

Vote 3

Provincial Treasury

	2011/12 To be appropriated	2012/13	2013/14
MTEF allocations	R144 976 000	R153 356 000	R163 455 000
Responsible MEC	Provincial Minister of Finance, Economic Development and Tourism		
Administering Department	Provincial Treasury		
Accounting Officer	Head Official: Provincial Treasury		

1. Overview

Core functions and responsibilities

To provide strategic leadership in financial matters across the provincial and municipal spheres, provide support to the Minister and enhance the availability of financial resources with better targeting of these to achieve desired socio-economic and governance outcomes.

Promote the effective and efficient management of physical and financial assets, liabilities and supply chain systems.

Steadily improving financial governance, budgeting, accountability and performance oriented financial management.

Accurate, transparent and full reflection of financial and associated transactions and processes.

Vision

Change agent in resource allocation and utilisation practices in pursuing the systematic reduction of social and economic disparities.

Mission

To obtain financial supportive means and through sound governance practices, foster optimal utilisation of resources.

Main services

A credible medium term fiscal framework supported by robust socio-economic analyses, leading to responsive and sustainable budgets to promote shared growth and development.

Proper recording of all financial transactions, promoting substantive compliance with financial management norms and standards.

Fostering prudent management of the built environment, physical and financial assets, financial systems and liabilities.

Improved in-year expenditure management practices, analysis and improvement of intergovernmental financial management systems, municipal oversight and capacity building.

Demands and changes in service

Ongoing challenges include the necessity to achieve higher levels of financial competence and execution within both the provincial and municipal spheres and thus to set appropriate targets over the medium term for each institution and to assist in developing strategies and plans so as to achieve those. Clearly, to achieve success would require greater involvement from Treasury to raise the overall financial capability for all institutions. To facilitate this, internal changes in work methods have been designed, due to be refined over the next year in liaison with Treasury's partners in departments, entities and municipalities. Similarly, an in depth assessment into Treasury's internal structure and capacity has been completed and it's trusted that these changes will be effected towards the midpoint of the 2011/12 financial year.

Acts, rules and regulations

The legislative mandate within which the Provincial Treasury operates, consist of the following mix of national and provincial legislation:

Annual Division of Revenue Act

To provide for the equitable division of revenue raised nationally, inclusive of conditional grants, amongst the three spheres of government and matters incidental thereto.

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

To provide for regulatory prescripts, in addition to the Public Service Act, 1994 and the Public Service Regulations, 2001, regarding the employment conditions for public servants.

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.

Employment Equity Act, 1998 (Act 55 of 1998)

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

Executives' Members Ethics Act (Act 82 of 1998)

To provide for a code of ethics governing the conduct of members of members of provincial Executive Councils, and to provide for matters connected therewith.

Government Employees Pension Law, 1996 (Act 21 of 1996)

To make provision for the payment of pensions and certain other benefits to employees, their dependants or nominees, and to provide for matters incidental thereto.

Government Immoveable Asset Management Act, 2007 (Act 19 of 2007)

To provide a uniform framework for the management of immoveable assets that are held or used by provincial (in this case) departments and to ensure the optimal coordination of the use of such immoveable assets within the context of the departmental service delivery objectives.

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

To define amongst others the role of the Minister of Finance and Economic Development and that of the Treasury as representative of the Provincial Government; promoting co-operation between spheres of government on fiscal, budgetary and financial matters; to provide insight into the prescribed processes for the determination of the equitable share and allocation of revenue raised nationally and for matters in connection therewith.

Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)

To establish a framework for the national government, provincial governments and local governments to promote and facilitate intergovernmental relations; to provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes; and to provide for matters connected therewith.

Labour Relations Act, 1995 (Act 66 of 1995)

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

Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)

To regulate financial management in the local sphere of government; to require that all revenue, expenditure, assets and liabilities of municipalities and municipal entities are managed economically, efficiently and effectively; to determine the responsibilities of persons entrusted with municipal borrowing; to make provision for the handling of financial emergencies in municipalities; and to provide for matters connected therewith, apart from assigning certain powers, responsibilities and functions to Treasuries in this respect.

Occupational Health and Safety Act, 1993 (Act 85 of 1993)

To provide for the health and safety of persons at work and for the health and safety of persons in connection with the use of plant and machinery; the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of person at work; to establish an advisory council for occupational health and safety; and to provide for matters connected therewith.

Public Audit Act, 2004 (Act 25 of 2004)

To provide assistance to the Auditor-General's Office in the recovering of outstanding audit fees, to appropriately respond or intervene (as the case may be) on matters arising from audit reports and to provide for matters connected therewith.

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

To provide the Treasury with a regulatory framework enabling and assisting departments and potential historically disadvantaged individuals (HDIs) in the sustainable development and implementation of a preferential procurement system.

Promotion of Access to Information Act, 2000 (Act 2 of 2000)

To give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.

Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)

To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to request written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996; and to provide for matters incidental thereto.

Provincial Tax Regulation Process Act, 2001 (Act 53 of 2001)

To regulate the intergovernmental process that must be followed by provinces in the exercise of their power in terms of section 228 of the Constitution to impose taxes, levies and duties, and flat-rate surcharges on the tax bases of any tax, levy or duty imposed by national legislation; and to provide for matters connected therewith.

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

To regulate financial management in the national and provincial spheres to ensure that all revenue, expenditure, assets and liabilities are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management within the Treasury and to provide for matters connected therewith. In addition, it describes the powers and functions of Treasuries and to direct their responsibilities with respect to other departments and public entities.

Public Service Act, 1994 (Act 103 of 1994) as amended

To provide for the organisation and administration of the Treasury 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 Treasury and matters connected therewith.

Remuneration of Public Office Bearers Act (Act 20 of 1998)

To provide for a framework for determining the upper limit of salaries and allowances of Premiers, members of Executive Councils, members of provincial legislatures and members of Municipal Councils; to provide for a framework for determining pension and medical aid benefits of office bearers; to provide for the repeal of certain laws; and to provide for matters connected therewith.

Skills Development Act, 1998 (Act 97 of 1998)

To provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce; to integrate those strategies within the National Qualification Framework contemplated in the South African Qualification Authority Act, 1995; to provide for learnerships that lead to recognised occupational qualifications; to provide for the financing of skills development by means of a levy-grant scheme and a National Skills Fund; to provide for and regulate employment services; and to provide for matters connected therewith.

Skills Development Levy Act, 1999 (Act 9 of 1999)

To provide for the imposition of a skills development levy; and for matters connected therewith.

Taxation Laws Amendment Act (Act 32 of 1999)

To amend the Marketable Securities Tax Act, 1948, so as to effect certain textual alterations; to provide that a certain part of the salary of holders of public office is deemed to be an allowance; to further regulate the taxation of investment income of controlled foreign entities and investment income arising from donations, settlements or other dispositions; to limit the application of certain exemptions; to provide for further exemptions; to further regulate the allowance for tax purposes in respect of intellectual property and matters relating thereto.

Western Cape Adjustments Appropriation Act, 2010 (Act 9 of 2010)

To appropriate adjusted amounts of money from the Provincial Revenue Fund for the requirements of the Province of the Western Cape in respect of the financial year ending 31 March 2011; to amend the Western Cape Appropriation Act, 2010 in respect of certain grants; and to provide for matters connected therewith.

Western Cape Direct Charges Act, 2000 (Act 6 of 2000)

To provide for the withdrawal of State moneys from the Western Cape Provincial Revenue Fund, as a direct charge, in accordance with the Constitution of the Republic of South Africa, 1996, the Constitution of the Western Cape, 1997 (Act 1 of 1998) and the Public Finance Management Act, 1999 (Act 1 of 1999), and for matters incidental thereof.

Western Cape Gambling and Racing Act, 1996 (Act 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 Provincial Legislature when necessary in meeting their financial responsibilities as set out in legislation.

Budget decisions

The culture of greater austerity in spending in 2009/10 was carried over into the 2010/11 financial year resulting in lower than expected expenditure on goods and services. It is also evident in the decrease from the audited 2008/09 ratio of goods and services relative to compensation of employees to the 2010/11 revised estimate ratio. Several directorates and components were either reconfigured and new ones contemplated to ensure that the right level and depth of service is available to meet the ever on-going and changing demands levied on the Provincial Treasury. For the new MTEF period the goods and services ratio to compensation of employees is below 30 per cent to cater for the planned investment in additional human capital arising from reconfiguration process.

Another factor contributing to the reduction in allocations over the MTEF period was the modernisation process led by the Department of the Premier. The two main shifts were the Internal Audit Component to the Department of the Premier (DotP) at the end of April 2010 and the corporatisation of the HRM components of eleven departments into a central Corporate Services Centre (CSC) within DotP.

Aligning departmental budgets to achieve government's prescribed outcomes

In line with its mandate, the Western Cape Provincial Treasury is tasked to support efforts to improve allocative efficiency, enforce fiscal discipline and improve operational efficiency in furtherance of the objectives enshrined in the respective national and provincial outcome 12's, as well as those dealing with local government. These include efforts to assist departments, entities and municipalities in preparing and reporting on budgets that are in line with public management reforms, aimed at achieving relative efficiency, effectiveness, economy and equity in the use of public resources and the delivery of public services. For these purposes the Department is allocated a budget of R144.976 million in 2011/12, R153.356 million for 2012/13 and R163.455 million in 2013/14.

The proportional allocation across the four programmes of the Department is as follows:

R36.187 million (25 per cent) of the 2011/12 budget is allocated to **Programme 1: Administration** to give strategic direction and to provide quality financial and other support services to the Minister and the Head of Department.

R59.363 million (41 per cent) of the 2011/12 budget is allocated to **Programme 2: Sustainable Resource Management** to inform financial resource allocation, to manage the provincial budget and to monitor the implementation of provincial, municipal and entity budgets to enhance the effective utilisation of available fiscal resources.

R28.781 million (20 per cent) of the 2011/12 budget is allocated to **Programme 3: Assets and Liabilities Management** to provide policy direction and to facilitate and enforce the effective and efficient management of financial systems, physical and financial assets, and supply chain management within the provincial and municipal spheres.

R20.645 million (14 per cent) of the 2011/12 budget is allocated to **Programme 4: Financial Governance** to develop accounting and financial management practices within provincial and local governments that will contribute towards attaining level 3 and higher auditable organisations.

The budget for Provincial Treasury can thus be directly linked to, and is therefore responsive to the Provincial Strategic Objective (PSO) 10, which aims to integrate service delivery for maximum impact and Provincial Strategic Objective 12 of building the best-run regional government in the world.

On PSO 10, the Provincial Treasury makes a contribution to building capacity in municipalities through in depth situational analysis as it relates to budgetary and financial matters, key training and capacity building initiatives and engagements with municipalities on budgetary and performance management issues. On PSO 12, the Provincial Treasury provides key monitoring and evaluation of departmental and municipal finance, governance and performance management.

While there is also a clear link for the Provincial Treasury to national outcomes particularly Outcome 12: An efficient and development oriented public service, the Provincial Treasury focus areas on a provincial level, amongst other are to:

Ensure that there is an efficient distribution of resources (via the MTEF budget) to respond to the service delivery needs;

Monitor the use of these resources throughout the financial year to ensure efficacy and efficiency in spending; and

Ensure that all prescripts and protocols and outlined in the PFMA and MFMA are adhered to ensure good financial governance.

It is in this regard that the Provincial Treasury budget contributes to the achievement the Provincial Strategic Objectives and National Outcomes.

2. Review 2010/11

The past financial year was essentially about building on the foundations laid previously towards improving financial management and overall governance across the provincial and municipal spheres in the Western Cape. The 2009/10 financial year saw all provincial departments and entities receiving unqualified audits, so with due credit to accounting officers, chief financial officers and their staff, it had to be about learning from past lessons and further raising the bar.

The objectives set for the year under review included better performance reporting and more sensible formulation of annual performance plans that responded to the relevant criteria, particularly measurability and directing the efforts of the relevant department, entity or municipality. The impact of these efforts will only be visible in the 2011/12 financial year.

A great deal of effort was also expended in designing a new supply chain framework for the Province. This included a risk assessment of the supporting systems and other input gleaned from previous and on-going assessments of supply chain and moveable asset management practices in both departments and municipalities. Much of this work was done in collaboration with National Treasury and selected departments and municipalities. The intention is to move towards implementation in the 2011/12 financial year. Associated with this was the conclusion of an agreement with the University of Stellenbosch Business School to initiate over a number of years a bespoke capacity building programme within municipalities, starting with supply chain management.

2010/11 also saw the second year of interim financial statements, including Health, which this time incorporated a much more structured and in depth analysis of such statements to test the veracity of the data submitted, inclusive of highlighting areas for improvement. In general in year monitoring of departments, and especially municipalities and entities saw significant improvements in compliance and data integrity.

Budgeting processes for both provincial departments and entities became more intense against the backdrop of continuing financial stress, both nationally and internationally, and in pursuit of greater efficiencies and more clearly designed impact on priority areas. These endeavours were performed in concert with both national and provincial processes to try and achieve the best possible outcome, amongst others to mitigate risk and achieve better socio-economic results. In addition, due to earlier steps, all indications are that the 2010/11 expenditure and revenue outcomes for the Province will not put undue stress on the fiscus and at the same time achieve most of the targets set for the year under review.

Departmentally, success was achieved in bringing down the vacancy rate from around 19 per cent to 10 per cent at year-end. Furthermore, the average tenure of employment within Treasury has been creeping up steadily on an annual basis reaching close to an estimated eight years on average per employee. Similarly the average age of staff has also been steadily increasing, reaching close to 38 years by year end. This is making a substantial difference in the depth of Treasury's ability to execute on its responsibilities and augers well for the future.

Concerted efforts have also been in place to cooperatively enhance value for money initiatives within all of Treasury's own programmes and to achieve the best collective results. Furthermore, significant extensive attention was paid towards improving its internal supply chain management processes and several measures, including training, were introduced raise standards in general, and particularly in respect of levels of demand and asset management.

3. Outlook for 2011/12

The focus of the 2011 budget remains on delivering on Treasury's strategic goals to promote the optimal use of provincial and municipal financial resources and strengthen financial governance practices taking into account national and provincial government's desired outcomes. Key performance areas towards achieving these are:

Fiscal Policy

Strengthening of revenue and cash management inclusive of promoting full utilisation and optimum and efficient collection of all potential revenue sources; effective and efficient development of revenue streams and improving the credibility and sustainability of cash flow management arrangements and liquidity in provincial departments and municipalities.

Provincial and Local Government Budget Management

The development of responsive departmental, municipal and entity budgets that contribute to improvements in socio-economic outcomes; economic and other analysis to inform planning and budgeting, budget policy formulation; and better monitoring of financial and service delivery performance, the latter in liaison with the Departments of the Premier and Local Government.

Provincial and Local Government Public Finance

Improving expenditure and revenue management and monitoring of budget implementation to improve sustainability and credibility of provincial, municipal and entity budgets; introducing steps that would enhance operational efficiency, targeting, and delivery on annual plans.

Infrastructure management

Raising the level of infrastructure delivery in liaison with key provincial departments, a process that includes planning and determining the most efficient procurement methodologies. This endeavor includes the design and implementation over time of appropriate structures, processes, criteria and systems within such departments and Treasury itself.

Moveable Asset Management

Develop, drive, assess and assist departments, entities and municipalities in the effective and efficient management of supply chain and moveable asset management. Assessments will cover the whole cycle of supply chain management, from demand to disposal, and corrective actions identified for implementation. Support to departments and municipalities will be strengthened via training, assistance and guidance to improve both supply and moveable asset management processes.

Supporting and Interlinked Financial System Management

Efforts to improve financial system management will focus on ensuring that system users are appropriately trained in accordance with their system profiles and effective user account management is maintained. Initiatives also include the further development of Provincial Treasury integrated training interventions and the acquisition and implementation of a supply chain management system.

Provincial and Local Government Accounting

Improving the standards of accounting and financial reporting within provincial departments, entities and municipalities, that incorporates the roll-out of the latest Generally Recognised Accounting Practice (GRAP) standards within the municipalities of the Western Cape and the latest accounting policy framework for provincial departments. Initiatives to further improve the integrity of financial data as well as the

competency and staffing of the Financial Accounting sections within CFO offices will be carried forward in 2011/12.

Corporate Governance

Strengthening the capacity in CFO offices to contribute to improved financial management capabilities is a key objective over the MTEF. The focus will be on the development and implementation of a framework to assess CFO offices in the departments and municipalities relative to desired structures and competencies as well financial compliance requirements. Monitoring the effectiveness of financial governance structures and processes in departments and municipalities and providing assistance and training where required will also be pursued.

4. Receipts and financing

Summary of receipts

Table 4.1 below depicts the sources of funding for the vote.

Table 4.1 Summary of receipts

Receipts R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Treasury funding										
Equitable share	(15 916)	(13 480)	(1 183)	44 114	15 148	11 016	79 755	623.99	88 135	98 234
Financing			5 075							
Provincial Revenue Fund			5 075							
Own receipts - Provincial Treasury (allocated to other votes)	(251 252)	(251 252)	(232 512)	(233 041)	(233 041)	(233 041)	(233 041)		(233 041)	(233 041)
Total Treasury funding	115 124	120 950	138 371	160 470	131 504	131 504	144 976	10.24	153 356	163 455
Departmental receipts										
Tax receipts	324 591	323 728	308 373	294 346	294 346	294 346	297 000	0.90	297 000	297 000
Sales of goods and services other than capital assets	1 297	1 346	1 444	1 022	1 022	1 536	1 214	(20.96)	1 214	1 214
Transfers received	65			1	1		1		1	1
Fines, penalties and forfeits	139	380	1 147			351		(100.00)		
Interest, dividends and rent on land	47 128	52 948	53 980	53 980	53 980	54 714		(100.00)		
Financial transactions in assets and liabilities	9 072	7 280	2 047	48	48	2 582	47	(98.18)	47	47
Total departmental receipts	382 292	385 682	366 991	349 397	349 397	353 529	298 262	(15.63)	298 262	298 262
Total receipts	115 124	120 950	138 371	160 470	131 504	131 504	144 976	10.24	153 356	163 455

Summary of receipts:

Total receipts increase by R13.472 million or 10.24 per cent from R131.504 million (revised estimates) in 2010/11 to R144.976 million in 2011/12.

Treasury funding of which:

Equitable share amounts to R79.755 million in 2011/12, R88.135 million in 2011/13 and R98.234 million in 2013/14.

Total departmental receipts for 2011/12 of R298.262 million will be allocated between the Department of the Premier (R233.041 million) and Provincial Treasury (R65.221 million).

Details of Departmental receipts:

The departmental own receipt decreased by R55.267 million or 15.63 per cent from R353.529 million in 2010/11 (revised estimate) to R298.262 million in 2011/12. This is mainly due to the budget for interest, dividends and rent on land that is no longer included in the department's estimates.

Tax receipts, of which casino taxes and horse racing are the main contributors, increase by R2.654 million or 0.9 per cent from R294.346 million in 2010/11 to R297 million in 2011/12. The increase in tax receipts over the MTEF shows no growth due to the slowdown in the economy and therefore a conservative approach was taken in budgeting for casino tax revenues.

Donor funding (excluded from vote appropriation)

Table 4.2 provides the sources of donor funding and details of any terms and conditions attached to donor funds.

Table 4.2 Summary of donor funding - None

5. Payment summary

Key assumptions

Adjustments for salary increases are based on the National Treasury assumption that wage agreements will result in salary increases of 7.5 per cent for 2011/12 and 7 per cent for both 2012/13 and 2013/14, inclusive of the 2 per cent pay progression provision in each financial year. Adjustments for the majority of the non-personnel expenditure items, classified as goods and services and payments for capital assets, are based on CPI head-line estimates of 4.8 per cent in 2011/12, 5.1 per cent in 2012/13 and 5.2 per cent 2013/14. Furthermore, the Provincial Treasury has agreed in liaison with the Department of Transport and Public Works and subject to further review, to adjust the provincial Government Motor Transport (GMT) daily and kilometre tariffs by 3.7 per cent for 2011/12, and to use the CPI inflation head-line estimates as above for the two outer years of the MTEF as a basis for budgetary provision.

National and provincial priorities

A range of new priorities have emerged out of the latest round of budgetary processes and the revised budget and other changes within Vote 3 are reflective of these. In particular the relevant desired national and provincial outcomes have to guide all treasuries within South Africa to strengthen their ability to identify core constraints within themselves, other departments, entities and municipalities that limit the attainment of these outcomes as they are being given further substance. The specific goals to be attained have been discussed under the Outlook for 2011/12, and further elaborated on in Treasury's 2011/12 Annual Performance Plan. In essence however, there are greater responsibilities placed on treasuries to professionally and effectively assist other institutions to reach the requisite degree of financial governance, as ultimately measured in the attainment of clean audit reports.

Programme summary

Table 5.1 indicates the budget or estimated expenditure per programme and Table 5.2 per economic classification. Details of the Government Financial Statistics (GFS) economic classifications are attached as an annexure to this vote.

Table 5.1 Summary of payments and estimates

Programme R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Administration ^a	33 447	40 141	39 359	39 390	35 296	35 296	36 187	2.52	38 305	41 131
2. Sustainable Resource Management	21 540	21 346	36 531	47 263	41 708	41 708	59 363	42.33	61 141	65 105
3. Asset and Liabilities Management	21 707	22 348	27 526	33 125	34 904	34 904	28 781	(17.54)	31 804	33 522
4. Financial Governance	38 430	37 115	34 955	40 692	19 596	19 596	20 645	5.35	22 106	23 697
Total payments and estimates	115 124	120 950	138 371	160 470	131 504	131 504	144 976	10.24	153 356	163 455

^a MEC total remuneration package: R1 491 514 with effect from 1 April 2010.

Note:

Corporate Services was shifted to the Department of the Premier as part of the modernisation process during 2010/11.

The Provincial Treasury does not have a separate internal audit unit and uses the internal audit component of the province, which is now vested in the Department of the Premier.

Economic Analysis has now been fully integrated into Budget Management: Provincial Government.

Liabilities management was shifted from Programme 3: Assets and Liabilities to Fiscal Policy under the Programme 2: Sustainable Resources Management.

Risk Management now resorts under Norms and Standards.

Summary by economic classification

Table 5.2 Summary of provincial payments and estimates by economic classification

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	112 659	118 105	134 643	157 840	128 612	128 612	141 559	10.07	149 827	159 697
Compensation of employees	60 231	71 482	93 902	111 309	92 082	92 082	106 534	15.69	113 010	120 023
Goods and services	52 428	46 623	40 741	46 531	36 530	36 530	35 025	(4.12)	36 817	39 674
Transfers and subsidies to	1 414	267	419	430	630	630	500	(20.63)	529	658
Provinces and municipalities		80								
Departmental agencies and accounts	252									
Non-profit institutions		50	100							
Households	1 162	137	319	430	630	630	500	(20.63)	529	658
Payments for capital assets	1 030	2 541	3 106	2 200	2 214	2 214	2 917	31.75	3 000	3 100
Machinery and equipment	1 030	2 541	2 153	2 200	2 214	2 214	2 917	31.75	3 000	3 100
Software and other intangible assets			953							
Payments for financial assets	21	37	203		48	48		(100.00)		
Total economic classification	115 124	120 950	138 371	160 470	131 504	131 504	144 976	10.24	153 356	163 455

Transfers to public entities

Table 5.3 Summary of departmental transfers to public entities

Public entities R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Western Cape Provincial Youth Commission	250									
Total departmental transfers to public entities	250									

Transfers to other entities

Table 5.4 Summary of departmental transfers to other entities - None

Transfers to local government

Table 5.5 Summary of departmental transfers to local government by category - None

Departmental Public-Private Partnership (PPP) projects

Table 5.6 Summary of departmental Public-Private Partnership projects - None

6. Programme description

Programme 1: Administration

Purpose: To give strategic direction and to provide quality financial and other support services to the Minister and the Head of Department.

Analysis per sub-programme:

Sub-programme 1.1: Office of the Minister

assist the member of the Provincial Cabinet with those functions as assigned by legislation and/or the Premier

Sub-programme 1.2: Management Services

assist the Head of the Department with the delivery of functions and responsibilities assigned either by legislation and/or by the Minister

Sub-programme 1.3: Financial Management

effective financial management of the department up to a level 3+ financial capability rating and the provision of limited accommodation requirements and support services

Policy developments

No specific policy changes are currently being considered.

Changes: Policy, structure, service establishment, etc. Geographic distribution of services

Changes being contemplated for 2011/12 involve the reconfiguration of the current auxiliary and specialised support unit, a part of which will be shifted to Public Finance to form the co-nucleus of a revamped document management unit. In addition plans are afoot to strengthen both the internal control and supply chain and asset management units to meet heightened expectations and requirements. Greater focus is also to be placed on strategic planning and coordination.

The Human Resources and Enterprise Risk Management units have both been shifted to the newly created Corporate Services Centre, housed within the Department of the Premier. To facilitate coordination, management of information and reporting flows and to assist in the delivery of the Department's legislative and associated responsibilities, a Customer Relations Unit was created in the Office of the Head of Department. The required micro and macro organisation changes in this context have already been affected.

Strategic goal as per Strategic Plan:**Programme 1: Administration**

Effective financial management of the department up to a level 3+ financial capability rating.

Strategic objectives as per Annual Performance Plan:**Sub-programme 1.1: Office of the Minister**

Provide support services.

Render communication services to the Ministry.

Assist Minister with Executive role and responsibilities.

Sub-programme 1.2: Management Services

Build competencies and enhance and maintain strategic support services.

Provide effective and efficient support in the management of the working relationship between the department and the Corporate Services Centre.

Sub-programme 1.3: Financial Management

Responsive and credible budget composition and delivery for the department.

Full and accurate reflection of all departmental financial transactions.

Level 3 plus auditable supply chain and asset management services.

Effective internal control measures and risk mitigation.

Provide effective auxiliary and specialised support services as required.

Table 6.1 Summary of payments and estimates – Programme 1: Administration

Sub-programme R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Office of the Minister ^a	3 312	3 595	4 410	4 896	4 948	4 948	5 188	4.85	5 501	5 872
2. Management Services	2 566	2 576	3 278	5 287	5 502	5 502	8 435	53.31	9 643	10 356
3. Corporate Services	13 371	13 676	11 077	7 758	3 971	3 971		(100.00)		
4. Financial Management	14 198	20 294	20 594	21 449	20 875	20 875	22 564	8.09	23 161	24 903
Total payments and estimates	33 447	40 141	39 359	39 390	35 296	35 296	36 187	2.52	38 305	41 131

^a MEC total remuneration package: R1 491 514 with effect from 1 April 2010.

Table 6.1.1 Summary of provincial payments and estimates by economic classification – Programme 1: Administration

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	31 680	37 455	36 684	36 760	32 404	32 404	32 770	1.13	34 776	37 373
Compensation of employees	15 132	17 626	21 520	21 980	19 029	19 029	20 488	7.67	21 875	23 355
Goods and services	16 548	19 829	15 164	14 780	13 375	13 375	12 282	(8.17)	12 901	14 018
Transfers and subsidies to	799	108	319	430	630	630	500	(20.63)	529	658
Departmental agencies and accounts	250									
Households	549	108	319	430	630	630	500	(20.63)	529	658
Payments for capital assets	947	2 541	2 153	2 200	2 214	2 214	2 917	31.75	3 000	3 100
Machinery and equipment	947	2 541	2 153	2 200	2 214	2 214	2 917	31.75	3 000	3 100
Payments for financial assets	21	37	203		48	48		(100.00)		
Total economic classification	33 447	40 141	39 359	39 390	35 296	35 296	36 187	2.52	38 305	41 131

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Transfers and subsidies to (Current)	549	108	319	430	630	630	500	(20.63)	529	658
Households	549	108	319	430	630	630	500	(20.63)	529	658
Other transfers to households	549	108	319	430	630	630	500	(20.63)	529	658
Transfers and subsidies to (Capital)	250									
Departmental agencies and accounts	250									
Entities receiving transfers	250									
Western Cape Provincial Youth Commission	250									

Expenditure trends analysis

The increase of R1.849 million from R33.447 million in 2007/08 to R35.296 million in 2010/11 (revised estimate), equates to an average nominal increase of 1.81 per cent per annum (three year period). The reduction from R39.390 million in 2010/11 (main appropriation) to R35.296 million (revised estimate for 2010/11) is due to the shifting of the Human Resources and Enterprise Risk Management units to the Department of the Premier, reducing nominal average growth over the three consecutive years. The annual average nominal growth of 5.23 per cent from the revised estimate of R35.296 million in 2010/11 to R41.131 million in 2013/14, is due to mainly inflation adjustments. Limited provision has also been made for strengthening core corporate requirements towards meeting increasing demands bestowed on the Department.

Programme 2: Sustainable Resource Management

Purpose: To inform financial resource allocation, to manage the provincial budget and to monitor the implementation of provincial, municipal and entity budgets to enhance the effective utilisation of available fiscal resources.

Analysis per sub-programme:

Sub-programme 2.1: Programme support

provide management and administrative support to the programme

Sub-programme 2.2: Fiscal Policy

provide for the effective and efficient development of revenue streams, cash and liability management

Sub-programme 2.3: Budget Management

Provincial Government Budgets

provide for provincial economic analysis and advice that informs fiscal policy and the budget allocation process

assist, assess and report on policy attainment across the provincial sphere and introduce associated remedial steps

Local Government Budgets

provide for local government economic analysis and advice that informs fiscal policy and budget allocation decisions and associated remedial steps

assist, assess and report on policy attainment across the local government sphere and introduce associated remedial steps

Sub-programme 2.4: Public Finance

Provincial Government Finance

compile a credible and sustainable main and adjustments budget and monitor the efficient implementation thereof

assist, assess and report on provincial departmental and entity expenditure management and introduce associated remedial steps

Local Government Finance (Groups 1 and 2)

assist, assess and report on municipal and entity budgets, revenue and expenditure management, financial management and introduce associated remedial steps

effective participation in local government IGR engagement processes

drive the implementation of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)

Immoveable Asset Management

increase the level of infrastructure delivery to a level 3+ financial capability rating (Departments of Education, Health, Transport and Public Works, Human Settlements and CapeNature) and the sound management of PPP projects and introduce associated remedial steps

Policy developments:

Policy developments that will receive further attention in 2011/12 are:

Better assessment of provincial departments and municipalities' measurable information to improve alignment of their stated objectives towards the desired provincial socio-economic outcomes.

Inform resource allocations that increasingly respond to socio-economic imperatives through the assessment of budget and policy plans. Also the focus will be on initiatives to improve performance information and reporting in provincial departments and public entities, and the monitoring of their budget implementation and performance.

Improve the responsiveness of municipal budgets to address socio-economic imperatives through evaluation and advice on the appropriateness of these.

Improving the credibility and sustainability of departmental budgets' through the promotion of efficient budget implementation.

Improve the interface between municipal budgets and in-year monitoring by identifying the gaps in the interface and implementing remedial steps relating to revenue- and expenditure management by municipalities.

Changes: Policy, structure, service establishment, etc. Geographic distribution of services:

Further refinements were made to this programme's structural and operational reconfiguration design to promote:

The contemplated split of the Chief directorate: Public Finance into separate chief directorates for departments and municipalities will result in each one being better focussed on PFMA and MFMA issues.

The creation of an additional directorate that will focus exclusively on data, document and information management initiatives that would support the overall data analysis functions of Treasury.

Structurally and functionally, shifting the Fiscal Policy unit to the Chief directorate: Public Policy Services to better enable the required research and synergy with the current directorates in this Chief directorate.

Similarly, the directorates: Immoveable Asset Management and Liabilities Management have been relocated from Programme 3 to Programme 2 to fall respectively under the Chief Directorates of Public Finance and Public Policy Services, with the Liabilities unit being combined with that of Fiscal Policy.

Strategic goals as per Strategic Plan:**Programme 2: Sustainable Resource Management**

Revenue adequacy, optimisation and efficiency of revenue collection and enhancing service delivery and improve liquidity for departments and municipalities to achieve a level 3+ financial capability rating.

Responsive budgets for all provincial departments, municipalities and entities to achieve a level 3+ financial capability rating.

Credible budgets within departments, municipalities and entities to achieve a level 3+ financial capability rating.

Increase the level of infrastructure delivery to achieve a level 3+ financial capability rating (departments of Education, Health, Transport and Public Works and selected municipalities) and the sound management of PPP projects.

Strategic objectives as per Annual Performance Plan:

Sub-programme 2.1: Programme support

Build competencies and enhance and maintain the delivery of the programme.

Sub-programme 2.2: Fiscal Policy

Full utilisation of all potential revenue sources available to provincial and local governments.

Mechanisms for revenue collections in provincial and local governments that are optimum inclusive of cash management arrangements.

Cash flow management improvement of provincial departments to achieve a level 3+ financial management capability.

Monitoring and evaluation of cash flow and investment management that is sustainable and credible to enhance service delivery and improve liquidity in municipalities.

Sub-programme 2.3: Budget Management

Provincial Government Budgets

Evaluate and improve the responsiveness of budgets within provincial departments and entities.

Apply economic and other analysis to inform provincial planning and budgeting processes.

Local Government Budgets

Evaluate and improve the responsiveness of municipal budgets.

Apply economic and other analysis to inform municipal planning and budgeting processes.

Sub-programme 2.4: Public Finance

Provincial Government Finance

Evaluate and improve the credibility and sustainability of the provincial budget.

Monitor the implementation of the provincial budget in terms of x-efficiency, financial prudence and fiscal discipline.

Local Government Finance (Groups 1 and 2)

Evaluate and improve credibility and sustainability of municipal budgets.

Monitor the implementation of municipal budgets in terms of x-efficiency, financial prudence and fiscal discipline.

Coordination of MFMA implementation requirements.

Immoveable Asset Management

Entrenching built-environment business principles and processes for effective and well-aligned infrastructure delivery that contributes to optimal utilisation of government immoveable assets.

Table 6.2 Summary of payments and estimates – Programme 2: Sustainable Resource Management

Sub-programme R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Programme Support	1 475	1 605	2 438	3 247	3 229	3 229	5 431	68.19	5 664	6 041
2. Fiscal Policy ^{Note}	230	662	5 240	3 895	3 041	3 041	8 870	191.68	9 030	9 916
3. Budget Management	10 478	8 974	10 004	13 582	13 961	13 961	16 148	26.65	16 956	17 675
Provincial Government Budgets			6 381	8 154	8 717	8 717	10 615	21.77	11 313	11 776
Local Government Budgets			3 623	5 428	5 244	5 244	5 533	5.51	5 643	5 899
4. Public Finance	9 357	10 105	18 849	26 539	21 477	21 477	28 914	34.63	29 491	31 473
Provincial Government Finance	3 432	3 157	10 659	14 062	11 859	11 859	9 769	(17.62)	9 838	10 511
Local Government Finance: Group 1	5 925	6 948	4 317	7 402	4 567	4 567	7 667	67.88	7 613	8 105
Local Government Finance: Group 2			3 873	5 075	5 051	5 051	5 454	7.98	5 769	6 159
Immoveable Asset Management ^{Note}							6 024		6 271	6 698
Total payments and estimates	21 540	21 346	36 531	47 263	41 708	41 708	59 363	42.33	61 141	65 105

Note: Prior to 2011/12 the estimates for Immoveable Asset Management and Liability Management included under Fiscal Policy are reflected under Programme 3, Table 6.3.

Table 6.2.1 Summary of provincial payments and estimates by economic classification – Programme 2: Sustainable Resource Management

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	21 478	21 296	36 431	47 263	41 708	41 708	59 363	42.33	61 141	65 105
Compensation of employees	16 544	17 153	21 708	28 234	29 564	29 564	44 834	51.65	47 305	50 113
Goods and services	4 934	4 143	14 723	19 029	12 144	12 144	14 529	19.64	13 836	14 992
Transfers and subsidies to Non-profit institutions		50	100							
Payments for capital assets Machinery and equipment	62									
Total economic classification	21 540	21 346	36 531	47 263	41 708	41 708	59 363	42.33	61 141	65 105

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- p-riation 2010/11	Adjusted appro- p-riation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Transfers and subsidies to (Current)		50	100							
Non-profit institutions		50	100							

Expenditure trends analysis

The programme has increased from R21.540 million in 2007/08 to R41.708 million in 2010/11 (revised estimate), which equates to an average nominal growth of 24.64 per cent per annum. The growth inter alia relates to the increasing implementation requirements of the Municipal Financial Management Act (MFMA) and associated provisioning of resources to enhance fiscal prudence. The allocation over the MTEF period will further increase from R41.708 million in 2010/11 revised estimate to R59.363 million in 2011/12 as a result of the shifting of Immoveable Asset Management (element) and Liabilities Management (sub-programme) from Programme 3: Assets and Liabilities to this programme. The growth from 2010/11 (revised estimate) of R41.708 million to R65.105 million in 2013/14 reflects an annual average growth of 16 per cent over the three year period.

Programme 3: Asset and Liabilities Management

Purpose: To provide policy direction and to facilitate and enforce the effective, the efficient management of financial systems, physical and financial assets, and the supply chain management within the provincial and municipal spheres.

Analysis per sub-programme:**Sub-programme 3.1: Programme Support**

provide management and administrative support

Sub-programme 3.2: Asset Management**Moveable Asset Management (Provincial Government)**

enhance departmental and entity capacity and performance to a level 3+ financial capability for supply chain (SCM) and moveable asset management

Moveable Asset Management (Local Government)

enhance municipal capacity and performance to a level 3+ financial capability for supply chain (SCM) and moveable asset management

Sub-programme 3.3: Supporting and Interlinked Financial Systems

provide for the implementation, management and oversight of existing provincially operated financial systems and the transition to new appropriate systems

Policy developments:

Policy developments that will receive further on-going attention are:

Guided by PFMA, MFMA and best practice requirements, engage provincial departments, entities and municipalities on the implementation and enforcement of increasing SCM and moveable assets requirements as well as conducting compliance/capacity assessments.

The implementation of a provincial supply chain management system which addresses supplier management, quotations, bids and contract management and the enhanced LOGIS functionalities.

Changes: Policy, structure, service establishment, etc. Geographic distribution of services:

Further refinements were made to this programme's structural and operational reconfiguration design which include:

The strengthening of the monitoring and assessment capabilities of the sub-directorate Moveable Asset Management: Local Government is envisaged to be upgraded to a directorate where the duties of the unit will enhance the quality of the procurement processes of municipalities.

An additional 4 posts were created in the Supporting and Interlinked Financial Systems directorate for the institution of transversal financial system access control in the Provincial Treasury after taking over the system controller function of these systems from departments during 2010/11.

The relocation of the directorates: Immoveable Asset Management and Liabilities Management from Programme 3 to Programme 2, Public Finance and Public Policy Services (Fiscal Policy subprogramme) respectively.

Strategic goals as per Strategic Plan:**Programme 3: Asset and Liabilities Management**

Enhance departmental, entity and municipal capacity and performance to achieve a level 3+ financial capability rating for SCM and moveable asset management.

Management, utilisation and implementation of financial systems to achieve a level 3+ financial capability rating within provincial departments and selected entities.

Strategic objectives as per Annual Performance Plan:**Sub-programme 3.1: Programme Support**

Build competencies and enhance and maintain the delivery of the programme.

Sub-programme 3.2: Asset Management***Moveable Asset Management: Provincial Government***

Drive, assess and assist departments and entities in the effective and efficient management of supply chain and moveable assets.

Moveable Asset Management: Local Government

Drive, assess and assist municipalities in the effective and efficient management of supply chain and moveable assets.

Sub-programme 3.3: Supporting and Interlinked Financial Systems

Financial system management improvement to achieve a level 3+ financial management capability within provincial departments.

Table 6.3 Summary of payments and estimates – Programme 3: Asset and Liabilities Management

Sub-programme R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Programme Support	961	840	1 233	2 350	1 764	1 764	2 734	54.99	2 952	3 148
2. Asset Management	7 542	8 622	11 420	14 609	16 074	16 074	9 876	(38.56)	12 031	12 854
Moveable Asset Management: Provincial Government	4 746	5 223	7 016	8 379	9 411	9 411	9 875	4.93	12 030	12 853
Moveable Asset Management: Local Government				1	1	1	1		1	1
Immoveable Asset Management	2 796	3 399	4 404	6 229	6 662	6 662		(100.00)		
3. Liabilities Management	1 465	1 652	2 313	2 327	2 489	2 489		(100.00)		
4. Supporting and Interlinked Financial Systems	11 739	11 234	12 560	13 839	14 577	14 577	16 171	10.94	16 821	17 520
Total payments and estimates	21 707	22 348	27 526	33 125	34 904	34 904	28 781	(17.54)	31 804	33 522

Table 6.3.1 Summary of provincial payments and estimates by economic classification – Programme 3: Asset and Liabilities Management

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	21 081	22 348	27 526	33 125	34 904	34 904	28 781	(17.54)	31 804	33 522
Compensation of employees	15 034	16 270	21 136	26 010	26 522	26 522	23 172	(12.63)	24 482	25 768
Goods and services	6 047	6 078	6 390	7 115	8 382	8 382	5 609	(33.08)	7 322	7 754
Transfers and subsidies to	615									
Departmental agencies and accounts	2									
Households	613									
Payments for capital assets	11									
Machinery and equipment	11									
Total economic classification	21 707	22 348	27 526	33 125	34 904	34 904	28 781	(17.54)	31 804	33 522

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appro- priation 2010/11	Adjusted appro- priation 2010/11	Revised estimate 2010/11	Medium-term estimate		
	Audited	Audited	Audited				% Change from Revised estimate		
	2007/08	2008/09	2009/10				2011/12	2010/11	2012/13
Transfers and subsidies to (Current)	615								
Departmental agencies and accounts	2								
Entities receiving transfers	2								
Other	2								
Households	613								
Other transfers to households	613								

Expenditure trends analysis

The increase of R13.197 million from R21.707 million in 2007/08 to R34.904 million (revised estimate) in 2010/11 is due the programme's responsibility relating to the importance attached to proper asset and supply chain management. This equated to a high nominal growth of 17.15 per cent over the period. Over the MTEF period the allocations decreases from a revised estimate base of R34.904 million in 2010/11 to R33.522 million in 2013/14, as a result of the shifting of the Immoveable Asset and Liabilities Management to Programme 2, reflecting a nominal decline of 1.34 per cent per annum as from 2010/11 to 2013/14.

Programme 4: Financial Governance

Purpose: Development of accounting and financial management practices within provincial and local governments that will contribute towards attaining level 3 and higher auditable organisations.

Analysis per sub-programme:**Sub-programme 4.1: Programme Support**

provide management and administrative support to the programme

Sub-programme 4.2: Accounting Services**Local Government Accounting**

improve the standards of accounting and financial reporting within municipalities and allied entities to a level 3+ financial capability rating

Provincial Government Accounting

improve the standards of accounting and financial reporting within departments and entities to a level 3+ financial capability rating

Sub-programme 4.3: Norms and Standards

enable departments and municipalities to achieve a general level 3+ financial management capability over the next 5 years

Strategic goals as per Strategic Plan:

Programme 4: Financial Governance

Ensure the development of accounting practices within provincial and local government that will promote effective and efficient capturing of revenue, expenditure, asset and liability movements/accountability and contribute towards attaining level 3 and higher auditable organisations.

Enable departments and municipalities to achieve a level 3+ financial management capability over the next 5 years.

Strategic objectives as per Annual Performance Plan:

Sub-programme 4.1: Programme Support

Build competencies and enhance and maintain the delivery of the programme.

Sub-programme 4.2: Accounting Services

Local Government Accounting

Improving the standard of accounting and financial reporting within municipalities and municipal entities to a level 3+ financial management capability.

Provincial Government Accounting

Improving the standard of accounting and financial reporting within all votes to a level 3+ financial management capability.

Sub-programme 4.3: Norms and Standards

Assist departmental and municipal CFO offices to attain a level 3 and higher financial management capability/maturity rating

Develop and facilitate the implementation of an effective assurance framework towards attaining level 3 financial management maturity levels of CFO offices, both provincially and municipally

Table 6.4 Summary of payments and estimates – Programme 4: Financial Governance

Sub-programme R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Programme Support	1 037	1 581	1 777	2 309	1 625	1 625	1 870	15.08	2 264	2 414
2. Accounting Services	3 806	5 272	7 292	8 717	8 564	8 564	9 973	16.45	10 851	11 575
Provincial Government Accounting			4 619	4 856	4 943	4 943	5 207	5.34	5 460	5 822
Local Government Accounting			2 673	3 861	3 621	3 621	4 766	31.62	5 391	5 753
3. Norms and Standards	3 551	3 426	4 664	7 379	7 971	7 971	8 802	10.43	8 991	9 708
4. Risk Management	2 091	2 276	2 721							
5. Provincial Internal Audit	27 945	24 560	18 501	22 287	1 436	1 436		(100.00)		
Sub-programme Support			4 570	4 319	252	252		(100.00)		
G&A Cluster			4 941	5 823	412	412		(100.00)		
Economic Cluster			5 630	7 491	530	530		(100.00)		
Social Cluster			3 360	4 654	242	242		(100.00)		
Total payments and estimates	38 430	37 115	34 955	40 692	19 596	19 596	20 645	5.35	22 106	23 697

Table 6.4.1 Summary of provincial payments and estimates by economic classification – Programme 4: Financial Governance

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	38 420	37 006	34 002	40 692	19 596	19 596	20 645	5.35	22 106	23 697
Compensation of employees	13 521	20 433	29 538	35 085	16 967	16 967	18 040	6.32	19 348	20 787
Goods and services	24 899	16 573	4 464	5 607	2 629	2 629	2 605	(0.91)	2 758	2 910
Transfers and subsidies to		109								
Provinces and municipalities		80								
Households		29								
Payments for capital assets	10		953							
Machinery and equipment	10									
Software and other intangible assets			953							
Total economic classification	38 430	37 115	34 955	40 692	19 596	19 596	20 645	5.35	22 106	23 697

Details of transfers and subsidies:

Economic classification R'000	Outcome			Main appropriation 2010/11	Adjusted appropriation 2010/11	Revised estimate 2010/11	Medium-term estimate		
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate		
							2011/12	2012/13	2013/14
Transfers and subsidies to (Current)		109							
Provinces and municipalities		80							
Municipalities		80							
Municipalities		80							
Households		29							
Other transfers to households		29							

Expenditure trends analysis

The decrease of R18,834 million from R38,430 million in 2007/08 to R19,596 million in 2010/11 (revised estimate) is mainly to due to the shared Provincial Internal Audit functions that were shifted to the Department of the Premier during the 2010/11 financial year. This is an annual average decrease of 20.11 per cent over the three year period. Over the period 2011/12 to 2013/14, the total nominal growth for the programme over the three year period is 6.54 per cent.

7. Other programme information

Personnel numbers and costs

Table 7.1 Personnel numbers and costs

Programme R'000	As at 31 March 2008	As at 31 March 2009	As at 31 March 2010	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014
1. Administration	78	72	71	57	72	72	72
2. Sustainable Resource Management	64	64	61	79	119	119	119
3. Asset and Liabilities Management	68	63	67	76	71	71	71
4. Financial Governance	65	81	101	43	50	50	50
Total personnel numbers	275	280	300	255	312	312	312
Total personnel cost (R'000)	60 231	71 482	93 902	92 082	106 534	113 010	120 023
Unit cost (R'000)	219	255	313	361	341	362	385

Table 7.2 Departmental personnel number and cost

Description	Outcome			Main appropriation 2010/11	Adjusted appropriation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Total for department										
Personnel numbers (head count)	275	280	300	355	355	255	312	22.35	312	312
Personnel cost (R'000)	60 231	71 482	93 902	111 309	92 082	92 082	106 534	15.69	113 010	120 023
<i>of which</i>										
Human resources component										
Personnel numbers (head count)	32	28	24	23	23					
Personnel cost (R'000)	4 429	5 240	6 289	5 978	2 267	2 896		(100.00)		
Head count as % of total for department	11.64	10.00	8.00	6.48	6.48					
Personnel cost as % of total for department	7.35	7.33	6.70	5.37	2.46	3.15				
Finance component										
Personnel numbers (head count)	28	36	32	39	39	39	42	7.69	42	42
Personnel cost (R'000)	4 848	6 084	7 168	8 347	8 255	8 009	9 476	18.32	10 116	10 798
Head count as % of total for department	10.18	12.86	10.67	10.99	10.99	15.29	13.46		13.46	13.46
Personnel cost as % of total for department	8.05	8.51	7.63	7.50	8.96	8.70	8.89		8.95	9.00
Full time workers										
Personnel numbers (head count)	269	272	293	351	351	252	309	22.62	309	309
Personnel cost (R'000)	59 099	69 811	91 797	109 319	90 092	91 532	105 943	15.74	112 374	119 340
Head count as % of total for department	97.82	97.14	97.67	98.87	98.87	98.82	99.04		99.04	99.04
Personnel cost as % of total for department	98.12	97.66	97.76	98.21	97.84	99.40	99.45		99.44	99.43
Part-time workers										
Personnel numbers (head count)										
Personnel cost (R'000)										
Head count as % of total for department										
Personnel cost as % of total for department										
Contract workers										
Personnel numbers (head count)	6	8	7	4	4	3	3		3	3
Personnel cost (R'000)	1 132	1 671	2 105	1 990	1 990	550	591	7.50	636	683
Head count as % of total for department	2.18	2.86	2.33	1.13	1.13	1.18	0.96		0.96	0.96
Personnel cost as % of total for department	1.88	2.34	2.24	1.79	2.16	0.60	0.55		0.56	0.57

Training

Table 7.3 Payments on training

Programme R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
1. Administration	950	3 569	3 574	790	885	652	1 063	63.04	1 042	1 201
<i>of which</i>										
Payments on tuition	950	1 762	2 020	335	235	197	306	55.33	375	396
Other		1 807	1 554	455	650	455	757	66.37	667	805
2. Sustainable Resource Management				531	431	532	1 115	109.59	1 187	1 262
<i>of which</i>										
Payments on tuition				444	344	306	471	53.92	498	525
Other				87	87	226	644	184.96	689	737
3. Asset and Liabilities Management				499	399	237	420	77.22	444	468
<i>of which</i>										
Payments on tuition				396	296	237	420	77.22	444	468
Other				103	103					
4. Asset and Liabilities		52	674	927	692	612	673	9.97	717	762
<i>of which</i>										
Payments on tuition			195	535	300	535	416	(22.24)	440	465
Other		52	479	392	392	77	257	233.77	277	297
Total payments on training	950	3 621	4 248	2 747	2 407	2 033	3 271	60.90	3 390	3 693

Table 7.4 Information on training

Description	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	2007/08	2008/09	2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Number of staff	275	280	300	355	355	255	312	22.35	312	312
Number of personnel trained	241	350	115	200	200	112	200	78.57	200	200
<i>of which</i>										
Male	97	170	51	100	100	58	100	72.41	100	100
Female	144	180	64	100	100	54	100	85.19	100	100
Number of training opportunities	304	389	277	306	306	189	266	40.74	266	266
<i>of which</i>										
Tertiary	63	93	71	69	69	26	69	165.38	69	69
Workshops	182	134	25	45	45	30	45	50.00	45	45
Seminars	13	13	3	22	22	15	22	46.67	22	22
Other	46	149	178	170	170	118	130	10.17	130	130
Number of bursaries offered	24	30	16	21	21	26	26		26	26
Number of interns appointed	21	39	15	18	18	8	18	125.00	18	18
Number of learnerships appointed	10	17	17							
Number of days spent on training	680	177	11	120	120	120	120		120	120

Reconciliation of structural changes

Table 7.5 Reconciliation of structural changes

Programme for 2010/11			Programme for 2011/12		
Programme R'000	2011/12 Equivalent		Programme R'000	Pro- gramme	Sub-pro- gramme
	Pro- gramme	Sub-pro- gramme			
3. Assets and Liabilities	6 024		2. Sustainable Resource Management	6 024	
Asset Management		6 024	Public Finance		6 024
3. Assets and Liabilities	3 383		2. Sustainable Resource Management	3 383	
Liabilities Management		3 383	Fiscal Policy		3 383
	9 407			9 407	

Table B.1 Specification of receipts

Receipts R'000	Outcome			Main appropriation 2010/11	Adjusted appropriation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Tax receipts (Casino and LGM taxes)	324 591	323 728	308 373	294 346	294 346	294 346	297 000	0.90	297 000	297 000
Casino and LGM taxes	301 689	301 100	284 528	275 123	275 123	275 123	277 000	0.68	277 000	277 000
Horsereading taxes	22 902	22 628	23 845	19 223	19 223	19 223	20 000	4.04	20 000	20 000
Sales of goods and services other than capital assets	1 297	1 346	1 444	1 022	1 022	1 536	1 214	(20.96)	1 214	1 214
Sales of goods and services produced by department (excluding capital assets)	1 297	1 345	1 444	1 021	1 021	1 535	1 213	(20.98)	1 213	1 213
Administrative fees	1 285	1 301	1 425	1 009	1 009	1 521	1 201	(21.04)	1 201	1 201
Licences or permits	1 285	1 301	1 405	1 008	1 008	1 521	1 200	(21.10)	1 200	1 200
Request for information				1	1		1		1	1
Other			20							
Other sales	12	44	19	12	12	14	12	(14.29)	12	12
of which										
Commission on insurance	12	44	19	12	12	14	12	(14.29)	12	12
Sales of scrap, waste, arms and other used current goods (excluding capital assets)		1		1	1	1	1		1	1
Transfers received from	65			1	1		1		1	1
Public corporations and private enterprises	65									
Households and non-profit institutions				1	1		1		1	1
Fines, penalties and forfeits	139	380	1 147			351		(100.00)		
Interest, dividends and rent on land	47 128	52 948	53 980	53 980	53 980	54 714		(100.00)		
Interest	47 128	52 948	53 980	53 980	53 980	54 714		(100.00)		
Financial transactions in assets and liabilities	9 072	7 280	2 047	48	48	2 582	47	(98.18)	47	47
Recovery of previous year's expenditure	29	165	1 846	36	36	344	36	(89.53)	36	36
Staff debt			5	12	12	9	11		11	11
Unallocated credits			186							
Cash surpluses	9 043	7 115	10			2 229		(100.00)		
Total departmental receipts	382 292	385 682	366 991	349 397	349 397	353 529	298 262	(15.63)	298 262	298 262

Annexure B to Vote 3

Table B.2 Summary of payments and estimates by economic classification

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	112 659	118 105	134 643	157 840	128 612	128 612	141 559	10.07	149 827	159 697
Compensation of employees	60 231	71 482	93 902	111 309	92 082	92 082	106 534	15.69	113 010	120 023
Salaries and wages	52 712	62 553	81 954	97 172	80 210	80 210	93 416	16.46	98 839	104 960
Social contributions	7 519	8 929	11 948	14 137	11 872	11 872	13 118	10.50	14 171	15 063
Goods and services	52 428	46 623	40 741	46 531	36 530	36 530	35 025	(4.12)	36 817	39 674
<i>of which</i>										
Administrative fees	87	57	90	85	93	92	90	(2.17)	95	100
Advertising	4 629	3 640	953	2 060	1 165	1 166	1 080	(7.38)	1 045	1 047
Assets <R5 000	318	762	419	1 096	1 107	1 107	1 184	6.96	1 251	1 320
Audit cost: External	2 451	2 875	10 066	11 669	9 059	9 060	6 621	(26.92)	6 692	7 211
Bursaries (employees)	321	361	484	511	512	511	541	5.87	573	604
Catering: Departmental activities	542	642	369	403	571	570	428	(24.91)	453	478
Communication	1 248	1 698	1 831	2 033	2 028	2 027	2 161	6.61	2 270	2 611
Computer services	471	1 781	2 454	2 807	2 874	2 874	1 392	(51.57)	3 021	3 223
Cons/prof: Business and advisory services	25 360	14 495	12 079	13 511	7 441	7 442	9 671	29.95	9 780	10 697
Cons/prof: Legal cost	238	50			504	503		(100.00)		
Contractors	343	680	438	694	658	659	405	(38.54)	428	451
Agency and support/ outsourced services	8 202	8 284	119		27	27		(100.00)		
Entertainment	75	86	135	197	173	172	232	34.88	237	252
Inventory: Food and food supplies	47	56	83	56	55	56	72	28.57	70	75
Inventory: Learner and teacher support material		45	16	100	100		106		112	118
Inventory: Other consumables	11	23	77	28	34	135	34	(74.81)	36	38
Inventory: Stationery and printing	1 806	2 665	3 021	3 202	2 987	2 987	2 712	(9.21)	2 938	3 160
Lease payments	385	334	291	300	300	300	318	6.00	336	354
Property payments		217	1 572	959	259	259	812	213.51	449	475
Transport provided: Departmental activity		13	2							
Travel and subsistence	4 067	4 818	4 151	5 036	4 677	4 677	5 507	17.75	5 276	5 610
Training and development	828	1 402	1 368	1 200	665	665	1 072	61.20	1 186	1 250
Operating expenditure	259	717	304	524	502	502	423	(15.74)	448	473
Venues and facilities	740	922	419	60	739	739	164	(77.81)	121	127
Transfers and subsidies to	1 414	267	419	430	630	630	500	(20.63)	529	658
Provinces and municipalities		80								
Municipalities		80								
Municipalities		80								
Departmental agencies and accounts	252									
Entities receiving transfers	252									
Western Cape Provincial Youth Commission	250									
Other	2									
Non-profit institutions		50	100							
Households	1 162	137	319	430	630	630	500	(20.63)	529	658
Other transfers to households	1 162	137	319	430	630	630	500	(20.63)	529	658
Payments for capital assets	1 030	2 541	3 106	2 200	2 214	2 214	2 917	31.75	3 000	3 100
Machinery and equipment	1 030	2 541	2 153	2 200	2 214	2 214	2 917	31.75	3 000	3 100
Transport equipment			13							
Other machinery and equipment	1 030	2 541	2 140	2 200	2 214	2 214	2 917	31.75	3 000	3 100
Software and other intangible assets			953							
Payments for financial assets	21	37	203		48	48		(100.00)		
Total economic classification	115 124	120 950	138 371	160 470	131 504	131 504	144 976	10.24	153 356	163 455

Table B.2.1 Payments and estimates by economic classification – Programme 1: Administration

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate			
							2011/12	2010/11	2012/13	2013/14
Current payments	31 680	37 455	36 684	36 760	32 404	32 404	32 770	1.13	34 776	37 373
Compensation of employees	15 132	17 626	21 520	21 980	19 029	19 029	20 488	7.67	21 875	23 355
Salaries and wages	13 408	15 497	18 900	19 175	16 555	16 555	17 961	8.49	19 176	20 476
Social contributions	1 724	2 129	2 620	2 805	2 474	2 474	2 527	2.14	2 699	2 879
Goods and services	16 548	19 829	15 164	14 780	13 375	13 375	12 282	(8.17)	12 901	14 018
<i>of which</i>										
Administrative fees	77	57	90	85	85	85	90	5.88	95	100
Advertising	3 710	2 860	869	1 060	552	552	21	(96.20)	45	47
Assets <R5 000	178	762	419	1 096	1 107	1 107	1 184	6.96	1 251	1 320
Audit cost: External	2 451	2 586	2 089	2 609	2 609	2 609	2 394	(8.24)	2 530	2 670
Bursaries (employees)	321	361	494	100	100	100	106	6.00	112	118
Catering: Departmental activities	245	213	106	100	308	308	95	(69.16)	100	106
Communication	1 195	1 654	1 768	1 911	1 926	1 926	2 041	5.97	2 144	2 478
Computer services	353	1 121	762	834	901	901	553	(38.62)	584	616
Cons/prof. Business and advisory services	84	150	1 827	1 461	751	751	573	(23.70)	990	1 122
Cons/prof. Legal cost	238				28	28		(100.00)		
Contractors	246	382	320	413	441	441	165	(62.59)	174	183
Agency and support/ outsourced services	3 149	2 877	99		27	27		(100.00)		
Entertainment	39	53	83	67	63	62	80	29.03	77	82
Inventory: Food and food supplies	16	17	22	16	15	16	20	25.00	16	17
Inventory: Learner and teacher support material		45	16	100	100		106		112	118
Inventory: Other consumables	11	23	58	28	32	133	34	(74.44)	36	38
Inventory: Stationery and printing	1 264	2 030	1 428	823	828	827	812	(1.81)	827	933
Lease payments	379	334	291	300	300	300	318	6.00	336	354
Property payments		217	1 572	959	259	259	812	213.51	449	475
Transport provided: Departmental activity		7	2							
Travel and subsistence	1 487	1 724	1 603	2 143	2 095	2 095	2 255	7.64	2 312	2 490
Training and development	779	1 402	931	235	135	135	200	48.15	263	278
Operating expenditure	217	665	204	440	499	499	423	(15.23)	448	473
Venues and facilities	109	289	111		214	214		(100.00)		
Transfers and subsidies to	799	108	319	430	630	630	500	(20.63)	529	658
Departmental agencies and accounts	250									
Provide list of entities receiving transfers	250									
Western Cape Provincial Youth Commission	250									
Households	549	108	319	430	630	630	500	(20.63)	529	658
Other transfers to households	549	108	319	430	630	630	500	(20.63)	529	658
Payments for capital assets	947	2 541	2 153	2 200	2 214	2 214	2 917	31.75	3 000	3 100
Machinery and equipment	947	2 541	2 153	2 200	2 214	2 214	2 917	31.75	3 000	3 100
Transport equipment			13							
Other machinery and equipment	947	2 541	2 140	2 200	2 214	2 214	2 917	31.75	3 000	3 100
Payments for financial assets	21	37	203		48	48		(100.00)		
Total economic classification	33 447	40 141	39 359	39 390	35 296	35 296	36 187	2.52	38 305	41 131

Annexure B to Vote 3

Table B.2.2 Payments and estimates by economic classification – Programme 2: Sustainable Resource Management

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2007/08	2008/09	2009/10				2011/12	2010/11	2012/13	2013/14
Current payments	21 478	21 296	36 431	47 263	41 708	41 708	59 363	42.33	61 141	65 105
Compensation of employees	16 544	17 153	21 708	28 234	29 564	29 564	44 834	51.65	47 305	50 113
Salaries and wages	14 505	15 054	19 063	24 933	26 081	26 081	39 555	51.66	41 601	44 056
Social contributions	2 039	2 099	2 645	3 301	3 483	3 483	5 279	51.56	5 704	6 057
Goods and services	4 934	4 143	14 723	19 029	12 144	12 144	14 529	19.64	13 836	14 992
<i>of which</i>										
Administrative fees	3									
Advertising	844	778	84	1 000	613	614	1 059	72.48	1 000	1 000
Assets <R5 000	79									
Audit cost: External		289	7 204	8 300	5 690	5 690	3 620	(36.38)	3 519	3 863
Bursaries (employees)				133	133	133	141	6.02	149	157
Catering: Departmental activities	165	295	98	119	122	122	154	26.23	163	172
Communication	24	15	16	58	58	57	66	15.79	70	73
Computer services			48							
Cons/prof: Business and advisory services	1 989		4 980	6 250	2 250	2 250	5 619	149.73	5 115	5 697
Cons/prof: Legal cost		36								
Contractors	13	87	45	82	90	90	119	32.22	126	133
Agency and support/outsourced services		542								
Entertainment	13	14	21	66	66	66	98	48.48	103	109
Inventory: Food and food supplies	7	11	17	16	19	19	27	42.11	28	30
Inventory: Other consumables			8		1	1		(100.00)		
Inventory: Stationery and printing	211	246	874	1 358	1 598	1 598	1 364	(14.64)	1 542	1 627
Travel and subsistence	1 099	1 448	1 172	1 305	1 236	1 236	1 900	53.72	1 638	1 728
Training and development				312	212	212	330	55.66	349	368
Venues and facilities	487	382	156	30	56	56	32	(42.86)	34	35
Transfers and subsidies to		50	100							
Non-profit institutions		50	100							
Payments for capital assets		62								
Machinery and equipment		62								
Other machinery and equipment		62								
Total economic classification	21 540	21 346	36 531	47 263	41 708	41 708	59 363	42.33	61 141	65 105

Table B.2.3 Payments and estimates by economic classification – Programme 3: Asset and Liabilities Management

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2007/08	2008/09	2009/10				2011/12	2010/11	2012/13	2013/14
Current payments	21 081	22 348	27 526	33 125	34 904	34 904	28 781	(17.54)	31 804	33 522
Compensation of employees	15 034	16 270	21 136	26 010	26 522	26 522	23 172	(12.63)	24 482	25 768
Salaries and wages	12 912	14 010	18 119	22 369	22 768	22 768	20 060	(11.89)	21 069	22 162
Social contributions	2 122	2 260	3 017	3 641	3 754	3 754	3 112	(17.10)	3 413	3 606
Goods and services	6 047	6 078	6 390	7 115	8 382	8 382	5 609	(33.08)	7 322	7 754
<i>of which</i>										
Administrative fees	7									
Advertising	6	2								
Assets <R5 000	6									
Audit cost: External			277	187	187	188		(100.00)		
Bursaries (employees)			(7)	118	119	118	125	5.93	133	140
Catering: Departmental activities	47	54	53	70	70	70	108	54.29	115	121
Communication	17	17	18	22	22	22	29	31.82	30	32
Computer services	9		1 196	1 500	1 500	1 500	389	(74.07)	1 961	2 105
Cons/prof: Business and advisory services		51	3 735	3 800	4 386	4 386	3 479	(20.68)	3 675	3 878
Cons/prof: Legal cost					476	475		(100.00)		
Contractors	59	70	46	81	81	82	71	(13.41)	75	79
Agency and support/ outsourced services	4 590	4 773	20							
Entertainment	9	8	13	24	24	24	27	12.50	28	30
Inventory: Food and food supplies	9	10	17	8	13	13	14	7.69	15	16
Inventory: Other consumables			6		1	1		(100.00)		
Inventory: Stationery and printing	176	188	238	256	258	258	207	(19.77)	221	233
Lease payments	6									
Travel and subsistence	1 009	841	714	771	763	763	785	2.88	725	758
Training and development				278	178	178	295	65.73	312	328
Venues and facilities	97	64	64		304	304	80	(73.68)	32	34
Transfers and subsidies to	615									
Departmental agencies and accounts	2									
Entities receiving transfers	2									
Other	2									
Households	613									
Other transfers to households	613									
Payments for capital assets	11									
Machinery and equipment	11									
Other machinery and equipment	11									
Total economic classification	21 707	22 348	27 526	33 125	34 904	34 904	28 781	(17.54)	31 804	33 522

Annexure B to Vote 3

Table B.2.4 Payments and estimates by economic classification – Programme 4: Financial Governance

Economic classification R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2007/08	2008/09	2009/10				2011/12	2010/11	2012/13	2013/14
Current payments	38 420	37 006	34 002	40 692	19 596	19 596	20 645	5.35	22 106	23 697
Compensation of employees	13 521	20 433	29 538	35 085	16 967	16 967	18 040	6.32	19 348	20 787
Salaries and wages	11 887	17 992	25 872	30 695	14 806	14 806	15 840	6.98	16 993	18 266
Social contributions	1 634	2 441	3 666	4 390	2 161	2 161	2 200	1.80	2 355	2 521
Goods and services	24 899	16 573	4 464	5 607	2 629	2 629	2 605	(0.91)	2 758	2 910
<i>of which</i>										
Administrative fees					8	7		(100.00)		
Advertising	69									
Assets <R5 000	55									
Audit cost: External			496	573	573	573	607	5.93	643	678
Bursaries (employees)			(3)	160	160	160	169	5.63	179	189
Catering: Departmental activities	85	80	112	114	71	70	71	1.43	75	79
Communication	12	12	29	42	22	22	25	13.64	26	28
Computer services	109	660	448	473	473	473	450	(4.86)	476	502
Cons/prof: Business and advisory services	23 287	14 294	1 537	2 000	54	55		(100.00)		
Cons/prof: Legal cost		14								
Contractors	25	141	27	118	46	46	50	8.70	53	56
Agency and support/ outsourced services	463	92								
Entertainment	14	11	18	40	20	20	27	35.00	29	31
Inventory: Food and food supplies	15	18	27	16	8	8	11	37.50	11	12
Inventory: Other consumables			5							
Inventory: Stationery and printing	155	201	481	765	303	304	329	8.22	348	367
Transport provided: Departmental activity		6								
Travel and subsistence	472	805	662	817	583	583	567	(2.74)	601	634
Training and development	49	437		375	140	140	247	76.43	262	276
Operating expenditure	42	52	100	84	3	3		(100.00)		
Venues and facilities	47	187	88	30	165	165	52	(68.48)	55	58
Transfers and subsidies to		109								
Provinces and municipalities		80								
Municipalities		80								
Municipalities		80								
Households		29								
Other transfers to households		29								
Payments for capital assets	10		953							
Machinery and equipment	10									
Other machinery and equipment	10									
Software and other intangible assets			953							
Total economic classification	38 430	37 115	34 955	40 692	19 596	19 596	20 645	5.35	22 106	23 697

Table B.3 Details on public entities – Name of Public Entity: Western Cape Gambling and Racing Board

R'000	Outcome			Estimated outcome 2010/11	Medium-term estimate		
	Audited	Audited	Audited		2011/12	2012/13	2013/14
	2007/08	2008/09	2009/10				
Revenue							
Non-tax revenue	30 010	32 812	31 799	31 369	32 405	33 525	34 725
Sale of goods and services other than capital assets	28 582	31 297	30 771	30 169	31 325	32 525	33 725
Of which:							
Admin fees	28 582	31 297	30 771	30 169	31 325	32 525	33 725
Other non-tax revenue	1 428	1 515	1 028	1 200	1 080	1 000	1 000
Total revenue	30 010	32 812	31 799	31 369	32 405	33 525	34 725
Expenses							
Current expense	22 884	27 769	26 662	38 782	41 200	43 561	46 092
Compensation of employees	15 105	16 629	17 949	22 255	24 701	26 183	27 754
Goods and services	6 915	10 081	7 601	15 841	15 813	16 693	17 651
Depreciation	864	1 059	1 112	686	686	686	686
Transfers and subsidies	316	393	443	513	585	620	657
Total expenses	23 200	28 162	27 105	39 295	41 785	44 181	46 749
Surplus/(Deficit)	6 810	4 650	4 694	(7 926)	(9 380)	(10 656)	(12 024)
Cash flow summary							
Adjust surplus/(deficit) for accrual transactions	(555)	(456)	83	(662)	(662)	(662)	(662)
Adjustments for:							
Depreciation	874	1 060	1 112	686	686	686	686
Interest	(1 422)	(1 301)	(1 025)	(1 348)	(1 348)	(1 348)	(1 348)
Net (profit)/loss on disposal of fixed assets	(7)	(215)	(4)				
Operating surplus/ (deficit) before changes in working capital	6 255	4 194	4 777	(8 588)	(10 042)	(11 318)	(12 686)
Changes in working capital	288	1 694	1 217	(465)	(465)	(465)	(465)
(Decrease)/increase in accounts payable	832	2 326	625	(930)	(930)	(930)	(930)
Decrease/(increase) in accounts receivable	(257)	(610)	592	465	465	465	465
Decrease/(increase) in inventory	17	(22)					
(Decrease)/increase in provisions	(304)						
Cash flow from operating activities	6 543	5 888	5 994	(9 053)	(10 507)	(11 783)	(13 151)
Cash flow from investing activities	(494)	961	369	883	883	883	883
Acquisition of Assets	(1 923)	(582)	(672)	(465)	(465)	(465)	(465)
Other flows from Investing Activities	1 429	1 543	1 041	1 348	1 348	1 348	1 348
Cash flow from financing activities	(8 719)	(6 893)	510	1 932	1 932	1 932	1 932
Net increase/(decrease) in cash and cash equivalents	(2 670)	(44)	6 873	(6 238)	(7 692)	(8 968)	(10 336)
Balance Sheet Data							
Carrying Value of Assets	3 006	2 403	1 950	1 760	1 710	1 660	1 660
Cash and Cash Equivalents	12 354	12 562	18 026	10 003	10 003	10 003	10 003
Receivables and Prepayments	848	1 591	1 029	831	830	830	830
Inventory			35				
Total Assets	16 208	16 556	21 040	12 594	12 543	12 493	12 493
Capital & Reserves	885	633	8 000	(7 926)	(9 380)	(10 656)	(12 024)
Trade and Other Payables	9 622	8 513	5 121	13 520	14 923	16 149	17 517
Provisions	665						
Managed Funds	5 036	7 410	7 919	7 000	7 000	7 000	7 000
Total Equity and Liabilities	16 208	16 556	21 040	12 594	12 543	12 493	12 493

Annexure B to Vote 3

Table B.4 Transfers to local government by transfers/grant type, category and municipality - None

Table B.5 Provincial payments and estimates by district and local municipality

Municipalities R'000	Outcome			Main appro- piation 2010/11	Adjusted appro- piation 2010/11	Revised estimate 2010/11	Medium-term estimate			
	Audited 2007/08	Audited 2008/09	Audited 2009/10				% Change from Revised estimate 2011/12	2010/11	2012/13	2013/14
Cape Town Metro	115 124	120 950	138 371	160 470	131 504	131 504	144 976	10.24	153 356	163 455
Total provincial expenditure by district and local municipality	115 124	120 950	138 371	160 470	131 504	131 504	144 976	10.24	153 356	163 455

Note: Projects disaggregated per district.