



# Annual Performance Plan for 2022/2023

## ABBREVIATIONS AND ACRONYMS

ACRONYM	DESCRIPTION
AG	Auditor General
APP	Annual Performance Plan
CEO	Chief Executive Officer
Commission	Financial and Fiscal Commission
DOR	Division of Revenue
DPME	Department of Planning Monitoring and Evaluation
ENE	Estimates of National Expenditure
FFC	Financial and Fiscal Commission
ICT	Information and Communications Technology
IGFR	Intergovernmental Fiscal Relations
MTBPS	Medium Term Budget Policy Statement
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NPC	National Planning Commission
NT	National Treasury
PFMA	Public Finance Management Act
RP	Research Programme
SALGA	South African Local Government Association

# EXECUTIVE AUTHORITY STATEMENT – COMMISSION CHAIRPERSON



The 2022/2023 Annual Performance Plan of the Financial and Fiscal Commission is guided by its Five Year Corporate Strategic Plan, which was formulated in July 2020. The Strategic Plan and the Commission's 2022/2023 Annual Performance Plan take into account the Government's Medium-Term Strategic Framework (MTSF) that reflects on the outcomes priorities. It also takes into account the prevailing economic climate, particularly in light of the COVID 19 pandemic and current Government priorities.

The Commission sees its primary organisational objective for 2022/2023 Financial Year as generating and disseminating influential policy advice on using the intergovernmental system to realise the policy impacts necessary for national development and the progressive realisation of the constitutional vision and the National Development Plan adopted by Cabinet as a blueprint for all government operations.

Performance targets for 2022/2023 were developed by the Commission and are presented in this Annual Performance Plan. These performance targets will be monitored quarterly to reflect the Commission's continued progress and effort toward meeting its long-term performance goals and objectives. It is our hope that this performance framework will help society understand the importance of the Commission's work and the contributions that the Commission is making toward advancing a sustainable and equitable intergovernmental fiscal relations system to realise the values of the Constitution of the Republic of South Africa.

The Commission has endorsed the Annual Performance Plan and is committed to ensuring that it is implemented.

A handwritten signature in black ink, appearing to read 'P. Mbava', written over a horizontal line.

Dr Patience Nombeko Mbava  
Chairperson

# ACCOUNTING OFFICER STATEMENT

Given the current South African fiscal challenges, the demand for our evidence-based policymaking advice is ever increasing. We must also lead by example and live true to the advice we give to other public sector institutions, whether financial discipline, institutional capability, or productivity. Thanks to the decisive leadership provided by the Commission and the newly appointed full-time Chairperson, our journey to turn around the institution had begun. We, the staff of the Commission, must commit ourselves to the transformation, to take the Commission forward and to the next level.

The Commission Annual Performance Plan 2022/23 sets an ambitious agenda for an organisational renewal requiring all of us to be galvanised and harness our commitment and capacity to meet these expectations with outputs and actions. Key to this is our collective effort to rebuild the working environment and expeditiously reform the organisational structure and processes to be more logical, practical and fit-for-purpose in 2022/23. More specifically, the 2022/23 APP focuses the efforts to the:

- Leading by example following the advice we give to public sector institutions regarding spending efficacy, operational functionality and institutional efficiency.
- Refocusing its available resources to build research capacity, capability and productivity as its core mandate.
- Improving the fiscal system of South Africa through research and evidence-based policymaking recommendations.
- Monitoring and analysing the fiscal environment to inform the policymakers and the public.

As we prepare for the 2022/23 financial year, guided by the APP, I would like to acknowledge and appreciate the entire staff of the Commission for their patience, solidarity and service through their actions. Collectively, our efforts to change will prevail.



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Mr Chen Tseng

Acting Chief Executive Officer

## OFFICIAL SIGN-OFF

It is hereby certified that the attached Performance Plan:

- Was developed by the Financial and Fiscal Commission under the guidance of the Chairperson of the Commission, Dr Patience Nombeko Mbava.
- Takes into account all the relevant policies, legislation and other mandates for which the Financial and Fiscal Commission is responsible; and
- Accurately reflects the annual targeted performance and budgets and is based on the outcomes and outputs that the Financial and Fiscal Commission will endeavour to achieve given the resources that have been allocated to it in the budget for the 2022/ 2023 financial year.

Signature: \_\_\_\_\_

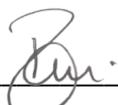


Date: 02 February 2022

Kwandiwe Mviko

Chief Financial Officer

Signature: \_\_\_\_\_



Date: 02/02/2022

Rethabiseng Mokebe

Head: Corporate Services

Signature: \_\_\_\_\_



Date: 2 February 2022

Chen Tseng

Accounting Officer: Financial and Fiscal Commission

Approved by:

Signature: \_\_\_\_\_



Date: 2 February 2022

Dr Patience Nombeko Mbava

Chairperson

# PART A: OUR MANDATE

## 1. CONSTITUTIONAL MANDATE

The Commission is established in terms of Section 220 of the Constitution of the Republic of South Africa Act, 1996 as amended. The Constitution provides among others, that the Commission is an independent and impartial advisory institution to Parliament, provincial legislatures, organised local government and other organs of state on the division of revenue among the three spheres of government and any other financial and fiscal matters.

## 2. RELEVANT LEGISLATIVE AND POLICY MANDATES

The Financial and Fiscal Commission Act, 1997 as amended is the enabling legislation that gives effect to the constitutional requirements. The Commission must perform its functions as envisaged in the Constitution or as required by national legislation and may perform those functions on its own initiative; or on request of an organ of the state. The Commission must submit for tabling copies of all its recommendations made in terms of a provision of the Constitution to both Houses of Parliament and to the provincial legislatures.

An organ of state in one sphere of Government which seeks to assign a power or function to an organ of state in another sphere of Government in terms of law must notify the Commission of the fiscal and financial implications of such assignment and request the recommendation of the Commission on the future division of revenue raised nationally between the spheres of Government as required by the Constitution; the fiscal power, fiscal capacity and efficiency of the relevant province or municipality in the case of an assignment to them; and any transfer of employees, assets and liabilities. An assignment contemplated has no legal force unless the organ of state making such assignment has requested and considered the recommendation of the Commission.

In addition to the Constitution, 1996 and the Financial and Fiscal Commission Act, the Commission operates in terms of the undermentioned regulatory prescripts:

**Borrowing Powers of Provincial Governments Act, 1996 (Act No 48 of 1996)** established a Loan Coordinating Committee (Committee) to coordinate the borrowing requirements of provincial governments, which must report to the Commission so as to allow the Commission to effectively fulfil its functions as contemplated in the Constitution.

**Intergovernmental Fiscal Relations Act, 1997 (Act No 97 of 1997)** allows for the Commission Chairperson or a delegation of the Commission designated by the Chairperson to attend Budget

Council. After receiving any recommendations of the Commission in terms of but before the Division of Revenue Bill is introduced in the National Assembly, the Minister must consult the Provincial Governments, either in the Budget Council or in another way; organised local government, either in the Budget Forum or in another way; and the Commission.

**Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003)** (as amended) requires that draft national legislation which directly or indirectly amends the Act or providing for the enactment of subordinate legislation that may conflict with the Act, may be introduced in Parliament only after the Minister of Finance and the Commission have been consulted and responded to in writing.

**Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000)** (as amended) requires that any assignment of functions or powers to municipalities must be preceded by request to the Commission to assess the financial and fiscal implications. Organised local government must, before embarking on any negotiations with parties in the bargaining council established for municipalities consult the Commission.

**Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No 9 of 2009)** After the adoption of the fiscal framework, the Division of Revenue Bill must be referred to the committee on appropriations of the National Assembly for consideration and report. The committees on appropriations must consult with the Commission and allow the Minister of Finance the opportunity to respond to any amendments proposed at least three days prior to the submission of the report to the relevant House

**Municipal Fiscal Powers and Functions Act, 2007 (Act No 12 of 2007)** stipulates that the Minister of Finance must consult with the Commission prior to authorising a municipal tax and associated regulations.

**Provincial Tax Regulation Process Act, 2001 (Act No 53 of 2001)** If a province intends to impose a new provincial tax, the MEC for Finance in the province must submit particulars of the proposed provincial tax to the Minister of Finance. The Minister of Finance must submit a copy to the Commission for comment. The Minister of Finance is obliged to consider the comments of the Commission.

### **3. INSTITUTIONAL STRATEGY OVER THE FIVE-YEAR PLANNING PERIOD GUIDING THE ANNUAL PERFORMANCE PLAN**

The Commission strategy is focused on building itself to be an influential research institution and advisory body to policymakers on financial and fiscal matters addressing the triple challenges of poverty, inequality and unemployment in South Africa. As an independent Constitutional institution,

the Commission's main focus and concern lie with the implications of government strategies and plans for economic growth and legislation determining the functionality, productivity and management of the financial and fiscal system. To that end, the Commission examines the extent to which economic and fiscal developments is complemented by effective financial and fiscal governance in realising the government's planned strategic outcomes. This includes conducting investigatory research on all public sector institutions (including the Commission itself) in making evidence-based recommendations to inform policymaking of the government. In implementing the strategy, the Commission is to use research and evidence to ensure the sustainability between the financial-fiscal nexus; that the fiscal policy, including the distribution across the three spheres of government is equitable, economical and productive. In terms of FFC as an institution, a strategic imperative is to be a leading example of the advice the Commission gives to advise other institutions in terms of organisational productivity and spending efficiency. Of which, refocusing its available resources to build institutional capacity, capability and productivity within the Commission is the objective.

### **The Medium-Term Strategic Framework (MTSF) 2019-2024**

The MTSF is a government strategic document that guides the 5-year implementation and monitoring of the NDP 2030 in terms of its stated outcomes. It identifies the priorities to be undertaken during the MTSF planning period 2019 to 2024, which are to place the country on a positive trajectory towards the achievement of the 2030 vision. The Commission mandate requires it to provide research and evidence on the division of revenue between the three spheres of government: national, provincial and local, to ensure that the allocation, reallocation and reprioritisation of resources is informed by these priorities.

The MTSF sets targets for implementation of the priorities and interventions for the 5-year period and states the outcomes and indicators to be monitored. The Seven Priorities for 2019-2024 derived from the Electoral Mandate and State of the Nation Address are as follows:

- Priority 1: Building a capable, ethical and developmental state
- Priority 2: Economic transformation and job creation
- Priority 3: Education, skills and health
- Priority 4: Consolidating the social wage through reliable and quality services
- Priority 5: Spatial integration, human settlements and local government
- Priority 6: Social cohesion and safe communities
- Priority 7: A Better Africa and World

Further, government has undertaken to factor in the interests of Women, Youth and People with Disabilities during the implementation of the MTSF. All the priorities are important for the

Commission, which is tasked with providing evidence and research to inform fiscal policy and allocations in supporting these priorities.

#### **4. RELEVANT COURT RULINGS**

There are no relevant court rulings impacting on this plan.

## PART B: OUR STRATEGIC FOCUS

### 5. SITUATIONAL ANALYSIS

The Commission is charged with conducting research and evidence-based policy research to inform and make recommendations to parliament and legislature on fiscal and financial matters. The Commission provides advice on fiscal management in terms of both raising and spending of public finances and the economic and equitable division of revenue amongst the three spheres of government.

It is incumbent upon the Commission to inform policymakers of all spheres on financial and fiscal matters through stakeholder engagements and partnerships. This includes:

- Parliament (including the National Assembly and National Council of Provinces) and the Provincial Legislatures to which the Commission provides statutorily mandated advice.
- Any other authorities determined by national legislation, e.g. government stakeholders within the fiscal and Intergovernmental Fiscal Relations (IGFR) system, Organised Local Government, Provincial Executives and Fiscal Institutions Advancing Democracy, to name a few.

The Commission is particularly concerned with the government's impact on ensuring the sustainability of the financial-fiscal nexus to alleviate the long-standing socio-economic challenges of poverty, inequality and unemployment.

#### 5.1 External Environment Analysis

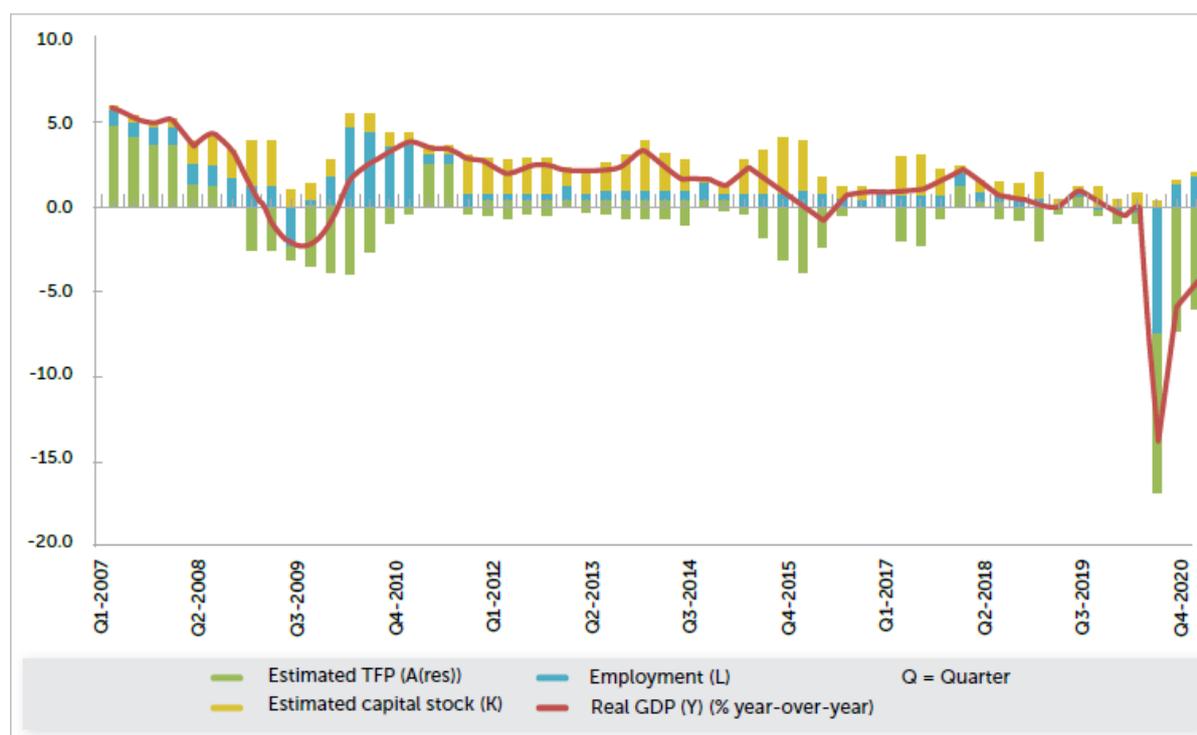
The COVID-19 pandemic has exposed many weaknesses in South Africa's economy. Its impact had rippled throughout our financial and fiscal system, intensified the existing inequalities and condemned many people into deeper poverty and unemployment. Questions abound on the extent of the state's capabilities and obligations, including the efficacy of South Africa's macro-fiscal system in accommodating the pandemic-induced challenges, the progressive realisation of citizens' basic rights as enshrined in the Constitution as policies. Such questions arise because the COVID-19 pandemic has brought to bear the inadequacies in the government's oversight, productivity, and leadership. To the extent that access (both quantity and quality) to the most basic forms of services such as food and water had deteriorated, resulting in heightened socio-economic imbalances and conflicts.

Figure 1 presents the factor contributions of capital, labour and the estimated total factor productivity (TFP) to economic growth over time by deconstructing South Africa's economic development or growth decomposition. The focus is on the estimated TFP as a proxy for residual productivity factors such as technology, institutions, policy certainty and governance in the growth process.

According to the data, South Africa entered a prolonged period of structural decline before the onset of the COVID-19 crisis, especially around 2015 and 2016, represented by the decline in estimated TFP over that period. The onset of the COVID-19 pandemic drastically deepened the underlying structural vulnerabilities in TFP by roughly -7.5%, notwithstanding the collapse in labour productivity by -9.3% in the second quarter of 2020 (Q2-2020).

Due to the necessary nationwide lockdown to contain the spread of the virus, large-scale unemployment ensued as businesses halted their operations, causing people to lose their jobs and income. Restrictions on the movement of persons also limited people's ability to search for work, causing affected individuals to become economically inactive.

**Figure 1: Contributions to growth, Q1-2007 to Q4-2020 (in percentage, year-over-year)**



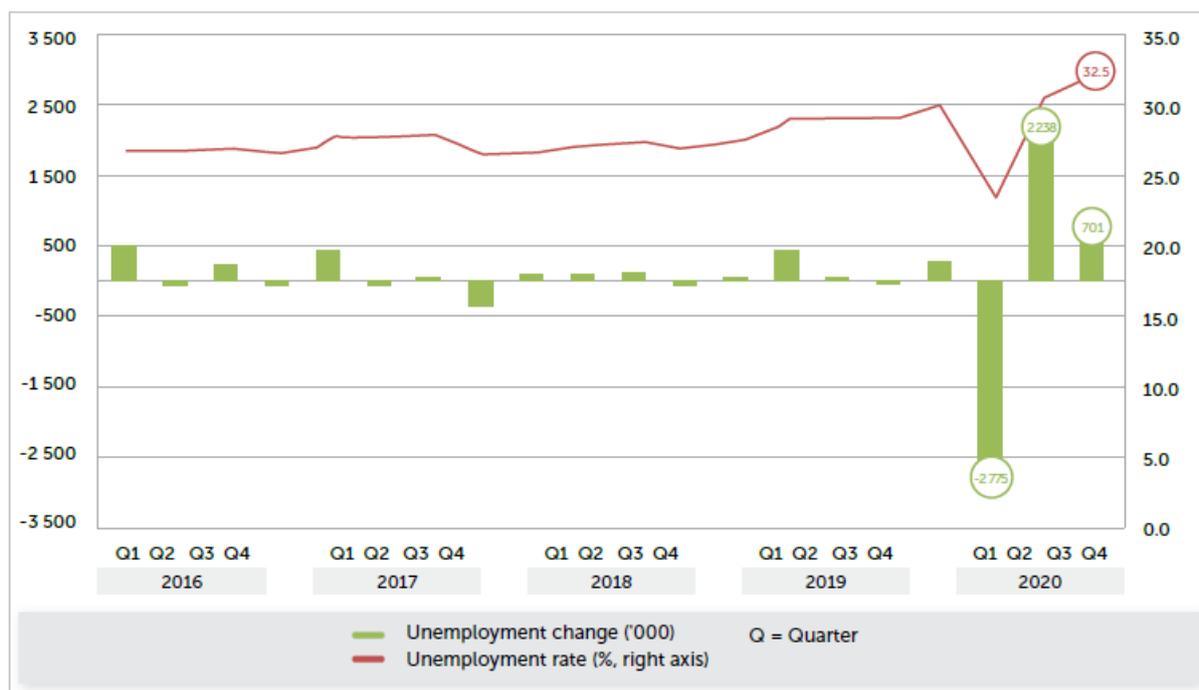
Source: Stats SA (2021) Gross Domestic Product and Commission's own calculations

The TFP recovered positively in the third and fourth quarters of 2020 due to lockdown restrictions easing after the first wave of COVID-19 infections. Such easing coincided with the reopening of industries and trade in a phased manner. However, the improvement in productivity did not reverse the decline in overall economic growth because labour, as a factor of production, continued to decline, and this outweighed the growth in TFP. Furthermore, capital's contribution to growth decelerated to almost 0% since the onset of COVID-19, which compromised growth in terms of the supply of capital stock. A possible reason for the subdued growth contribution of capital as a factor of production is that, despite the reopening of the economy, firms remain risk-averse in investing in machinery and infrastructure. Furthermore, financial markets may have also taken a conservative outlook on lending

liquidity to firms to accumulate the stock of physical capital. This would have undermined the growth trajectory.

Figure 2 shows the impact of the COVID-19-induced lockdown on the labour market. From the graph, mass unemployment is clearly the most noticeable impact of the pandemic. Following the restriction of people's movement in the second quarter of 2020 (Q2-2020), many job seekers were unable to look for employment and became economically inactive, resulting in the unemployment rate declining temporarily to 23.3%.<sup>1</sup>

**Figure 2: Quarter-to-quarter changes in unemployment (thousands)**



Source: Stats SA (2021) Quarterly Labour Force Survey and Commission's own calculations

The Commission believes that a comprehensive and evidence-based analysis of the socio-economic impact of the pandemic such as the one demonstrated above in terms of economic growth analysis is key to developing a set of informed recommendations for policymakers that would contribute to turning around the economy - towards an inclusive and sustainable growth trajectory.

<sup>1</sup> The decline in the unemployment rate, notwithstanding mass job losses during this period are due to the fact that the official unemployment rate in South Africa (which is according to the strict or narrow definition) does not include discouraged work seekers, but only those individuals who are unemployed and actively seeking work, i.e. economically active.

## 5.2 Internal Environment Analysis

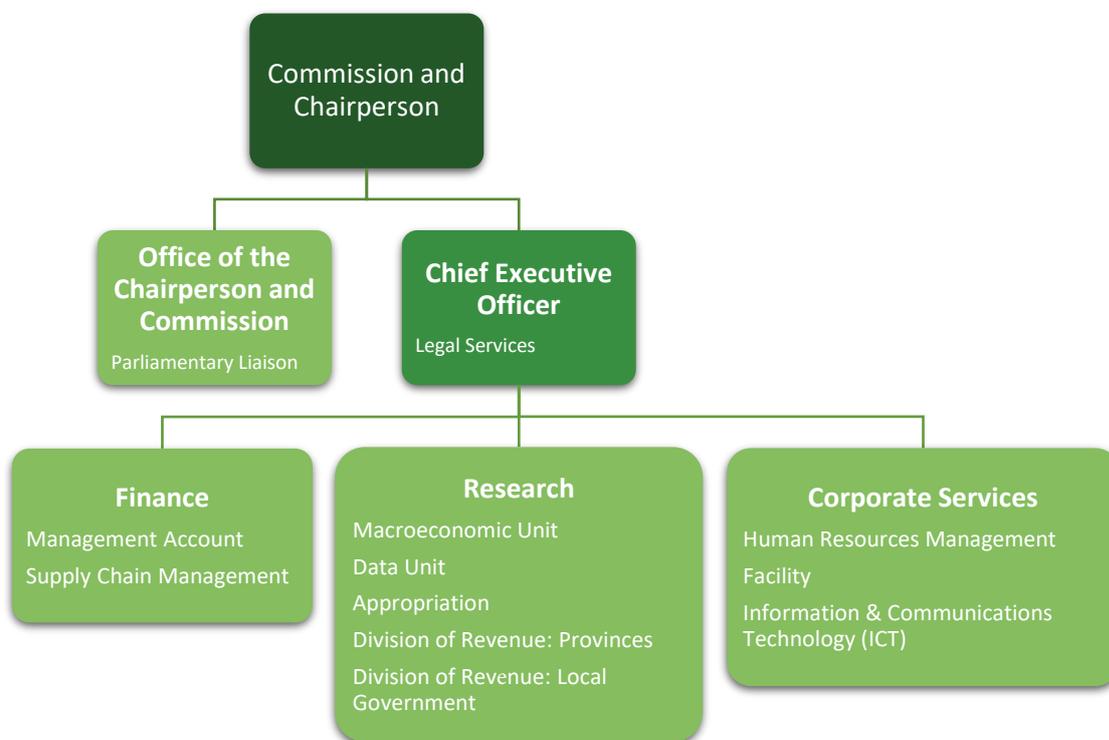
At the Commission strategic planning session, 25<sup>th</sup>-26<sup>th</sup> of November 2021, the Commission reviewed its institutional environment to embark on a new direction, placing research at the centre of its organisational culture as its core function and value. This means devoting most, if not all of its inputs and supports, financial and otherwise, to strengthen its research capacity and capabilities, to make the Commission an influential advisory body renowned for its research development and excellence.

After consulting with commission predecessors, stakeholders and multi-disciplinary research academics, management will execute institutional transformation through structural reform and financial appropriation. Arising out of the strategic planning session of the Commission, annual priority areas identified for this year for implementation are namely:

- I. Refocusing the organisational foundation towards research
- II. Reviewing institutional policies
- III. Developing and strengthening financial appropriation in line with the Commission strategy

The Commission is moving towards a more transparent, functional structure, with research at its core. The process is for the management to execute expeditiously migrating into the new operating model for a Commission that is for the purpose it states, capable, effective and enabling higher performance.

### Financial and Fiscal Commission Organogram



Furthermore, as part of the institutional strategy to lead by example on matters of financial management, the Commission has taken decisive action to address findings or matters of emphasis,

raised by both the Internal Auditors and the Auditor General, by holding first-and-foremost its Accounting Officer accountable, as per the legislative prescripts of the Public Finance Management Act (PFMA). Steps initiated by the Commission, including further interventions being put in place, shows the Commission's determination to strive for an unqualified audit with no findings. Such steps involve management oversight review to increase the clarity and logical flow of processes, procedures, and protocol emanating from policy and provide adequate support and staffing to its core function. Timely and effective consequence management will continue to be enforced.

COVID-19 circumstances introduced an unexpected and instantaneous change in institutional work processes. To better support the Commission staff during this challenging time, consultations will be regularly conducted to direct working-remotely support initiatives and services. Further measures to attract and retain critical skills in the Commission will be taken in line with succession planning and career-pathing considerations.

Given the uncertainties of the ongoing pandemic, Information and Communication Technology (ICT) will be strengthened towards facilitating seamless working-remotely, overseen by the IT Steering Committee. This is part of the Commission strategy to modernise with time its ICT infrastructure, equipment, systems and solutions to better support the Commission operations.

The Commission currently has a staff complement of 24 individuals employed permanently on the establishment, one employee on a fixed-term contract and 11 research interns employed on a contractual basis.

### Strengthening the empowerment of Women, Youth and People with Disabilities

Employment Status	Male				Female				Total
	African	Coloured	Asian	White	African	Coloured	Indian	White	
Permanent Employees	6	1	1	0	11	2	1	2	24
Fixed-term	0	0	0	0	1	1	0	0	2
Interns	3	0	0	0	3	2	1	2	11
<b>Total</b>	<b>11</b>				<b>26</b>				<b>37</b>

Of the 37 employees in the FFC, the demographics reflect that 70.27% of the staff are female, the youth are represented primarily by the research interns, who account for 29.739%. No employee identify as disabled.

### **Status of compliance with the B-BBEE Act**

The Commission is aligned with the objectives of the BBBEE Act; this is evidenced by its application of the BBBEE codes of good practice in implementing preferential procurement in its supply chain management processes.

### **Impact and outcomes**

The impact statement with outcomes of the Commission is:

"Strengthened financial and fiscal management" through research and making evidence-based recommendations to policymakers.

- Outcome 1: Strengthening the effectiveness of the internal capacity available to the Commission.
  - Leading by example - follow the advice we give to public sector institutions regarding spending efficacy, operational functionality and institutional efficiency.
  - Refocusing its available resources to build research capacity, capability and productivity as its core mandate.
- Outcome 2: Strengthen co-operative governance through harmonising the fiscal system.
  - Improving the fiscal system of South Africa through research and evidence-based policymaking recommendations.
  - Monitoring and analysing the fiscal environment to inform the policymakers and the public.

# PART C: MEASURING OUR PERFORMANCE

## 6. PROGRAMME 1: ADMINISTRATION

**Purpose:** Provide a proactive, responsive corporate environment with sound financial controls of Commission resources

### 6.1 Sub-Programmes:

#### **Office of the Chairperson and Commission**

Chairperson and Commission provide strategic direction and leadership to the organisation and is responsible for research matters and institutional outcomes. This sub-programme provides support and reports directly to the Chairperson and the Commission with administrative services deals with matters of commission affairs, parliamentary liaison, and advises the Commission regarding oversight over the management.

#### **Office of the CEO**

The Chief Executive Office supports the Chairperson and the Commission in providing strategic direction and leadership to the organisation. Advised by legal services to carry out its mandate effectively within the law, the Chief Executive Officer is responsible for the operational outputs and implementation and all responsibilities conferred by being the Commission's accounting officer. Its operational functions is comprised of the following support services:

#### **Finance**

The Finance division administers compliance with all relevant financial statutes and regulations, the most important of which is the Public Finance Management Act (PFMA). In ensuring compliance, the unit strives to attain a balance between achieving service excellence and maintaining administrative controls.

#### **Corporate Services**

The Corporate Services division delivers and oversees services aligned with the Commission's needs. It does so by proactively identifying all support requirements, monitoring and maintaining service levels and setting standards aligned with compliance and best practices, including reporting on service delivery pertaining to Human Resources Management, Facility and Information & Communications Technology (ICT).

## 6.2 Programme 1 - Outcomes, Outputs, Performance Indicators and Targets

No.	Outcome	Outputs	Output Indicators	Annual Targets						
				Audited / Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
1.1.1	Strengthening the effectiveness of the internal capacity available to the Commission	Human Resource Management Reports in line with the implementation of the employment equity plan	Percentage spend of training and development budget.	#	#	#	#	>=80%	>=85%	>=90%
1.1.2			Number of quarterly reports on the implementation of the employment equity plan - gender, youth and people with disabilities produced.	#	#	#	#	4	4	4
1.2.1		ICT reports on ICT infrastructure, equipment and service delivery supporting operations	Percentage of ICT equipment, service and infrastructure standards as per the ICT strategy met.	#	#	#	#	>=95%	>=95%	>=95%
1.2.2			Number of quarterly ICT reports submitted.	#	#	#	#	4	4	4
1.3.2		Facility reports on physical infrastructure i.e. buildings, office articles and equipment required by operations.	Number of quarterly facility reports submitted.	#	#	#	#	4	4	4
1.4.1		Audit Outcome	Audit Opinion obtained.	#	#	#	Unqualified audit opinion with >=30% fewer findings than the	Unqualified audit opinion with >=30% fewer findings	Unqualified audit opinion with >=30% fewer findings	Unqualified audit opinion with >=30% fewer findings

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							previous year.	than the previous year.	than the previous year.	than the previous year.
1.4.2		Payment of valid invoices to suppliers within 30 days.	Percentage of valid invoices paid within 30 days.	#	#	#	#	100%	100%	100%
1.4.3		Compliance reports with key legislative requirements to reduce audit findings	Number of compliance reports generated and submitted to the Audit and Risk Committee	4	4	4	4	4	4	4
1.4.4		Risk management reports to reduce audit findings	Number of risk management reports generated and submitted to the Audit and Risk Committee	#	#	#	#	4	4	4
1.4.5		Procurement reports	Percentage of Procurement processes completed in line with the procurement plan	n/a	62%	75%	>=80%	>=80%	>=85%	>=90%
1.5.1		Quarterly management reports	Number of quarterly reports as per s38-40 of the PFMA	4	4	4	4	4	4	4

Note: # - No historical information due to new output indicator.

### 6.3 Programme 1 - Indicators, Annual and Quarterly Targets

No.	Outcome	Outputs	Output Indicators	2022/23				
				Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.1.1	Strengthening the effectiveness of the internal capacity available to the Commission	Human Resource Management Reports in line with the implementation of the employment equity plan	Percentage spend of training and development budget.	80%	0%	0%	50%	80%
1.1.2			Number of quarterly reports on the implementation of the employment equity plan - gender, youth and people with disabilities produced.	4	1	1	1	1
1.2.1		ICT reports on ICT infrastructure, equipment and service delivery supporting operations	Percentage of ICT equipment, service and infrastructure standards as per the ICT strategy met.	>=95%	95%	95%	95%	95%
1.2.2			Number of quarterly ICT reports submitted.	4	1	1	1	1
1.3.2		Facility reports on physical infrastructure i.e. buildings, office articles and equipment required by operations.	Number of quarterly facility reports submitted.	4	1	1	1	1
1.4.1		Audit Outcome	Audit Opinion obtained.	Unqualified audit opinion with >=30% fewer findings than the previous year.	n/a	Unqualified audit opinion with 30% fewer findings than the previous year.	n/a	n/a
1.4.2		Payment of valid invoices to suppliers within 30 days.	Percentage of valid invoices paid within 30 days.	100%	100%	100%	100%	100%

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1.4.3		Compliance reports with key legislative requirements to reduce audit findings	Number of compliance reports generated and submitted to the Audit and Risk Committee	4	1	1	1	1
1.4.4		Risk management reports to reduce audit findings	Number of risk management reports generated and submitted to the Audit and Risk Committee	4	1	1	1	1
1.4.5		Procurement reports	Percentage of Procurement processes completed in line with the procurement plan	>=80%	80%	80%	80%	80%
1.5.1		Quarterly management reports	Number of quarterly reports as per s38-40 of the PFMA	4	1	1	1	1

### **Explanation of planned performance over the medium term period**

The administration programme strives to provide integrated business solutions in the areas of business continuity in terms of support: facility, human resource management and information and communication technology. Under the leadership of the newly appointed Chairperson beginning in August 2021, the desired outcome for the administration programme is to: **"Strengthen the effectiveness of the internal capacity available to the Commission"**. The programme aims to create a conducive corporate environment supporting research production and realising its constitutional mandate in advising the government. To that end, 2022 shall be a year of fundamental organisational optimisation through reprioritisation of Commission resources. In the same year, the Commission plans to substantially step up the reporting requirements for improved transparency and governance of the administration programme to ensure effective and efficient use of the of the Commission's scarce resources and addressing a substantial number of operational issues and findings.. The programme shall also be the central custodian accountable for the Commission's control environment, risk management, and compliance functions. The Finance team needs to deliver on its duty of ensuring sound financial controls of Commission resources and strive towards a "clean audit". Corporate Services must ensure that all manners of support services are available timeously, proactively, whether in the realm of human resource management, equipment functionality and efficiency of the information communication technology, online platform (i.e. FFC website) and physical infrastructure of facility and accommodation. Effective initiatives are undertaken towards enabling the Commission to attract, develop and retain the skills needed to deliver on its mandate.

The administration programme supports planning, operational implementation, reporting, and performance management to the Chairperson and the Commission in her role as the executive authority to lead the Commission research strategy and exercise oversight over the administration. Monitoring, evaluation and reporting on administrative performance delivery are in this APP embedded into the organisation's reporting cycles. Annual performance plan quarterly monitoring has been strengthened with structured and mandatory reporting, including new standards and quarterly reporting systems that integrate people's matters, finance, risk, audit findings and performance information.

Focus over the medium term will be placed on strengthening governance and accountability, emphasising further maturing institutional risk management, intensifying anti-corruption and ethics management. The programme shall continue striving towards transparency clean governance in all aspects of managing the administrative function of the Commission and strengthen true and honest, integrated performance reporting to the Commission and Chairperson – to whom the administration accounts. Additionally, the focus will be on implementing institutional overhaul, placing the research programme as its core customer service client, ensuring the research programme is fully capacitated for all manners of administrative tools and instruments, from finance to organisational planning, Information

Technology (IT) equipment, infrastructure and facility. The regular staff meetings and consultations that started in late 2021 between the administrative heads and the entire staff complement is a crucial step towards achieving the programme's desired outcome by harnessing a sense of shared ownership on the operating environment of the Commission. This includes the working environment, culture, policies, practices and procedures.

## 6.4 Programme 1 - Resource Considerations

### 6.4.1 Expenditure trends and estimates

#### Administration expenditure trends and estimates by subprogramme and economic classification

R thousand	Audited outcome			Approved budget	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2018/19	2019/20	2020/21	2021/22	2018/19-2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		
Administration	31 528	36 379	55 795	43 328	11.2%	90.8%	47 300	47 485	49 152	4.3%	100.0%
<b>Economic classification</b>	<b>31 528</b>	<b>36 379</b>	<b>55 795</b>	<b>43 328</b>	<b>11.2%</b>	<b>90.8%</b>	<b>47 300</b>	<b>47 485</b>	<b>49 152</b>	<b>4.3%</b>	<b>100.0%</b>
Compensation of employees	19 447	20 942	21 315	17 177	-20.7%	51.1%	17 708	17 777	18 648	2.8%	38.1%
Goods and services	11 875	15 436	32 108	25 741	19.1%	47.5%	29 376	29 492	30 276	5.6%	61.3%
Depreciation	206	-	2 372	410	25.8%	1.4%	216	216	228	-17.8%	0.6%
<b>Total expenses</b>	<b>31 528</b>	<b>36 379</b>	<b>55 795</b>	<b>43 328</b>	<b>-4.6%</b>	<b>100.0%</b>	<b>47 300</b>	<b>47 485</b>	<b>49 152</b>	<b>4.3%</b>	<b>100.0%</b>

### 6.4.2 Personnel information

#### Administration personnel numbers and cost by salary level

Post status estimated for 31 March 2022	Number and cost of personnel posts filled/planned for on funded establishment														Number		
	Number of posts on approved establishment	Number of funded posts	Actual			Revised estimates			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)	
			2020/21	2021/22		2022/23		2023/24		2024/25							
Financial and Fiscal Commission	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2021/22 - 2024/25	
Salary level	25	25	18 21 315 1 184	21 17 177 818	25 17 821 713	25 17 891 716	25 18 785 751	3.0%	100.0%								
1-6	5	5	3 648 216	3 701 234	5 736 147	5 646 129	5 678 136	3.0%	19.4%								
7-10	9	9	8 4 717 590	8 4 669 584	10 4 856 540	10 4 856 540	10 5 098 566	3.0%	38.1%								
11-12	4	4	4 7 917 1 979	4 3 065 766	4 3 187 797	4 3 187 797	4 3 347 837	3.0%	16.3%								
13-16	6	6	2 7 376 3 688	5 7 875 1 575	5 7 142 1 428	5 7 142 1 428	5 7 499 1 500	0.4%	21.9%								
17-22	1	1	1 656 656	1 868 868	1 1 901 1 901	1 2 060 2 060	1 2 163 2 163	35.6%	4.4%								

## 7.5 Key risks

Outcome	Key Risk	Risk Mitigation
Strengthening the effectiveness of the	Attraction and retention of skilled and competent staff	<ul style="list-style-type: none"> <li>• Training and development of staff</li> <li>• Review and realignment of HR policies and</li> <li>• change management</li> </ul>

Outcome	Key Risk	Risk Mitigation
internal capacity available to the Commission		<ul style="list-style-type: none"> <li>Recruitment to fill vacancies with skilled and competent staff and retain competent staff</li> </ul>
	Project Management Deficiencies	<ul style="list-style-type: none"> <li>Procurement services stabilised and conducted according to institutional needs</li> <li>Compliant SCM policies and procedures</li> <li>Key projects when embarked on will be included in the APP with defined timelines</li> <li>Timeous contracting with service providers, particularly to ensure timeous research deliverables</li> </ul>
	Declining resources allocated to Commission	<ul style="list-style-type: none"> <li>Implement prudent cost-cutting measures to eliminate potential wastage of financial resources</li> <li>Develop and adopt a strategy of collaboration/ fund-raising to augment the FFC's budget</li> </ul>
	Non-compliance with key legislative prescripts	<ul style="list-style-type: none"> <li>Implement a compliance universe framework</li> <li>Perform quarterly compliance reviews</li> <li>Put measures in place for areas of non-compliance</li> </ul>
	Inadequate Disaster Recovery planning	<ul style="list-style-type: none"> <li>In line with Business Continuity, develop and implement Disaster Recovery plans</li> <li>IT Steering Committee overseeing IT plan implementation for impact on daily operations</li> <li>IT Governance Framework set in place</li> </ul>

## 7. PROGRAMME 2: RESEARCH PROGRAMME

**Purpose:** Provide research and evidence-based recommendations to advise and inform policymakers on financial and fiscal matters.

This programme is the core function of the Commission and the very meaning of the Commission's existence as enshrined in the Constitution. The research Programme is responsible for conducting research to make evidence-based recommendations to inform and advise policymakers on financial and fiscal matters across all spheres of government.

7.1 Programme 2 - Outcomes, Outputs, Performance Indicators and Targets

No.	Outcome	Outputs	Output Indicators	Annual Targets						
				Audited / Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/2022	2022/23	2023/24	2024/25
2.1.1	Strengthen co-operative governance through harmonising the fiscal system	Annual submissions, budget submissions, policy briefs, technical reports and research on financial and fiscal matters	Annual Submission for the Division of Revenue with Recommendations tabled.	1	1	1	1	1	1	1
2.1.2			Submission on the Medium Term Budget Policy Statement submitted.	1	1	1	1	1	1	1
2.1.3			Submission on the Division of Revenue Bill submitted.	1	1	1	1	1	1	1
2.1.4			Submission on the Appropriation Bill submitted.	1	1	1	1	1	1	1
2.1.5			Number of Policy Briefs published.	5	8	4	10	>=10	>=10	>=10
2.1.6			Number of Technical Research Report published.	1	1	1	1	1	1	1
2.1.7			Percentage of technical research report chapters gone through peer-review with feedback.	#	#	#	#	>=80%	>=80%	>=80%
2.2.1		Stakeholder engagements conducted	The number of sent invites from Parliamentary Committees, stakeholder meetings and forums responded to with FFC submission.	1	17	46	25	>=20	>=20	>=20

Note: # - No historical information due to new output indicator.

**7.2 Programme 2 - Indicators, Annual and Quarterly Targets**

No.	Outcome	Outputs	Output Indicators	2022/23				
				Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2.1.1	Strengthen co-operative governance through harmonising the fiscal system	Annual submissions, budget submissions, policy briefs, technical reports and research on financial and fiscal matters	Annual Submission for the Division of Revenue with Recommendations tabled.	1	1	1		
2.1.2			Submission on the Medium-Term Budget Policy Statement submitted.	1	1		1	
2.1.3			Submission on the Division of Revenue Bill submitted.	1	1	1		
2.1.4			Submission on the Appropriation Bill submitted.	1	1	1		
2.1.5			Number of Policy Briefs published.	>=10	>=10			
2.1.6			Number of Technical Research Report published.	1	1			
2.1.7			Percentage of technical research report chapters gone through peer-review with feedback.	>=80%	>=80%	>=80%	>=80%	>=80%
2.2.1			Stakeholder engagements conducted	The number of sent invites from Parliamentary Committees, stakeholder meetings and forums responded to with FFC submission.	>=20		>=5	>=10

### **Explanation of planned performance over the medium term period**

To "strengthen co-operative governance through harmonising the fiscal system" throughout government, the programme plans to substantially expand its internal capacity to conduct quality research to make influential, palpable advice to meet with researched evidence, the stakeholders' expectations and needs for advice on financial and fiscal matters. To that end, the programme will conduct research on appropriate Commission research as per the research strategy, prepare research and discussion documents, hold research seminars and meetings with stakeholders such as legislatures financial and fiscal institutions. Key amongst its duties is to prepare formal submission documents to submit to parliament, provincial legislatures and any other authorities determined by national legislation.

The research programme also advises the Commission and Chairperson on the strategic approach to engagements with the stakeholders to optimise the Commission's influence. Through the sub-programmes of Macroeconomic unit, Data unit, Appropriation, Division of Revenue: Provinces and Division of Revenue: Local Government, the programme will continue to use researched evidence to influence evidence-based informed policymaking on the relevant policies and legislation. The programme will continue to produce regular research papers, policy briefs, a technical report with research chapters, budget submissions and annual submission research to inform parliament and legislatures on matters of the fiscus, financial and economic environment of South Africa.

A noteworthy addition to the programme's performance is the quality assurance mechanism of the research produced through a peer-review process by acquiring feedback from its stakeholders.

Over the medium term, the programme starting in 2022 envisages significant expansions in its research capacity and capability through recruitments, research succession planning, internal human capital, and capacity development and retention.

The overarching theme for the annual submission to be submitted during the financial year of the APP is "**Addressing socio-economic vulnerabilities through fiscal transparency and strategy**". The Commission shall not shy away from facing the deep-rooted issues of corruption and unemployment as forms of worsening socio-economic vulnerabilities. In its budget submissions to parliamentary committee stakeholders, the programme will advise government on how to reorganise its institutional features through transparency and refocus (i.e. reprioritise) its resources to combat corruption and stimulate employment.

## 7.3 Programme 2 - Resource Considerations

### 7.3.1 Expenditure trends and estimates

#### Research expenditure trends and estimates by subprogramme and economic classification

	Audited outcome			Approved budget 2021/22	Average growth rate (%) 2018/19-2021/22	Expenditure/total: Average (%) 2018/19-2021/22	Medium-term estimate			Average growth rate (%) 2021/22 - 2024/25	Expenditure/total: Average (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
R thousand											
Research	18 305	20 752	10 788	20 302	3.5%	84.2%	16 643	16 708	18 250	3.5%	100.0%
<b>Economic classification</b>	<b>18 305</b>	<b>20 752</b>	<b>10 788</b>	<b>20 302</b>	<b>3.5%</b>	<b>84.2%</b>	<b>16 643</b>	<b>16 708</b>	<b>18 250</b>	<b>3.5%</b>	<b>100.0%</b>
Compensation of employees	14 953	14 264	9 831	12 872	-27.9%	73.1%	13 453	13 505	14 181	3.3%	75.7%
Goods and services	3 146	6 488	957	7 430	-21.3%	26.8%	3 190	3 202	4 069	-18.2%	24.3%
Depreciation	206	-	-	-	-100.0%	0.1%	-	-	-	-	-
<b>Total expenses</b>	<b>18 305</b>	<b>20 752</b>	<b>10 788</b>	<b>20 302</b>	<b>-25.9%</b>	<b>100.0%</b>	<b>16 643</b>	<b>16 708</b>	<b>18 250</b>	<b>3.5%</b>	<b>100.0%</b>

### 7.3.2 Personnel information

#### Research personnel numbers and cost by salary level

Post status estimated for 31 March 2022	Number and cost of personnel posts filled/planned for on funded establishment												Number						
	Number of posts on approved establishment	Number of funded posts	Actual			Revised estimates			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2020/21	2021/22		2022/23		2023/24		2024/25									
Financial and Fiscal Commission			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2021/22 - 2024/25	
Salary level	23	23	23	15 825	688	23	12 872	560	23	13 453	585	23	13 505	587	23	14 181	617	3.0%	100.0%
1-6	11	11	11	3 061	278	11	2 968	270	11	3 087	281	11	3 087	281	11	3 242	295	3.0%	47.8%
7-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11-12	6	6	6	5 684	947	6	4 146	742	6	4 575	763	6	4 627	771	6	4 958	826	6.1%	26.1%
13-16	6	6	6	7 080	1 180	6	5 757	960	6	5 791	965	6	5 791	965	6	5 981	997	1.3%	26.1%
17-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## 7.4 Key risks

Outcome	Key Risk	Risk Mitigation
Strengthen co-operative governance through harmonising the fiscal system	Recommendations lacking strategic positioning and empirical substance	<ul style="list-style-type: none"> <li>More quantitative, relative to qualitative, focused approaches to research</li> <li>Work more closely with Parliament and other stakeholders to inform policymakers on financial and fiscal matters.</li> </ul>
	Organisational design not geared to fulfil the mandate of Commission	<ul style="list-style-type: none"> <li>A restructured and repurposed Commission organogram to focus on the core business of research.</li> </ul>
	Lack of administrative support	

# PART D: TECHNICAL INDICATOR DESCRIPTIONS

## PROGRAMME 1: ADMINISTRATION

Output Indicator	No. 1.1.1
Indicator Title	Percentage spend of training and development budget.
Definition	This indicator measures the expenditure on training and development against the budgeted amount in a financial year.
Source of data	Audited Financial Statements
Method of Calculation / Assessment	$(\text{Training and development spend} / \text{Training and development budget}) \times 100$
Means of verification	Audited Financial Statements
Assumptions	The Commission will budget for training and development of its staff
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	>=80% of the budgeted amount of training and development spent
Indicator Responsibility	Head: Corporate Services

Output Indicator	No. 1.1.2
Indicator Title	Number of quarterly reports on the implementation of the employment equity plan - gender, youth and people with disabilities produced.
Definition	This indicator monitors the implementation of the employment equity plan on gender, youth and people with disabilities mainstreaming.
Source of data	Progress reports that records actual performance against planned performance.
Method of Calculation / Assessment	Simple count of quarterly reports on the implementation of the employment equity plan on gender, youth and people with disabilities mainstreaming.
Means of verification	Quarterly Reports
Assumptions	The Commission will have an action plan on gender mainstreaming
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	Four (4) quarterly reports on the implementation of the employment equity plan on gender, youth and people with disabilities mainstreaming.
Indicator Responsibility	Head: Corporate Services

<b>Output Indicator</b>	<b>No. 1.2.1</b>
Indicator Title	Percentage of ICT equipment, service and infrastructure standards as per the ICT strategy met.
Definition	This indicator measures the ICT equipment, service and infrastructure standards met against the strategy
Source of data	ICT reports that assess the progress of user-required ICT equipment, service and infrastructure standards met against the strategy.
Method of Calculation / Assessment	(Number of user-required ICT Service Standards met + ICT Environment Infrastructure standards met) / Total number of ICT standards as per the strategy x 100
Means of verification	Progress report that records actual performance against planned performance.
Assumptions	The Commission will have a user-guided ICT strategy and that the service level agreements is finalised.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	>=95% of ICT equipment, service and infrastructure standards met as per the strategy.
Indicator Responsibility	Head: Corporate Services

<b>Output Indicator</b>	<b>No. 1.2.2</b>
Indicator Title	Number of quarterly ICT reports submitted.
Definition	This indicator monitors the implementation of the ICT service and infrastructure guided by the strategy
Source of data	Progress reports that records actual performance against planned performance.
Method of Calculation / Assessment	Simple count of quarterly reports on the implementation of the ICT service and infrastructure guided by the strategy
Means of verification	Quarterly Reports
Assumptions	The Commission will have a user-guided ICT strategy
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	Four (4) quarterly reports on the implementation of the ICT service and infrastructure guided by the strategy
Indicator Responsibility	Head: Corporate Services

<b>Output Indicator</b>	<b>No. 1.3.2</b>
Indicator Title	Number of quarterly facility reports submitted.
Definition	This indicator monitors the implementation of facility management and strategy in terms of physical assets and building accommodation.
Source of data	Progress reports that records actual performance against planned performance.
Method of Calculation / Assessment	Simple count of quarterly reports on the implementation of facility management and strategy in terms of physical assets and building accommodation.
Means of verification	Quarterly Reports
Assumptions	The Commission will have developed a user-guided facility management and strategy
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	Four (4) quarterly reports on the implementation of facility management and strategy in terms of physical assets and building accommodation.
Indicator Responsibility	Head: Corporate Services

<b>Output Indicator</b>	<b>No. 1.4.1</b>
Indicator Title	Audit Opinion obtained.
Definition	This is an opinion expressed by the external auditors on the financial statements of the departments at financial year-end and the reported performance information that financial year.
Source of data	Audited Annual Report
Method of Calculation / Assessment	1. The opinion expressed by the external auditors on the financial statements and the reported performance information is unqualified. 2. Calculate the percentage reduction: (No. of findings in the previous financial year – No. of findings in current financial year) / No. of findings in the previous financial year x 100
Means of verification	Audited Annual Report
Assumptions	The Commission's financial statements and non-financial performance will be audited
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Unqualified audit opinion with 30% fewer findings on financial and non-financial performance than the previous financial year.
Indicator Responsibility	Chief Financial Officer

<b>Output Indicator</b>	<b>No. 1.4.2</b>
Indicator Title	Percentage of valid invoices paid within 30 days.
Definition	This indicator measures the percentage of valid invoices authorised and paid within 30 days as per Section 38(1)(f) of the PFMA and Treasury Regulation 8.2.3
Source of data	Payment reports and contract register
Method of Calculation / Assessment	(No. of valid invoices authorised and paid / No. of valid invoices) x 100
Means of verification	Payment reports and contract register
Assumptions	The Commission has a system of transactions able to discern the validity of the invoices and make payment thereof.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	100% of valid invoices paid within 30 days.
Indicator Responsibility	Chief Financial Officer

<b>Output Indicator</b>	<b>No. 1.4.3</b>
Indicator Title	Number of compliance reports generated and submitted to the Audit and Risk Committee
Definition	This indicator monitors and reports the status of compliance in line with the legislation to the Audit and Risk Committee for risk management, control, and governance.
Source of data	Progress reports that reports the status of compliance in line with the legislation
Method of Calculation / Assessment	Simple count of quarterly reports that reports the status of compliance in line with the legislation
Means of verification	Quarterly Reports
Assumptions	The Commission will have identified all applicable legislation for compliance
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	Four (4) quarterly reports on the Commission operation's status of compliance
Indicator Responsibility	Chief Financial Officer

<b>Output Indicator</b>	<b>No. 1.4.4</b>
Indicator Title	Number of risk management reports generated and submitted to the Audit and Risk Committee
Definition	This indicator monitors and reports the developments in the risk universe to the Audit and Risk Committee for risk management, control, and governance.
Source of data	Progress reports that monitor and report on risk management
Method of Calculation / Assessment	A simple count of quarterly risk management reports
Means of verification	Quarterly Reports
Assumptions	The Commission will have a risk register
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	Four (4) quarterly reports on risk management
Indicator Responsibility	Chief Financial Officer

<b>Output Indicator</b>	<b>No. 1.4.5</b>
Indicator Title	Percentage of Procurement processes completed in line with the procurement plan
Definition	This indicator monitors the procurement process completed in line with the procurement plan.
Source of data	Procurement plan and contract register
Method of Calculation / Assessment	$(\text{No. of procurement requests processed} / \text{No. of procurement items as per the procurement plan}) \times 100$
Means of verification	Ratio based on number of procurement requests processed and procurement items in the procurement plan
Assumptions	The Commission will have a procurement plan
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	$\geq 80\%$ procurement processes completed in line with the procurement plan
Indicator Responsibility	Chief Financial Officer

<b>Output Indicator</b>	<b>No. 1.5.1</b>
Indicator Title	Number of quarterly reports as per s38-40 of the PFMA
Definition	This indicator ensures the accountability of the accounting officer in terms of s38-40 of the PFMA.
Source of data	Quarterly Reports
Method of Calculation / Assessment	A simple count of quarterly management reports
Means of verification	Quarterly Reports
Assumptions	That the reports from the Head: Corporate Services and Chief Financial Officer needed to compile the report is available.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	4 quarterly reports
Indicator Responsibility	Chief Financial Officer Head: Corporate Services

## PROGRAMME 2: RESEARCH PROGRAMME

Output Indicator	No. 2.1.1
Indicator Title	Annual Submission for the Division of Revenue with Recommendations tabled.
Definition	This refers to the statutory requirement of the Commission approved Annual Submission for the Division of Revenue with recommendations.
Source of data	Office of the Chairperson and Commission records.
Method of Calculation / Assessment	Simple count of the Annual Submission tabled
Means of verification	Electronic proof of the Annual Submission
Assumptions	That there are sufficient resources and supports available
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end).
Reporting Cycle	Annually
Desired performance	One (1) Annual Submission for the Division of Revenue
Indicator Responsibility	Head: Research

Output Indicator	No. 2.1.2
Indicator Title	Submission on the Medium Term Budget Policy Statement submitted.
Definition	This refers to the statutory requirement of the Commission approved submission on the MTBPS with recommendations.
Source of data	Office of the Chairperson and Commission records.
Method of Calculation / Assessment	A simple count of the submission on the MTBPS submitted
Means of verification	Electronic proof of the submission on the MTBPS
Assumptions	That the MTBPS is tabled timeously by the Minister of Finance and that there are sufficient resources and supports available.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end).
Reporting Cycle	Annually
Desired performance	One (1) submission on the MTBPS
Indicator Responsibility	Head: Research

<b>Output Indicator</b>	<b>2.1.3</b>
Indicator Title	Submission on the Division of Revenue Bill submitted.
Definition	This refers to the statutory requirement of the Commission approved submission on the Division of Revenue Bill with recommendations.
Source of data	Office of the Chairperson and Commission records.
Method of Calculation / Assessment	A simple count of the submission on the Division of Revenue Bill
Means of verification	Electronic proof of the submission on the Division of Revenue Bill
Assumptions	That the Division of Revenue Bill is tabled by the Minister of Finance timeously and that there are sufficient resources and supports available
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end).
Reporting Cycle	Annually
Desired performance	One (1) submission on the Division of Revenue Bill
Indicator Responsibility	Head: Research

<b>Output Indicator</b>	<b>2.1.4</b>
Indicator Title	Submission on the Appropriation Bill submitted.
Definition	This refers to the statutory requirement of the Commission approved submission on the Appropriation Bill with recommendations.
Source of data	Office of the Chairperson and Commission records.
Method of Calculation / Assessment	A simple count of the submission on the Appropriation Bill
Means of verification	Electronic proof of the submission on the Appropriation Bill
Assumptions	That the Appropriation Bill is tabled by the Minister of Finance timeously and that there are sufficient resources and supports available
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end).
Reporting Cycle	Annually
Desired performance	One (1) submission on the Appropriation Bill
Indicator Responsibility	Head: Research

<b>Output Indicator</b>	<b>2.1.5</b>
Indicator Title	Number of Policy Briefs published.
Definition	This refers to the policy briefs published on the Commission website
Source of data	Commission website
Method of Calculation / Assessment	Simple count of the policy briefs published
Means of verification	Electronic documents accessible on the Commission website.
Assumptions	That there is a functioning Commission website and that are sufficient resources and supports available to conduct the research
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end).
Reporting Cycle	Quarterly
Desired performance	Ten (10) policy briefs published
Indicator Responsibility	Head: Research

<b>Output Indicator</b>	<b>2.1.6</b>
Indicator Title	Number of Technical Research Report published.
Definition	This refers to the technical research report published on the Commission website
Source of data	Commission website
Method of Calculation / Assessment	A simple count of the technical report published
Means of verification	Electronic document is accessible on the Commission website.
Assumptions	That there is a functioning Commission website and that are sufficient resources and supports available to conduct the research
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end).
Reporting Cycle	Annually
Desired performance	One (1) technical research report published
Indicator Responsibility	Head: Research

<b>Output Indicator</b>	<b>2.1.7</b>
Indicator Title	Percentage of technical research report chapters gone through peer-review with feedback.
Definition	This refers to the technical research chapters sent for peer-review receiving feedback.
Source of data	Correction register with feedback by peer-reviewers on the chapters
Method of Calculation / Assessment	(No. of technical research report chapters peer-reviewed by external stakeholders / No. technical research report chapters within the report) x 100
Means of verification	Correction register with feedback by peer-reviewers on the chapters
Assumptions	That there is the technical report with chapters and that an external peer-reviewer is available.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	>=80% of the technical research report chapters are peer-reviewed with feedback.
Indicator Responsibility	Head: Research

<b>Output Indicator</b>	<b>2.2.1</b>
Indicator Title	The number of sent invites from Parliamentary Committees, stakeholder meetings and forums responded to with FFC submission.
Definition	This refers to the statutory requirement of the Commission to respond to sent invites by Parliament, provincial legislatures and any other authorities determined by national legislation, whereby the Commission responded with contributions.
Source of data	Office of the Chairperson and Commission records.
Method of Calculation / Assessment	A simple count of engagements attended to.
Means of verification	Invite received and Commission approved presentation or briefing notes as contributions for the engagement
Assumptions	That invites are received timeously and there are sufficient resources and supports available to respond to the invites.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on the spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative (year-end).
Reporting Cycle	Quarterly
Desired performance	>= 20 engagements
Indicator Responsibility	Head: Research

## ANNEXURE A: COMPARISON OF OUTPUT INDICATORS BETWEEN THE 2021/22 AND 2022/23 ANNUAL PERFORMANCE PLANS

2021 APP Output	2021 APP Performance Indicator	2022 APP Output	2022 APP Performance Indicator
A full complement of competent staff, managed to fulfil the Commission mandate	Number of staff attending professional development	Human Resource Management Reports in line with the implementation of the employment equity plan	Percentage spend of training and development budget
			Number of quarterly reports on the implementation of the employment equity plan - gender, youth and people with disabilities produced.
n/a		Number of quarterly reports on the implementation of the employment equity plan - gender, youth and people with disabilities produced.	
Corporate Services that support the Commission staff in executing on the commission mandate	ICT downtime	ICT reports on ICT infrastructure, equipment and service delivery supporting operations	Percentage of ICT equipment, service and infrastructure standards as per the ICT strategy met
	Procurement processes completed		Number of quarterly ICT reports submitted.
n/a		Facility reports on physical infrastructure i.e. buildings, office articles and equipment required by operations.	Number of quarterly facility reports submitted.
n/a		Audit Outcome	Audit Opinion obtained.
n/a		Payment of valid invoices to suppliers within 30 days.	Percentage of valid invoices paid within 30 days.
Compliance with key legislative requirements to reduce audit findings	Number of compliance reports	Compliance reports with key legislative requirements to reduce audit findings	Number of compliance reports generated and submitted to the Audit and Risk Committee
n/a		Risk management reports to reduce audit findings	Number of risk management reports generated and submitted to the Audit and Risk Committee
n/a		Procurement reports	Percentage of Procurement processes completed in line with the procurement plan
n/a		Quarterly management reports	Number of quarterly reports as per s38-40 of the PFMA
Annual submissions, policy briefs, technical reports and Research	Annual Submission for the Division of Revenue with Recommendations	Annual submissions, budget submissions, policy briefs, technical reports and research on	Annual Submission for the Division of Revenue with Recommendations tabled.

Reports on financial and fiscal matters	Submission on Medium Term Budget Policy Statement	financial and fiscal matters	Submission on the Medium-Term Budget Policy Statement submitted.
	Submission on Division of Revenue Bill		Submission on the Division of Revenue Bill submitted.
	Submission on the Appropriation Bill		Submission on the Appropriation Bill submitted.
	Number of Policy Briefs published		Number of Policy Briefs published.
	Number of Technical Reports published		Number of Technical Research Report published.
	Number of Research Reports		Percentage of technical research report chapters gone through peer-review with feedback.
Stakeholder engagements conducted	The number of Parliamentary Committees, stakeholder meetings and forums attended in response to a request with presentations and/or contributions by the FFC	Stakeholder engagements conducted	The number of sent invites from Parliamentary Committees, stakeholder meetings and forums responded to with FFC submission.

Note: n/a – No target set for the period.