



The Presidency  
Department of Performance Monitoring and Evaluation

## **OVERVIEW OF MUNICIPAL ASSESSMENT TOOL**

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# Problem statement

- Service delivery: Pace is slow, but big threat is functionality, particularly in water & sanitation:
  - almost 21% of the households with access to water infrastructure have to endure problems in respect of its functionality (no water from tap) over and above the 5.3% households who still do not have a service; and,
  - 26% (3.8 million households) are affected by sanitation services and/or facilities that are not fully functional over and above the 9% (1.4 million households) who still don't have a service.
- This is among the major reasons for the high levels of dissatisfaction within communities. Service delivery protests in the period ending June 2012 exceed the total in 2011 (see next slide)
- Institutional performance of municipalities is worrying - poor financial and administrative management, weak technical and planning capacity, weak leadership & governance (contracts awarded to employees, councillors & other state officials increased to 46% of auditees) and dwindling revenues
- Despite plethora of capacity building & support activities over more than 10 years – results not optimal
  - Ad-hoc, fragmented, no focus
  - Coordination and alignment of interventions weak



# WHY A MAT?

- Three factors impact negatively on service delivery
  - Municipal institutional performance
  - Weak leadership & accountability in the sector
  - Poor coordination of departments and agencies impacting on local government aggravated by lack of a spatial focus and fragmented & or weak and unreliable data
- Key shortcoming
  - Clear minimum floor of norms and standards of performance for efficient and effective functioning of local government
  - No early warning system that proactively identifies and addresses problems
  - Lack of integrated and holistic picture (administratively, politically and service delivery) on key performance data.



# Objectives of the MAT

- Management tool for municipal leadership
- Knowledge management and performance monitoring system that provides information on municipalities against key indicators – strategic leadership and policy reform
- To facilitate well coordinated targeted and differentiated support and intervention measures
- To gear national and provincial departments to better support in identified areas of underperformance



## Performance areas

- The Municipal Performance Areas that will be assessed by this tool fall into the following 6 categories:
  - Planning
  - Human Resources
  - Financial
  - Service Delivery
  - Community engagement
  - Governance
- Describing the ideal performance to be achieved in respect of key indicators per category
- Setting out the criteria that needs to be progressively met in order to move to the ideal state



## Logic underpinning the Municipal PAT

Performance  
Area and  
Indicator

- **3. Financial Management**
- Sound & sustainable financial management capabilities

Performance  
standards

- Performance Standards
- 3.1. Auditing outcomes
- 3.2 Budgeting and cash management
- 3.3 Revenue management
- 3.4 Expenditure management

Performance measures

- **3.1 Auditing outcomes standards**
- i. Audited financial statements tabled on time & meets requirements of A-G
- ii. Internal Audit has qualified staff, meets regularly & reports to AO
- iii. Appropriate policies & processes in place (supply chain, procurement, asset management)
- iv. Municipality acts on audit reports & findings of MPAC & internal Audit Committee



## Example: Municipal PAT Template

<b>3. Performance Area: Financial management</b>		Overall Score
<b>Definition:</b> A local government system that demonstrates sound and sustainable financial management capabilities and consistently achieves unqualified/clean audit opinions		
<b>Performance Standard: 3.1</b> Auditing outcomes of local government		Score
<b>Standards</b>	<b>Evidence</b>	<b>Level</b>
<ul style="list-style-type: none"> <li>Audited financial statements are not tabled on time and/or does not comply with A-G requirements</li> </ul>	<ul style="list-style-type: none"> <li>AG report</li> </ul>	
<ul style="list-style-type: none"> <li>Audited financial statements are tabled on time and complies with A-G requirements</li> <li>External Audit Committee/MPAC in place &amp; meets as scheduled</li> </ul>	<ul style="list-style-type: none"> <li>AG report</li> <li>Minutes of meetings</li> </ul>	
<ul style="list-style-type: none"> <li>Above standard(s) met, and;</li> <li>Internal Audit with suitably qualified staff in place, meets as scheduled and that reports to Accounting Officer and External Audit Committee.</li> <li>Appropriate policies &amp; processes on asset management, supply chain management and procurement in place &amp; implemented accordingly.</li> </ul>	<ul style="list-style-type: none"> <li>Minutes of meetings</li> <li>Asset management policy and procedure</li> <li>Supply Chain Management policy and procedure</li> <li>Procurement Policy and procedure</li> <li>Anti-corruption strategy</li> </ul>	
<ul style="list-style-type: none"> <li>Above standard(s) met, and;</li> <li>Municipality acts on audit reports and findings from External Audit Committee/MPAC, Internal Audit Unit and A-G</li> </ul>	<ul style="list-style-type: none"> <li>Improvement Plan</li> <li>Improvement plan implementation monitoring reports</li> <li>AG report</li> </ul>	



# Assessment descriptors

Level	Description
Level 1	Municipality is non-compliant with legal/regulatory requirements or established norms and standards
Level 2	Municipality is compliant with legal/regulatory requirements
Level 3	Municipality is fully compliant with legal/regulatory requirements and norms and standards as set out
Level 4	Municipality is fully compliant with legal/regulatory requirements, norms and standards as set out, and is performing well





# How will the results be used?

- As a management tool for the Executive Mayor and Municipal Manager to reflect on the holistic performance of the municipality and to take corrective steps to address areas of underperformance.
- As a tool for coordinating the support and intervention programmes of provincial departments of local government & national departments and to tailor and integrate the support and intervention programmes according to the specific performance gaps for each municipality.
- Nationally as a tool providing critical integrated municipal level information to enable strategic leadership over the local government sector and guide local government policy.



Ke ya leboga                      Ke a leboha  
Ke a leboga                      Ngiyabonga                      Ndiyabulela  
Ngiyathokoza                      Ngiyabonga  
Inkomu                      Ndi khou livhuha                      Thank you  
Dankie

Go to <http://www.thepresidency.gov.za/dpme.asp> for PME documents including narrative guide to outcomes approach, outcomes documents and delivery agreement guide



# Process Plan

Steps	Action	Time frame
Self assessment & internal verification (supported by provincial department of LG)	MAT Coordinator appointed by MM	
	Sections of the tool given to relevant senior manager to complete	
	MAT coordinator & internal audit verifies scores & evidence	
	MM convenes senior management meeting to deliberate on scores & evidence & confirm assessment	
	Executive Mayor & MM approve final assessment & send to DPME	
Moderation & Feedback	DPME collects & consolidates secondary data from sectoral departments & oversight bodies	
	External team led by DPME moderates the self-assessment	
	Moderated results discussed with EM, MM & senior managers	
Improve & monitor	Municipality develops improvement plan & monitors implementation (supported by province, relevant departments & entities)	
	Preparation for next MAT cycle	

