

# BUDGET STATEMENT 2

## DEPARTMENTAL ESTIMATES

### VOTE NUMBER 3

### DEPARTMENT OF FINANCE

To be appropriated:

**R60235000**

Responsible Political Office Bearer:

Provincial Minister of Finance and Economic Development

Administering Department:

Department of Finance

Accounting Officer:

Head of Department

#### 1. OVERVIEW

##### Core functions and responsibilities

Human resource development: Build competitive expertise, build analytical and research capacity. This includes assessing and developing financial administrative and management acumen in departments and public entities.

Maintain the basics and improve efficacy with regard to systems, accounting, procurement, budget management, corporate issues, Provincial Revenue Fund, financial training and Provincial Treasury Instructions.

Assess and promote interpretative accounting skills in Provincial Departments and Public Entities.

Assess and develop appropriate financial management information systems.

Assess and promote the development of an asset management system to effectively deal with financial and physical assets.

Develop the ability to formulate, evaluate and implement fiscal policy.

Research, develop and implement modern day procurement policy, practice and systems.

Develop and implement an effective communication and co-ordination system both internally and externally.

##### Vision

As change agent to achieve maximum well-being.

##### Mission

To obtain financial and supportivemeans and utilise them to the optimum advantage of the whole community.

##### Main services

Change agent in achieving specific socio-economic objectives, inclusive of introducing new practices through fiscal policy.

Fostering the attainment of value for money spending.

Safeguarding and promoting the effective utilisation of provincial assets.

##### Demands and changes in services

Greater interaction with role-players to ensure better service delivery through improved financial management.

New financial management responsibilities related to local government.

Devolution of the departmental accountant function to the remaining departments (Premier, Director-General and Corporate Services, Community Safety and Environmental and Cultural Affairs and Sport).

##### Acts, rules and regulations

##### Public Finance Management Act, 1999 (Act 1 of 1999)

To regulate financial management in the Department to ensure that all revenue, expenditure, assets and liabilities of the Department are managed efficiently and effectively. To provide for the responsibilities of persons entrusted with financial management in the Department and to provide for matters connected therewith. To fulfil all Treasury responsibilities with respect to other departments and public entities.

**Public Service Act, 1994 (Act 103 of 1994)**

To provide for the organisation and administration of the Department and for human resource management which includes the regulation of conditions of employment, terms of office, discipline, retirement and discharge of staff members of the Department and matters connected therewith.

**Labour Relations Act, 1995 (Act 66 of 1995)**

To regulate and guide the Department in recognising and fulfilling its role in effecting labour harmony and the democratisation of the workplace.

**Basic Conditions of Employment Act, 1997 (Act 75 of 1997)**

To provide regulatory prescripts, in addition to the Public Service Act 1994 and the Public Service Regulations 2001, regarding the conditions of employment of staff in the Department.

**Employment Equity Act, 1998 (Act 55 of 1998)**

To regulate the processes and procedures of the Department in achieving a diverse and competent workforce broadly representative of the demographics of the Western Cape and eliminating any unfair discrimination in employment towards implementing employment equity.

**Borrowing Powers of Provincial Government Act, 1996 (Act 48 of 1996)**

To provide norms and conditions which the Treasury must adhere to in negotiating loans for the Provincial Government.

**Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997)**

To define the role of the MEC for Finance and that of the Treasury as representatives of the Provincial Government, in promoting co-operation between other spheres of government on fiscal, budgetary and financial matters. To provide the Treasury with insight into the prescribed processes for the determination of the equitable share and allocation of revenue raised nationally and for matters in connection therewith.

**Division of Revenue Act**

To regulate the Treasury's role, on behalf of the Provincial Government, regarding the allocation of conditional grants and the equitable division of revenue raised nationally.

**Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)**

To provide the Treasury with a regulatory framework enabling and assisting departments, the Western Cape Provincial Tender Board and potential Historically Disadvantaged Individuals (HDI's) in the sustainable development and implementation of a preferential procurement system.

**Western Cape Provincial Tender Board Law, 1994 (Law 8 of 1994)**

To regulate the Department's role in providing administrative and remunerative assistance to the Western Cape Provincial Tender Board in the execution of its functions towards achieving the goals set out in the Law.

**Western Cape Gambling and Racing Law, 1996 (Law 4 of 1996)**

To provide regulatory prescripts to support the responsible Minister in ensuring sound financial administration and management and matters incidental thereto by the Western Cape Gambling and Racing Board.

**Western Cape Law on the Powers and Privileges of the Provincial Legislature Amendment Act, 1998 (Law 3 of 1998)**

To provide the Treasury with regulatory prescripts in assisting the Legislature when necessary, in meeting their financial responsibilities as set out in legislation.

**Budget decisions**

Began to internally position the budget to enable the Provincial Treasury to fulfil its assigned responsibilities.

**2. REVIEW 2001/02**

With participation of external and internal role-players the Provincial Cabinet adopted the Western Cape Fiscal Policy 2002-2005.

Budget formats and priorities were respectively aligned with National Treasury Prescripts and Government Finance Statistics and national priorities.

Established the Directorate Revenue Management to optimise current sources of revenue and to investigate, quantify and formulate strategies to do so, as well as setting in motion initiatives to find new sources of own revenue and provincial taxes.

Assessed quantitative budget targets in respect of expenditure and revenue and ensured regular reporting thereon.

Ensured that a legal framework for accounting officers, executive authorities and other officials were in place within which they could operate effectively.

Implemented further preferential procurement policies/strategies to fully ensure the participation of historically disadvantaged individuals in the provincial procurement process.

Budget reform to promote performance based budgeting.

Developed and implemented an improved reporting strategy.

Established closer co-operation with government structures.

Further promoted the development of professionalism and excellence in financial management.

Encouraged financial regularity and accountability, including monitoring the implementation of the Public Finance Management Act, 1999, in provincial departments.

Further roll-out of financial administration systems to serve management and institutions, including the further implementation of the moveable asset management system (Logis) and the Vulindlela management information system.

### 3. **OUTLOOK FOR 2002/03**

Continuous refinement and evolution of the Provincial Fiscal Policy to reflect key spending priorities and deliverables of the Provincial Government.

Further budget reform to link policy, planning, budgeting and reporting.

Foster substantive compliance with the Public Finance Management Act, 1999 (Act 1 of 1999).

Introduction of a value addition chain.

Developing assessment and analytical capabilities.

Moving to close the rapidly widening gap between skill requirements and current competency levels.

Recruiting and retention of personnel in line with the departmental employment equity and workplace skills plans.

Cultivate an understanding that numbers and assets have a meaning or value, directly or indirectly reflecting the standard of service delivery performance or lack thereof.

Designing and developing appropriate bespoke training and human resource development programmes.

Re-engineering of the organisational structure and the development of an academic partners scheme.

Further improve communication efforts and interaction abilities.

#### 4. REVENUE AND FINANCING

##### 4.1 Summary of revenue

Table 1 hereunder gives the sources of funding for the Vote:

<b>Table 1</b>							
<b>Summary of Revenue</b>							
<b>Department of Finance</b>							
<b>Revenue</b>	1999/2000 Actual	2000/01 Actual	2001/02 Est. Actual	<b>2002/03 Voted</b>	% Change Voted to Actual	2003/04 MTEF	2004/05 MTEF
	R'000	R'000	R'000	<b>R'000</b>		R'000	R'000
Equitable share	( 597 996)	( 391 706)	( 276 201)	<b>( 106 270)</b>	(61.52)	( 70 085)	( 53 861)
Conditional grants <sup>a</sup>	377 679	214 168	225 647		(100.00)		
Own Revenue	257 176	214 794	112 791	<b>166 505</b>	47.62	132 707	119 774
<b>Total revenue</b>	<b>36 859</b>	<b>37 256</b>	<b>62 237</b>	<b>60 235</b>	<b>(3.22)</b>	<b>62 622</b>	<b>65 913</b>

<sup>a</sup> Includes total finance supplementary grant.

##### 4.2 Revenue collection

Table 2 below is a summary of the revenue the department is responsible for collecting.

<b>Table 2</b>							
<b>Provincial Own Revenue</b>							
<b>Department of Finance</b>							
<b>Head of Revenue</b>	1999/2000 Actual	2000/01 Actual	2001/02 Est. Actual	<b>2002/03 Voted</b>	% Change Voted to Actual	2003/04 MTEF	2004/05 MTEF
	R'000	R'000	R'000	<b>R'000</b>		R'000	R'000
<b>Current revenue</b>	257 176	214 794	112 791	<b>166 505</b>	47.62	132 707	119 774
<b>Tax revenue</b>	29 773	49 387	106 705	<b>99 500</b>	(6.75)	99 500	99 500
Casino taxes		21 654	85 667	<b>84 000</b>	(1.95)	84 000	84 000
Motor vehicle licences							
Horse racing	29 773	27 733	21 038	<b>15 500</b>	(26.32)	15 500	15 500
Liquor licences							
<b>Non-tax revenue</b>	227 403	165 407	6 086	<b>67 005</b>	1000.97	33 207	20 274
Interest	86 962	149 722	5 183	<b>66 526</b>		32 634	19 701
Health patient fees							
Reimbursements							
Other sales							
Other revenue <sup>a</sup>	140 441	15 685	903	<b>479</b>	(46.95)	573	573
<b>Capital revenue</b>							
Sale of land and buildings							
Sale of stock, livestock etc.							
Other capital revenue							
<b>Total revenue</b>	<b>257 176</b>	<b>214 794</b>	<b>112 791</b>	<b>166 505</b>	<b>47.62</b>	<b>132 707</b>	<b>119 774</b>

<sup>a</sup> Includes bookmaker, casino, key-employee and other annual licence fees, and administration fees.

## 5. EXPENDITURE SUMMARY

### 5.1 Programmes summary

Table 3 below shows the budget or estimated expenditure per programme and in summarised standard item classification. Details of the standard item and GFS economic classifications are attached as an annexure to this Vote.

<b>Table 3 Summary of Expenditure and Estimates: Department of Finance</b>							
<b>Programme</b>	1999/2000 Actual R'000	2000/01 Actual R'000	2001/02 Est. Actual R'000	<b>2002/03 Voted R'000</b>	% Change Voted to Actual	2003/04 MTEF R'000	2004/05 MTEF R'000
1. <b>Administration</b>	10 352	14 477	19 315	<b>21 902</b>	13.39	23 311	25 181
2. <b>Budgets</b>	11 983	11 960	21 706	<b>19 784</b>	(8.85)	19 456	20 140
3. <b>Provincial Accountant- General services</b>	14 524	10 819	21 216	<b>18 549</b>	(12.57)	19 855	20 592
<b>Departmental totals</b>	<b>36 859</b>	<b>37 256</b>	<b>62 237</b>	<b>60 235</b>	(3.22)	<b>62 622</b>	<b>65 913</b>
<b>Standard item</b>							
<b>Current</b>							
Personnel	23 843	22 261	35 837	<b>35 295<sup>a</sup></b>	(1.51)	37 005	39 035
Transfer	6 000	5 300	10 000	<b>7 276</b>	(27.24)	7 140	2 900
Other current	6 866	9 098	14 990	<b>16 892</b>	12.69	13 377	18 578
<b>Total current</b>	<b>36 709</b>	<b>36 659</b>	<b>60 827</b>	<b>59 463</b>	(2.24)	<b>57 522</b>	<b>60 513</b>
<b>Capital</b>							
Acquisition of capital assets	150	597	1 410	<b>772</b>	(45.25)	5 100	5 400
Transfer							
<b>Total capital</b>	<b>150</b>	<b>597</b>	<b>1 410</b>	<b>772</b>	(45.25)	<b>5 100</b>	<b>5 400</b>
<b>Total standard item</b>	<b>36 859</b>	<b>37 256</b>	<b>62 237</b>	<b>60 235</b>	(3.22)	<b>62 622</b>	<b>65 913</b>

<sup>a</sup> Includes R3012000 in respect of carry through costs and new cost of implementation of conditions of services since 1 July 2001.

6. **PROGRAMME DESCRIPTION**

6.1 **PROGRAMME 1: ADMINISTRATION**

AIM: To conduct the overall management and administrative support service - Public Finance Management Act, 1999 (Act 1 of 1999), Public Service Act, 1994, (Act 103 of 1994), Labour Relations Act, 1995 (Act 66 of 1995), Employment Equity Act, 1998 (Act 55 of 1998), Basic Conditions of Employment Act, 1997 (Act 75 of 1997), Western Cape Law on Powers and Privileges of Provincial Legislature, 1998 (Law 3 of 1998).

**PROGRAMME DESCRIPTION:**

**Office of the Provincial Minister**

rendering secretarial, administrative and office support services and acts as linkages with department

**Corporate Affairs**

organising the department, human resource management, provisioning and financial management and other/related support services

**Human Resource Development and Training**

human resource development and training and sectoral education and training contribution to the Sectoral Education and Training Authority (SETA)

**SERVICE DELIVERY MEASURES:**

<b>Sub-programme 1.1: Office of the Provincial Minister</b>				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
Smooth and effective functioning of the Minister's Office.	Rendering secretarial, administrative and office support services to the Minister. Ensuring linkages with the departmental activities.	Delivering services to the standards set by the Minister and to his satisfaction.	100% satisfaction by the Minister. Good integration with departmental function.	Daily feedback by the Minister.

<b>Sub-programme 1.2: Corporate Affairs</b>				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
Sound departmental financial administration and management.	Workshop process to acquire and facilitate input required to develop a strategic plan.	Strategic plan for department.	Tabling the strategic plan on due date.	Feedback to Treasury and Accounting Officer.
	Compare performance/progress with expenditure.	Effective budget management.	Timeous implementation of corrective measures and meeting of due dates.	Inform management quarterly of deviations and of corrective measures implemented.
	Develop, implement and maintain processes and procedures in compliance with applicable prescripts.	Sound financial administration.	Equip officials with financial prescripts to ensure accountability.	Quarterly internal control inspection reports, annual Auditor-General report and daily/monthly pre/post audit reports.
	Compile financial statements, management and annual reports.	Annual report for department.	Submission of financial statements and Management Report on or before 31 May 2002. Tabling of Annual Report on or before 31 August 2002.	Continuous feedback to Accounting Officer.

<b>Sub-programme 1.2: Corporate Affairs</b> (continued)				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
Deliver quality and timely administrative supporting functions.	Establish both pre- and post-audit functions. Development of a structured training programme.	100% compliance with financial procurement/provisioning human resource and general administrative prescripts.	Acquired personnel and proper functional allocation. 31 May 2002. Unqualified audit report.	Monthly reporting on progress to the Accounting Officer/Chief Financial Officer (CFO) in accordance with a structured reporting mechanism.
	Implement a system of continuous updating of changes to office inventories and asset register on LOGIS.	Inventory/asset management system reflecting current moveable assets of department.	Asset register of department that continuously reflects the correct physical moveable assets of the department.	Quarterly internal control inspections and reports.
Effective communication.	Develop a communication framework.	Website. Functional communication framework.	A structured system to inform both internally and externally.  A working environment which is conducive to effective and efficient service delivery. (Batho Pele)	Monthly reporting to management.  Monthly reporting to management.

<b>Sub-programme 1.3: Human Resource Development and Training</b>				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
Capacitated and fully developed personnel equipped to perform assigned functions.	Determines service delivery levels and requirements. Training needs analysis based on output oriented skills.	A Human Resource Plan, inclusive of a workplace skills plan that meets the requirements in terms of the strategic plan of the department.	A workplace skills plan embracing the principles of the Employment Equity Plan within a specified timeframe 31 July 2002.	Monthly progress report to management.
Participation in learnerships.	Identification of target market. Development of an implementation programme and scheduling.	IPF pilot programme.	Implementation by June 2002, subject to availability of the learnerships.	Treasury Management Committee.  CFO forum.

<b>Table 3.1 Expenditure-Programme 1: Administration</b>							
<b>Department of Finance</b>							
<b>Sub-programme</b>	1999/2000 Actual R'000	2000/01 Actual R'000	2001/02 Est. Actual R'000	<b>2002/03 Voted R'000</b>	%Change Voted to Actual	2003/04 MTEF R'000	2004/05 MTEF R'000
1. <b>Office of the Provincial Minister</b>	1 062	1 255	2 834	<b>2 773</b> <sup>a</sup>	(2.15)	2 781	2 777
2. <b>Corporate Affairs</b>	9 290	13 222	16 481	<b>17 353</b>	5.29	18 745	19 889
Management	2 152	2 537	2 642	<b>2 791</b>	5.64	2 906	3 097
Financial management	4 716	6 097	6 940	<b>6 944</b>	0.06	7 324	7 723
Human resource management and auxiliary services	2 422	4 588	6 899	<b>7 618</b>	10.42	8 515	9 069
3. <b>Human resource development and training</b>				<b>1 776</b>		1 785	2 515
Human resource development and training				<b>1 500</b>		1 500	2 200
SETA				<b>276</b>		285	315
<b>Departmental totals</b>	<b>10 352</b>	<b>14 477</b>	<b>19 315</b>	<b>21 902</b>	<b>13.39</b>	<b>23 311</b>	<b>25 181</b>
<sup>a</sup> Includes salary R401 000 and remunerative allowance R159 000 of the Provincial Minister of Finance and Economic Development.							
<b>Standard item</b>							
<b>Current</b>							
Personnel	7 213	9 748	14 396	<b>15 633</b> <sup>a</sup>	8.59	17 245	18 314
Transfer				<b>276</b>		285	315
Other current	3 092	4 552	4 199	<b>5 853</b>	39.39	5 681	6 452
<b>Total current</b>	<b>10 305</b>	<b>14 300</b>	<b>18 595</b>	<b>21 762</b>	<b>17.03</b>	<b>23 211</b>	<b>25 081</b>
<b>Capital</b>							
Acquisition of capital assets	47	177	720	<b>140</b>	(80.56)	100	100
Transfer							
<b>Total capital</b>	<b>47</b>	<b>177</b>	<b>720</b>	<b>140</b>	<b>(80.56)</b>	<b>100</b>	<b>100</b>
<b>Total standard item</b>	<b>10 352</b>	<b>14 477</b>	<b>19 315</b>	<b>21 902</b>	<b>13.39</b>	<b>23 311</b>	<b>25 181</b>
<sup>a</sup> Includes R1434000 in respect of carry-through costs and new cost of improvement of conditions of services since 1 July 2001.							



## 6.2 PROGRAMME2:BUDGETS

AIM: To prepare provincial budgets, formulate fiscal and procurement policies, promote and enforce transparency and effective management and control in respect of revenue and expenditure of provincial departments, relevant municipalities and assigned provincial public entities.

### PROGRAMME DESCRIPTION:

#### **Fiscal services**

analysis and formulation of the Province's fiscal policy

advising the Provincial Government on setting growth and development objectives and priorities in respect of the overall allocation of provincial funds within the medium term expenditure framework (MTEF) and rendering assistance with its execution

fiscal planning and implementation of the fiscal aspects of the government's policy on growth, employment and redistribution (GEAR) in conjunction with other role-players

advising the Provincial Government on and co-ordinating and preparing the annual provincial budget for tabling in the Provincial Parliament

advising the Provincial Government on and the execution of fiscal policies relating to fiscal relations with the central government and the execution thereof

exercising powers and duties in accordance with the Public Finance Management Act, 1999, and other applicable legislation

#### **Revenue management**

promotion, co-ordination, assessment and development of the potential revenue envelope and advising the Provincial Government, in conjunction with other role-players

exercising powers and duties in accordance with the Public Finance Management Act, 1999, and other applicable legislation

advising the Provincial Government on and co-ordinating and preparing reports on the state of own revenue of the Province

#### **Western Cape Gambling and Racing Board**

advising the responsible Provincial Minister on specific powers and duties in accordance with the Western Cape Gambling and Racing Law, 1996 (Law 4 of 1996), and the execution thereof

appropriation of funds for transfer to the Western Cape Gambling and Racing Board

#### **Expenditure control**

advising the Provincial Government on and co-ordinating and preparing the adjustments estimates of the Province for tabling in the Provincial Parliament

advising the Provincial Government on and the execution of financial control measures

ensuring fiscal discipline and efficacy through innovative budget management and output assessment

advising the Provincial Government on and co-ordinating and preparing reports on the state of expenditure of the Province

exercising powers and duties in accordance with the Public Finance Management Act, 1999, and other applicable legislation

assessing and monitoring budgets and financial management of designated municipalities as mandated by applicable legislation

advising the Provincial Minister responsible for Finance on specific powers and duties in accordance with applicable local government legislation

#### **Procurement management**

rendering of an administrative and procurement service to and on behalf of the Western Cape Provincial Tender Board

formulation of, implementing and rendering advice on procurement policies, regulations, powers, instructions and duties in accordance with the Public Finance Management Act, 1999, the Preferential Procurement Policy Framework Act, 2000, the Western Cape Provincial Tender Board Law, 1994, and other applicable legislation

#### **Western Cape Provincial Tender Board**

remuneration of tender board members

SERVICE DELIVERY MEASURES:

<b>Sub-programme 2.1: Fiscal services</b>				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
Determined and evaluated socio-economic needs within a provincial and national context.	Build a macro-economic database. Build a socio-economic database. Determine key variables. Build intra-provincial partnerships with Business Promotion and Social Services.	Indicators and information that support the key variables. Macro- and socio-economic information/ database.	Quality information that can be used to determine and assess performance. First phase of macro-economic modelling completed 1 April 2003	Monthly progress reporting to Treasury Management Committee.
Developed key service delivery outcome indicators.	Focus on: Education Health Infra-structure Business Promotion (sector development) Agriculture Social welfare development	Established and useable database. Effective financial resource allocation. Key delivery outcome indicators.	Revised Fiscal Policy September 2002.	Monthly progress reporting to Treasury Management Committee.
Determined gap between delivery and desired socio-economic outcome.	Correlates service delivery performance (output) against socio-economic needs and outcome indicators.	Socio-economic needs. Service delivery performance indicators per sector.	Revised Fiscal Policy September 2002	Monthly progress reporting to Treasury Management Committee.
Determined spending priorities.	Evolution of a modelling tool.	Spending priorities including optimum mix.	Revised Fiscal Policy September 2002	Monthly progress reporting to Treasury Management Committee.

<b>Sub-programme 2.2: Revenue management</b>				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
A managed provincial revenue portfolio in the provincial and national context.	Assess revenue sharing formula and basis and necessity for conditional grants. Determine and enhance own revenue potential.	Equitable share of revenue collected nationally. Conditional grants that make economic sense. Realistic own revenue estimates.	Stable revenue flows consistent with economic conditions.	Monthly progress reporting to Treasury Management Committee.
Smoothed revenue flows that ensure consistent and sustainable expenditure levels.	Integrate and coordinate national transfers and own revenue streams.	Realistic sustainable revenue and expenditure budgets.	Consistent real growth in revenue over the MTEF period against macro-economic forecasts.	Monthly progress reporting to Treasury Management Committee.
New provincial tax revenue.	Establish a project plan in line with legislative requirements.	A submission of the proposed imposition of a fuel levy to the national Minister of Finance.	Fuel levy implemented by the Province by April 2004.	Monthly progress reporting to Treasury Management Committee.

<b>Sub-programme 2.2: Revenue management</b> (continued)				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
Alternative cost effective service delivery.	Participate in infrastructure and service development initiatives through Public Private Partnerships (PPPs).	Sustainable PPP projects that will provide value for money.	Successful PPP projects.	Monthly progress reporting to Treasury Management Committee.

<b>Sub-programme 2.3: Western Cape Gambling and Racing Board</b>				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
Protected gambling and betting resource base.	Assess the degree of financial support to the Western Cape Gambling and Racing Board.	Adequately resourced controlling body of gambling and betting.	Receipt of estimated gambling and betting revenue.	Monthly progress reporting to Treasury Management Committee.

<b>Sub-programme 2.4: Expenditure control</b>				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
Assessed efficacy of provincial expenditure.	Focus on: Health, Education, Social Services, Infrastructure, Business Promotion and Agriculture with respect to the attainment of their objectives.	Enhanced resource allocation to achieve socio-economic objectives within the vote.	Revised Fiscal Policy September 2002	Monthly progress reporting to Treasury Management Committee.
Controlled and assessed expenditure: actual and forecasts.	Focus on: Health Education Social Services Infrastructure Business Promotion Agriculture	Expenditure and trend analysis reports.	Timely quality expenditure reports. Spending patterns within defined limits.	Monthly progress reporting to Treasury Management Committee. In Year Monitoring (IYM)
Assessed and monitored local government budgets as per Municipal Finance Management Bill.	Assess legal and constitutional frameworks, division of functions and powers.  Develop criteria for intergovernmental function shifts and/or agency services, i.e. provincial and local.  Develop budget assessment criteria.	Framework including criteria and procedures for the assignment of powers and functions.  A matrix illustrating all powers and functions to be performed.  Documented criteria and financial indicators for assessment of municipal budgets.	Appropriate approval by December 2002.  Accepted by key role-players by October 2002.  Appropriate approval by December 2002.	Monthly progress reporting to the Treasury Management Committee.

<b>Sub-programme 2.5: Procurement management</b>				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/ Target</b>	
Access by all potential service providers to the Western Cape Government's preferential procurement system.	<p>Implement the objectives of the Western Cape preferential procurement policy on all procurement activities.</p> <p>Develop a structured implementation plan with in each provincial department.</p> <p>Encourage Tender Advice Centres to fulfil their role.</p>	<p>Departmental user guide.</p> <p>Performance and management reports.</p> <p>Best preferential practice per industry.</p> <p>Departmental implementation plans.</p>	40% in value of contracts awarded to historically disadvantaged persons. 40% of tenders awarded to historically disadvantaged persons (2000/01 - 33%).	<p>Tender Board meetings.</p> <p>Monthly progress reporting to Treasury Management Committees.</p> <p>Quarterly reporting to responsible Provincial Minister.</p>
Capacitated and restructured Tender Board to achieve a modern, fair, equitable, transparent, competitive and cost-effective procurement system.	To shift the focus of the Board to concentrate on the establishment of procurement practices to address departmental needs.	<p>Position paper on a new procurement model.</p> <p>Amended procurement legislation.</p>	Acceptance of legislation September 2002. Re-aligned Board - December 2002.	Monthly progress reporting to Treasury Management Committee.
A modernised and simplified procurement system to enhance access and achieve economic development and efficiency.	<p>Assess and assist departments in developing mechanisms to administer and manage contracts with the aim of ensuring value for money.</p> <p>Arrange term contracts for those requirements used on a transversal basis by departments.</p>	Accredited departmental tender committees.	70% of ad hoc contracts awarded on departmental level.	Monthly progress reporting to Treasury Management Committee.

<b>Sub-programme 2.6: Western Cape Provincial Tender Board</b>				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/ Target</b>	
Remunerated Board members.	Determine appropriate remuneration levels and procedures.	Payment to Board Members aligned with responsibilities.	Expenditure in line with budget projections.	Monthly progress reporting to Treasury Management Committee.

<b>Table 3.2 Expenditure-Programme 2: Budgets</b>							
<b>Department of Finance</b>							
<b>Sub-programme</b>	<b>1999/2000 Actual</b>	<b>2000/01 Actual</b>	<b>2001/02 Est. Actual</b>	<b>2002/03 Voted</b>	<b>% Change Voted to Actual</b>	<b>2003/04 MTEF</b>	<b>2004/05 MTEF</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>		<b>R'000</b>	<b>R'000</b>
1. <b>Fiscal services</b>	1 109	1 473	2 209	<b>2 106</b>	(4.66)	2 233	3 438
2. <b>Revenue management</b>	856	906	2 133	<b>2 844</b>	33.33	2 736	3 865
3. <b>Western Cape Gambling and Racing Board</b>	6 000	5 300	10 000	<b>7 000</b>	(30.00)	6 855	2 585
4. <b>Expenditure control</b>	1 915	1 410	2 904	<b>3 197</b>	10.09	3 478	4 834
Provincial departments	1 915	1 410	2 904	<b>2 671</b>	(8.02)	2 865	4 091
Local authorities				<b>526</b>		613	743
5. <b>Procurement management</b>	1 836	2 663	4 146	<b>4 307</b>	3.88	3 824	5 088
6. <b>Western Cape Provincial Tender Board</b>	267	208	314	<b>330</b>	5.10	330	330
<b>Departmental totals</b>	<b>11 983</b>	<b>11 960</b>	<b>21 706</b>	<b>19 784</b>	<b>(8.85)</b>	<b>19 456</b>	<b>20 140</b>
<b>Standard item</b>							
<b>Current</b>							
Personnel	4 794	5 122	9 065	<b>8 524<sup>a</sup></b>	(5.97)	8 982	9 452
Transfer	6 000	5 300	10 000	<b>7 000</b>	(30.00)	6 855	2 585
Other current	1 096	1 410	2 551	<b>4 260</b>	66.99	3 619	8 103
<b>Total current</b>	<b>11 890</b>	<b>11 832</b>	<b>21 616</b>	<b>19 784</b>	<b>(8.48)</b>	<b>19 456</b>	<b>20 140</b>
<b>Capital</b>							
Acquisition of capital assets	93	128	90		(100.00)		
Transfer							
<b>Total capital</b>	<b>93</b>	<b>128</b>	<b>90</b>		<b>(100.00)</b>		
<b>Total standard item</b>	<b>11 983</b>	<b>11 960</b>	<b>21 706</b>	<b>19 784</b>	<b>(8.85)</b>	<b>19 456</b>	<b>20 140</b>

<sup>a</sup> Includes R759000 in respect of carry-through costs and new cost of improvement of conditions of services since 1

July 2001.

6.3 **PROGRAMME3:PROVINCIALACCOUNTANT-GENERALSERVICES**

AIM: To develop, compile, issue, implement and maintain appropriate norms and standards and to ensure compliance therewith, including the development of human resources, roll-out and control of financial management systems and the management and control of the Provincial Revenue Fund, including borrowings and the issuing of guarantees, indemnities, securities and other commitments, within available means, as well as exercising powers and duties in accordance with the Public Finance Management Act, 1999 (Act 1 of 1999) and other applicable legislation.

**PROGRAMMEDESCRIPTION:**

**Systemscontrolservices**

managingandcontrollingtheProvincialRevenueFund,includingformulationofpolicy raising, administering and management of loans, issuing of guarantees, indemnities, securities and other commitments  
managing, developing, implementing and maintaining transversal financial administration and information systems  
providingfinancial,provisioningandcompetencybasededucationandtrainingandformulationofpolicy

**Accountingandregulatorycontrolservices**

compiling,issuing,implementingandmaintainingofnormsandstandardsandensuringcompliance therewith exercisingoverallaccountingcontrol  
exercising regulatory services, including dispensation powers and duties, and formulation of, and rendering advice on, policies, powers and instructions, in terms of the Public Finance Management Act, 1999 and other applicable legislation

**SERVICEDELIVERYMEASURES:**

<b>Sub-programme3.1:Systemscontrolservices</b>				
<b>Medium-Term</b>		<b>2002/03</b>		<b>Systemusedto monitorprogress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/ Target</b>	
Rolled-outfinancial managementsystemwith regardtoBasic AccountingSystem(BAS).	Investigatetheroll-out ofBAS.	Possible implementationofan on-linefinancial system.	Completionof investigationby 30June2002.	Treasury Management Committee
Developedandrolled-out financialmanagement systemswithregardto EnterpriseApplication Solutions(EAS).	ParticipateinEAS workshops.	Ensureasystemthat compliestoGenerally Recognised AccountingPractice (GRAP)/Generally AcceptedAccounting Practice(GAAP). Positionpaper.	Ensurethat100%of theprovince'suser requirementsare accommodated.	Treasury Management Committee
Rolled-outprovisioning managementsystem (LOGIS).	RolloutofLOGIS to 12sites.	Properprovisioning controland managementof consumeablesand moveableassets.	12Sitessuccessfully implementedandfully operational.Optimal stocklevels.	Projectplan
Rolled-outfinancial managementinformation system(VULINDLELA).	Roll-outofVulindlela toheadofficesand regionsofalldepart-ments.	Management informationavailable toalldepartments.	26Institutions successfully implementedand 100%operational.	ProjectPlan Feedbackfrom departments
Rolled-outLossControl System.	UpdatecurrentLoss ControlSystem manual. Furtherroll-outofLoss ControlSystemto identifiedsites.	Updatedguidelines forusersoftheLoss ControlSystem. Effectivecontrolover losses.	Fullyupdatedmanual by31March2003. 100%ofregistered casescontrolled.	Projectplans Projectplans

<b>Sub-programme 3.1: Systems control services</b> (continued)				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
Establishment of school of Public Accounting and Economic Studies.	Detailed feasibility and assessment of long term vocational development needs for financial and procurement personnel.	Feasibility study.	Position paper by March 2003.	Treasury Management Committee.  CFO forum.
Competency based education and training (CBET) provided.	Identification of target market. Development of an implementation programme and scheduling.	Structured training programme for officials with less than the desired academic level of education.	Full implementation by March 2003.	Treasury Management Committee  Chief Financial Officer (CFO) forum.
Quality human resource development with respect to functional financial training.	Research, development and implementation of a computer-based training system.  Accreditation of the training component.  Develop suitable training programmes and evaluation methods.  Continued development of functional financial training courses.	Meeting the increased demand for training.  Registration as an accredited learning component. A system to measure the effectiveness of training.  Appropriate training to target market of 2300 officials.	Implementation of an operational computer-based training system as a pilot project.  Accreditation of all trainers, training material and training facilities.  Reach 50% of target market by March 2003	Treasury Management Committee  CFO forum
Assessed and developed management system to effectively deal with financial assets in the Provincial Revenue Fund.	Refined cash management by departments.  Determine the availability and suitability of financial instruments for investment purposes.  Obtain optimum interest with acceptable risk in accordance with the investment policy framework.  Ensure that departmental expenditure/requests stay within authorised funds.	More effective cash flow management.  Optimum yield within a risk framework.  Most advantageous rates at reputable financial institutions.  Departments remain within their cash flow projections.	Maintain minimum bank balances with not more than a 10% deviation in projections. Increase revenue earnings.  Attain budgeted interest in accordance with the investment policy framework.  Request for funds to stay within available allocations.	Treasury Management Committee  CFO forum Treasury Management Committee  Treasury Management Committee  Treasury Management Committee  CFO forum

<b>Sub-programme 3.1: Systems control services</b> (continued)				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
A management system to effectively deal with loans and guarantees.	Establishment of the necessary structures to service loans and issue guarantees.  Determine the sustainability of future commitments and most suitable instruments for financing.	Framework for loans and guarantees.	The necessary structures to service loans and issue guarantees to be in place by March 2003.	Treasury Management Committee

<b>Sub-programme 3.2: Accounting and regulatory control services</b>				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
Effective implementation of the second phase of the PFMA in provincial departments with particular focus on substantive compliance.	Monitor progress by departments with their PFMA implementation plans on the ten (10) immediate priorities.	Prescripts complied with.	Nom more than 25% qualified Auditor-General reports.	PFMA implementation progress report  Auditor-General
The effective implementation of the first phase of the PFMA in public entities.	Monitor progress by public entities with the PFMA implementation plans on the seven (7) immediate priorities.	Prescripts complied with.	Nom more than 25% qualified audit reports.	PFMA implementation progress report  Audit reports
Controlling and monitoring the implementation of effective internal controls in provincial departments.	Evaluate step 3 of the PFMA implementation plan regarding internal controls in departments.	Effective internal controls in departments.	Nom more than 25% qualified Auditor-General reports.	Auditor-General reports
Effective implementation of asset management in departments: consumables and inventories.	Verify compliance by departments with section 38(1)(d) of the PFMA and Treasury Regulations Chapter 10.	Compliance with prescripts.	Integrity of data verified at 25 Logis sites by March 2003.	Departmental reports and sample tests  CFO forum
Improved financial performance of departments through the application of interpretive accounting skills.	Interpreting performance of departments by comparing the financial statements/ budgets/ strategic objectives.	Identified shortcomings addressed immediately.	Nom more than 25% qualified Auditor-General reports.	Annual financial statements
Effective management of debtors in provincial departments.	Interaction with departments to determine preventative measures to avoid unnecessary debts.	Debt management framework and system.	80% of all debts registered on the FMS debtor sub-system by March 2003.	Debt management system



<b>Sub-programme 3.2: Accounting and regulatory control services</b> <i>(continued)</i>				
<b>Medium-Term</b>		<b>2002/03</b>		<b>System used to monitor progress</b>
<b>Objective</b>	<b>Strategy</b>	<b>Output</b>	<b>Performance: Measure/Indicator/Target</b>	
Effective loss control in provincial departments.	Develop and issue General Practice notes on loss control.	Losses managed effectively.	Losses recorded and resolved within six months after discovery.	Reports from Loss Control Officer
Cleared old/non-current balances for departments (15-50-70 project).	Appoint project team to identify balances that will form liability against the Provincial Revenue Fund and determine financial implications.	Financial Management System (FMS) department 70 ready for permanent closure. FMS department 50 closed permanently.	Balances identified for funding or clearing.  First phase September 2002	Treasury Management Committee  CFO forum
Overall effective accounting control.	Continuous monitoring of accounting reports of departments.	Sound state of books of accounts in all departments.	No more than 25% qualified Auditor-General reports.	Internal Audit reports  Auditor-General reports  Accounting reports
Regulating and improving financial management in departments by issuing provincial norms and standards.	Compiling, monitoring and evaluating norms and standards and issuing revised provincial Treasury Instructions which will lead to financial best practices.	Provincial Treasury Instructions, guidelines and accounting practices.  Delegated powers.	Minimum uncondoned departures from financial prescripts.	Annual reports  Audit reports

<b>Table 3.3 Expenditure-Programme 3: Provincial Accountant-General Services</b>							
<b>Department of Finance</b>							
<b>Sub-programme</b>	1999/2000 Actual R'000	2000/01 Actual R'000	2001/02 Est. Actual R'000	<b>2002/03 Voted R'000</b>	%Change Voted to Actual	2003/04 MTEF R'000	2004/05 MTEF R'000
<b>1. Systems control services</b>	5 459	7 039	14 780	<b>13 263</b>	(10.26)	15 898	16 595
Financial systems	3 526	4 033	11 133	<b>9 184</b>	(17.51)	11 686	12 199
Financial training	1 317	2 346	2 466	<b>2 712</b>	9.98	2 792	2 925
Cash management	616	660	761	<b>851</b>	11.83	880	928
Loans management			420	<b>516</b>	22.86	540	543
<b>2. Accounting and regulatory control services</b>	9 065 <sup>a</sup>	3 780 <sup>a</sup>	6 436 <sup>a</sup>	<b>5 286</b>	(17.87)	3 957	3 997
<b>Departmental totals</b>	<b>14 524</b>	<b>10 819</b>	<b>21 216</b>	<b>18 549</b>	(12.57)	<b>19 855</b>	<b>20 592</b>
<sup>a</sup> Includes Departmental Accountant Services.							
<b>Standard item</b>							
<b>Current</b>							
Personnel	11 836	7 391	12 376	<b>11 138<sup>a</sup></b>	(10.00)	10 778	11 269
Transfer							
Other current	2 678	3 136	8 240	<b>6 779</b>	(17.73)	4 077	4 023
<b>Total current</b>	<b>14 514</b>	<b>10 527</b>	<b>20 616</b>	<b>17 917</b>	(13.09)	<b>14 855</b>	<b>15 292</b>
<b>Capital</b>							
Acquisition of capital assets	10	292	600	<b>632</b>	5.33	5 000	5 300
Transfer							
<b>Total capital</b>	<b>10</b>	<b>292</b>	<b>600</b>	<b>632</b>	<b>5.33</b>	<b>5 000</b>	<b>5 300</b>
<b>Total standard item</b>	<b>14 524</b>	<b>10 819</b>	<b>21 216</b>	<b>18 549</b>	(12.57)	<b>19 855</b>	<b>20 592</b>
<sup>a</sup> Includes R819 000 in respect of carry-through costs and new cost of improvement of conditions of services since 1 July 2001.							

<b>Table4 PersonnelEstimates DepartmentofFinance</b>			
<b>Programme</b>	<b>At31March2001</b>	<b>At31March2002</b>	<b>At31March2003</b>
1. Administration	114	127	127
2. Budgets	46	49	49
3. ProvincialAccountant-GeneralServices	51	48	48
<b>Totalcurrent</b>	<b>211</b>	<b>224</b>	<b>224</b>

<b>Table5 ReconciliationofStructuralChanges DepartmentofFinance</b>						
<b>CurrentProgramme</b>	<b>2000/01 Actual R'000</b>	<b>2001/02 Est.Actual R'000</b>	<b>2002/03 Voted R'000</b>	<b>2003/04 MTEF R'000</b>	<b>2004/05 MTEF R'000</b>	<b>NewProgramme</b>
Vote3:Allprogrammes			<b>276</b>	285	315	Programme1:Administration
Vote1:Premier, Director-General andCorporateServices		431	<b>532</b>	551	551	Programme1:Administration
Programme3:Provincial Accountant-General Services	1 242	1 884	<b>2 034</b>	2 140	2 140	Programme1:Administration
Programme3:Provincial Accountant-General Services	816	1 235	<b>1 333</b>	1 402	1 402	Vote8:Planning,Local GovernmentandHousing
Programme3:Provincial Accountant-General Services	944	1 430	<b>1 543</b>	1 623	1 623	Vote1:Premier,Director-General andCorporateServices
Programme3:Provincial Accountant-General Services	88	130	<b>141</b>	148	148	Vote4:CommunitySafety
Programme3:Provincial Accountant-General Services	1 201	1 819	<b>1 964</b>	2 066	2 066	Vote9:EnvironmentalandCultural AffairsandSport
Programme2:Budgets			<b>443</b>	463	463	Programme3:Provincial Accountant-General Services
Vote6:Health		964	<b>1 364</b>	1 438	1 438	Programme3:Provincial Accountant-General Services
<b>Total</b>	<b>4 291</b>	<b>7 893</b>	<b>9 630</b>	<b>10 116</b>	<b>10 146</b>	

<b>Table Summary of funds pertaining to information technology projects voted under Vote 1 - Premier, Director-General and Corporate Services for the purposes of Vote 3 - Finance</b>							
Project	1999/2000 Actual	2000/01 Actual	2001/02 Est. Actual	2002/03 Voted	% Change Voted to Actual	2003/04 MTEF	2004/05 MTEF
	R'000	R'000	R'000	R'000		R'000	R'000
1. Hardware replacement and acquisition			420	432	2.86	788	788
2. Vulindlela rollout			700	800	14.29		
<b>Project totals</b>			1 120	1 232	10.00	788	788

<b>Table7 Summary of Transfer Payment related Expenditure Department of Finance</b>					
<b>Programme</b>	<b>Beneficiary</b>	<b>Main Purpose</b>	<b>2002/03 Voted R'000</b>	<b>2003/04 MTEF R'000</b>	<b>2004/05 MTEF R'000</b>
1. <b>Administration</b>	Sectoral Education and Training Authority (SETA)	Contribution towards SETA.	<b>276</b>	285	315
2. <b>Budgets</b>	Western Cape Gambling and Racing Board	To adequately resource the Western Cape Gambling and Racing Board as controlling body of gambling and betting in the Province.	<b>7 000</b>	6 855	2 585
<b>Total</b>			<b>7 276</b>	7 140	2 900

<b>Table 8 Summary of Expenditure and Estimates: Department of Finance</b>							
Programme	1999/2000	2000/01	2001/02	2002/03	% Change	2003/04	2004/05
	Actual	Actual	Est. Actual	Voted	Voted to Actual	MTEF	MTEF
	R'000	R'000	R'000	R'000		R'000	R'000
<b>Standard items</b>							
Personnel expenditure	23 843	22 261	35 837	<b>35 295</b>	(1.51)	37 005	39 035
Administrative expenditure	2 312	2 766	3 078	<b>3 234</b>	5.07	2 970	2 987
Stores and livestock	842	833	855	<b>759</b>	(11.23)	745	745
Current	842	833	855	<b>759</b>	(11.23)	745	745
Capital							
Equipment	688	735	1 660	<b>1 002</b>	(39.64)	5 331	5 631
Current	538	138	250	<b>230</b>	(8.00)	231	231
Capital	150	597	1 410	<b>772</b>	(45.25)	5 100	5 400
Land and buildings							
Current							
Capital							
Professional and special services	2 987	5 218	10 807	<b>12 669</b>	17.23	9 431	14 615
Current	2 987	5 218	10 807	<b>12 669</b>	17.23	9 431	14 615
Capital							
Transfer payments	6 000	5 300	10 000	<b>7 276</b>	(27.24)	7 140	2 900
Current	6 000	5 300	10 000	<b>7 276</b>	(27.24)	7 140	2 900
Capital							
Miscellaneous expenditure	187	143					
Civil Pensions Stabilization Account	187	143					
Thefts and losses							
<b>Total current</b>	<b>36 709</b>	<b>36 659</b>	<b>60 827</b>	<b>59 463</b>	(2.24)	57 522	60 513
<b>Total capital</b>	<b>150</b>	<b>597</b>	<b>1 410</b>	<b>772</b>	(45.25)	5 100	5 400
<b>Total standard item classification</b>	<b>36 859</b>	<b>37 256</b>	<b>62 237</b>	<b>60 235</b>	(3.22)	62 622	65 913
<b>GFSEconomic Type</b>							
<b>Current expenditure</b>							
Compensation of employees	23 984	22 397	35 837	<b>35 295</b>	(1.51)	37 005	39 035
Salaries and wages	19 960	16 648	25 287	<b>25 604</b>	1.25	26 760	28 274
Other remuneration	4 024	5 749	10 550	<b>9 691</b>	(8.14)	10 245	10 761
Use of goods and services	6 492	8 832	14 830	<b>16 776</b>	13.12	13 300	18 460
Interest paid							
Transfer payments	6 233	5 430	10 160	<b>7 392</b>	(27.24)	7 217	3 018
Subsidies to business enterprises							
Local government	34	45	59	<b>72</b>	22.03	77	78
Extra-budgetary institutions				<b>276</b>		285	315
Households	6 199	5 385	10 101	<b>7 044</b>	(30.26)	6 855	2 625
Non-profit organisation							
<b>Total current</b>	<b>36 709</b>	<b>36 659</b>	<b>60 827</b>	<b>59 463</b>	(2.24)	57 522	60 513
<b>Capital expenditure</b>							
Non-financial assets	150	597	1 410	<b>772</b>	(45.25)	5 100	5 400
Buildings and structures							
Machinery and equipment	150	597	1 410	<b>772</b>	(45.25)	5 100	5 400
Non-produced assets							
Other assets							
Capital transfer to							
Local government							
Other							
<b>Total capital</b>	<b>150</b>	<b>597</b>	<b>1 410</b>	<b>772</b>	(45.25)	5 100	5 400
<b>Total GFSE expenditure</b>	<b>36 859</b>	<b>37 256</b>	<b>62 237</b>	<b>60 235</b>	(3.22)	62 622	65 913

<b>Table 8.1 Summary of Expenditure and Estimates: Department of Finance Programme 1: Administration</b>							
<b>Programme</b>	1999/2000	2000/01	2001/02	2002/03	% Change	2003/04	2004/05
	Actual	Actual	Est. Actual	Voted	Voted to Actual	MTEF	MTEF
	R'000	R'000	R'000	R'000		R'000	R'000
<b>Standard items</b>							
Personnel expenditure	7 213	9 748	14 396	<b>15 633</b>	8.59	17 245	18 314
Administrative expenditure	1 669	2 099	1 669	<b>1 772</b>	6.17	1 713	1 766
Stores and livestock	717	791	715	<b>759</b>	6.15	745	745
Current	717	791	715	<b>759</b>	6.15	745	745
Capital							
Equipment	301	315	912	<b>370</b>	(59.43)	331	331
Current	254	138	192	<b>230</b>	19.79	231	231
Capital	47	177	720	<b>140</b>	(80.56)	100	100
Land and buildings							
Current							
Capital							
Professional and special services	380	1 435	1 623	<b>3 092</b>	90.51	2 992	3 710
Current	380	1 435	1 623	<b>3 092</b>	90.51	2 992	3 710
Capital							
Transfer payments				<b>276</b>		285	315
Current				<b>276</b>		285	315
Capital							
Miscellaneous expenditure	72	89					
Civil Pensions Stabilization Account	72	89					
<b>Total current</b>	<b>10 305</b>	<b>14 300</b>	<b>18 595</b>	<b>21 762</b>	<b>17.03</b>	<b>23 211</b>	<b>25 081</b>
<b>Total capital</b>	<b>47</b>	<b>177</b>	<b>720</b>	<b>140</b>	<b>(80.56)</b>	<b>100</b>	<b>100</b>
<b>Total standard item classification</b>	<b>10 352</b>	<b>14 477</b>	<b>19 315</b>	<b>21 902</b>	<b>13.39</b>	<b>23 311</b>	<b>25 181</b>
<b>GFSEconomic Type</b>							
<b>Current expenditure</b>							
Compensation of employees	7 239	9 830	14 396	<b>15 633</b>	8.59	17 245	18 314
Salaries and wages	4 834	6 804	9 876	<b>11 116</b>	12.56	12 356	13 107
Other remuneration	2 405	3 026	4 520	<b>4 517</b>	(0.07)	4 889	5 207
Use of goods and services	3 046	4 362	4 170	<b>5 820</b>	39.57	5 646	6 417
Interest paid							
Transfer payments	20	108	29	<b>309</b>	965.52	320	350
Subsidiestobusinessenterprises							
Local government	16	23	29	<b>33</b>	13.79	35	35
Extra-budgetary institutions				<b>276</b>		285	315
Households	4	85					
Non-profit organisation							
<b>Total current</b>	<b>10 305</b>	<b>14 300</b>	<b>18 595</b>	<b>21 762</b>	<b>17.03</b>	<b>23 211</b>	<b>25 081</b>
<b>Capitalexpenditure</b>							
Non-financial assets	47	177	720	<b>140</b>	(80.56)	100	100
Buildings and structures							
Machinery and equipment	47	177	720	<b>140</b>	(80.56)	100	100
Non-produced assets							
Other assets							
Capital transfer to							
Local government							
Other							
<b>Total capital</b>	<b>47</b>	<b>177</b>	<b>720</b>	<b>140</b>	<b>(80.56)</b>	<b>100</b>	<b>100</b>
<b>Total GFSExpenditure</b>	<b>10 352</b>	<b>14 477</b>	<b>19 315</b>	<b>21 902</b>	<b>13.39</b>	<b>23 311</b>	<b>25 181</b>

<b>Table 8.2 Summary of Expenditure and Estimates: Department of Finance Programme 2: Budgets</b>							
<b>Programme</b>	1999/2000	2000/01	2001/02	<b>2002/03</b>	% Change	2003/04	2004/05
	Actual	Actual	Est. Actual	<b>Voted</b>	Voted to	MTEF	MTEF
	R'000	R'000	R'000	<b>R'000</b>	Actual	R'000	R'000
<b>Standard items</b>							
Personnel expenditure	4 794	5 122	9 065	<b>8 524</b>	(5.97)	8 982	9 452
Administrative expenditure	331	303	854	<b>511</b>	(40.16)	586	586
Stores and livestock	71	42	140		(100.00)		
Current	71	42	140		(100.00)		
Capital							
Equipment	119	128	146		(100.00)		
Current	26		56		(100.00)		
Capital	93	128	90		(100.00)		
Land and buildings							
Current							
Capital							
Professional and special services	596	1 033	1 501	<b>3 749</b>	149.77	3 033	7 517
Current	596	1 033	1 501	<b>3 749</b>	149.77	3 033	7 517
Capital							
Transfer payments	6 000	5 300	10 000	<b>7 000</b>	(30.00)	6 855	2 585
Current	6 000	5 300	10 000	<b>7 000</b>	(30.00)	6 855	2 585
Capital							
Miscellaneous expenditure	72	32					
Civil Pensions Stabilization Account	72	32					
<b>Total current</b>	<b>11 890</b>	<b>11 832</b>	<b>21 616</b>	<b>19 784</b>	(8.48)	19 456	20 140
<b>Total capital</b>	<b>93</b>	<b>128</b>	<b>90</b>		(100.00)		
<b>Total standard item classification</b>	<b>11 983</b>	<b>11 960</b>	<b>21 706</b>	<b>19 784</b>	(8.85)	19 456	20 140
<b>GFS Economic Type</b>							
<b>Current expenditure</b>							
Compensation of employees	4 866	5 154	9 065	<b>8 524</b>	(5.97)	8 982	9 452
Salaries and wages	3 247	3 617	5 868	<b>5 975</b>	1.82	6 354	6 713
Other remuneration	1 619	1 537	3 197	<b>2 549</b>	(20.27)	2 628	2 739
Use of goods and services	962	1 366	2 479	<b>4 244</b>	71.20	3 603	8 087
Interest paid							
Transfer payments	6 062	5 312	10 072	<b>7 016</b>	(30.34)	6 871	2 601
Subsidiestobusinessenterprises							
Local government	11	12	15	<b>16</b>	6.67	16	16
Extra-budgetary institutions							
Households	6 051	5 300	10 057	<b>7 000</b>	(30.40)	6 855	2 585
Non-profit organisation							
<b>Total current</b>	<b>11 890</b>	<b>11 832</b>	<b>21 616</b>	<b>19 784</b>	(8.48)	19 456	20 140
<b>Capitalexpenditure</b>							
Non-financial assets	93	128	90		(100.00)		
Buildings and structures							
Machinery and equipment	93	128	90		(100.00)		
Non-produced assets							
Other assets							
Capital transfer to							
Local government							
Other							
<b>Total capital</b>	<b>93</b>	<b>128</b>	<b>90</b>		(100.00)		
<b>Total GFS expenditure</b>	<b>11 983</b>	<b>11 960</b>	<b>21 706</b>	<b>19 784</b>	(8.85)	19 456	20 140



<b>Table 8.3 Summary of Expenditure and Estimates: Department of Finance Programme 3: Provincial Accountant-General Services</b>							
<b>Programme</b>	1999/2000	2000/01	2001/02	<b>2002/03</b>	% Change	2003/04	2004/05
	Actual	Actual	Est. Actual	<b>Voted</b>	Voted to	MTEF	MTEF
	R'000	R'000	R'000	<b>R'000</b>	Actual	R'000	R'000
<b>Standard items</b>							
Personnel expenditure	11 836	7 391	12 376	<b>11 138</b>	(10.00)	10 778	11 269
Administrative expenditure	312	364	555	<b>951</b>	71.35	671	635
Stores and livestock	54						
Current	54						
Capital							
Equipment	268	292	602	<b>632</b>	4.98	5 000	5 300
Current	258		2		(100.00)		
Capital	10	292	600	<b>632</b>	5.33	5 000	5 300
Land and buildings							
Current							
Capital							
Professional and special services	2 011	2 750	7 683	<b>5 828</b>	(24.14)	3 406	3 388
Current	2 011	2 750	7 683	<b>5 828</b>	(24.14)	3 406	3 388
Capital							
Transfer payments							
Current							
Capital							
Miscellaneous expenditure	43	22					
Civil Pensions Stabilization Account	43	22					
Thefts and losses							
<b>Total current</b>	<b>14 514</b>	<b>10 527</b>	<b>20 616</b>	<b>17 917</b>	<b>(13.09)</b>	<b>14 855</b>	<b>15 292</b>
<b>Total capital</b>	<b>10</b>	<b>292</b>	<b>600</b>	<b>632</b>	<b>5.33</b>	<b>5 000</b>	<b>5 300</b>
<b>Total standard item classification</b>	<b>14 524</b>	<b>10 819</b>	<b>21 216</b>	<b>18 549</b>	<b>(12.57)</b>	<b>19 855</b>	<b>20 592</b>
<b>GFSE Economic Type</b>							
<b>Current expenditure</b>							
Compensation of employees	11 879	7 413	12 376	<b>11 138</b>	(10.00)	10 778	11 269
Salaries and wages	11 879	6 227	9 543	<b>8 513</b>	(10.79)	8 050	8 454
Other remuneration		1 186	2 833	<b>2 625</b>	(7.34)	2 728	2 815
Use of goods and services	2 484	3 104	8 181	<b>6 712</b>	(17.96)	4 051	3 956
Interest paid							
Transfer payments	151	10	59	<b>67</b>	13.56	26	67
Subsidiestobusinessenterprises							
Local government	7	10	15	<b>23</b>	53.33	26	27
Extra-budgetary institutions							
Households	144		44	<b>44</b>			40
Non-profit organisation							
<b>Total current</b>	<b>14 514</b>	<b>10 527</b>	<b>20 616</b>	<b>17 917</b>	<b>(13.09)</b>	<b>14 855</b>	<b>15 292</b>
<b>Capitalexpenditure</b>							
Non-financial assets	10	292	600	<b>632</b>	5.33	5 000	5 300
Buildings and structures							
Machinery and equipment	10	292	600	<b>632</b>	5.33	5 000	5 300
Non-produced assets							
Other assets							
Capital transfer to							
Local government							
Other							
<b>Total capital</b>	<b>10</b>	<b>292</b>	<b>600</b>	<b>632</b>	<b>5.33</b>	<b>5 000</b>	<b>5 300</b>
<b>Total GFSE expenditure</b>	<b>14 524</b>	<b>10 819</b>	<b>21 216</b>	<b>18 549</b>	<b>(12.57)</b>	<b>19 855</b>	<b>20 592</b>