ANNUAL
PERFORMANCE PLAN
2023/24

NDA
National
Development
Agency

social development
Department:
Social Development
REPUBLIC OF SOUTH AFRICA

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SOUTH AFRICAN SOCIAL SECURITY AGENCY

Executive Authority Statement

The war against poverty challenges all of us to put on our thinking caps and conceptualise strategies and plans that bring about meaningful change, in the lives of marginalized communities. The state of the economy, world-wide, is very worrying but this does not mean that we must abandon our responsibility to continue to positively change the lives of people in our communities who are faced with daily struggles presented by poverty.

The National Development Agency (NDA) to this effect, started working on its Turnaround Strategy that will see the Agency taking bold steps in addressing poverty, in line with its mandate of contributing towards the eradication of poverty.

The main pillars of this Turnaround Strategy will be the alignment of interventions taken with the District Development Model (DDM), which makes use of partnering with all key stakeholders such as government, private and civil society sector partners to bring about meaningful change, not piece-meal development initiatives. The DDM starts with a common and shared strategy development, shared outcomes, and impact measures. This allows all players in each district to identify how they individually contribute, mould and build a better South Africa.

This approach ensures that all development interventions put people first and are informed by the conditions that people live-in and seek solutions to address, not one aspect of community development, but also bring other stakeholders on board to address issues related to their community development mandates. The model is geared towards improving integration between national, provincial, local government and other organs of state in the implementation of government budget and programmes.

The DDM approach will bring service delivery to the heart of communities and harness the uniqueness of resources existing at a district level, to enable communities to develop, uplift themselves out of poverty and become self-sustainable; thereby reducing the dependency on state resources.

To positively contribute to this, the social development portfolio (DSD, SASSA & NDA) has adopted a sectorial approach towards planning, programming and implementation of sector interventions. The portfolio approach's effectiveness is grounded in having a shared and common purpose and goal when planning and implementing their programmes and interventions geared towards reducing the levels of poverty, inequality, vulnerability and social ills. Ultimately, resulting in communities that are empowered, not only through economic programmes but also through the justice system that works with civil society organisations that inform people of their rights to justice. This is and will continue to be achieved through working with various civil society organisations (CSOs) operating within these communities.

**Minister
Lindiwe Zulu**

The NDA, as a development agency in the Social Development Portfolio, plays and will continue to play a critical role in coordinating efforts to address under-development, which keeps our people trapped in a circle of poverty. The long-term goal is to reduce the number of people depending on social security through the identification of opportunities for self-reliance.

This financial year, the NDA will finalise its Turnaround Strategy, with the guidance and direction of the Board that I appointed in December 2022. This will unlock all internal and external plans aimed at improving how the Agency implements its community development programmes.

My Entity Office and I will be closely monitoring the performance of the NDA, to not only ensure implementation of this Annual Performance Plan, but also ensure that interventions do really make a difference in the lives of our people. I will be going around the country to monitor progress and engage with some of the beneficiaries of these interventions.

Hon. Ms Lindiwe Zulu, MP
Minister of Social Development
Date: 31 March 2023

Accounting Authority Statement

The 2023/24 financial year represents the final year of implementation of the 5-year Medium Term Strategic Framework (MTSF), which, amongst others, prioritised the strategic outcomes of good governance, strategic partnership development, sustainable development of poor communities and influencing policy development through thought leadership. These outcomes shaped the development of the 5-year Strategic Plan and subsequent Annual Performance Plans (APPs), of which the 2023/24 APP is the final instalment.

The 2023/24 APP is developed amidst the finalisation of the Turnaround Strategy. The key aspects of the finalisation process relates to putting together mechanisms to raise funding from outside the fiscus to increase available resources in funding poverty eradication programmes and projects implemented by CSOs in order to achieve our mandate. The finalisation process also includes the reconfiguration of the service delivery model and redefinition of the service offerings to align with the NDA mandate.

Specifically, the Turnaround Strategy crafts a clear path of taking out individuals and families out of poverty through a range of income generation projects and other sustainable development support interventions. The Turnaround Strategy will therefore refocus the interventions towards poor communities, poor families and poor individuals using development concepts, such as, cooperatives, CSOs and social enterprises to eradicate poverty and its causes. The strategy will also increase collaboration with relevant government institutions and other developmental partners to align with the District Development Model aspirations of service delivery integration to fight poverty.

The 2023/24 APP is purposefully focusing on increasing funding to poverty eradication programmes from not only the government's allocation, but from private and public sector partnerships to fund community-based development programmes and projects to provide sustainable economic activities and livelihoods in impoverished communities. For this reason, the NDA will develop a Resource Mobilisation Strategy and Model; which will be crucial in providing guidance on the type of developmental interventions to be funded and the sources of such funding.

Evaluations are important to measure the evidence of implementation and generate lessons to improve implementation of internal NDA programmes. The NDA uses its evaluation approaches, methodologies, and capacities to continuously measure outcomes and the impact of these programmes to adjust them where necessary, resulting in them having greater impact.

The focus of research in the current APP will be on providing better understanding on how to develop, structure and implement poverty eradication programmes and projects; specifically, the Research Programme outputs that are used in the development of poverty eradication funding proposals to ensure effective pathways out of poverty for the poor. This research outputs are meant to inform the engagements with the state and social partners on how to create an

Ms Nozabelo Bhengu

enabling legislative and policy environment conducive for poverty eradication programmes to ensure success.

The new Turnaround Strategy of the NDA presents an opportunity for the Agency to create an effective mechanism, within the Department of Social Development Portfolio, to strengthen the developmental aspect of the portfolio. It will make a significant impact in ensuring that the welfare side of the department's mandate is supported by an effective developmental approach that is responding directly to the needs of the poor. It will provide them with sustainable pathways of getting themselves out of poverty. Those people and families, that are currently in databases of the social security system registers and municipal indigent registers, who are of productive age, are the target of developmental services. These are services aimed at providing them with pathways of creating community owned enterprises, which in turn provides them with the control of local economies and ensures that wealth is distributed and circulated within these local communities.

Ms Nozabelo Bhengu
Board Chairperson
Date: 31 March 2023

Accounting Officer Statement

In the last two financial years, the NDA has significantly reduced the Irregular, Fruitless and Wasteful (IFW) expenditure through putting in place internal processes for consequence management and ultimate condonation by National Treasury. In the 2023/24 financial year, the NDA will continue to work on fulfilling the internal requirements for IFW condonation and subsequently submit 90% of such IFW cases to National Treasury for condonation and final removal from the NDA books.

In an effort to scale up support for the implementation of the service delivery programmes, the NDA will, through the Corporate Services functionary, develop and deploy the Electronic Grant Funding Tool and undertake targeted staff training interventions to ensure the creation of required skills for improved service delivery.

Working through CSOs, the NDA will fund 100 CSOs and resultantly create 3000 sustainable gainful economic activities. These will mainly be derived from the grant-funded cooperatives and income generation projects earmarked for funding CSOs that are made up of individuals who currently are recipients of social grants. The capacity building interventions will focus on institutional management and technical skills to improve the capabilities of beneficiaries to sustain their economic activities, and 2500 CSOs and 5000 individual beneficiaries will be capacitated as a result.

The Research Programme of the NDA will focus its work on producing outputs that will support policy making to ensure that CSOs, government and the private sector engage on policy reforms that will promote development interventions targeting the poor. This includes creating an enabling environment for implementing development programmes aimed at fighting poverty and reducing unemployment.

The outcomes of research conducted by the programme informs the development policy impediments in the implementation of development programmes by the State organs. Out of 3 research projects that will be conducted in the 2023/24 financial year; 2 dialogues and 3 policy briefs will be produced to provide a basis for debate on the development of strategies to lobby the policy makers in removing obstacles that have negative effects on the implementation of development programmes.

Bongani Magongo

It is through this programme that the State, when lobbied with facts and evidence, can align policy intentions for effective implementation, mechanisms, plans and shared vision and goals across development programmes. The Research Programme will not only produce research outcomes and dialogue proposals but will importantly provide empirical evidence for development policy review.

Bongani Magongo
Acting Chief Executive Officer
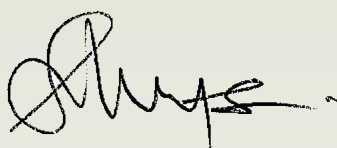**Date: 31 March 2023**

Official Sign-Off

It is hereby certified that this Annual Performance Plan:

• Was developed by the management of the National Development Agency under the guidance of Honourable Minister Lindiwe Zulu.

• Takes into account all the relevant policies, legislation and other mandates for which the National Development Agency is responsible.

• Accurately reflects the Impact, Outcomes and Outputs which the NDA will endeavour to achieve over the period 2023/24 financial year.
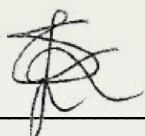
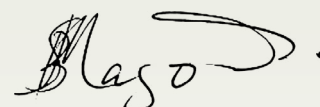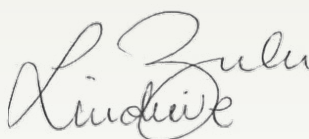|		
Ben Morule Strategic Management	**Reekeletseng Hlapolosa** Executive: Corporate Services	**Simon Baloyi** Acting Executive: Development Management & Research
Susan Khumalo Chief Operations Officer	**Karen Muthen** Chief Financial Officer	**Bongani Magongo** Acting Chief Executive Officer

Hon. Ms Lindiwe Zulu, MP
Minister of Social Development
Date: 31 March 2023

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PART A:
OUR MANDATE

1 Updates to the relevant legislative and policy mandates

The National Development Agency (NDA) is an agency of government that reports to Parliament through the Department of Social Development. The NDA is classified as a public entity under schedule 3A of the Public Finance Management Act, 1999 (Act No. 1 of 1999), and was established in November 1998 by the National Development Act, 1998 (Act No. 108 of 1998) (NDA Act) as government's response to the challenge of poverty and its causes in South Africa. The NDA plays a critical role in contributing towards shifting the country from the scourge of poverty towards the total eradication of poverty. Through the Act and various policies, the NDA contributes to – but is not limited to – the advancement of economic development, social cohesion, access to basic human rights and skills development. This contribution of the NDA supports the National Development Plan (NDP) 2030 outcomes for a greater and better South Africa. The diagram below presents a non-exhaustive list of the legislative and policy mandates of the NDA that will be discussed further:

1.1. Constitutional mandates

The NDA strategic intentions and objectives are guided by the requirements of Chapter 2 of the Constitution of the Republic of South Africa. Chapter 2 of the Constitution outlines the Bill of Rights, which sets out the fundamental rights of all South Africans, including the right to dignity and the right to equality. The Bill of Rights also states when rights may be limited. The NDA-legislated mandate requires the NDA to contribute towards poverty eradication and its causes, thus responding to the Bill of Rights to affirm the rights to health care, food, water, social security, children and educational rights.

CONSTITUTIONAL MANDATE	LEGISLATIVE MANDATE	POLICY MANDATE
SOUTH AFRICAN CONSTITUTION	NATIONAL DEVELOPMENT AGENCY ACT	MEDIUM TERM STRATEGIC FRAMEWORK
	PUBLIC FINANCE MANAGEMENT ACT	NATIONAL DEVELOPMENT PLAN
	NON-PROFIT ORGANISATIONS ACT	

Figure 1: NDA's Legislative and Policy Mandates

1.2. Legislative Mandate

1.2.1. National Development Agency Act

The NDA's mandate is derived from the National Development Agency Act, Act No. 108 of 1998 (as amended). In terms of the Act, the primary objective of the NDA is to contribute towards the eradication of poverty and its causes by granting funds to CSOs for the purposes of:

(a) carrying out projects or programmes aimed at meeting the development needs of poor communities; and
(b) strengthening the institutional capacity of other CSOs involved in direct service provision to poor communities.

The secondary objects of the NDA in terms of the Act are-

(a) to promote-

(i) consultation, dialogue and sharing of development experience between CSOs and relevant organs of State; and

(ii) debate on policy development

(b) to undertake research and publication aimed at providing the basis for development policy.

Furthermore, the Agency is required to implement programmes that respond to the following areas of responsibilities:

(1) The NDA must –

(a) Act as a key conduit for funding from the Government of the Republic, foreign governments and other national and international donors for development work to be carried out by civil society organisations;
(b) Develop, conduct and co-ordinate policy relevant to its objects referred to in section 3;
(c) Contribute towards building the capacity of CSOs to enable them to carry out development work effectively; and
(d) Create and maintain a database on CSOs, including, but not limited to, the scope and subject matter of their work and their geographical distribution, and share the information in that database with relevant organs of State and other stakeholders.

(2) The NDA may –

(a) Grant money from its funds –
(i) in accordance with such criteria and procedures as the NDA determines; and
(ii) with due regard to the NDA's primary object referred to in the NDA Act to any CSO for any project or programme that an organisation intends to undertake or is undertaking.
(b) Make recommendations with regard to legislation and policies directly or indirectly constraining effective development in the Republic;
(c) Exercise and power conferred by any other provision of this Act; and
(d) generally, do everything which is necessary to achieve its objects referred to in Section 3.

(3) Any grant in terms of subsection (2)(a) to any civil society organisation may not be distributed to its members or office bearers except as reasonable compensation for services rendered.

(4) Any civil society organisation to which a grant is made in terms of subsection (2)(a) must submit to the NDA-

(a) audited financial statements regarding the use of that grant at the intervals and in the form prescribed by regulation in terms of section 13; and
(b) in respect of each financial year of the organisation, a comprehensive, narrative report containing-
(i) an analysis of every project or programme in respect of which that grant is made and a description of all other activities of the organisation; and
(ii) an audited financial report not later than the date prescribed by regulation in terms of section 13.

(5) Any grant in terms of subsection (2)(n) must be sufficient to defray the expenses which the civil society organisation in question will have to incur in order to comply with subsection (4).

1.3. Policy Mandate

The NDA's functions are guided by the National Development Plan (NDP), the Medium-Term Strategic Framework (MTSF), Sector Plans and the United Nations Sustainable Development Goals (SDGs).

1.3.1. NDP Vision 2030

The aim of the NDP is in line with the NDA's mandate. The NDP aims to reduce inequality and eliminate poverty by 2030. The NDP is grounded on six (6) pillars, which outline objectives that are to be achieved by 2030 and their intended outcomes. From the 13 outcomes, the NDA contributes towards seven (7).

The NDA aims to contribute towards social protection, nation-building and social cohesion through using Civil Society Organisations (CSOs) as a mechanism to access and develop communities. The NDA uses its presence in civil society to facilitate certain interventions, create dialogues regarding community targeted issues, as well as raise awareness regarding other social ills such as Gender-based Violence (GBV). As per the District Development Model, the NDA will use targeted interventions in rural and remote areas – in the language of the people – and in the identification of vulnerable groups, capacitation of CSOs as well as the support provided in order to optimize the accessibility of services, resource allocation and ensure that intended outcomes are reached.

The NDA also contributes towards employment and inclusive rural economy, which are addressed through CSOs as well as through the development of strategic partnerships with other organisations. Through engaging various stakeholders, – state organs, civil society constituencies, research institutions, higher education, training institutions and business – developing research publications that contribute to development policy and practice and capacitation of CSOs operating in various sectors, the NDA will contribute towards improving education, training and innovation in the country. The NDA will also contribute towards building a capable and developmental state. This will be achieved through the optimization of the organisation's processes which include the implementation of the ICT masterplan. Through running a clean administration and developing internal frameworks that ensure good governance, the NDA will enable the fight against corruption.
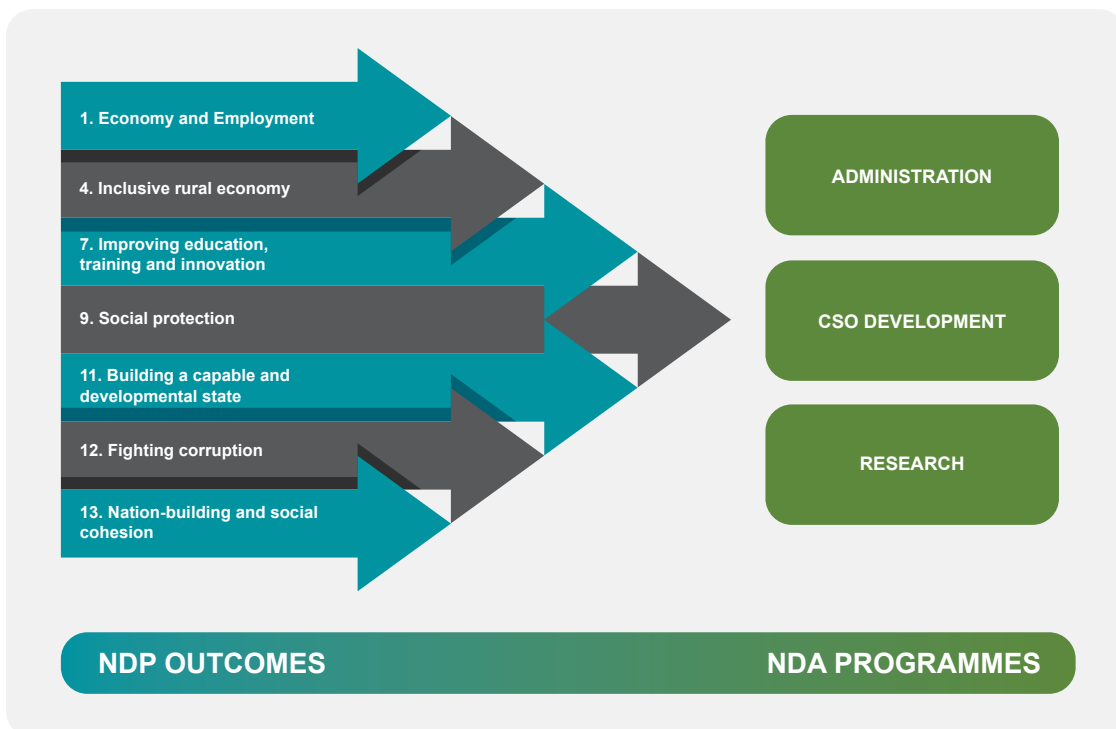

Figure 2: NDP Outcomes and NDA Programmes

1.3.2. Medium Term Strategic Framework (MTSF)

The NDP has been divided into 5-year components with the MTSF as an implementation and monitoring tool. In the attainment of the 2030 goals, the MTSF identifies the priorities to be undertaken during the five (5) year strategic period. The NDA's 2020/21 – 2024/25 strategy is also informed by the MTSF and contributes towards the 7 priorities through its grant funding and capacity building programmes:
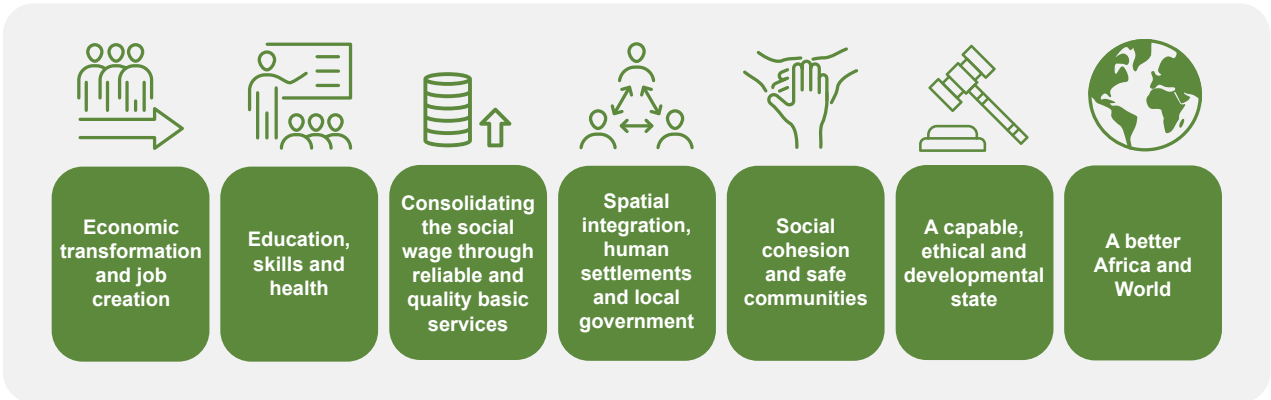

| Economic transformation and job creation | Education, skills and health | Consolidating the social wage through reliable and quality basic services | Spatial integration, human settlements and local government | Social cohesion and safe communities | A capable, ethical and developmental state | A better Africa and World |

Figure 3: MTSF 7 Priorities

1.3.3. Sector Plans

The Department of Social Development focuses on the need to "put people first" in the development processes, hence the Social Development Sector promotes social inclusion of the poor and vulnerable by empowering people, building cohesive and resilient societies, and making institutions accessible and accountable to citizens. The Social Development Sector Strategic Plan is the plan for which the National Minister of Social Development (a concurrent function department) in consultation with Provincial MECs (of Social Development) as well as other DSD entities agree on the impacts, a set of outcomes and outputs, which must be achieved by the Social Development sector. This guides the Strategic Plans, Annual Performance Plans, and Operational Plans of the entire portfolio and sector. The sector plans guide the strategic direction of the entire sector. The following outcomes are outlined in the sector plans.

The NDA's role in the sector is to enable the achievement of the sector outcomes through its strategic direction. In order to achieve outcome 1 (reduced levels of poverty, inequality, vulnerability and social ills) and outcome 2 (empowered, resilient individuals, families and sustainable communities), the NDA will utilise CSOs as a vehicle to implement programmes.

These programmes are aimed at meeting the most critical development needs of poor communities. By capacitation, empowerment and engagements with CSOs, the NDA will enhance the ability of CSOs to serve the communities they are located in, in meaningful ways that contribute towards the reduction of poverty levels and creates sustainable communities. A functional, efficient and integrated sector (outcome 3) will be achieved through the NDA's cooperation with the sector and strategic partnerships within the sector aimed at benefitting CSOs, with the ultimate beneficiaries being individuals who are served by the CSOs. The NDA has designed its strategic plan to enable it to collaborate and coordinate its development with the Department of Social Development and the South African Social Security Agency to contribute effectively towards poverty eradication in poor communities.
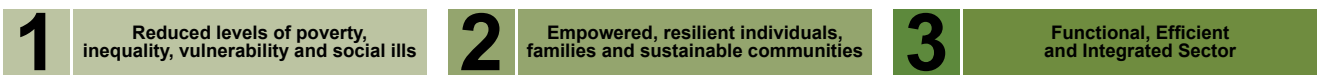

| 1 Reduced levels of poverty, inequality, vulnerability and social ills | 2 Empowered, resilient individuals, families and sustainable communities | 3 Functional, Efficient and Integrated Sector |

Figure 4: Sector Outcomes for 2020 – 2025

1.3.4. Social Development Portfolio Approach

The social development portfolio (DSD, SASSA & NDA) has adopted a sectorial approach towards planning, programming and implementation of the sector interventions. The portfolio approach effectiveness is grounded on having a shared and common purpose and goal in planning and implementing their programmes and interventions. The strategic intent of the portfolio approach is to also create the linkages and integration requirements with other government departments and agencies, the private sector, and civil society sector to harness resources and focus on improving the quality of life of South African citizens at community level. It starts with a common and shared strategy development and shared outcomes and impact measures. This allows the sector to identify how they each contribute, shape and build a better South Africa.

The approach will ensure that the social development portfolio builds strong, reliable and efficient partnerships with the civil society sector and empower this sector to contribute effectively to building a better South Africa. The social development sector will also learn how to effectively work with the civil society organisations at local level on how to respond to poverty experiences by the majority of Africans. The portfolio approach allows the department and its agencies to have combined strategic interventions that provide an overarching direction on bridging the gap between welfare and developmental services to the public. The outcome for both of these functions is creating a South Africa we all want to live in. The social development portfolio aims at creating an effective ecosystem in the sector improving coordination, integration and maximising the quality of outcomes and impacts ensuring that potential in people to live a better and sustainable livelihood is achieved. We note that social development cannot occur without economic development. It is this economic development aspect that the NDA's new Turnaround Strategy recognises and intends to contribute towards.

1.3.5. District Development Model

In the State of the Nation address (2019), President Cyril Ramaphosa, indicated that Government will have to undertake improved coordination and cooperation in planning and implementation, to ensure effective implementation of the seven priorities. Consequently, the District Development Model was adopted in 2019 by government. The District Development Model was endorsed by the President's Coordinating Council in November 2019, and requires planning and implementation that is spatially focused at district level. The model is geared towards improving integration between national, provincial, local government and other organs of state in the implementation of government budgets and programmes. Focusing on implementation at a district level will allow better monitoring and timely delivery of remedies of failures at a local government level and ensure that development is carried out collectively with civil society at the grassroots level.

For service delivery, the model requires the targeting of the youth, women, people with disabilities, vocational training and labour-intensive programmes, review and/redesign of incentives for small businesses, community work programmes, training and skills development and the analysis of vulnerable groups, services offered and capacitating small businesses. The aim of this is to bring service delivery to the heart of communities and harness the uniqueness of resources existing at a district level, to enable communities to develop, uplift themselves out of poverty and become self-sustaining, thereby reducing the dependency on state resources.

To summarise, the District Development Model is the framework adopted by government to align all three spheres of government (National, Provincial and Local) to collaborate in the fight against underdevelopment by sharing a common goal, coordinated planning, sharing resources, and sharing the same outcomes and impact. At the centre of this framework is eradicating poverty and its causes across all districts in the country. The mechanism for implementation of the district model is defining the targeted audience, who are all poor people who are only dependent of social security for their livelihood. The aim is to move all those who are dependent on social security to actively participate in self-sustainable livelihood activities that result in gainful income for themselves and their families.

At the heart of the District Development Model, is collaboration, coordination, shared vision and shared goal for citizens' development. This model is the only model, when supported through effective service delivery mechanisms

has prospects of fundamentally changing the lives of the poor and creating an enabling environment for sustainable development in South Africa. The main outcome of the DDM is the eradication of poverty which the NDA is tasked to perform by its primary mandate. The NDA therefore endeavours to develop clear mechanisms to partner and collaborate with all sectors of government and all spheres in district municipalities to design interventions with one goal, the eradication of poverty and its causes.

The NDA's position as a development agency in the Social Development Portfolio, is that of the critical arm to drive development so as to ease the fiscal burden imposed by spiking social security interventions, such as the Social Relief of Distress grant which is provided to close to 17 million unemployed South Africans. Development is a gateway for poverty eradication, this means that the NDA is the only viable agency to access those that are trapped in the social security systems due to poverty. For the NDA to show impact, it needs to design and implement programmes with the aim of targeting those that are dependent on social security. In order for the Agency to fulfil its mandate, it therefore needs to shift from focusing on the vehicles it uses to achieve its mandate and be seen to be making impact on the poor.

The means required to eradicate poverty and re-igniting the sluggish South African economy is creating sustainable livelihood pathways for the poor. These pathways must result in gainful economic activities at community level; the creation of reliable and sustainable employment for the poor local population; building capacities and skills appropriate for gainful income generation for poor people living in depressed communities; creating and re-building local economies using local resources and human capital; using the local capacity to respond to local service delivery in depressed communities. These are fundamental agents for change and they can be harnessed through the DDM with all stakeholders at local level, focusing on development targeting those trapped in poverty and underdevelopment.

The NDA in the 2023/24 financial year and the MSTF will be focusing on using the DDM as a framework to eradicate poverty and developing sustainable mechanisms of working with all stakeholders at district level (government, civil society organisation and the private sector). This is to shift the DDM from a framework to operational mechanisms and plans for community development approaches to eradicate poverty and its causes.

Figure 5: The Sustainable Development Goal 1's outcome is "End poverty in all its forms everywhere"

This goal is the same goal for the NDA primary mandate of "eradication of poverty and its causes". This is of significance for the NDA and South Africa. This goal cannot be met when the other 16 goals are not used effectively as a means to achieve this goal. The NDA will focus on the same goal, however, on its trajectory to achieve this goal, it will use other goals in the SDGs as a means of achieving poverty eradication with an impact on goal 10 of reduced inequalities. The NDA goal of contributing to eradication of poverty must be measured by reduction in inequalities. In the South African context, any poverty reduction interventions that do not translate to reduction in inequalities would not have dealt with the legacy of apartheid.

Therefore, the NDA would use interventions that have outputs from all the other goals as these outputs have a direct contribution (means) to eradicate of poverty and its causes. Theoretically, any of the other 16 goals achieved independently cannot, by their own, result in the eradication of poverty and the reduction of inequalities in the South African context. It is for this reason that the NDA, in its strategic shift will define and use mechanisms that integrate development in all its aspects of community development, through sustainable partnerships with civil society organisations as a vehicle for improved targeting of the poor, whilst collaborating and coordinating developmental efforts with government, the private sector and the donor community.

1.3.6. Lessons from selected countries who reduced poverty between 1990 - 2018

A study we conducted, through a literature review, from China, Botswana, Vietnam and South Africa used household population data income of a person whose income or consumption was below the poverty line of $1.90 per day. The reduction of persons living below the poverty line is a useful proxy indicator for poverty eradication. The figure below shows that China and Vietnam, over the same period, significantly reduced the levels of people living below the poverty from more than 60% to less than 2%. Whilst Botswana shows a significant decrease, with more than half the reduction of people living below the poverty line. South Africa showed a marginal decline, compared to the other three countries - the people living below the poverty line is still relatively high.

The decline in the South African context, over the period, can be attributed to the robust and aggressive social security systems that were expended after the 1994 democratic independence. The caution in this approach is the risk of economic stability due to national or global economic shocks such as Covid-19, which can easily negate the effect of social security interventions and result in a decline below the poverty line, thus reversing the social protection gains made by the country. It is for this reason that heavy reliance on social grants for the economically active population alone cannot sustain the reduction in poverty, but it is an important element for poverty alleviation as it provides a safety net for those vulnerable households and their members.

The lessons that are useful for South Africa and the NDA in particular as a development agency for the social development portfolio are from China, Vietnam and Botswana. These countries designed and developed mechanisms to address poverty eradication.
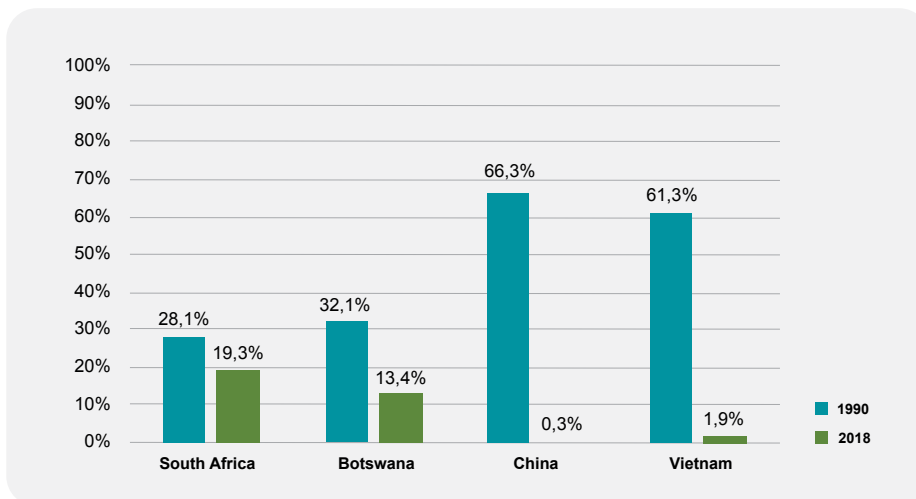

Figure 6: Percentage of Population Living in Households with Consumption or Income per Person below the $1.90 Poverty Line

1.3.7. Lessons from China

In the case of China, which has eradicated poverty and became the second largest economy in the world, the following approaches were used: According to Ziaoyun (2014), China has undergone three stages of industrialisation. The first phase began in 1953. It involved the central government planning the economy and promoting heavy industry. The second phase began in 1979 and saw the promotion of light industries. The third phase, which started in 2000, involved more intensive sectors and the market's role in industrialisation.[1]

From the 1950s to the 1960s, China's development was influenced by its nationalist political agenda. Its de-development was interrupted by the end of the 1960s, which prompted the country to move towards a more industrialised economy. Through the political reforms initiated by the Communist Party of China, China has become a leading player in the global economy. The rapid growth of China's agricultural industry has raised the country's capital and labour for industrialisation surpluses. This is because the reforms encouraged more rural workers to enter the labour market. From 1985 to 1994, over 70 billion USD was taken from agriculture through taxes and fees.

Rural areas became the driving force of China's industrialisation since it promoted light and labour-intensive industries. From 1978 to 2006, the contribution of rural enterprises to the country's total industrial growth increased from 9.9% to 42.9%. China's strategy to improve its industrial structure and promote technological transfer has been widely implemented. It has also developed a long-term plan to promote scientific and technological developments. China's industrialisation has multiple lessons to share. Some of these include how to grasp the opportunities presented by globalisation, how to improve the efficiency of the industrialisation process, how to develop the necessary infrastructure, etc. Although Africa cannot follow the same path as China, it can certainly learn from its industrialisation experience. One key component of China's industrialisation is its state-led industry policy, which has helped overcome numerous barriers at various stages of development.

[1] Ziaoyun, L. (2014). China's Industrialization: Overview - Implications for Africa's Industrialisation.

[2] Miguel, E., & Roland, G. (2009). The Long Run Impact of Bombing Vietnam.

1.3.8. Lessons from Vietnam

To date, Vietnam has made substantial progress in its efforts to recover from the war and eradicate poverty. Between 1990 and 2018, the percentage of the population living in households with consumption or income per person below the $1.90 poverty line decreased from 61.3% to 1.9%, as can be seen in the figure presented. The literature on Vietnam's journey to the reduction of poverty identified three key areas of focus for improving the living conditions in Vietnam.[2] These areas are:

Boost labour productivity and invest in infrastructure to sustain job creation and wage growth without losing competitiveness. Since the wage growth has outpaced labour productivity growth, Vietnam needs to move production up the value chain and attract more foreign direct investment (FDI) to sustain higher wages and drive labour inflows into higher productivity sectors, such as agriculture and manufacturing. To this end, the FDI may be used in conjunction with the linking of domestic SMMEs to multi-national corporations (MNCs) through information exchanges, skills upgrades, and technology transfer. Additionally, securing a steady flow of investment in infrastructure will ensure that the demand from the growing export sector is met by a sufficient supply of transport, electricity, logistics, and telecommunications.

Implement education reforms designed to equalise opportunities and develop workforce skills. The reforms aimed at developing workforce skills are designed to level the playing field and allow firms to compete with a limited pool of competent workers. Investing in skills development would help boost the pool of competent workers and allow new sectors to thrive. Establishing high quality education across various groups will help improve the skills of all and reduce inequality. The quality of education in poor communities also affects the academic achievement of children. The improvement of the teaching profession will also help close the achievement gap.

Spur agriculture structural transformation through changing farmland use patterns, strengthening land user rights, and improving skills of poor farmers. Changing farmland use patterns can help unlock the potential of the poor through structural transformation. This shift is necessary to achieve the goal of increasing the

profitability of agricultural ventures by pursuing higher value perennial and annual crops. Doing so requires strengthening the rights of land users and ensuring that they have access to credit. Improvement of farm management and business skills may also assist in boosting the productivity of poor farmers. It also notes that, preceding this economic development, Vietnam implemented certain policies to create an enabling environment for businesses.[3]

Vietnam has embraced trade liberalisation. Vietnam is a signatory to 16 bilateral and multilateral free trade agreements, it is a member of the World Trade Organization, ASEAN, and has concluded bilateral agreements with the U.S., Japan, South Korea, the EU, and the Eurasian Customs Union.

• **Vietnam has complemented external liberalisation with domestic reforms through deregulation and lowering the cost of doing business.** The liberal trade agreements have dramatically reduced tariffs, anchored difficult domestic reforms, and have increased foreign investment. It is estimated that more than 10,000 foreign companies — including major global players such as Samsung, Intel, and LG — operate in Vietnam today, mostly in export-oriented, labour-intensive manufacturing. Vietnam also reduced the corporate income tax rate to 20 percent from 32 percent in 2003.

• **Vietnam has invested heavily in human and physical capital, predominantly through public investments.** Vietnam has made efforts to promote access to primary education and to ensure its quality through minimum quality standards.

• Infrastructure, power generation, transmission, and distribution capacity have been scaled up to meet rapidly rising demands.

1.3.9. Botswana Lessons

Botswana has made notable progress in its efforts to eradicate poverty. Between 1990 and 2018, the percentage of the population living in households with consumption or income per person below the $1.90 poverty line decreased from 32.1% to 13.4%, as can be seen in the figure presented. The government's approach to poverty alleviation has been three-pronged. Firstly, there are policies that target increasing the disposal income of the poor and economic empowerment, for example, agricultural support programmes. Secondly, are the policies that focus

on infrastructure development in basic service provision. Thirdly, are the policies that give immediate relief to the poor through the social safety net programmes.[4] (Magombeyi, Odhiambo, & Halsall, 2017). According to the World Bank (2015), Botswana's rapid poverty reduction can be attributed mainly to a combination of increasing agricultural incomes, including subsidies, and demographical changes. Several factors were important sources of poverty reduction and welfare improvements:[5]

• Wages and all sorts of formal and informal labour-related incomes increased substantially, especially in rural areas.
• Other improvements in rural areas' labour market outcomes included reductions in unemployment and growth in labour market participation.
• Agricultural incomes and employment were supported largely by government subsidies.
• Substantial changes in the demographic structure included reductions in household sizes and the dependency ratios.
• Access to education improved progressively from primary through secondary to university education.
• The amount of household loans increased, helping raise the households' net incomes.

The lessons from Botswana can be summarised into 3 approaches adopted by the government in poverty reduction and these are:

• Implementing policies that target increasing disposal income of the poor and economic empowerment, e.g., agricultural support programmes.
• Implementing policies that focus on infrastructure development in basic service provision.
• Implementing policies that give immediate relief to the poor through the social safety net programmes.

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[3] *Eckardt, S., Mishra, D., & Dinh, V. T. (2018). Vietnam's manufacturing miracle: Lessons for developing countries. Retrieved September 30, 2021, from The Brookings Institution: https://www.brookings.edu/blog/future-development/2018/04/17/vietnams-manufacturing-miracle-lessons-for-developing-countries/*

[4] *Magombeyi, M., Odhiambo, N., & Halsall, J. (2017). Poverty dynamics in Botswana: Policies, trends and challenges. Cogent Social Sciences, 3(1). doi:10.1080/23311886.2017.1329246*

[5] *World Bank. (2015). Botswana Poverty Assessment.*

The lessons from these countries who managed to significantly reduce their levels of poverty provide the social development portfolio and the NDA in particular, examples of areas and targets of focus in the 2023/24 annual performance plan. It also provides mechanisms that need to be developed and implemented to start arresting the ever-increasing poverty levels. The strategies cannot be achieved by the NDA or Social Development alone, but they need the entire government machinery to be at the centre of these approaches in the implementation of the district development model.

2 Updates to Institutional Policies and Strategies

The NDA, through the Turnaround Strategy, has prioritised the following over the next five (5) years:

- Amendment of the NDA Act

- Review of service delivery model to focus on poverty reduction targeting those trapped in the poverty cycle.

- Redefining the target audience for NDA development programmes

- Redefining the active role to be played by Civil Society Organisations and capacity strengthening of these CSOs.

- Review and alignment of the NDA model, including its cost drivers.

- Strengthening NDA institutional capacity, capabilities and skills required to deliver on the mandate of poverty eradication.

- Diversify NDA development funding sources.

3 Updates to Relevant Court Rulings

There are no updates on any court rulings.

PART B:
OUR STRATEGIC FOCUS

4 Updated Situation Analysis

4.1. The Turnaround Strategy

The 2023/24 APP is developed whilst the NDA is in the process of final engagements with key stakeholders – which are the Department of Social Development, especially the Executive Authority who has a responsibility of oversight of the Agency. The draft Turnaround Strategy would need detailed engagements with the National Treasury as it seeks to implement mechanisms to raise and conduit funding from outside the fiscus to increase available resources for CSOs funding thus making significant impact on the mandate of poverty eradication in poor communities. The Department of Performance, Monitoring and Evaluation in the Presidency is an important consultative leg of the Turnaround Strategy. These key consultative processes with the critical government departments should inform the finalisation of the Turnaround Strategy.

This process amongst others, includes, the reconfiguration of the service delivery model and defining the type of services to align with the NDA mandate. The funding mechanisms and sources of funding that can be generated by the NDA and be compliant to the NDA Act and National Treasury budget allocation processes. The reconfiguration of the NDA structure and human capacity required to deliver on the service delivery model within available resources. The quality of services delivered by the proposed model to ensure that NDA programmes contribute, in a measurable way, to poverty eradication, especially in poor communities. These are prerequisites that have not been fully consulted on to establish common understanding within the government's planning, resource allocation and accountability where a consensus must be reached.

The NDA's new Board was appointed in December 2022 and started its Accounting Authority functions in January 2023. The NDA could not finalise and implement the Turnaround Strategy without participation and strategic direction of a compliant and properly constituted Board. Despite this limitation, NDA Management proceeded with conducting the required processes and procedures for drafting a Turnaround Strategy, which was facilitated by independent turnaround experts. The Accounting Authority (NDA Board) has legislated responsibilities and fiducial duties prescribed in section 50 and 51 of the Public Finance Management Act (PFMA), therefore the conclusion and approval of this strategy needed full participation, buy in and ownership by the Board, for purposes of turning around the NDA in all aspects that are recommended by this process. The Turnaround Strategy is designed to inform the revised 5-year strategy of the NDA and the Annual Performance Plans over the same period.

The Draft Turnaround Strategy proposes several key features required to turnaround perspectives of its programmes and supporting interventions with clear outcomes that directly link the operations and outcomes to meaningful contribution to poverty eradication. It also proposes alignment of institutional architecture to support and respond to the new programme design and outcomes to institutionalize efficiency and effectiveness. The NDA has struggled to create and present pathways for increasing and diversifying its financial resources to fund its mandate.

The allocation from National Treasury though the Department of Social Development has remained below inflationary increases, the attraction of resources from its legal mandate through conduiting funding for Civil Society Organisations from government departments, foreign governments and private sector donors has lacked strategy and mechanisms to sustain high levels of investments in poor communities to move communities out of poverty. The draft Turnaround Strategy outlines a strategy and mechanism of strengthening third party funding across all sectors of the economy to source funding for CSOs' development interventions that can create sustainable economic activities in poor communities.

The NDA Board, in the 2023/24 financial year, will marshal the strategic approaches and direction, engagements with all stakeholders, the pathways for resourcing development programmes and poverty eradication interventions, the reconfigurations of the NDA structure, policies and mechanisms to change the current trajectory of the Agency. Below are the key tenets of the proposed Draft Turnaround Strategy pillars:

• Reconfiguration of the new business model, programme design and mechanisms focusing on creating employment opportunities and sustainable economic activities for poor communities. The pillar will be informed by defining the target audience and its location to produce high and quality impact programmes on poverty eradication.

• Establishing and retaining quality partnerships with

abilities and interest in investing in social and development interventions targeting poor communities. This pillar is to increase the financial and non-financial resource base for funding development projects and programmes targeted at impoverished households and their members.

• Reconfiguration of NDA organizational structure, skills mix and support programmes to create efficiencies in the utilization of support cost which is currently too high to sustain from current budget levels. This pillar must be modernised through innovations on systems, accountability and reporting to monitor improvements of the NDA's performance and efficiencies, including increases on programme deployment coverage.

• Rebuilding of the NDA brand is critical for creating demand and supply of the Agency programmes, building hope and trust on the Agency for all stakeholders and ordinary citizens, attracting sustainable investment for the NDA's development programmes by government, private sector, local and foreign donors. The image of the NDA must change to trigger hope and a better future for the disadvantaged. Without creating a positive image of the NDA, there is little prospects of achieving the outcomes proposed in the Turnaround Strategy to be finalised by the Board.

The conclusion and implementation of the Turnaround Strategy proposals of models and mechanisms is urgent to trigger the demand, trust and hope by impoverished communities. It is also equally important to ensure that proper and detailed consensus building with critical stakeholders is achieved. The NDA will be balancing both ends of these demands. The appointment of the new Board inspires confidence in achieving both ends. Given the timing and its urgency, the Board has placed emphasis on turning the NDA around.

The 2023/24 APP is purposefully focusing on increasing funding to CSO programmes from not only the government's allocation, but from partnerships from private and public sectors to fund social and development community-based programmes and projects whose main outcome is poverty eradication through sustainable economic activities and sustainable livelihoods in impoverished communities. The NDA, working through CSOs will thus create 3000 sustainable gainful economic activities, these will mainly be derived from the grant funded cooperatives and income generation projects earmarked for funding individuals who currently are recipients of social grants.

The NDA's capacity building interventions will focus on institutional management and technical skills to improve capabilities of beneficiaries to sustain their economic activities. The research programme of the NDA will focus its work on producing outputs that will support policy making to ensure that CSOs, government and private sector engage on policy reforms that will promote development interventions targeting the poor, including creating an enabling environment for implementing development programmes aimed at fighting poverty and reducing unemployment.

External Environmental Analysis

The objective of the external environmental analysis is to ascertain how changes in the operating environment impact on the NDA and influence its overall trajectory. Accordingly, the analysis has three (3) sections, which are:

(1) Civil Society Sector Analysis;

(2) An overview of poverty in South Africa;

(3) A macroeconomic analysis with an emphasis on economic growth, unemployment, the Fourth Industrial Revolution and South Africa's education outcomes;

4.2. Civil Society Sector Analysis

The civil society sector is often referred to as the third sector which operates outside of the state and market. It is an important stakeholder in the development of any country, particularly one like South Africa which seeks to deepen democracy through the promotion of access to resources by its citizens. Within the civil society sector, there are various types of civil society organisations, such as:

• Development orientated organisations
• Welfare orientated organisations
• Social justice organisations
• Cooperatives and other non-profit but income-producing organisations

The common thread holding all the different types of civil society organisations are their promotion of public and/or social good, to varying degrees. In the past ten (10) to fifteen (15) years, the civil society sector has deteriorated in its effectiveness to support the development discourse in South Africa. The civil society sector is faced with several problems that have led to the funding crisis the sector experiences.

In the development of the NDA business case, the following problems the civil society sector faces were identified:

• The sector is fragmented and lacks coherence to present a convincing development agenda and programmes to advance local development.

• The sector has been shifted to the periphery regarding the influence on policy and active citizenry, thus making it weak as a key player in formulating national policies on social and economic development agenda.

• The sector is unevenly balanced due to lack of skilled human resources, access to financial resources and demonstration of effective programmes at the community level.

• Most organisations in this sector are in a survival mode. This has made them prone to accept any funding – regardless of organisational alignment – and resources to maintain their survivalist nature as opposed to create and expand development programmes at the local level.

• Increasing number of NGO umbrella bodies mushrooming across the country because of dissatisfaction from the existing umbrella bodies who would have been custodian of the interest of the sector.

The coexistence of the civil society sector and the state organs is fundamental in fighting poverty, unemployment and inequalities. The state and the private sector recognises that civil society sector is the most influential sector for debating public discourse and should, therefore, be included in community development programmes and initiatives. There is a required need from the sector to demonstrate the impact and beneficial contribution it makes towards the development of impoverished communities across the country. This is one of the sector's key challenges that the NDA's capacitation of CSOs and grant funding focuses on in order to assist the sector to achieve its mandate, as well as other initiatives the organisation carries out in collaboration with CSOs.

4.3. Overview of Poverty in South Africa

4.3.1. Poverty Causes and Impacts

The table below details the causes of poverty and their impact on communities.

Cause of Poverty	Impact
Unemployment	This may result in no income to purchase food, other products and services.
Marginalisation of communities	This may result in people not having a political and economic voice.
War and violent crime	This may threaten the lives and safety of citizens, and may deter investment.
Malnutrition	This may result in reduced wellness and may subsequently impact education.
Inadequate healthcare	This may result in reduced wellness and may subsequently impact education.
No access to clean water, sanitation & healthcare	This may result in increased sickness and decreased productivity of the workforce.
Poor education	This may result in inadequate skills and marketability of the workforce.
Inadequate electricity	This may result in lower economic productivity and may deter investment.
Inadequate road, rail and harbour infrastructure	This may result in lower economic productivity and may deter investment.
No savings	This may result in citizens lacking the ability to absorb economic shocks, such as the COVID-19 pandemic.

4.3.2. Role Players in Addressing Poverty

The theoretical framework below came out from the situation analysis and reviews we conducted for informing framing approaches used by governments internationally that have reduced poverty levels through implanting developmental interventions that created jobs and gainful economic activities.
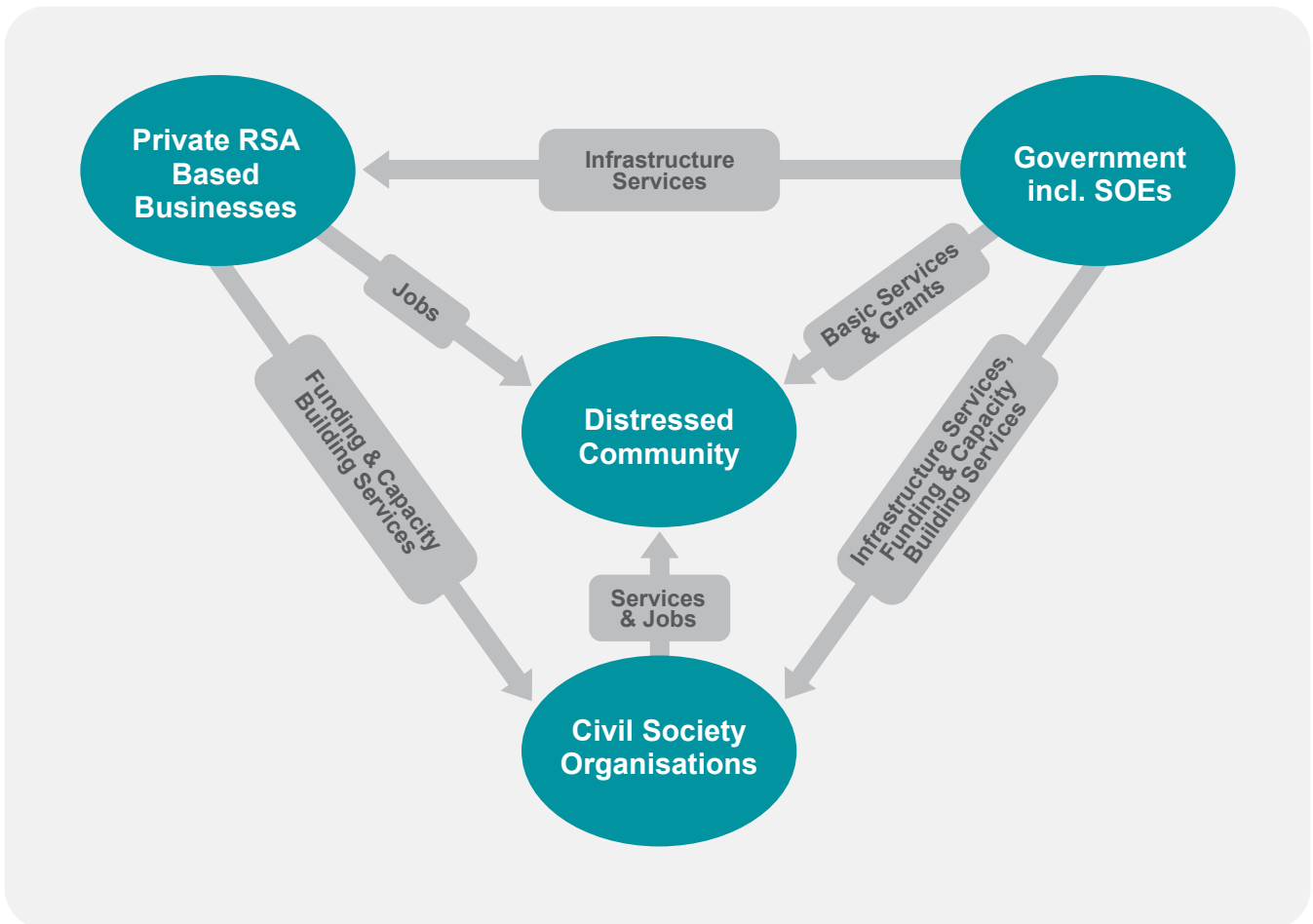
Figure 7: Configuration of key role-players in addressing poverty
(Source: Draft NDA Turnaround Strategy-2022)

The approaches they adopted, at the design levels, had four similar drivers. In the centre of the design is focusing on distressed communities as their primary target focus. The change outcome was creation of economic activities that can translate to sustainable livelihood at that local community. They then set up a mechanism that forged partnership between the private sector, government and civil society in consultation with the community to assess needs, local resources (human & financial), community pressure points priorities, and finally defines a mechanism that ensures that all the role players have the same vision, same plan and same outcome. This framework allows all sectors at these roles players, including the community find a common need, problem and solution to address poverty eradication. However, the mechanism to be used needs to be accepted and be relevant to all stakeholders at community level.

As can be seen in the figure above, it is in the business interest of the South African private sector to invest in communities for various reasons, which in turn benefit members of communities on the other hand, whilst increasing demands of their products and services on the other. Government's primary interest, in all the spheres, is providing a range of services that ensure that the population

has means of sustaining themselves, access to quality services and improvement of their quality of life.

The civil society sector has better understanding of the needs, priorities, capacities and capabilities of communities and, more importantly, what can work or not within those communities. When the social and development projects and programmes of a community has all partners' interest, they are likely to be successful and impactful. The fight against poverty, unemployment and inequality in South Africa needs a collective solution from all sectors of the economy including communities.

The District Development Model, adopted by government, is the appropriate platform to implement this framework. The NDA is in consultation with GOGTA to explore partnerships to test the applicability of this framework using proposed mechanisms, proposed by the draft Turnaround Strategy, especially in the most deprived local municipalities and districts.

4.3.3. Macroeconomic Analysis

This section provides an overview of South Africa's GDP growth, the ability of government to expand social welfare, and a PESTLE analysis.

4.3.3.1 Inadequate GDP Growth

Since 2008, South African companies' sales growth, reflected as GDP growth, has not kept pace with workforce growth, and hence resulted in growing unemployment. South Africa's unemployment rate was at 32.9% in the third quarter of 2022 (Stats SA, 2022). GDP growth has been constrained by a shrinking economy since 2008.

4.3.3.2. Ability of Government to Expand Social Welfare

During the Medium-Term Budget Policy Statement held on 11 November 2021, Minister of Finance, Enoch Godongwana noted that SA has R4 trillion of debt. He went on to say, "Incurred debt-service costs will become the largest portion of spending from next year. These debt service costs are non-discretionary – in other words, we cannot avoid paying them." Debt- service costs are expected to rise to R365.8B in 2024/25. This is higher than the health and police services' budgets. The figure below compares South Africa's gross loan debt to its GDP.
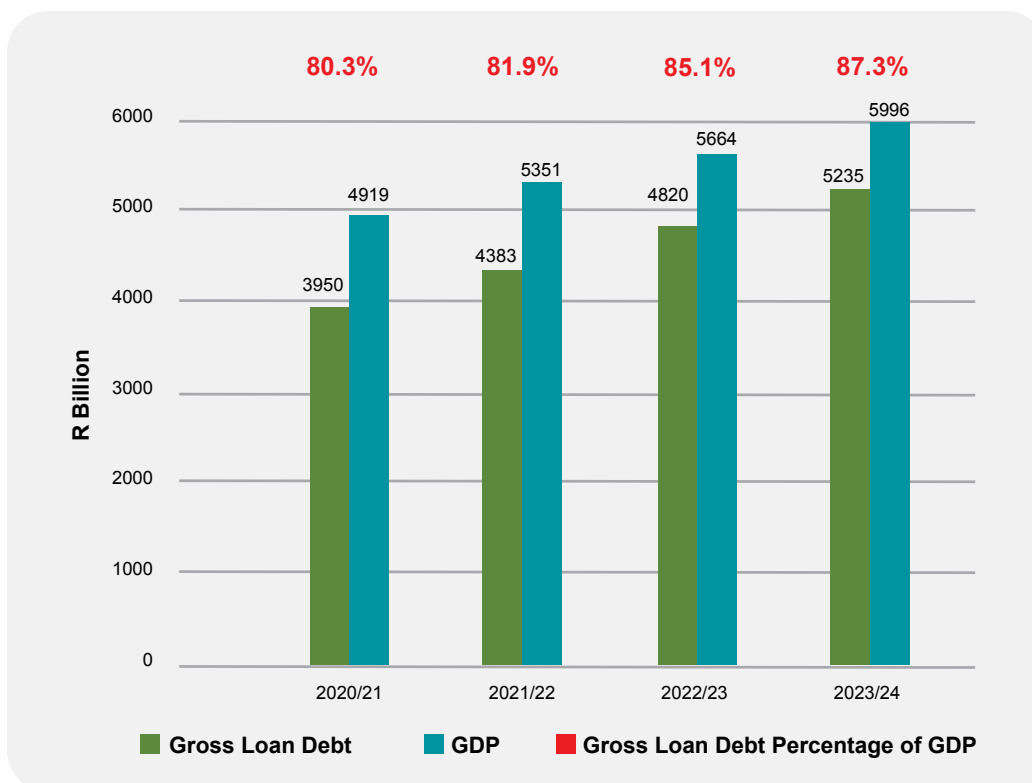

Figure 8: Gross Loan Debt vs GDP

The Government has been running a budget deficit since 2008 and has accumulated crippling levels of debt. The remedy to the budget deficit is the same as the remedy to unemployment, and that is increased sales by South African based enterprises. Increased sales growth will increase tax revenues, which can be used to pay off the loans. At present, debt service costs are the fastest growing expense item for the National Treasury. Unless tax revenues can be increased, National Treasury will continue to reduce other forms of spending, most notably Government employee wages and discretionary grants.

4.3.4. PESTLE Analysis

This section provides an analysis of the Political (P), Economic (E), Social (S), Technological (T), Legal (L) and Environmental (E) factors pertaining to the NDA.

4.3.4.1. Political

The political landscape has shifted considerably since the 2021 local elections, which resulted in the ruling party losing groundswell support, they enjoyed at the advent of democracy in 1994. The ANC support fell from 62% during the first democratic national elections to 45% in the November 2021 local elections. The unprecedented load shedding which has plunged the country into semi-darkness, while it has had a telling impact on the socio-economic landscape of the country, is sure to have a political impact as well.

4.3.4.2. Economic

The economy in South Africa is suffering from record high unemployment rate, resulting from low gross domestic product (GDP) growth being unable to match high workforce growth. Compounding the challenge is a debt-to-GDP ratio of 68% and annual debt service cost growth of 13% effectively preventing the government from hiring new people, issuing more grants or spending on large public works programmes. On the contrary, the government, under direct pressure from creditors, is expected to reduce the public wage bill and discretionary grants. This pressure to rationalize service delivery, reduce headcount and discretionary grants will impact most departments, state-owned-enterprises and agencies, including the NDA as well as the Department for Social Development. In order to reduce this headcount and grant reduction pressure, GDP will need to grow dramatically to generate the tax revenues needed to pay back the government debt and maintain the government employee headcount and grant budgets.

In order to achieve GDP growth, South Africa needs to attract investors to build new factories, mines, farms and tourist destinations that are needed to grow the economy and reduce unemployment. Unfortunately, South Africa is not viewed as an attractive investment destination by the global investment community, with all three major rating agencies rating South Africa as a non-investment grade. South Africans have increased their offshore equity holdings by R2 trillion over the last 5 years while South African corporates sit on a cash pile of over R1 trillion that they too are refusing to invest in South Africa right now. Foreign investors will not invest if people with the deepest understanding of local conditions, namely South Africans, refuse to invest. The biggest obstacle to growing the economy is Eskom's combination of high debt levels, poor implementation of the Medupe and Kusile power stations and their dependence on an old fleet of poorly maintained power stations. The newly approved ability to generate and sell up to 100 mega-watts without obtaining a license is hoped to decentralize electricity provision and spur industrialization.

Poor rail and harbour capacity is another key impediment to growth, with South Africa being unable to fully exploit the Covid-19 commodities boom. Unable to raise capital on its own, Transnet will be forced to take on private equity investors. These will demand levels of efficiency, technical proficiency and corruption-free procurement that will also spur economic growth. Crime is another impediment to economic growth with Rio Tinto closing its Richards Bay Minerals (RBM) plant due to the murder of one of its managers. RBM was a major taxpayer in KZN up to that point and the murder was against the backdrop of criminal elements attempting to extort money from major corporates. Similar extortion pressures are being faced by mining companies attempting to establish their own solar power stations, specifically Gold Fields.

Municipal corruption and poor service delivery is also deterring investment, with Clover's decision to leave Lichtenburg due to water disruptions, electricity disruptions and potholes being the highest profile example in recent times. As a major economic engine in Lichtenburg, the departure of Clover will leave many unemployed people in its wake. The NDA, as well as other departments, state-owned-enterprises and agencies will all remain under pressure to do more with increasingly less funding from the National Treasury. Future financial viability will inevitably be linked to the ability to establish good relationships with private investors and corporations as well as aggressive GDP growth. Ultimately though, the communities that the NDA serve must be put on a road to revenue generation and

employment as they can no longer depend on government for subsistence.

4.3.4.3. Social

The provision of social services to the public has also been negatively impacted by the combination of ever decreasing government resources and the service quality being unable to address the needs of a growing population. Covid-19 compounded the situation with 1.2 million South African children dropping out of school in 2020 and a further 500,000 in 2021. Poor education outcomes are further compounded by food insecurity, poor housing and water supply, with the IPC stating that 16% of the population analyzed in 2020 faced acute food insecurity, StatsSA stating that 14,75 million people reside in informal settlements in 2017 and PMG stating that 14,1 million people lacked access to safe sanitation and reliable water in 2021.

Public healthcare provision remains very poor with state expenditure on healthcare being an extremely modest R62,5 billion. This is roughly equal to the size of the private healthcare industry, with private healthcare only serving 15% of the population. Lack of resources are not the only problem though. The cumulative effect of all these social challenges is a highly distressed population in need of improved basic social service delivery. The inability to provide these will continue to have negative effects on both investments as well as the political fortunes of both the local and national governments.

For the NDA, the decision on which communities to support will become ever more challenging as the need is greater than ever but the resources will become more constrained. It will also make it harder for the NDA to make a material impact given the general decline of government services. The implication for the distressed communities is however the same as the economic situation, they need to start generating revenue to purchase goods and services that are no longer forthcoming from government.

4.3.4.4. Technological

Some of the largest beneficiaries of Covid-19 were the manufacturers, suppliers and users of digital technologies that enabled the economies of the world to continue operating in the face of physical lockdowns. The technologies that saw large scale adopting and investment include remote working, online purchasing and services, advanced technologies including artificial intelligence in operations and decision making, modern customer relationship management

application, cloud hosting, near shoring and outsourcing and new final mile delivery services.

It is becoming increasingly affordable to use solar generated electricity, with Eskom being able to purchase solar generated electricity from some independent power producers at a lower cost than purchasing raw coal. While this might be temporary due to China's ban on Australian coal imports, the long-term downward trend in solar generation and lithium-ion battery costs provide alternatives to Eskom power, thus enabling industrialisation in ever-remote areas. Blockchain allows for accurate accounting across multiple businesses in value chains that are traditionally subject to high fraud and theft risk, allowing the establishment of industries in communities not traditionally thought off as bankable. 3D printing is leading to a quantum reduction in product research and development costs and allows small batch manufacturers to enter markets only occupied by major manufacturers in the past.

Agriculture is also benefitting from a large array of technological innovations that enables higher yields for less experienced farmers, increasing the relative value of land ownership.

These include soil and water sensors, weather tracking, satellite imaging, radio frequency identification, vertical farming, aquaculture, genetic engineering, hydroponics, and urban agriculture, all have the potential to transform subsistence farmers into commercial farmers in the context of co-operative structures. All the above-mentioned technologies have the potential to plug distressed communities into global supply chains, in particular when partnered with established corporates that have established export distribution channels.

4.3.4.5. Legal

Minister of Finance, Mr Enoch Godongwana, acknowledged that the country has increasingly become unattractive to investors, citing never-ending red tape as the common deterrent. He said there needs to be a move to remove the regulatory burden that comes with investing in the country for an increase in the appetite for investment. The red tape in question refers to a large array of requirements, ranging from exchange controls, licensing, corporate social responsibility, employment equity, mandatory training, etc. This is especially important for SMMEs as they employed 70% of people in South Africa prior to Covid-19, and generally don't have the resources or technical skills for the regulatory burden. Success in rolling back regulations will

encourage South Africans to start investing again, which in turn will start to attract foreign investors.

The first and largest regulatory relaxation impacting the economy is the ability to self-generate up to 100 mega-watts of electricity without licenses. This has the potential to spur economic growth, including within the remote communities. Internationally, there is also established conventions for earning carbon credits that can be leveraged. A large part of distressed communities' revenue generation will need to come from SMMEs as well as large corporates.

4.3.4.6. Environmental

The two main environmental drivers that are relevant for distressed communities are the opportunities that arise out of the need to reduce carbon emissions, as well as the water and land pollution. The need to reduce carbon emissions presents a potential revenue opportunity while the deteriorating water quality situation is a potential constraint and opportunity.

Internal Environmental Analysis

The internal environmental analysis is aimed at discussing several key points that will underpin the Turnaround Strategy of the NDA. The ultimate Key Performance Indicators for the 2023/2024 financial year and beyond will be defined in accordance with the points discussed hereunder. The APP therefore represents a draft whose focus is to detail the strategic elements for consideration going forward.

Business Turnaround

The NDA has since the 2016/17 financial year, received an unqualified audit opinion with findings for the Annual Financial Statements and a disclaimer on performance information. The NDA management has reflected on the measures to be put in place to halt this worrying trend. In direct response to the apparent stagnation, the NDA is currently developing a fully-fledged business Turnaround Strategy which will guide the NDA on the road to recovery. The NDA will focus on the development and implementation of the following elements which will constitute the business Turnaround Strategy:

- Standard Operating Procedures
- Compliance Management Framework
- Performance Information Management Framework
- Performance Information Management System
- Consequence Management Framework

- Policies
- Audit Implementation Plan

It is envisaged that the development and subsequent implementation of these procedural documents will result in the NDA being able to arrest its current trajectory. Through this effort, historical Irregular, Fruitless and Wasteful expenditure which constitutes a large portion of the current balance will be reduced drastically. At the same time, preventative initiatives will be implemented to curb the ever-rising IFW expenditure.

The finalisation of the performance information management system is crucial to improving the audit outcome on predetermined objectives. Along with the SOP's and the Performance Information Management Framework, the conclusion of the performance information management system will prove useful for collection, collation, storage and retrieval of performance information for management reporting and auditing purposes. This set of frameworks will seek to return the NDA to the basics as it strives to define and emphasise the applicable standard requirements for planning and reporting on key performance indicators.

Financial Sustainability of the NDA

The imminent budget cuts are proof that NDA cannot depend solely on the allocation from the fiscus. Section 4 of the NDA Act does empower the NDA to raise funds for the furtherance of development work in communities. The NDA will therefore earnestly focus its efforts on the development of a Revenue Generation Model which will encapsulate and detail the alternative funding sources and the various plausible strategies to be employed to raise funds from these identified sources in order to lessen the dependency on the National Treasury allocation.

The NDA, led by the Department of Social Development, has embarked on the reviewal and enhancement of the NDA mandate as part of the turnaround project. Aligned to the anticipated new mandate will be the revised business model to ensure end to end implementation of the Act. A key consideration for the revised business model will be the required skills and capacity for its full implementation. The audit of the current skills will therefore be crucial in determining the gap between the current and the future skills. The organisational structure may have to change in alignment to the revised business model. The finalisation of the organisational structure will be embedded in business process reengineering to ensure a fit for purpose structure with clearly defined functional responsibilities for the implementation of the NDA mandate.

The ongoing sustainability of the NDA relies heavily on the optimisation strategies to maximise productivity and eliminate duplications across a range of functional responsibilities in the organisation and across government. The optimisation process will also be characterised by cost saving initiatives in a bid to prioritise resources towards long term sustainable plans that add lasting value to the mandate of the NDA. Through continuous planning and the realignment of processes, the NDA will on an ongoing basis redirect resources towards areas of high community impact.

Strategic Partnerships

The Revenue Generation Model will be anchored in strong and sound partnerships in strategic sectors of the economy. Amongst others, the NDA will pursue partnerships with the Organised Business Formations such as; Business Unity South Africa (BUSA), Black Business Council, Solidarity Fund and the Jobs Fund, in order to establish high yielding collaborative partnerships in the fight against poverty. Within the ambit of the Inter-Governmental Relations framework, the NDA will seek to establish lasting partnerships across the three spheres of government with regards to coordination of community-based development efforts as espoused in the District Development Model. To this end, the NDA will pursue the Department of Cooperative Governance and Traditional Affairs on the formalisation of the NDA's coordination role. The NDA will also consider employing cross referral strategies with several funding agencies such as the NLC and SEDA, where unsuccessful applicant CSO's can be referred to NDA for further capacitation. This strategy will not be limited to these agencies only, it will be replicated within the Social Development portfolio where NPO's that have been deregistered will be trained by the NDA to a point of compliance and re-registration by the DSD.

The fulfilment of the secondary mandate of the NDA depends largely on sound research which is able to stand academic scrutiny and is of developmental relevance for use by NDA in particularly and the rest of government in general. The NDA will thus expand partnerships with research institutes, institutions of higher learning and expert government organisations such as StatsSA in pursuit of ground-breaking research on the pertinent issue of poverty and other research areas of developmental interest. The partnerships will extend to other exploratory areas that we have not ventured into before, such as TVET colleges. The partnership with TVET colleges will result in assimilation of vocationally skilled students into income generating CSO formations that can participate effectively within the economy.

Digitisation and system integration

The NDP 2030 state that the institutional arrangements to manage the information, communications and technology (ICT) environment need to be better structured to ensure that South Africa does not fall victim to a "digital divide". Digital transformation is therefore not an option but a must for organisations operating in the 21st century. Information and Communications Technology should be the lifeblood of all organisations, especially in the advent of Covid-19, which has brought about the need for all organisations to digitise their services for business continuity and uninterrupted service delivery. The NDA needs to ensure a secured ICT environment and seamless connectivity for the success of the digitisation project. The two significant benefits that can emanate from digitisation are:

- *Increased Productivity* - The automation of services will allow the NDA stakeholders ability to share, collaborate, exchange, access to accurate information in seconds, reducing the turnaround time, and further increasing the efficiency in the NDA.

- *Cost effectiveness* - The Development Officers will easily be able to work remotely and reduce reliance on manual and expensive processes, for an example, the cost of printing can be exorbitant, and it involves additional costs like equipment management, paper records maintenance and the cost of space. Digitisation will ensure that more and more employees are able to operate outside the office whilst still delivering on NDA obligations. This could potentially lead to the reduction of costs associated with an office space.

Central to the digitisation of NDA work is the automation of current internal NDA process as well as external services to the CSOs in line with the approved NDA ICT Masterplan. At a service delivery level, the work of the NDA is largely contact based and has suffered significantly due to hard lockdown travel restrictions imposed by Covid-19. In order to extend the reach and coverage of NDA service delivery focused programmes, the NDA will focus on digitising and automating its services, beginning with the capacity building programme. The automation of the capacity building programme will serve as a springboard to total digitisation of NDA services. The NDA will explore a shared services model within the social development portfolio in order to leverage on existing ICT infrastructure within the portfolio.

PART B: OUR STRATEGIC FOCUS

SWOT Analysis

This section provides an analysis of the NDA's Strengths (S), Weaknesses (W), Opportunities (O) and Threats (T).

STRENGTHS

- National footprint
- Presence in marginalized communities not served by other institutions.
- Experience in implementation as opposed to only disbursing funds.
- Long term community focus, insights and relationships
- Existing community of CSOs that can be leveraged for revenue generation.
- Existing legislation allowing it to expand its scope of activities

OPPORTUNITIES

- Leveraging its mandate to crowd in investment from a variety of different state and non-state actors to enable economic activity and job creation in marginalized communities.
- Obtain Treasury goodwill by transforming into an organization that provides the government with a high economic return on resources directed to the NDA.
- Leveraging its network and experience in collective structures as a vehicle for revenue generation
- Pro-active promotion of marginalised communities with specific assets and potential for economic activity and job creation

WEAKNESSES

- Lack of differentiation in the demographics being served by CSOs that are supported by the NDA.
- Lack of differentiation in the value propositions of the CSOs being supported by the NDA
- Inability to leverage mandate to source funding from other government departments.
- Limited political sponsorship
- Lack of continuity, regular turnover at Board and EXCO level
- Poor reputation and brand for making a difference.
- Internal divisions, poor morale and operational inefficiencies

THREATS

- Further reductions in government allocation from National Treasury
- Unsustainable high administration and overheads cost, whilst reducing allocation for the mandate cost
- Irrelevant programmes and interventions to its core mandate of poverty reduction
- Weak systems for accountability and effectiveness

Civil Society Organisations (CSOs) Development Programme

The CSOs development programme of the NDA is designed to respond to the primary mandate of the NDA. The primary mandate requires the Agency to: *"to contribute towards the eradication of poverty and its causes by granting funds to civil society organisations for the purposes carrying out projects or Programmes aimed at meeting development needs of poor communities; and strengthening the institutional capacity of other civil society organisations involved in direct service provision to poor communities"*. This programme is key in contributing to the reduction and eventually the eradication of poverty in South Africa. However, the NDA alone cannot achieve the intended outcome as prescribed in the mandate, it is therefore having to operate with all stakeholders and partners ensuring a meaningful contribution.

The South African political and socio-economic landscape is still characterised by significant levels of poverty, unemployment and inequality. In response to these challenges, the government has developed and adopted the National Development Plan (NDP) as a blueprint to eliminate poverty and reduce inequality by 2030. In summary, the NDP seeks to build capabilities of people, grow an inclusive economy, enhance the capacity of the state and promote leadership and partnership throughout society. Despite the ongoing critical political debates around the macro-economic framework and the growth trajectory of the country, there is demonstrable consensus that the NDP provides a plausible plan for addressing the triple challenges of poverty, unemployment and inequality.

The NDA's CSOs development programme is made up of numerous integrated interventions that are delivered as a package for CSOs, based on the identified needs through a systematic process. The elements of the CSO development are not implemented in isolation of one another. They are designed to be interdependent, and continuum of development care provided to CSOs for purposes of ensuring that these organisations are comprehensively supported. These interventions are outlined as:

Mobilisation: The CSO mobilisation intervention uses consultation and dialogue processes to engage CSOs, government agencies and local municipalities at community level to comprehend and appreciate challenges, priorities, local resources and community structures that would enable social, and development needs of the community. It is a key process for informing how the NDA responds to poverty eradication interventions appropriate to relieve the

pressures experienced by households and members of families.

Needs Assessment: Needs assessment is a process of collecting data and information in a systematic approach to identify the appropriate target population and individuals that need development interventions. The aim of these assessments is for the sourcing of people who are trapped in poverty, especially those who rely on social grants for their livelihoods as targets for development interventions using the DDM to collaborate with all stakeholders to address their developmental needs.

CSOs classification: The classification is to measure the baseline for appropriate and adequate developmental and capability levels of the needs of the beneficiaries of the interventions. It allows the match of CSOs abilities to implement the developmental programmes for quality interventions. This is derived from good practice that not all beneficiaries and CSOs would receive the best benefits from the development interventions. This process is used to target the development interventions that will result in sustainable quality livelihoods for those who benefitted from the development interventions, with an overall outcome of being pulled out of poverty.

Formalisation: The NDA facilitates and supports CSO formalisation processes to ensure that beneficiaries of development interventions can pull their resources and use them to sustain themselves as compared to competing as individuals. Cooperatives and community self-help groups have proven to be resilient and can absorb economic shocks. These groups have more likelihood to cooperate for the same goal of fundamentally changing their livelihoods if effectively supported and nurtured. The advantage of cooperatives and self-help groups is that they can adapt to providing a range of services and products that can earn them sustainable income, thus providing pathways across several sectors by pulling together their resources.

Capacity building (institutional strengthening and technical skills): The capacity building interventions and skills are key for any sustainable development. This does not only apply to CSOs as a vehicle for service delivery, but most importantly, for the target audience for development who are the beneficiaries of the interventions. Managing a production pipeline requires appropriate skills to manage the product or service. The NDA development practitioners, with well-established and resourced CSOs have the capacity to deliver on these requirements. This will ensure prudent resource management, risk management, market

management, business management and a range of soft skills that maintain a competitive edge against other competitors. However, the production skills and capabilities are pre-requisite for sustainability, growth and resilience.

These interventions will be provided through technical skills development institutions. These include TVET colleges, community colleges, departments' extension officers supported by relevant SETAs for funding these interventions. The aim is to ensure that beneficiaries trapped in poverty acquire appropriate skills and are mentored to sustain their income generation projects and programmes. Capacity building of beneficiaries is a means towards achieving poverty eradication, the examples from countries who attained significant poverty eradication levels invested in human capacities.

Grant Funding: The grant funding by the NDA is not only directed to CSOs, but uses CSOs as a vehicle to make funding available to beneficiaries to start their own income generation economic activities for the poor. The ultimate aim is to address poverty through sustainable developmental and economic activities that are gainful to beneficiaries. The outcome is to ensure that poor citizens, especially those who rely on social security can take themselves out of poverty through actively participating in gainful income generation projects. Without investing financially to self-help income generation initiatives for the poor, poverty will remain a stumbling block. The NDA will not rely only on the government allocation but also implement development of project pipelines that will attract other government departments, municipalities, the private sector and donors to invest in funding these self-help community-based projects. This will not only create economic participation for the poor but will also ignite local economic development and abilities for households and members of poor households increasing their buying power. This conversely improves the productive capacities of less resourced municipalities who are struggling to generate income for service delivery.

Resource mobilisation: Resource mobilization is a strategic intervention to increase and diversify funding resources to support and fund poverty reduction programmes of the NDA. This intervention is grounded on creating effective partnerships across government, the private sector and donor community. This function is derived from the NDA Act, Section 4(1) which allows the NDA to provide grants for poverty eradication in poor communities. The NDA will not only mobilise funds to be granted to the CSOs but will use the CSOs as mechanism to fund poverty reduction programmes that benefit those targeted, to be uplifted out

of poverty. The resource mobilization intervention forms part of the core NDA poverty eradication strategy. Viable sustainable self-help community projects for creating sustainable income will be driven by developing and designing viable development project pipelines that will be used as a resource mobilisation tool and mechanism.

Projects identified in impoverished communities will be developed into fundable and viable income generation projects to source direct funding to the projects. The project proposals will not only source funding from one funder, but would allow multiple funders interested to fund any area(s) of funder interest, including government, municipalities, private businesses, local and international donors. This approach provides opportunity for beneficiaries to grow these poverty eradication projects and reach its sustainability levels speedily. The aim is to have all poverty eradication projects for impoverished communities funded at levels that match or are above the investments on social security systems. It is for this reason that the NDA poverty eradication pathways will impact on poverty reduction by linking poverty projects to a range of stakeholders to fund community-based projects in the quest of eradicating poverty and its various causes.

District Development Model (DDM) as a vehicle for implementation of poverty eradication programmes

The NDA adopted the DDM as its platform for implementing its poverty eradication approach. The DDM is the best framework government has put in place to fight poverty afflicting the poor in South Africa. The DDM provides a platform for all spheres of government to collectively invest in one goal, which is fighting poverty, unemployment and inequality. The NDA, as part of the Social Development Portfolio focusing on community development, has a captive audience to work with the DSD portfolio in direct linkages with the social security agency, to target the same beneficiaries, the poor. This serves to balance the need of those poor individuals that required support from the safety net on one hand and development interventions on the other, ensuring no poor person is left trapped within the cycle of poverty. The DDM space is where all government interventions converge to address a range of service delivery challenges. With a range of multiple government resources, supported by municipalities, it becomes a fertile platform to launch massive poverty eradication initiatives.

The NDA will be deploying its poverty eradication interventions within the DSD portfolio, working collaboratively with other government departments and development agencies to forge sustainable partnerships to fight the high levels of

poverty, manifested by the high uptake of social security programmes, which provides the only relief the poor can access. The increase in the provision of developmental interventions can be magnified when collaborations and coordination of development interventions is markedly increased by government. Development interventions in poor communities require a complete change in both their approach and design. There are examples, not in the distant past, that were impactful, collaborative and coordinated using projects focusing on the same goal that have proven the capacity of government to lead, does achieve impactful outcomes.

The Covid-19 and the 2010 soccer world cup projects saw all spheres of government, the private sector and civil society all converge under one goal and outcome to deliver on those projects. The lessons learned from the achievements to accomplish these goals led to the adoption of the DDM by government. The Department of Cooperative Governance and Traditional Affairs (COGTA) has a responsibility to coordinate development and service delivery in municipalities, through the DDM. COGTA provides a formal structure for all sectors to collaborate in developmental efforts of the state, private and civil society at municipal level to address the needs of communities in these geographical areas.

The NDA's poverty eradication programmes will work through COGTA for the coordination of all collaborative projects with stakeholders, including the beneficiaries. The collaborative approach will be based on a common goal, the eradication of poverty with all causes. The NDA is currently finalising an MOU with COGTA for the very purposes of driving impactful developmental projects that over the medium term will start to assist those who are trapped in poverty without hope of overcoming poverty starting to experience hope and gain trust in government interventions for poverty eradication. As stated in the situation analysis of this APP, the NDA will use the DDM to deploy its development intervention with the DSD portfolio, it will use the DDM's approach pillars to design its mechanisms to the projects and programmes that are developmental and that provide the opportunity for economically active people living in poverty to be provided viable pathways of coming out of poverty and build their own sustainable livelihoods.

Research Programme

The Research Programme implements the secondary mandate of the NDA by creating platforms for engagements and dialogues on development policy. The primary focus, as well as primary input for this programme is conducting research that produces evidence on the performance of current development policies and policy impacting on development programmes across sectors involved in these development programmes. The research projects are aligned to the development priorities of South Africa. The aim is to collect and analyse evidence on what elements of development work to achieve the reduction in poverty, inequalities, and unemployment. South Africa has always been hailed as having good policies but lacking in its abilities to implement these policies. However, the lack of implementation is usually generalized, thus making it difficult to design corrective measures to respond to failures at implementation level. The NDA research projects are designed to answer some of the impediments in policy failures to support implementation.

The outcomes of research conducted by the programme informs the development policy impediments to implement development programmes by the state organs. The dialogue platforms are created to inform the debates and the development of strategies to lobby the state in removing obstacles that have negative effects on the implementation of development programmes. This includes the disjuncture between development policy intentions and design of implementation responses. It is through this programme that the state, when lobbied with facts and evidence, can align policy intentions for effective implementation, mechanisms, plans and shared visions and goals across state development programmes. Without reliable evidence, the question of failure to implement will not be articulated and effectively addressed. The Research programme will not produce research outcomes and dialogue proposals but will lobby state organs to use the evidence to review policy for the purposes of aligning implementation plans and tools used to design impactful development programmes. It will also inform the design of the NDA's poverty eradication programmes.

For producing credible research outcomes, the NDA works in partnership with state research and academic institutions to develop a research enquiry that has credibility and trust by senior managers and policy makers of the state. It must also be trusted by the civil society and private sector for participating in lobbying efforts to proposed development policy changes. It is for this reason that the engagements and dialogue forums are attended by stakeholders in all the sectors of the economy. Continuous policy improvements are essential to improve developmental interventions outcomes. The poverty eradication outcomes have worsened instead of showing improvement over the past decade, this may be

contributed by lack of coordinated and collaborated lobby for changes. Current approaches to measure and review performance of policies are sporadic and fragmented where different interest groups do not converge and use common platforms to lobby for development policy enhancements, and adjustments of implementation plans. Evaluations are important to measure evidence of implementation and provide the best practice and lessons that can be learned to improve implantation and/or adjusting the development policy requirements.

It is for this reason that the NDA has redefined the research programme to provide reliable evidence and information to guide the development programme of the NDA. It will also use the evaluation capacity to continuously measure outcomes and impact of these programmes. The DDM approach provides an environment to gather evidence on the development programmes implemented within the DDM environment, it also provides a useful platform to evaluate the effect of these development interventions. Both the research and evaluations will have a feedback loop to the DDM structures having access to information which will be useful for improvements in policies and the design of implementation plans. Furthermore, it will also provide feedback on outcomes and lessons that can be used to improve the implementation. The focus of the research in the current annual plan and the Medium Term Strategic Framework (MTSF) will be on the programmes and projects that are focusing on poverty reduction. Baseline studies need to be undertaken to track the outcomes and impacts.

PART C:
MEASURING OUR PERFORMANCE

PART C: MEASURING OUR PERFORMANCE

5 Institutional Programme Performance Information

PROGRAMME 1: GOVERNANCE AND ADMINISTRATION

Purpose: This programme promotes and maintains organisational excellence and sustainability through effective and efficient administration. The programme is made up of several support functions and is responsible for the development of strategy, organisational planning and reporting, compliance to legislation, prescripts, and policies, sound financial management systems and human resource management and organisational development, safe operational environment including infrastructure required for staff, creating enabling operational environment through agile ICT systems and promoting and protecting the NDA brand.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Output	Output indicator	Audited/actual performance			Estimated performance (2022/23)	Medium-term targets		
			2019/20	2020/21	2021/22		2023/24	2024/25	2025/26
Good governance	Irregular, Fruitless and Wasteful (IFW) expenditure report	Percentage of cumulative IFW expenditure submitted for condonation	New indicator	0%	56.30%	80%	90% of cumulative IFW expenditure submitted for condonation	90% of cumulative IFW expenditure submitted for condonation	90% of cumulative IFW expenditure submitted for condonation
	Supplier payment Report	Percentage of invoices paid within 30 days of receipt	New indicator	New indicator	New indicator	New indicator	95% of invoices paid within 30 days of receipt	95% of invoices paid within 30 days of receipt	95% of invoices paid within 30 days of receipt

PART C: MEASURING OUR PERFORMANCE

Outcome	Output	Output indicator	Audited/actual performance			Estimated performance (2022/23)	Medium-term targets		
			2019/20	2020/21	2021/22		2023/24	2024/25	2025/26
	Internal Audit turnaround plan progress report	Percentage of prior year audit findings resolved	New indicator	New indicator	New indicator	New indicator	80% of prior year audit findings resolved	90% of prior year audit findings resolved	100% of prior year audit findings resolved
	Preferential Procurement report	Percentage implementation of preferential procurement targets for designated groups as per the SCM policy	New indicator	New indicator	New indicator	New indicator	80% implementation of preferential procurement targets for designated groups as per the SCM policy	90% implementation of preferential procurement targets for designated groups as per the SCM policy	100% implementation of preferential procurement targets for designated groups as per the SCM policy
	ICT Electronic tool for grant funding projects assessment and review reports produced	Electronic grant funding assessment and review tool deployed	New indicator	New indicator	New indicator	New indicator	Deployment of the electronic grant funding assessment and review tool	N/A	N/A
	ICT Security strategy	ICT Security strategy approved and implemented	New indicator	New indicator	New indicator	New indicator	Prioritized cyber security corrective measures (Phase 1) implemented	Prioritized cyber security corrective measures (Phase 2) implemented	Prioritized cyber security corrective measures (Phase 3) implemented

Outcome	Output	Output indicator	Audited/actual performance			Estimated performance (2022/23)	Medium-term targets		
			2019/20	2020/21	2021/22		2023/24	2024/25	2025/26
	HR Policies	Number of Human Resources policies reviewed and approved	New indicator	New indicator	New indicator	New indicator	12 Human Resources policies reviewed and approved	28 Human Resources Policies approved	Human Resources Policies implemented
	Training Report	Number of staff training interventions conducted for staff development	New indicator	New indicator	New indicator	New indicator	12 staff training interventions conducted	Assessment of staff competency levels acquired	Review staff skills levels against the NDA business model requirements
	Profiling report	Number of NDA projects profiled to market the work of the NDA	New indicator	New indicator	New indicator	New indicator	9 profiled NDA projects	12 profiled NDA projects	15 profiled NDA projects

Outcomes, Outputs, Performance Indicators and Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of cumulative IFW expenditure submitted for condonation	90% of cumulative IFW expenditure submitted for condonation	Referral of identified and assessed IFW expenditure cases to the Loss Control Committee	Compilation of the determination reports by the Loss Control Committee	Implementation of Loss Control Committee determination report recommendations by NDA Management	Submission of 90% of IFW expenditure for condonation by the relevant authority
Percentage of invoices paid within within 30 days of receipt	95% of invoices paid within 30 days of receipt	95% of invoices paid within 30 days of receipt	95% of invoices paid within 30 days of receipt	95% of invoices paid within 30 days of receipt	95% of invoices paid within 30 days of receipt

PART C: MEASURING OUR PERFORMANCE

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of prior year audit findings resolved	80% of prior year audit findings of resolved	NDA prior year audit turnaround plan developed	40% of prior year audit findings resolved	60% of prior year audit findings resolved	80% of prior year audit findings resolved
Percentage implementation of preferential procurement targets for designated groups as per the SCM policy	80% implementation of preferential procurement targets for designated groups as per the SCM policy	80% implementation of preferential procurement targets for designated groups as per the SCM policy	80% implementation of preferential procurement targets for designated groups as per the SCM policy	80% implementation of preferential procurement targets for designated groups as per the SCM policy	80% implementation of preferential procurement targets for designated groups as per the SCM policy
Electronic grant funding assessment and review tool deployed	Deployment of the electronic grant funding assessment and review tool	Development of grant proposal assessment and review tool	Deployment of grant proposals assessment and review tool	Grant proposals assessment and review implemented by committees	Grant proposals assessment and review implemented by committees
ICT Security strategy approved and implemented	Prioritized cyber security corrective measures (Phase 1) implemented	Implementation plan for the ICT Security strategy developed	Cyber Security policy approved Cyber security awareness training conducted	Prioritized cyber security corrective measures (Phase 1) implemented	Prioritized cyber security corrective measures (Phase 1) implemented
Number of Human Resources policies reviewed and approved	12 Human Resources Policies reviewed and approved	Legislative assessment of policy requirements for Human Resources	12 Human Resources Policies drafted	Draft Human Resources Policies consulted with internal stakeholders	12 Human Resources Polices approved by the Board
Number of staff training interventions conducted for staff development	12 staff training interventions conducted	2 staff training interventions conducted	6 staff training interventions conducted	10 staff training interventions conducted	12 staff training interventions conducted
Number of NDA projects profiled to market the work of the NDA	9 profiled NDA Projects	2 profiled NDA Projects	5 profiled NDA Projects	7 profiled NDA Projects	9 profiled NDA Projects

EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

The NDA will give effect to the outcome of "Good Governance" by focusing on putting mechanisms in place to drastically reduce Irregular, Fruitless and Wasteful expenditure. Equally there will be a sharp focus in ensuring that the internal machinery of the organisation is enabled to perform at its best through capacitated personnel and in an ICT environment characterized by top-notch cyber security.

Percentage (%) of cumulative IFW expenditure submitted for condonation

The business process for the implementation of the KPI is as follows:

(a) SCM compiles an IFW register and refer the register to the office of the CEO, then CEO will assign or refer the matter to the Loss Control Committee (LCC) an independent structure comprising of independent members who are not officials of the entity, appointed by the Chief Executive Officer, who is charged with the task of collecting information, confirming the facts and losses, and or referring Contracts for investigation if it suspects any possibilities of fraudulent, corrupt or criminality emanating from the incurrence of irregular expenditure. The team is to investigate the matter.

(b) The referral by the CEO to the Loss Control Committee is for the Committee to determine if there is a loss or not associated and to determine the type of loss. The determination test must be completed within 30 days.

(c) Upon receipt of the referral by the CEO, the LCC then conducts a determination test including the confirmation of the following:

(i) Root causes of non-compliance;
(ii) Employee/s responsible;
(iii) Loss suffered;
(iv) Breakdown of internal controls;
(v) Possibility of fraud, corruption, criminal conduct emanating from the transaction.

(d) Finally, the LCC compiles a report with the recommendations on the appropriate remedial action and the appropriate consequence management to be implemented for each case. The following are the possible consequences which may flow from any Irregular Fruitless and Wasteful transaction:

(i) A misconduct case,
(ii) A civil claim for recovery of a loss, this will only arise in case where it can be shown that the NDA suffered a loss because of the IFW transaction,
(iii) A referral of the matter to the law enforcement agencies for criminal investigation and this will arise in contracts where a formal investigation indicates a suspicion of crime, fraud, or corruption.

(e) The Reports of the LCC with recommendations are submitted to the CEO for implementation.

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(f) Depending on the nature of the recommended consequence management, the CEO will refer contracts to the relevant line functionary for implementation namely:

    (i) All misconduct contracts are referred to HR for processing;

    (ii) Recovery Contracts are referred to Legal Services; and

    (iii) Criminal, fraud, and corruption allegations are referred to Risk Management.

(g) The reports from the LCC, together with the proof of implementation of remedial action and consequence management, is submitted to Finance and Finance prepares an application for condonation to either National Treasury or the Accounting Authority.

Implementation of ICT Security Strategy

At the core of NDA's service delivery model, current and future, as well the achievement of NDA's performance objectives, is enabled technology. The NDA's legislative mandate also obligates the NDA, through ICT, to create and maintain a database of CSOs. Not only is technology a legislative imperative, but it is also critical to the attainment of most of the identified key priorities i.e., strengthening CSO capacity to deliver on the NDA mandate, strengthening the NDA's institutional capacity as well as the implementation of its business model. It is for this reason that the NDA must embark on a digital transformation journey and have integrated digitalised operations and processes for efficiency and productivity, the sharing of creditable and accurate information, enhancement of visibility and to make informed decisions.

The increased use of technology brings positive improvements for service delivery but also brings increased ICT security vulnerability. Therefore, adequate ICT security controls on all the ICT platforms and infrastructure are necessary to safeguard the environment and ultimately ensure business continuity in case of any type of cyber-attacks. The KPI seeks to adopt an integrated approach to information security and to strengthen the risk controls by conducting risk assessments, identifying gaps and developing an ICT Cybersecurity strategy.

Implementation of Skills Audit Recommendations

One of the key priorities identified for the NDA is to strengthen institutional capacity. To further support this priority, the NDA will concentrate on organisational development with specific focus on human resources development by implementing skills training as identified in the Competency Framework and a comprehensive Skills Audit to support of the Agency's Annual Performance Plan and Turnaround Strategy. In particular, this intervention is directly aimed at enhancing the effectiveness of employee performance and consequently the Annual Performance Plan.

In 2021, the NDA identified the need to develop a Competency Framework and conduct a comprehensive Skills Audit, the outcome of this exercise resulted in the identification of Skills Intervention Categories and a Competency Framework with three main domains namely:

1. Applied Knowledge - the thoughtful integration of academic knowledge and technical skills, put to practical use in the workplace.
2. Effective Relationships - the interpersonal skills and personal qualities that enable individuals to interact effectively with clients, co-workers, and supervisors.
3. Workplace Skills - the abilities, analytical and organisational skills, and understandings that employees need to successfully perform work tasks.

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The gaps identified were grouped into 30 categories across the three Competency domains, of which to date, 18 have been implemented. Thus, the Output Indicator for the current year seeks to further narrow the skills gap and lay the foundation for organisational readiness for change. The new business model will necessitate a revised Competency Framework which will supplement the already developed competencies.

Reviewed Human Resources Policies

Effective HR policies and procedures will also contribute to strengthening institutional capacity by ensuring compliance with relevant employment legislation, improved internal controls and the management of various risks associated with employment practises. The rationale for the inclusion of this Output Indicator is also to support the desired culture that will support the implementation of the new business model and positively impact organisational performance and institutional coherence. The identification of policies to be prioritised for review sought to cover the employee life cycle model, which traces employees' path in the organisation from entry to exit. Correspondingly, the core phases in the employee life cycle are attraction, development, performance, recognition, retention and ultimately termination and the policies to be reviewed are grouped as such. In addition, this approach will also consolidate several policies which are related and should be part of the same policy.

Updated key Risks

Outcome	Key Risks	Risk Mitigation
Good Governance	Non-compliance with regulatory requirements and legislations	• Develop and implement a compliance management process and regular reporting of compliance to oversight structures
	Delay in the approval, funding and implementation of the Turnaround Strategy	• Engage the NDA Board and consult extensively with key stakeholders

PROGRAMME 2: CIVIL SOCIETY ORGANISATIONS DEVELOPMENT

Purpose: This programme designs and implements programmes and projects that respond to poverty eradications through sustainable livelihoods. The programme uses a combination of interventions to support efforts to eradicate poverty in poor communities. The key interventions target is those people that have no means of creating gainful income from economic activities to support their own sustainable livelihoods to escape poverty. The programme will use the DDM model architecture and mechanisms to deploy its development interventions to disadvantaged people using CSOs as a vehicle for delivering developmental projects to impoverished communities.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Output	Output indicator	Audited/actual performance			Estimated performance (2022/23)	Medium-term targets		
			2019/20	2020/21	2021/22		2023/24	2024/25	2025/26
Effective strategic partnerships to support poverty eradication programmes	Approved NDA Resource Mobilization Strategy document	NDA Resource Mobilization Strategy for poverty eradication approved by the Board	New indicator	New indicator	New indicator	Approval of NDA Strategic Partnership Model aligned to NDA business model	Board Approved NDA Resource Mobilisation Strategy for poverty eradication projects	Implementation of NDA Strategic Partnership Model & Resource Mobilisation Strategy	Implementation of NDA Strategic Partnership Model & Resource Mobilisation Strategy
	Resource Mobilisation Report	Rand value of resources raised for funding of CSOs	R55m	R15,7m	R54,5m	R35m	R50m raised	R100m	R200m

PART C: MEASURING OUR PERFORMANCE

Outcome	Output	Output indicator	Audited/actual performance			Estimated performance (2022/23)	Medium-term targets		
			2019/20	2020/21	2021/22		2023/24	2024/25	2025/26
Sustainable livelihoods for beneficiaries of NDA funded poverty eradications projects	Grant funding report	Number of poverty eradication CSOs funded by the NDA	New indicator	New indicator	New indicator	New indicator	100 poverty eradication CSOs funded	120 poverty eradication CSOs funded	150 poverty eradication CSOs funded
	Report with names of beneficiaries of income generation projects of the NDA	Number of beneficiaries participating in income generation projects	New indicator	2049 beneficiaries participating in income generation	750 beneficiaries participating in income generation	3000 beneficiaries participating in income generation projects	3000 beneficiaries participating in income generation projects	3500 beneficiaries participating in income generation projects	4000 beneficiaries participating in income generation projects
	Report with names of CSOs provided with skills development interventions to support NDA poverty eradication projects	Number of CSOs capacitated with skills to implement poverty eradication projects	New indicator	1114	2558	2000	2500 skilled CSOs	3000 skilled CSOs	3500 skilled CSOs
	Skills development report for beneficiaries of NDA poverty eradication projects	Number beneficiaries capacitated with skills to implement poverty eradication projects	New indicator	New indicator	New indicator	New indicator	5000 skilled beneficiaries	6000 skilled beneficiaries	7000 skilled beneficiaries

Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
NDA Resource Mobilization Strategy for poverty eradication approved by the Board	Board approved NDA Resource Mobilisation Strategy for poverty eradication projects	Research exercise on funding streams in the sector	Develop a database of funders for the sector	Develop Solicitation Plan/ Fund-raising Plan	Develop stewardship plan/ relationships maintenance plan Resource Mobilization Strategy approved by the Board
Rand value of resources raised for funding of CSOs	R50m raised for funding of CSOs	R5m raised	R10m raised	R30m raised	R50m raised
Number of poverty eradication CSOs funded by the NDA	100 poverty eradication CSOs funded	25 CSOs funded	50 CSOs funded	75 CSOs funded	100 CSOs funded
Number of beneficiaries participating in income generation projects	3000 beneficiaries participating in income generation projects	750	1500	2000	3000
Number of CSOs capacitated with skills to implement poverty eradication projects	2500 skilled CSOs	500	1000	1500	2500
Number of beneficiaries capacitated with skills to implement poverty eradication projects	5000 skilled beneficiaries	1250	2500	3750	5000

EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

Programme 2 is the core programme of the NDA's operations. It is the programme that implements the organisations' development activities. It has the key outcome of creating sustainable CSOs that provide development services to deprived communities and demographics. The NDA's core development outcome is to create self-sufficient and self-reliant communities through focused interventions. In order to do this, the NDA through its outputs will strive towards increasing job opportunities, increasing the CSO's income and empowering CSOs through focused development interventions in the areas of capacity building and grant funding. The outcome of self-sufficient and self-reliant communities will be achieved should the outputs be successfully achieved, which will in turn contribute to achieving the sole impact of reduced levels of poverty in South Africa.

Resource Mobilisation Strategy

The goal of the Resource Mobilisation Strategy is to position the National Development Agency as an investment destination to the business sector, philanthropists, international donor community for the advancement of community development and the eradication of poverty. This is to ensure the sustainability of the Entity, where the strategy will be used as a strategic tool pulling resources to real needs of CSOs on the ground which enables them to carry out developmental projects within isolated or distressed communities. The Strategy will seek to improve the delivery of aid and corporate social investment, concentrating on delivering greater volumes in a better targeted, more predictable and coordinated fashion and in close partnership with recipients.

Rand value of resources raised

The budget cuts are proof that the NDA cannot depend solely on the allocation from the fiscus. Section 4 of the NDA Act does empower the NDA to raise funds for the furtherance of development work in communities. The NDA will therefore earnestly focus its efforts on the development of a Revenue Generation Model which will encapsulate and detail the alternative funding sources and the various plausible strategies to be employed to raise funds from the identified sources in order to lessen the dependency on the National Treasury allocation.

Number of Civil Society Organisations funded

The NDA's grant funding approach to CSOs is aimed at developing the organisations to ensure they have capacities (human and financial) to deliver quality services to attract more funding based on their performance records. Through the grant funding process, the NDA will report on the number of CSOs funded and the amount of money granted to CSOs. In the long term, the NDA will, through outcome evaluations, seek to measure developmental change brought about by the grant funding.

All organisations funded through NDA funding for implementing programmes or projects should have been assessed for intervention needs and compliance with registration requirements, financial management record, accountability, capacity to implement and have a sustainability plan to ensure that the organisation will have the potential to grow and be sustainable.

PART C: MEASURING OUR PERFORMANCE

Number of work opportunities created

The 2023/24 APP will focus on increasing funding to CSOs programmes that are are creating job opportunities and sustainable livelihoods. The NDA, in collaboration with CSOs, will thus create job opportunities. These opportunities will mainly be derived from the grant funded cooperatives and income generation projects earmarked for funding and technical support.

Number of CSOs capacitated to increase their institutional capacity

Capacity building focuses on the strengthening of institutional capacities of CSOs across all districts and local municipalities in nine provinces. The sub-programme entails organisational development for the CSOs to ensure that they have sound systems, processes and the capabilities to deliver quality services, and comply with good governance, accountability and reporting requirements of CSOs. The capacity-building interventions are provided through training, mentoring and incubation of all the CSOs assessed and requiring institutional capacity-building development.

Updated key Risks

Outcome	Key Risks	Risk Mitigation
Effective strategic partnerships to effect development goals	Lack of enthusiasm from strategic partners to commit resources	• Develop strong value proposition for all stakeholders • Implement NDA Strategic Partnership Model and Resource Mobilisation Strategy
Sustainable CSOs that provide development services to deprived communities and demographics	**Strategic** • Potential insufficient funding to implement development programmes affecting sustainability of projects • Donor agendas influencing CSO funding **Operational** • Misuse of funds by CSOs	• Implement and popularise the Turnaround Strategy and Business Case • Institute stringent monitoring mechanisms by NDA officials and reporting obligations by CSOs on usage of funds

PART C: MEASURING OUR PERFORMANCE

PROGRAMME 3: RESEARCH

Purpose: This programme is responsible for conducting evidence-based research and evaluations to inform debates and engagements on development policy and generating information on best practices for improving the NDA development programme's interventions. The outcome is to inform national development policy debates and engagements on issues relating to development and poverty eradication in general.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Output	Output indicator	Audited/actual performance			Estimated performance (2022/23)	Medium-term targets		
			2019/20	2020/21	2021/22		2023/24	2024/25	2025/26
	Research publications	Number of research publications produced to provide a basis for development policy	New indicator	5 research publications produced to provide a basis for development policy	5 research publications produced to provide a basis for development policy	3 research publications produced to provide a basis for development policy	3 research publications produced to provide a basis for development policy	3 research publications produced to provide a basis for development policy	3 research publications produced to provide a basis for development policy
	Policy briefs	Number of policy briefs submitted to relevant stakeholders	New indicator	New indicator	New indicator	New indicator	3 policy briefs submitted to relevant stakeholders	3 policy briefs submitted to relevant stakeholders	3 policy briefs submitted to relevant stakeholders
	Dialogue reports	Number of dialogues held with relevant stakeholders	New indicator	5 Dialogues held with relevant stakeholders	5 Dialogues held with relevant stakeholders	5 Dialogues held with relevant stakeholders	2 dialogues held with relevant stakeholders	3 dialogues held with relevant stakeholders	3 dialogues held with relevant stakeholders

PART C: MEASURING OUR PERFORMANCE

Outcome	Output	Output indicator	Audited/actual performance			Estimated performance (2022/23)	Medium-term targets		
			2019/20	2020/21	2021/22		2023/24	2024/25	2025/26
Appropriate development policy through thought leadership	Evaluation reports	Number of evaluations conducted to inform programme design and implementation	New indicator	3 Evaluations Conducted to inform programme design and implementation	3 Evaluations Conducted to inform programme design and implementation	3 Evaluations Conducted to inform programme design and implementation	3 Evaluations Conducted to inform programme design and implementation	3 Evaluations Conducted to inform programme design and implementation	3 Evaluations Conducted to inform programme design and implementation
	Multi-year evaluation plan	Approved Multi-year evaluation plan	New indicator	New indicator	New indicator	New indicator	Multi-year evaluation plan approved	Multi-year evaluation plan implemented	Multi-year evaluation plan implemented
	Concept Document	Concept document on Economic pathways out of poverty approved	New indicator	5 Dialogues held with relevant stakeholders	5 Dialogues held with relevant stakeholders	5 Dialogues held with relevant stakeholders	Approved Concept Document on economic pathways out of poverty	Phased implementation of the economic pathways report recommendations	Phased implementation of the economic pathways report recommendations

PART C: MEASURING OUR PERFORMANCE

Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of research publications produced to provide a basis for development policy	3 research publications produced to provide a basis for development policy	Project Plan and Methodology for research studies	1 Research publication to provide a basis for development policy	2 Research publications to provide a basis for development policy	3 Research publications to provide a basis for development policy
Number of policy briefs submitted to relevant stakeholders	3 policy briefs submitted to relevant stakeholders	-	1 Policy brief submitted to relevant stakeholders	2 Policy briefs submitted to relevant stakeholders	3 Policy briefs submitted to relevant stakeholders
Number of dialogues held with relevant stakeholders	2 Dialogues held with relevant stakeholders	-	1 Dialogue held with relevant stakeholders	-	2 Dialogues held with relevant stakeholders
Number of evaluations conducted to inform programme design and implementation	3 Evaluations conducted to inform programme design and implementation	Project Plan and Methodology for evaluation studies	1 Evaluation conducted to inform programme design and implementation	2 Evaluations conducted to inform programme design and implementation	3 Evaluations conducted to inform programme design and implementation
Approved multi-year evaluation plan	Multi-year evaluation plan approved	Draft Evaluation policy developed and consulted	Evaluation policy approved	Draft Multi-year evaluation plan developed and consulted	Multi-year evaluation plan approved
Concept document on Economic pathways out of poverty approved	Approved Concept Document on economic pathways out of poverty	Report on causes of poverty produced	Literature review on viable economic pathways out of poverty conducted	Draft Concept document on economic pathways out of poverty consulted with management	Concept Document on economic pathways out of poverty approved by the Board

EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

Programme 3 will contribute to reducing the levels of poverty in South Africa, by focusing on influencing development policy through thought leadership. The outcome of the programme is to produce research and thought leadership that solely aims to influence development policy. There are 2 distinct outputs that directly contribute to the outcome. The first is to produce research outputs that shape policy development processes and outcomes, and the second one is to organise and conduct dialogue engagements to influence social, economic and development policies in South Africa. The influence on policy development and aligning industry practices to the best practices will both directly impact the development of strategies and programmes aimed at the reduction of poverty in South Africa.

Number of Research Publication Produced

The Research Unit has a responsibility of conducting research work in response to the Secondary Mandate of the NDA. The Unit has planned to conduct 3 research studies as guided by the Research Agenda of the NDA in the 2023/24 financial year. The three research studies are focused on three developmental priority areas: Economic transformation and job creation; Effect of quality of education, skills and social behaviour; and the creation of an enabling environment for the CSOs.

Number of Policy Briefs submitted to relevant stakeholders

The Research Unit produces policy briefs from the research work that is undertaken on an annual basis. The policy briefs form the basis of policy engagements, dialogues and debates that the Unit should have with external stakeholders. The policy briefs make it easy to read and for reference to those who were not part of the research study in advancing the debates and dialogue, that should influence development policy. In 2023-24 financial year, the Research unit will produce 3 policy briefs from the research studies.

Number of dialogues held with relevant stakeholders

As part of influencing development policy, the Research Unit hosts dialogues which take different forms from physical to web based dialogues. Lately, the Unit hosts its dialogues in the form of Webinars. In 2023/24 the Research Unit's Knowledge Management sub-Unit will host 2 Dialogues to debate development policies. These Webinars will be drawn from the research reports that will be produced by the Research Unit.

Number of evaluations conducted to inform programme design and implementation

The Monitoring and Evaluation Unit conducts the evaluation studies to assess the performance of NDA-funded programmes in achieving their objectives. In the 2023/24 FY, the Unit will conduct 3 evaluation studies focusing on three areas: Capacity Building Programme of the NDA; the Due Diligence processes of Grant Funding Process; and the evaluation of the DDM Pilot Project. The results of these evaluations will assist in improving the design and implementation of NDA-funded programmes and projects.

PART C: MEASURING OUR PERFORMANCE

Approved multi-year evaluation plan

The M&E Unit will develop the multi-year evaluation plan and have it approved by the Board. This plan will enable the M&E Unit and the Agency in general to conduct well-coordinated evaluation work. The evaluation plan will be used to plan for the evaluation studies as well assist in planning and budgeting for the future evaluation studies of the Agency. This plan will enable all NDA staff to make inputs into the studies that need to be conducted by Agency. The plan will be updated on an annual basis to formulate the new topical areas and have the budget adjusted accordingly. The plan must be approved by the Board by at least the 4th quarter of the 2023/24 Financial Year.

Updated key Risks

Outcome	Key Risks	Risk Mitigation
Appropriate development policy through thought leadership	Limited involvement in facilitating engagement and debates between government, civil society and private sector on development policy	Develop and implement processes, responsibilities and plans around formal dialogues
	Limited use of research and evaluation findings by stakeholders	

PART C: MEASURING OUR PERFORMANCE

CONSOLIDATED BUDGET BY PROGRAMME FOR MTEF PERIOD

MTEF BUDGET 2024-2026

REVENUE	23-24 % of total	2021-22 ACT AUDITED OUTCOME	2022-23 BGT CURRENT YR (Incl. rollover)	%↑	2023-24 MTEC YR 1	%↑	2024-25 MTEC YR 2	%↑	2025-26 MTEC YR 3
Transfer allocation	99%	245 970 000	219 274 000	0,38%	220 116 000	4,49%	230 001 000	4,48%	240 305 000
Interest income	1%	2 708 135	4 774 452	-56%	2 083 626	4%	2 176 347	4%	2 273 848
Other income	0%	2 067 229	718 894	-	-	-	-	-	-
Transfer from accumulated funds (PY)		-	53 028 335		-		-		-
TOTAL REVENUE	100%	250 745 364	277 795 681	-20,0%	222 199 626	4,49%	232 177 347	4,48%	242 578 848

Actual/ Projected Average CPI

	5,90%	7,20%	4,42%	4,45%	4,48%

SURPLUS/ DEFICIT		2021-22 ACT AUDITED OUTCOME	2022-23 BGT CURRENT YR (Incl. rollover)	%↑	2023-24 MTEC YR 1	%↑	2024-25 MTEC YR 2	%↑	2025-26 MTEC YR 3
Revenue		250 745 364	277 795 681	-20%	222 199 626	4,49%	232 177 347	4,48%	242 578 848
Less: Expenditure		204 779 813	277 795 681	-20%	222 199 626	4%	232 177 347	4%	242 578 848
Surplus		**45 965 551**	-	-	-	-	-

EXPENDITURE BY PROGRAMME (employee costs extracted)	23-24 % of total	2021-22 ACT AUDITED OUTCOME	2022-23 BGT CURRENT YR (Incl. rollover)	%↑	2023-24 MTEC YR 1	%↑	2024-25 MTEC YR 2	%↑	2025-26 MTEC YR 3
Programme 1 - Governance & Admin	21%	39 917 122	57 912 646	-21%	46 035 445	5%	48 551 244	6%	51 229 595
Programme 2 - CSO Development	8%	19 464 832	67 876 659	-73%	18 141 800	3%	18 638 181	2%	19 036 819
Programme 3 - Development M & Research	2%	1 758 560	6 930 548	42%	4 018 159	4%	4 196 967	4%	4 384 947
Employee costs	69%	143 639 300	145 075 828	6,2%	154 004 222	4,41%	160 790 956	4,44%	167 927 488
TOTAL EXPENDITURE	100%	204 779 813	277 795 681	-20,0%	222 199 626	4,49%	232 177 347	4,48%	242 578 848
Employee costs - Mandate (Prog 2 & 3)	58%	77 696 303	82 240 849	6,6%	87 628 992	4,85%	91 878 294	4,45%	95 966 677
Employee costs - Admin	42%	65 942 997	62 834 979	0,9%	63 413 178	4,42%	66 214 538	4,45%	69 160 284
TOTAL EMPLOYEE COSTS	100%	143 639 300	145 075 828	4,1%	151 042 170	4,67%	158 092 832	4,45%	165 126 961

PART C: MEASURING OUR PERFORMANCE

EXPENDITURE BY ECONOMIC CLASSIFICATION

	23-24 % of total	2021-22 ACT AUDITED OUTCOME	2022-23 BGT CURRENT YR (Incl. rollover)	% ↑	2023-24 MTEC YR 1	% ↑	2024-25 MTEC YR 2	% ↑	2025-26 MTEC YR 3
Goods and services	26%	48 337 716	78 098 375	-26%	57 731 298	6%	61 461 043	3%	63 070 016
Capital expenditure	0%	-	2 522 100	-58%	1 067 277	4%	1 114 771	4%	1 164 712
Transfers to CSOs/ NPOs	4%	12 802 798	52 099 378	-82%	9 396 829	-6%	8 810 578	18%	10 416 633
Compensation of employees	69%	143 639 300	145 075 828	6%	154 004 222	4%	160 790 956	4%	167 927 488
TOTAL EXPENDITURE	**100%**	**204 779 813**	**277 795 681**	**-20%**	**222 199 626**	**4%**	**232 177 347**	**4%**	**242 578 848**

EMPLOYEE COSTS per programme

	23-24 % of total	2021-22 ACT AUDITED OUTCOME	2022-23 BGT CURRENT YR (Incl. rollover)	% ↑	2023-24 MTEC YR 1 4.42%	% ↑	2024-25 MTEC YR 2 4.45%	% ↑	2025-26 MTEC YR 3 4.48%
Employee costs - Prog 1 - Admin	46%	65 942 997	62 834 979	5,24%	66 127 698	4,41%	69 043 422	4,44%	72 109 427
Employee costs - Prog 2 - CSO Development	50%	71 959 032	75 946 380	7,04%	81 289 306	4,40%	84 869 579	4,44%	88 634 385
Employee costs - Prog 3 - Research	4%	5 737 271	6 294 469	4,65%	6 587 218	4,41%	6 877 955	4,44%	7 183 676
TOTAL EXPENDITURE	**100%**	**143 639 300**	**145 075 828**	**6,15%**	**154 004 222**	**4,41%**	**160 790 956**	**4,44%**	**167 927 488**

EXPENDITURE BY PROGRAMME (Including employee costs)

	23-24 % of total	2021-22 ACT AUDITED OUTCOME	2022-23 BGT CURRENT YR (Incl. rollover)	% ↑	2023-24 MTEC YR 1 4.42%	% ↑	2024-25 MTEC YR 2 4.45%	% ↑	2025-26 MTEC YR 3 4.48%
Programme 1 - Governance & Admin	50%	105 860 119	120 747 625	-7,11%	112 163 143	4,84%	117 594 666	4,88%	123 339 022
Programme 2 - CSO Development	45%	91 423 864	143 823 039	-31%	99 431 106	4,10%	103 507 760	4,02%	107 671 204
Programme 3 - Development M & Research	5%	7 495 831	13 225 017	-20%	10 605 377	4,43%	11 074 922	4,46%	11 568 623
TOTAL EXPENDITURE	**100%**	**204 779 813**	**277 795 681**	**-20%**	**222 199 626**	**4,49%**	**232 177 347**	**4,48%**	**242 578 848**

PART C: MEASURING OUR PERFORMANCE

EXPENDITURE BY COST LINE (Employee costs extracted)	23-24 % of total	2021-22 ACT AUDITED OUTCOME	2022-23 BGT CURRENT YR (Incl. rollover)	%↑	2023-24 MTEC YR 1 4.42%	%↑	2024-25 MTEC YR 2 4.45%	%↑	2025-26 MTEC YR 3 4.48%
PROG 1:	**21%**	**39 917 122**	**57 912 646**	-21%	**46 035 445**	5%	**48 551 244**	6%	**51 229 595**
Goods & services									
Marketing & comms	0%	699 227	1 818 360	-51%	889 800	4%	929 396	4%	971 033
Consulting fees	2%	4 018 176	13 044 318	-70%	3 866 316	4%	4 038 367	4%	4 219 285
IT costs	4%	6 142 224	7 911 556	15%	9 128 218	4%	9 534 423	4%	9 961 566
Audit fees	2%	4 319 612	4 738 273	4%	4 947 705	4%	5 167 878	4%	5 399 399
Depreciation	0%	3 259 006	-		-		-		-
Printing & stationery	1%	621 986	1 316 811	-14%	1 138 920	4%	1 189 601	4%	1 242 896
Telephone	0%	156 299	127 194	45%	185 026	4%	193 260	4%	201 918
Repairs & maintenance	1%	1 040 703	924 893	52%	1 401 905	4%	1 464 289	4%	1 529 890
Seminars, workshops, conferences	0%	292 185	385 000	33%	512 180	4%	534 972	4%	558 939
Operating leases	5,0%	11 160 386	10 466 028	7%	11 173 710	9%	12 136 408	9%	13 183 372
Municipal rates and taxes	1,2%	2 244 706	1 074 733	140%	2 579 959	4%	2 694 767	4%	2 815 492
Office set-up/ Relocation of offices	0,3%	845 385	2 141 678	-71%	621 299	4%	648 947	4%	678 020
Travel & accommodation	2,1%	3 302 367	6 022 812	-22%	4 680 490	4%	4 888 772	4%	5 107 789
Stakeholder management	0,2%	-	950 000	-51%	469 890	4%	490 800	4%	512 788
Board & committee remuneration	0,5%	337 854	1 624 779	-29%	1 149 434	4%	1 200 583	4%	1 254 370
Capex	0,5%	-	2 522 100	-58%	1 067 277	4%	1 114 771	4%	1 164 712
Miscellaneous	1,0%	1 477 006	2 844 111	-22%	2 223 316	5%	2 324 010	4%	2 428 126
PROG 2:	**8,2%**	**19 464 832**	**67 876 659**	-73%	**18 141 800**	3%	**18 638 181**	2%	**19 036 819**
CSO Mobilisation (including DDM)	0%	1 576 681	5 188 095	-92%	412 603	122%	913 952	2%	936 352
Capacity building	2%	2 917 113	5 071 949	2%	5 148 154	9%	5 586 147		5 836 406
Resource mobilisation	0%	29 925	95 000	-100%	-		-		-
Grant funding	4%	12 802 798	22 099 378	-57%	9 396 829	-6%	8 810 578	18%	10 416 633
Volunteer programme	0%	-	30 000 000		-		-		-
Digitisation	0%	-	2 275 053	-100%	-		-		-
Project Monitoring & Support	1,4%	2 138 315	3 147 184	1%	3 184 214	5%	3 327 504	-44%	1 847 428
PROG 3:	**2%**	**1 758 560**	**6 930 548**	-42%	**4 018 159**	4%	**4 196 967**	4%	**4 384 947**
Research studies	1%	1 335 926	3 972 978	-51%	1 953 703	4%	2 040 643	4%	2 132 064
Monitoring & evaluation	1%	422 634	2 782 570	-36%	1 777 301	4%	1 856 391	4%	1 939 513
Knowledge management & dissem.	0,1%	-	175 000	64%	287 155	4%	299 933	4%	313 370
EMPLOYEE COSTS	**69%**	**143 639 300**	**145 075 828**	6%	**154 004 222**	4%	**160 790 956**	4%	**167 927 488**
TOTAL EXPENDITURE	**100%**	**204 779 813**	**277 795 681**	-20%	**222 199 626**	4%	**232 177 347**	4%	**242 578 848**

PART D:
TECHNICAL INDICATOR DESCRIPTIONS

PART D: TECHNICAL INDICATOR DESCRIPTIONS

PROGRAMME 1: GOVERNANCE AND ADMINISTRATION

Indicator Title	Percentage of cumulative IFW expenditure submitted for condonation
Definition	The indicator will measure the total value of Irregular, Fruitless & Wasteful (IFW) Expenditure submitted to the relevant approval authority for condonation
Source of Data	Irregular, Fruitless and Wasteful Expenditure reports
Method of Calculation/Assessment	Total value of IFW cases submitted in 2023/24 / Total value of IFW cases as of 2022/23
Means of verification	Irregular expenditure reports
Assumptions	The organisation is regularly audited and the outcome of the audit is accessible
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative year to date
Report Cycle	Quarterly
Desired Performance	Reduced percentage of irregular, fruitless and wasteful expenditure as of 2023/24
Indicator Responsibility	Chief Executive Officer (Supported by all Executives)

Indicator Title	Percentage of invoices paid within 30 days of receipt
Definition	This indicator only relates to payments of goods and services made within 30 days of receipt
Source of Data	30 Days Payment Report
Method of Calculation/Assessment	The number of invoices received / The number of invoices paid within 30 days of receipt
Means of verification	30 Days Payment Report
Assumptions	Invoices are submitted on time and are of required quality
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative year to date
Report Cycle	Quarterly
Desired Performance	Adherence to payment period of invoices
Indicator Responsibility	Chief Financial Officer

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Percentage of prior year audit findings resolved
Definition	The indicator will report on the percentage of prior year (2022/23) audit findings resolved
Source of Data	Internal Audit Report
Method of Calculation/Assessment	Number of audit findings for 2022/23 / Number of (2022/23) findings resolved
Means of verification	Internal Audit Report
Assumptions	The audit will be concluded on time to allow for enough time to implement remedial measures
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative year to date
Report Cycle	Quarterly
Desired Performance	Reduced number of findings
Indicator Responsibility	Chief Audit Executive

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Percentage implementation of preferential procurement targets for designated groups as per the SCM policy
Definition	The indicator will measure the implementation of the preferential procurement targets for different designated groups as defined in the SCM policy
Source of Data	PPPFA Report
Method of Calculation/Assessment	Rand value spent per designated group / Total spent on goods and services for the period
Means of verification	PPPFA Report
Assumptions	The suppliers for designated groups will meet the procurement criteria and compliance requirements
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative year to date
Report Cycle	Quarterly
Desired Performance	Economic growth and participation of designated groups
Indicator Responsibility	Chief Financial Officer

Indicator Title	Electronic grant funding assessment and review tool deployed
Definition	The indicator will develop an electronic tool for the assessment and review of grant funding proposals
Source of Data	Report on the grant funding electronic assessment tool
Method of Calculation/Assessment	Simple count
Means of verification	Report on the grant funding electronic assessment tool
Assumptions	The stakeholders will participate fully in the process of developing the tool
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative year to date
Report Cycle	Quarterly
Desired Performance	Digital platform for assessment of grant funding proposals
Indicator Responsibility	Corporate Services Executive

Indicator Title	ICT Security strategy approved and implemented
Definition	This indicator will measure the approval of the ICT Security Strategy and the implementation of prioritized cyber security corrective measures (Phase 1)
Source of Data	Implementation Report
Method of Calculation/Assessment	Simple count
Means of verification	• Implementation Report • EXCO Minutes
Assumptions	Participation of stakeholders in the process
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative
Report Cycle	Quarterly
Desired Performance	Completion of Phase 1 of the ICT strategy
Indicator Responsibility	Executive: Corporate Services

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Number of Human Resource policies reviewed and approved
Definition	A set of policies that have been reviewed and approved by the Board
Source of Data	Board Minutes; Policy documents
Method of Calculation/Assessment	Simple count
Means of verification	• Board Minutes • Policy documents
Assumptions	Stakeholders will be available to engage on the consultation processes
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative
Report Cycle	Quarterly
Desired Performance	To foster efficiency and effectiveness in NDA's operations by reviewing the policies
Indicator Responsibility	Executive: Corporate Services

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Number of staff training interventions conducted for staff development
Definition	This indicator measures the number of interventions members of staff have been sent for their development
Source of Data	Training Report
Method of Calculation/Assessment	Simple count
Means of verification	Training Report
Assumptions	Employees will be available to attend training
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative
Report Cycle	Quarterly
Desired Performance	To develop skills of employees
Indicator Responsibility	Executive: Corporate Services

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Number of NDA projects profiled to market the work of the NDA
Definition	This indicator will profile the NDA supported projects and market the NDA using any form of media
Source of Data	Profile reports; proof of media marketing
Method of Calculation/Assessment	Simple count
Means of verification	Profile reports; proof of media marketing
Assumptions	Project members will be available for project profiling
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative-year-to-date
Report Cycle	Quarterly
Desired Performance	To improve the brand of the NDA
Indicator Responsibility	Executive: Corporate Services

PROGRAMME 2: CIVIL SOCIETY ORGANISATION DEVELOPMENT

Indicator Title	NDA Resource Mobilization Strategy for poverty eradication approved by the Board
Definition	The KPI aims to develop a resource mobilisation strategy to guide the engagements between the NDA and funders
Source of Data	Approved Resource Mobilisation Strategy
Method of Calculation/Assessment	Simple Count
Means of verification	• Approved Resource Mobilisation Strategy • Board Minutes
Assumptions	The stakeholders will attend the consultation sessions
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative
Report Cycle	Quarterly
Desired Performance	To develop a resource mobilisation strategy will improve collaboration between the NDA and the development partners
Indicator Responsibility	Senior Manager: Stakeholder Relations

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Rand value of resources raised for funding of CSOs
Definition	The KPI aims to mobilise and secure financial commitments from third parties towards supporting development initiatives implemented by civil society organisations
Source of Data	• Signed Funding agreements • Letters of commitment
Method of Calculation/Assessment	Aggregation of rand value commitments made by third parties
Means of verification	• Signed Funding Agreements • Letters of commitment
Assumptions	Funders will commit to funding community development interventions
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative-year-to-date
Report Cycle	Quarterly
Desired Performance	Secure financial resources from third parties
Indicator Responsibility	Chief Operations Officer

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Number of poverty eradication CSOs funded by the NDA
Definition	The KPI will report on the number of CSOs approved for grant funding in 2023/24 financial year
Source of Data	• Grant Funding Report • Board Minutes
Method of Calculation/Assessment	Simple Count
Means of verification	• Grant Funding Report • Board Minutes • Age analysis report
Assumptions	Grant funding process does not take longer than anticipated due to the quality of the proposals; approval is secured on time to allow for timeous distribution to CSOs
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative-year-to-date
Report Cycle	Quarterly
Desired Performance	To provide financial resources to organisations for the furtherance of their developmental needs
Indicator Responsibility	Chief Operations Officer

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Number of beneficiaries participating in income generation projects
Definition	This KPI refers to work opportunities created out of which remuneration benefit was derived from the NDA or third party funded projects
Source of Data	Appointment Letters
Method of Calculation/Assessment	Simple Count
Means of verification	• Monitoring reports • Appointment Letters
Assumptions	CSO development interventions lead to the creation of work opportunities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative-year-to-date
Report Cycle	Quarterly
Desired Performance	Increase in work opportunities created
Indicator Responsibility	Chief Operations Officer

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Number of CSOs capacitated with skills to implement poverty eradication projects
Definition	These are CSOs that have been trained on any of the training areas provided in CSO Management in order to strengthen their institutional capacity.
Source of Data	Attendance Register
Method of Calculation/Assessment	Simple Count
Means of verification	• Monitoring reports • Attendance Register
Assumptions	Availability of CSOs for training
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative-year-to-date
Report Cycle	Quarterly
Desired Performance	CSOs acquire necessary knowledge and skills that lead to effective management of their organisations and implementation of their programs
Indicator Responsibility	Chief Operations Officer

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Number beneficiaries capacitated with skills to implement poverty eradication projects
Definition	These are beneficiaries that have been trained on any of the training areas provided in CSO Management in order to strengthen their capacity.
Source of Data	Attendance Register
Method of Calculation/Assessment	Simple Count
Means of verification	• Monitoring reports • Attendance Register
Assumptions	Availability of individuals for training
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative-year-to-date
Report Cycle	Quarterly
Desired Performance	Individuals to acquire necessary knowledge and skills that lead to effective management of their organisations and implementation of their programs
Indicator Responsibility	Chief Operations Officer

PART D: TECHNICAL INDICATOR DESCRIPTIONS

PROGRAMME 3: RESEARCH

Indicator Title	Number of research publications produced to provide a basis for development policy
Definition	Research reports are study reports produced by the NDA on several thematic areas and they are used to inform discourses around the development of policy by government on community development strategies and programmes
Source of Data	Research publications
Method of Calculation/Assessment	Simple count
Means of verification	Research publications
Assumptions	Research publications are of accepted quality standards
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative year to date
Report Cycle	Quarterly
Desired Performance	Production of a new body of information and knowledge informing effective social, economic and development polices and practice
Indicator Responsibility	Executive: Development Management & Research

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Number of policy briefs submitted to relevant stakeholders
Definition	This KPI refers to the policy briefs that will be submitted to NDA Stakeholders in preparation for the dialogue sessions
Source of Data	• Policy Briefs • Proof of submission
Method of Calculation/Assessment	Simple Count
Means of verification	• Policy Briefs • Proof of submission
Assumptions	Research will be concluded on time to allow for timeous submission of policy briefs
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative year-to-date
Report Cycle	Quarterly
Desired Performance	Distribution policy briefs to enable robust discussions during dialogue sessions
Indicator Responsibility	Executive: Development Management & Research

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Number of dialogues held with relevant stakeholders
Definition	This KPI refers to dialogues to present research findings and recommendations to NDA Stakeholders
Source of Data	Dialogue Reports
Method of Calculation/Assessment	Simple Count
Means of verification	Dialogue Reports
Assumptions	Participation of relevant stakeholders in dialogues
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative year-to-date
Report Cycle	Quarterly
Desired Performance	Sharing of research results and fostering of possible policy changes
Indicator Responsibility	Executive: Development Management & Research

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Number of evaluations conducted to inform programme design and implementation
Definition	Evaluation study is the documentation of programme facts indicating the performance of NDA programmes over the intervention term and they constitute the study methodology, findings, interpretation and recommendations on the overall NDA programmes performance.
Source of Data	Evaluation Reports
Method of Calculation/Assessment	Simple Count
Means of verification	Evaluation Reports
Assumptions	Evaluation reports are of acceptable quality standards
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative year-to-date
Report Cycle	Quarterly
Desired Performance	Appropriate and desired evaluations that are used in informing NDA programme planning, design and implementation processes
Indicator Responsibility	Executive: Development Management & Research

PART D: TECHNICAL INDICATOR DESCRIPTIONS

Indicator Title	Approved multi-year evaluation plan
Definition	This KPI seeks to develop an evaluation plan to identify the different types of evaluation that will be undertaken over a set period to improve programme design and implementation
Source of Data	• Multi-year evaluation plan • Board Minutes
Method of Calculation/Assessment	Simple Count
Means of verification	• Multi-year evaluation plan • Board Minutes
Assumptions	The stakeholders will participate in the development of the multi-year evaluation plan
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative year-to-date
Report Cycle	Quarterly
Desired Performance	Development of evaluation plan to guide the NDA in its evaluation approach for different programmes
Indicator Responsibility	Executive: Development Management & Research

Indicator Title	Concept document on Economic pathways out of poverty approved
Definition	This KPI seeks to develop a concept document on economic pathways out of poverty
Source of Data	• Concept Document • Board Minutes
Method of Calculation/Assessment	Simple Count
Means of verification	• Concept Document • Board Minutes
Assumptions	Timeous conclusion of study and cooperation from stakeholders
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative
Report Cycle	Quarterly
Desired Performance	Development of concept document to guide the NDA on economic pathways to use in subsequent years
Indicator Responsibility	Executive: Development Management & Research

Annexure A: Amendment to the Strategic Plan

The NDA has made changes to the Strategic Plan 2020/21 – 2024/25. The changes effected in the Strategic Plan are not material enough to warrant the re-tabling of the Strategic Plan, hence the amendment to the Strategic Plan is being made through this Annexure.

The changes in *Part C: Measuring NDA's Performance* have been made primarily to refine and improve the measurability of the outcomes, indicators, baseline and targets in *Section 9.2. Measuring Outcomes*. It should be noted that two Outcome Indicators have been removed from the Strategic Plan on the basis that; 1. Amendment of the NDA Act is the competency of the Department of Social Development, whilst 2. The Research Agenda has been fully achieved; the focus is therefore on disseminating the research outputs through formal dialogues.

The revised outcomes, outcome indicators, baseline and the targets in the Strategic Plan are shown below:

Outcome	Outcome Indicator	Baseline	Five-Year Target
Good Governance	Effective systems in place to achieve good governance	Unqualified audit with findings	Unqualified audit without findings (Clean Audit)
		Interim Accounting Authority	Appointment of a permanent Board
Effective strategic partnerships, to effect development goals	Resources raised from NDA partnerships to fund CSO development interventions	R55m	R275m raised from NDA strategic partners
Sustainable CSOs that provide development services to deprived communities and demographics	Civil Society Organisations capacitated by NDA	New Indicator	3000 CSOs capacitated
	Disburse funds raised for CSOs to poverty eradication initiatives	New Indicator	80% of all funds raised for CSOs are disbursed to poverty eradication initiatives
Appropriate development policy through thought leadership	Formal development dialogues to promote changes to development policy	5 formal dialogues	20 formal development dialogues to promote changes to development policy

NOTES

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