# REPUBLIC OF KENYA

## THE PRESIDENCY

## EXECUTIVE OFFICE OF THE PRESIDENT

## OFFICE OF THE DEPUTY CHIEF OF STAFF AND DEPUTY HEAD OF PUBLIC SERVICE

# GUIDANCE FOR PREPARING THE 13TH CYCLE (FY 2016/2017) PERFORMANCE CONTRACTS

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## LIST OF ACRONYMS

| | |
|---|---|
| ADA | Alcohol and Drug Abuse |
| AIDS | Acquired Immuno-Deficiency Syndrome |
| AGPO | Access Government Procurement Opportunities |
| AO | Accounting Officer |
| ASP | Aids Strategic Plan |
| BKBK | Buy Kenya Build Kenya |
| BOM | Board of Management |
| CAJ | Commission on Administrative Justice |
| CEO | Chief Executive Officer |
| CIC | Constitution Implementation Commission |
| CS | Cabinet Secretary |
| DA | Drug Abuse |
| DCS | Deputy Chief of Staff |
| DPSM | Directorate of Public Service Management |
| EACC | Ethics and Anti-Corruption Commission |
| EAP | Employee Assistance Program |
| EDMS | Electronic Document Management System |
| FY | Financial Year |
| HIV | Human Immuno Virus |
| HODs | Heads of Department |
| ICT | Information and Communication Technology |
| ICTA | Information Communication and Technology Authority |
| IEC | Information, Education and Communication |
| IFMIS | Integrated Financial Management Information System |
| IPRS | Integrated Population Registration System |
| ISMS | Information Security Management System |
| ISO | International Standards Organization |
| KASF | Kenya AIDS Strategic Framework |
| KENAO | Kenya National Audit Office |
| KENAS | Kenya National Accreditation Services |
| KICD | Kenya Institute of Curriculum Development |
| KLRC | Kenya Law Reform Commission |
| KNEC | Kenya National Examinations Council |
| KPIs | Key Performance Indicators |
| KRA | Kenya Revenue Authority |

| | |
|---|---|
| MCDAs | Ministries, Counties, Departments and Agencies |
| MDAs | Ministries, Departments and Agencies |
| MTPII | Medium Term Plan II |
| NACADA | National Authority for the Campaign against Alcohol and Drug Abuse |
| NACC | National AIDS Control Council |
| NACSC | National Anti-Corruption Campaign Steering Committee |
| NCPWD | National Council for Persons with Disabilities |
| NITA | National Industrial Training Authority |
| NPC | National Policing Commission |
| ODPP | Office of the Director of Public Prosecution |
| PC | Performance Contract |
| PPRA | Public Procurement Regulatory Authority |
| PS | Principal Secretary |
| PWDs | Persons with Disabilities |
| SCAC | State Corporation Advisory Committee |
| SGR | Standard Gauge Railway |
| SUD | Substance Use Disorder |
| TVET | Technical, Vocational, Education and Training |
| UFAA | Unclaimed Financial Assets Authority |

## 1.1. Preamble

The Performance Contracting Guidance is aimed at revamping the process to facilitate development of an efficient performance management tool through which quarterly and annual performance data is collected from all MDAs implementing Government development programs and projects. It is an important tool for documenting, managing and reporting on project and programme performance. It enables timely and consistent collection of comparable performance data for making management decisions.

Performance contracts will facilitate self – evaluation and allows MDAs to systematically collect and analyze performance information to track progress toward achievement of deliverables and results. Through this process, MDAs will demonstrate whether they are concentrating scarce resources to create impact and address most fundamental problems that are confronting our people.

The guidance was developed in a participatory manner with input from MDAs, independent experts and Performance Contracting team in a stakeholder's forum held in June 2016. Issues discussed and approved during the forum were incorporated into the guidance. The PC has been revised and streamlined to minimize the reporting burden by MDAs and improve the quality and utility of the information. Additional information of Key performance indicators is contained in the annexes. The PC is aimed at validating the President's priorities and MDA mandates. The PC facilitates social cohesion, and sustainable social and economic growth that is inclusive and equitable.

The Performance Contracting team would like to thank participants from several institutions who participated on the workshop in June 2016 at the School of Government to review the

guidance for FY 2016-17. Please accept our sincere thanks for sharing your knowledge and experience with us that enriched the guidance.

Our expectation is that the PC process will be a catalyst for stimulating inclusive double digit growth and help the Government to achieve 100% of its campaign promises. We hope that the PC process will lead to more sustainable and effective programs that improve the lives of the Kenyan people.

## 1.2. INTRODUCTION:

The Performance Contracts (PC) this fiscal year will review and advance progress toward achievements of Government projects and programmes by utilizing data collected by MDAs to validate strategic approaches developed during FY 2015-16. In addition, it will identify additional areas for support by examining emerging opportunities for increased efficiency and effectiveness of investment.

The purpose of the PC is to provide an objective assessment of results realized and challenges experienced by MDAs that impair performance. Teams preparing the PC should note that the PC is not intended to demonstrate only the positive aspects of a MDAs performance. A key primary focus of the PC is on executing the core mandate of each MDA.

MDAs should note that Performance Contracts will concentrate and focus on the President's key priorities. It will assess the status of pledges given by the Government and achievements. The process will emphasize the President's vision of building a strong and prosperous nation, a nation on the path of progress, a nation on the move that is rapid and impressive enough to attract the attention of international investors.

Through this process, we will to embrace and deepen devolution. Since the new regime took over power in 2013, it committed to setting the stage for equitable access to resources and opportunity and to bring government services closer to Kenyans. Consequently Government's commitment to devolution has meant that every year the government transfers at least double the constitutional minimum of 15% of shareable revenues to the counties.

Enhancing the delivery and quality of education through digital learning is a key priority of the government. One laptop per child will not only increase computer literacy but create a level playing field, for children from all walks of life in Kenya to access

opportunities presented by the digital era. This will open a new world of connection and innovation to the Kenyan child.

The government is committed to building more kilometres of than were built in the first 50 years of our independence. This will be achieved through implementation of the ambitious Roads Annuity Programme that will provide thousands of kilometres of low-volume tarmac roads to Kenya's rural communities. The government is also constructing world-class standard gauge railway (SGR). The SGR will be extended to Naivasha, and eventually to the port of Kisumu, then the Border town of Malaba. This will open up more than half of the country to increased domestic and regional trade. The Government is undertaking massive rehabilitation and expansion of the Mombasa port. The Government has completed the expansion of two additional shipping berths at Kilindini, doubling our total handling capacity to 1.6 million twenty-foot containers per year.

The government is connecting an additional 1.2 million Kenyans to electricity in their homes and places of work. The Government's street lighting initiative is expected by mid-2016 to have completed the installation of 26,000 new streetlights across 5 counties. The Last Mile Initiative Programme will be extended to another 50 towns across the country. These efforts will lead to improved security and make the dream of 24-hour economy a reality.

The proper healthcare of every Kenyan remains a core priority of this administration. Towards this end, the government has continued to invest heavily in health care programmes. To date, the free maternity programme has doubled the number of Kenyans who have access to affordable maternal healthcare from 600,000 in 2013 to 1.2 million in 2016.The Government launched Managed Equipment Services programme so that Kenyans can find the care they need, at prices they can afford, in places accessible to them. The programme is equipping two hospitals, at levels four and five, in each county with state-of-the-art equipment. The intention is to have levels four and five hospitals meet the functions required of them.

Agricultural development remains the most reliable platform to launch the country into industrialization. Many industries in Kenya are agro-based. The demand for agricultural products is not yet fully met. Technologies that promote agriculture and industry accelerate national growth. Agriculture must do its part to make Kenya a newly-industrialised, middle income country within a decade. The government is pursuing a transformation strategy through industry, technology and innovation to drive expansion of opportunity, additional production and increased incomes. The Government will continue to promote the competitiveness of commercially-oriented agriculture. This will be achieved through utilization of modern and efficient agricultural technologies.

The Government will invest in technology and expand water and irrigation projects to protect our agriculture from seasonal fluctuation and adverse weather patterns by supplementing rain-fed farming. Other agricultural transformation activities will involve myriad initiatives cutting across several sectors. The Government is committed to supporting farmers and agriculture entrepreneurs to gain access to markets, finance and insurance, improving access to modern machinery and other agriculture technology, and increasing value addition and agro-processing.

The Government recognizes the central role of education in national development. Education is a gateway to opportunities and benefits of economic and social development. Achievement of our national goals and aspirations demand a more sophisticated labor force for a knowledge-based economy. Consequently, the government has prioritized education of our children for the current and future development of our country. The Government has invested heavily in free primary school which has resulted into increase in enrolment. It is also keen to reform technical training institutions and has invested heavily in technical and vocational training. Currently there are 70 TVET colleges under construction. Once these are complete they will double the country's capacity to handle over 100,000 students — enough to seriously reduce the

number of our young people who, after KCSE, do not find places in institutions of higher learning.

The PC process will review and validate that most vulnerable Kenyans have received unprecedented support under the Inua Jamii cash-transfer programme. In the last year alone, 725,000 households drawn from every constituency in the country have received 17.4 billion shillings in bi-monthly cash transfers. That sum eases their lives, restores their dignity, and fulfils the promise of our self-government.

Technology and the ability to innovate it, and use it to transform business is a critical objective pursued by the government. The Kenyan youth must be empowered and equipped to be future-ready. In recognition of this need, the government is supporting technology innovation hubs and equipping them with appropriate technical skills to make them employable.

The government is also pursuing a goal of increasing uptake of local content in public service provision through the Buy Kenya, Build Kenya Initiative. Performance indicators and targets for measuring local content have been included in the guidance. The PC process will therefore validate the achievements made and challenges.

The Government is implementing specific strategies to deal with national security challenges, and has made a number of crosscutting multi-sectoral interventions. These include: review of security related Legislation, Roll-out of a Collaborative approach to counter terrorism, and an Integrated Command and Control Centre. The Government has also undertaken National Police Service Reforms, Reforms in the National Administration, Reforms in Immigration Services, Correctional Services, Peace building and conflict management, and Citizens' Participation in Security. Other reforms include the Integrated Population Registration System (IPRS), operationalization of the Asset Recovery Agency, integrated border management programmes, Inter-agency collaboration in investigation and prosecution, multi-agency team on eradication of

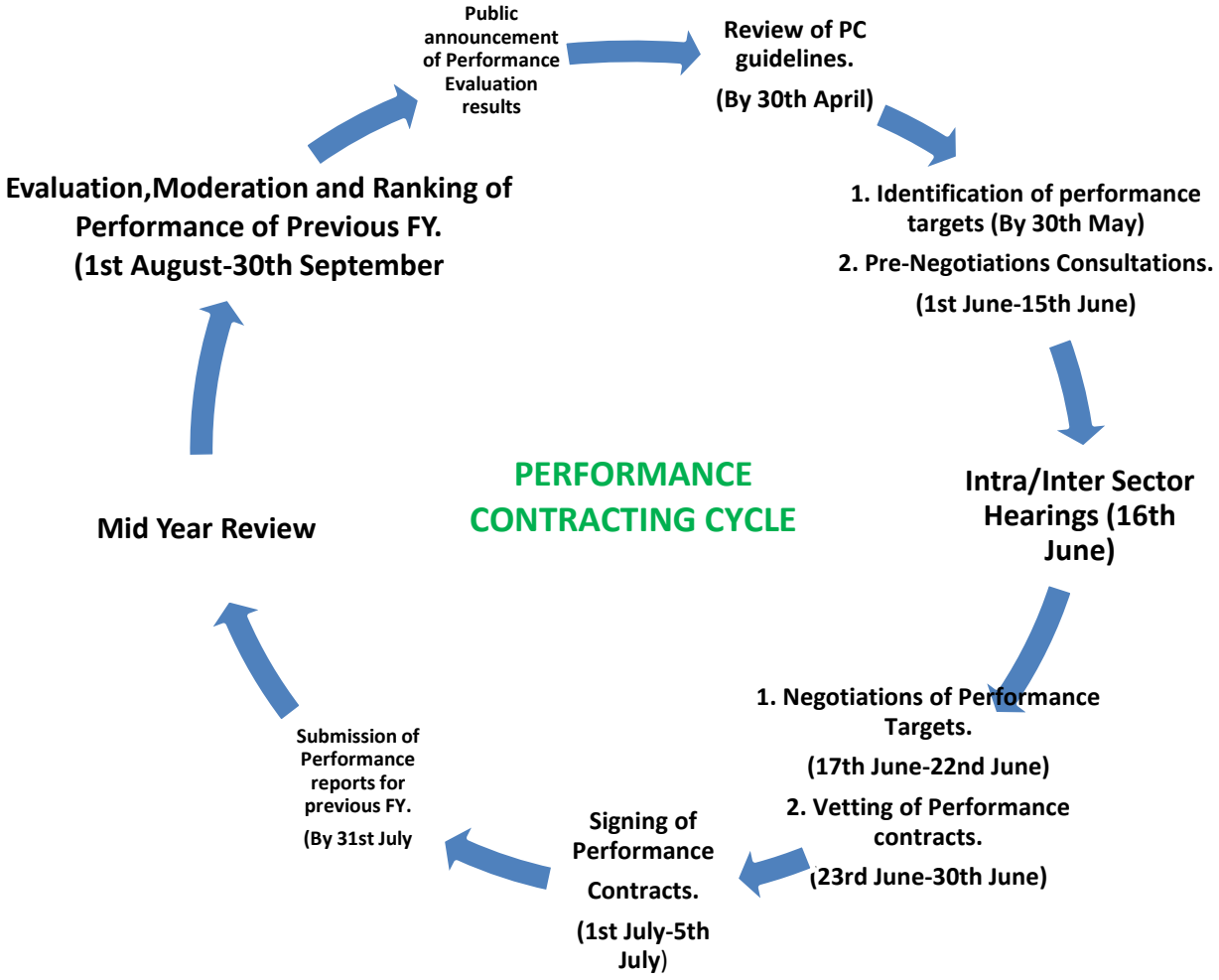
corruption and regional and international initiatives. The newly launched National Police Service, Communications and Surveillance Command Centre is a noteworthy illustration in this regard. This facility is the nucleus of the government's strategy to leverage the benefits of technology to improve both the efficiency and effectiveness of the security services.

The PC will emphasize the use of data to improve decision-making and to enhance program focus and achievement of results. It incorporates the quarterly review and annual data analysis and scoring and ranking of MDAs. It is an on-going dialogue between Executive Office of the President and MDAs throughout the year that routinizes data collection and use.

We would like to emphasize that the PC team drew from the valuable feedback received from MDAs, Independent External Experts and other partners during the stakeholder's forum. We have incorporated many of the suggestions for improvement and clarification into the guide. As we focus our energies to the preparation of the FY2016-17 PC, MDAs should note we welcome additional comments and suggestions on how to improve and strengthen the PC process in future.

## 1.3. Performance Contracts Timeline

The chart below presents the performance contracts cycle and timeline:



# PART 2: KEY ELEMENTS OF PERFORMANCE CONTRACTING

## 2.1 The Performance Contracting Process

Performance Contracting is a process that seeks to enhance the performance of MDAs, in order to make them more accountable and enhance prudent use of resources in provision of quality services to citizens. It involves the use of independent external experts to ensure public participation, objectivity and ownership. The process entails: Review of Performance Contracting Guidelines; Identification of Performance targets; Pre-negotiations Consultations; Intra/ Inter Sector hearings; Negotiations of Performance Targets; Vetting of Performance Contracts; Signing of Performance Contracts; Implementation and execution of the contracts; monitoring and reporting; Mid-year review; real time Performance Evaluation; and Public announcement of the Performance Evaluation Results.

### 2.1.1 Review of PC Guidelines

This Performance Guidance is developed to:

a) Ensure clarity, harmony and standardized approach that enable the MDAs improve achievement of set targets in accordance with national priorities;
b) Align targets to Vision 2030, Medium Term Plan (MTP), Presidential priority projects and programmes, Sector Performance Standards (SPS) and Sustainable Development Goals (SDGs);
c) Streamline MDAs performance indicators and targets in relation to performance expectations, mandate, vision, mission and strategic objectives;

d) Help develop unity of purpose for MDAs;
e) Enhance inter- sectoral collaboration and communication; and
f) Capture and update emerging issues pertaining to the Public Sector Performance.

This guidance will be reviewed annually to incorporate emerging issues and factor in lessons learnt with a view to improving the process in the following year. The review further provides an opportunity to address gaps in implementation of projects and programs based on the outcomes and impact of previous PC Cycles. This exercise will be spearheaded by the Office of Performance Management and Coordination through consultative fora involving MCDAs and stakeholders.

## 2.2 Vision, Mission and Strategic Objectives

This part of the PC defines the desired future and the purpose for which the Organization exists. The information should be drawn from its mandate and the strategic direction. MDAs should clearly state their vision and mission statements; and strategic objectives as provided in the strategic plan.

Strategic objectives should be few and drawn from the current strategic plan of the MDA**.** The Performance Contract (PC) should be anchored on Presidential Priorities as articulated in Jubilee manifesto, the Medium Term Plan II (MTP II), the Kenya Vision 2030, the Sector Performance Standards and linked to Sustainable Development Goals.

## 2.3 Role, Commitments and Obligations of Government and other Governing Entities

### 2.3.1 Commitments and Responsibilities of the Governing Body

The performance contract is signed between the Government represented by H.E. the President and the Cabinet Secretary at the first level and is cascaded to the Principal Secretaries / Board / Council / Commissions in case of State corporations for implementation by the technical staff.

For the technical staff to effectively deliver on the contract, the governing body (Cabinet Secretary / Board of Directors / Commission/ Council) must make commitments on facilitation to the implementers.

This part outlines the responsibilities of the governing body and the support it is required to provide to the various levels of the institution towards effective implementation of the performance contract.

### 2.3.2 Commitments and Obligations of the Government

For the MDA to deliver on its part, it requires specific commitments from the Government. This part outlines the commitments of the Government to the MDA. This refers to the support required from Government, which is not within the powers of MDAs. These include among others acknowledgement of receipts of correspondences, approval to requests and release of funds by the National Treasury. The commitments, however, should be largely facilitative, relevant and within the mandate of MDA.

### 2.3.3 Stakeholders Consultations, Negotiations and Sectoral Hearings

The process of performance contracts involves stakeholders consultation, negotiations, sectoral hearings and citizen participations. The stake holders' forum will be convened by the Office of Performance Contracting.

### 2.4.1 Pre-Negotiations Consultations

The Office of Performance Management and Co-ordination Contracting will lead a forum with the respective MDA to create a common understanding of the scope of operations, core business, finances, human resources, emerging issues and other factors which may affect performance.

### 2.4.2 Intra / Inter Sector Hearings

To cater for projects and programs whose implementation cuts across sectors, The Office of Performance Contracting shall convene intra and inter sector hearings. The hearings are meant to enhance coordination and collaboration within MDAs.

Intra-sector hearings will allow institutions within a sector to agree on areas of collaboration and coordination, and draw consensus on performance indicators, targets and timelines key to the performance of the sector and agree on any obligation required of an institution by any other party in the sector.

Inter-sector hearings will facilitate institutions in different sectors to agree on areas of collaboration, identify performance indicators, targets and timelines and agree on commitments/obligations required of an institution not in the sector. MDAs will be required to identify areas of collaborations, the timeframes, sequencing of implementation and budget commitments by the other institutions.

### 2.4.3 Negotiation of PC

The Office of Performance Management and Coordination Contracting will convene a forum for negotiations between independent teams of experts and the respective MDA to negotiate on the Performance contract. Negotiations ensure that performance indicators and targets are in line with priorities set by the government for each MDA, they support achievements of mandate of the organization and are aligned to Presidential priorities, MTP II, SPS, SDGs and the approved budget estimates for the period. The targets will form the basis for evaluating institutional performance as well as appraising individual performance.

The Parties should ensure that Performance targets:

(a) Resonate with public expectations;
(b) Demonstrate progressive achievement of the MTP II targets;
(c) Aspire to benchmark with international best practices;
(d) Fully aligned to budgets; and
(e) Be specific, realistic, simple, easily understood, attainable and measurable.

The finalized PC will be submitted to the Office of Performance Contracting and Coordination for Vetting by PC Team before signing.

MDAs should note that the performance contracts for all MDAs should be initiated by the negotiating parties before submission for vetting to Office of Performance Contracting and Coordination.

## 2.5 Vetting and Signing of Performance Contracts

### 2.5.1 Vetting of the Performance Contracts

All performance contracts should be vetted by the Office of Performance Contracting before signing. The negotiating parties should be represented during vetting of the contract. The purpose of vetting is to ensure:

a) Compliance with the performance contracts guidance;
b) Performance contract is anchored on MTP, Presidential priority projects and programmes, SPS, SDGs, MDA priority indicators and other national development priorities; and
c) Performance targets are realistic.

### 2.5.2 Signing of PCs

Once a performance contract is negotiated and vetted, it will be signed by contracting parties. Once the contract is signed and the targets vetted, it CANNOT be varied or altered without approval from the Office of Performance Contracting**.**

The signing of Performance Contract is done according to the schedule presented below:

**(I) Ministry/State Department**

| **Government** | **Ministry/State Department** |
|---|---|
| 1st Level – President | CS |
| 2nd Level – CS | PS |
| 3rd Level – PS | Directors/Heads of Department and Unit |

**(II) Departments of Police and Pensions**

| Government | Department |
|---|---|
| 1st Level - The President and CS In charge of Parent Ministry counter signs | -Inspector General of Police<br>-Director of Pensions |

## (III) State Corporation/Statutory Board

| Government | State Corporation/ Statutory |
|---|---|
| 1st Level - CS in charge of parent Ministry/State Department | - Chairperson, Board of Management<br>- Independent Director |
| 2nd Level – Board | Chief Executive Officer (CEO) |
| 3rd Level – CEO | Directors/Heads of Department |
| **Cabinet Secretary, National Treasury, counter-signs the PCs at the first level.** | |

## (IV) Public University

| Government | Public University |
|---|---|
| 1st Level - CS in -charge of parent Ministry/State Department | - Chairman, University Council<br>- Independent Council Member |
| 2nd Level - University Council | Vice-Chancellor |
| 3rd Level - Vice-Chancellor | Principals, Deans of Faculty and Heads of Institute |
| **Cabinet Secretary, National Treasury counter-signs the PCs at the first level.** | |

## (V) Tertiary Institutions

| **Government** | **Tertiary Institution** |
|---|---|
| 1st Level - CS Parent Ministry | Chairperson, BOM<br>Independent BOM Member |
| 2nd Level - Chairperson, BOM | Chief Principal |
| 3rd Level – Chief Principal | Heads of Department |

## PART 3: MDAs PERFORMANCE CONTRACTS ASSESSMENT TOOL

### 3.1. Overview of the Criteria

Evaluation of performance of MDAs will be undertaken through Balanced Scorecard Scoring methodology. The Scorecard contains performance indicators for monitoring implementation of the Jubilee Government priorities.

Key Performance Indicators (KPIs) and performance measures contained in the FY 2015-16 Performance Contracts will be used. The KPI measures the core mandate of the MDA and these will form the basis for scoring methodology for each MDA. MDAs working closely with MDAs staff will set targets for FY 2017(2016) and 2018(2017). Once the targets and actual values are entered into the system, a score is calculated based upon where the actual value is relative to the target. MDAs should note that additional guidance on KPIs is contained in the annexes.

Several sector discussions and validation meetings were held to ensure that a consensus was build with regard to identification of key result areas (KRAs) and performance standards. These KRAs are aligned with Medium Term Plan II and Vision 2030. For each key results area, performance indicators measuring the core mandate of the MDA will be identified to enable assessment of MDA performance.

The KRA performance indicators and associated targets form a framework for an effective performance management system that deliver quality services and builds public confidence and trust in the system.

The KRA performance indicators will be matched with respective implementation projects so as to orient performance indicators towards an action based approach to measurement. A correlation

between the performance of the projects and that of the indicators is tracked. The following table shows a high level summary of how an entire organizational scorecard can be presented with all scorecard items included as shown in the table below:

| Perspective | Key Result Areas/ Objectives | Performance Indicator | | | Project | | | |
|---|---|---|---|---|---|---|---|---|
| | | Name | Baseline | Target | Name | Start Date | End Date | Budget |
| 1.Financial Stewardship | KRA Name:<br>Description:<br>KRA Owner: | | | | | | | |
| Core Mandate of the MDA | KRA Name:<br>Description:<br>KRA Owner: | | | | | | | |
| Cross-Cutting Initiatives | 1.Implementation of Presidential Directives | | | | | | | |
| | 2.Access to Government Procurement Opportunities (AGPO) | | | | | | | |
| | 3.Buy Kenya Build Kenya | | | | | | | |

## 3.2. The Balanced Scorecard Methodology

The scorecard uses key performance indicators in the SPS, MTP 11 and MDAs Strategic Plan to monitor progress of Jubilee Government projects and programs. Data for KPIs will be collected monthly and analyzed quarterly. Based on the frequency of data collection by MDAs, several indicators will be updated by the system real time to enable faster decision making by the Executive.

The scorecard will track all the performance indicators in MDA performance contracts, MDA core mandate and priorities, and programmes and projects. In order to compare "apples" and "oranges", the scorecard application will translate all values to a score of between one and ten factoring in the thresholds (baseline and target values) provided by the MDA. Once the baseline and target values have been captured into the software, MDA users only need to provide actual values thereafter and the score computations are automatically worked out by the software.

The Scorecard normalization process allows software applications to roll up KPI scores to parent scorecard items (objectives, perspectives, organizations, parent organizations, etc.)

The overall score of the superior scorecard object will be determined by the average of the specific scores of the subordinate scorecard objects. The factors that influence the overall score include the score of the subordinate objects and the weight of each of the subordinate objects. The system will allow an equal weighting to is to all KPIs.

The Scorecard will provide feedback to senior management on MDAs progress towards the goals, vision and mission, strategy and status of KPIs. This will lead to faster data driven decision making.

### 3.3. The Traffic Light System

The colour attributed to a scorecard object is based on the normalized score that is generated by the system. In software application administration, there is a choice for how performance indicators will be scored. The score at the higher level relative to that choice will determine the color at the higher level.
A traffic light system will be used to assess performance for each MDA. The system shows where progress has been achieved and where challenges remain. This will enable efficient allocation of resources to tackle the challenges.

The traffic light model uses a three color chart as follows:

**Green:** On track. Performance indicator demonstrates positive trend toward achievement of target.

**Amber/Yellow:** Performance generally on track but with some minor issues. This shows that no increase or decrease from baseline value and improvement is required.

**Red:** Off track and requires major improvement. This implies that performance indicator shows a negative trend toward achievement of target. Major intervention by the MDA is required in order to improve performance.

The scorecard result for all MDAs will be analyzed and shared with MDAs real time.

### 3.4. Web-Based Performance Management System

The Executive Office of the President developed and released a web-based performance management and reporting tool to all MDAs. Relevant staffs from each ministry are expected to enter data into the input data files. The system will serve as the collection tool to improve the input and retrieval of data for all projects, programs and presidential directives.

With regards to presidential directives, The Executive Office of the President captures directives issued to MDAs through a tool that shows the status of each directive. It is the responsibility of the MDA contact persons to thereafter keep the status of these directives up to date since the same will be factored by the evaluation team when scoring MDAs.

The system is currently accessible by authorized personnel using the following online web address: **http://gprs.report**. To ensure only permitted personnel are allowed to access the tool, Staff in the Executive Office of the President will thereafter review the registration request, and where applicable, activate the respective user account. An email will then be sent to the MDA points of contact notifying them of a successful registration. Only then can the system allow a user to log in and access the performance data forms.

Helpdesk support is available to those who need assistance using the tool through helpdesk@gprs.report.

MDA staffs are required to populate input data forms and presidential directives every month as new data becomes available.

# PART 4: IMPLEMENTATION OF PERFORMANCE CONTRACTS AND QUARTERLY AND ANNUAL REPORTS

## 4.1 Implementation of Performance Contracts

MDAs should note that the implementation of performance contracts will begin as soon as the vetting of contracts is completed and signed. MDAs should ensure that implementation is not affected in any way by actual official signing. Implementation of PC starts with cascading PCs through signing with departments and downstream institutions.

## 4.2 Performance Monitoring and Reporting

### 4.2.1 Performance Monitoring

Performance monitoring refers to consistent measuring of performance of MDAs and providing ongoing feedback on the progress towards achieving goals. It entails comparing performance against targets and standards set.

The Office of Performance Management Contracting and Coordination in conjunction with MDAs will monitor PCs on quarterly basis to ensure that objectives are consistently met in an efficient and effective manner and that public institutions deliver services.

### 4.2.2 Mid-Year Review

The purpose of the Mid-Year Review is to track progress on achievement of PC targets and advise on mitigating actions on areas of underperformance. Mid-Year reviews will be undertaken in January-February under the Chairmanship of His Excellency the President. During these reviews, MDAs are required to:

a) Prepare for the Mid-Year Review Report and submit to office of Performance Management Contracting and Coordination, and
b) Ensure availability of verifiable evidence of achievements towards realization of the performance

targets in performance contracts.

### 4.2.3 End-of-Year Reporting

Performance reports will be prepared annually and submitted to the office of Performance Management (Contracting) and Coordination.

## 4.3 Performance Contract Evaluation

Performance Evaluation is the process of determining the extent of achievement of the set targets. This will be achieved through Corporate Balanced Score Cards and Dashboards. The score card will focus on awarding a score based on achievement of targets on programmes/projects and provides the basis for rewarding good performance and sanctioning non-performance.

### 4.3.1 Release of performance evaluation results

The performance evaluation results shall be released by H.E the President at the appropriate time.

## 4.4 Rewards and Sanctions

Rewards and sanctions form a critical aspect of performance management as they relate closely to motivation of staff. Results of performance evaluation form the basis for rewarding performing institutions and sanctioning non-performing institutions. Through cascaded performance contracts, individual performance can be rewarded or sanctioned.

## PART 5: SUBMISSION REQUIREMENTS AND FOLLOW-UP ACTIVITIES

### 5.1. Submission of Performance Contracts Data and Reports

The data for PC will be collected through the Government Performance Reporting System. The system is accessible to MDAs and requires MDAs to identify a point of contact who will be assisted by PC team to set up accounts to access the system. Please work with your PC team to ensure MDA Points of Contacts has appropriate access.

MDAs should note that performance contracts process generates reports which include quarterly reports, mid-year reports, end of year reports and performance evaluation reports. These reports form a database for decision making. Reports generated in the process of shall be submitted to H.E the President in the month of October.

These reports will be submitted based on the schedule below:

| TYPE OF REPORT | DATE REPORT DUE |
|---|---|
| **QUARTERLY REPORTS** | |
| 1ST Quarter | 15th October |
| 2ND Quarter | 15th January |
| 3RD Quarter | 15th April |
| 4TH Quarter | 15th July |
| Mid Year report | 15th March |
| Annual Performance Report | 31st July |

## 5.2: Follow-on Activities

Lessons learnt and challenges identified during execution of performance contracts shall be addressed through Capacity Building; Peer Review Mechanism for CSs, PSs, CEOs, Boards/, Councils/Commissions ; Bench Marking; and Consultative Meetings. The dates for these workshops and meetings will be communicated to MDAs through circulars.

# ANNEXES

## ANNEX 1: DEFINITIONS OF KEY TERMS

**Cascading of Performance Contracts –** the process of signing and implementing performance contracts with downstream institutions/departments/divisions/sections/units, levels and cadres of employees and grass-root institutions for targets that are specific to respective levels. It also entails signing of Performance Appraisal System (PAS) forms with officers in all cadres. Cascading of performance contract enables individual staff to link their performance to the achievement of strategic objectives of the organization.

**Chief Executive Officer –**refers to the executive head of a public institution and includes Cabinet Secretary, Attorney-General, Heads of Department for Ministries and Departments; Managing Director, Director-General, Commissioner-General, Director for State Corporations; Vice Chancellor of a Public University; and Principal/Head of a Tertiary Institution.

**Managers –** refers to any of the following governance arms:

- Cabinet Secretary/Principal Secretary/Accounting Officer
- Board of Directors/Management of a State Corporation;
- Council of a Public University;
- Board of Management/Council of a Tertiary Institution.

**Exogenous Factors –** Occurrences which cannot reasonably be planned for, controlled or predicted by the manager. These however, exclude factors which could have been pre-empted by meticulous planning, risk management or sensitivity analysis.

**Performance Matrix –** This is the core part of the performance contract and emanates from part two of the performance contract (obligation of the MDAs management).The performance matrix provides a framework for target setting and measurement criteria.

**Ministries, Departments and Agencies (MDAs) –** refers to public

institutions such as Ministry, Departments, State Corporations and Tertiary Institutions.

**Outcomes –** the results achieved at the intermediate level which are realized as a consequence of specific outputs. Where it is not possible to measure outcomes because of non-attribution or time frame involved, public institutions should use proxy indicators where applicable.

**Outputs -** comprise specific products or services (immediate results of an activity) in a given period.

**Parties to the Negotiations –** these are the representatives of the contracting parties and key stakeholder groups who take part in the negotiation of performance contracts. These include Independent External Experts, institutions' officials and representatives of lead agencies for cross cutting issues.

**Performance Criteria –** is a principle or standard for evaluating achievement, represented by a range of management perspectives on which performance of the manager is evaluated. Corporate Balanced Score Card and Dashboards will be used.

**Performance Evaluation –** The process of ascertaining the extent of achievement of the agreed performance targets using the performance evaluation methodology and instruments applied uniformly by Independent External Experts. This is confirmed by the evidence presented by MDAs.

**Performance Indicator –** A measurable value by which the performance of MDA is assessed.

**Performance monitoring and reporting –** Consistent tracking of performance and providing feedback to management, employees and work groups on their progress toward achieving set targets.

**Performance Target -** is the desired level of performance for a performance indicator.

**Sector Performance Standards –** refers to best international benchmarks which MDAs should align their indicators and targets and strive to achieve.

**Total Assets -** is the net sum of fixed assets, current assets, investments, work in progress and other tangible and intangible assets.

**Unit of Measure –** is a definite magnitude of quantity that will be used to measure the level of achievement of the performance indicator.

**Vetting** – is a quality assurance exercise undertaken by the Office of Performance Contracting and Coordination with the assistance of independent teams. The process of scrutinizing negotiated performance contracts to establish conformity to Performance contracts Guidance.

## ANNEX 2: MODEL PERFORMANCE CONTRACT FOR ALL MDAs

A Model Performance Contract and a Performance Contract Matrix for each category of public institutions form part of these guidelines. This guidance may also be downloaded from http://gprs.report. To ensure standardization, the model contract and matrix should not be amended or altered.

## ANNEX 2A: MODEL PERFORMANCE CONTRACT-MINISTRIES/STATE DEPARTMENTS

This Performance Contract (hereinafter referred to as "Contract") is entered into between the Government of the Republic of Kenya (hereinafter referred to as "GoK") represented by H.E. the President of P.O. Box ……Nairobi (together with its assignees and successors) of the one part, and the Cabinet Secretary, Ministry/State Department of ……(hereinafter referred to as the "the Cabinet Secretary), (together with its assignees and successors) of P.O. Box ……of the other part.

**WHEREAS;** The Government is committed to ensuring that public offices are well managed and are cost effective in delivering quality service to the public in line with provisions of the Constitution of Kenya;

The Government recognizes that Ministries/Departments hold a vital key to improving the quality of lives of Kenyans and making the country globally competitive;

The purpose of this performance contract is to establish the basis for ensuring that efficient and effective services are delivered to Kenyans in line with the provisions of the Constitution and by requiring MDAs to adopt human rights approach to service

delivery and focus on ensuring:

1. That systems are established for equality for all users of public services;
2. Impartiality and fairness in the process of delivery of public services;
3. Promotion of National Cohesion and National Values;
4. Continuity of public services under all circumstances;
5. Systems are established to enable innovativeness and adaptability of public services to the needs of users;
6. Achievement of professionalism and ethics in Public Service are achieved and maintained;
7. systems are established to promote and protect rights of users of public services and public servants as enshrined in the Bill of Rights;
8. Institutionalization of a culture of accountability, integrity, transparency and promotion of values and principles of public service;
9. a corruption free public service;
10. effective, efficient and responsible use of public resources, and;
11. Responsiveness by public servants in delivery of public services.

This contract therefore represents a basis for continuous performance improvement that meets the needs and expectations of the Kenyan people; and

**NOW THEREFORE,** the parties hereto agree as follows:

**Part I**

**Vision, Mission and Strategic Objectives**

(a) Vision of the Ministry/State Department

(b) Mission of the Ministry/State Department

(c) Strategic Objectives of Ministry/State Department

**Part II**

**Commitments and Responsibilities of Cabinet Secretary**

- Ensure that public services are delivered in accordance with the constitution;
- Ensure modernization of the Public Service by introduction of modern technologies and innovative service delivery systems to improve service delivery;
- Ensure that public officers demonstrate professionalism, transparency and accountability in performing their duties and that they show courtesy, integrity and neutrality in provision of service.

**Part III**

**Commitments and Obligations of the Government**

- Acknowledgement of receipt of correspondences is done within three (3) working days.
- Approval to requests made is granted within seven (7) working days.
- National Treasury releases approved budget in 3 days.
- Ensure that public officers suspected of corrupt practices step down to allow room for investigations.

**Part IV**

**Reporting Requirements**

Ministries/State Departments are required to submit their quarterly performance reports to the Performance Contracting Department for the purpose of monitoring progress and annual evaluation.

**Part V**

**Duration of the Performance Contract**

The Performance Contract will run for one financial year, from 1st July to 30th June.

**Part VI**

**Signatories**

NAME:……

Cabinet Secretary:……

Signature……

Date:……

H.E. the President:……

Signature……

Date:……

| | PERFORMANCE CRITERIA CATEGORY | UNIT OF MEASURE | WT | Status Previous Year (FY 2015/16) | Target (FY 2016/17) |
|---|---|---|---|---|---|
| A | **FINANCE & STEWARDSHIP:** Utilization of Allocated Funds | % | 6 | | |
| | A-in-A | Kshs | 2 | | |
| | Debt Management | Kshs | 1 | | |
| | Development Index | % | 1 | | |
| | **Weight Sub Total** | | **10** | | |
| B | **CORE MANDATE** | | | | |
| | Vision 2030 Flagship Projects/Programmes | % | | | |
| | MDA's priority Projects/Programmes (Outcomes aligned to SDGs and Sector Performance Standards (SPS) | % | | | |
| | Ease of Doing Business* | % | | | |
| | Project Completion Rate | % | 5 | | |
| | Revenue collection** | Kshs | 10 | | |
| | Development Index (NT) | % | 5 | | |
| | Release of funds by the NT | Time | 10 | | |
| | Release of funds by Ministries to downstream institutions | Time | 10 | | |
| | **Weight Sub Total** | | **70** | | |
| C | **CROSS-CUTTING** | | | | |
| | Customer Satisfaction | % | 1 | | |
| | Service Delivery Innovations | No | 1 | | |
| | Resolution of Public Complaints | % | 1 | | |
| | ISO Certification/Accreditation | % | 1 | | |
| | Automation | % | 1 | | |
| | Asset Management | % | 0.5 | | |
| | Youth Internships/industrial Attachments/Apprenticeships | No | 1 | | |
| | ***Empowerment of Youth, Women and Persons With Disabilities:*** | | | | |
| | Capacity Building | Report | 1 | | |

| | PERFORMANCE CRITERIA CATEGORY | UNIT OF MEASURE | WT | Status Previous Year (FY 2015/16) | Target (FY 2016/17) |
|---|---|---|---|---|---|
| | MoU for LPO/LSO financing | No. | 1 | | |
| | Uptake of 30% value of Tender awarded | Kshs | 1 | | |
| | Buy Kenyan Build Kenya-local content Capacity Building, Guidelines and Policies | % | 1 | | |
| | 40% Uptake | Kshs | 1 | | |
| | Compliance with the Constitution and other Statutory obligations | % | 0.5 | | |
| | Human Resource Management and Development:<br>Competency Development | % | 0.5 | | |
| | Knowledge Management | % | 0.5 | | |
| | Work Environment | % | 0.5 | | |
| | Prevention of Alcohol and Drug Abuse | % | 0.5 | | |
| | Prevention of HIV/AIDS Infections | % | 0.5 | | |
| | Safety and Security Measures | % | 0.5 | | |
| | Management of Pension | % | 1 | | |
| | Corruption Eradication | % | 1 | | |
| | Mwongozo code of conduct*** | % | 1 | | |
| | Implement measures to promote the realization of national values and national cohesion | % | 1 | | |
| | Implement commitments in the President's Annual Report on National Values and Principles of Governance | % | 1 | | |
| | **Weight Sub Total** | | **20** | | |
| | **Overall Total Weight** | | **100** | | |

*This is applicable to MDAs implementing ease of doing business indicators or are doing business process re-engineering.

**This is only applicable to MDAs that have a specific mandate of collecting revenue

***This is applicable to State Corporations and Tertiary Institutions. Ministries will have a weight of 2 in corruption.

## ANNEX2B: MODEL PERFORMANCE CONTRACT FOR STATE CORPORATIONS

This Performance Contract (hereinafter referred to as "Contract") is entered into between the Government of the Republic Kenya (hereinafter referred to as "GoK") through its Ministry of ……of P.O. Box …….Nairobi (together with its assignees and successors) of the one part, and the Board of Directors/Council of……*(Corporation/University)* (hereinafter referred to as the "the Board" /" The Council"), a State Corporation having its registered office at.. … (together with its assignees and successors) of P.O. Box ……..of the other part.

**WHEREAS;** The GoK is committed to clearly defining the working relationship between itself and the State Corporations;

The parties recognize the need for adequate and reasonable managerial and operational autonomy to facilitate achievement by the Board/Council and Management of ……*(Corporation)* of the agreed and freely negotiated performance targets set out in this Contract;

The parties are desirous of enhancing transparency in the management of public resources and accountability for results in line with the Constitution;

The purpose of this performance contract is to establish clarity and consensus about priorities for the Corporation's management in order to;

1. Ensure that systems are established for equality for all users of public services;
2. Ensure impartiality and fairness in the process of delivery of public services;
3. Ensure promotion of National Cohesion and

National Values;

4. Ensure continuity of public services under all circumstances;
5. Establish systems to enable innovativeness and adaptability of public services to the needs of users;
6. Ensure professionalism and ethics in Public Service is achieved and maintained;
7. Establish systems to ensure promotion and protection of rights of users of public services and public servants as enshrined in the Bill of Rights;
8. Institutionalize a culture of accountability, integrity, transparency and promotion of values and principles of public service;
9. Ensure a corruption free public service;
10. Ensure effective, efficient and responsible use of public resources, and
11. Ensure responsiveness by public servants in delivery of public services.

The Board/Council has indicated its capacity and competence to perform the duties and undertake the functions specified under this Contract; and

From this contract, should flow the program and management priorities of the State Corporation.

**NOW THEREFORE,** the parties hereto agree as follows:

**Part I**

**Vision, Mission and Strategic Objectives**

a) Vision of the State Corporation:

b) Mission of the State Corporation:

c) Strategic Objectives of State Corporation

**Part II**

**Commitments and Responsibilities of State Corporation (Board/Council/Management)**

- Ensure that public services are delivered in accordance with the constitution.
- Ensure modernization of the public service by introduction of modern technologies and innovative service delivery systems to improve service delivery;
- Ensure that public officers demonstrate professionalism, transparency and accountability in performing their duties and that they show courtesy, integrity and neutrality in provision of service.

**Part III**

**Commitments and Obligations of the Government**

This refers to support required from Government which is not already within the Corporation's mandate, such as,

- Ensuring resources are available for the achievement of agreed performance targets.
- Ensuring that public officers suspected of corrupt practices step down to allow room for investigations.

**Part IV**

**Reporting Requirement**

State Corporations are required to submit their quarterly performance reports to the Inspectorate of State Corporations and copy to Performance Contracting Department for the purpose of

monitoring progress of performance, and for annual evaluation of performance.

## Part V

## Duration of the Performance Contract

The PC will normally run for a period of 12 months from 1st July to 30th June. For those State Corporations whose financial year corresponds with the calendar year, the PC will run from 1st January to 31st December of every year. For those State Corporations whose financial year ends in March, the PC will run from 1st April to 31st March.

## Part VI

## Signatories

State Corporation:

Chairman…….

Date……

Independent Director……

Date……

Government:

Cabinet Secretary……
Date……

Counter-signed:

The National Treasury:

Cabinet Secretary……
Date……

| | PERFORMANCE CRITERIA CATEGORY | UNIT OF MEASURE | WT | Status Previous Year (FY 2015/16) | Target (FY 2016/17) |
|---|---|---|---|---|---|
| A | **FINANCE & STEWARDSHIP:** | | | | |
| | Utilization of Allocated Funds | % | 6 | | |
| | A-in-A | Kshs | 2 | | |
| | Debt Management | Kshs | 1 | | |
| | Development Index | % | 1 | | |
| | **Weight Sub Total** | | **10** | | |
| B | **CORE MANDATE** | | | | |
| | Vision 2030 Flagship Projects/Programmes | % | | | |
| | MDA's priority Projects/Programmes (Outcomes aligned to SDGs and Sector Performance Standards (SPS) | % | | | |
| | Ease of Doing Business* | % | | | |
| | Project Completion Rate | % | 5 | | |
| | Revenue collection** | Kshs | 10 | | |
| | Development Index (NT) | % | 5 | | |
| | Release of funds by the NT | Time | 10 | | |
| | Release of funds by Ministries to downstream institutions | Time | 10 | | |
| | **Weight Sub Total** | | **70** | | |
| C | **CROSS-CUTTING** | | | | |

| | PERFORMANCE CRITERIA CATEGORY | UNIT OF MEASURE | WT | Status Previous Year (FY 2015/16) | Target (FY 2016/17) |
|---|---|---|---|---|---|
| | Customer Satisfaction | % | 1 | | |
| | Service Delivery Innovations | No | 1 | | |
| | Resolution of Public Complaints | % | 1 | | |
| | ISO Certification/Accreditation | % | 1 | | |
| | Automation | % | 1 | | |
| | Asset Management | % | 0.5 | | |
| | Youth Internships/industrial Attachments/Apprenticeships | No | 1 | | |
| | ***Empowerment of Youth, Women and Persons With Disabilities:*** | | | | |
| | Capacity Building | Report | 1 | | |
| | MoU for LPO/LSO financing | No. | 1 | | |
| | Uptake of 30% value of Tender awarded | Kshs | 1 | | |
| | Buy Kenya Build Kenya-local content Capacity Building, Guidelines and Policies | % | 1 | | |
| | 40% Uptake | Kshs | 1 | | |
| | Compliance with the Constitution and other Statutory obligations | % | 0.5 | | |
| | Human Resource Management and Development: Competency Development | % | 0.5 | | |
| | Knowledge Management | % | 0.5 | | |
| | Work Environment | % | 0.5 | | |
| | Prevention of Alcohol and Drug Abuse | % | 0.5 | | |
| | Prevention of HIV/AIDS Infections | % | 0.5 | | |
| | Safety and Security Measures | % | 0.5 | | |
| | Management of Pension | % | 1 | | |
| | Corruption Eradication | % | 1 | | |

| | PERFORMANCE CRITERIA CATEGORY | UNIT OF MEASURE | WT | Status Previous Year (FY 2015/16) | Target (FY 2016/17) |
|---|---|---|---|---|---|
| | Mwongozo code of conduct*** | % | 1 | | |
| | Implement measures to promote the realization of national values and national cohesion | % | 1 | | |
| | Implement commitments in the President's Annual Report on National Values and Principles of Governance | % | 1 | | |
| | **Weight Sub Total** | | **20** | | |
| | **Overall Total Weight** | | **100** | | |

*This is applicable to MDAs implementing ease of doing business indicators or are doing business process re-engineering.

**This is only applicable to MDAs that have a specific mandate of collecting revenue

***This is applicable to State Corporations and Tertiary Institutions. Ministries will have a weight of 2 in corruption.

## ANNEX 2C :MODEL PERFORMANCE CONTRACT FOR TERTIARY INSTITUTIONS

This Performance Contract (hereinafter referred to as the "Contract") is entered into between the Government of the Republic of Kenya through its Ministry of…… *(Parent Ministry)* (herein after referred to as "GoK") of P.O Box……Nairobi( together with its assignees and successors) of the one part, and the Board of Management of …… *[Tertiary Institution]* (together with its assignees and successors) of P.O Box ……of the other part.

WHEREAS; **The Government recognizes that Tertiary Institutions hold vital key to improving performance and enhancing the faith of the Kenyan people in their government;**

The parties recognize the need for adequate and reasonable managerial and operational autonomy to facilitate achievement by the Board and Management of …… *[Tertiary Institution]* of the agreed and freely negotiated performance targets set out in this contract.

The Board has indicated its capacity and competence to perform the duties and undertake the functions specified herein.

This contract represents a basis for continuous performance improvement of the Tertiary Institution to meet the needs and expectations of the Kenyan people.

The purpose of this contract is to establish clarity and consensus about priorities for the institution's management in order to:

1. Ensure that systems are established for equality for all users of public services;
2. Ensure impartiality and fairness in the process of delivery of public services;

3. Ensure promotion of National Cohesion and National Values;
4. Ensure continuity of public services under all circumstances;
5. Establish systems to enable innovativeness and adaptability of public services to the needs of users;
6. Ensure professionalism and ethics in Public Service is achieved and maintained;
7. Establish systems to ensure promotion and protection of rights of users of public services and public servants as enshrined in the Bill of Rights;
8. Institutionalize a culture of accountability, integrity, transparency and promotion of values and principles of public service;
9. Ensure a corruption free public service;
10. Ensure effective, efficient and responsible use of public resources; and
11. Ensure responsiveness by public servants in delivery of public services.

From this contract**, should** flow the program and management priorities of the Tertiary Institution.

**NOW THEREFORE,** the parties hereto agree as follows:

**Part I**

**Vision, Mission and Strategic Objectives**

a) Vision of the State Corporation:

b) Mission of the State Corporation:

c) Strategic Objectives of State Corporation

**Part II**

## Commitments and Responsibilities of the Board

- Ensure that public services are delivered in accordance with the constitution.
- Ensure modernization of public services in the institution by introduction of technologies and innovative service delivery systems to improve service delivery.
- Ensure that officers demonstrate professionalism, transparency and accountability in performing their duties and that they show courtesy, integrity and neutrality in provision of service.

**Part III**

## Commitments and Obligations of the Government

This refers to support required from Government which is not already within the Board's mandate, such as:

- Ensuring resources are available for the achievement of agreed performance targets; and
- Ensuring that public officers suspected of corrupt practices step down to allow room for investigations.

**Part IV**

## Reporting Requirement

Tertiary Institutions are required to submit their quarterly performance reports to their parent Ministries and copy to Performance Contracting Department for the purpose of monitoring progress of performance, and for annual evaluation of performance.

**Part V**

**Duration of the Performance Contract**

The Performance Contract will run for a period of 12 months from 1st July to 30th June

**Part VI**

**Signatories**

NAME …….

Chairman, BoM

Signature……..

Date……

NAME ……

Independent BoM Member

Signature……

DATE……

NAME……

Cabinet Secretary……

Signature ……

Date ……

## Tertiary Educational and Technical Institutions Matrix

| | PERFORMANCE CRITERIA CATEGORY | UNIT OF MEASURE | WT | Status Previous Year (FY 2015/16) | Target (FY 2016/17) |
|---|---|---|---|---|---|
| **A** | **FINANCE & STEWARDSHIP:** Utilization of Allocated Funds | % | 6 | | |
| | A-in-A | Kshs | 2 | | |
| | Debt Management | Kshs | 1 | | |
| | Development Index | % | 1 | | |
| | **Weight Sub Total** | | **10** | | |
| **B** | **CORE MANDATE** | | | | |
| | Vision 2030 Flagship Projects/Programmes | % | | | |
| | MDA's priority Projects/Programmes (Outcomes aligned to SDGs and Sector Performance Standards (SPS) | % | | | |
| | Ease of Doing Business* | % | | | |
| | Project Completion Rate | % | 5 | | |
| | Revenue collection** | Kshs | 10 | | |
| | Development Index (NT) | % | 5 | | |
| | Release of funds by the NT | Time | 10 | | |
| | Release of funds by Ministries to downstream institutions | Time | 10 | | |
| | **Weight Sub Total** | | **70** | | |
| **C** | **CROSS-CUTTING** | | | | |
| | Customer Satisfaction | % | 1 | | |
| | Service Delivery Innovations | No | 1 | | |
| | Resolution of Public Complaints | % | 1 | | |
| | ISO Certification/Accreditation | % | 1 | | |
| | Automation | % | 1 | | |

| | PERFORMANCE CRITERIA CATEGORY | UNIT OF MEASURE | WT | Status Previous Year (FY 2015/16) | Target (FY 2016/17) |
|---|---|---|---|---|---|
| | Asset Management | % | 0.5 | | |
| | Youth Internships/industrial Attachments/Apprenticeships | No | 1 | | |
| | ***Empowerment of Youth, Women and Persons With Disabilities:*** | | | | |
| | Capacity Building | Report | 1 | | |
| | MoU for LPO/LSO financing | No. | 1 | | |
| | Uptake of 30% value of Tender awarded | Kshs | 1 | | |
| | Buy Kenyan Build Kenya-local content Capacity Building, Guidelines and Policies | % | 1 | | |
| | 40% Uptake | Kshs | 1 | | |
| | Compliance with the Constitution and other Statutory obligations | % | 0.5 | | |
| | Human Resource Management and Development: Competency Development | % | 0.5 | | |
| | Knowledge Management | % | 0.5 | | |
| | Work Environment | % | 0.5 | | |
| | Prevention of Alcohol and Drug Abuse | % | 0.5 | | |
| | Prevention of HIV/AIDS Infections | % | 0.5 | | |
| | Safety and Security Measures | % | 0.5 | | |
| | Management of Pension | % | 1 | | |
| | Corruption Eradication | % | 1 | | |
| | Mwongozo code of conduct*** | % | 1 | | |
| | Implement measures to promote the realization of national values and national cohesion | % | 1 | | |

| | PERFORMANCE CRITERIA CATEGORY | UNIT OF MEASURE | WT | Status Previous Year (FY 2015/16) | Target (FY 2016/17) |
|---|---|---|---|---|---|
| | Implement commitments in the President's Annual Report on National Values and Principles of Governance | % | 1 | | |
| | **Weight Sub Total** | | **20** | | |
| | **Overall Total Weight** | | **100** | | |

*This is applicable to MDAs implementing ease of doing business indicators or are doing business process re-engineering.

**This is only applicable to MDAs that have a specific mandate of collecting revenue

***This is applicable to State Corporations and Tertiary Institutions. Ministries will have a weight of 2 in corruption.

## ANNEX 3: ACCESS TO GOVERNMENT PROCUREMENT OPPORTUNITIES FOR YOUTH, WOMEN AND PERSONS WITH DISABILITIES

MDAs are required by law to allocate at least 30% of the total budget for procurement of goods and services to youth, women and persons with disabilities. This should explicitly be included in the annual MDA procurement plan. In addition, at least 2% of the 30% of the budget for procurement of goods and services should be reserved for PWDs. MDAs are expected to build the capacity of the three groups through training on: government procurement procedures; the requirements for accessing government procurement opportunities; and the specific opportunities in the respective MDAs.

Follow-up actions by MDAs will include: ensuring that the three groups are given opportunities for quotations; signing Memorandums of Understanding (MOUs) with financing institutions to support the three groups access LPOs/LSOs financing; and facilitating quick processing of payments. MDAs should pre-qualify the registered groups as (an affirmative action) and submit to PPOA a summary of the procurement opportunities allocated to the target groups in the format provided in the PPOA website, www.tenders.go.ke.

Evidence for this indicator will include number of beneficiaries trained and their contacts (telephone numbers and company details), the total amount of procurement budget that is paid to the three groups, and the number of MOUs signed with financing institutions. The uptake of 30% of Actual Value of Tenders Awarded - refers to actual award of 30% of the value of procurement of goods and services by each MDA to youth, women and PWDs as individuals or in organized groups.

## ANNEX 4: INCLUSION OF LOCAL CONTENT IN PERFORMANCE CONTRACTING

The Government is committed to stimulate local economy; promote the procurement and consumptions of locally produced goods and services; foster the spirit of patriotism and pride in Kenyans consuming local products and services; Enhance and growth and graduation of Micro Small and Medium Enterprises (MSMEs); Reduce unemployment levels; Increase competitiveness of local products through product design, quality, pricing and visibility; and Enhance brand identity of Kenyan products.
The objective of Buy Kenya Build Kenya policy is to ensure:- Kenyan made goods and services have preference and to support local manufacturers for increased employment opportunities for Kenyans and revenue for the state .

To achieve these there is need to review the existing legal and regulatory framework to: provide preferential treatment to local manufacturers in tenders; amendment of Public Procurement and Disposal Regulations to accord preference to SMEs for public procurement; ensure proper application of competition law and its enforcement; ensure the PPP Petition Committee Guidelines are duly observed in procurement of PPP projects; and continuous review of regulations and guidelines.

To realize an enabling business environment, there is need to ensure: Institutional ,Legal and Regulatory Framework; Access to Finance; Quality Physical Infrastructure; Intellectual Property Rights; Industrial R&D, Innovation and Technology Transfer; and Subcontracting linkages and Business Incubations.

To ensure this, MDAs are expected for the FY 2016/17 to:

1. Domesticate the policy and guidelines on local content within the first quarter.
2. Hold sensitization campaigns on local content in the second quarter.
3. Adopt and display the brand Kenya logo in all MDAs.

4. Ensure 40% of the procurement budget is on local products and services.
5. Submit quarterly reports to the Ministry of Industry, Trade and Cooperatives using the prescribed format

   The National Treasury is expected to develop the guidelines and regulation on local content. The Anti-Counterfeit Agency will restrict and stop dumping of substandard and counterfeit goods. The Ministry of Industry, Trade and Cooperatives will be the lead Agency on this indicator.

## ANNEX 5: RESOLUTION OF PUBLIC COMPLAINTS

A public complaint is an expression of dissatisfaction by one or more members of the public about an action, inaction, decision or service provided by a public officer or public institution. All public institutions are required to promptly address and resolve public complaints referred to them directly or channelled through the Commission on Administrative Justice (CAJ).

MDAs are expected to first undertake the following measures towards resolution of public complaints:

(a) Establishment of complaints handling and management infrastructure (mechanisms) and submitting information on the same to the CAJ in the prescribed format in Quarter 1;
(b) Development of complaints-handling procedures;
(c) Development and implementation of Citizens' Service Delivery Charters;
(d) Conducting capacity building for complaints-handling officers and staff; and
(e) Creating awareness on the existence of complaints-handling mechanism in the organisation.

Office of Performance Contracting and Coordination will undertake an evaluation on the actual resolution of public complaints. The certificate issued by CAJ will show the percentage of the actual complaints resolved by an institution.

Further details on the implementation of this performance indicator should be accessed from the CAJ website, **www.ombudsman.go.ke**.

## ANNEX 6: CUSTOMER SATISFACTION SURVEYS

MDAs who have not done a Customer Satisfaction Baseline Survey should conduct one in the first quarter of the Financial Year and implement the recommendations in the subsequent quarters. MDAs that have already conducted their baseline surveys should implement the recommendations in the survey report. A further survey to be carried out in 2017/18 cycle to assess impact of the recommendations implemented. The unit of measure will be a percentage of the recommendations implemented against the total number of recommendations/intervention measures. The Office of Performance Contracting and Coordination will audit MDAs to ensure compliance with this requirement.

The following parameters should form common criteria for Customer Satisfaction Survey, for institutions that are newly created and are expected to undertake a survey:

(a) Speed of delivery of service/product;
(b) Quality of service/product;
(c) Accessibility: this implies that Kenyans have access to information on service delivery. Access to service/product should also incorporate systems to enable persons with disabilities, minorities, marginalized groups and illiterate citizens access services. These should include having web-based enabled systems e.g. online application systems, holding open days and putting in place operational customer care/information desks;
(d) Affordability;
(e) Courtesy; and
(f) Adherence to the commitments set out in the citizens' service delivery charters.

**Service Delivery Innovations and Application** include business process re-engineering and refers to new ways of revolutionizing and improving service delivery in terms of enhancing efficiency, timeliness, quality, flexibility and convenience. MDAs are required to undertake research to aid in their service delivery innovations. The innovations are expected to improve service delivery and realize cost savings since they are efficiency measures that assure that more is achieved with less without sacrificing quantity, quality and standards. Innovations embrace new/radical methods and technologies and once in place, they should be deployed and complied with. MDAs should come up with as many innovations as possible. The indicator will be measured on the basis of the number of innovations developed and implemented/ applied in service delivery.

MDAs should be clear on the innovations that will be developed, how they will impact on service delivery, identify the services and service delivery points where the innovations are applied and at the end of the contract period, demonstrate how the innovations have worked.

## ANNEX 7: ISO CERTIFICATION/ACCREDITATION PROCESS

ISO Certification/Accreditation ensures that operations and management are benchmarked to international best practices as attested by certification/ accreditation by a reputable certification/accreditation body. The process helps to re-engineer public sector management processes thereby making them efficient. It also helps create competitive advantage in the public service.

MDAs are required to seek ISO certification/ Accreditation depending on their mandates. Organizations offering conformity assessment services e.g. inspection, certification and testing are required to seek relevant accreditations.

The Office of Performance Contracting and Coordination will use the following milestones and measures to assess MDA ISO Certification/Accreditation:

### STEPS TO ISO CERTIFICATION/ACCREDITATION

**A 10%**

- Bring ISO Certification expert on board
- Define Scope
- Appoint Management Representative (MR)
- Appoint ISO Accreditation Team

**B 25%**

- Middle Management trained on ISO Certification
- Top Management regularly briefed.
- Awareness training for all employees conducted

**C 35%**

- Conduct gap analysis and process determination
- Complete documentation
- Launch the Quality Management System (QMS) based on the standard.

**D 20%**

- Conduct Internal Quality Auditor (IQA) training
- Conduct trial audits under expert auditor guidance
- Conduct internal audit (s)
- Conduct management review meeting (s)

**E 10%**

- Select Certification Body (CB)
- Apply for Certification /Accreditation
- CB to conduct pre- certification audit
- Carry out corrective actions
- CB to carry out certificate audit
- Carry out corrective action
- Certification to ISO Accreditation

Institutions that are already ISO certified/Accredited need to ensure that the certification/accreditation is maintained and that there is continuous improvement of services. In addition, institutions that have already been certified/accredited will be required to comply with the standards stipulated for the purpose of maintaining the certification/accreditation status, and provide a letter from the certifying body as testimony thereof. The institutions should undertake the following for continuity and relevance of the ISO:

- Internal audits and management reviews; and
- Surveillance audits / assessments.

MDAs that are not certified or accredited and are in the process of certification or accreditation should follow the steps outlined above. Agencies that are already certified or accredited need to sustain and improve the QMS by undertaking sub-indicators as categorized below:-

A) MDAs that are in their first and second year after certification or accreditation should:

- Conduct surveillance audits/assessments; and
- Conduct management reviews.

A) MDAs that are in their 3rd year after certification/accreditation should:

- Undertake internal audits and management reviews; and
- Undertake a re-certification audit/re-accreditation assessment by a certification body/accreditation body.

B) MDAs in their third year after re-certification/re-accreditation fall in the above category.

MDAs with several Departments are advised to ensure the Agency is ISO Certified rather than the individual departments pursuing respective ISO Certification.

## ANNEX 8: AUTOMATION OF PUBLIC SECTOR

Automation measures the extent to which an MDA keeps in pace with developments and leveraging of Information and Communication Technology (ICT) in its business and service processes. The thrust of this indicator is on holistic approach to ICT development as a package of improvement of speed and quality of service delivery, rather than siloed departmental activities. The key milestones to measure this performance indicator include the following:

| Automation Stages | Sub-Indicators | Level of Automation |
|---|---|---|
| (i) Institutional strategy and vision | • Institutional ICT strategy developed and disseminated (will detail the roadmap the institution intends to take in utilizing ICTs to deliver on its core mandate)<br>• ICT organisation<br>• Qualified ICT staff deployed as per organizational approved structure<br>• No. and qualifications of ICT staff deployed.<br>• Percentage of institutional budget devoted to ICTs (industry standard is 10%).<br>• Staff to computer ratio( ranges from 1:1 for technical staff to 1:10 for support staff) | 20% |
| (ii) Connectivity and technology infrastructure | • Internet bandwidth available within the institution<br>• ICT infrastructure<br>o LAN installed<br>o WAN installed<br>o Data Centers | 25% |

| | | |
|---|---|---|
| | ○ Cloud services<br>• Office automation(turn-around time for business processes)<br>• No. of enterprise wide systems in operation<br>○ Enterprise Resource planning Systems (ERPs)<br>○ Electronic Document Management System (EDMS)<br>○ Messaging and collaboration system<br>• Centralized user authentication within the LAN/WAN<br>• No. of data warehouses/marts in place. | |
| | • % of institutional data which has been digitized and is accessible against total number of manual records kept<br>• ICT security measures in force, e.g., use of biometric security systems, anti-virus updates, data back-up, etc.<br>• Adoption and usage of Voice Over Internet Protocol (VOIP)<br>• % of staff who have broadband access in the workplace. | |
| (iii) Consumer and business adoption | • Institutional website adhering to the web design standards in terms of:<br>□ Accessibility<br>□ Usability<br>□ Interoperability<br>□ Graphical look and feel<br>• Automation of core public services ( e-services) for citizens, business, employees and Government<br>• On-line annual customer service rating of services (e-services) to ascertain feedback from recipients of service.<br>• Service delivery channels utilized i.e. methods used by MDAs to provide | 30% |

| | | |
|---|---|---|
| | services, e.g. SMS, Unstructured Supplementary Service Data (USSD), portal services, Interactive Voice Response System (IVRS).<br>• No. of internal business processes which are fully automated<br>• One- stop shop service centres<br>• Revenue/Cost savings through delivery of e-services<br>• Services hosted in common Government infrastructure. | |
| ICT Capacity Building | • An institutional measure of ICT literacy adopted (ICTA will provide independent ICT assessments for comparison).<br>• % of staff who are ICT-literate or have undertaken ICT training<br>• ICT training programs implemented as per ICT strategy<br>• No. of ICT staff trained within the period | 5% |
| (iv) Social and cultural environment | • % of staff with disabilities who have access to ICTs<br>• No. of service delivery options for clients with disabilities. | 5% |
| (v) Legal environment | • Policy guidelines in place for e-services, internet and e-mail use<br>• Institutional ICT policy developed and implemented<br>• Institutional e-waste policy developed and implemented<br>• Institutional arrangements for protection and privacy of citizen data in force<br>• % of staff who have signed an institutional ICT security compliance agreement | 10% |

| | | |
|---|---|---|
| (vi) ICT Standards | • Adoption and Compliance to ICT and e-Government standards (the standards are available at http://standards.icta.go.ke/) | 5% |
| **Total Cumulative Score** | | **100%** |

## ANNEX 9: NATIONAL COHESION AND NATIONAL VALUES

This is an indicator that aims to promote national cohesion, national values and principles of governance and create a transformed, cohesive, peaceful and united nation.

To achieve this, MDAs are required to:

**TARGET 1**: **Implement measures to promote the realization of National Cohesion and Values (100%).**

Measures to be undertaken by MDAs to promote and mainstream National Cohesion and National Values and Principles of Governance include:

i) Identify and recognize national values champions using the prescribed criteria (20%)

ii) Implement actions to hold public officers to account for violating national values and principles of governance (10%)

iii) Enhance staff and stakeholders awareness of national values and principles of governance through development of two relevant IEC materials (10%)

iv) Strengthen the national values committee through training and capacity building to monitor, evaluate and report on national values and principles of governance (10%)

v) Identify and implement five national values core to the institution's mandate (40%)

**vi)** Submit in the prescribed format quarterly reports on measures taken and progress achieved in the realization of national cohesion and values to the Directorate of National Cohesion and Values (10%) via e-mail: **nationalvalues@kenya.go.ke.** Quarterly Reporting template can be obtained from the Directorate's website-: **www.cohesionandvalues.go.ke**

**TARGET 2**: **Implement commitments and way forward in the 2015 Annual President's Report on National Values and Principles of Governance (100%)**

MDAs are expected to **contract to implement at least five (5) commitments** relevant to their mandate and submit in the prescribed format an Annual Progress Report on the implementation of the commitments and way forward captured in the 2015 Annual President's Report on National Values and Principles of Governance to the Directorate of National Cohesion and National Values **(60%) by 15th January 2017.**

Each MDA is further required to submit in the prescribed format the Annual Report on measures taken and progress achieved in the realization of National Values and Principles of Governance(**40%**) to the Directorate of National Cohesion and Values by **15th January 2017** to form part of the President's Annual Report 2016 on Measures Taken and Progress Achieved in the Realization of National Values and Principles of Governance by hard copy OR through the email: **nationalvalues@kenya.go.ke**

## ANNEX 10: COMMITMENTS AND WAY FORWARD IN THE 2015 PRESIDENT'S REPORT ON MEASURES TAKEN AND PROGRESS ACHIEVED ( As contained in the circular by the Chief of Staff & Head of Public Service).

i) Implementing key policies to enhance positive ethnic relations and prevent abuse of social media: MDAs are required to implement measures that will promote peaceful and harmonious co-existence among and between Kenyan communities;

ii) Prioritizing resource allocation for continual promotion of National Values and Principles of Governance: MDAs are required to ensure prudent utilization of the resources to support implementation of initiatives that promote national values and principles of governance;

iii) Strengthening National Values and Principles of Governance enforcement agencies and fast tracking judicial processes: MDAs are required to implement measures that will strengthen enforcement and compliance to national values and principles of governance in their respective institutions;

iv) Enforcing existing electoral and related policies, legislation and regulations: MDAs are required to implement policy and legal measures that will ensure a peaceful electoral process before, during and after 2017 general elections;

v) Enacting pending devolution laws: MDAs are required to fast-track the development and enactment of the pending legislations and regulations for devolution so as to enhance the implementation of programmes or projects and activities;

vi) Strengthening professional and technical capacity of County Governments: MDAs are expected to implement relevant measures that will enhance the technical and professional capacity of county governments to discharge their duties effectively;

vii) Enhancing public participation and access to information: MDAS are required to implement measures

that will enhance public participation in project identification, implementation, monitoring and evaluation. In addition, they are expected to implement measures that will lead to provision of reliable and updated information to the public on priorities, plans, budgets and expenditures and also establish relevant feedback mechanisms for the citizens;

viii) Establishing a dispute resolution mechanism to address emerging industrial disputes at the Counties: MDAs to implement measures that will support counties to address emerging industrial disputes;

ix) Developing mechanisms for addressing intra and inter-county conflicts: MDAs are expected to implement and support measures that will address both intra and inter-county conflicts;

x) Enforcing legal mechanisms for the fight against corruption and unethical practices: MDAs are required to adhere and implement the provisions of the Executive Order No.6 of March,2015 on Ethics and Integrity in the Public Service;

xi) Continuous civic education, enactment and enforcement of laws, policies and regulations relating to the Bill of Rights: MDAs are required to implement measures that will enhance public awareness on the Bill of Rights. In addition, they are expected to enforce existing policy and legal frameworks on the Bill of Rights to facilitate their protection and enjoyment;

xii) Enforcing laws and policies to address retrogressive practices: MDAs are required to implement legal and policy provisions that will reduce retrogressive practices and sensitize citizens to embrace progressive practices which promote the Bill of Rights;

xiii) Addressing legal challenges in the implementation of flagship projects: MDAs are expected to implement measures that will deepen public participation in the identification, design, planning and implementation of flagship programmes, projects and activities to minimize legal challenges to their implementation;

xiv) Enhancing resource mobilization for sustainable development: MDAs are expected to implement strategies that will enhance private sector participation through the PPP framework to provide additional requisite resources for timely execution of programmes and projects;

xv) Bridging the technological gap to keep up with frequent changes & advancements that affect service delivery: MDAs to implement strategies to facilitate capacity building of their staff and organizations to enhance uptake of appropriate technology for sustainable development, including upgrading of existing ICT systems and equipment; and

xvi) Addressing existing and emerging security challenges: MDAs to initiate and implement measures that will enhance partnership and collaboration among and between institutions and stakeholders in addressing emerging security challenges.

The Office of Performance Contracting and Coordination in conjunction with The Directorate of National Cohesion and Values will monitor MDAs to ensure they prepare quarterly and annual reports and provide feedback and also issue a certificate at the end of the performance contract period.

## ANNEX 11: COMPLIANCE WITH THE CONSTITUTION AND OTHER STATUTORY OBLIGATIONS

This requirement entails compliance with, and enforcement of the Constitution. Ministries, Departments and Agencies should implement elements of the Constitution that are relevant to their mandate.

To ensure compliance with statutory obligations, MDAs should conform to laws and regulations related to and not limited to the following:

(a) Public Procurement and Disposal Act, regulations and rules - this entails development and adherence to the procurement plan, submitting the plan to PPOA by 31st August and quarterly procurement plan implementation reports to the Authority in the format provided in the PPOA website, www.tenders.go.ke. The procurement plan should be part of the budgeting process and must be presented during the negotiation and evaluation of the performance contract;

(b) Remittance of Statutory Deductions - These should include, but not limited to, repayment of Higher Education Loans Board dues by beneficiary employees, Statutory Taxes, NHIF, NSSF, PAYE. MDAs are required to get a Certificate of Compliance from the following: Kenya Revenue Authority, National Hospital Insurance Fund, National Social Security Fund and Higher Education Loans Board.

(c) Environmental Sustainability – refers to concerted efforts to mitigate against environmental degradation. It is the maintenance of the factors and practices that contribute to the quality of environment on a long term basis. MDAs are required to: comply with the Environmental Management and Coordination Act (EMCA); Undertake environmental sustainability Audit Report on compliance to EMCA - 1999 by 30th Sept, 2016 (10%); Submit annual work plan based on

the 2015/16 Audit report by 30th Sept, 2016 (5%); Establish/operationalize environmental sustainability committee (5%); and Submit quarterly reports on the implementation of recommendations of the 2015/16 Audit report by the 30th Day after the end of each quarter (80%). Quarterly reports to be submitted to The Director General NEMA, P.O. Box 67839-00200 NAIROBI, Kapiti Rd, South C in a template available on the NEMA website (www.nema.go.ke). The Authority will monitor agencies, review the quarterly reports and provide feedback and also issue a certificate at the end of the performance contract period.

(d) Adhere to the Unclaimed Financial Assets Act, 2011 (UFAA). The purpose of this is to ensure that unclaimed assets are re-united with their rightful owner(s) for social and economic prosperity. The specific actions include:
- Identifying any qualifying unclaimed assets from the MDA records and remitting the same to the Unclaimed Assets Trust Fund;
- Providing the Unclaimed Financial Assets Authority with a report indicating any available details of the beneficiaries of the assets; and
- Complying with provisions of the UFAA, 2011.

(e) Remitting payments to the National Industrial Training Authority (NITA). The specific actions include:
- Remit statutory payment to NITA Training levy and produce a copy of receipt for performance reviews; and
- Obtain a certificate of compliance at the end of Financial Year.

(f) Disability Mainstreaming – MDAs will be required to implement Government policy on affirmative action for persons with disabilities, including ensuring that at least 5% of the employees in the respective MDAs are persons with

disabilities. MDAs should also develop and disaggregate data of persons with disabilities by age, gender and form of disability, ensure physical improvements for accessibility public offices, accessibility of information, capacity building and carry out an accessibility audit for persons with disabilities. MDAs are expected to present for evaluation a certificate from National Council for Persons with Disabilities.

(g) Gender Mainstreaming- MDAs will be required to implement Government policy on gender mainstreaming, including compliance with one third rule on appointments, promotions and employment in the public service. County Agencies are expected to present for evaluation a certificate from National Gender and Equality Commission.

Office of Performance Contracting and Coordination will undertake annual audit to establish extent of compliance and enforcement of the various constitutional and statutory obligations.

## ANNEX 12: VISION 2030 PROJECTS AND SUSTAINABLE DEVELOPMENT GOALS

MDAs should identify the project/programme components to be implemented under Vision 2030, MTP II, identify the funding requirements and funding status either under GOK or other sources; indicate current status of the ongoing projects; and brand and communicate on all projects. Quarterly reports on Vision 2030 projects/programmes should be submitted to Vision Delivery Secretariat.

Sustainable Development Goals (SDGs) were launched in 2015, hence are not incorporated in the MTP II and the respective strategic/master plans. The integration of SDGs is meant to ensure that Kenya implements initiatives with a view to keeping pace with the targets of the global SDGs. In this regards, MDAs are required to:

- Identify SDGs relevant to their mandate;
- Carry out awareness creation on the relevant SDGs;
- Integrate the relevant SDGs in respective MDAs policy and development plans; and
- Submit quarterly reports to the Ministry of Devolution and Planning.

## ANNEX 13: PREVENTION OF HIV/AIDS INFECTIONS

The focus of this indicator this year is on implementation of a package of intervention activities/programmes aimed at reducing the prevalence of HIV/AIDS infections. MDAs are required to:

1. Identify number of staff reached with HIV information and services as outlined in the reporting tool
2. Allocate a budget for the HIV activities/programmes to be implemented
3. Establish/ reconstitute and operationalize HIV & AIDS Control Unit with 40% of the membership drawn from the senior and middle levels. A senior officer will chair the Committee.
4. Conduct a internal baseline survey on staff knowledge level on HIV and AIDS.
5. Develop a work place policy on HIV and AIDS.
6. Submit quarterly reports to NACC using MAISHA1 reporting template

Those that will have completed MAISHA 1 with a score of 80% and above will qualify for MAISHA 2. These institutions will be required to utilize their competencies to reach their clients and other stakeholders with activities that mitigate against HIV and AIDS Infections. To achieve this, MDA's are required to:

1. Identify 4 indicators from the public sector HIV plans and establish their baseline data
2. Allocate Resources for the HIV activities/programmes
3. Continue implementing MAISHA 1 activities including:
    a. Identify number of staff reached with information and services
    b. Confirm ACU quarterly meetings
    c. Carry out at least two (2) recommendations from the baseline survey conducted in MAISHA 1on Comprehensive Staff Knowledge of HIV & AIDS

National AIDS Control Council (NACC) will issue a certificate at the end of the financial year to MDA's that have fully complied with the requirement to mainstream HIV and AIDS at the end of the contract period. Guidelines on implementation, work planning and reporting tool are available on the NACC website www.nacc.or.ke

## ANNEX 14: CORRUPTION ERADICATION/GOVERNANCE

The corruption eradication indicator aims to combat and prevent corruption, unethical practices and promote standards and best practices in governance. This is in line with the Ethics and Anti-Corruption Commission Act No. 22 of 2011 and the Leadership and Integrity Act of 2012.

To achieve this MDAs are expected to:

(a) In liaison with the EACC, conduct a baseline survey to establish corruption perception index in Q1;
(b) Implement recommendations emanating from the perception index report;
(c) Develop a corruption risk mitigation plan;
(d) Strengthen the anti-corruption committees;
(e) Build capacity for Anti-corruption;
(f) Develop internal mechanisms that will encourage and protect whistle- blowing; and
(g) Submit quarterly reports to EACC.

Information on this indicator and reporting format is posted on the EACC website (www.eacc.go.ke).

## ANNEX 15: PREVENTION OF ALCOHOL AND DRUG ABUSE (ADA)

The focus of this indicator is on implementation of a package of intervention activities/programmes aimed at reducing the prevalence of ADA in the public sector and minimizing the negative effects thereof. The MDAs are required to:

(i) **Baseline/ Follow up survey:** carry out an internal follow-up survey to assess the progress made as well as challenges with a view to set up future direction.

(ii) **Employee Assistance Programme (EAP):** identify individual workers with ADA related problems, assessment, counselling, and refer for treatment and rehabilitation services.

(iii) **Implement ADA work place policy**: to address issues of preventive education, referral for treatment and rehabilitation, psycho-social support, acquisition and dissemination of behaviour change materials to address denial and stigma associated with alcohol and drug dependence. Customize targets for prevention and control of alcohol and drug abuse to a specific area of the organization's operations and risk levels.

(iv) **ADA sensitization amongst staff/staff family members:** MDAs are required to hold one-day workshop to get real-life experiences from staff and family members affected in order to effectively increase staff awareness on ADA prevention for themselves and their families.

(v) **Monitoring of the programme** – MDAs are required to do the following:
Submit annual work plan and quarterly performance reports for prevention of ADA program to NACADA. The work plan should have at least three activities addressing alcohol and drug abuse in the work place in the first quarter. One of the activities selected must be establishment of employee assistance programme where this has not been implemented. The work plan and performance reports should be submitted in their respective standard reporting formats. The report should be received at NACADA within Fifteen (15) days

following the end a quarter. The quarterly reports to be accompanied by a minute of ADA prevention coordinating units/committee meetings indicating that the quarter implementation and performance were discussed.

## ANNEX 16: SAFETY AND SECURITY MEASURES

Safety and security measures include all aspects relating to the safety and security of personnel, documents, information, equipment and assets. MDAs are required to put in place safety and disaster preparedness mechanism to address the current insecurity issues affecting the institution. In this regard the MDAs should put in place mechanisms to mitigate against technological hazards, terrorism, fire and natural disasters, implement the Information Security Management System (ISMS) and train officers on the ISMS.

The Office of Performance Contracting and Coordination will use the following steps and scores to assess implementation of security management system:

A 15%

a) ISMS leader appointed
b) ISMS champions appointed and trained
c) ISMS scope define

B 45%

a) Brief top management on ISMS – 15%
b) Train implementers – (process owners) – 15%
c) Conduct awareness training for all employees – 15%

C 35%

a) Create ISMS Risk Management (Risk Registers and Risk Management Action Plan – 15%
b) Finalize documentation of ISMS i.e policy procedures and launch the ISMS based on the standard (ISO/IEC) – 20%

## ANNEX 17: MANAGEMENT OF PENSION

Management of pension and rapid payment of retires is a high priority of this administration. Office of Performance Management and Coordination will monitor this indicator monthly to ensure that retiring public servants are treated with dignity, receive their retirement dues promptly and encourage post-retirement follow up. In this regard MDAs are required to submit data to Pensions Department on the following:

(a) List of potential retirees every month;
(b) Issue GP-24 and confirmation in appointment letter if not available in the file;
(c) List of employees issued notice to retirees 9 months to due date;
(d) Prepare and submit retirement documents to Pensions Department 3 months to due date;
(e) Submit Clearance Certificates to facilitate payment within 30 days of retirement;
(f) Automate the pension process;
(g) Carry out pre-retirement training; and
(h) Implement post-retirement medical scheme.