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THE ROLE OF MONITORING AND EVALUATION IN PUBLIC SECTOR DEVELOPMENT PLANNING AND BUDGETING PROCESS IN SOUTH AFRICA

Twende Mbele together with the Department of Planning Monitoring and Evaluation (DPME) issued terms of reference (ToRs) for a research project to understand the current use of performance monitoring and evaluation (M&E) evidence in the planning and budgeting processes in the South African government.

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REPUBLIC OF SOUTH AFRICA



2023

APPLIED RESEARCH ON THE ROLE OF MONITORING
AND EVALUATION IN PUBLIC SECTOR DEVELOPMENT
PLANNING AND BUDGETING PROCESSES IN SOUTH
AFRICA

FINAL RESEARCH REPORT
SUBMITTED BY AMISI CONSULTING

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List of Acronyms

APP	Annual Performance Plan
CSO	Civil Society Organisation
DCoG	Department of Cooperative Governance
DoH	Department of Health
DPME	Department of Planning Monitoring and Evaluation
DPSA	Public Service Department
DSD	Department of Social Development
DBE	Department of Basic Education
GHS	General Household Survey
M&E	Monitoring and Evaluation
MINMEC	Minister and Members of Executive Council
MPAT	Management Performance Assessment Tool
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NEP	National Evaluation Plan
NES	National Evaluation System
NGO	Non-governmental Organisation
NPM	New Public Management
NT	National Treasury
PALAMA	Public Administration Leadership and Management Academy
QPRS	Quarterly Performance Reporting System
SEIAS	Socio Economic Impact Assessment System
SPAPP	Strategic Plans and Annual Performance Plans
ToR	Terms of Reference

Executive summary

Introduction

Twende Mbele together with the Department of Planning Monitoring and Evaluation (DPME) issued terms of reference (ToRs) for a research project to understand the current use of performance monitoring and evaluation (M&E) evidence in the planning and budgeting processes in the South African government. The research is part of a project being carried out with the governments of Benin, Uganda, Kenya, Niger and Ghana. The objective of the research was to distil factors that influence the use of M&E evidence in planning and budgeting. The research informed the development of a guideline to support the integration of M&E evidence with the planning and budgeting public sector functions.

Background to the research

This research explored factors that influence the utilisation of monitoring and evaluation evidence in the planning and budgeting processes of government departments in South Africa. The research sought to understand the key determinants that influence public servants' use of M&E evidence in these critical processes.

The research was guided by 13 questions covering topics such as institutionalisation, capacity to demand and supply M&E evidence, and the state of M&E evidence use in planning and budgeting. The research was exploratory and used a non-experimental mixed methods research design. Data was collected through a review of 27 government policy and strategy documents, a survey of 10 National Departments, and 11 key informant interviews with Government officials and Non-Government Evaluation experts. In addition, strategic plans and APPs of three sector departments (Department of Social Development, Health, and Basic Education) were further analysed to explore how frameworks and policies are translated into how departments plan.

The research used the Langer et al 2020 evidence use framework to conceptualise evidence use and analyse the data. In this framework, evidence (including M&E) use is understood as a form of behaviour change. This means we must understand the individual actors, their needs, motivations and capacities (how they use information) as much as we look at the technical elements of M&E evidence production and use. The framework recognises that evidence use happens in context – the broader political context and organisational context. The framework also suggests that evidence use does not happen by itself, that certain 'use interventions' need to be implemented to foster M&E use.

Summary of findings

Institutionalisation of M&E

Since 1994, the South African government embarked on sweeping public sector reforms which included changes to systems for evidence generation and use. Government has incrementally built a sophisticated M&E machinery which includes a set of frameworks, regulations and guidelines by National Treasury, Department of Public Service and Administration and the DPME. In addition, the establishment of DPME was a major milestone in the institutionalisation of M&E in government. Building on the Government-Wide Monitoring and Evaluation Framework (2007), the DPME put in place systems, processes and frameworks such as the National Evaluation Policy Framework (2011, revised November 2019), Socio-Economic Impact Assessment System Guidelines (2015), the Management Performance Assessment Tool (MPAT) Users' Guide (2011), Citizen-based Monitoring, etc. that supported institutionalisation and systematised M&E within government. These different interventions created a shared language and created an identity for public sector M&E practitioners.

The research found that an emphasis on M&E from centre of government and national policies and frameworks is promoting the institutionalisation of the M&E function within government. Several departments reported having some form of policy or framework guiding the M&E function. Furthermore, departments also reported having institutionalised practices and processes for disseminating monitoring data to promote performance improvements. These processes varied between departments, some were standard procedural processes such as submission of reports to the Director General (DG) of the department, presentations to management meetings such as Exco and senior management forums, and presentations at Ministers and Members of Executive Councils meetings (MinMEC). There were also instances where efforts were made to share results widely in the departments through internal repositories, workshops, meetings and publications.

M&E capacity

Eight departments reported having an M&E unit, while only two said they did not. Departments who have M&E units are more likely to have staff with a dedicated monitoring function than an evaluation function. Seven of the departments felt that they did not have sufficient capacity for performance monitoring. Monitoring staff are often responsible for monitoring all programmes in a department and, in cases of concurrent functions, monitoring staff might also be coordinating the monitoring of national indicators across nine provinces.

Six departments reported having a budget for M&E. However, government has been implementing fiscal restructuring to reduce costs to manage the negative economic outcomes of the COVID pandemic and respondents indicated that this has had an impact on their budgets.

Despite institutional efforts to align planning and monitoring and evaluation, respondents indicated that in practice the three functions often operated in silos. The establishment of standalone M&E units gives the units more visibility and space to monitor programme performance and carry out evaluations. At the same time, these units risk being disconnected from the processes they are meant to shape and influence.

Some departments did not establish standalone M&E units. Five departments reported that their M&E units were embedded in other units. Monitoring or M&E was likely to be located within strategy, operations and organisational development branches/chief directorates, in research directorates, in the strategic planning and management directorate, or together with strategic management (responsible for planning) in the office of the Chief Operating Officers. Theoretically, this proximity to planning or strategic leadership of departments should improve the use of monitoring data in the development of departments' strategic and annual performance plans.

Use of M&E in planning and budgeting

The documents reviewed show a great appreciation of different forms of evidence within government. Different policies and frameworks also reference each other, which demonstrates a cascading of plans within government. A review of DoH, DBE and DSD annual plans showed that departments were drawing on different sources of evidence to inform their planning. For example, the DoH annual plan included references to data from Stats SA, from the District Health Information System, and from the Ideal Clinic Software Information System. DBE referenced data from Stats SA, the Education Management Information System, and the General Household Survey.

The use of M&E in planning and budgeting seem to vary across departments, influenced by context, capacity, the use interventions the department implements, etc. Some respondents were of the view that planning in their departments was to a great extent informed by M&E evidence, while others indicated that M&E was used to a limited extent. Interestingly, three of the external evaluators interviewed thought that government planning was not at all informed by M&E evidence.

The National Treasury has adopted evidence informed approach to budgeting. Different guidelines and frameworks are explicit about the use of previous financial and non-financial performance data

in budget preparation to determine baselines and targets. In addition, performance and financial data are used in assessing departments progress in implementing their budgets and during the audit phase.

Although most of the documents reviewed do not explicitly state the use of M&E evidence in budgeting, they detail the importance of using an evidence-informed approach. This shows that an evidence informed approach is well established within National Treasury and in the budgeting process, though there are questions about what happens within departments and the contested nature of budget process. It also shows that there is an established practice of drawing on monitoring data. A gap seems to still exist in relation to the use of evaluation.

Factors influencing M&E use

The research found that the following factors shape the extent to which M&E is used in planning and budgeting:

- **Politics and Leadership:** The political environment and leadership within a department significantly impact upon the value placed on M&E evidence. Where leaders demand and use evidence to make decisions, it creates a conducive environment for generating and utilising M&E.
- **Audit-driven culture:** The research found that departments primarily plan, set targets and indicators for things they can control. This is primarily driven by a fear of getting negative audit findings. A culture of compliance, where reporting requirements take precedence over learning and improvement, hinders the effective use of M&E evidence.
- **Extensive reporting demands:** The existence of several coordinating departments with overlapping functions poses challenges for departments in terms of reporting and learning from the data they collect. Departments must meet significant upward reporting to DPME, DPISA, NT, etc. This reporting to other institutions demands significant time and resources from departments that sometime have limited M&E capacity. M&E processes thus tend to focus on producing information to meet external reporting requirements. There are more incentives for departments to meet these demands than to use M&E evidence for reflection and learning.
- **Lack of Technical Capacity:** In some departments M&E staff lack the necessary expertise and skills for effective monitoring and evaluation, including data collection, analysis, sense making and management. In addition, staff might not have the skills to navigate the highly political and contested processes of policy making, performance reporting, planning and budgeting.

- Budget processes are consultative with NT engaging with departments at different points of the budgeting process. Institutional arrangements such as MTEC, MinComBud, 10 by 10 meetings, all provide opportunities for evidence to be debated and integrated into how resources are allocated.
- Planning processes led by DPME are similarly consultative. DPME provides ongoing support to departments as they develop their plans, inviting comments from different stakeholders and units within DPME, giving them comments to draft plans and hosting performance dialogues during the assessments of strategic plans & APP. These institutionalised practices provide opportunities for M&E evidence to be integrated to department's plans.

Conclusions

The systems and processes in place within government support the use of M&E evidence in planning and budgeting. There are some gaps identified, particularly when it comes to the interface of M&E and planning and the interface of evaluation and budgeting processes. A guideline could assist in closing some of the gaps; however, a guideline alone will not be adequate to address all the challenges identified in the research.

Recommendations

- Better alignment of planning and budgeting timelines is necessary to improve the use of M&E in both planning and budgeting.
- DPME should continue to strengthen the quality of evaluations and encourage departments to carry out different types of evaluations.
- DPME should take the lead in developing a guideline to enhance the use of M&E evidence in planning and budgeting processes for government departments. The department should support the implementation of the guideline by familiarising departments with its contents.

1. Introduction

Twende Mbele issued terms of reference (ToRs) for a research project to understand the current use of performance monitoring and evaluation (M&E) evidence in the planning and budgeting processes of the governments of Benin, South Africa, Uganda, Kenya, Niger and Ghana. The objective of the research is to distil factors that influence the use of M&E evidence in planning and budgeting. The research will inform the development of a guideline to support the integration of M&E evidence with the planning and budgeting public sector functions.

This report presents the factors that influence the use of M&E evidence in planning and budgeting in South Africa. The research explored three interrelated themes: levels of institutionalisation of M&E, capacity to supply and demand monitoring evidence, and how evidence is currently being used in planning and budgeting.

The report is set out as follows: section two presents a literature review to frame the research and define key concepts used; section three covers the approach and methods used to carry out the research and section four presents the findings. Section five follows with a summary of the research results. The report closes with an overall conclusion and the recommendations of the research.

2. Literature review

2.1 Context: evolution of M&E in the South African public sector.

There is growing interest in the use of evidence, and specifically M&E evidence, in the public sector. Basheka and Byamugisha (2015) argue that the spread of New Public Management (NPM) in African governments, influenced by World Bank public sector reform initiatives, drove the growth of M&E in government¹. NPM, with its emphasis on outputs, outcomes, accountability and transparency, pushed demand for M&E as one tool that can help governments understand the impact of their investments and whether these initiatives are effective. This view is supported by recent research by Twende Mbele that found that there has been a growing focus on using evidence to inform plans and link them better with budgets which is coupled with an increasing demand for accountability in African countries.²

In South Africa, M&E first grew in the NGO sector as funders demanded more accountability for development funding. Within government, where M&E did happen, it was both limited in scope and also limited to services the then apartheid government provided to the white population. This is indicative of how the political context can shape the development and use of M&E within government.

After 1994, the government embarked on sweeping public sector reforms and redistributive interventions to extend delivery of services to poor and black communities that were underserved by the apartheid government. The government wanted to know if its development drive was reaching its target population and also if it was making a difference. In 1997 the Public Service Commission established an M&E system with a focus on evaluation³. This was to be part of a series of reforms to strengthen government's M&E systems and operations that have continued to date.⁴

The push for evidence within government was further strengthened in 2009 when government adopted an outcomes-based approach. The outcomes-based approach came as a result of growing concerns that although the first decade of democracy had ushered in significant changes in the country, it fell short of meeting the needs of the population. This was demonstrated in increasing service delivery protests and other indications of disquiet in communities. Government wanted to establish a more systematic way to generate evidence and have that inform decisions by government. This led to the establishment of the Department of Performance, Monitoring and Evaluation which later became the Department of Planning, Monitoring and Evaluation (DPME). The 2030 National Development Plan (NDP), which lays out a long-term vision for the country's economic and social development, has further emphasised the importance of evidence-based decision making and the use of M&E to track progress towards the Plan's goal⁵.

The establishment of the DPME was significant for two reasons. Firstly, it consolidated and led the institutionalisation of M&E and its utilisation within government. The Department put in place systems, processes and frameworks such as the *Government-Wide Monitoring and Evaluation Framework (2007)*, the *National Evaluation Policy Framework (2011, revised November 2019)*, *Socio-Economic Impact Assessment System Guidelines (2015)*, the *Management Performance Assessment Tool (MPAT) Users' Guide (2011)*, Citizen-based Monitoring, etc. that supported institutionalisation and systematised M&E within government. These different interventions created a shared language and created an identity for public sector M&E practitioners. The second important development is that when government moved strategic and annual planning from National Treasury (NT) to the DPME, it split programme performance information management from budgeting processes. Both the DPME and NT had to work together to ensure that monitoring data reported in departments' statutory reports inform decisions around budgets.

2.2. What is evidence use?

Having looked at the framework and the evolution of M&E within the South African Government, the report now focuses on defining what is meant by evidence use. How do we know when M&E evidence is being used in planning and budgeting? Kirkhart (2000) argues that the focus on utilisation and use is narrow and limiting, that much of the literature tends to focus on results and ignores other forms of impact that evaluation can have in policy and practice. In this Kirkhart argues that we need to talk about influence and to understand utilisation as a form of influence that evaluation can have.⁶

Kirkhart's framework of evaluation influence is useful to frame the current research. In this integrated framework, three aspects are important for evaluation to have influence. They are (1) source of influence, (2) intention, (3) time.

Source of influence in evaluation, and perhaps even in monitoring, can be in the process of collecting/generating the evidence and the results themselves. How is the process of monitoring programme performance carried out? Who designs M&E frameworks? Are these agreed with key stakeholders? What is the involvement of planning and finance units in M&E activities? These are important questions that can determine whether the process of generating M&E evidence is influential.

Intention: Influence is also strengthened through intentionality. How an evidence generation process is structured will determine the likelihood of it influencing policy and practice. Here we can ask questions about the intentions of a government department's performance and programme monitoring processes. Whom do departments intend to influence and what processes do they intend to influence with their monitoring data? Whom and what processes do they want to influence with evaluation? To what extent are they intentional about wanting to influence budgeting and planning processes? An important aspect of the Kirkhart framework is the idea of unintended influence. Research shows that the influence of evidence can be unpredictable and can take forms unintended.⁷ Though it is important to ensure that evidence generation processes take utilisation in planning and budgeting into consideration throughout, some influence will be unintended.

The third dimension is **time**. Important from this framework is the idea that utilisation is not an event that happens once, and a box is ticked. Use unfolds over time and can take many forms in that process of unfolding. At first hand it can look like this understanding cannot align with planning and budgeting processes that are formal, structured and often time-bound activities. However, the argument is that the search for utilisation should be expanded outside of the immediate period when evaluation or monitoring processes are completed. Kirkhart identifies three periods where use can be observed. The first period is immediately as the evaluation process is being planned or being carried out. This type

of influence is an evaluation process shaping conceptualisation of the problem and how government or a department wants to address it. Secondly, we have end-of-cycle influence which is utilisation that happens once an evaluation (or monitoring exercise) is completed. End-of-cycle evidence can lead to changes to programmes based on results, but could also influence what a department plans based on lessons from M&E. Lastly, Kirkhart refers to long-term use. Long-term use suggests that evaluation and monitoring results can have a long shelf life.⁸ This is important particularly for evaluation as most government evaluations take time and therefore cannot be delivered within a budget cycle or planning cycle; however, this should not stop departments from continuing to draw on results to influence plans and budgets.

Kirkhart's integrated theory of influence aligns with the framework being applied in this research. It recognises the complexity of use, that opportunities for utilisation exist within a longer time frame and that the process of generating M&E evidence is as important as the results. The theory also aligns with the types of use that have been identified in the literature, as applied in the Langer et al framework.

There are different ways that M&E evidence can have influence in planning and budgeting. Research has established four basic types of use.⁹

- **Instrumental** – refers to when individuals/organisations make decisions and take specific actions because of what has been recommended in evidence.
- **Conceptual** – improvements in understanding of a problem, programme or policy. These are cases where no direct action has been taken but where people have greater understanding of an issue because of evidence. An example would be if policy makers have an improved understanding of the nature of violence happening in a particular location because of analysis of crime data.
- **Symbolic use** – this can be either negative or positive. Negative symbolic use refers to instances where evidence is used to support a decision that was already taken. Positive symbolic use is when the evidence helps raise the symbolic importance of a topic.
- **Process** – refers to changes in individual thinking and behaviour, and changes in program or organisational procedures and culture that occur among those involved in evaluation as a result of the learning that occurs during the evaluation process.

Except for negative symbolic use, the central theme that connects these different types of use is learning. Whether it is in implementing recommendations, adjusting a budget because implementation data shows systemic failure to implement, the central idea is that implementers/policy makers are getting better at responding to a problem because they are using existing knowledge. Thus, the M&E evidence-use guideline for planning and budgeting that follows this research study should guide departments in how to encourage these different forms of use and avoid the trap of focusing on use of final results or implementation of recommendations from final reports.

2.3. The framework

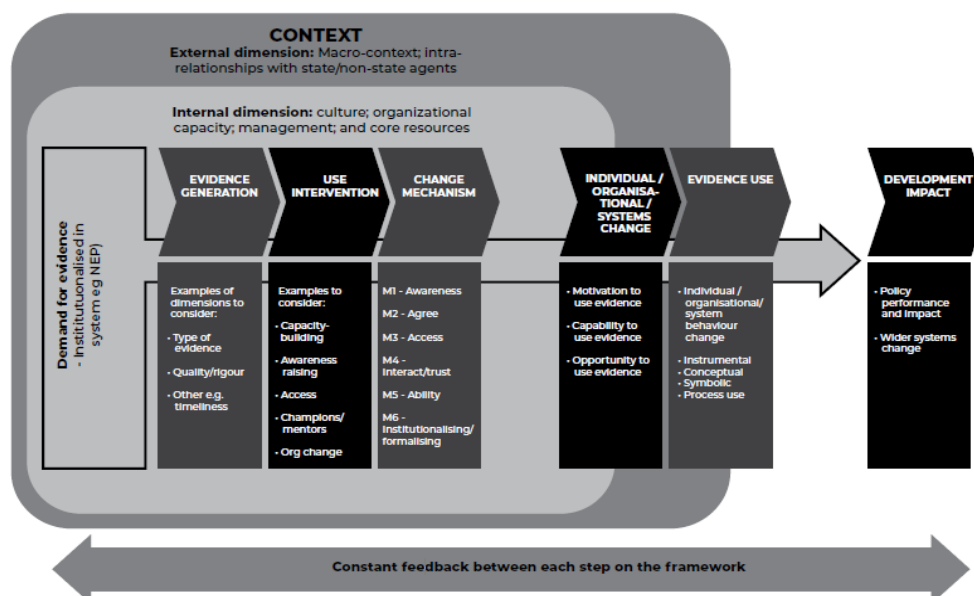
The relationship between evidence and its use in policy and management decision making is not linear. Policy making is inherently political, influenced by several imperatives (including budgetary, administrative, and contextual limitations) other than scientific evidence on what works or does not. Empirical knowledge itself—particularly in social services—is not apolitical or value free, and rarely provides unequivocal solutions to an issue.¹⁰ Planning and budgeting are also contested processes. As departments make decisions about their priorities they are influenced by the NDP, the Medium-term Strategic Framework, national priorities as outlined by the State of the Nation Address and by the political priorities of the ruling party manifesto. Departments also have to respond to pressures from non-state actors including civil society organisations (CSOs). Budgeting also goes through rigorous and consultative processes both within the administration and in parliament. Contestations over priorities and deciding where limited resources should be allocated is not simply a technical process drawing on available evidence, but it also involves contestations and negotiations that are about values and balancing competing needs.

For both monitoring and evaluation, this reality/context is important. Unlike other knowledge generation tools, M&E's value is realised when used by public management institutions and society to improve the governance of public policies and achieve accountability.¹¹ Monitoring and evaluation are tools for management and, therefore, are more likely to be directly influenced by organisational culture and context where decisions need to be made. As research has shown, the use of M&E evidence in policy and practice remains limited, even in countries like South Africa that have established systems within government. Engela and Ajam (2010) argue that "Monitoring and evaluation (M&E) is an extremely complex, multidisciplinary and skill intensive endeavour"¹²; it follows that the use of M&E will be equally complex and requires both individual analytical skills and systems. Therefore, this research draws on work such as by Parkhurst and Du Toit¹³ who argue that the use of

evidence - be it monitoring, evaluation, research or any other - is contested and political (as policy processes are) and, therefore, has to be understood within context.

This research used the Langer et al (2020) framework¹⁴ to conceptualise M&E evidence use in planning and budgeting. In this framework, evidence use (including M&E) is understood as a form of behaviour change (figure 1). This means we must understand the individual actors, their needs, motivations and capacities (how they use information) as much as we look at the technical elements of M&E evidence production and use. This framework is useful because it recognises that evidence use happens in context – the broader political context and organisational context. This context needs to be understood. For example, we need to understand the relationship between the DPME and National Treasury, the relationship between the DPME and sector ministries, and the systems that are in place to enable a flow of evidence between departments if we are to understand how, why and when M&E evidence is used. The framework also suggests that evidence use does not happen by itself, that certain “use interventions” need to be implemented to foster use, of which the guideline proposed by Twende can be seen as a use intervention. The research aimed to understand what use interventions are already being utilised, which are effective, and which are not. Understanding these factors provides a good basis for the development of the guideline. Aspects of the framework are expanded on in subsequent sections.

Figure 1: Evidence use framework



(Source: Langer et al 2020)

2.4. Applying the framework in the current research

The understanding of evidence use that is applied in this research and the framework adopted have all emphasised the idea that evidence use happens in context. In this section, we explore some contextual factors that shape the use of M&E in the South African government. Here we explore four factors important to the use of M&E evidence: (1) the macro context, including politics; (2) relationships within government and between state and non-state actors; (3) organisational culture and capacity; (4) resources for service delivery.

2.4.1. Macro context

South Africa is a constitutional democracy with a clear separation of state powers between the administration, legislature and the judiciary. This separation of powers is fundamental for accountability of government to its people. Post 1994, the post-apartheid government relaxed apartheid government restrictions on political activities. This led to an increase in the number of political parties that are active in the country's political landscape, and political parties have significant influence in civic space.

Like other countries South Africa has experienced an increase in populist politics. For example, the country has seen an increase in anti-migrant sentiment with several anti-immigrant groups, including Operation Dudula, the All Trucker Foundation and the South Africa First Party. Concerning, perhaps, is that these movements, which in the past would have been on the margins, have now become reference points and have had significant influence in national debate.¹⁵ Social media and the anonymity it gives individuals has created a media where national debates can be influenced through information that is not tested and not verifiable. This makes conversations about evidence use much more important - but also difficult - as policy makers and national debates might be more influenced by what may seem more urgent (because it is happening now on social media) than results of a long scientific process, such as M&E evidence generation.

Populist politics is finding fertile soil in the current climate of growing inequality and poverty. Despite government investment in social grants programmes, the majority of South Africans remain poor. Governance has also been weakened over the years with an increase in poor governance and corruption in several government institutions. The impact of poor governance and widespread corruption, despite the existence of a national M&E system, is starting to be felt not only in poor delivery of basic services like water and electricity, but also in collapse of institutions. The failure to sensitise the ruling African National Congress (ANC) and its decision-making structures about the value of M&E and the national M&E system is another crucial lost opportunity as the ruling party provides

the policy and issues the prioritisation framework that informs government policy. Further, the failure of the national M&E system to influence sectoral policy debates (e.g. energy, water and sanitation, (de)industrialisation, maximising gains from bilateral relations and multilateral forums) is another barrier to propelling M&E into a practice that has a key input in planning, budgeting and policymaking. All these factors erode the conditions for M&E evidence to be valued and used.

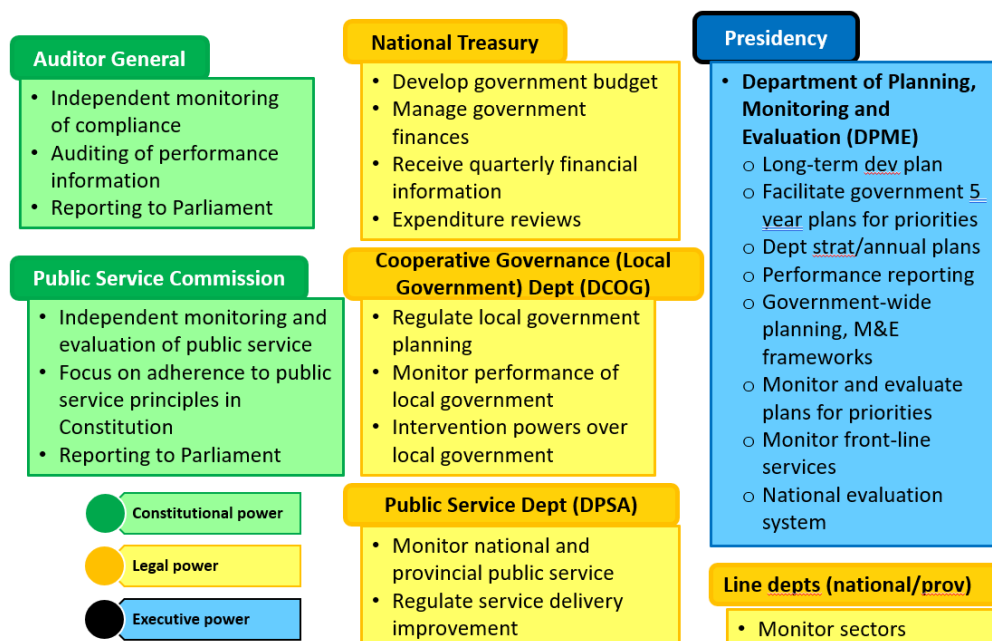
At the same time, Picciotto (2019) argues that in current post-modern society which is characterised by growing inequality, the capture of governments and states by the elite, and the rise of post-truth and fake news, timely and relevant M&E evidence is crucial. Society needs the methodical and rigorous analysis, and the synthesis and sense-making processes that evaluation offers.¹⁶ Evaluation offers policymakers a relatively objective perspective (because of measures taken to mitigate bias) on why programmes succeed or fail. Evaluation is necessary to inform policy makers and resource allocators as they attempt to address problems which are becoming increasingly complex due to growing global connectedness and trans-border challenges such as climate change and volatile global financial systems that weaken political sovereignty of nation states.

2.4.2. Relationships between government institutions

The post-apartheid governance structure as set out in the 1996 Constitution consists of three distinct but interrelated spheres of government: the national government, nine provincial governments and about 280 municipal governments. These spheres of government need to work together through cooperative governance as some functions are allocated to one sphere while others are shared or are concurrent, meaning more than one sphere of government must work together to deliver a policy mandate.¹⁷ So the three spheres of government must coordinate at various points in the intergovernmental planning and budgeting cycles.¹⁸

At national level, the M&E function is shared amongst three centre of government departments, two constitutional bodies and line function ministries (as shown in figure 2 below). Centre of government departments such as the DPME set frameworks and guidance for how M&E is to be carried out in government, while line function ministries can adapt these frameworks and implement them within their sector.

Figure 2: Roles and responsibilities for M&E, Source: DPME



2.4.3. Relationships between state and non-state actors

The administration must work with the legislature and the judiciary who have to hold the administration to account and represent the needs of society. South Africa also has a vibrant non-state sector. In sectors such as social development, the NGO sector plays an important service delivery role, as they fill a gap created by the apartheid government’s neglect of non-white population groups¹⁹. CSOs have also influenced the budget process either through submissions to parliament or participation in processes convened by NT. However, the relationship between government and CSOs is not always a positive one. This is to be expected as CSOs often act to hold government accountable on behalf of communities either by taking government to court to fulfil its constitutional mandates or by lobbying for government policy changes. These factors need to be taken into consideration as CSOs can be an important stakeholder in supporting government use of M&E evidence in planning and budgeting.²⁰

2.4.4. Organisational culture and capacity

Weyrauch et al (2016) describe culture as that which individuals believe to be, and what an organisation wants to see happen. It is the “pattern of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal integration, that has worked well

enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems”²¹. Thus, it is the set of values and assumptions that are generally accepted by those within the organisation as “the norm”.²²

Though culture can be shaped by formal organisational and management processes, it is distinguishable from both in that it is often “informal”. It is the invisible current that influences the behaviour and choices of managers and employees within an organisation. As Lusthaus et al (1995) put it, “Organizational culture is a powerful motivating force: by embodying the values sanctioned by the organization, the culture frames the boundaries of acceptable attitudes and behaviour and creates a shared ethos”.²³ Culture is therefore important to explore to understand how M&E evidence is used in government as it can undermine formal processes and systems. That is because culture defines how and what employees do in relation to tasks, roles, power and rank, etc.; it provides a framework through which the organisation can acknowledge internal problems and resolve them, and analyse external challenges and meet them.

Evidence, including M&E, is an essential component of South Africa's public sector development planning and budgeting processes. The Constitution and sector legislation and policies have often built in the idea of policy reviews. Likewise, systems like the Socio-economic Impact Assessment System ensures that evidence is an important part of the policy-making process.²⁴ The creation of the DPME in the Presidency further emphasised the importance of M&E, with its explicit mandate to strengthen the use of M&E evidence in government.²⁵

Despite the investment in legislation and management processes to support evidence use, the culture within the public service has been described as not always enabling evidence use, though this differs from one department to another. Previous research by the DPME found that 23% of departments indicated that the general practice in their departments is to ignore poor results. These departments argue that this is indicative of a problem where results from M&E systems are likely to be ignored and not used. The same research found that departments were less likely to ignore poor performance. Indeed, 82% of departments indicated that officials are held accountable for results, and that they had systems for learning and improvement planning,²⁶ though how such performance was sanctioned was not reported.

2.5. Facilitators of, and barriers to, evidence use in the public service.

2.5.1. Institutionalisation

A strength in the South African government system is the level of institutionalisation of M&E. There is a ministry responsible for coordination of the government-wide M&E system. Systems are in place to

guide departments in planning and budgeting. Each department plans and gets resources allocated, which they utilise and report on at set times. The *National Evaluation Policy Framework* and the *National Evaluation System (NES)*, which will be discussed in greater detail in subsequent sections, have supported the establishment of an evaluation culture in government.²⁷ This level of institutionalisation and the M&E infrastructure that exist in government departments is a great foundation on which to strengthen the use of M&E evidence in planning and budgeting. At the same time, it is important to note that institutionalisation can also be a barrier. Where policies, frameworks and human resources are all put in place but there are no incentives to really learn, there can be an appearance of using evidence or of valuing evidence when in practice other factors are driving decision making. This kind of isomorphic mimicry where organisations have the form, but not the function or the outcomes, can be harder to overcome as it cannot be solved by adding more institutional frameworks.

2.5.2. Audit-driven culture

One of the public sector systems that has significant influence on organisational behaviour is the audit. As stipulated in the *Public Sector Finance Management Act No.1. of 1999*, each department established an internal audit system to ensure that departments accomplish their predefined strategic objectives and reduce chances of negative audit outcomes.²⁸ In addition, the Auditor General has a constitutional mandate to provide oversight, safeguarding governance and ensuring accountability in the expenditure of public sector finances.

Performance audits, which measure the economy, efficiency and effectiveness of departments' operations vis-a-vis-resources allocated, have had a profound impact on what departments plan and what they measure in their annual performance reports. Performance auditing has contributed to a culture of compliance, where departments plan for what is achievable and within their control, rather than what is transformational. It has also incentivised a culture of hiding problems. Consequently, problems are not treated as opportunities for learning and improvement and senior management fails to champion M&E.²⁹

2.5.3. No incentives to use M&E evidence.

Despite great efforts to institutionalise M&E in government, there are still no incentives for senior officials to meaningfully use M&E evidence. The focus of M&E is generally on monitoring operational outputs rather than enabling departments to investigate the effectiveness of strategy and policy in terms of the outcomes and impact on the public as envisioned by policy objectives. This implies that, while line managers are expected to play an active role in M&E and in using M&E information for decision making, responsibility in almost all departments may be focused on planning, output-

monitoring, and reporting. This suggests a relatively limited role focused on “checking” implementation rather than analysing contributions to outcomes and impact as a basis for adaptive management and learning. Also, government significantly relies on financial rewards to incentivise performance. For example, research done by the DPME found that 77% of departments rely mainly on financial incentives to reward good performance. This reward system is problematic as individual achievement is not linked to organisational achievement, resulting in money being spent without necessarily producing positive results.³⁰

This research set out to explore how public servants experience the issues highlighted above and what they think can be done to make M&E more effective. What kinds of incentives are necessary to encourage a culture of learning and adaptive management in planning and budgeting? What processes need to be put in place to strengthen the influence of evaluation in budget decisions?

The next section presents how the research was carried out to answer these and other research questions.

3. Research approach

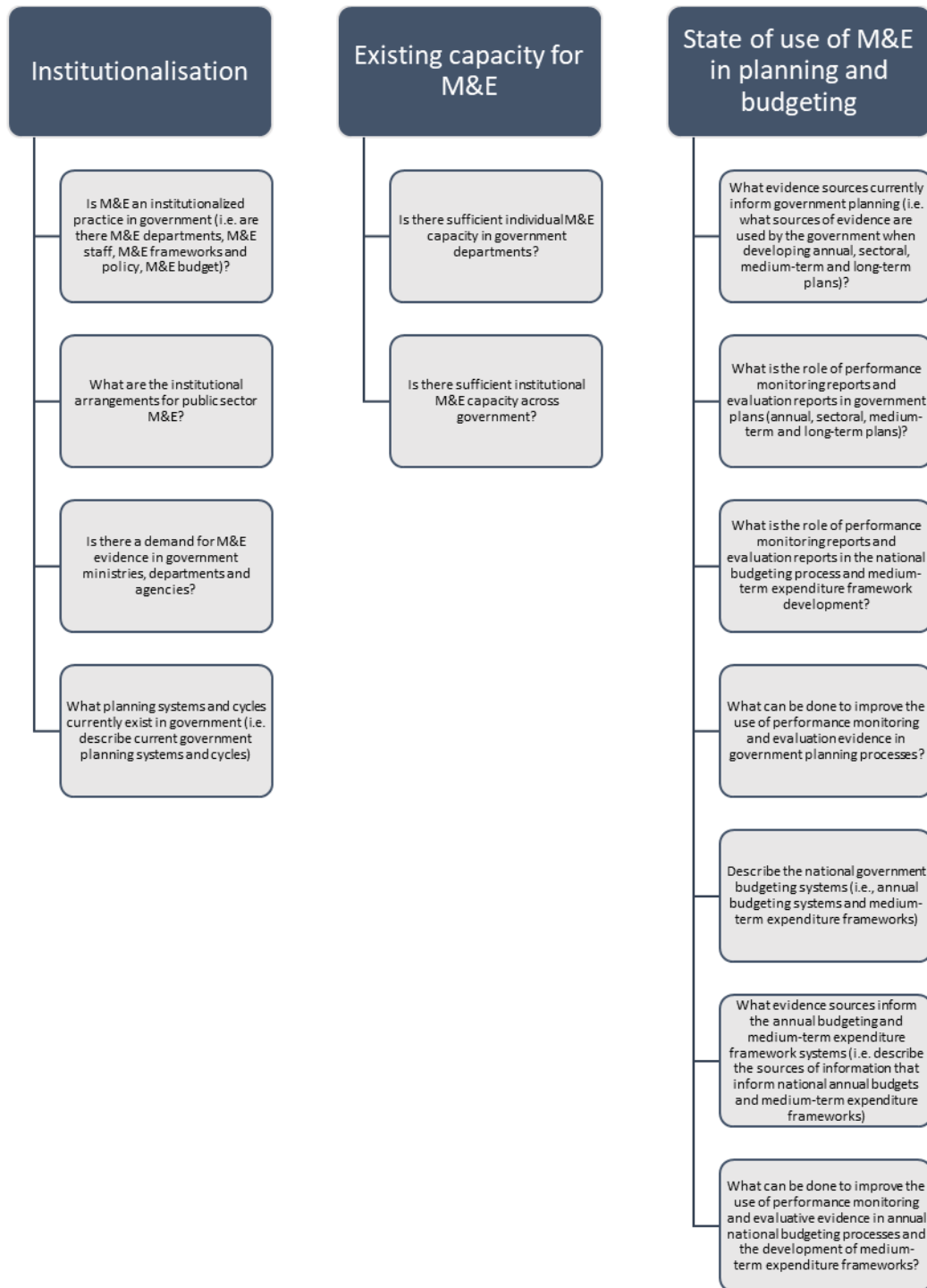
The objective of the research was to understand factors that influence how public servants use M&E evidence in planning and budgeting processes. A non-experimental design with mixed methods of data collection was adopted. The research focused on national departments and is limited in that it does not consider the provincial and local spheres of government. The research also excludes state-owned enterprises.

3.1 Research Questions

The research explored three interrelated themes: institutionalisation, capacity to demand and supply M&E evidence, and the state of use of M&E evidence in planning and budgeting.

The research was guided by 13 questions as stipulated in the ToRs and finalised in the inception .

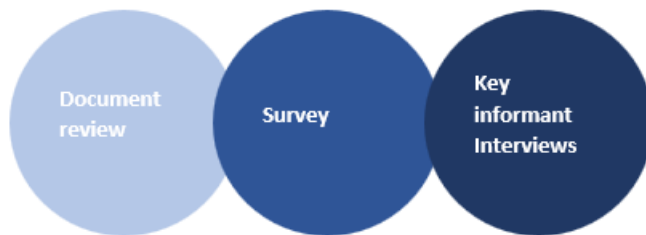
Figure 3: Research questions



3.2. Data collection methods

The research used mixed methods and relied on multiple sources of data. The following data collection tools were used to answer the research questions:

Figure 4: Data collection process



For the *document review* a list of key government policy and strategy documents to be reviewed was agreed to at the inception meeting. These documents were purposively selected based on their relevance to the study goal and research questions. Additional documents were added as we went through the document review. In total, 27 documents were reviewed. The documents and their purposes are listed in annexure A. In addition, strategic plans and APPs of three sector departments (Department of Social Development, Health, and Basic Education) were further analysed to explore how frameworks and policies are translated to how departments plan.

Primary data was collected using a *survey, interviews and a focus group discussion*. An online survey was sent to 35 national departments through the DPME. Formal letters communicating the intention of the research and a request for departments to complete the survey were circulated by the DPME. The DPME made several follow-ups through the steering committee and with departments to get responses. At the time of analysis 10 departments had responded to the survey (see table below). Three departments had two entries, one of which was deleted as a single response was required per department. The number of departments who responded represents 28.5% of the national departments. Because the response rate was low, the findings from the survey will be reported in absolute numbers.

Table 1: National departments that responded to the survey

National Departments	
•	National Treasury
•	Public Enterprises
•	National School of Government
•	Sport, Arts and Culture
•	Social Development
•	Agriculture, Land Reform and Rural Development
•	Forestry, Fisheries and the Environment
•	The Presidency
•	Cooperative Governance and Traditional Affairs
•	Statistics South Africa

Data was collected using a questionnaire with 39 questions, of which some were closed and some were open-ended. The questions explored the level of institutionalisation of M&E, capacity for M&E, and demand for, and use of, evidence in planning and budgeting in departments.

In addition, 11 interviews were conducted with key informants.

Table 2: Interview respondents

Interviews=11 respondents		
Government	National Treasury	2
	Social Development	1
	DPME (planning and evaluation unit)	4
Evaluation experts	Evaluation experts who have carried out public service evaluations	2
	Think Tank	1
	Voluntary Organisation for Evaluation Professionals	1
Total		11

3.3. Data analysis

The method of qualitative thematic analysis was used to analyse all strategy and framework documents. The research conducted inductive thematic analysis of secondary documents to come up with a provisional coding framework.³¹ This method involves identifying and analysing themes and

patterns that emerge in a dataset.³² Five codes formed the framework which, based on literature and research questions, guided the analysis. The five codes used were:

- M&E institutional arrangements
- Planning processes and the planning cycle
- The budget process and budget cycle
- Use of M&E evidence in planning
- Use of M&E evidence in budgeting.

Using the code framework, codes were applied to the text with the intention of identifying meaningful units of text.

For the primary data collected from the survey, interviews, and focus group discussion, qualitative data was analysed using Microsoft Excel and inductive coding, and the quantitative data collected using the survey was analysed using Microsoft Excel.

In the next section, the report presents the findings from both the document review and primary data collection. We reflect on the kinds of frameworks that exist within the South African government and respondents' views on whether these have strengthened the use of M&E evidence.

4. Findings

4.1. M&E institutional arrangements

Several policy and strategy documents set out M&E institutional arrangements within the South African government. Institutional arrangement refers to policies, systems and processes that government has put in place to legislate, plan and manage M&E and to effectively coordinate the M&E function within government.

The *National Development Plan 2030* provides a broad overview of national development priorities in South Africa. The plan indicates the importance of monitoring the implementation of priorities and proposes the establishment of an M&E unit in the Presidency "to undertake periodic regulatory impact reviews and provide advice and support to regulatory authorities".³³

The *Revised Framework for Strategic Plans and Annual Performance Plans (SPAPP) 2019*, although it does not give detailed information on the institutional arrangements for public sector M&E, states that "An institution's Performance Information Management policy or Planning, Monitoring and Evaluation framework should describe the processes for managing and using credible monitoring and evaluation (M&E) findings and recommendations".³⁴ While the 2019 SPAPP framework is explicit on

M&E evidence, the *Revised Medium-term Strategic Framework 2019-2024* does not detail the institutional arrangements for public sector M&E.

The *National Evaluation Policy Framework*, first adopted in 2011, was the first government framework to explicitly focus on institutionalising evaluation in government. Both the 2011 version and the 2019 iteration explicitly set out institutional arrangements for evaluation in government. For example, Section 7 of the 2011 framework entails the evaluation plan, roles and responsibilities, planning and budgeting for evaluation, standardised systems, donor-funded evaluations, and optimising limited capacity. The revised 2019 framework includes a Section 3 on “Institutionalising evaluations in South African government and institutionalising evaluation in the local government sphere” which includes legislation supporting local government evaluation plans, the importance of evaluation in local government, coordination and collaboration, and methodological innovation. The section titled “Institutionalising evaluations in South African government” outlines the criteria for selecting national evaluations, the process for developing national evaluation plans, implementation of the national evaluation plan, and ensuring the use of evaluation results.³⁵ The 2019 framework defines cross-cutting elements for institutionalising evaluation which include the roles of different institutions in planning for evaluations, criteria for deciding whether a programme should be included in the National Evaluation Plan. Although the evaluation policy framework does well in providing conceptual clarity on what evaluation is, how it differs from other public sector management tools, and the process to be followed when carrying out evaluations, the framework remains ambiguous as to the roles and responsibilities for the M&E function.

To see how the national framework translates in practice, this research reviewed plans of selected national departments. The research reviewed the annual performance plans (APPs) of the Department of Health (DoH), Department of Social Development (DSD) and Department of Basic Education (DBE) (2019–2022). The departments reviewed had an M&E function planned for, either as a standalone function, as in the case of DSD, or as a composite function as in the case of DBE.

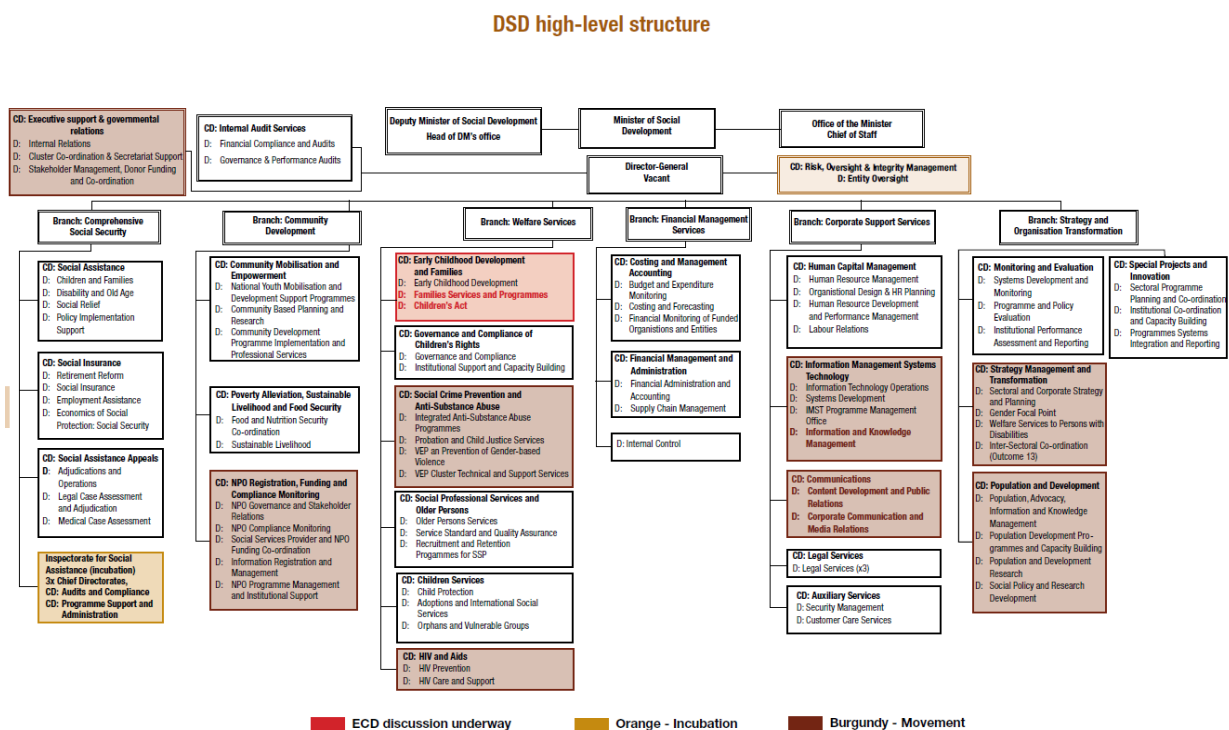
The research found that an emphasis on M&E from a national guiding framework might be promoting institutionalisation of the M&E function within government.

Within the DoH, M&E seems to be institutionalised in Programme 6 (Health System Governance and Human Resources). The programme’s purpose is to develop policies for planning, managing and training of health sector human resources and for planning, monitoring, evaluation and research in the sector. Whilst the programme does not outline roles and responsibilities, it states that the “Health Information, Research, Monitoring and Evaluation sub-programme develops and maintains a national

health information system, commissions and coordinates research, and monitors and evaluates strategic health programmes".³⁶

DSD has a high-level structure which clearly shows where and how M&E fits in the DSD structure (see diagram in figure 5 below)³⁷, but this information is not included in the APP of 2020/21 and 2022/23. In the DBE, M&E is part of the Research Coordination and M&E Unit, which coordinates policy analysis, M&E, and research activities for all five DBE programmes.³⁸

Figure 5: DSD high level structure



(Source: Department of Social Development, 2020:27)

The establishment of frameworks and policies to support M&E is also increasing institutionalisation in departments. Eight of the respondents representing different departments had some form of policy or framework guiding the function. These frameworks and policies come in different forms. For example, one department reported having a separate policy for performance monitoring which was called the policy and procedure on predetermined objectives of the department, and an evaluation and research policy. Another reported having an organisational performance policy which includes both monitoring and evaluation.

A number of departments also reported having institutionalised practices and processes for disseminating monitoring data to promote performance improvements. These processes and procedures vary between departments as examples below indicate. Some were standard procedural processes such as submission of reports to the Director General (DG) of the department, presentations to management meetings such as Exco and DG, and presentations at Ministers and Members of Executive Councils meetings (MinMEC). There were also instances where efforts are made to share results widely in the departments through internal repositories, workshops/meetings and publications.

“... the Evaluation unit (which falls under Research and Policy unit) produces Improvement Plans which are monitored with the aim of improving performance of the policy, programme, project.” Department of Sport, Arts and Culture respondent

“The outcomes of the performance of each Chief Directorate are published and there are workshops every year to empower managers to improve performance.” National Treasury respondent

At the same time, nine departments felt that their departments did not have enough systems to institutionalise and incentivise the use of evaluation. Only one department indicated that they have processes to support the use of evaluation. It is clear from the respondents that this is an area that can improve.

Where evaluation results are shared, the respondents representing departments mentioned presenting results to management. Another respondent indicated that they have made various efforts in this regard:

“...first is buy-in for evaluations, second is involving intervention owners throughout the process, third is providing clarity and explaining the benefits of evaluation, fourth is management response, fifth is improvement plans and lastly is continuous monitoring through reporting and onsite verification” Department of Agriculture, Land Reform and Rural Development respondent

The above response shows the importance and influence of the National Evaluation Policy Framework in how departments are institutionalising evaluation.

Although most budget-related frameworks reviewed such as the *Medium-term Expenditure Framework: Technical Guidelines 2022*, *Medium-term Expenditure Framework: Technical Guidelines 2023*, *Public Finance Management Act 1999*, *Guideline for Legislative Oversight through Annual Reports 2005*, etc., do not detail the institutional arrangements for public sector M&E, National Treasury does consider M&E as important evidence in budgeting. For example, the 2022 Budget Review highlights that “The National Treasury will work with industry and civil society working groups

and forums to develop a financial inclusion strategy to implement the new policy framework from 2023 to 2033, by setting targets and monitoring and evaluation mechanisms”.³⁹ However, it does seem that there is a missed opportunity to better connect M&E evidence with budgeting by not explicitly stating the need for M&E to be connected to budgeting processes in departments, in some of the budgeting guidance frameworks.

4.2. Capacity for M&E

Eight departments reported having an M&E unit, while only two said they did not. Departments who have M&E units are more likely to have staff with a dedicated monitoring function than an evaluation function. Seven of the departments felt that they did not have sufficient capacity for performance monitoring. As one of the respondents indicated, this is both in regard to the number of people employed in the M&E units and the skill sets they hold. Monitoring staff are often responsible for monitoring all programmes in a department and, in cases of concurrent functions, such as in DSD, monitoring staff might also be coordinating monitoring of national indicators across nine provinces. As one respondent indicated:

“The department has nine programmes and the officials responsible for both planning and reporting are 7, including 1 Director, 2x Deputy Directors and 4x Assistant Directors.” Department of Forestry, Fisheries and the Environment

“1 DD [deputy director] for performance management and 3 DDs for monitoring NSG training.” NSG

This view was also expressed by centre of government departments:

“The other challenge is around the institutional capacity. So, you find like within the Presidency, the Strategic Planning Unit is in the Office of the Chief Operating Officer who is the Accounting Officer. They are doing both planning and M&E, and other administrative transversal work. It's a lot of work for them to have support and time. The other issue is that, traditionally, we used to have Planning, M&E and Research unit, so if you take us out because our research is more government wide and not institutional research. They don't have the research unit to be able to assist, so they are really overworked. You need someone who can play that independent role of supporting them on evaluation and doing further research linked to the departmental strategic goals.” The Presidency

“The degrees of capacity vary quite significantly across departments, especially for the M&E and the planning functions. In a lot of departments, those people are clustered under what they call the Strategic Planning Unit which will be one Chief Directorate. The ability of those people to get information from Programme Managers can become problematic. In some departments, it may not even be a senior manager in the units. And then when they need to be able to tell a Programme Manager who is a DDG and they are Deputy Director that they need evidence

in their plan, they're just not going to listen to you. That's an issue." DPME Planning

In some cases, the same team that is responsible for monitoring departmental performance is also expected to carry out evaluations and facilitate the use of evaluation findings once these are completed.

"Same staff that conducting monitoring, should also conduct evaluation." Department of Public Enterprises respondent

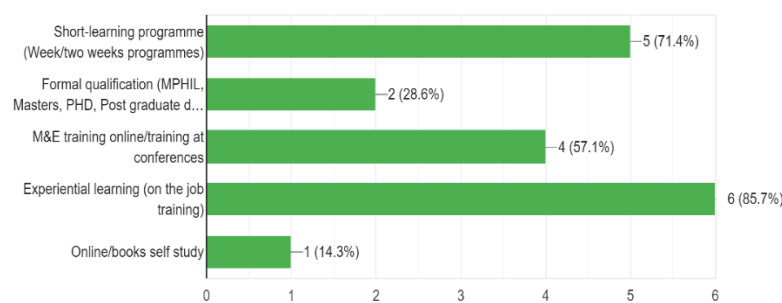
Slightly more negative sentiments were expressed regarding capacity for evaluation. Ten respondents felt that their department did not have sufficient capacity for evaluations.

"...two official staff members are not enough to carry out evaluation functions in the department."

"Dept has too many interventions that are evaluation worthy and capacity is too lean" Department of Agriculture, Land Reform and Rural Development respondent

Professional training and capacity building for M&E staff within government varies from professional degrees at post-graduate level to experiential or on-the-job training. This is not unusual as M&E as a profession is relatively new, and most people who carry out M&E functions are likely to have other professional degrees.

Figure 6: Staff M&E training



Six departments had a budget for M&E. However, government has been implementing fiscal restructuring to reduce costs to manage the negative economic outcomes of the COVID pandemic and respondents indicated that this has had an impact on their budgets. Reductions in budgets have also affected the DPME evaluation unit that is responsible for coordinating the NES. Consequently, departments have had to work with decreasing budgets.

4.3. Linking M&E with planning and budgeting

The majority of the reviewed documents do not include explicit instructions to link M&E to planning and budgeting. These include:

- National Development Plan 2030
- Revised Medium-term Strategic Framework 2019-2024
- Medium-term Expenditure Framework
- Technical Guidelines 2023
- Guideline for Legislative Oversight through Annual Reports
- Public Finance Management Act (1999)
- Department of Health: Annual performance plans of 2021/22 and 2022/23
- Department of Social Development: Annual performance plans of 2019/20, 2020/21 and 2022/23
- Department of Basic Education: Annual performance plans of 2020/21 and 2022/23
- Department of Health: Annual performance reports of 2018/2019 and 2020/2021
- Department of Social Development: Annual reports of 2020, 2021 and 2022)
- Department of Basic Education: Annual reports of 2020/2021 and 2021/2022.

Both the 2011 and 2019 *National Evaluation Policy Framework* give explicit instructions to link evaluations with budgeting. The 2011 framework has a section on planning and budgeting for evaluation which clearly states that evaluations will not be realised unless they are budgeted for. Evaluation costs are typically between 0.1% and 5% of an intervention's budget, depending on size (large programmes need proportionally more). This needs to be factored into annual budgets and the MTEF. The prioritisation of evaluation for the National Evaluation Plan also took into consideration the NDP and government's 14 priorities. However, the 2011 framework failed to provide a definitive instruction about how and when evaluation processes and results should be used in planning and budgeting, a weakness recognised in the evaluation of the NES.⁴⁰

The 2019 *National Evaluation Policy Framework* aimed to address the gap mentioned above. Section 2.1.7 explicitly links evaluation with budgeting and planning and states that "It is essential to align the evaluation process with planning and budgeting so that future plans and policy development are informed by evidence attained from that strategic alignment. In addition, the framework continued in the practice embedded in the 2011 evaluation framework and used the NDP and the Medium-term Strategic Framework 2014 as backbone to measuring implementation progress over the mid-term and long-term. The frameworks are used to guide government's strategic policy priorities and are critical in informing departments about which evaluations ought to be undertaken".⁴¹

Despite institutional efforts to align planning and monitoring and evaluation, respondents indicated that in practice the three functions often operate in silos. The establishment of standalone M&E units gives the units more visibility and space to monitor programme performance and carry out evaluations. At the same time, these units risk being disconnected from the processes they are meant to shape and influence. As respondents indicated, this was the case in departments where planning and monitoring and evaluation are separate units. M&E units are also separate from the grant management and financial management units with little internal coordination to ensure that the functions complement each other.

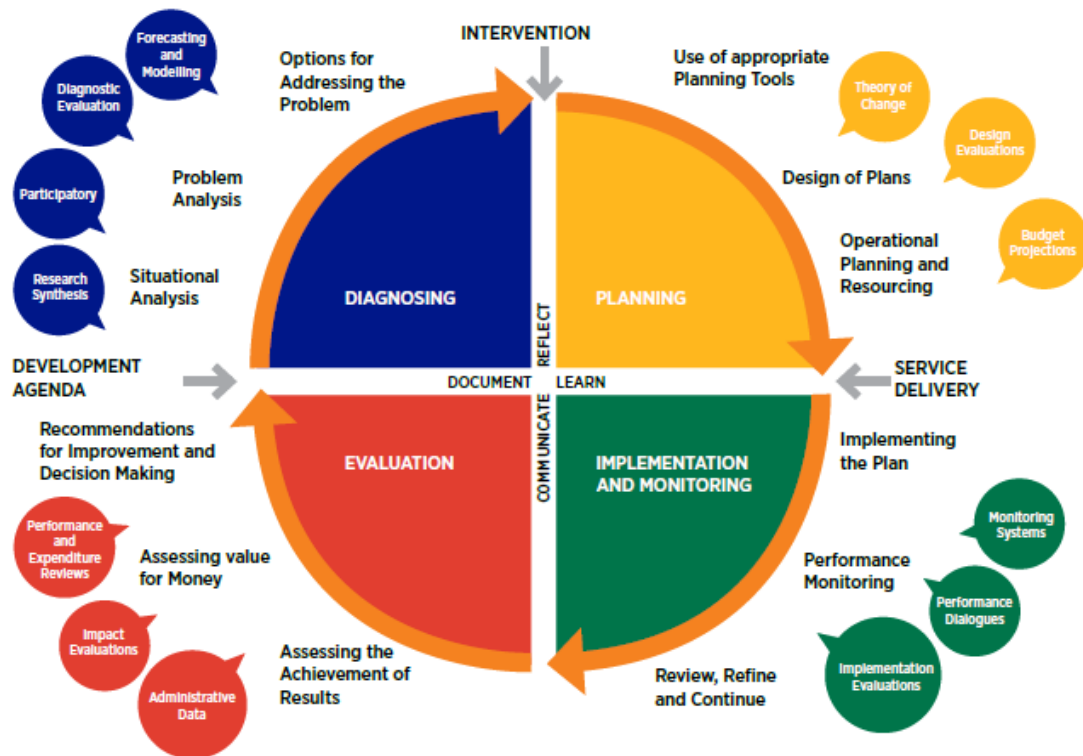
Some departments did not establish standalone M&E units. Five departments reported that their M&E units were embedded in other units. Monitoring or M&E was likely to be located with strategy, operations and organisational development branches/chief directorates, in research directorates, in the strategic planning and management directorate, or together with strategic management (responsible for planning) in the office of the chief operating officers. Theoretically, this proximity to planning or strategic leadership of departments should improve the use of monitoring data in the development of departments' strategic and annual performance plans. However, there was no indication that having the units under the same branch improved the use of performance data and evaluations in planning and budgeting.

4.4. Planning processes and cycle

The *Revised Framework for Strategic Plans and Annual Performance Plans 2019* outlines the planning process and cycle by detailing information on strategic plans and APPs. It includes: a) the applicable legislation and policies; b) how departments are aligned and the roles of the different departments in planning; c) strategic planning – the content, and processes for the development, approval and revision of strategic plans by national and provincial institutions; d) APPs – processes for developing, approving and revising national and provincial institutions' APPs; e) annual operational plans – the content, and processes for developing the annual operational plan; f) implementation programme planning and steps in planning for implementation programmes; g) infrastructure planning and the relationship between infrastructure planning and spatial planning; and e) monitoring, evaluation and reporting for all plans. However, the framework does not detail the step by step process each department should follow in developing their strategic, annual and quarterly plans.

The National Evaluation Policy Framework includes a diagram (see below) on using evidence in the policy and programme cycle. The inclusion of programme planning and guidance to departments on how to use evidence in the implementation of their programmes is an important step in enabling the use of M&E evidence in planning at different levels.

Figure 7: Evidence use in policy development



(Source: Department of Planning, Monitoring and Evaluation, 2019: 28).

The research found evidence that national departments plan according to the planning frameworks provided by the DPME, which shows the influence of such frameworks on departments' planning practices. The DoH, DSD, and DBE's annual performance plans have similar content and structure as guided by the *Revised Framework for Strategic Plans and Annual Performance Plans (2019)* and *Guidelines for the Implementation of the Revised Framework for Strategic Plans and Annual Performance Planning (2019)*.

The actual planning process followed by each of the three departments is not detailed but the plans for the department are outlined in part C of the plans. Part C outlines *Measuring our performance* which illustrates and details each programme's performance information. Each of the departments' planned programmes detail the programme purpose, sub-programmes, outcomes, outputs, output indicators, and actual performance for each medium-term expenditure framework period. See the example from the DBE's 2022/23 Annual Performance Plan, Programme 1 below:

Figure 8: DBE programme 1

7.1. Programme 1: Administration

Programme Purpose: To provide strategic leadership, management and support services to the Department.

Sub-programmes: Ministry; Department Management; Corporate Services; Office of the Chief Financial Officer; Internal Audit and Risk Management; and Legal and Legislative Services.

Table 8: Programme 1: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Reporting Cycle	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Outcome 2: Improved information and other systems which enable transformation and an efficient and accountable sector.	Valid invoices paid	1.1.1 Percentage of valid invoices paid within 30 days upon receipt by the Department.	Quarterly	99.05% 1 459/1 473	99.55% (35 327/ 35 485)100%	99.12% 14 129/ 14 255	100%	100%	100%	100%
	Resolved misconduct cases reported	1.1.2 Number of reports on misconduct cases resolved within 90 days.	Quarterly	100% 2/2	4	4	4	4	4	4
	Skilled officials	1.1.3 Number of capacity building programmes offered to the DBE officials.	Annually	-	-	19	12	14	14	15
	Conditional Grants Quarterly Reports submitted	1.1.4 Number of Schedule 4, 5 and 6 Conditional Grants Quarterly Performance Reports submitted to National Treasury (NT) 45 days after the end of each quarter.	Quarterly	-	-	-	-	28	28	28
	Annual Performance Plan approved	1.2.1 The Annual Performance Plan is approved by 31 March each financial year.	Annually	-	-	2021/22 APP approved by March 2021	2022/23 APP approved by March 2022	2023/24 APP approved by March 2023	2024/25 APP approved by March 2024	2025/26 APP approved by March 2025
	Quarterly performance information submitted	1.2.2 Number of Quarterly Performance Reports submitted to National Treasury (NT) and the DPME 30 days after the end of each quarter.	Quarterly	-	-	4	4	4	4	4

(Source: Department of Basic Education (DBE), 2022: 47)

Unlike the budget cycle, which is detailed in a range of documents, it seems that the planning cycle is not as well detailed; and departments, though they use the same frameworks and produce the same planning documents, follow different processes and their documents be more department specific.

4.5. Budget process and cycle

The National Development Plan 2030 encouraged the incorporation of M&E in Government’s infrastructure budget to assist with long-term planning and M&E of both expenditure patterns and construction work.⁴² The mention of M&E evidence in the country’s apex planning document is a great opportunity and foundation to build on.

The *Revised Framework for Strategic Plans and Annual Performance Plans* outlines the Budget Prioritisation Framework as the guide for the allocation of budgets towards achieving government priorities. It provides the strategic framework for decision-making on budget priorities that will enable achievement of the goals of the NDP using limited resources. It also details the planning and budgeting timeframes for national and provincial institutions as illustrated below:

Figure 9: Planning and budgeting timeframes for national and provincial institutions

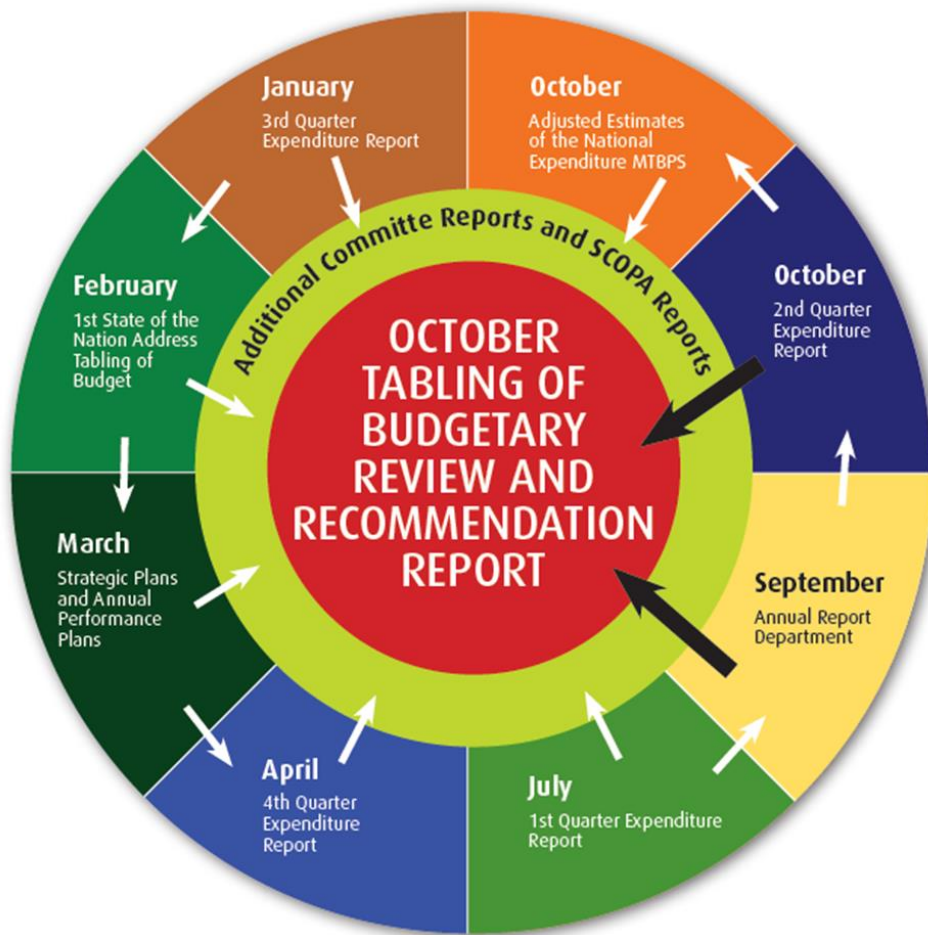
Process	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March
Planning	Strategic Plans							31 October (draft SPs)*				Tabled In Parliament
	Annual Performance Plans							31 October (draft APPs)*				Tabled In Parliament
	Annual Operational Plans											Approved by Accounting Officers
Budgeting	Annual Budget and MTEF			NT issues MTEF Guidelines	Departments submit first draft budgets and new expenditure estimates			NT issues Guidelines for ENE	NT issues allocation letters		Departments submit final ENE chapters	Tabled in Parliament
	Adjusted Budget and MTEF											
Budget Programme Structure	Change requests to Budget and Programme Structure				Departments propose changes to budget and programme structure		NT approves changes to budget and programme structure					
Standardised Indicators	Standardised Indicators for sectors						Submission of final set of standardised indicators for sectors					

(Source: Department of Planning, Monitoring and Evaluation, 2019:31)

When it comes to the budget cycle followed in government, no one single document details the entire budgeting process. The process is spelled out with varying levels of detail in different policies and frameworks. Documents such as the *Medium-term Expenditure Framework, Technical Guidelines 2023, Guideline for Legislative Oversight through Annual Reports, Budget Review 2022*, etc. all provide some information about what departments are supposed to do to prepare their budgets.

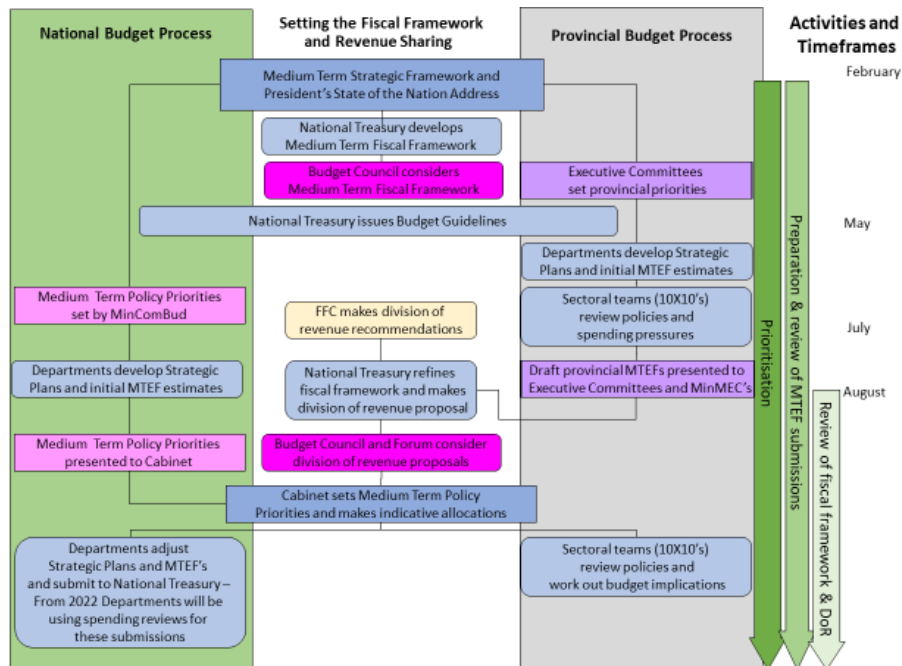
The budget process can be broken into four stages that run over 18 months, illustrated in figures 6 and 7 below. The first stage is the drafting/planning and formulation which focuses on the coming financial years. The second phase is the legislative process, where the draft bill goes to parliament and is debated by the two houses in parliament and commented on by non-state actors. Stage three is the implementation of the approved budget, where departments receive their allocations in line with their APPs and must implement their strategic priorities. Stage four is the auditing and assessment; this stage concludes the budget cycle and focuses on the previous budget cycle and assesses the extent to which departments used resources as planned and their allocative efficiency. This means that three budget cycles are always running concurrently at any given time.

Figure 10: overview of the budget process



(Source: National Treasury, n.d:6)

Figure 11: Detailed budget process



(Source: Abdoll and Mayet, 2017)

The budgeting process is well laid out and government departments follow the guidelines provided by National Treasury. There is evidence that National Treasury considers programme performance data, both financial and non-financial performance, when allocating budgets. This presents an opportunity to influence departments' use of M&E evidence in their budget proposals.

4.6. Use of M&E evidence in planning

The documents reviewed show a great appreciation of different forms of evidence within government and they reference each other which demonstrates a cascading of plans within government. For example, the *Revised Medium-term Strategic Framework 2019-2024* draws on evidence from the National Development Plan (NDP) Vision 2030 and information from the governing party's electoral mandate to determine government's priorities over a five-year period.

Other frameworks also encourage the use of M&E evidence. For example, both the *National Evaluation Policy Framework 2011* and the revised *National Evaluation Policy Framework 2019* make the use of evaluation evidence. The *National Evaluation Policy Framework 2011* states that "Plans and budgets are informed by evidence, including from evaluations".⁴³ The 2019 framework also states that "National/Provincial Treasury will utilise the findings and recommendations of the evaluation report as a source of evidence to support the budget process". It also states that "It is essential to

align the evaluation process with planning and budgeting so that future plans and policy development are informed by evidence attained from that strategic alignment".⁴⁴

The research asked participants the extent to which planning within their departments is informed by evidence. Respondents from five departments thought that planning in their departments was to a great extent informed by M&E evidence. Two said that planning was informed to a limited extent while another two said not at all. Interestingly three of the external evaluators interviewed thought that government planning was not at all informed by M&E evidence.

Of those who indicated greater use of M&E evidence one respondent indicated that alignment between planning, M&E and budgeting was important.

"So, looking at these as the three legs of one pot (Budget, M&E, and Planning)... We see these as much more interrelated and intertwined and that is how we want to keep it. When we engage even on plans, the M&E unit will be in the same panel as the Budget, CFO, as those responsible for planning. We thoroughly engage with the programmes to say, why should we continue to do this when we need to improve? We are making sure that its being used, even for budget processes." Interview DSD

DPME was of the opinion that the use of M&E evidence in planning varies between departments.

"If we look at whether there is evidence supporting a particular programme linked to a priority - it was only about 50% of departments who were able to demonstrate that. In that 50%, there were varying degrees of misalignment. So, there are significant gaps which does say that departments are not even using their own systems. We've done it for the last three years and the averages range between anywhere between 50% and 65%. I don't think it's gone beyond that. So even at that level, you're still saying 45% or 35% of departments don't use Evidence to inform their plans." DPME Planning

A review of DoH, DBE and DSD annual plans showed that departments are drawing on different sources of evidence to inform their planning. For example, the DoH annual plan included references to data from Stats SA, from the District Health Information System; and from the Ideal Clinic Software Information System. DBE referenced data from Stats SA, the Education Management Information System and the General Household Survey. Similarly, the interviewed participants stated that departments are expected to use multiple sources of evidence that include Stats SA data, situational analysis quarterly performance data, research findings and evaluation findings.

The findings above illustrate that there is an appreciation of the importance of using M&E evidence (and other evidence) in planning. However, in practice there is a mixed picture with some departments

such as DSD, Health, Education, Environmental Affairs, etc., having developed sophisticated systems to analyse data and having the capacity to use the information to inform their plans while other departments are still struggling, and their systems have not reached levels of maturity to enable them to take advantage of different forms of evidence that they have access to.

4.7. Use of M&E evidence in budgeting

From the documents reviewed it is clear that National Treasury considers departments' previous financial and non-financial performance when making allocations for the following financial year. For example, although the *Medium-term Expenditure Framework: Technical Guidelines 2022* does not explicitly mention M&E, it illustrates an evidence-informed approach. This is detailed as "In terms of public finance management mechanisms, South Africa has adopted expenditure tagging as a tool to identify, clarify, weight and mark relevant expenditures in government's budget system, enabling the estimation, monitoring and tracking of those expenditures by providing data on government's allocations or existing spending".⁴⁵ Similarly, the *Medium-term Expenditure Framework: Technical Guidelines 2023* also does not explicitly mention M&E, but there are indications that National Treasury is using an evidence-informed approach. They do draw on programme performance data when making suggestions/recommendations.

Parliament's *Guide to the Budget* is explicit about the importance of previous performance data in the budgeting process. It states that all government institutions submit in-year executive reports on expenditure and performance, and annual reports including annual financial statements and performance information. The guide details that "Parliament and the Executive (the government departments) are planning the Budget of the following year months in advance; implementing the current Budget while continuously monitoring it for delivery and compliance with policy; and evaluating and auditing the previous Budget"⁴⁶

When asked whether their departments use evidence when developing the department's budget, two departments indicated that they thought their budget was to a great extent informed by evidence, while four said it was to a limited extent and another five said not at all. However, qualitative responses indicated a more complicated picture:

"We try by all means but, in this government, there are other louder and big brothers, and voices. The Treasury as well makes a determination about these things so they will tell you where to cut and what to cut. The budget is not determined by the department themselves. It's a tricky one because we don't just wake up and say, this is the budget. We try and show because programmes need to be implemented, policies need to be developed and it all comes back to cost." DSD respondent

“Budgeting is very limited – DPME did share the evaluation data to inform the NT budget process. National and provincial treasuries not yet convinced on the value add of M&E.” Evaluation consultant

These sentiments seem to differ in findings from the review of budget documents and perspectives from National Treasury.

The two respondents from National Treasury indicated the thoroughness of the budget process and its reliance on different sources of data and evidence, including performance data and, to a limited extent, evaluation. This is illustrated in the following quotation:

“When the fiscal policy guys are working on the fiscal framework, they will look at the financial performance data from the Basic Accounting System (BAS) that is there in terms of outcomes and what has happened, what is the overspending or underspending, and things like those to formulate the fiscal strategy for that cycle...” NT_Budget

The other National Treasury respondent highlighted that they used various evidence sources which include mostly performance monitoring data procurement documents, spending reviews and research reports:

“We make use of different data sets. Spending reviews are facilitated by NT and Depts. For example, in the security sector we reviewed efficiencies in procurement of ICT. Very detailed. Not too similar to programme evaluation. Most evaluations do not delve deeper on financial data. Spending reviews use programme chain. They make recommendations on the impact of funding changes. They show gaps in areas that might require additional resources. Supplements what is in the narrative report and budget template provided by departments. Research reports are important, mostly when having bilateral arrangements. For example with police, we look at think tank reports about policing trends, crime trends, etc.” National Treasury Public Finance respondent

There seems to be a gap when it comes to utilisation of evaluation in budgeting processes. There are no systems or instructions as to when evaluation evidence should be included in budgeting processes. In addition, the current approach to evaluation in the NEP and evaluations done by departments have not emphasised detailed financial analysis in assessing efficiency. For Treasury respondents, evaluation might provide useful information about the performance of the programme and maybe its impact, but lack of financial analysis limits their ability to use evaluations to make budget decisions.

The findings illustrate that most of the respondents from departments were not fully aware of the nature of the evidence used by their departments and, to an extent, by National Treasury, when

making budget decisions. This could be because the respondents were not closely involved in their department's budgeting process or it could show a gap in how departments are preparing their budgets. Although most of the documents reviewed do not explicitly state the use of M&E evidence in budgeting, they detail the importance of using an evidence-informed approach. This shows that firstly, an evidence informed approach is well established within National Treasury and in the budgeting process, though there are questions about what happens within departments and the contested nature of budget process. Secondly, it also shows that there is an established practice of drawing on monitoring data. A gap seems to still exist in relation to the use of evaluation.

4.8. Barriers to the use of M&E evidence in planning and budgeting

The research identified the following barriers to governments departments' use of M&E evidence in planning and budgeting.

4.8.1. Fragmented and multiple systems

Currently, performance monitoring data is reported through a number of systems. Departments report against their strategical and annual performance plans through the quarterly performance reporting system (QPRS).⁴⁷ However, the QPRS only includes non-financial performance information, it does not include expenditure data. To understand expenditure trends you have to go to information on expenditure collected through the Basic Accounting System (BAS). Departments also report biannually on medium-term strategic framework indicators to the sector monitoring unit, through a different process. In addition, departments might have their own internal administrative data system which captures data on key performance indicators that are not in the APPs.

In addition to data that departments generate themselves, they also must consider data generated by other DPME tools including development indicators, citizen-based monitoring and frontline service delivery monitoring. This multiplicity of systems generating data about programme and departmental performance was seen as a potential problem, possibly making it difficult for sector departments who already have limited capacity to make sense of all the information to develop a coherent view about how they are performing and where the problems are. This problem is also experienced by centre of government departments like National Treasury and the DPME, who are also faced with multiple sources of data about performance that might tell different tales of departments' performance.

Respondents also indicated that there is too much data being collected but that this data is not the kind of data departments (and the country) need, and even when good data is collected it is not maximally used. Two examples were offered by respondents to illustrate this. Firstly, departments' performance data is often analysed and made sense of cross-sectionally. There is minimal longitudinal analysis of a department's performance based on data reported on QPRS and other data collection systems.

“ ... you can't actually draw benchmarks and time series over overtime to inform things like programme design, programme review, and budgeting information like value for money.” DPME_Planning

Secondly, performance data is rarely analysed evaluatively. Departments and the DPME rarely evaluate a department's performance asking questions about relevance, effectiveness and efficiency. Performance data is rarely systematically assessed and triangulated against other available information and evidence such as Statistics SA surveys on relevant performance areas, evaluations, research, etc. One respondent indicated that departments are possibly so overwhelmed by the amount of information that exists that they tend to just focus on what they have control over which is their APP performance data.

This lack of strategic analysis of existing data shows a serious limitation and a gap within the system. It highlights that the issue is not just the existence of data but much more complicated. To strengthen the use of monitoring data requires strengthening demand for systematic evaluation and assessment of existing performance data.

4.8.2. Misalignment between planning and budgeting processes

An important issue identified by respondents is that the budget and planning processes within government are misaligned. Since the planning function was moved from National Treasury to the DPME there has been a chasm between planning and budgeting processes, though both departments have made significant efforts to work closely. Both planning and budgeting are very structured processes; they follow the same timeline and form each year. What respondents identified was that these two processes – though intricately linked – have different timelines.

“The budgeting process kicks off quite clearly. The National Treasury issues the budget guidelines for the next year in June each year and departments then start to prepare their budget documentation. However, the departments are only required to start working on their institutional plans, the APPs prior to the October submission. So, you have got that big gap between June and the end of September.”

DPME Planning

Consequently, when National Treasury releases guidance for budgeting processes for the year, the planning process has not started. Since the budget cycle kicks off before the DPME has issued the Budget Priority Framework, an opportunity is missed to use the Treasury guideline to give decisive guidance on the use of evidence.

“So, if you look at our guidelines, you find that there isn’t much we say about the Budget Priority Framework. We only say to the departments- if you budget, you must make sure that your budget is according to the Priority Framework.” NT Budget Office

Respondents also indicated that because the budget process is much more structured, with stricter deadlines and serious consequences for departments in cases of non-compliance, departments tend to give much attention to budgeting, thereby neglecting planning. This means that though departments might be rigorous in the processes they follow to develop their budgets, there might be less rigour applied to determining priorities and plans for the year. According to the Financial Sector Assessment Program (FSAP) guidelines, departments should use a range of data sources and evidence to determine societal needs and their strategic and annual priorities. However, respondents indicated that this was currently not happening and that this process of determining priorities using evidence was not given adequate attention in all departments.

4.8.3. Capacity

Limited technical skills for defining M&E frameworks collection and data analysis were seen as barrier to the quality and use of performance monitoring data. Linked to this is government officials not always knowing how to use evidence in their planning processes. Respondents were of the view that technical capacity needs to be improved.

The challenge of lack of institutional capacity and lack of systems for data collection and management is acutely felt by departments with concurrent functions. System capability and capacity to use digital tools is not distributed equally between provinces. Poor and rural provinces and districts are more likely to function without the necessary tools such as laptops, electronic databases, etc. It is, therefore, a challenge to create a national representative data system which can be used by all provincial programme implementers, a challenge eloquently expressed by a respondent from DSD.

“The last one of course is about the fact that there are challenges in our sector. Some of the provinces where we want to implement this are still paper based. Access to the tools of trade, access to data, connectivity issues, are a serious challenge in South Africa. You go to some areas where even a government official has to get information on a memory stick and go the internet café. Those are some of the challenges for us in terms of digitisation of our systems and making sure that they are much more accessible.” DSD respondent

Though this research focused on systems at national level, it is clear that for departments with concurrent functions, or even those without concurrent functions but where policy implementation is happening at provincial and local levels, the quality and useability of performance data is affected by what is happening at sub-national levels.

4.8.4. Compliance culture

Compliance with different guidelines and the Office of the Auditor-General was identified both by governmental and non-governmental respondents as a defining element of the culture within the South African government. The fear of a negative audit finding was particularly influential. It determines how and what departments plan and how they report their performance. The Auditor General's participation in performance audits has created perverse incentives, encouraging departments to develop indicators for performance that they have control over rather than indicators that tell them whether what they are doing is addressing societal problems and achieving desirable outcomes in society.

"The overall culture in government is compliance-focused and, as I said, oriented towards the Auditor General so any attempts to shift indicators away that are stretch indicators that will show them if they are moving in the right direction in terms of change- because it's out of their control, they are very hesitant to go there." Evaluation consultant

"...departments are planning for compliance, in other words, they are planning for the Auditor General. They want to get a clean audit, so they will reflect indicators and targets in their plans so that can get a clean audit. But more than that, we did some desktop assessment a few years ago and we found that departments were spending a lot of money commissioning evaluation and commissioning research, but they were not using findings to inform their planning moving forward." DPME_Planning

Strengthening the use of performance monitoring data will require a shift in how the audit system interfaces with programme performance management within government.

4.8.5. Budget limitations

Since the implementation of cost-saving measures, departmental budgets for goods and services have been negatively affected. Evaluations are costly and departments have been left to function with far fewer resources for evaluative studies. Considering that departments have fewer staff whose primary function is management of evaluation, budget cuts negatively impact the supply of evaluations.

The impact of budget cuts was also experienced by the DPME. The evaluation unit budget has been reduced by half and, in the same period, allocation for personnel has also reduced. The unit now has two directors and five evaluation managers at assistant director level responsible for the management of the entire National Evaluation System and implementation of the National Evaluation Plan. Three of the five posts were filled while two were vacant at the time of the research. With its current resources, the DPME has limited capacity to incentivise departments to conduct evaluations by co-funding or fully funding them. In addition, the department does not have enough human resources to dedicate to all the follow-up and support that departments require post completion of an evaluation.

Budget cuts are also negatively affecting departments' ability to implement evaluation recommendations. Where recommendations require actions with financial implications, departments have not been able to implement these as National Treasury has discouraged applications for additional funding unless the resources can be reprioritised within the department.

4.8.6. Politics of monitoring and evaluation

Monitoring and evaluation are technical competencies being employed in a highly political context. Government performance has a direct impact on the quality of public goods and, therefore, on people's lives. Since it is funded by public resources and government should act on behalf of its citizens, there is keen public interest in how resources are being used and whether they are producing the intended results. Performance of government institutions is therefore intensely debated in parliament and in the media and can determine outcomes of election processes and employment of individual politicians. A combination of these factors creates incentives for problems not to be treated as learning opportunities and for leaders to want positive performance. In such a context, M&E is appreciated when it confirms a good performance narrative and is not in demand for its potential to enable learning.

“One challenge is that people only want to know and learn about the good things about their programmes, naturally. There's a sense that as long as you tell them the good story, that's when they will appreciate you. But of course, the demand is always there. The problem is that the politicians always want us to tell them about the impact because they are accountable to those stakeholders. They then ask the question: But what is the impact? Because the programme managers naturally just want to implement their programmes. Whether there's evidence of it working, they care less about that because of how the whole issue of M&E has also been infused in terms of their own thinking as nothing more than a management tool that they require even if they are non-M&E experts.” DSD respondent

In a politicised bureaucracy, politics is also likely to trump evidence. One respondent indicated how, as South Africa prepares for the 2024 elections, there is a shift happening within government and resources are being reprioritised towards projects that produce 'quick and visible' results whether these are evidence informed or not. In some cases, resources are being withdrawn from programmes where there is good evidence in the country that they are responding to social need or that they are effective in addressing the intended social problems.

4.9. How to improve the use of M&E and can a guideline help?

Opinions vary regarding the necessity of a guideline. Some argue that it would become another unused document, as existing guidelines are not effectively utilised. Others emphasise that a guideline

alone may not lead to significant change, highlighting the importance of overall cultural transformation in departments.

However, there is a consensus that guidelines can play a crucial role as part of a broader process, when effectively disseminated, implemented and popularised. Therefore, the dissemination process and its meaningful adoption need to be prioritised to ensure the guideline's impact.

“You guys will develop it, but will DPME implement it, how will they popularise it, and build capacity of people to interpret, understand and implement that guideline?. It should not be something you develop, submit an invoice and they take it and put it in their shelves as decoration in their cupboards. It needs to be well popularised and they must have a plan in terms of what does it mean to have that.”

DSD

Some noted a need for a consolidated interactive guide that considered feedback from sources such as the Presidential Hotline, monitoring results and evaluation findings. This guide would provide proactive guidance for departments during the planning process, offering evidence and strategic considerations to be incorporated into their APPs (annual performance plans). By packaging this information prior to the first review of the APP, departments could be guided on how to plan and respond effectively, going beyond the current alignment checks and incorporating improvement plans.

“So we need to have a departmental consolidated guide to say, based on the current implementation, issues that are coming through the Presidential Hotline and other forms of monitoring, including the evaluation findings, ... and to say when you review your APP, these are other things that you need to consider. So you are proactively giving them evidence that they must use, over and above other things that they're going to use in their APP, but you are also guiding them strategically by saying these are the things upfront that you need to consider in your planning process. Instead of being on the other side, just checking whether the department has aligned, whether they have included the improvement plan and all that, but also proactively, package it prior to them doing the first review of the APP so that you are guiding how they should plan, how they should respond.”

Presidency respondent

The respondents emphasised the need for a participatory, holistic and comprehensive approach during the development of the guideline.

Respondents indicated that key departments such as National Treasury should be consulted to explore ways of incorporating M&E evidence into budget processes, and the DPME in integrating M&E evidence into the APPs.

“Key would be to work with NT and see how a requirement for evidence can be brought into budget process; then with DPME check-in how the APP process requires M&E evidence. Possible then a guideline could be helpful – but ideally issued by NT.” Evaluation consultant

Additionally, respondents indicated that beyond providing capacity building for users, there is a need for technical support to assist them in effectively interrogating data, establishing connections between performance evidence, planning and budgeting, as well as the ability to determine whether the department is achieving its desired outcomes. This was illustrated in the following quotation:

“I think that we can go beyond just guidance and say capacity building because there are techniques that are there in terms of how do you interrogate the data, how do you link this performance to the expenditure, how do you then ascertain whether the department is doing what it is supposed to do, as well as the outcomes that you are expecting. But I think we need to say that users must be given the capacity to engage because sometimes people don’t engage, simply because they don’t understand what they are supposed to do with that information. And then they say, ‘Well I will put it aside and do what I know’” NT Public Finance

Finally, after the completion of the guideline, it was suggested that the DPME should collaborate with other strategic partners to ensure its widespread adoption. It should be popularised to the extent that it becomes an integral part of the induction package for all public servants. It should also ideally be issued by the National Treasury to ensure its effectiveness.

5. Discussion

The framework used in this research recognises that evidence use is complex and happens within context. Thus, it is not only a technical exercise. Although development of institutional mechanisms is important to encourage demand and use of both monitoring data and evaluation evidence, the framework recognises that it is important to also understand how context shapes use of evidence. In this section we use elements of the framework presented in the methods section to summarise the findings and highlight implications.

5.1. Context matters

Factors influencing the use of performance monitoring data and evaluation evidence vary. The findings confirm the literature and highlight that context is important. External/macro contextual factors influencing use include the politics of M&E, a compliance culture and fragmentation of processes.

- Politics and the political leadership of the department influence the extent to which M&E evidence is valued and space is opened for utilisation. Fragmentation of systems and lack of

coordination between planning, M&E and budgeting processes were highlighted as some of the important external contextual factors influencing the use of M&E evidence in planning and budgeting by departments. The split between budgeting and planning was highlighted as a key constraint within the system.

- Government planning was described as driven by the audit process. This confirms findings from the literature review. To incentivise the use of monitoring data and evaluation evidence will require paying attention to how audits drive the behaviour of departments. It will require recalibration of how components of public service management systems work together to manage government performance. Without this it will be difficult to incentivise departments to engage with monitoring data as a learning tool.
- The fact that there are a number of centre of government/coordinating departments including National Treasury and the Department of Public Service Management, and a number of units within the DPME with some M&E function, creates a challenge for departments. The sheer amount of reporting that sector departments have to do actually limits their ability to reflect and draw lessons from the data they are collecting. From the research it is clear that much of the monitoring that is done is to meet reporting requirements by different departments or even different units within DPME. This emphasis on upward accountability militates against learning by departments.

The research also found internal contextual factors that influence the use of evidence in planning and budgeting. These included lack of technical capacity for M&E; lack of capacity for data collection and analysis; and lack of systems for data management. Departments that have concurrent functions are also influenced by relations between national and provincial departments, data-sharing possibilities between spheres of government and capacities of provincial and district departments. Thus, there is no one-size-fits-all that can work to improve the use of M&E in budgeting and planning. Each department faces challenges and constraints that need to be understood within that department's context. Efforts to strengthen M&E evidence use need to recognise this and must allow flexibility and space for interpretation and application by different departments. This can be difficult when thinking of a tool, such as the guideline, that must apply across a number of departments.

5.2. Demand and supply (generation) of M&E evidence

There is a growing demand for performance monitoring data and evaluation evidence. This demand has been driven by the adoption of an outcomes-based approach in 2009, the National Development Plan that emphasises achieving results in people's lives, and planning and budgeting frameworks that encourage departments to draw from a range of evidence sources to inform their plans and budgets. Departments have responded by establishing or strengthening existing M&E units, frameworks and

policies, and carrying out evaluations. We found that in the process of drawing up the national budget, National Treasury uses departmental performance monitoring data, financial performance data, expenditure reviews, research, national statistical data, and, to a limited extent, evaluative evidence. Similarly, the DPME subjects strategic and annual performance plans to a thorough process where they are assessed for alignment with a range of national priorities, supported by existing evidence including evaluative evidence. At the same time, it is not clear how much these activities are actually leading to learning and improvements in the delivery of goods and services. Work to strengthen the use of M&E evidence has to reorient departments to the ultimate purpose of monitoring performance and evaluating policies and programmes, which is to improve performance and positively impact the lives of citizens.

5.3. Existing use interventions

The South African government has several institutionalised mechanisms that relate to how the national budget is developed and how strategic and annual performance plans are developed. The budget process is a consultative process. Internally, finance units consult with programme managers and branch heads to draft budget proposals. Where a department has a concurrent function, further consultations are held in MINMECs and other management structures. Once a proposal is tabled with Treasury, it goes through a thorough process which includes departments and public finance, discussions at the committee on budget (Mincom Bud), 10 by 10 meetings, cabinet discussions, amongst others.

Processes set up by the DPME such as performance dialogue, assessment of strategic plans and annual performance plans are also system interventions that support the use of M&E evidence in planning. In addition, the evaluation unit within the DPME, through the National Evaluation System, has established guidelines for improvement plans. Management responses are all important use interventions that promote use. In addition, the DPME's Priority Framework document is a key instrument that gives the DPME direct influence to bring performance monitoring data (from multiple sources), research and evaluation into the budget process. Processes such as the Socio-Economic Impact Assessment System and related guidelines also are institutional elements promoting use of evidence within government. The guideline will therefore have to reference and align with these different existing instruments and not be a standalone tool.

5.4. Individual/organisational/systems change

For evidence to be used, individual actors within government need to have motivation to use evidence, capacity to use evidence, and opportunities to use evidence.

- **Motivation to use M&E evidence:** From the research there seems to be interest in M&E evidence; however, whether people are motivated to use it in meaningful ways remains unclear. The compliance culture seems to predominate over the need to learn and do things better. Even officials who have technical skills to do their work might find it difficult to navigate the compliance requirements while also opening up space for problems to be appreciated as learning moments and for M&E to be used as a tool for reflection.
- **Capacity to use evidence** was reported to be weak, particularly technical capacity to analyse and make sense of multiple sources of data relevant to a department's mandated area. Also limited was capacity to translate evaluations into actionable activities. But perhaps more challenging was the lack of capacity and know-how to navigate the highly political government environment to influence decisions.
- **Opportunities to use evidence** seem to exist within the government system. Both planning and budgeting processes are open and consultative. However, these opportunities are sometime closed by the political nature of government and the pressure to do what is visible and not necessarily what is evidence based. It is also limited by the political and senior management desire to tell a good story.

6. Conclusion

The systems and processes in place within government support the use of M&E evidence in planning and budgeting.

There are some gaps identified, particularly when it comes to interface of M&E and planning, and the interface of evaluation and budgeting processes. A guideline could assist in closing some of the gaps; however, a guideline alone will not be adequate to address all the challenges identified in the research.

7. Recommendations

R.1. The DPME leads/manages the process of developing a guideline to help departments better use monitoring data and evaluation evidence in planning and budgeting processes. This guideline needs to be situated within the existing public sector ecosystem that has been put in place to support evidence-informed decision making and policy making within the public service.

R.2. The DPME needs to support the use of the guideline by developing a process to familiarise departments with the guideline and provide technical assistance to departments to use the guideline. The guideline should also be supported by ongoing capacity-building initiatives to strengthen technical

skills for data collection and analysis, and also competencies for M&E and planning staff to learn the art of using evidence to influence decisions in political environments.

R3. The DPME to continue to strengthen the quality of evaluations

The DPME evaluation unit, in its role as the coordinator of the National Evaluation System, should continue to set up processes and systems to strengthen the quality of evaluation. Particularly, the DPME should ensure that evaluations use rigorous and established economic methods; and that they should use detailed programme financial information to assess resource allocation and resource utilisation. Integrating cost-effective analysis to measure the cost of achieving programme outcomes, or some level of cost-benefit analysis in evaluations, could deepen efficiency analysis in evaluations. This can strengthen the useability of evaluations in budget decisions.

R.4. Better alignment of planning and budgeting timelines

Currently planning and budgeting have different timelines. This disconnects the planning and budgeting process for departments and can cause misalignment in what departments plan for and what they budget for. Aligning the two processes could strengthen the linkages between plans and budgets, and also offer more opportunities for M&E data to be used in both planning and budgeting.

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