

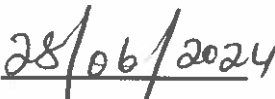


MONITORING AND EVALUATION POLICY FOR THE AMAHLATHI LOCAL MUNICIPALITY

Council Resolution Number: 06/2023/24 Ordinary Council Meeting	Approved Date 28 June 2024
Review Date: 11 & 12 June 2024	Effective Date: 01 July 2024



CLLR. NP MLAHLEKI
SPEAKER OF COUNCIL



DATE

MONITORING AND EVALUATION POLICY	
Policy Status	Active
Version	2024
Date of Approval	28 June 2024
Date of First Implementation	01 July 2024
Date Last Amended	11 & 12 June 2024
Date of Next Review	Annually or as required
Purpose	The monitoring and evaluation (M&E) policy seeks to provide an essential tool for monitoring and assessing the value derived from implementing IDP or aspects of IDP.
Aims and Objectives	<p>To inculcate a culture of monitoring, evaluation, and reporting at Amahlathi Local Municipality</p> <p>To ensure accountability on the implementation of the priorities of the SDBIP and the IDP of the municipality.</p> <p>To regulate performance monitoring and reporting on performance information through Monthly, Quarterly, Half-year and Annual Reports</p>
Policy Custodian	General Manager: Executive Support Services
Related Policies and Legislation	<p>Municipal Systems Act, 32 of 2000 and amendments</p> <p>Municipal Finance Management Act, 56 of 2003</p> <p>Government-wide Monitoring and Evaluation System (GWMES)</p>
Approving Authority	Council
Applicability	Amahlathi prospective and existing employees
Policy Benchmark and References	The Policy Framework to guide the overarching government-wide M&E System (2007)
Stakeholders Consulted	Risk Committee, Audit Committee

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1. RATIONALE OF THE POLICY

- 1.1 The pressure for government to deliver services in an effective, efficient, equitable and sustainable way has increased over the years. The situation has reached levels that provoke violent community protests in Amahlathi Local Municipality (referred to as 'the municipality' from henceforth).
- 1.2 The fifth administration of the municipality brought a new dawn that ushers hope and prosperity. The focus is to tackle the triple challenge of poverty, inequality and unemployment, by bringing an environment that is conducive to investment and business.
- 1.3 The conducive environment referred to in 1.2 above will bring about an inclusive and higher economic growth that creates more jobs for the people of Amahlathi Local Municipality.
- 1.4 The monitoring and evaluation (M&E) policy seeks to provide an essential tool for monitoring and assessing the value derived from implementing the municipality's policies, plans and strategies.

The second important purpose of the M&E Policy is to monitor and evaluate the facilitation and coordination of all efforts (i.e. strategies) of Amahlathi Local Municipality which are deliberately put in place towards attaining the vision of the municipality.

- 1.5 Organisations that consistently monitor and evaluate their performance become effective and efficient in executing their mandate.
- 1.6 An Effective and efficient municipality provides the much desired service delivery in a manner that is equitable and sustainable and by doing so they set themselves in a position to win the hearts of the public because they can demonstrate the results.
- 1.7 Monitoring and evaluation is not a once-off processes, but organizations are called to monitor and evaluate their programmes on a continuous basis so as to learn and plan for improved performance.

2. POLICY OBJECTIVES

The policy intends to:

- 2.1 Inculcate a culture of monitoring, evaluation, and reporting at Amahlathi Local Municipality
- 2.2 Ensure accountability on the implementation of the priorities of the SDBIP and the IDP of the municipality.
- 2.3 Regulate performance management system monitoring and reporting on Quarterly, Half-year and Annual Reports
- 2.4 Establish and regulate a system of managing portfolios of evidence for performance reports; and
- 2.5 Establish specific project monitoring and evaluation based on Quality, Time and Cost as additional assessment measures to the SDBIP.

3. THE LEGISLATIVE AND POLICY CONTEXT

- 3.1. **The Constitution of 1996:** Section 195 of the Constitution outlines key principles that must form the foundation for public administration. These principles form a firm basis for monitoring and evaluation of government programmes.
- 3.2. **The Local Government: Municipal Systems Act, 32 of 2000 as amended (MSA):** In section 38, calls on municipalities to establish a system of performance management that is commensurate to its resources and best suited to its circumstances.
- 3.3. **The Municipal Finance Management Act, 56 of 2003;** Provides for development of a number of reports to monitor budget expenditure and the performance of the municipality against its predetermined objectives.
- 3.4. **Local Government: Municipal Systems Act: Regulations: Municipal Planning and Performance Management**
- 3.5. **Public Audit Act, 2004:** In terms of sections 20(2) (c) and 28(l) (c) of the Public Audit Act of 2004, the Auditor General is required to audit the performance

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information reported by public entities against predetermined objectives. The aim of an audit of predetermined objectives is to enable the Auditor-General to conclude whether the reported performance against pre-determined objectives is reliable, accurate and complete, in all material respects, based on predetermined criteria.

- 3.6. **Treasury Regulations (Published in March 2005):** Clause 18 (18.3.1) details the contents of the Annual Report which includes the information about the institution's efficiency, economy and effectiveness in delivering programmes and achieving its objectives and outcomes against the measures and indicators set out in a strategic plan. This calls for the Accounting Officer to establish a system of reporting in order to monitor the implementation of the Annual Performance Plan.
- 3.7. **Framework for Managing Programme Performance Information 2007:** This framework defines important concepts in managing performance information. Performance information is also defined as the effective management, including planning, budgeting, and implementation, monitoring and reporting. Performance information also facilitates effective accountability, enabling legislators, members of the public and other interested parties to track progress, identify the scope for improvement and better understand the issues involved. The framework also defines **quality standards/indicxators** as the indicators reflecting the **quality of that which is being measured against predetermined standards**. Such standards should reflect the needs and expectations of target population/recipients of the services rendered by the Amahlathi LM. Most importantly this framework defines roles and responsibilities in managing performance information.
- 3.8. **Policy Framework for Government-wide Monitoring and Evaluation (Published in November 2007):** This is an overarching policy framework for monitoring and evaluation for all arms of government in South Africa. It seeks to establish a system that will provide reliable information on the implementation of government programmes, facilitate analysis of government's performance and improve Monitoring and Evaluation practices. This policy framework promotes M&E principles. It requires that the **M&E** principles should:
- a) Contribute to improved governance;
 - b) Be rights based;
 - c) Be development-oriented;

- d) Be undertaken ethically and with integrity;
- e) Be utilisation oriented;
- f) Be methodologically sound;
- g) Be operationally effective

3.9. **National Evaluation Policy Framework 2011:** This policy framework was published by the Presidency in November 2011. It seeks to address the use of evaluation to promote improved impact of government programmes, and at the same time increase transparency and accountability.

4. POLICY PRINCIPLES

- 4.1. **Transparency:** All findings are publicly available unless there are compelling reasons to do otherwise.
- 4.2. **Accountability:** use of resources is open and individuals are held responsible for their areas of performance.
- 4.3. **Ownership:** all stakeholders must be involved on the Monitoring and Evaluation processes and take ownership.
- 4.4. **Respect:** dignity and self-esteem is built amongst stakeholders and affected people.
- 4.5. **Performance improvement:** variables reflecting institutional performance are analysed and reviewed, links are identified and responsive strategies are formulated.
- 4.6. **Capacity building:** the focus should be not at naming or shaming people, but it should be at the centre of capacity building/empowerment and transformation.

5. GOVERNMENT ACTION IN CONTEXT

- 5.1. The Ten-year Review conducted by the Presidency made an observation that many critical political, global and national events demanded serious consideration of the changing public sector environment and a new focus on strengthening planning, monitoring and reporting in South Africa.
- 5.2. There was a general consensus for a need to focus on building a developmental state and the organizational and technical capacity required to make this a reality in the midst of fiscal constraints and economic recession and new policy developments
- 5.3. Citizens also demonstrated their desire for better service delivery through a number of public protests, emphasising the ever-increasing needs for credible reporting that showed real service delivery results in response to the growing intolerance of non-delivery by the public.
- 5.4. The establishment of the National Planning Commission and the appointment of Ministers for Planning as well as Performance, Monitoring and Evaluation, were an indication of government's desire to be more effective and to improve the quality of service delivery.
- 5.5. The adoption of the Outcomes approach and Result-based Monitoring and Evaluation System by government has put pressure to institutions to comp

6. ELEMENTS OF AN MONITORING AND EVALUATION SYSTEM

- 6.1. **Planning:** Identifying information to guide the project strategy, ensure effective operations and meet external reporting requirements. Then deciding how to gather and analyse this information and document a plan for the Monitoring and Evaluation system.
- 6.2. **Implementation:** Gathering and managing information through informal as well as more structured approaches. Information comes from tracking which outputs, outcomes and impacts are being achieved and checking project operations.
- 6.3. **Participation:** This includes the identification and participation of the relevant stakeholders

- 6.4. **Communication:** The results of Monitoring and Evaluation need to be communicated to the people who need to use it
- 6.5. **Linkages:** The framework must relate to other Monitoring and Evaluation framework linkages
- 6.6. **Capacity building:** The framework should enable the staff to go to training courses.
- 6.7. **Individual performance and organisational performance:** Key Performance Areas of all individual employees should be linked to the organisational strategic objective.
- 6.8. **Individual performance through Performance Management System results should be linked to the institutional performance.**

7. PERFORMANCE MONITORING AND REPORTING

- 7.1. The critical aspect of performance monitoring and reporting is the establishment of a system to manage performance information, and this must be integrated into other management systems of the organisation.
- 7.2. Directors must, in line with section 6 above, submit monthly reports on or before the third (3rd) day of the month following the end of each month to the Accounting Officer or a person designated by the Accounting Officer.
- 7.3. The Accounting Officer will submit Quarterly, Half yearly Financial Oversight reports and Annual reports to the Mayor to ensure effective monitoring, evaluation and setting up of corrective actions to improve the municipal performance.
- 7.4. Directors must submit performance information prepared in terms of Section 46 of MSA, 2000, for compilation of the Annual performance report to the Accounting Officer or a person delegated by the Accounting Officer by the 30th June of each year.
- 7.5. Directors must, in line with the PMS Framework, submit quarterly reports for all sub-programmes under their management on or before the third (3rd) day of the month following the end of each quarter to the Accounting Officer or a person designated by the Accounting Officer.
- 7.6. Directors must, prior to submission of Quarterly reports, conduct departmental meetings to monitor performance information. This opportunity gives a chance to the director to assess the departmental performance and tally actual evidence to the required evidence considering prior issues raised by PMS, Internal Audit and AG.
- 7.7. Directors must submit half-year performance reports for all the sub-programmes under their management on or before the 15th January each year to the Accounting Officer or a person designated by the Accounting Officer in order to review and adjust

performance targets before the 25th January each year to meet the requirements of Section 72 of the MFMA, 2003.

- 7.8. Directors must make any other submissions as required of them on the Annual Report to the Accounting Officer or a person designated by the Accounting Officer on or before the 30th day of August each year.
- 7.9. A portfolio of evidence must be submitted along with all the reports as dealt with in clauses 7.2, 7.3, 7.4, 7.5, 7.6 and 7.7. Any submission which is not accompanied by such portfolio of evidence will be deemed incomplete and therefore not submitted.
- 7.10. The departmental performance meeting in 7.6 must be communicated with the accounting officer or delegated M&E official prior its seating. The Accounting Officer or delegated M&E Official may attend departmental performance meetings to observe and give clarity where necessary.
- 7.11. The accounting Officer or a delegated M&E Official must monitor and evaluate planned projects in terms of quantity, quality, cost and time and develop a report for the Management Committee, the Executive Committee and Council.
- 7.12. The 7.10 report will base its findings on acceptable standards on quality, cost and time. These standards find expression in one or a combination of the following: specifications, bill of quantities, Gantt Charts, project designs, generally acceptable standards and the rule of thumb.
- 7.13. The accounting officer will consider the M&E reports and satisfy self on matters raised to determine whether value for money to be paid derived from the quality, quantity and time of work done.
- 7.14. In a case where the standards are not clear the following will be accepted:
 - 7.12.1 Quality Assurance Certificate from a registered Engineer (i.e., consultant or the designer)
 - 7.12.2 In a project, where the expenditure projections were not clear the cost test will be done against time and quality.
 - a) The cost test against time assumes that spending is expected to be 25% of the annual allocation per quarter.
 - b) The cost test against quality assumes that only work that meets quality standards should be paid (all or nothing).
 - 7.12.3 Each project is expected to have time frames from the start to completion. In a multi-year project clear milestones to be achieved in a year, quarter and where possible a month must be clearly written down prior to the start of the project. This will be used as a standard to monitor and evaluate performance against the time.

7. INTEGRATING PLANNING, BUDGETING, MONITORING AND EVALUATION, INDIVIDUAL PERFORMANCE MANAGEMENT AND AUDITS OF PREDETERMINED OBJECTIVES

- 7.1. Effective Monitoring and Evaluation depends on effective strategic planning that has identified desired outcomes based on the policy and legislative framework, reviewed the delivery environment both internally and externally (situational analysis) and has developed strategies to respond to the delivery environment and to achieve the desired outcomes.
- 7.2. A crucial link between strategic planning, Monitoring and Evaluation and budgeting is the identification of performance measures or indicators. The identified indicator set with their associated baselines will be a crucial instrument for monitoring and evaluating the IDP.
- 7.3. Furthermore, once performance targets are set, these will have resource and budget implications and are a crucial instrument for aligning plans, budgets and performance Monitoring and Evaluation.
- 7.4. Monitoring and Evaluation framework is an integral component of the institution's strategic plan from the beginning to an end. Monitoring and Evaluation will have to start at the beginning of a project or programme, and not just introduced at the tail end of implementation.
- 7.5. Performance agreements should encourage Directors to demonstrate how they are using evaluative activity to improve the effectiveness and efficiency of their institution's project, programmes or policies (i.e., CCRs should be evaluated considering report submissions, updating of Matters arising, implementation of council resolutions, implementation of risk actions, implementation of audit actions, leadership etc.).
- 7.6. Critical to success of any Monitoring and Evaluation system is proper management of performance information. Proper recording of information at each stage of the project helps to maintain a portfolio of evidence for each programme or target set.
- 7.7. The aim of an audit of predetermined objectives is to enable the auditor to conclude whether the reported performance against pre-determined objectives is reliable, accurate and complete, in all material respects, based on predetermined criteria and

this can only be successful if there was proper management of information throughout the project.

8. ROLES AND RESPONSIBILITIES

- 8.1. **Councillors (Exco. Council Committees and Council):** must use Monitoring and Evaluation findings in the oversight of the municipal performance and for ensuring that desired outcomes and impacts are achieved.
- 8.2. **Accounting Officer:** Accountable for the frequency and quality of Monitoring and Evaluation information and the integrity of the systems responsible for its production and utilization. The Accounting Officer needs to ensure that prompt managerial action is taken in relation to Monitoring and Evaluation findings.
- 8.3. **Directors:** Are responsible for establishing and maintaining Monitoring and Evaluation systems within their areas of responsibility, especially collecting, capturing, verifying and using data and information.
- 8.4. **Chief Financial Officer:** the Chief Financial Officer has to liaise with the Monitoring and Evaluation unit to ensure that any performance measures or indicators tabled within the municipal Budget Statement and Medium Term Expenditure Framework are consistent with those in the IDP, SDBIP and Monitoring and Evaluation reporting instruments.
- 8.5. **Monitoring and Evaluation Unit / Designated Official:** The municipality must establish a Monitoring & Evaluation Unit or Designate an Official to assist Accounting Officer to ensure the implementation of Monitoring and Evaluation strategies by providing expertise and support as well acting as a service hub for related initiatives.
- 8.6. **Sub-programme Managers:** maintain a system within their areas of responsibility, especially collecting, capturing, verifying and using data and information.
- 8.7. **Individual members of staff:** should develop performance agreements or accountability agreements and work plans that are aligned to the adopted organisational indicators and targets. Proper records of performance should be maintained to make reporting on set targets easy.

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9. PERFORMANCE MONITORING AND EVALUATION GOOD PRACTICES

- 9.1. **A central Monitoring and Evaluation:** Monitoring and Evaluation unit should serve as a central point at which Monitoring and Evaluation outputs should be lodged and stored for ease of access and to ensure they are known about and to encourage their utilization. The core of a central Monitoring and Evaluation repository should be a reliable and easily accessible catalogue of studies and their findings and recommendations that is available to any interested party.
- 9.2. **Follow-up on Monitoring and Evaluation:** It is critical that Monitoring and Evaluation findings are responded to promptly (i.e. corrective action be taken swiftly in the case of bottlenecks and good practices emulated). A report on this matter should be provided by the Accounting Officer to the Mayor.
- 9.3. **Meta-evaluation: quality assurance of the Monitoring and Evaluation function:** It is important that the Monitoring and Evaluation unit periodically evaluate the evaluations being done to ensure that they are credible, methodologically sound and meet the needs of stakeholders. Ways to improve the Monitoring and Evaluation efficiency and effectiveness should continuously be sought as well as new and improved ways to embed a culture of Monitoring and Evaluation within the municipality.

10. INSTITUTIONAL LOCATION AND FUNCTIONS OF THE MONITORING AND EVALUATION UNIT

- 10.1. Monitoring and Evaluation Unit of the Amahlathi LM must be located in the office of the Accounting Officer to ensure that the planning and reporting functions reside in the highest office.
- 10.2. The Monitoring and Evaluation unit or delegated official will generally have oversight over the establishment and maintenance of a Monitoring and Evaluation system within the municipality, through:
- 10.3. The setting of standards and principles on Monitoring and Evaluation (as outlined in the legislative institution's Performance Monitoring and Evaluation Framework and its supporting Monitoring and Evaluation plans) and ensuring their application across the entire legislative institution.

- 10.3.1. Monitoring, verification of, and consolidated reporting on institutional performance across all programmes and directorates (quarterly, mid-year, annual and five yearly).
- 10.3.2. The continuous assessment of programme and project performance in line with the municipal IDP and SDBIP. This may encompass performance review sessions, the design and implementation of an electronic data collection tools and providing Monitoring and Evaluation support to line managers.
- 10.3.3. Implementing a responsive evaluation programme which will help to ensure that the mandate of the legislative institution is realised.
- 10.3.4. Assess the Monitoring and Evaluation capacity within the municipality and conduct periodic training on Monitoring and Evaluation to build the requisite skills and to create a culture of critical self-assessment among all staff which is open to continuous learning and innovation.
- 10.3.5. Coordinate, promote and disseminate the use of Monitoring and Evaluation findings to support service delivery improvement, and report on whether follow-up action was taken or not.
- 10.3.6. Act as a Monitoring and Evaluation resource for the municipality, providing advice, insight on good practices and support for the effective use of Monitoring and Evaluation as a management tool and as an oversight tool.

11. CONSEQUENCES FOR NON-ADHERENCE TO THE POLICY

- 11.1. It is the responsibility of the management of Amahlathi LM to ensure that the content of this policy is understood and adhered to. Consequence management will be implemented for non-adherence to this policy based on the code of conduct applicable.

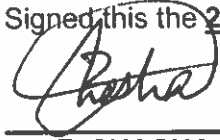
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12. ADOPTION AND APPROVAL OF THE POLICY BY COUNCIL

This policy is adopted and approved by Amahlathi Local Municipality Council for implementation from (Effective Date) 01 July 2024

Approved by Resolution Number 6 of 9.2 on this the 28th day of June 2024.

Signed this the 28th day of June 2024.



DR Z. SHASHA
MUNICIPAL MANAGER

DATE



CLLR N. MLAHLEKI
SPEAKER OF COUNCIL

28 / 06 / 2024
DATE

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