermore, the kind of responses this accountability has produced has not always been good, resulting in some claims of "malicious compliance" as Engela and Ajam (2010) warned.

Some provincial and national policy departments have sought to simplify and clarify the standardisation expectations associated with the FSAPP and have seemingly succeeded in widening the space available for departments to strategically plan. However, the (competing) DPME quality assurance feedback seems to be sending conflicting messages which risks closing down that space and minimizing the use of creativity in how departments do planning, resulting in a situation that appears something more akin to the critiques of Mintzberg et al's (1998) planning school.

Regarding the FSAPP's intention to improve the quality of strategic and annual performance planning (R1), there is certainly evidence that some aspects of planning have improved. Roles, concepts (most), content structure and timeframes appear consistent in the planning system and there is evidence that public servants within the scope of this evaluation have embraced this framework in their planning behaviour.

However, there is less evidence that this is resulting in the kind of strategic decision-making that was sought. But this may also be the result of limitations to what a planning framework can do as an intervention within a broader suite of complex public sector management reform. It is clear that the FSAPP has made an important contribution, but achieving better decisions and practices must entail a wider approach that meets ensures the realisation of all assumptions and includes changes related to management, structures, capacity and resources, amongst other things.

In the long term, there is insufficient evidence to make a determination as to whether the FSAPP is resulting in improved implementation (service delivery) However interrogation of the available findings against the Framework's intervention logic suggests that improved implementation is only achievable with concurrent and supporting interventions that go beyond the FSAPP and focus on public sector management reform more broadly.

KEQ3. "Did compliance with the FSAPP improve departmental performance management processes? To what extent? Can the efficiency of compliance with

the Framework (FSAPPs) be improved?" The findings in this section are structured in relation to KEQ3. "Did compliance with the FSAPP improve departmental performance management processes? To what extent? Can the efficiency of compliance with the Framework (FSAPPs) be improved?" These findings are unpacked in terms of sub-assessment areas specifically dealing with the timing and duration of planning and performance management, as well as the performance management processes that unfold in the departments.

In terms of the Theory of Change, departmental performance management is understood as what happens between planning, monitoring and reporting. Within the broader umbrella of public sector strategic management, improvements in results-based performance management are intended to follow and correlate with improved planning as part of the medium-term outcomes. The synthesis distils the analysis based on the available evidence presented in this section which relies heavily on the qualitative data, survey data and secondary data from the structured review of Annual Reports.

5.2.7 Timing and duration

As discussed previously, the process of developing an APP starts around July and ends in March, meaning that most APPs take about 9 months to be developed.

In interviews and focus groups, several departments indicated that at the beginning of a new term of government when a new Strategic Plan must be developed there is usually a single process for developing both the Strategic Plan and the APP. This makes sense given that the submission deadlines in the FSAPP are the same for the drafts of both documents and that it would be inefficient, for instance, to have two separate executive management meetings to discuss the Strategic Plan and APP when much of the same discussion applies to both documents, particularly with regards to goals and strategic objectives. However, some departments went on to say that there is no difference in the planning activities undertaken in the year that the Strategic Plan is developed compared to any other year when only an APP is developed as the Strategic Plan is merely a formulation of the strategic intent at a higher level and informs the APP.

The departmental survey confirmed that the process for developing a Strategic Plan and developing an APP is often identical. Respondents were asked to describe the process followed in developing the most recent SP, and in a later question the most recent APP. In 39 of the 102 responses, the process of developing a Strategic Plan and APP was word-for-word the same (except where the word "Strategic Plan" was replaced with "APP" and the financial year(s) in planning were specified). In 2 of the cases departments were referring to the development of the 2015/6 APP (which would have taken place in tandem with the 2015-2020 SP) but in many cases the departments explicitly referred to the APP planning process for 2016/7 and yet the wording was exactly the same. Thus

in 37 out of 102 cases (36%) it appears that the planning process is "business as usual" even when both a Strategic Plan and APP are produced. This may also have something to do with the recommendation to 66% of provincial departments reviewed by DPME to revise their Strategic Plans.

In the remaining departments (63 out of 102), differing processes were described. The strategic planning processes tend more often to include: close involvement of the EA; time spent reviewing the NDP, MTSF, PGDS, and sector-specific long- and medium-term plans; more expansive situational analysis and review of the performance environment; broad consultation with stakeholders; and looking back on performance of the past medium term. On average, departmental respondents indicated they held between 5-6 exclusive planning sessions when preparing the SP. Only policy departments indicated an average of 4 planning sessions for their SP.

APP development processes more often include reviewing and revising of operational plans in conjunction with the APP. The APP development processes also tend to feature fewer large planning meetings and more desktop-based or one-on-one drafting. There was almost no discussion of implementation programmes as part of the APP drafting except when prompted. Drafting of the APP tends to take place over 5-6 sessions, tending to be closer to 6 sessions. CoG departments indicated they average closer to 8 sessions. Compared to Strategic Plans, APPs appear to be only marginally more time intensive in terms of exclusive planning sessions. However, because of the detail involved in operationalizing them there appears to be broader and more individual engagements.

In terms of the departmental staff who held the responsibility for the strategic and annual performance planning, where a different person was responsible for compiling the Strategic Plan than for the APP, the person responsible for the Strategic Plan typically ranked higher in terms of his or her post within the public service, as can be expected. But in a large majority of cases (84 out of 105, or 80%), the same person was responsible for compiling both the Strategic Plan and APP. In these cases the responsible person is usually a Director (37 out of 84 cases), or a Chief Director (27 cases). Amongst the other 15 cases the posts ranged from Chief Financial Officer (2), Deputy Director General (2) and Deputy Director (3) while the remaining (8) were Senior or General Managers.

The descriptions of the Strategic Plan and APP planning process(es) suggest that nearly all departments include an annual joint planning session (usually called "strategic planning" even when only an APP is developed, and usually lasting about 2 days). At these sessions senior programme managers (and sometimes more junior managers) contribute to developing the plan(s), focusing on their units. Thereafter, a planning unit will usually follow up one-on-one with the managers as the plans get refined and reviewed. Some planning processes also end with a final review by the branch heads, senior management team or

similar. This all suggests that programme managers play an integral part in owning and producing Strategic Plans and APPs. Yet it was notable that, when HODs were approached to nominate participants for the qualitative data collection sessions, many did not nominate any programme managers despite requests to include them. In the interviews and focus groups, some discussions also touched on a perceived low level of involvement of programme managers in the planning process. Programme managers clearly do participate in the process as required, but some respondents perceived a lack of buy-in and ownership from programme managers. A national official expressed it as follows: "Programme managers are very frustrated because they feel like they are always doing this budgeting and planning, the amount of work is enormous" (N74). In line with this, many non-programme officials recommended in the interviews and focus groups that programme managers be trained in a revised FSAPP so that they would embrace the planning approach.

Similarly an official in a provincial transversal department expressed a concern over the meaningful participation of senior managers. A lack of understanding of the potential value of the process by the senior managers appears to inhibit them:

As an improvement area… start with... our senior managers… having a shared understanding. Ask whether your senior managers are all there, or most of them - critical mass. And also buying in. Compliance is there for a reason but people think it must be done slavishly. (P42)

These findings show that there is awareness of the importance of involving the whole organisation in planning, as put forward as part of the hybrid approach by (Steurer & Martinuzzi, 2005: 468). But it also shows programme managers' resistance to participating fully – perhaps because they do not understand the intent, or perhaps because the way they are expected to participate is inefficient.

In terms of who else is involved in the planning process(es) for developing the Strategic Plan and APP, this appears to vary on a department by department basis rather than displaying any discernible trends by department type.

Most departments that provided detailed descriptions of the approval and sign-off process mentioned a review by the AO and then EA as the last step before the document was signed off and submitted to the Legislature for approval.

5.2.8 Departmental performance management processes

As discussed in other sections, the introduction of FSAPP has led to some standardisation of the monitoring and reporting necessary for performance management. Strategic Plans are produced and inform APPs with standardised performance indicators. It is against APPs that departments develop QPRs and ARs and submit these. We have already discussed the significant concerns around whether indicators are *meaningful* given that departments only choose indicators for which auditable evidence can be generated, and which are entirely within their control (mostly at the output level). However, the point was raised

quite strongly by one respondent in a CoG department, that these reports really serve an external accountability purpose, which is why there's such emphasis on the AOPO to confirm the integrity of the reported performance. This external orientation tends to distort the potential value of the quarterly monitoring and reporting for internal performance management. This insight resonates with a similar finding by Plaatjies and Porter (2011: 308) who found that although reports on performance information were submitted to oversight actors, very little feedback was received or action taken to address incorrect performance reporting where it was identified. However, this is not necessarily limited to oversight actors and should start with the utilisation and course correction by programme managers and executive management. Findings suggest that there are breakdowns in various management structures with regards to feedback and corrective action. As a result, this has undermined the effectiveness of performance management because managers submit the information "up" rather than using it internally to address issues "down" on the ground and manage for better performance. This kind of behaviour is described by Plaatjies and Porter (2011: 308) as having the potential to encourage malicious compliance because the objective is compliance reporting rather than the value of the performance information that is reported.

Figure 29 provides a summary of how performance information is, or is not, used based on the qualitative data obtained. The discussion thereafter follows the same structure as the graph, giving the supporting evidence.

Figure 29: Overview of the indicator selection, collection and utilisation process based on a common qualitative narrative

Only 32% of departments in the survey indicated that their department has developed/adapted an MIS system to meet its planning and reporting needs. Qualitative data indicates that the vast majority of departments still rely on un-

automated Excel spreadsheets for this. This makes it highly labour-intensive to produce reports and introduces risks around version management and data integrity. Nevertheless, given the priority placed on the outcome of the AOPO, most departments do expend the resources to produce accurate and reliable information, including appointing additional staff and increasingly, subjecting data to internal audit in preparation for the AG's review[17]. As a result, in interviews and focus groups, officials from CoG departments were generally positive about how the introduction of FSAPP has affected the quality of performance information in departments. Officials from other departments also frequently mentioned that there is now clear data on performance against measurable indicators, where this was not always the case before the introduction of FSAPP. This is also consistent with the previously presented survey results (see Figure 21) which indicate that a large majority (82%) of departments believe that their performance reporting has improved and that departments consider their reported performance to be credible (86%).

However, just because performance information is produced does not mean that it will translate into better departmental performance. First there must be engagement with this information. The fact that QPRs have become standardised and produced regularly across government has served to keep performance information on the radar. Many departments have now instituted quarterly discussions of performance at senior management level, called Quarterly Reviews, Branch Dialogues, Review Sessions etc., where quarterly performance is discussed. These are usually attended by the AO, and in some cases also by the EA. These discussions were not necessarily introduced as a direct consequence of FSAPP or the associated support, but have nevertheless contributed to departments engaging with performance information more robustly. It seems that these are particularly effective when the AO "is keen on this" (N03) and supports the use of performance information in meetings (P28), to build "understanding" and "momentum" among senior management (P28).

As mentioned earlier, in some departments DPME has also started introducing Performance Dialogues where DPME, National Treasury and the department discuss the department's policy and programme delivery (non-financial

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[17] The unintended consequences of directing considerable resources to producing quality performance information, is discussed in section 5.4.

performance). The majority of departments rated this as a helpful exercise in relation to non-financial measures, as shown in Figure 30 below.
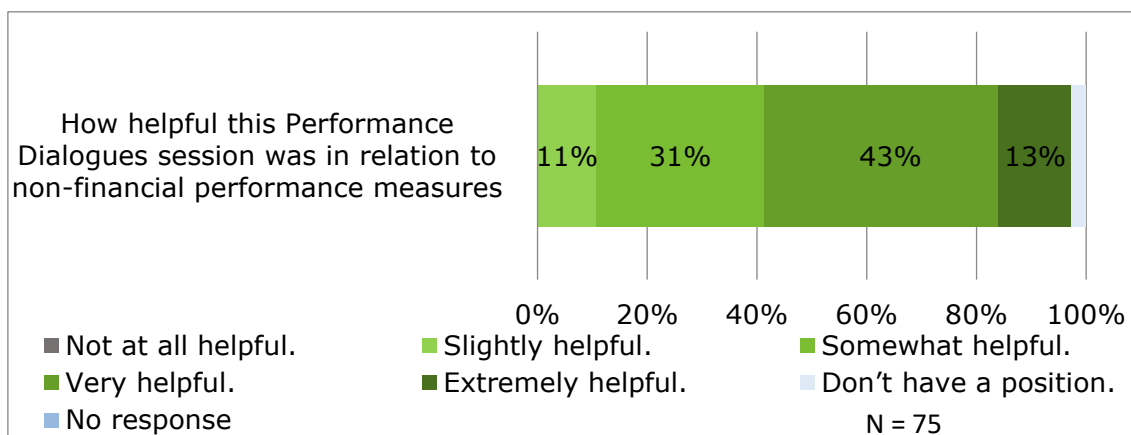
Figure 30. Departmental responses on the helpfulness of Performance Dialogues

All of the above mechanisms have contributed to an environment where there is extensive awareness in departments of performance information. In several cases respondents believe that awareness has *increased* in recent years.

Before we used to plan and report and it was not even audited but now the non-financial information was audited and now people are learning that they need to check these figures and targets as well as provide targets. Now that it is linked to a budget you are able to say that you have wasted the money. People now are aware that what they put as their target is what will have to be reported on. (P48)

The department has improved i.t.o. performance information especially Programme 3 that was previously disclaimed. With these developments introduced, the programmes are starting to realise how important compliance reporting is. Also to realise how important adherence to the plan is. Now they know the importance of an indicator, there is a yardstick called indicator… Our people have now bought in, they understand the seriousness and the implication it may have on the department. (P28)

Even though there is regular engagement with a department's performance information, this does not yet guarantee a *response.*

According to interviews, one of the goals of the Performance Dialogues and other regular discussions of performance among managers is usually to problem solve and find ways to address low performance. Elevating reflection on institutional strategy and performance is meant to strengthen the link to delivery and the achievement of outcomes. These sessions, with a deliberate support process that extends beyond the dialogue, could lead to unblocking and course corrections which improve performance – yet the interviews and focus groups did not yield very many examples where this has actually happened, possibly because the Dialogues are still fairly new. Accounting to Provincial legislatures or Parliament for annual reporting also offers an opportunity for reflection and response but it is

unclear how meaningful this proves to be with so few examples of tangible follow-up and consequence as a result.

Underperformance can result in "embarrassment" (P29) and needing to answer difficult questions ("go and account" (P42)), but the qualitative engagements revealed strikingly little about how the anticipated response of Parliament or the provincial legislatures motivates departments to perform well or proactively address under-performance.

The FSAPP also requires departments to link individual performance agreements to "the achievement of the SP, the implementation of the APP, and the annual budget". Theoretically, if this is done then individuals can anticipate appropriate consequences for their performance or underperformance, motivating them to perform as well as possible.

The survey shows that indeed a large majority of departments have established this link (see Figure 31). When one considers that the structured review of ARs showed that 92% of senior management staff had signed performance agreements in the 2014/5 financial year, there seems to be the envisioned accountability link between the departmental and individual performance management.

Departmental response to "Do all performance indicators and targets included in APP 2016/17 find direct expression in the performance agreements of Senior Managers in the department?"

- No response 10%
- No 7%
- Yes, in most cases 39%
- Yes to all 44%
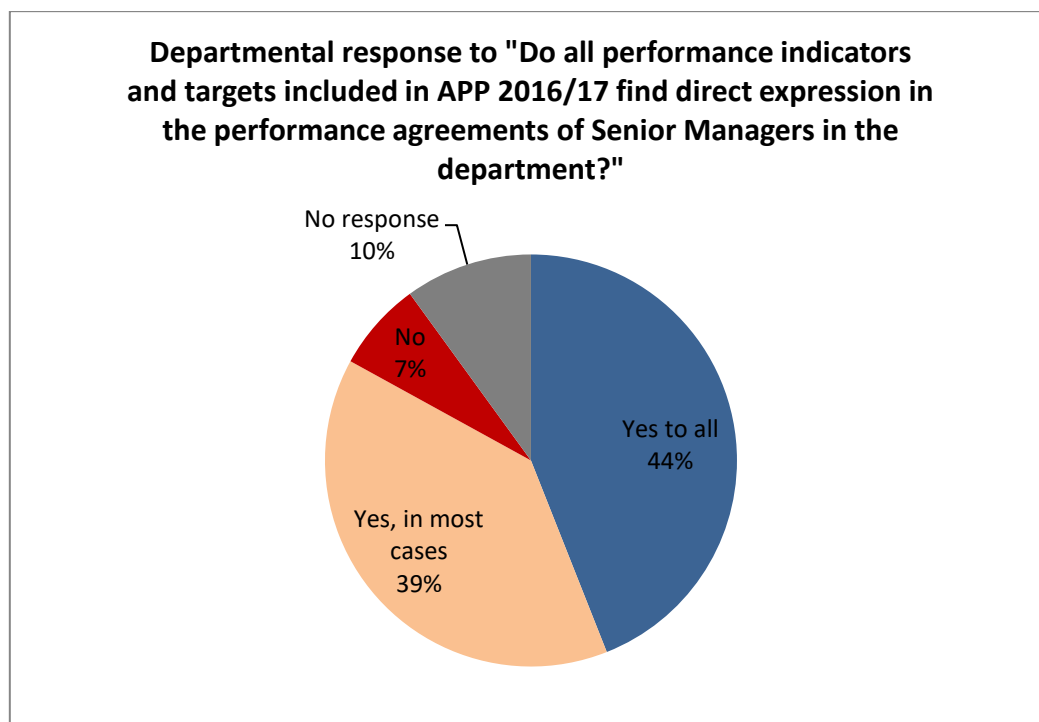
Figure 31: Departmental response to whether performance indicators are included in performance agreements

The qualitative data also indicates that most departments reportedly have a link to individual performance management at senior management level. Lower tiers of management and staff reported performance agreements that lack integration or unpacking of the logic that informs performance indicators up the results-chain.

As a result, performance indicators from the APP may not be supported at the lower tiers by indicators in the Operational Plan that meaningfully contribute to the realisation of departmental targets. Staff may focus on the indicators in their performance agreements, but if there is no line of sight between how what they do and report on links to what the department reports on, the "cascading" is ineffectual. Earlier findings related to implementation programmes reinforce that this gap exists and hinders departmental performance management.

Alternately, for senior managers that may be removed from the geographically dispersed front-line services or programmes, this may aggregate their dependence on other individuals whose performance agreements are set at a lower level with sometimes dubious logical linkages. There was also frequent discussion of how to handle indicators for which several units (within a single department) have shared responsibility.

The effectiveness of linking performance agreements to the APP elicited considerable discussion in interviews and focus groups. The main sentiment is that officials are not facing appropriate consequences for underperformance:

"[now that we have a new AO] it seems we are going in that direction now and people will get held accountable for their performance. Hopefully it will get institutionalised… we get frustrated because if people know there are no consequences then there's no motivation". (P31)

People, even if with weak or non-performance, will still get their performance bonus. (N06)

According to the structured review of ARs, 30% of SMS' receive performance bonuses even though only 64.5% of all performance targets were met or achieved in the 2014/15 sample. Given the low levels of departmental performance it is surprising that nearly 1 in 3 SMS are receiving performance bonuses.

In terms of the implications of this performance link, Engela and Ajam (2010: 30) expressed the weakness of the performance management within the GWMES more generally and the risk this poses. "The effectiveness of the GWM&E system is inextricably linked to the broader task of creating and institutionalising a performance orientation in the South African public service. This is complicated by the practical difficulties in linking service delivery progress (or lack thereof) to personal accountability. A recurring refrain heard in implementing the Public Finance Management Act of 1999 was the need to hold managers accountable for service delivery outputs. Accomplishing this in practice can prove challenging though". In a similar vein, other respondents had this to say:

Serious consideration needs to be given to an accountability framework as part of an integrated planning system. This would speak to what the PFMA wants to see. If you set a target and do not achieve it then there should be consequence management for this. (P49)

If you look at the financial side, the PFMA, there are clear repercussions for misconduct. None of these documents have that in terms of performance management. So for me that is also an issue. It makes accountability difficult. In this side you can underperform, over perform, over report, under report, do not report, have as many reviews as you want, but at the end of the day there is no disciplinary repercussions. (P60)

When we go to planning, we will say that this programme did not perform etc. If I understand accountability it says that there are consequences. So if we say 'this programme did not perform, and you should perform' and leave it at that there is no accountability. The same person has a trend of not performing. There are no consequences. (P30)

The challenge of departmental performance management cannot be divorced from pre-existing issues of human resource management that exist in the public service. For many respondents, institutional performance management becomes real when it has individual consequence. One Chief Director: Planning, M&E said this in the context of discussions on performance management:

There are weaknesses with the performance management of individuals. People think you can resolve management weaknesses with a framework. The framework can be written beautifully to cover every scenario that you can. If I am sitting here as a manager and I do not follow it in decision making it does not work. (P30)

In contrast, a few respondents in other departments believed this to have positive consequences, with respondents saying it "really drove accountability of the strategy of the department", and "we never took planning and reporting seriously [but now] we have to account for under-performance" (P25).

According to theory, the assumption is that in a department where there is regular engagement with performance data and there are appropriate consequences for performance, either learning, improved decision making, and/or improved management would take place. This assumption holding is a prerequisite to eventually seeing performance improvements. However, there were few respondents who claimed that departments' performance had actually improved as a result of improved awareness of performance data, the response from political actors, or the way performance information is used in performance reviews. Learning takes place, but the learning appears to be as much about changing indicators and targets as it is about managing for improved performance.

The ideal scenario is that a department learns from its performance data – for instance, a provincial health department noticed that one district was conducting more cervical cancer screenings than others based on its performance information, and discovered that this district was using tools that patients are more comfortable with. These tools could then be introduced in other districts as well to improve early detection screenings.

But the risk of underperformance can also be managed by setting more cautious targets. In the survey (see Figure 32), 53% of departments selected the statement: "The department is more cautious when setting performance targets" (N = 105) as best describing the changes in performance management since the introduction of the FSAPP. In such cases it can be hard to distinguish between changing a target because one has learned to be more realistic about what can be achieved (e.g. a human settlements department introducing readiness checks to help set realistic project implementation targets; or a roads and transport department now basing its targets on accurate baselines from the previous years), and cynically "gaming" targets and indicators to avoid repercussions:

The tick box exercise is easy. Maybe it's harder for departments working with citizens – what quality information do they have to make these decisions? Or do we make sure we get a performance bonus by putting 100 houses when I know I can deliver 200, and then deliver 120? (P42)

Obviously, a scenario like the one described in the quote above does not constitute improved performance. The official quoted here articulated a view, very widely shared across government, that currently a combination of factors are contributing to an environment that incentivises under-targeting and the choice of inappropriate "performance" indicators. Further views and discussion of this is presented in the section on unintended consequences (section 5.3.2).

If departments see "departmental performance management" as a continuous process of engaging with departmental performance data, ensuring an appropriate response to that data in line with the original intention, and learning / improving performance over time, then departments have had mixed experiences since the introduction of FSAPP. Perhaps this explains why about half (52%) of all respondents believe that "the department's performance management has improved overall" was the best description for how performance management has changed (Figure 32, multiple responses permitted). FSAPP appears to clearly have contributed in terms of standardising performance information in QPRs and ARs so that it can be easily and regularly engaged with. However, as the respondent (quoted earlier) pointed out, a framework cannot resolve management weaknesses on its own. This requires much more, including a strong relationship between the planning system and the information system through which performance information is processed for management consumption and utilisation within a department. Other processes related to management recruitment and public service regulations also have a bearing. However, both qualitative data and the survey data below indicate that the departmental Management Information Systems are not widely developed in conjunction.
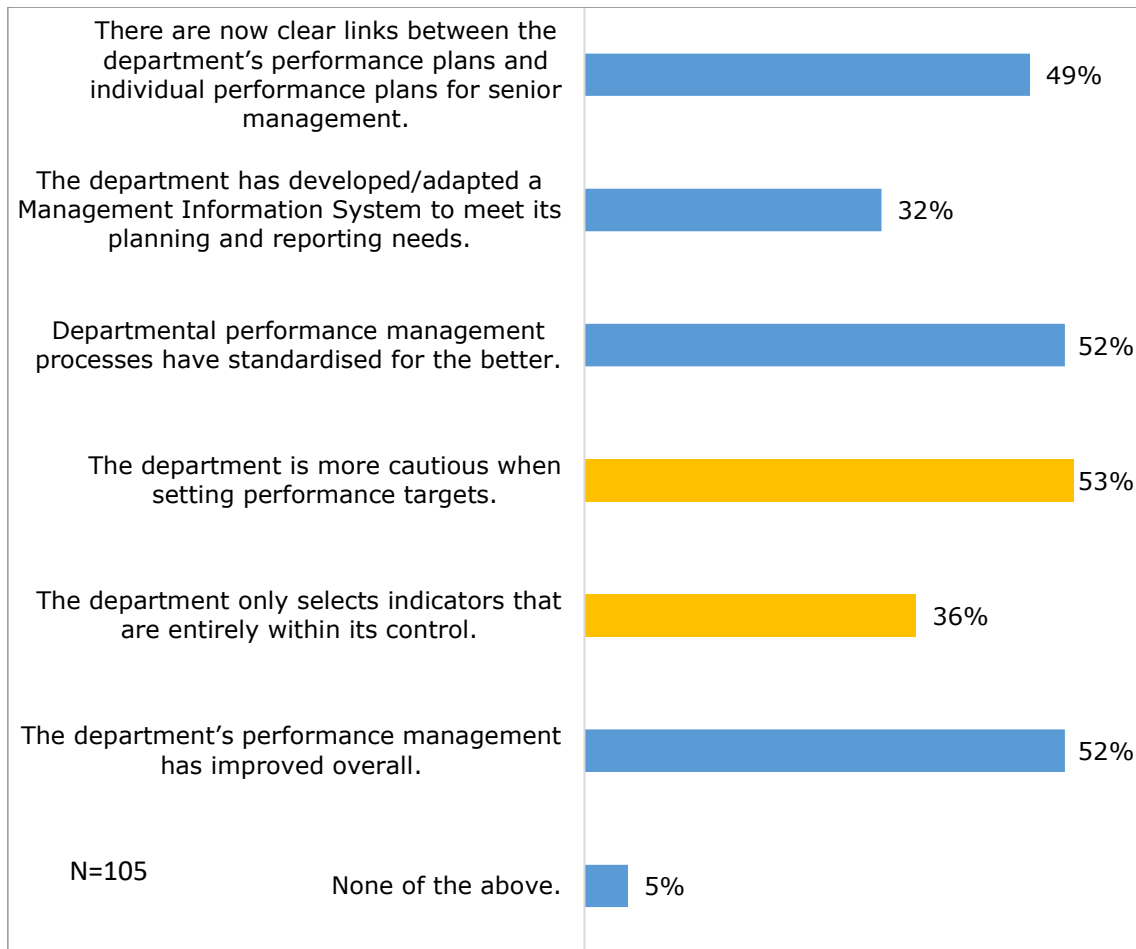
Figure 32: Departmental selection of statements that best describe changes in performance management since the introduction of the FSAPP

From the departmental responses FSAPP is believed by respondents to have supported a standardisation of performance management processes for the better (52%). When viewed with the other responses to the survey the impression is created that departments have viewed the FSAPP as having a departmental positive influence on performance management (with the possible exception of cautious targeting setting and selecting only indicators within its control).

5.2.9 Synthesis (KEQ3)

Since the introduction of the FSAPP the emphasis on compliance to framework, its templates and format has increased over time. More role-players have used the framework for oversight of strategic planning, performance monitoring and reporting, both inside legislatures and outside of them. The findings on timeframes and planning processes indicate that the value of this compliance tends to be for external accountability rather than supporting better internal planning and performance improvements. As a result, the submissions of draft plans have taken on a kind of formulaic, compliance-driven approach. Choosing technically compliant but less meaningful indicators, or completing a template

without engaging in meaningful planning are examples of the "malicious compliance" described by Engela and Ajam (2010).

Brown (2010) speaks to ownership and participation in strategic planning processes as critical for ownership and execution of "public sector strategy". In line with good practice, departments do attempt to involve a variety of internal stakeholders and the role of programme managers has been more widely recognised. The process of assigning responsibilities for specific indicators, whether via performance agreements or by supplying the data for performance reports, has also reinforced the value of involving key service delivery professionals and public servants in departmental strategic planning.

However, there is concern at the amount of time dedicated to planning and performance reporting, not solely that of the FSAPP, but inclusive of human resources, procurement, service delivery improvement and more. Given an accountability environment in which target planning and reporting is expected for statutory planning and reporting (e.g. Strategic Plans, APPs, QPRs, and ARs which should integrate outcomes approach reporting), internal planning and reporting (eg. Operational Plans and performance appraisals) as well as DORA specific planning and reporting, programme managers especially have expressed a kind of planning and reporting fatigue. There is a frustration at these processes are displacing time from "doing" to spending time populating and revising matrices with what they perceive as activities with limited benefits to performance. This perception is heightened because there are shortcomings in record-keeping, data collection, and capture more generally. Weakness in the capacity of the public service to undertake the sourcing, collection and collation of this information is then compounded by a shortage of analytical skills. Departments and key staff with both data and competence therefore struggle with the emphasis on compliance. The focus is not on unblocking, innovating or devising better responses but on accounting upwards, which may impede improvements in performance management more generally. Furthermore, the emphasis on planning and reporting then has the potentially adverse effect of creating bureaucratic inefficiencies that detract from the time dedicated to actual delivery. The efficiency of compliance can certainly be improved.

The location of the custodianship of both Strategic Plan and APP planning in the department also gives some indication of how departments value them strategically. Only in a minority of cases is there a difference between the persons responsible for Strategic Plan and APP planning, and only in about 60% of departments is there some nuance and differentiation to the department's planning approach for these plans. In terms of departmental performance management, there are clearly varied expectations and responsibilities associated with the planning function from department to department. Based on the level of post and sharing of responsibilities, the status quo suggests an under-appreciation for the strategic value of planning with regards to departmental performance management.

Departmental performance management within government's overall results-based management approach requires performance information that actually measures results or that logically informs progress towards the achievement of the intended results. A high compliance rate among senior managers who sign performance agreements and departmental confidence in the linkages between departmental performance management and individual performance management suggests the linkage is strong. However, the widespread reliance on disparate Excel sheets (instead of introducing more robust Management Information Systems) and the lack of engagement with the monitoring implementation programmes suggests that the data management system is still somewhat fragmented. The perceived need to introduce Performance Dialogues; and qualitative data questioning how Operational Plans should be developed also suggests that the departmental performance management linkages are not sufficiently cascaded. Where there is achievement of only 64.5% of annual performance targets on average for departments based on the structured review, performance management is clearly not good enough. Departmental performance management has therefore not improved to the extent that the FSAPP intended and compliance with the framework does not appear to be contributing sufficiently to this improvement. Compliance is driving accounting for indicator targets rather than for the internal performance management, improvement and consequence management emphasis required.

In terms of the Theory of Change, performance management is one of the key activities central to plans being implemented well and producing performance reports that are meaningful and appropriate. The way compliance with the FSAPP is being undertaken is detracting from the efficiency of this process and at the expense of substance.

The maturation of management practices is also a key assumption on which the achievement of R1 (Improvement of the quality of strategic and annual performance planning) rests. Despite some evidence that compliance with management practice standards are improving based on recent MPAT data and the national implementation evaluation (PDG, 2015) the findings presented here raise the question whether compliance to the FSAPP is supporting improvements in management performance, which is required to improve policy delivery. The FSAPP is clearly able to strengthen management practice by providing standard tools that support planning and reporting, but improvements in management performance is contingent upon a broader set of externalities that require a support programme and initiative beyond the scope of the FSAPP.

5.3 Sustainability

The last section of findings is related to the sustainability of the FSAPP as a framework to support better quality strategic planning and accountability. This section specifically addresses whether there are any gaps, needs or incompatibilities in terms of the current planning framework that could impede its

systemic application and optimisation throughout the public service. In the ToR this is expressed in terms of KEQ4. "What are the main gaps and/or needs in the current planning framework (FSAPPs and FMPPI)?"

The sub-assessment areas address what other planning elements may overlap with, duplicate or be omitted from the FSAPP and FMPPI. This is also considered inclusive of those unintended consequences arising from the FSAPP, as well as the institutionalising of lessons learnt for on-going improvement of the strategic and annual performance planning practice within departments.

In terms of the Theory of Change, this section deals with any additional planning inputs that may have a bearing on the FSAPP's implementation, as well as the feedback loop from strengthened accountability to planning, and how that supports the institutionalisation of lessons learnt.

5.3.1 Other planning elements

This section deals with other elements of planning that contribute to the development of Strategic Plans and APPs and highlights where other planning elements (that have not already been mentioned) are not functioning effectively.

Among the various planning elements that the FSAPP expects to be included, the ones not yet addressed are the following:

- Sectoral strategies e.g. DBE's five-year Action Plans towards the achievement of Schooling 2030; DTI's three-year Industrial Policy Action Plans (IPAP) and DAFF's five-year Agricultural Policy Action Plan (APAP).

- Spatial Development Plans

In addition to the above, one of the recurring sore points among departments are the effects of the State of the Nation (SONA) and State of the Province Address (SOPA) on departmental plans.

Given the differing departmental mandates and contexts there is little in the way of a common narrative for how the abovementioned planning elements contribute to Strategic Plans and APPs. Departments vary in how they approach these other plans, and therefore express varying degrees of satisfaction with how these elements are taken into account in the planning process. The contribution of the following approaches and planning elements will therefore be discussed here: the role of two-day planning departmental sessions; plans and priorities of political actors; and having multiple competing "high priority" plans and expectations.

As discussed previously, most departments' annual planning process includes a two-day planning session in the midst of the 4-8 average planning sessions held per department. Along with considering the department's performance over time and the delivery context, most departments revisit the main *written* plans and priorities which have already been mentioned, such as the NDP, the MTSF and PGDS in provinces. They also use this opportunity to consider sector specific plans and any important changes in the national policy environment that could

justify a change to the Strategic Plan mid-term. Given when the annual planning process starts off, annual SONA or SOPAs can only be considered at the eleventh hour, or even for the following year. Some respondents indicated they considered the most recent SONA and SOPAs and "pick those that refer to us" (P19) and "put it into the mix" (P34). In this way the department is repeatedly sensitised to the sometimes dynamic political priorities of the EAs.

These two-day planning sessions are not typically an ideal platform for strategic discussions with other departments, or in-depth consultation with key stakeholders. Participation tends to be limited to the department's own staff, with few exceptions[18]. The head of planning in one provincial department expressed frustration that not all stakeholders (including local and district municipalities, agencies and provincial departments) show up when invited to come and participate in their planning session. This experience resonates with other respondents who are also at a loss as to how to best address the situation:

We try to invite them [other departments] but not all of them come. At that time a lot of departments are doing their own planning. Not sure how this can be done upfront so that we ensure that government plans together. This is a gap that needs to be filled. We need a more strengthened, integrated planning approach. (P19)

This intergovernmental and interdepartmental planning gap is something that was also identified as a finding across other criteria where departments cited a lack of coordination in this regard. While many provincial departments appeared dissatisfied with attempts to engage local government in strategic planning, they did not raise this as commonly with regard to shared planning among provincial departments. This may be attributable to the role of OTPs in coordinating provincial planning, or to the introduction of the cluster system at provincial level. In the Western Cape, provincial departments often referred to the provincial interdepartmental workgroups established to coordinate implementation of the provincial Programme of Action.

It is clear that strategic engagements with other governmental stakeholders must take place elsewhere in the planning cycle and somehow be factored into the 7-9 month process, depending on the department. If there is an expectation that the core of the plan can be developed at the two-day session by just the departmental officials, the department's plan might ignore or misrepresent the plans and priorities of other important role players.

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[18] A provincial Transport, Safety and Liaison department reportedly engages taxi associations, among others.

The next important planning element that contributes to the development of Strategic Plans and APPs has to do with plans and priorities of the EAs (minister/MEC) and political actors. There is considerable variation between departments when it comes to how effectively they manage to integrate their Strategic Plan and APP planning process with these. Departments would ideally like their Strategic Plan and APP to be an expression of the agreement between the department and political actors about the priorities for the coming period. However numerous departments spoke about unanticipated plans or programmes being announced either in SONA or SOPA (when the plan for the coming year is very close to final) or throughout the year. In the qualitative data, provincial as well as national departments raised unanticipated political plans or priorities as a major challenge to their efforts to plan effectively and to implement the FSAPP.

The discussion of unanticipated political announcements was especially prevalent in some provinces more than others. In some departments this was not mentioned as a concern. Even in those departments that identified it as a problem, some departments seem to have addressed the challenge better than others. One indicated: "Previously we had something very strong with the DG where we said nothing can be in the SOPA which is not in the APP of the department as yet. And we nearly got there but then you get a new premier and exec council coming in" (P65).

Among national departments, roughly half the discussions included some challenges with unanticipated political plans or priorities. National departments seem to get fewer "surprise" plans or priorities from the political leadership if these leaders are closely involved in the Strategic Plan and APP planning process. In one national department respondents indicated that the Minister is present at the annual strategic session in July where "visions and policies are thoroughly debated and discussed" (N08). The AO then appoints and leads a planning committee to take the planning process further up to the finalisation of the plan early the next year. These respondents did not raise any concerns about unanticipated political plans later in the interviews and focus groups. Similarly a different national department, where there is a closely involved ministerial committee, indicated no concerns with unanticipated political mandates (N03). Where there is a reliable platform through which political actors engage a department on its plans through the regularised planning process there tends to be greater synergy between department staff and the political principal, increasing the possibility of introducing new plans or priorities in a structured fashion.

Close involvement of the political leadership does not, however, guarantee that the department will not face unexpected new directives. This was demonstrated by the following discussion with one national department focus group, which was attended by senior managers: "We cascade [the NDP and other national plans] to the departmental vision, objectives and then zoom in to the minister's

priorities… I think we are very lucky in that we have a minister who is able to articulate our work very well. The same for the DG… Sometimes there are decisions that are taken that just come. Tomorrow we might wake up and be told, move that one to that one. Stop this and do this one based on what the president wants immediately… So we just have to balance things and cannot drop the other mandates… We talk about a 5 year cycle but we might be in year 2 and something else new comes. And then let's abandon this and go to that. We don't seem to finish something" (N16). As the conversation continued, most participants agreed that some changes in priorities even within a 5-year cycle are inevitable and appropriate, but called for clearer guidance on managing reprioritisation (instead of simply adding more priorities on). Strengthening planning prioritisation processes and clarifying the existing flexibility in the planning frameworks were two issues that were raised in this regard.

Other departments expressed some difficulty implementing an increasing number of "top priority" plans. Sector specific plans like IPAP or APAP tended to fall into this category, particularly those medium-term strategies that departments developed distinct from the SP. These plans introduce additional strategic priorities on a differentiated basis that departments struggle to accommodate.

The theme of needing to respond to "so many priorities" (whether or not they were introduced unexpectedly) was commonly expressed by both provincial and national departments. This inability to reconcile "so many priorities" arising from the interface of the FSAPP with other planning elements is also a matter of failing to pursue and make difficult trade-offs as part of a robust planning process. A senior planning official in another national department echoed the discussion above and highlighted how accommodating everything sets a department up for poor reported results, which in term perpetuates further rigid planning. The respondent called for a more flexible planning process: "You plan, and then you review and report, but when performance is weak and doesn't meet expectations, they go back to the drawing board and produce another plan. So you plan and plan and plan and this is caused by the rigidity of the planning process" (N68).

In some instances, departments that accommodated all other plans and legal mandates would later claim they were saddled with an "unfunded mandate" as a result of loading as many planning priorities as possible (inclusive of low level, tangential and non-strategic priorities) within their Strategic Plan and APPs. The existence other plans and agendas has made for a difficult accommodation by departments where they are expected to reflect and show alignment with everything that informs their strategic intent while simultaneously needing to make hard decisions related to what is critical, affordable and most important in relation to their development goals. The following quote explains:

We are supposed to take everything that has to do with [our mandate] from the [legislative] mandates, SONA, SOPA etc. to include in planning. A challenge is that due to so many priorities and mandates we are unable to achieve everything.

Sometimes the mandates come and they are not funded. E.g. Operation Phakisa. (P48)

The expectation that Strategic Plans and APPs should reflect and distil all of these different influences also means that they become a junction for different stakeholder agendas. Rather than a needle through which only the key development priorities are threaded, the documents become a parking lot for statements of intention to be drawn upon as necessary.

A national department which receives donor funding to run programmes has an illustrative experience in this regard. In order to secure funding, the department had to include certain objectives and targets in its APP, uncertain whether future donor funding would be forthcoming for it but understanding its inclusion in planning as a precondition for that possibility. This put the department in the unfortunate position where it would set objectives, indicators and targets without knowing whether it would receive a budget to support a staffing complement with which to achieve them; a very problematic position but a donor pre-requisite. This was something of a rare case but indicative of the kind of externalities which can also affect how a department plans in practice and what it includes within its plan and why, when there are competing agendas and development priorities.

Intergovernmental complexity and contestation also affect planning and sometimes this leads to the kind of competing interests and expectations that are reinforced by legal mandates that actors are not keen to resolve. This can instigate against intergovernmental integration and result in territorial approaches that militate against cooperation. In cases such as this, planning can be the result of agreements by attrition, rather than by what is rational or in the public interest. The following quote illustrates the point:

"Being a country like ours with 9 provinces and a national department – 10 entities working together is also a huge challenge and that's also why we have consensus by fatigue often rather than logic… the standing committees [also have different expectations]… Ultimately with all these powers that be, they all want a piece of their pie and we end up almost trying to satisfy everyone down the chain but at the end of the day what was the real impact and experience from a citizen point of view and whether those things are really bringing us there from a planning perspective?" (P44)

Other planning elements that do not find common expression in the FSAPP and were mentioned in only a handful of qualitative engagements were spatial development plans. The National Spatial Development Perspective is referenced in passing in the FSAPP and respondents did not identify it as formative to their planning processes. There were few references to the incorporation of spatial considerations as part of planning processes, despite the salience of spatial disparity as an enduring effect of apartheid-era planning. References in the Infrastructure Plans included in Section C of the Strategic Plan and APPs are spatialised to the extent that they identify the municipality in which a capital

project will be undertaken. However, this does not appear to be informed by sufficient spatial appraisal of the need. It was clear in the structured review of the APPs that the situational analyses sought to deal with spatial development to an extent, but there seems to be limited acknowledgement of how the spatial element of planning is catered for in the planning process and particularly in terms of differentiating objectives and target areas within a province.

Although there are other planning issues and requirements related to human resource planning, procurement planning, service delivery improvement planning, and others, these planning requirements were not cited as incompatible or impediments upon the current planning framework. The extent to which planning had to be complied with in this regard was questioned by respondents more generally, but there was an absence of stated needs or deficiencies raised by respondents as it relates to these areas.

At the provincial level various respondents identified the need for provincial planning to be informed by spatial considerations at the municipal level. The following quote captures this well:

What the FSAPP lacks is… there's the IDP scenario analysis at district level. Everyone goes haywire. That's where rubber hits the tar. Then you look at the provincial department cruising along at a different altitude because they have not taken stock of the IDP with its real spatial scenario. The Strategic Plan and IDP have their own two scenarios and the two don't marry. (P23)

The introduction of the Spatial Planning and Land Use Management Act (SPLUMA) also has important implications for planning. How departments accommodate planning in this regard should therefore be differentiated on the basis of their legal mandate, sector and policy priorities overlaid against the spatial realities on the ground. Provincial departments were particularly inclined to highlight the importance of IDPs for understanding the spatialisation of needs within their provinces. The following quote highlights that provincial spatial development considerations are intended to interact with planning and budgeting processes but do not yet do so:

[SPLUMA] clearly indicates that funding must be aligned with… province PSDF. Guideline should also make provision to indicate how prioritisation of projects and programmes will take place. Priority document or policy will be your Spatial Framework. If that alignment is not taking place, because not all our national counterparts are even referring to this important aspect when they do planning. So somewhere, when National plans, National Departments also need to align themselves with the National SDF. Which will assist provinces and LG. But the framework must also make it clear that Strategic Plan and APP is not where we start. Departments must start at IDP review process because that does not get the support it needs for the role it plays. National and provinces should start at the IDP review process. (P33)

Because of the above factors, a number of departments expressed a concern that their process of developing Strategic Plans and APPs does not fully integrate all planning elements that will or should impact on their work. However, most departments emphasised that they did make use of the key strategic documents in their planning (often reviewed during 2-day planning sessions) and some have also made effective use of platforms for shared interdepartmental and political-administrative planning. Where EAs were involved, MinMECs and/or Implementation Forums and their technical structures have also provided platforms for a given sector or for departments with concurrent functions. However, these tend to be utilised more for reporting and political accountability and they were not often described as meaningfully contributing to planning by respondents.

Some respondents alluded to other internal plans amidst Operational Plans that are utilised for individual performance management but which don't find expression in the APP. This was in a small minority of cases and there was little commonality amongst respondents as to what purpose such internal plans play as they appeared largely ad hoc and customised.

The above factors all contribute to a commonly expressed view that the Strategic Plan or APP is only a partial expression of the department's work and intent, albeit a complicated one that seeks to be accommodating of the competing mandates priorities, and agendas at play. As a result, instead of being definitive, the Strategic Plan and APP are used alongside the abovementioned plans and various other expressions of intent[19]. The inevitable result of this is that communication and coherence around what is important, where it should be executed and how it should be implemented gets diluted.

5.3.2 Unintended consequences

As is clear by now, the introduction of FSAPP has had a range of positive and negative effects on government's approach to planning, budgeting, monitoring, reporting and performance management. This section elicits some of the specific,

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[19] There was only limited evidence in the qualitative data collected for this evaluation that departments actually have parallel plans with "stretch targets". Only 1 OTP indicated that some (unspecified) departments in the province do this while a CoG official indicated they put these in their Ops Plan. All other references to parallel plans or stretch targets were by officials in DPME. It seems more likely that, as one DPME official suggested, parallel plans - "quiet plans" – are usually not formally written down, but are communicated and implicitly understood between managers and staff.

negative, unintended consequences of the Framework as a whole, and of the AOPO in particular.

The compliance burden

From the qualitative data, it is clear that there is very widespread concern that compliance with FSAPP requires an inappropriate amount of resources to meet the administrative expectations in relation to the performance information. This concern is not only driven by FSAPP, but also and especially by the combination of FSAPP with the many other planning and reporting requirements

The following quotes illuminate different views on the resource requirements of planning and reporting that inevitably follow from the plans:

We should also reflect on the elephant in the room which is the reporting… The amount of time that is spent on reporting is disproportionate to have an understanding of what is the impact. Because that is all we do. Reporting fatigue! (N16)

[There is a] psyche that the more indicators and measures we throw at provinces the more it will improve. It's having the opposite effect of improving, it's consuming people and energy and having the opposite effect on the ground. Because it has an audit aspect it takes up a lot of energy and resources. (P69)

If I look realistically, the number of things the departments need to submit on an annual basis its overwhelming… Central government departments don't appreciate that aspect enough, that a framework with the best of intentions, we almost get easily frustrated and why aren't they just doing it?... If I just reflect on what some of the staff tell me, they're just overwhelmed with the many things they're required to report. (N38)

The amount of work that's happening in it… the work doesn't merit the value obtained… (N72)

The latter quote stated directly what several others implied: that the resources required for complying with FSAPP are considered disproportionate to the ultimate benefits derived from it. If this is the case, then the creation of a "compliance burden" is in itself an unintended consequence of FSAPP.

The strategies that departments have for dealing with the compliance burden, in turn create at least two commonly mentioned unintended consequences. These can be seen as "trade-offs", where departments effectively sacrifice something in order to comply.

The first unintended "trade-off" mentioned by respondents is to focus resources (time, energy and expertise) on compliance that would otherwise be spent on the activities themselves. By distinguishing planning/reporting from "work" (as if planning and reporting are not part and parcel of the actual work) respondents express deep doubt in the value of compliance with the full extent of the provisions of the planning and reporting framework(s). Even though only a few

illustrative quotes are shown below, this theme came up repeatedly in interviews and focus groups across all types of departments, and in national departments as well as all four the sampled provinces.

For most people having to do planning and reporting, they would rather be doing work. (N03)

It feels like oversight structures just want us to plan and plan and plan, you must never do work. (N68)

We have got to emphasise the lack of capacity in this department that we are far stretched that we have to leave something else in order to plan. (N08)

We are dealing with a lot of paper work that is consuming a lot of our time at that could be used in real service delivery. You find people battling with papers. (P59)

Dropped some really good indictors because of the cost of doing verification and evidence. I understand data has to be credible. But if the burden of compliance is too high the department drops it. Because you have to choose between admin and service delivery, what are you going to do? (P46)

As the last quote above hinted, the second unintended "trade-off" is that departments are incentivised to select indicators not for their usefulness in understanding performance, but for the ease with which they can be reported on. Considering the ease of reporting is a factor which also results in departments trying to limit their performance information content:

The intent of the indicator is to measure impact. But because of the compliance burden the number of indicators [that we choose to include in the plan] decrease, so at least you know I can go on with my work. I've complied. (P33)

Burden of compliance and audit requirements, these formal documents and audit have become the bane of our lives. It has had the impact of us trying to be very guarded and rather be minimalistic of what we put in the APP. (P69)

In effect, the compliance burden disincentivizes departments from crafting a useful set of performance indicators for their plans. What gets sacrificed is "a good quality strategic document", as expressed by one experienced official in a provincial transversal department:

And they purposefully look for indicators that are easy to measure and achieve. Literally becomes a compliance exercise instead of a good quality strategic document. They have also done away with a number of really good provincial indicators, really added to context of a department and how it will contribute to achievement of their goals… it's gone. We got them to agree at least put it in your operational plan… put it somewhere so at least if we ask you about this you can answer us. (Provincial transversal department)

As identified in earlier findings, Engela and Ajam (2010: 30) argue there is a culture of 'malicious compliance' in the attitude of South African government institutions. They explain: "There is compliance according to the letter of a law,

regulation, or reporting format, but the spirit of the law or regulation is deliberately undermined. So, even though M&E frameworks and other guidelines are adopted, this does not change the informal institutions in the public institution (that is, 'the way things actually are done') or the organisational culture or the management mindset".

The Audit of Predetermined Objectives

The compliance burden, discussed above, is partly driven not by FSAPP itself but by the way it is being used as part of the *Performance Management Reporting Framework* that informs the AOPO. The AOPO lies at the root of the majority of the most commonly cited unintended consequences.

The way that the AOPO has been applied to Strategic Plans, APPs and Annual Reports is commonly believed to have led to an overemphasis on accounting for the administrative integrity and reliability of the figures instead of a focus on performance results. This theme, expressed in many different ways, is perhaps the strongest theme in the qualitative data collected for this evaluation. With regard to planning, respondents frequently expressed this sentiment, or something similar:

We are planning for the AG and reporting to please them. (P60)

A number of departments discuss the tendency of overvaluing FSAPP compliance (as evidenced by the audit results) even at the expense of the kind of planning, monitoring and reporting that would be "strategic" and focused on "enhanced service delivery". In this way the emphasis on the audit is believed to have shaped how departments approach planning, not just the plan itself.

It's important what people perceive this document to be. Even though formally it's supposed to be this high level strategy, but because it's audited, translated into performance agreement and because it's by budget programme, it creates an incentive for people to… make it less strategic and make it compliant. Then it loses that original intent of being a strategic document. (P46)

The fact that the Auditor General makes reference to the framework when auditing performance information led to Departments planning for audits as opposed to planning to enhance service delivery, outcomes and impacts… The current framework was unintentionally translated into a compliance tool and as a result an audit-based performance culture became the dominant practice in departments. (P27)

If audit results are paramount, departments select indicators that they know they can achieve a clean audit on. Departments take into account the indicator's compliance burden (as already discussed), as well as the department's ability (in practical terms, considering management systems etc.) to collect the appropriate portfolio of evidence. The following department gave a practical example of the kind of experience that could lead a department to choose indicators for which they already have the needed system to produce a portfolio of evidence.

"So we said, if we said we have trained a certain number of students and what we use [as a portfolio of evidence] is enrolments records, AG will say, I am not satisfied with that, I want to see their ID numbers, application etc. So we have to go source this document. Then they put in an annual report to say that the department doesn't have reliable indicators. Someone reading have a negative view of the department. But what has been the real impact? Did you lose sight of that?" (N16)

The quotes below discuss how such indicators may be too operational to help gauge the department's achievement of its goals, or they might simply highlight irrelevant areas of work because they are easier to account for administratively.

I still see this being very operational, nobody is going to fight me if I put there "an alignment report" or "number of legal advice given". Why do we have that operational thinking? It is the way we get audited. (P65)

The negative is that you end up designing your indicators to comply with audit… You get audited this year and there is a clean audit, the following year you want to stick to the same thing that gave you a clean audit. You are scared to add new things because you want a clean audit. (P45)

With the audit in mind, targets are also set based on whether they lend themselves to being more easily achieved. The inclination to choose indicators and set low "easy-to-achieve" targets is compounded by two further factors that have been discussed previously: (1) the majority of managers' performance agreements are linked to achievement of the Strategic Plan and APP targets and (2) the Legislatures and oversight actors tend to concentrate their focus on target achievement. The link to performance agreements then becomes a perverse incentive for selecting an indicator that is more easily controlled and achieved through under-targeting, with a questionable relationship to the actual outcome towards which it is meant to provide some indication of progress. Similarly, the risk of public consequence via the legislatures is a deterrent from selecting indicators that are good indicators of performance results. The following quotes explain:

The application and the enforcement of the FSAPP tends to be punitive and incentivises the setting of low, easily achievable targets and inappropriate indicators which do not measure desired results. (P27)

We are] holding back [on what we plan to achieve], not showing it and fearful of having to account to the Legislature. Next morning your face is on the front page of the newspaper. It tends to let managers hold back rather than go for it. P43

The following quotes show how these factors all contribute to setting targets that are not necessarily indicative of good performance but merely adequate or conservative intentions for delivery:

[

Sometimes people put lower indicators [targets] because they don't want to fail, because if you don't meet your targets, if you don't meet 90% targets it goes to all the oversight committees and have to explain… But on the other hand, when we go to the Standing Committee and show our targets, they ask – did you not put conservative targets? Can't you stretch yourself more? Why couldn't you put a bit more? P47

I think the department overachieves but we overachieve because we under plan so that we avoid having to answer questions about deviations. It looks like we are overachieving only because we under plan. (P30)

Because of the tremendous emphasis on achieving targets, departments can lose focus of the bigger picture, particularly as it relates to the actual outcome and the disparities associated with it. This was explained by a respondent in a provincial Department of Health as follows:

But we also picked up with planning, frameworks and targeting – let's say you've got a target that says for all our patients when they must be picked up by an ambulance, it must be within 15 minutes. But when we look at our resources, we can only pick up 60% of patients that we can pick up within 15 minutes. Let's say you are picking up your 60% and met your targets. They will clap hands that you're doing well, but you tend to forget that there's this 40% you are not covering. And we have far too few personnel to even try and raise that target. You need 1600 personnel for properly functioning EMS, but we have about 800. We have 105 ambulances and we need 260. Where you set targets and meet them, you have the unintended consequence of shifting the focus away from how low the achieved target might be. Sometimes you forget you are dealing with a service and with people. That's the unintended consequence. So the AG will be happy with you and everyone but you are not delivering a good service.

Although it has been implied throughout this section, it is worth being explicit in what this has meant as an unintended consequence of FSAPP (and the way it has been used). On the one hand, departments must plan for measurable, achievable targets within the department's ambit of control if they are to achieve good results against their APP and provide evidence for the AOPO. On the other hand, departments are also constantly reminded – through feedback from political actors and citizens, the Outcomes Approach, and related efforts of DPME, National Treasury and OTPs – of the importance of ultimately achieving "impact" and "service delivery" outcomes. Ideally, planning for lower-level and higher-level results should take place in an integrated fashion and find coherent expression between strategic and operational planning. But instead, there is little in the way of outcome level indicators and as one respondent put it: "The current framework encourages parallel compliance and performance-based systems (outcomes-based approach)" (P27).

5.3.3 Institutionalising lessons

How departments address and institutionalise the lessons they learn from applying the FSAPP is central to determining whether the policy framework will be sustained as an intervention. Lessons learnt are key to prompting responses that ensure better performance that is consistent with the positive outcomes and impacts envisioned to follow from the framework.

The annual MPAT process is one means through which lessons from annual strategic planning are reflected upon, assessed and learnt from. By featuring on two standards explicitly (1.1.1 and 1.1.2) this process has further reinforced the institutionalisation of the FSAPP and provided an opportunity to learn from historical practice. However, as mentioned earlier, MPAT for all its value in supporting improved management practice is not without its limitations. A recent implementation evaluation of MPAT found that "it is a sophisticated, nuanced, compliance assessment of management practice, comparable with the best known international practice" (PDG, 2015). Nevertheless, it is one mechanism for knowledge sharing and learning available to departments. Despite this potential as it relates to FSAPP, it appears to have been without any distinct value expressed by respondents in this regard. This may be due in part to the fact that MPAT has historically been geared towards compliance with management practice standards, which in this case faces the same aforementioned pitfalls associated with departmental accountability for administration and reporting, rather than performance.

Another possible explanation for this, and one reinforced by stakeholder feedback, is that departments' average performance against the Strategic Management KPA began from a high level because it set standards in terms of compliance around dates, times and structure, rather than judging management practice on how it strategically approaches performance. As explained in a recent MPAT report, "Although Strategic Management is the highest performing KPA, it has not improved over the years like the other KPAs. It should be noted that this KPA started from a high baseline and therefore improvements require more effort than if working from a low baseline. This suggests that most departments are adhering to the basic legislative requirements for planning (level 3), but struggle to innovate and work smartly" (DPME, 2015: 3). DPME's view (in the quote above) that most departments comply to requirements but struggle to innovate and work smartly, is supported by the qualitative data and indicative of shortcomings because there is more incentive to comply and conform than to "standards" than to actually realise strategic management in planning.

The development of Standard Operating Procedures is another potential means of institutionalising the FSAPP and learning from implementation. Again, despite the opportunity this presents, qualitative data suggests that although FSAPP-informed Operational Plans have been reportedly introduced in roughly half of the departments, they are done more for good administrative practice than for their

value in terms of learning. Respondents did not offer much comment on the usefulness of these in relation to planning processes in general.

The recent introduction of Performance Dialogues and the Technical Planning Forum also provide additional institutional platforms for "regular structured conversations" that will allow for peer learning and sharing of good planning practices. Although the Performance Dialogues are a relatively recent platform, survey findings (presented earlier) suggest departments see the value in this and that it provides a space to address matters related to departmental performance planning, management and reporting distinct from the compliance accountability practices associated with the AOPO and MPAT.

Another area of institutional learning is with DPME and National Treasury developed Strategic Plan and APP training material. This includes training material that is currently under review and will be developed for SMS and non-SMS planners and project managers for delivery over 3-5 day courses. National departments and some provincial governments have also developed customised guides to assist departments in developing their APPs. These have been periodically updated and revised to reflect the lessons learnt from implementation and to provide guidance on how to better undertake strategic and annual performance planning in line with the framework. According to the national departmental survey data, nearly 1 in 4 national departments (21-24%) issue or prescribe a template for provincial departments or regional structures to guide them in the development of their APPs. At provincial level 38% of all departments claim to apply guides or templates supplementary to the FSAPP to inform their planning. This is indicative of the transmission of institutional learning and customisation with the benefit of implementation experience between national and provincial departments.

Based on these findings about institutionalisation, and building on the earlier sections' findings, some general medium-term trends can be identified which have a bearing on sustaining the desired results of the FSAPP.

The first trend that can be distilled is related to the progressive clarification of the extent of planning reform. While the broader strategic public management environment has endeavoured to consolidate within the GWMES since 2007, the policy environment has remained dynamic with additional policy inputs and guidance further informing, consolidating and sometimes slightly confusing management practice. Since the FMPPI in 2007 and later the FSAPP in 2010, all of the related policies already listed earlier in Table 6 were introduced, including most notably the NDP and NEPF (both in 2011) subsequent to the FSAPP. In addition to these, inputs ranging from lower level guidelines for implementation programmes (DPME, 2013) and at a more strategic level, the new MTSF 2014-2019 (2014), have been introduced. Much of the policy foundation within which FSAPP and the FMPPI are situated was set from 2007-2011 but this latest term of government (2014-2019) marks the first electoral cycle where the national

planning system benefits from the kind of sequencing and logic it was designed for at national and provincial level. This has meant a progressive and incremental adoption of policies, but there remains a gap about how best incorporate local government planning, something only touched on in passing here. Nevertheless, the trend has been towards incremental policy reform until a full suite of policies exists to support the kind of sequencing, coordination, and accountability appropriate to cover the breadth and scope of the GWMES.

Another emerging trend discerned from the available evidence since the introduction of the FSAPP is that the emphasis and resources dedicated to ensuring external departmental accountability for reporting administration has increased. Improvements in the AOPO results are also consistent with the qualitative data indicating that more time and resources have been dedicated accounting to oversight bodies and the AG in terms of compliance, rather than with regards to improving performance results. This trend is reinforced by other exercises such as MPAT which primarily check for standard compliance.

Lastly, the main trend identified is that the strategic and annual performance planning, monitoring, reporting and evaluation concepts, responsibilities, processes, and timeframes set out in the suite of GWMES-related policy documents have taken root within the public service. The development and tabling of Strategic Plans, APPs and ARs is now nearly universal. There is widespread embrace of the national outcomes and results-based management approach, even if it is only nominally in some cases. QRs and ARs are regularly produced by departments and they are processed via the AOs and EAs. The AG undertakes an annual AOPO on all departments governed by the PFMA and provides an opinion on the usefulness and reliability of the performance information provided.

The findings here are therefore qualified in terms of confirming a trend towards the consolidation of these planning successes. Goldman et al. (2012: 8-9) identified the following achievements which have not entirely borne out over time. They include:

- **Institutionalisation of a whole-of-government planning approach** linked to key cross-cutting outcomes, which clearly links inputs and activities to outputs and outcomes.
- **A higher level of understanding of how the work of the different departments affects other departments**, and greater coordination between departments and spheres of government.

Emerging evidence suggests a medium-term trend towards those **highlighted** elements of the above, while qualifying that it has been uneven and in part driven by compliance with the FSAPP to "check alignment" with the MTSF and the outcomes approach. However, the planning related success of "Increased strategic focus of government on achieving a limited number of outcomes. Quarterly reports enable the Cabinet to regularly monitor progress in meeting the

government's key strategic agenda" claimed by Goldman et al (2012: 9) is challenged by these findings. The consequences of the approach to accountability is potentially arresting the strategic focus of departments and limiting them from better monitoring performance against government's strategic agenda. Data therefore suggests that the focus is less strategic and more accountability driven.

Given this finding, and an acknowledgement that progress in developing a revised FSAPP is already advanced, it is therefore not entirely surprising that when departmental respondents were asked, "Is the FSAPP in need of an update or revision?" They indicated, "Yes" (Figure 33).
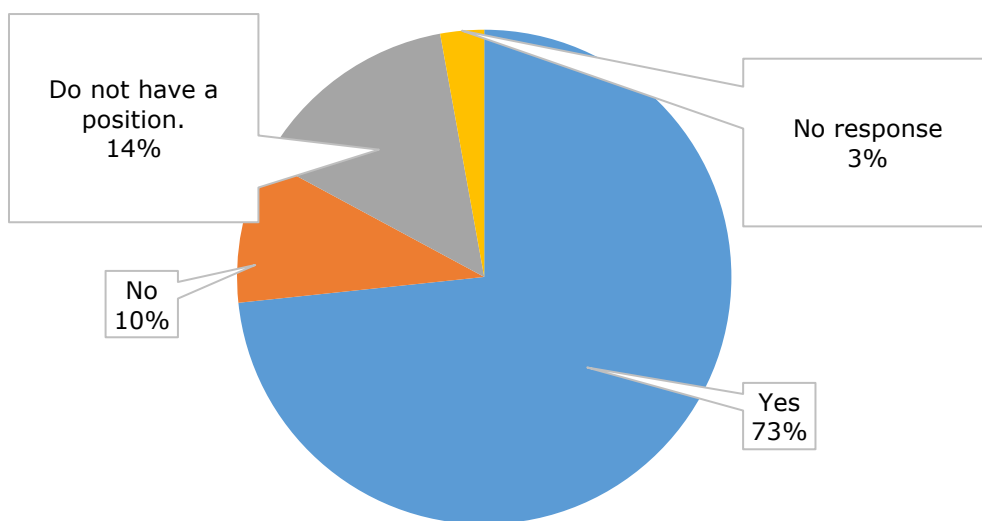
Figure 33: Departmental response to the question "Is the FSAPP in need of an update or revision?"
(N=105)

Those that indicated "yes" were then asked to motivate why. The three most commonly cited themes in the responses were[20]:

- to allow for better integration of budgeting and planning;
- to simplify, clarify and make the framework easier to understand; and
- to align the framework to the Outcomes Approach / to allow for planning across the results chain.

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[20] This question was open-ended with space for departments to type as much or as little as they wish; no potential responses were pre-populated for departments to select. The responses were then coded based on the themes they touched on.

Each of these themes were mentioned by over 10 of the 72 departments responding to the question.

In the interviews and focus groups, another theme that came across strongly is an envisioned single planning, monitoring, reporting and evaluation framework – one that would align the requirements (and terminology) of various centre of government departments (DPME, COGTA, National Treasury, DPSA, etc.). This came through especially strongly among national departments and informs the section on recommendations.

5.3.4 Synthesis (KEQ 4)

As a one-size fits all framework for planning across 163 public service departments and more than 400 public entities, the FSAPP is incredibly broad in scope. It is therefore to some extent inevitable that the variety of departmental experiences would include challenges in application. Some of these gaps are conceptual, while others are process related, but all represent areas for potential improvement in terms of a revised framework for which there is wide support.

Much of the conceptual discussion was addressed earlier under Section **Error! Reference source not found.** on **Error! Reference source not found.**. However, spatial development frameworks and spatial planning remains a gap in the current framework that has thus far been under-addressed. Linked to this conceptual gap is the instrument or platform through which spatial development frameworks could be addressed via strategic and annual performance planning. In the same vein, challenges in integrating municipal planning was repeatedly raised at the provincial level. This has also served to highlight the gap in spatial planning. Better intergovernmental planning and coordination by CoG departments could certainly improve how spatial planning is catered for in provincial department planning.

The imposition of multiple and sometimes unforeseen political planning priorities late in the planning process is another challenge for planners. This is something of an inevitable hazard of the political-administrative interface, regardless of the sequencing of SONA and SOPAs. However, in cases where there is ownership and participation in the strategic planning process by AOs and EAs, there appears to be some appreciation and understanding of the implications of the late introduction of such priorities. Good practice examples show these risks can be mitigated, if not completely resolved.

Challenges arising from the accommodation of international development agendas, supplementary sector strategies (e.g. HIV/AIDS, climate change, etc) and enduring policy interventions have less to do with the FSAPP's design and more to do with the incredible complexity of integrating various levels of policy, stakeholder demands and service delivery priorities. The greatest generalisable challenge arising from additional plans is that they add more layers of priorities which must be filtered and used to inform planning among a long list of others. The risk and implication of this then becomes most acute where a department

includes these priorities for alignment purposes but has not sufficiently considered the necessary trade-offs to achieve these priorities. This is a similar finding to that arising from the introduction of unfunded mandates. The externalities that may come to bear on a department could expose it for non-delivery of something it does not have the resources to achieve.

These challenges coupled with the administrative work associated with accounting for additional indicators has made departments reluctant to add anything more to their Strategic Plans and APPs than they are required to. It has created an environment where planning for performance results does not function as effectively or strategically as intended. This has the unintended consequences of creating perverse incentives and malicious compliance. This is part of a broader medium-term trend that appears to have become further entrenched, as it spans the time when Engela and Ajam (2010) addressed the issue of malicious compliance through to the regular concerns raised throughout the qualitative data collected for this evaluation in 2016.

The compliance burden speaks to some of the key assumptions underlying FSAPP's Theory of Change, namely that there is adequate capacity across the state, that management practice is maturing and that departments are able to collect quality data that is affordable and verifiable. In practice, the scope and complexity of accommodating so many concurrent planning priorities and agendas stretches the available resources and dilutes a true strategic prioritisation. Those public servants involved in implementation claim they are displacing time from delivery to meet accountability requirements but it is unclear to what extent this is the case. Other findings indicate that this does appear to be resulting in data that is considered more credible, although such data is not necessarily useful to understand performance results as has been explained.

The evaluation has found that the emphasis placed on selecting indicators within departmental control (at a lower level of the results-chain), and substantiating their measurement, appears to preoccupy State capacity to an extent that is not commensurate with the value it derives from this information. Further, the assumption that management practices are maturing does not appear to be borne out by the MPAT scores for the Strategic Management KPA. A stasis that appears to have persisted in this KPA is indicative of a lack of maturation, even while other KPAs have shown progress.

The ability of the FSAPP to sustain improvements in strategic and annual performance planning and accountability ultimately rests on the institutionalisation of lessons learnt and a continuous cycle of improvement. A variety of platforms and support initiatives exist to support learning but there is potential to further leverage these opportunities to drive the kind of planning management related practices required for better performance. Imminent revisions to the framework and training material are good examples of these opportunities.

Lastly, the establishment of a common set of concepts and outcomes (notwithstanding enduring terminology challenges) has helped to progressively institutionalise a whole-of-government planning framework. However, there are still unresolved gaps related to the integration of planning and budgeting and results-based management. Proceeding with incremental reform towards a whole-of-government policy framework for planning, monitoring, reporting and evaluation presents an opportunity to reconcile some of the gaps arising from the various policy framework and provide guidance on some of the more challenging intergovernmental coordination and planning processes.

6. Overall Conclusions

As per the ToR, this evaluation set out to determine "how effective the FSAPP has been at guiding departments in their service delivery, particularly responding to government's priority outcomes, and in holding departments accountable for performance". The evaluation has firstly described and clarified the FSAPP's Theory of Change and confirmed that its primary purpose is to improve the quality of strategic and annual performance planning and strengthen accountability for performance. Applying a theory-driven approach, the evaluation has appraised the relevance, effectiveness and sustainability of the FSAPP according to an assessment framework derived from the KEQs in the ToR and their associated sub-questions.

The evaluation concludes that the current planning framework is imperfect but represents a clear advance for public sector strategic planning as embedded within the GWMES. The introduction of the FSAPP was an important step at the time, albeit not without some challenges of alignment, coherence, and terminology. The FSAPP is particularly relevant because of how it elevated strategic planning and forged the link between planning and budgeting processes. Even as departments continue to grapple with effective integration, the value of this link should not be overlooked. There is clear logic and rationale informing the FSAPP within the broader suite of policy reform. It has proved a widely applied and institutionalised framework with practical value both as a guide and a standard for planning outputs. However, the tension between the value of the FSAPP as a guide and its application as a standard has been one of the greatest challenges to its effectiveness.

Utilisation of the FSAPP in practice has led to the standardisation of Strategic Plans and APPs and provided a common planning vocabulary and format in practice, even as new terms were introduced and refinements made along the way. The prescribed timeframes have provided milestones which have been widely observed and utilised to provide support and feedback to departments on draft plans. However, the length of the lead time for annual performance planning has been of limited discernible benefit to departments, especially when considering that budgeting tends to initiate before this process and perpetuate existing structural arrangements rather than be informed by medium-term performance goals. This has further challenged how departments operationalise these plans in practice and cascade them into lower level planning. The FSAPP does not acknowledge implementation programmes and most departments still have not yet sufficiently grasped the distinction between the budget programme structure and implementation programmes that support the achievement of many of government's priority outcomes.

Although there is evidence that departments have been guided by the FSAPP in terms of nominally aligning to the NDP, MTSF and the national outcomes approach, this does not yet appear to have resulted in the kind of performance

indicator monitoring and reporting necessary to inform more strategic decision-making. Instead of providing meaningful measures of performance results, programme performance indicators are crafted with a control and accountability orientation which limits their value for performance improvement. The FSAPP has provided a common framework for support and regularised oversight, but competing demands placed on departments has limited the strategic value of Strategic Plans and APPs in favour of accommodating multiple priorities and adhering to templates for compliance purposes. This has had a knock-on effect on reporting which tends to be less meaningful than intended in terms of indicators of performance progress.

The emphasis on compliance with the FSAPP has been driven by external accountability to oversight bodies, particularly the incorporation of the FSAPP and FMPPI into the AOPO. This has led to some improvements in the management of monitoring data, especially from an administrative perspective, but ultimately limited the space for a results-based performance management approach in favour of a narrow adherence to FSAPP templates. Demands for administrative accountability and better performance auditing tend to be focused on substantiating reported figures with a long trail of evidence rather than interrogating the value of the metrics themselves. Similarly, executive authorities and legislatures appeared more concerned with demanding answers for deviance from targets rather than for lack of demonstrable progress in achieving outcomes. Thus, instead of driving the use of targets that meaningfully prioritise progress toward developmental goals, the accountability practices emerging as a result of the implementation of the FSAPP have bred perverse incentives in favour of selecting performance indicators within the control of departments.

After more than a full term of government since its introduction, various gaps and challenges have been identified in the implementation of the FSAPP. The institutionalisation of lessons learnt from the FSAPP has been uneven. Even where there was opportunity for institutionalising lessons, the compliance burden has served to effectively limit the performance improvement value of the framework in favour of accounting for reports. This accountability system is yielding more reliable performance information, but it tends to be performance information of the wrong kind, either at an operational level or with a dubious logical link to the outcomes it purports to be advancing. The FSAPP has certainly marked an advance in government's approach to strategic planning but government needs to strike a more appropriate balance between the demands of the performance and administrative accountability emphases of the planning framework. Revising the FSAPP could significantly improve this balance, and efforts at making considered revisions are likely to be welcomed by stakeholders.

At the same time, a revised framework on its own cannot and should not be expected to solve all the challenges identified in this evaluation. Revising the framework is an output that can be relatively easily achieved, whereas the change that a new framework must help facilitate is the institutionalisation of a result-

based approach and more genuinely strategic planning processes. The assumptions of the Theory of Change have not all proven to hold and some expected causal mechanisms have broken down in practice. Nevertheless, there have been gains in terms of the quality of strategic and annual performance planning and accountability but this is threatened by an overemphasis on compliance.

7. Recommendations

The following recommendations are the product of consultations following a full-day workshop with stakeholders and subsequent meeting of the Evaluation Steering Committee. These recommendations have therefore been crafted, refined and improved through robust stakeholder discussion and engagement to ensure the recommendations are specific, practical, and feasible in terms of DPME's *Standards for government evaluation.*

The last evaluation question included in the ToR asks the evaluators to answer KEQ5. "How can the current planning system be improved?" The following recommendations therefore address improvements arising from the findings and conclusions of the evaluation report.

Revisions to the FSAPP

The FSAPP is currently under revision and this evaluation marks an opportunity to make improvements to the framework. The following are recommended improvements:

19. **DPME should revise the FSAPP in consultation with National Treasury and the DPSA to produce a concise, integrated planning framework with differentiated guidance documents and tools.** The framework should be clear in what it prescribes, particularly as it relates to the *Performance Management Reporting Framework,* what it seeks to provide guidance on, and what it seeks to support with practical tools and examples. There should be an appropriate balance between prescripts for compliance and guidance in support of critical thinking. The recommendation can be broken down into five sub-recommendations as follows:

    a. **The revised FSAPP should specify which parts of the framework are prescribed:** Insofar as possible, the components of the FSAPP that are prescriptive should be clearly specified and distinct from the guidance and tools. Where templates and formats are prescribed, they should be provided as per Annexures B, C and E in the current FSAPP with the minimal structural prescripts for each of the plans clearly articulated. A revised FSAPP should be as concise as possible, and limit its prescripts in favour of guidance supportive of critical thinking and analysis. In particular, it should avoid prescribing the setting of annual targets for outcome level indicators.[21]

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[21] Annual targets are an important planning tool but

b. **The revised FSAPP should clarify what parts of the framework serve as a guide:** A revised FSAPP should clearly define exactly which aspects of it serve as a guide and focus on the planning principles to be interpreted and applied in critical and reflective planning processes informed by the respective mandates of the different departments. The guide should be concise in setting out the relationships, cycles and core components of good quality strategic and annual performance plans but allow for a degree of interpretation in application.

c. **The revised FSAPP should reflect more closely synchronised steps in the planning and budgeting cycle:** The annual planning steps in the FSAPP should be more closely synchronised in terms of planning and budgeting processes set out in the document. If the timeframes are not reduced then expectations for first and second draft plans should be differentiated, staggered and clearly conveyed to make the best use of the time allocated to planning.

d. **The FSAPP should specify the process for revising Strategic Plans and APPs:** The revised FSAPP should provide an annexure with detailed instructions and protocols of the process for revising a Strategic Plan or APP mid-cycle or as part of annual planning submissions. This should be formulated so it is consistent with the provisions of the Public Finance Management Act and Public Service Act Regulations.

e. **Introduce a differentiated FSAPP toolkit including case studies:** The revised framework should be supported by a toolkit including case studies with practical tools and examples for departments. It is proposed that the toolkit make provisions for differentiating by types of departments and their functions, in consultation with National Treasury and the Department of Public Service and Administration. A preliminary proposal for the differentiation is including but not limited to: policy departments with concurrent functions (e.g. Health, Education, etc); service delivery departments (e.g. Home Affairs, Justice and Correctional Services; etc); centre of government departments (e.g. Public Service and Administration, National Treasury, etc); and departments with a regulatory or faciliatory function (e.g. Economic Development, Community Safety, etc). The application of the toolkit should be optional and include good practice examples of coordination processes, mechanisms and planning methodologies as well as other learning resources.

Improvements to other planning elements

The full scope of the GWMES spans various pieces of legislation, regulations and policy frameworks. The overarching system and its respective data terrains have been defined through successive policies of which the FSAPP is but one. The coherence of the FSAPP is therefore interdependent with the coherence and alignment of the entire policy cycle of the GWMES more broadly. Although beyond the scope of this project, the evaluation has identified some of the FSAPP's inconsistencies, terminology challenges and the disjunction arising from the related regulations, policies and guidelines overlapping with other planning elements embedded within the GWMES.

20. **DPME should establish a task team with the DPSA and National Treasury to investigate revisions to the PFMA Regulations, Chapter 5, and the PSA Regulations to ensure alignment and consistency between regulations:** There are clear inconsistencies and gaps between the regulations and the policy frameworks. Revisions to the FSAPP and FMPPI can provide some conceptual clarity, but inconsistencies and confusion arising from the previous revisions to the associated regulations should be resolved in consultation with other centre of government departments to ensure complementarity.

21. **DPME should, in consultation with National Treasury, DPSA and the CoGTA, revise the FMPPI as part of broader planning, monitoring and evaluation reform**: The FMPPI should be revised and provide a common set of performance information concepts that are consistently applied throughout a reformed GWMES in advance of the next MTSF of 2019-2024. The FMPPI should remain distinct of the FSAPP, but the concepts and terminology of the planning system should apply consistently between the respective frameworks, and throughout the planning system.

22. **DPME, in consultation DPSA, National Treasury, and CoGTA, should involve the National School of Government, in the development of a capacity building support programme for planning according to differentiated user needs:** A capacity building and skills development intervention for planning should be developed with the National School of Government and customised to different user needs, particularly as it relates to budgeting, monitoring and evaluation. The users that should be targeted include those of: Executive Authorities; Legislatures in terms of their oversight role; finance managers; planning, monitoring and evaluation management; and programme managers; amongst others.

23. **National Treasury should, in consultation with DPME, adjust the MTEC process to make explicit the accommodation of revisions to the FSAPP so that any prescribed planning steps better synchronise budgeting and planning:** Improving the integration of budgeting and planning processes is still necessary and the MTEF guidelines and MTEC

process provide opportunities to support better engagement between the budget and planning functions, and planning with multiple funding streams. The Performance Dialogues represent one such platform for better integration and synchronisation to be explicitly accommodated.

24. **DPME, in collaboration with StatsSA and sector departments, should introduce a centralised, national system for the sourcing, capture and distribution of outcome and impact level indicators using survey data in addition to programme performance information:** Informed by the MTSF and drawing on periodic annual survey data, StatsSA should be engaged to ensure that its surveys yield data on outcome and impact indicators for utilisation as part of government's annual planning and reporting cycle. Depending on the sampling approach and representivity, this could then be used to cascade national outcome indicators at provincial and even municipal level in some instances. By making StatsSA the provider of some data for outcome indicators, this also standardises them as a third-party data provider and alleviates the associated burden placed on departments to provide portfolios of evidence for performance information in response to the AOPO.

Addressing perverse incentives arising from the audit of performance information

The audit of the performance information has given rise to perverse incentives which detract from departmental performance management. Revisions to the planning system need to be consistent with the good administration requirements of the PAA and the accountability requirements of the PFMA and PSA. Considering the current legal parameters, the goal should be to create conditions for departments to provide the best available performance information, particularly as it relates to outcomes. The PITT established between DPME, National Treasury, DPSA, COGTA and AG is an existing structure through which institutional discussions on this issue have already begun.

25. **The AG should consult via the PITT on the contents of the** *Performance Management Reporting Framework* **to agree on the criteria applied in the audit process.** Ensuring centre of government departments with legal responsibilities related to performance management reporting (e.g. National Treasury, CoGTA, DPSA, and DPME) have had a chance to input into the PMRF, understand it and support the application of a set of uniform and appropriate criteria for the audit is necessary to ensure institutional support for better administrative practice as it relates to performance information and reporting.

26. **The AG should continue to raise awareness of the audit approach applied in the audit of performance information and ensure auditors are trained in line with the revised planning framework.** This should

include communication to departments about the PMRF to improve the predictability and transparency of the audit process. This will help organs of state better understand and prepare for the external audit. Awareness raising initiatives should also be considered via capacity building platforms and via the National School of Government. Similarly, ensuring auditors are trained in line with a revised planning framework will support a common approach and understanding among all stakeholders.

27. **DPME's revisions to the FSAPP should exclude prescribing the setting of annual targets for outcome indicators.** This recommendation links to 19.a and intends that targets for outcome indicators (or above) should only be set for the medium-term (three years or more). Requiring the setting of annual targets which inform how departments (and by extension of accountability prescripts, accounting officers and senior managers) account for outcomes on an annual basis feeds into perverse incentives for both indicator selection and target setting. Performance trends for outcome indicators should be tracked annually insofar as possible (or less frequently depending on what the available performance information allows) but departments and senior managers should not have to account for annual targets against medium term strategic intentions. There is a persistent reporting lag and interdependence between government spheres influencing the achievement of outcomes. By removing the requirement of setting an annual performance target for indicators at the outcome level and above, part of the accountability arrangement which gives rise to perverse behaviour is removed. Departments should still continue to apply outcome indicators and track their progress towards medium term outcome targets, but emphasis should be placed on the relationship between the output indicators which they can be held accountable for in relation to a medium term goal. Current regulations allow for medium-term targets, but it is the FSAPP which has introduced annualised targets for outcomes. Removing this is one way of addressing the unintended consequences without removing the inclusion and consideration of the outcome level performance information which should be informing output level indicator targets.

Institutionalising lessons from compliance to the FSAPP

Building on the available opportunities for institutionalising lessons learnt from the FSAPP is central to the sustainability and the on-going optimisation of the planning system. The following are therefore recommendations related to institutionalising lessons arising from compliance to the FSAPP specifically:

28. **DPME, National Treasury, CoGTA and DPSA should collectively ensure planning processes are better coordinated, integrated and consolidated as part of the government policy cycles:** Compliance to the FSAPP has resulted in some planning occurring as 'an event' or 'to

the template' for departments rather than as an iterative, continuous reflective process that seeks the best use of available resources to achieve development goals. Delivering on the potential of institutionalised planning will necessitate a common voice, agenda and approach to planning across centre of government departments. This necessitates all centre of government departments to be consistent and mutually reinforcing in their messaging, expectations and requests. This will also require coordinating with other departments with a significant planning role, including the Department of Rural Development and Land Reform.

29. **DPME, National Treasury, Offices of the Premier, Provincial Treasuries, DPSA and CoGTA should leverage existing intergovernmental platforms to improve the coordination of planning within and across spheres of government.** The departments should make use of the existing intergovernmental platforms and forums available to departments. This should include institutional structures but also forums such as Performance Dialogues, Planning Forums, Technical Implementation Forums, MPAT related processes and other platforms to coordinate planning. An emphasis in these forums should also be on eliminating contradicting feedback and divergent expectations of departments. This recommendation also relates to institutionalising revisions to the planning framework and will require the Chairpersons and leaders of the respective institutional structures and forums to consciously advance institutionalisation of planning reforms.

30. **DPME should support Offices of the Premier to coordinate planning in provincial spheres and provide targeted support:** DPME should provide support to OtPs to coordinate planning process, support training and facilitate periodic provincial performance reflections. Consideration should also be given to the coordination of planning processes, training and performance reflections at municipal level as well via intergovernmental platforms like the Premier's Coordinating Forum.

Implementation programmes

Drawing a linkage and line of sight from the strategic and annual performance planning process to programme design and implementation is critical to improving the quality of plans and strengthening accountability for performance results. This is especially important if government seeks to ensure its institutional form is subservient to its constitutional, policy and medium-term priorities. The following are two recommendations for how this could occur:

31. **Departments should strengthen the linkage and cascading of a medium-term strategic planning process with implementation programme planning and design:** In advance of the 2020-25 strategic planning cycle (following a year lag of the conclusion of 2014-2019 electoral term), DPME should pilot a process of linking priorities in the

Strategic Plan and APP to implementation programme planning for a key intervention within a department budget programme. This may also provide an opportunity to incorporate recent evaluation findings and illustrate a good practice example of how 'line of sight' can be drawn from strategic planning to implementation programme planning as part of a continuous planning process.

32. **Departments should ensure their Strategic Plans and APPs identify, relate and explain the relationship between their budget programme structure and key implementation programmes as part of their planning narratives:** Revisions to the FSAPP should support the expression of the role and importance of implementation programmes (in terms of DPME Guideline 2.2.3) in strategic planning documents. For the Strategic Plan, this should include identification of the key implementation programme(s) on the basis of the most appropriate method of delivery. The medium-term resource needs requisite to achieve development priorities at a high-level by implementation programmes should be acknowledged in the Strategic Plan. For the APPs, narratives should relate and explain how the department's strategic intentions and budget programme structure enable or provide the platform for implementation programmes that drive the realisation of policy objectives and constitutional imperatives. A transparent planning logic should apply which links the relevant outputs and outcomes of an implementation programme to departmental strategic intent. Where implementation programmes are sector-based and interdepartmental, it is especially important to highlight the relevant budget programmes which support these implementation programmes from all affected stakeholders. Where budget programmes do not support effective implementation, DPME and National Treasury should support adjustments in this regard.

Institutionalisation of planning revisions

The 2014-2019 term is fast approaching its end and with it the window to implement planning reforms before the 2019/20-2024/25 planning cycle. Thus, how the proposed revisions to the FSAPP and recommendations are undertaken within this window will determine the extent to which they are consolidated and taken-up across the public service for the 2019/20-2024/2025 planning cycle.

33. **DPME should stagger the roll-out of revisions to the FSAPP to allow for a pilot:** An incremental roll-out of a revised planning framework should pilot revisions among a set of selected departments for the 2018/19 annual planning cycle before finalising the revisions for 2019/20-2024/25 planning cycle. The pilot will also provide an opportunity to develop guidance notes, instruments and case studies as resources. A plan for the introduction of a revised FSAPP and related frameworks such as the FMPPI should be set out and all stakeholders should be informed of the

intended suite of revisions and when they will be delivered so there are clear timeframes.

34. **DPME, with the support of National Treasury, DPSA, and the National School of Government, should make available ad hoc training and support for roll-out:** After piloting, prepare special trainings and courses on the new planning framework. Consider enlisting additional technical advisors and support for the roll-out to provinces and departments that have struggled historically.

35. **DPME should, in consultation with DPSA, National Treasury and CoGTA, develop a change management strategy for the public service:** The shift to results-based planning within the public service will require further changes to organisational cultures and behaviours. While some departments have navigated changes since the introduction of the outcomes approach, more effort will be needed to tackle malicious compliance and address the distinction between accountability for performance results and accountability for administrative compliance. Innovative approaches to change will need to be found within a constrained fiscal environment.

Other recommendations

The following recommendation relates to the opportunity that broader planning, monitoring and evaluation reforms present in terms of a common understanding of system design and intent. Participation in a shared process of definition and clarification is a starting point for coordination and cooperation among centre of government departments. The following is considered more broadly supportive of the above institutionalisation of reforms but has broader intergovernmental implications beyond the scope of planning alone.

36. **DPME should coordinate involvement of the DPSA, National Treasury and CoGTA to revise and agree upon a Theory of Change (or theories) for planning, monitoring and evaluation across the state for the 2019/20-2024/25 planning cycle:** This evaluation has put forth a Theory of Change for the FSAPP that has served an evaluative purpose and exposed a number of tenuous assumptions related to the FSAPP. In line with the new policy thrusts for planning, monitoring and evaluation, a deliberate effort should be made to convene departments that have a stake to interrogate and unpack the causal mechanisms of a unified and overarching theory (or theories) of change related to the planning, monitoring and evaluation system (or systems). Preliminary revisions to the Theory of Change based on shortcomings identified in the course of this evaluation are included as Appendix 1: Proposed revised theory of change.

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Appendices

Appendix 1: Proposed revised theory of change

Achievement of long-term national strategic outcomes

Consistency and transparency allows non-state actors to better support and contribute to achievement of national developmental goals

Improved coordination, policy delivery (implementation) and accountability of the public sector

Additional leadership, management and capacity development interventions are successful

A more unified, coherent and accountable public service, with improved planning, monitoring and evaluation

A common policy intent for planning, monitoring and evaluation is complementary and mutually reinforcing

No impediments to intergovernmental coordination and cooperation

R1. Improved quality of strategic and annual performance planning within relevant institutions

R2. Strengthened accountability for the performance results of relevant institutions

Management practice matures

Oversight is exercised in the public interest

r1b. Appropriate and meaningful reports of performance results

r2. A shared and transparent planning system

r1a. Aligned, standardised and more appropriate plans

Public institutions collect good quality data that is affordable and verifiable

Legislatures, elected officials and the public exercise oversight of public institutions' plans

Budget programme allocations are appropriate for performance targets

Periodic monitoring and performance reports are produced linked to plans

Strategic and annual planning is reviewed, cascaded, and operationalised across public institutions

Strategic and annual performance plans and reports

Planners receive reliable, timeous and appropriate feedback from oversight actors

Coordinated implementation of plans and performance management across public institutions

Elected officials, legislators and appointed authorities

Public institutions undertake strategic planning and it informs annual performance planning and budgeting processes according to FSAPP

APPs, Operational Plans, Performance Agreements and Budgets aligned to Strategic Plan

Oversight bodies

The Framework for Strategic and Annual Performance Plans (FSAPP) is introduced and supported across public institutions

Adequate capacity to fulfil roles and responsibilities across state

FSAPP and templates

Inputs
Activities
Results (High-level outputs
Immediate outcome
Intermediate
Impact
External factors

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Appendix 2: Evaluation Terms of Reference

See attached PDF.

Appendix 3: Evaluation matrix

Please note that all Key Evaluation Questions (KEQs) are included as formulated in the ToR. Note that only KEQ2 has been split into two, KEQ2a and KEQ2b. Otherwise, the evaluation sub-questions have been slightly amended from the original ToR due to some degree of overlap, duplication and misalignment between the KEQ and its sub-questions. These amendments are noted and documented separately.

Evaluation area	Evaluation sub-questions	Evaluation methods
KEQ1. Is the current **design** of the Framework for Strategic and Annual Performance Plans (FSAPPs) coherent, internally consistent, and aligned with relevant legislation and policy?		
Alignment	1.1 Is there **alignment** (consistency) with other frameworks, legislation, regulations? Specifically, the *Framework for Managing Programme Performance Information*2 (NT 2007), the *Division of Revenue Act* (Act 2 of 2013) (DORA), infrastructural plans, national spatial framework (future), the *National Development Plan* (2011)/*Medium Term Strategic Framework* and the Government's outcomes-based system.	Document review and comparison of frameworks, legislation and regulations. Interviews with transveral/governance respondents Interviews and focus groups with departmental respondents Departmental survey
Coherence	1.2 Are the Frameworks (FSAPPs and FMPPI) with regard to strategic plans and annual performance plans **coherent, logical and easily understandable**?	Interviews and focus groups with departmental respondents Document review and comparative analysis
Users	1.3 Does the FSAPP provide adequate information and guidance for the **different users** and speak to the different mandates/roles of departments?	Document review Interviews with transveral/governance respondents Interviews and focus groups with departmental respondents
Processes	1.4 Are the **processes** to be followed (actual steps): are they clear, logical and easily understandable? Do the processes logically lead to the expected outputs?	Interviews and focus groups with departmental respondents

Evaluation area	Evaluation sub-questions	Evaluation methods
	1.5 Are the processes sufficiently robust to allow for the different roles/mandates of departments?	Document review Theory of Change development
Templates	1.6 **Templates**: are the tools user-friendly, logical and aligned with the content of the guidelines?	Interviews and focus groups with departmental respondents Document review and analysis of templates Departmental survey
Quality assurance	1.7 **Quality assurance**: to what extent is quality assurance built into the system?	Interviews with transversal/governance respondents Interviews and focus groups with departmental respondents Document review Structured review of the SPs, APPs and ARs
	1.8 Measurement: what do the plans seek to measure? Must-haves (AG), should-haves, good-to-have: to what extent does the Framework allow departments room to "game" the indicators and targets?	
KEQ2a. What is the **current practice** with regards to the utilisation and reporting on the Framework(s)?		
Current practice	2a.1 Does the department have supplementary plans in addition to SP and APP, and how do they complement one another?	Interviews and focus groups with departmental respondents Document review Structured review of the SPs, APPs and ARs Departmental survey Analysis of MPAT historical data
	2a.2 Is the management of the SP and APP built into the current performance agreements of senior managers?	
	2a.3 Is there alignment between the MTSF and the SP/APPs?	
	2a.4 To what extent is this reflected in the department's Annual Report?	
	2a.5 How good are the SPs and APPs presently submitted?	
Operationalisation	2a.6 **Operationalisation** ("cascading") of SP and APPs: how has the department gone about building the SP and APP into the department's performance management system and actual day-to-day operations?	Interviews and focus groups with departmental respondents Document review Structured review of the SPs, APPs and ARs
Planning and budgeting	2a.7 **Planning and Budgeting**: are the Framework(s) used for planning, as well as for budgeting purposes?	Interviews with transversal/governance respondents Interviews and focus groups with departmental representatives
	2a.8 How are departments going about these processes at present?	

Evaluation area	Evaluation sub-questions	Evaluation methods
	2a.9 Is there alignment between the performance template and the budgeting template?	Document review Structured review of the SPs, APPs and ARs Departmental survey
	2a.10 How are departments dealing with implementation programmes (such as the Integrated Nutrition Programme, Grade R etc., see DPME's Guideline on Planning New Implementation Programmes) and incorporating them in the Strategic Plans and APPs?	
KEQ2b. Is there evidence that national and provincial departments have improved making strategic choices and implementation (service delivery) as a result of using the Framework for Strategic and Annual Performance Plans and the Framework for Managing Programme Performance Information? If so, what aspects of each of the frameworks are achieving the desired results?		
Views/feedback	2b.1 What are **views/feedback** from departments on the value of the Framework, and on the SP and APP?	Interviews and focus groups with departmental respondents Structured review of SPs, APPs and ARs Departmental survey Interviews with transversal/governance respondents Interviews with Parliamentarians Analysis of MPAT historical data
	2b.2 In the view of the departments… In the Framework, what is the purpose of the SP?? What is the purpose of the APP?	
	2b.3 Did the Framework enhance the department's understanding, and execution of planning, and/or result in improved delivery?	
	2b.4 Is the department planning for reasons of compliance or because of real planning need and process within?	
	2b.5 Has the use of the Framework(s) resulted in more integrated planning, budgeting, monitoring, and reporting cycles?	
	2b.6 Did utilisation of the Framework assist with a more strategic understanding of departmental/policy/programme performance?	
Support and responsiveness	2b.7 Are policy departments (national) reviewing the provincial departments' SPs and APPs?	Interviews and focus groups with departmental respondents Interviews with trasnversal/governance respondents Structured review of SPs, APPs and ARs Departmental survey Interviews with Parliamentarians
	2b.8 To what extent are departments considering and/or implementing the recommendations from the policy department?	
	2b.9 What was the level of support provided to departments by (Provincial and/or National) Treasury after implementation of the Framework?	

Evaluation area	Evaluation sub-questions	Evaluation methods
	2b.10 Did this meet with their needs and expectations?	
	2b.11 When was feedback provided - before tabling to National Assembly and/or Provincial Legislature?	
	2b.12 How could this be improved?	
	2b.13 In cases where feedback was provided by Treasury, what was the outcome?	
KEQ3. Did compliance with the Framework for Strategic and Annual Performance Plans improve departmental **performance management processes**? To what extent? Can the efficiency of compliance with the Framework (FSAPPs) be improved?		
Duration	3.1 **Duration**: how long does it take, and how frequently does the department go about producing and/or updating the strategic plan, and also the APP?	Interviews and focus groups with departmental respondents Departmental survey Structured review of SPs, APPs and ARs
	3.2 Who is involved and provides input? How? Who drafts the documents?	
	3.3 Are the documents reviewed and circulated afterwards before approval?	
	3.4 What is the approval process?	
	3.5 Who is the custodian of the SP and APP?	
Departmental performance management processes	3.6 Did compliance facilitate improvement of **departmental performance management** processes? To what extent?	Interviews and focus groups with departmental respondents Departmental survey Structured review of SPs, APPs and ARs
	3.7 Did the Framework (FSAPPs) result in system changes or enhancements in the department's management information system (MIS)?	
	3.8 To what extent has the use of the Framework resulted in identification of relevant lessons and learning in the department?	
KEQ4. What are the main gaps and/or needs in the current planning framework (FSAPPs and FMPPI)?		
Other planning elements	4.1 Are there other elements of planning in Government that contribute to the development of strategic plans and/or annual performance plans?	Document review Theory of Change development Interviews and focus groups departmental respondents Interviews with transversal/governance respondents Departmental survey
	4.2 What other elements (apart from the Framework for Strategic and Annual Performance Plans and the Framework for Managing Programme	

Evaluation area	Evaluation sub-questions	Evaluation methods
	Performance Information) of the government planning system are **not functioning effectively**?	
Unintended consequences	4.3 What are the perverse incentives that emanates from the Audit of Pre-determined Objectives?	Interviews and focus groups with transveral/governance and departmental respondents Structured review of the APP and AR Departmental survey
Institutionalising lessons	4.4 How have the departments addressed the institutionalisation of lessons from compliance with the frameworks and the standard operating procedures wtihin departments?	Interviews and focus groups with transveral/governance and departmental respondents Structured review of the APP and AR Departmental survey Analysis of MPAT historical data
	4.5 What are the main trends in terms of emerging impact of the Framework(s) in the departments after 7 and 5 years respectively (FSAPPs and FMPPI)?	

Recommendations

The following KEQ is answered via the evaluation recommendations and data will not be presented and analysed directly in relation to the following sub-questions.

KEQ5. How can the current planning system be improved?		
Recommendations	5.1 Which aspects of each of the frameworks should be amended?	Document and literature review Data analysis and triangulation Draft evaluation report and recommendations workshop
	5.2 What improvements can be made to *the other* elements to inform better planning in Government?	
	5.3 How can the current planning system be refined to address the issue of the perverse incentives that emanates from the Audit of Pre-determined Objectives?	
	5.4 How can institutionalisation of the lessons from compliance with the Frameworks, and of the standard operating procedures within departments be improved?	

	5.5 How can the Framework be best modified to integrate and identify specific implementation programmes of departments, and to facilitate monitoring and/or evaluation of these implementation programmes?	
	5.6 How should implementation of such a revised system be rolled out?	

Appendix 4: Methodology

The evaluation is conceptualised as an implementation evaluation with a significant clarificatory design component intended to guide a theory-driven approach to the evaluation. In line with government's normative orientation towards partnership, ownership and utilisation of the evaluation results[22], the evaluation adopted a mixed-methods participatory approach. This has included continuous in-process consultation and dialogue with the Project Steering Committee, integration of stakeholder inputs on the methodology and data collection, sharing of preliminary findings, and dedicated capacity building sessions.

The evaluation was broken into two distinct phases: a review phase focusing on development of a theory of change, logical framework and data collection instruments; and a data collection and analysis phase.

Review phase

The review phase was primarily concerned with clarifying the nature of the intervention through an extensive document review, interviews with key stakeholders, and a literature review. As part of this phase interviews were conducted with 11 stakeholders from DPME (4), National Treasury (4), the Public Service Commission (1) and the Auditor-General of South Africa (2). Only the Department of Public Service and Administration (DPSA) declined interview requests.

After a preliminary review of official government documents and policies related to the FSAPP, a comparative analysis of planning systems in Canada, Uganda and Mexico was undertaken. A literature review focusing upon strategic management and planning in the public sector was also undertaken to inform the evaluation's analytical framework.

A workshop was conducted with representatives from key stakeholder organisations to present a draft theory of change and literature review, and to validate the description of the intervention. Following feedback and engagement with the Project Steering Committee this clarificatory component was finalised and is presented in section 3 of the report. Data collection instruments were also developed and shared with the Project Steering Committee. For more detail on this phase, including an explanation of the evaluation criteria employed, please refer to the Evaluation Matrix appendix to the report.

Data collection phase

Primary data collection occurred between July and October 2016 and collection can be distinguished between primary (qualitative and quantitative methods) and secondary (structured review and analysis of existing datasets). For all primary data collection undertaken, basic ethical protocols were observed, including informed consent. For all data presented in the report anonymity has been introduced to limit the risk of attributing statements to specific individuals.

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[22] As set out in DPME's Standards for evaluation in government (DPME, 2014).

Qualitative data collection

Sampling

A sample of national and provincial departments was determined by DPME according to a spread of historical MPAT performance. The sample was conducted with the intention of highlighting and contrasting departments that have displayed good practices with those that have room for improvement. As a result, an equal proportion of good and 'challenged' departments were sampled at both national and provincial level. Using MPAT scores from 2014/15, the following eight (8) national departments are included within the sample:

- Arts and Culture;
- Home Affairs;
- Water and Sanitation;
- Public Works;
- Women;
- Trade and Industry;
- Public Enterprises; and
- Economic Development.

National Treasury and **DPME** were considered two other departments for inclusion at a national level and were engaged both in terms of their national transversal roles, as well as their experience applying the FSAPP internally. Additional departments sampled for inclusion at a national level were **Health** and **Education** because of their concurrent functions. This brings the total national departments sampled for the qualitative engagements to 12.

 At a provincial level, the Eastern Cape, Western Cape, Northern Cape and Free State were all selected for inclusion. The following sets out the twenty (20) sampled departments, identifying the five (5) for each of the provinces.

Province	*Department*
Northern Cape	Office of the Premier Agriculture, Land Reform and Rural Development Cooperative Governance, Housing and Traditional Affairs Health Transport, Safety and Liaison
Eastern Cape	Health Human Settlements Sports, Recreation, Arts and Culture Education Cooperative Governance & Traditional Affairs (sampled; did not participate)
Western Cape	Department of the Premier Health Human Settlements Treasury Social Development
Free State	Human Settlements Health Public Works and Infrastructure

Economic, Small Business Development, Tourism & Environmental Affairs
Police, Roads and Transport

In addition to the sampling of the national and provincial departments, the perspectives of individuals within governance and transversal departments at the centre of government nationally and provincially were also sought. At a provincial level, perspectives from the **Offices of the Premier** were sought for their transversal coordination role. A separate questionnaire was provided for these engagements.

Respondents were differentiated based on their respective levels and positions. The stakeholder views can be broken down into the following groups: transversal and governance departments (e.g. DPME, National Treasury, Office of the Premier, etc); sampled national departments; and sampled provincial departments.

Methods

Two methods were applied: semi-structured interviews; and focus groups. Within sampled national and provincial departments, the aim was to interview the Heads of Department or delegated respondents, and to conduct focus groups with senior managers, programme managers and planning, monitoring and evaluation specialists. The aim was to conduct 44 national interviews as per the table below.

Table 12: Semi-structured interview respondents by stakeholder

National and provincial transversal and governance departments (TPD)						National departments (ND)	Provincial departments (PD)	
DPME	National Treasury	DPSA	AGSA	OPSC	OtP (per province)	DG or delegated respondent (incl. DPME, NT)	HOD or delegated respondent	*Total*
2	3	1	1	1	4	12	20	44

Furthermore, 32 focus groups were planned. These would include 12 national department focus groups (one per department) and 20 provincial department focus groups (one per provincial department, per each of the four provinces included in the sample).

Table 13: Focus group respondents by stakeholder

National departments (NDFG)	Provincial departments (PDFG)	*Total focus groups*
12 focus groups	20 focus groups	32 focus groups

This was the intended sample, but additional qualitative data was also collected, as discussed below.

Process and response

All but 1 of the 32 sampled departments were reached in the qualitative data collection process (Eastern Cape CoGTA cancelled their engagements at the last

minute). As planned, additional sessions were held with provincial Offices of the Premier where these were not among those sampled.

PDG made the following request of each of the sampled departments:

- an interview with the HOD or a person delegated by the HOD to give perspective on the overall perspective on the department's planning, budgeting, monitoring, evaluation and reporting cycle
- a focus group with senior managers, including programme managers as well as those focused on planning, budgeting, monitoring, evaluation, and/or reporting. The focus group participants were to be nominated by the HOD or a person delegated by the HOD.

Thus, PDG left it to the discretion of the department (HOD) to nominate the appropriate individuals. Participants in interviews as well as focus groups therefore varied. In a handful of cases the HOD participated in the interview him/herself, but usually a senior planning official was nominated to do the interview. This proved effective in getting an overarching but detailed perspective in the interview.

In the focus groups there was good participation from planning as well as programme management officials, but planning/M&E officials were ultimately better represented. The programme officials shed light on unique realities associated with applying the framework to their implementation context. Since they were sometimes in the minority and the focus groups were only approximately 1.5 hours each, it is possible that the qualitative data somewhat underrepresents their views. However, it was appropriate that the decision of their participation was made between them and their departmental leadership, with cognisance of their programme responsibilities. Furthermore, the active participation of the planning/M&E officials was useful as these officials could provide more detailed views, especially on the design of the framework itself, and on the department's interaction with other stakeholders beyond the department regarding its plans, budgets and reports.

Additional qualitative data was collected beyond the originally proposed scope of work, in consultation with the Project Steering Committee. These additional interviews were done to satisfy two identified gaps in the purposive sampling approach emerging from the review phase. The first was the need to obtain qualitative data from legislators as key stakeholders with an oversight role in the planning system. Requests were made to the Chairpersons of five parliamentary committees in the National Assembly, but there were some time lags in setting up these engagements through the appropriate channels. Ultimately 3 out of 5 committee chairs were interviewed:

- National Council of Provinces Select Committee on Finance
- Portfolio Committee on Health
- Portfolio Committee on Public Enterprises

The second need identified was to ensure sufficiently broad participation of stakeholders from DPME in support of evaluation ownership and buy-in. To address this, it was agreed to change the DPME sessions from one interview and

one focus group, to four interviews. These were conducted with the head: evaluation and research; a director: evaluation and a representative of the office of the DG; and two outcomes facilitators.

In terms of ethics, informed consent procedures were followed. As far as possible, PDG sent the information statement to participants via email ahead of time. At the start of every session, PDG facilitators went through the information statement with participants, giving them a printout or showing it on PowerPoint. Participants were given an opportunity to ask questions, and once they were comfortable to proceed, they were asked to sign the informed consent agreement. Where telephonic interviews were conducted, the respondent either submitted the signed form via email or consented verbally.

In total, 111 individuals participated in the interview and focus group sessions at provincial department level and 97 participated at the national department level, all of whom held planning-specific or planning-related responsibilities. See a full list of respondents in the fieldwork report.

Departmental electronic survey

Sampling and design

The departmental survey, which was administered via the online platform SurveyMonkey, was aimed at all national and provincial departments – 155 in total. The relatively small and defined population size combined with guiding considerations of participation and buy-in resulted in all national and provincial departments being included in the sample.

Most questions were aimed at all departments, with one page specifically for provincial departments. The questions were predominantly closed (ordinal, nominal, or numeric), amenable to quantitative analysis. A few open questions were also included; the final question (further comments and recommendations) in particular evoking detailed qualitative responses.

Piloting

An invitation to complete a pilot version of the survey online was sent out to the evaluation steering committee on 16 August 2016 and respondents were given a week to respond. Three steering committee members and three PDG team members responded to the pilot survey. No major changes were made as a result of the piloting, but respondents' suggestions added some value in clarifying the wording of the questions.

Process and response

DPME sent out a letter from Dr Ian Goldman's office introducing the evaluation and the survey to all national DGs and provincial DGs in the Offices of the Premier on 2 September 2016. PDG then sent the survey invitation out on the 5 September 2016. The survey closing date was initially 15 September 2016 but was eventually extended to 30 September 2016. Departments received several reminder emails throughout the process before the closing date.

For national departments, the survey invitation was sent to the FOSAD contact list provided by DPME, and if national departments responded nominating a

specific individual then subsequent reminders were sent to this person instead. For provincial departments, PDG worked through the Offices of the Premier. These offices varied in their level of involvement in getting departments to respond. This probably helps to explain the outliers: the Western Cape had a 100% response rate (13 out of 13 departments) where the Department of the Premier followed up with departments repeatedly by email and phone; in North West where no such follow-ups were made only five departments responded.

The survey process went fairly smoothly with no major technical challenges or questions related to interpretation of the questions[23]. The steering committee's inputs on the draft survey, and the piloting of the draft survey most likely ironed out some such challenges.
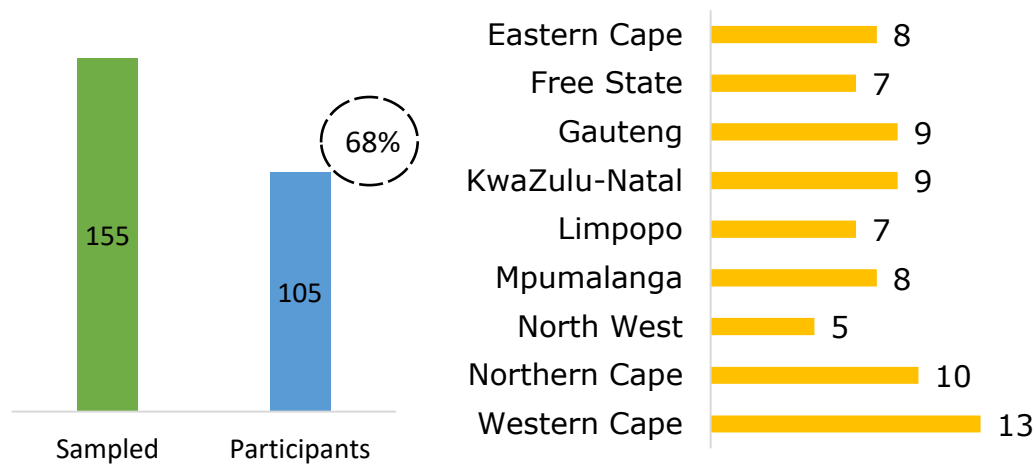

Figure 34: Response rate of sampled departments across provinces

In total, 105 departments responded to the electronic questionnaire across all nine provinces. The overall departmental response rate of 68% was considered acceptable and represents a marked increase compared to a similar historical online government survey for the MPAT evaluation.[24] The results should not be framed as being statistically representative given that the full population of departments was invited to participate and not all did. However, responses across provinces and types of departments are considered sufficiently representative[25] for the purpose of this evaluation and provide a solid basis for undertaking a descriptive analysis of departmental practices in this regard.

Documentary and secondary data collected

In addition to primary data collection PDG has made use of available secondary data that provide information on the implementation of the FSAPP. Foremost

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[23] With the exception of a Chief Director in the Western Cape. Correspondence with her resulted in PDG sharing a copy of the survey questions in PDF format to all departments along with the first survey reminder, to support HODs in identifying an appropriate person to respond on behalf of the department.

[24] The MPAT evaluation only received responses from 71 departments (45.81%) of the total sample.

[25]

among this data are the APPs and Annual Reports (ARs) themselves, which have been subjected to a structured review. For the sake of consistency, the same 32 national and provincial departments that formed the qualitative data sample were included in this structured review. APPs and ARs for 2014/15 were reviewed as the latest complete, publicly available documents.

PDG used the APPs shared by DPME and further documents were collected from the internet wherever possible. Where documents could not be sourced online, PDG approached the departments and requested the documents. All the documents were obtained except for 2 provincial APPs (see Appendix).

DPME also made available its review reports on draft Strategic Plans and APPs for all provincial departments and some national departments for 2016/17. These reports are produced by the Government Performance Information unit of DPME after a review of the first and second draft planning documents. and The review reports aim to provide guidance on improving departmental Strategic Plans and APPs. A structured review was conducted of DPME's feedback to 112 provincial departments on their second draft APP submissions for 2016/17.

Recent Auditor-General South Africa reports such as *Consolidated general report on national and provincial audit outcomes* from 2012/13-2014/15 were also reviewed, specifically with a focus upon the Audit of Predetermined Objectives. These reports included appraisals of material misstatements in performance information and the usefulness and reliability of Annual Performance Reports applying the *Performance Management Reporting Framework* as set out in the annual Auditor-General Directive.

Departmental respondents in the interviews, focus groups and electronic survey also volunteered some additional documentation: presentations, correspondence with their concurrent departments around indicator development, and longer written inputs than what the electronic survey had allowed.

Lastly, a key source of historical data taken into account in the evaluation is the Performance Assessment Tool (MPAT) scores for Key Performance Area (KPA) 1- Strategic Management which includes standards for the Strategic Plan, APP and performance reporting. KPA 1 scores for 2012-2015 for all departments were obtained from DPME and trends analysed. These provided a further source of data on the extent to which, in recent, years there has been an alignment, standardisation and harmonisation of plans; and integration of M&E in performance strategic management.

Data analysis and synthesis phase

Qualitative data analysis

All interview and focus group transcripts were subjected to thematic analysis using Nvivo software package. Qualitative data analysis involves coding, i.e. the

grouping of qualitative data (text and other media) based on shared characteristics[26].

The evaluation team initially created codes corresponding with the evaluation questions and sub-questions and conducted an initial round of coding using these codes. The first cycle of coding was done based on these predetermined codes, with sub-codes added along the way where they were found necessary (e.g. to highlight positive or negative views on the same topic, or to differentiate between descriptions and evaluative statements). The coding commenced while data collection was still underway, allowing the team to identify areas for further exploration, clarification and triangulation through the remaining interviews and focus groups. The open-ended survey data, and the additional documents shared by respondent departments (see above) were also imported into Nvivo and coded. Coding reliability was periodically checked by involving different team members in the coding process, thereby strengthening inter-coder reliability.

Once all data had been collected and the first cycle of coding completed, the team distilled draft findings and presented these to the steering committee. The steering committee's comments, as well as the need for further triangulation and deeper analysis of the draft findings, informed the second coding cycle. This cycle took a more emergent approach, with the emphasis on creating sub-codes to further refine and distinguish between themes. For instance, whereas during the first coding cycle all explicit recommendations and suggestions were coded as "recommendations and suggestions" and these were broadly described in the presentation of draft findings, in the second cycle of coding new sub-codes were created to distinguish between the general types of recommendations. The final sub-codes for this section were: "Amending the frameworks themselves"; "amending other elements"; and "how a revised system should be rolled out". The former of these sub-codes had 24 sub-codes, some with more references than others, e.g. "guidance on concurrency" (8 references); "amending to better address implementation programmes" (4 references); and "simplify, clarify, easier to understand" (17 references). Overall the process of qualitative analysis enabled for systematically identifying key themes, weighing their relative strength/frequency, identifying nuances and differences between sources within themes, and easily pulling out illustrative quotes from the data.

Quantitative data analysis

Quantitative data obtained from the departmental electronic survey was analysed using Microsoft Excel. Descriptive statistical analysis of this data was undertaken (mostly frequencies; some cross-tabulations by sphere of department) to provide some measures of implementation practice. The electronic survey included a few open-ended questions; responses to these were also subjected to coding and thematic analysis using NVivo software (described above).

The structured review entailed reviewing the APPs and ARs for the 2014/2015 financial year and populating a table with 16 fields, including analysis of content;

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[26] See an overview in chapter 1 of Saldanha (2009).

enumeration; consistency checks and completeness checks. These covered the following items:

- Extent to which macro planning documents were mentioned and/or integrated with the APP
- Articulation of goals – whether these were articulated at all and whether multiple types of "goals" were present
- Structuring of and number of Strategic Objectives and Indicators
- Presence of Technical Indicator Descriptions (TIDs)
- Achievement of targets
- Vacancy rates, performance bonuses and signing of performance agreements with senior managers
- Results of the Audit of Predetermined Objectives

A second structured review was conducted of the DPME's assessment reports of provincial departments' 2016/2017 second draft APPs. The review entailed recording the key types of recommendations made by DPME in each of the 112 assessment reports (one per provincial department). These were then quantified and analysed by type of department (centre of government, service delivery, and facilitatory / regulatory departments).

The analysis of MPAT scores (2015-2015) entailed determining the frequency of high, medium and low scores on each standard, and the change in scores on each standard over time.

Triangulation and review

The evaluation employed mixed methods, meaning that there is a deliberate attempt to triangulate qualitative and quantitative methods and drew from the primary and secondary data collected to enrich and illustrate the findings. The quantitative analyses and first cycle of qualitative analysis, described above, took place during the latter half of 2016, and the results of these analyses were presented and discussed in a team meeting. Following this, the team undertook a first round of integration and triangulation to the develop emerging findings presented to the steering committee in October 2016. These findings were presented with the acknowledgement that analysis was ongoing, and they elicited valuable feedback for further analysis and exploration.

In December 2016, four sector-specific case studies were also developed. The sectors were health, public works, education, and DPME and offices of the premier. The reports were structured in line with the evaluation criteria. This shed light on sector-specific experiences, good practices and concerns.

The draft report was developed in January, building on the draft findings, feedback, and case studies. The report structure guided the triangulation of findings in reference to each evaluation question. In line with a theory-driven approach, the findings were synthesised in relation to each evaluation criterion and then their implications for the validity of the intervention logic were discussed.

Limitations of the study

Limitations of scope

As discussed earlier, the evaluation's scope as per the Terms of Reference excludes public entities and constitutional institutions, even though the FSAPP applies to them. The findings in this evaluation may apply only to varying degrees to them given their different mandates, institutional structures and stakeholder configurations.

Limitations of the data

The primary qualitative data (interviews and focus groups) was collected from only 4 provinces. It should be noted that this qualitative data does not cover Gauteng, KwaZulu-Natal, Mpumalanga, North West and Limpopo. However, the 4 provinces were selected in order to be representative of the provinces' variance in capacity, provincial realities and performance. The specific departments were also chosen with this variance in mind. At an aggregate level therefore, the qualitative data should adequately describe the common issues of most provincial departments. Furthermore, the survey and secondary data sources covered all provinces.

In terms of the qualitative responses collected, the fact that M&E/planning officials were better represented in the focus groups then programme officials, may have led to some overrepresentation of their inputs in the qualitative data. The survey was also completed by a single official in each department and was focused on the experience of each department as a whole. Programme officials' unique modalities in applying the frameworks to their areas of work, may not be as apparent in the data, nor are they as generalisable. The evaluation considered the entire country and its emphasis was on highlighting the most significant realities; it should not be taken as definitive of individual departments' or sectors' experience.

The qualitative data sufficiently covered the key national Centre of Government departments responsible for supporting, reviewing and providing oversight over the application of the frameworks, with several interviews conducted with different role players in DPME and Treasury, and one interview with two key officials in the AG. However, DPSA declined the interview request and the evaluation therefore does not benefit from detailed inputs from this department across the areas of analysis. The DPSA nevertheless participated in the steering committee and their inputs on draft outputs and recommendations were therefore taken into account.

As noted before, the survey response rate was 68% of all national and provincial departments. This is a high response rate, but the results derived from it should not be taken as statistically representative. The intention was never to obtain a statistically representative sample but to employ an inclusive sampling approach that provided all national and provincial departments, especially those outside the qualitative sample, an opportunity to provide information on their experience of applying the framework. With all nine provinces participating in the survey and the survey covering the spread of different 'types' of departments, this is considered sufficiently representative for the purpose of this study.

Limitations of process

The evaluation experienced significant delays which affects the currency of the findings. The evaluation Terms of Reference were published in May 2015 and the evaluation started in September 2015, but data collection and analysis took place only by the latter half of 2016 and early 2017, and the report is being finalised only in early 2018. Parallel to the evaluation, the planning framework including FSAPP was being reviewed and revisions tabled, with some changes already affected for the 2017/2018 planning cycle. Therefore, some findings may be somewhat outdated by the time the report is tabled in Cabinet and eventually made available for public consumption. In particular, the analysis of MPAT scores (2012-2015) and structured review of 2014/2015 APPs and ARs should not be taken as the status quo in 2018. However, the key findings and recommendations are sufficiently current to serve as a basis for further action and improvement.

Appendix 5: Data collection instruments

See attached PDF.

Appendix 6: Literature review

See attached PDF.

Appendix 7: Logical framework

The following logical framework is based on DPME's preferred logical framework template from the example of the Funza Lushaka Bursary Programme of DPME and the Department of Basic Education (2016). This template distinguishes between results level indicators, their means of verification and related assumptions, and that of activities, sub-activities and low-level outputs. This template was adapted for the purpose of this evaluation (and therefore serves the purpose of the evaluation data collection plan, and includes means of verification unique to this assessment) to distinguish sub-activities and their low-level outputs from inputs. Given the implementation emphasis of the evaluation, with its strong design and clarificatory component, data instruments will need to confirm whether inputs are in place as intended, and whether the sub-activities and low-level outputs have been delivered as a critical precondition.

Result 1a: Aligned, standardised and more appropriate plans

Objectively verifiable indicator	Means of verification	Assumptions
National and Provincial average MPAT standard 1.1.1 ratings (Strategic Plans)	MPAT results 1.2-1.4 (2012/13-2014/15)	Budget programmes and planning speak to implementation programmes
National and Provincial average MPAT rating for standard 1.1.2 (Annual Performance Plans)	MPAT results 1.2-1.4 (2012/13-2014/15)	
% of departments agreeing with alignment and standardisation survey statements	PDG departmental survey	

Activity	Sub-activities and low-level outputs	Inputs
A1. FSAPP is introduced and supported across public institutions	Sub-activity 1.1- FSAPP is communicated to public institutions Low-level outputs: a. FSAPP official communications to public institutions b. Meetings held by NT and PTs with public institutions	Input 1.1.1 Framework for Strategic Plans and Annual Performance Plans and templates

Activity	Sub-activities and low-level outputs	Inputs
	Sub-activity 1.2-Training and guidance on development of FSAPPs Low-level outputs: a. Training and information sessions for public institutions b. Formal feedback and appraisals of SPs and APPs c. Development of sector department guidelines for provincial SPs and APPs (e.g. Health, Education, etc)	See Input 1.1.1
A2. Public institutions undertake strategic and annual performance planning and budgeting processes according to FSAPP	Sub-activity 2.1- Strategic planning for the medium term is undertaken Low-level outputs: a. Strategic planning meeting records b. Draft strategic plans (incl. strategic intentions)	Input 2.1.1 Higher-level plans, legislation and policies a. National Development Plan b. MTSF planning and MTEF projections c. Provincial Growth & Development Strategies and other provincial long-term plans d. New legislation or sector policies
		Input 2.1.2 Existing research, performance reporting and evaluation in the sector a. Recent Annual Performance Reports and expenditure reviews b. Recent evaluations in the sector c. Recent research and analyses of the sector
	Sub-activity 2.2- Annual performance planning and budgeting Low-level outputs: a. Annual performance planning meeting records b. MTEC engagements c. Draft APP with MTEF projections	Input 2.2.1 Higher-level plans, legislation and policies a. National level planning priorities (NDP and MTSF) b. PGDS c. Department Strategic Plan and existing MTEF

Activity	Sub-activities and low-level outputs	Inputs
		projections d. New legislation or sector policies
		Input 2.2.2 Recent performance and expenditure reporting a. Recent QPRs and monthly expenditure reports b. Preceding Annual Reports (FY-2) c. Recently completed research, advisory work and evaluations
A3. Strategic and annual planning is reviewed, cascaded, and operationalised across public institutions	Sub activity 3.1- Strategic planning is cascaded and shared laterally Low level outputs: a. Meetings with other sector public institutions and other spheres of government to discuss draft strategic planning b. Decisions of intergovernmental forums related to planning	Input 3.1.1 Other government plans a. National level Strategic Plans b. Sector department Strategic Plans c. Related Integrated Development Plans d. HR plans
	Sub-activity 3.2- Annual performance planning and budgeting is cascaded, shared laterally and operationalised Low-level outputs: a. Meetings with other sector public institutions and spheres of government to discuss draft APPs b. Departmental operational plans c. Senior manager performance agreements	Input 3.2.1 Draft annual performance plans and budget allocations

Activity	Sub-activities and low-level outputs	Inputs
	Sub-activity 3.3- Oversight of planning and budgeting Low-level outputs: a. Presentations to legislatures b. Approval of Strategic Plans, APPs and annual budget Votes	See input 6.1.1-2a

Result 1b: Appropriate and meaningful reports of performance results

Objectively verifiable indicator	Means of verification	Assumptions
National and Provincial average MPAT ratings for standard 1.3.1 (Integration of M&E in performance and strategic management)	MPAT results 1.2-1.4 (2012/13-2014/15)	Public institutions have access to data that is affordable and verifiable.
% of national and provincial public institutions with no findings on annual performance reports	Auditor General Results	
% of national and provincial public institutions with useful and reliable reports	Auditor General Results	
Percentage of APP-AR indicators achieved	PDG structured review of 28 SPs, APPs and ARs	
% of public institutions indicating reports of government performance and results are more credible and meaningful	PDG departmental survey	

Activity	Sub-activities and low-level outputs	Inputs & resource requirements
A4. Coordinated implementation of plans and performance management across public institutions and spheres of government	Sub-activity 4.1-Execution of plans as per implementation programmes Low-level outputs: a. On-going implementation and project activity reporting	Input 4.1.1- Existing IGR and implementation forums, guidelines and joint implementation protocols

Activity	Sub-activities and low-level outputs	Inputs & resource requirements
	b. IGR structures support implementation coordination	
	Sub-activity 4.2- Performance management of programmes and staff Low-level outputs: a. Affirmations, corrections or changes to programme implementation b. Interim performance feedback to managers	Input 4.2.1- Interim performance feedback arrangements or guidelines
A5. Periodic monitoring and performance reports are produced linked to plans	Sub-activity 5.1- Periodic monitoring and reporting against plans Low-level outputs: a. Monthly expenditure reports b. Quarterly performance reports c. Annual Reports d. End of Term review e. Annual staff performance reviews	Input 5.1.1 Available data on performance and results a. Expenditure information from BAS b. Departmental administrative and operational data c. Performance information d. Evaluation data collected e. Official statistics
		Input 5.1.2 Capability to source, capture, collate and analyse a. Technical indicator descriptions and guidelines for data collection and analysis b. Data collectors, collators and analysts c. Templates for reporting and analysis d. Evaluators and specialist analysts
	Sub-activity 5.2- Accounting Officers and Executive Authorities exercise oversight of performance	See low-level outputs from sub-activity 5.1

Result 2: A shared and transparent basis for accountability

Objectively verifiable indicator	Means of verification	Assumptions
% of public institutions indicating that indicate the planning framework support accountability for government performance results	PDG departmental survey	Adequate capacity to fulfil roles and responsibilities across state (e.g. Account Officers, Executive Authorities, Legislatures and Departmental staff)
% of public institutions indicating performance indicators directly inform Senior Manager performance agreements	PDG departmental survey	

Activity	Sub-activities and low-level outputs	Inputs & resource requirements
A6a. Legislatures, elected officials and the public exercise oversight according to plans	Sub-activity 6.1a- Legislature oversight of plans and budgets Low-level outputs: a. Questions on planning and budgets b. Approval of Strategic Plans, APPs and Budgets	Input 6.1.1-2a Capacity of legislatures a. Legislative representatives b. Legislative researchers and support
	Sub-activity 6.2a- Legislature oversight of performance reports and evaluations Low-level outputs: a. Reports submitted to legislature (incl. AG reports) b. Notes and resolutions	
	Sub-activity 6.3a Public institutions appear before legislature committees Low-level outputs: a. Presentations to the legislature b. Corrective actions and follow-up reports	See input 6.1.1-2a

Activity	Sub-activities and low-level outputs	Inputs & resource requirements
	Sub-activity 6.4a Public institutions make public and accessible plans and reports Low-level outputs: a. Strategic plans and APPs online b. Annual Reports online	Input 6.4a Plans and reports online

Since indicators for many of the results do not exist already, or exist only in partial and/or approximate form (e.g. MPAT indicators, AG findings, etc), these have been supplemented with evaluation specific data sources. The prescribed template we've been asked to apply puts an emphasis on presenting indicators in relation to results only, while mainly describing activities, sub-activities and outputs. The nature of this evaluation means much of the evaluation focus will be at this level, which necessitates that the activities, sub-activities, low-level outputs and inputs are thorough and reflective of the process expected to culminate in the identified results.